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IN REPLY
REFER TO DLMSO

September 15, 2009

MEMORANDUM FOR SUPPLY PROCESS REVIEW COMMITTEE (PRC) MEMBERS

SUBJECT: Approved Addendum to Approved Defense Logistics Management System (DLMS) Change (ADC) 317A, Transshipper-Prepared Supply Discrepancy Reports (SDRs) for Documentation and Labeling Discrepancies (Supply/SDR)

The attached change to DOD 4000.25-M, Defense Logistics Management System (DLMS) supplementing DLAI 4140.55, AR 735-11-2 SECNAVINST 4355.18A, AFJMAN 23-215, Reporting of Supply Discrepancies, is approved for implementation beginning **November 1, 2009**.

Addressees may direct questions to the DLMSO point of contact Ms. Ellen Hilert; e-mail: Ellen.Hilert@dla.mil. Others must contact their Component designated Supply Process Review Committee representative.

A handwritten signature in black ink, appearing to read "Donald C. Pipp".

DONALD C. PIPP
Director
Defense Logistics Management
Standards Office

Attachment

cc:
SDR Committees (U.S. & SA)
DUSD(L&MR)SCI
USTRANSCOM

Approved Addendum ADC 317A
Transshipper-Prepared SDRs for Documentation and Labeling Discrepancies

1. ORIGINATING SERVICE/AGENCY AND POC INFORMATION: Defense Logistics Management Standards Office (DLMSO), Ms. Ellen Hilert, Chair, Supply Process Review Committee and DoD SDR System Administrator, 703-767-0676; DSN 427-0676; or, E-Mail: Ellen.Hilert@dla.mil (on behalf of USTRANSCOM).

2. FUNCTIONAL AREA: Primary: Supply/DoD WebSDR; **Secondary:** Transportation

3. REFERENCES:

a. DLMSO memorandum dated May 8, 2008, subject: Approved DLMS Change (ADC) 282, Consolidation and Containerization Points (CCP)-Originated SDRs including Noncompliant Wood Packaging Material (WPM) Procedures and Shipment Hold Code. This ADC identifies data content and process changes supporting generation of electronic DLMS SDRs by the CCP.

b. DLMSO memorandum dated June 10, 2008, subject: ADC 282A, Consolidation and Containerization Points (CCP)-Originated Supply Discrepancy Reports (SDRs) including Noncompliant Wood Packaging Material (WPM) Procedures with Cost Breakdown and New Procedures for Closing WPM and Passive RFID SDRs. This ADC added additional data fields related to corrective action for transshipment SDRs.

c. DLMSO memorandum dated February 17, 2009, subject: ADC Approved Defense Logistics Management System (DLMS) Change (ADC) 317, Revised Business Rules for Transshipper-Prepared Supply Discrepancy Reports (SDRs) (Supply/SDR) (Staffed as PDC 333)

d. Defense Logistics Management System (DLMS) Manual, DOD 4000.25-M, available at: <http://www.dla.mil/j-6/dlms/elib/Manuals/DLMS/default.asp>.

e. Defense Transportation Regulation (DTR). 4500.9-R-Part II Cargo Movement, available at: http://www.transcom.mil/j5/pt/dtr_part_ii.cfm.

4. BACKGROUND:

a. DoD SDR procedures require that transshipment activities report packaging discrepancies on shipments in transit. Electronic communication of SDRs is supported by DLMS transactions. However, because the SDR transactional interface evolved from unique legacy processes, transshipment SDRs are not currently fully implemented.

b. Referenced ADC 282/282A prescribed new procedures associated with transshipment SDRs prepared by the CCP. A new Document Type Code W was established for transshipment SDRs, so that the receiving systems may easily distinguish them from customer/ship-to activity generated SDRs. This is critical because financial actions normally associated with customer SDRs are not applicable to transshipper SDRs.

c. Referenced ADC 317 identified for procedures for transshipper-prepared SDRs, in particular, use of DoD WebSDR for web-submission of SDRs by aerial ports using SDR Document Type W.

