



## **AIA Counterfeit Parts Integrated Project Team Statement**

### **Issue**

Counterfeit parts and materials can jeopardize the performance, reliability and safety of aerospace, space and defense products. Over the last several years, increasing amounts of counterfeit material have been introduced into the supply chain. Due to diminishing manufacturing source issues, the aerospace, space and defense industries may have difficulty in continuing to obtain manufactured products designed years ago to support fielded and new systems. The challenge of avoiding counterfeit parts and materials occurs when defense contractors and the government are obliged to purchase both electronic and non-electronic parts and materials to support fielded and new systems from independent distributors/brokers.

### **Background**

Aerospace, space and defense products are targets for counterfeiters because the systems are intended for use over extended time, leaving them vulnerable to obsolescence of parts, materials, subsystems and technologies. As the time of use for a system increases, a substantial number of the products required to support aerospace, space and defense products are no longer available from the original manufacturers or through franchised or authorized suppliers. The U.S. aerospace, space and defense product manufacturer and the government, however, both take on risks when acquiring parts and materials through distribution channels other than those franchised or authorized by the original manufacturer.

Independent distributors provide a necessary function within the supply chain. But we have not yet developed a consistent set of standards and inspection requirements that can flow throughout the supply chain to ensure consistent application and mitigation of the risk of using counterfeit parts.

### **Challenges**

In today's supply chain environment, government and industry must be vigilant in order to avoid the purchase of counterfeit parts and materials. With an increased complexity of the supply chain, extra diligence must be given to identification, tracking, inspection and management of parts throughout the supply chain to ensure that the authenticity and performance of critical parts and materials is not compromised. This management requires a new partnership and understanding of programmatic and technical risks between all levels of the supply chain, including:

- a. Government owners and operators,
- b. Civilian aerospace owners and operators,
- c. Weapons and systems integrators,
- d. Original Equipment Manufacturers,
- e. Sub-system manufacturers,
- f. Distributors,
- g. Parts and materials manufacturing companies, and
- h. Depots and repair stations.

## **AIA Counterfeit Parts IPT Plan of Action**

To address the challenges of the today's supply chain environment, AIA has established a Counterfeit Parts Integrated Project Team (IPT). The AIA Counterfeit Parts IPT is working in concert with government agencies, original manufacturers, industry associations and independent distributors. Objectives of the IPT are to:

1. Engage the U.S. government in discussions concerning acquisition and procurement policies to avoid introducing counterfeit parts and materials into aerospace, space and defense products;
2. Create a set of standards for government and industry to ensure that the risk of introducing counterfeit parts and materials is minimized, is consistent with risks accepted by the customer and implementable without sacrificing the benefits of buying commercially available products;
3. Engage the U.S. government in discussions concerning enforcement of policies to avoid the introduction of counterfeit products into the U.S.