



INTRODUCTION

Welcome to the UID Quarterly Winter 2006 edition, brought to you by A2B Tracking Solutions as an educational service. Our goal is to help with the rollout of UID compliance and to make it easier for our readers. This quarter we've interviewed a UID leader; we answer your labeling questions, and we give some great tips on establishing an audit trail with UID. Enjoy!

What you'll find in this issue:

Opinion - an in-depth interview with Gregory M. Redick, Lt Col (ret), USAF and Manager of Business Development at Keane, a business and IT services firm that delivers application and business process services.

Vendor's Corner –Metalcraft responds to frequently asked questions about preprinted UID labels.

UID Solutions – Once UID compliance is done correctly, DoD suppliers will have created the foundation for powerful analytics in a number of critical areas of the organization.

View From The Program Office - all you need to know about the upcoming UID Forums scheduled through the third quarter of 2006.

News From A2B Tracking – read what we've been up to in the last quarter and where you can meet us in coming months.

OPINION

**An Interview with
Gregory M. Redick, Lt Col (ret), USAF
Business Development Manager
Keane**



Question: You were the staff officer in the Office of the Secretary of Defense responsible for the UID program when it was first initiated. What did OSD see as the short- and long- term benefits that would flow from the program?

Answer: The UID effort was truly born of a “strategic imperative.” As the USD(AT&L), Mr. Wynne was very clear we weren’t going to spend time trying to create a business case or determine the ROI for what we were doing. “Strategic imperative” were his words and that being the case, it was understood there might be short-term benefits, but the focus was always on the long-term strategic goal. I would tell you it still is. The creation of UIDs and marking of items and parts is admittedly a potential cost driver. Even where items are already being marked in some fashion, the policy could represent the need to implement process changes that might cost something. Where’s the benefit then? The benefit comes in the form of accumulated data; the body of UIDs that will help bring about long term strategic goals of increasing business intelligence, lowering asset management costs, lowering asset management infrastructure costs, increasing system and equipment operational availability and helping DoD achieve a clean audit opinion. Realize those are strategic goals from a 100,000’ perspective. At a lower level it was always thought clever people would do clever things with the data to improve a variety of organizational processes. At some point or another I recall someone telling me the story about the first use of linear bar codes on grocery items. It was supposedly some seven years of marking items with what everyone now takes for granted before grocery stores realized they could make changes at the checkout counter to get customers through checkout quicker. Today many if not most of your readers will no doubt have checked themselves out of a store at one point or another. How cool is that?

Question: Now, three years later, in your opinion, were those expectations too high, too low or somewhere in between?

Answer: Now that time has passed and we have the benefit of hindsight, I don’t think those expectations were too high at all. They certainly weren’t too low. The expectations simply had to be set high for one primary reason; change comes slowly. At the moment there are approximately 100,000 items in the UID registry. The goal is to have 97 million in the registry by 2010. Clearly we have a long way to go. I was at the UID Forum in San Diego last summer and remember standing in the back of the room as Rob Leibrandt answered questions from the audience. What struck me was he was answering some of the same questions people were asking me when I was in uniform three years earlier. Big bureaucracies are difficult to change and there are still people hearing of the UID requirement for the first time. I’ll bet there are going to be a few people at the Seattle UID Forum that have only just recently heard of the UID policy. Why? Because dissemination of policy happens slowly and not everybody gets the message as quickly as leadership might like. With all that said, I can tell you I sense the momentum growing. I attended the annual Defense Logistics 2005 conference and I’d wager there were more people attending the Chantilly UID Forum. If the expectations hadn’t been set high, the impetus to change wouldn’t be there, the change would be even slower and the realization of the strategic imperative would be all that much further away.

Question: Where are the organizations affected by UID policy today with regard to understanding and implementation?

Answer: I guess I alluded to that with my reply to your previous question. Organizations really are all over the map when it comes to understanding and implementation. Commercial vendors are doing a better job since they have a mandate in the form of a contract clause and want to get paid for the goods they're delivering to DoD. Many DoD entities are slower to come to grips with the mandates of the UID policy. That stems in part from the evolutionary way the UID policy was rolled out. You'll recall the first iteration of policy was only for new solicitations issued after 1 Jan. 2004. UID policy for legacy items or those in operation use didn't come until later and thus their understanding and implementation could be expected to lag behind the commercial sector. As well some entities in the government sector see UID as an unfunded mandate and are reluctant to spend money they had earmarked for other purposes. I think the good news is that as time has passed, understanding is happening. With that understanding comes the realization simple compliance doesn't have to be overly expensive and funds are being set aside to make that happen. The smart program managers are setting aside a few more dollars or building into their POM requests funds to do long term improvements or integrations of IT systems that will enable them to use the accumulated UID data to do what I call "benefit realization." Even with understanding and implementation varying widely, I truly believe the snowball is rolling down hill and is getting bigger all the time.