This change did not require substantive revisions to the SDR format, DLMS Supplement (DS) 842A (report or reply). However, it authorized two new SDR action codes to distinguish between SDRs requiring expedited response to resolve frustrated freight problems and those requiring no response, but which may be used by the action activity to correct shipping/packaging errors, recoup money from noncompliant vendors, and identify trends. Routing rules were established to facilitate distribution; where systemic interface is not available, SDRs are forwarded via email to the action activity. A time standard of 5 days is established for those SDRs requesting expedited response.

d. Type W web-input capability was implemented in mid-May 2009. Currently, the predominance of port-initiated SDRs are being reported under Discrepancy Code "Z1, Other." This means that there is no way to use the discrepancy code for metrics due to lack of granularity. Although a great many of the Z1 discrepancies are actually related to documentation discrepancies, the ports are not using the D-series code set because the text name restricts these codes to "Supply Documentation."

5. DETAILED PROCEDURES: Changes to publications are identified in *bold italics*. Highlighting is provided to distinguish significant changes subsequent to original staffing.

a. This change provides additional discrepancy codes to specifically target high volume discrepancies encountered by transshippers (refer to Enclosure 1 for details). In addition, this change modifies the text names associated with existing documentation discrepancy codes so that they may be used for various types of documentation, including vendor shipment documentation. Four-position detail codes are assigned for consistency with concept of generic vs. detailed codes similar to those used in the packaging area. The existing Code H6 discrepancy is re-assigned (and split among two codes) under the D-series to make it easier for transshippers to locate. Two new discrepancy codes are added to the Packaging Discrepancy code list in the Improper Marking series to call out discrepancies related to the Military Shipping Label (MSL).

b. **DoD Guidance.** Under DLMS (reference 3.d), Vol II, Chapter 17, Supply Discrepancy Reporting, and the DTR Part II (reference 3.e), Chapter 210, Transportation Discrepancy Report (TDR), preparation of either an SDR or TDR is authorized to report discrepancies related to improper, incomplete, or missing documentation or packaging including marking and labeling attributed to the shipping activity. This provides flexibility for the submitter and helps to ensure that discrepancies will be reported and corrective action taken on a timely basis. As electronic reporting programs mature, the SDR and TDR community will need to explore enhanced capability to aggregate reported discrepancies for metrics and, if desired, physically transfer discrepancy reports to ensure that the appropriate parties/applications are engaged. In the interim, use of the SDR by transshippers to identify the discrepancy types identified below, is available at the discretion of the submitter and/or subject to guidance from USTRANSCOM. The additional discrepancy codes identified in this approved change will better identify the reported discrepancy and allow action activities and USTRANSCOM to monitor and improve procedures related to the shipment of materiel.

c. Revise discrepancy code list for "Documentation" as shown below:

DOCUMENTATION

- D1 Supply documentation not received with materiel.
- D2 Supply documentation illegible or mutilated.

- D3 Supply documentation incomplete, improper, or without authority.
- D4 Material Inspection and Receiving Report, DD 250, omitted.**
- D5 Transportation-specific documentation discrepancy (select specific detail-level code if applicable)**
- D501 Special Handling Data/Certification, DD Form 1387-2, omitted.**
- D502 Special Handling Data/Certification, DD Form 1387-2, incomplete or incorrect.**
- D503 Transportation Control and Movement Document (TCMD), DD Form 1384, omitted.**
- D504 TCMD, DD Form 1384, incomplete or incorrect.**
- D505 Shipper's Declaration for Dangerous Goods omitted.**
- D506 Shipper's Declaration for Dangerous Goods incomplete or incorrect.**

HAZARDOUS MATERIAL

Note: H6, Shipper's Declaration for Dangerous Goods re-assigned to D-series.

PACKAGING DISCREPANCY

- P3 Improper markings.
- P303 Labels omitted or improperly affixed.
- P319 Military Shipment Label (MSL), DD Form 1387, omitted; No Transportation Control Number (TCN).**
- P320 MSL, DD Form 1387, improperly affixed, incorrect, or incomplete.**

d. Revise the DoD 4000.25-M, DLMS Manual, Volume II, as shown:

“C17.3.2.5 Documentation. Report when supply documentation is missing, incomplete, or improperly prepared regardless of dollar value. *Receiving activity-prepared SDRs for incomplete or improper supply documentation are to be provided only when a receipt cannot be properly processed. Transshipper-prepared SDRs are to be provided when missing, illegible, incomplete, etc. supply or transportation documentation delays or prevents forward movement of the shipment. A missing signature, where required, shall be reported as incomplete documentation. Select the most specific discrepancy code available and use SDR remarks to further clarify the nature of the documentation problem.*”