Question: Will suppliers to the DoD inherit UID compliance as a new and continuing cost, or will there be benefits to them that will offset the cost?

Answer: I believe now and have always thought UID compliance will eventually be a routine matter of standard business practice. Remember, most suppliers already mark the things they produce today with a data plate, label, sticker or some form of direct part mark. The UID policy really only requires that marking be now done in a particular way. While I realize that's somewhat simplistic, I do think for the vast majority of what DoD buys it is true. In time I do believe that DoD suppliers and DoD organizations alike will find there are benefits to be realized in UID implementation that far exceed any costs. Some will realize benefits by way of improvements to maintenance or manufacturing processes. Others will realize benefits to improvements in financial accountability, managing inventories or simply covering warranty claims. When sufficient UIDs for an enterprise have been created, I'm convinced clever people will do clever things and benefit realization will happen.

Question: Do you believe this program will eventually have an effect throughout the government?

Answer: Absolutely. I attended a symposium I thought was going to be about medical health records. As I sat there my jaw fell as I realized what they were talking about, a National Patient Identifier, was really yet another form of UID. This effort is in its infancy, but those working the issue are in the process of wrestling with some of the exact same issues we wrestled with in the formulation of the UID policy; how the NPI would be generated, what it would do and not do, the issue of standards, et cetera, et cetera. Sitting there felt a bit like being in the movie "Groundhog Day." Not long ago I talked to a gentleman from the Department of Agriculture interested in DoD's UID policy to better keep track of cows. A variety of other agencies are similarly interested to address their own asset management issues and concerns. In this instance, DoD happens to be at the vanguard of policy and others will stand to learn valuable lessons if they're paying attention. What will determine how large an effect you'll see will largely fall to whether or not leadership in other government agencies sees the benefit and decides to champion the cause as you've seen it championed in DoD. In the end, the pace of implementation and how far it goes will be because of leadership or the lack thereof.

VENDOR'S CORNER

Common Questions About Preprinted UID Labels

by Marketing Director, Julia Deets

As with any new mandate questions and issues arise that send people scurrying for answers. As a preprinted nameplate and label company we have had to handle our share of UID-related questions. Here are some of the more frequent questions we have come across in our dealings with UID.

How can I incorporate UID into my existing process?

There are a couple of different options to incorporate UID into an existing process. The first option is to have a separate nameplate made for UID. The second option is to incorporate the UID into their existing product identification. Often, the existing nameplate or label size is adequate to house the 2D DataMatrix symbol. A company can revise their drawings to include the UID or, if there is room on the existing plate, they can apply a small label to the existing nameplate.

What happens if the UID is improperly applied or destroyed?

The probability of this happening is not very high, but it is always better to be prepared. The wrong nameplate could be applied on a piece of equipment or the improper use of a mechanical fastening device could affect readability. If this is a concern there are a couple of options. One suggestion is to have an individual duplicate made of the destroyed nameplate. However, this approach can be both costly and take too much time to order and receive the replacement. A more economical and time-sensitive alternative we have in working with preprinted nameplates is to order a duplicate set to ensure no information will be lost if one is destroyed or improperly applied. The duplicate set must be stored in a secure environment so that no duplicate numbers will be out in the field.

Ordering one or two nameplates at a time is a hassle. Are there any other options?

One of the benefits of preprinted nameplates and labels is the ability to order them in sets instead of having to order single nameplates. This can be accomplished working with Construct 1 by taking the user's cage code and serial number and assigning it to the item and keeping an internal tracking system of what that asset is and then sending all of the information attached to that serial number to the UID registry. This way a company can literally use the next number off the shelf when identifying items.

How do I make sure the UID is verified?

Working with a reputable nameplate and label manufacturer will ensure this will not be an issue. Ask the company you are working with about their verification process. As an example, Metalcraft provides a standard verification report with each UID order showing the product meets the proper grade.

UID SOLUTIONS

From A2B Tracking Solutions

UID = A Powerful Analytical Tool

One of the significant benefits of achieving UID compliance is that, once it is done correctly, DoD suppliers will have created the foundation for powerful analytics in a number of critical areas of the organization. There are, however, data management challenges which must be met in order to achieve that end.

The first challenge is to create consistent unique item identification (UII) data. An important approach is to establish an audit trail of UID transactions throughout your internal processes. For instance, when your 2D Data Matrix bar code is validated against the ISO 15434 for message format and syntax, your internal system should log a date and time stamp for that transaction. Downstream the DCMA may require a copy of the transaction log for a specific set of UIDs and by recalling that data in your information systems, you'll have accurate recordkeeping.

However you can start to log your transactions even further back in the data management process. Before your UID takes the form of a machine readable mark (Data Matrix bar code), it must first take the form of a UII. When the data elements are combined to create the UII in the form of Construct 1 or Construct 2, a log of the data transaction should take place. If you are familiar with a property manager's approach to managing items from cradle to grave, then you'll understand the importance of a birth record to an item. In this case, our birth record indicates the exact moment in time that the UII is created.

It is also critical to establish a record of the first time that the data leaves your possession. In our example, the first time the UII will extend beyond our information systems is when it is submitted to the WAWF or IUID Registry. As it stands today, the IUID Registry does not provide a return response for a successful (or unsuccessful) submission to the registry. The onus falls on the organization submitting the UII data to prove that the data was submitted at that moment in time. With a precise UII audit trail, satisfying that burden of proof should be as easy as a click of the mouse.

Needless to say it is imperative to establish a set of systems and procedures for a repeatable process, from UII creation to acceptance in the IUID Registry. The recommended transactions to be logged in your information systems are as follows:

- UII creation date
- Print or mark date
- Verification and/or validation date
- Receive, inventory, move, change of custody transaction dates
- WAWF or UID Registry submission date

Is UID compliance a lot of work and change? You bet! Will it be worth it? Absolutely! The analytics that will result from UID will provide insights to a level of granularity far beyond what an organization can see today. One day soon, we predict that UID will be as common across the government, and beyond, as UPC is in the grocery store. (For more on this, see Greg Redick's comments elsewhere in this issue.)

VIEW FROM THE PROGRAM OFFICE

UID Forum Implementation Strategies for Programs and Suppliers



2006 UID Forum Series Announced! See you in Seattle?

The UID Forum is designed to provide practical guidance to help educate military program managers and DoD Contractors - **particularly small to mid-sized contractors and all acquisition programs** - achieve successful UID implementation as required by the DoD Policy Memoranda and the issuance of the Final UID DFARS Rule (dated April 22, 2005).

UID Forum attendees will learn how to achieve successful implementation through sessions conducted by the Policy makers on:

- Military Standard 130 (MILSTD 130)
- Wide Area Work Flow (WAWF)
- Semantics and Syntax of Data
- Unique Item Identifiers (UII)
- Marking Guidelines
- Defense Federal Acquisition Regulation Supplement (DFARS)

Attendees will have hands on access to all the required technologies presented by the top solutions providers in our interactive exhibits area.

To learn more about the UID Forums or to Register go to www.uidforum.com

NEWS FROM A2B TRACKING



Plan to stop by our booth in the following locations:

UID Forum – Seattle, WA – February 21-22

UID Forum – Providence, RI – April 19-20

UID Forum – Dallas, TX - September 12-13

Note: When you come by our booth at the UID Forum locations, be sure that we scan your badge for the big iPod Nano give-away as well as gift certificates to Amazon.com. You'll also be able to pick up a trial CD of our UID Comply! Validator™



**NPMA WESTERN REGION
SEMINAR, PHOENIX, AZ**

NPMA – February

Featured Speaker:

**Peter Collins, "Streamlining Property
Management for UID Compliance"**

PRESS RELEASES

UID Comply! Validator™ Software Trial Download Announced

PORTSMOUTH, RI – (February 13, 2006) A2B Tracking Solutions, Inc, the leading provider of unique identification (UID) compliance products and services is announcing the availability of a trial download of UID Comply! Validator™ a patent pending PC software utility that validates UIDs and manages entries to the UID Registry and WAWF.

Metalcraft and A2B Tracking Partner to Provide Complete UID Solution

MASON CITY, IA (February 14, 2006) – Metalcraft, a leader in the identification products industry, has partnered with A2B Tracking to provide a complete solution to Department of Defense contractors looking to comply with new government requirements for unique identification of parts.

A2B Tracking Solutions Joins Zebra Technologies' Government Reseller Program

PORTSMOUTH, RI – December 8, 2005) – A2B Tracking Solutions, Inc., the leading provider of total software solutions for bar code tracking and the developer of UID Comply!™ the complete UID lifecycle management system for Department of Defense (DoD) suppliers, announces it has joined Zebra Technologies' PartnersFirst Government Reseller Program. Zebra Technologies Corp.