“C17.3.9.1. Supply Discrepancies Requiring Transshipper Reporting. SDRs shall be prepared for supply discrepancies related to hazardous shipments, and non-compliant wood packaging material (WPM), and various types of documentation and labeling discrepancies. *Both the DLMS SDR and the DTR Part II, Chapter 210, Transportation Discrepancy Report (TDR) procedures authorize reporting of discrepancies related to improper, incomplete, or missing documentation or packaging including marking and labeling attributed to the shipping activity. Use of the SDR by transshippers to identify these discrepancy types, is available at the discretion of the submitter and/or subject to guidance from USTRANSCOM. Refer to the D5-series for common transportation documentation discrepancies. Refer to P2-series and P3-series for packaging (including WPM) and labeling (including Military Shipping Label (MSL)) discrepancies. Select the most specific discrepancy code available and use SDR remarks to further clarify the nature of the problem.* The following discrepancy codes apply, although this does not exclude other item/packaging discrepancies which may result in frustrated shipments:

~~C17.3.9.1.1 H3 Lack of a Material Safety Data Sheet (MSDS) in Hazardous Material Information Resource System (HMIRS).~~

~~C17.3.9.1.2. H6 Shipper's declaration for dangerous goods missing or incorrect.~~

~~C17.3.9.1.3. P209 Improper packing of hazardous materials.~~

~~C17.3.9.1.4. P215 Non-conformance to specified requirements for WPM.~~

~~C17.3.9.1.5. P302 Improper marking of hazardous materials.~~

6. REASON FOR CHANGE:

- a. Facilitates proper routing and processing of SDRs.
- b. Better supports metrics and analysis by enabling automated recognition of the cause of the discrepancy for determination of trends and corrective action.
- c. Specific code assignment for transshipper-reported discrepancies satisfies requirements identified by USTRANSCOM.

7. ADVANTAGES AND DISADVANTAGES:

- a. **Advantages:** As identified above.
- b. **Disadvantages:** None identified.

8. IMPACT:

- a. This change impacts code values associated with the DLMS data element "Discrepancy Code."
- b. Code table changes for a text revisions and the addition of new discrepancy codes are relatively simple, but impacts all participating organizations.

Enclosure 1 – Sampling of Transshipper-Reported using Discrepancy Code Z1 (Other)

#	Remarks	Frequency/Clarification
1	MISSING NOMENCLATURE DATA ON DD FORM 1387-2 INCORRECT NOMENCLATURE ENTRY ON DD FORM 1387-2. SHOULD BE BARREL CARBINE INSTEAD OF 2/4, THESE ARE COMMODITY AND SPECIAL HANDLING CODES.	Occurs in 49 SDRs. Occurs in 20 SDRs. This is a variation of the general "missing nomenclature" discrepancy.
2	ARRIVED PORT MISSING DD FORM 1387 AND DD FORM 1384 TO END DESTINATION	Occurs in 26 SDRs. This is a generic version, it usually will contain a note about a missing TCN vendor or not cleared for military air.
3	MISSING SHIPPERS DECLARATION FOR DANGEROUS GOODS	Occurs in 150 SDRs.
4	INCORRECT PACKAGING PARAGRAPH AND TYPE OF PACKAGING ON SHIPPERS DECLARATION FOR DANGEROUS GOODS	Occurs in 31 SDRs.
5	SHIPPER S DECLARATION FOR DANGEROUS GOODS WAS PROVIDED VIA EMAIL	Occurs in 5 SDRs.
6	SHIPPERS DECLARATION FOR DANGEROUS GOODS COMPLETED IN OLD FORMAT. MISSING TITLE OF PREPARER ON SHIPPERS DECLARATION	Occurs in 8 SDRs.
7	SHIPPERS DECLARATION FOR DANGEROUS GOODS IDENTIFIES INCORRECT NUMBER OF PACKAGES.	Occurs in 7 SDRs. Will usually specify the amount of the mismatch.
8	MISSING DD FORM 1387-2	Occurs in 24 SDRs.
9	DD FORM 1387-2 MISSING SIGNATURE	Occurs in 14 SDRs.
10	INCORRECT APOD ON DD FORM 1387-2	Occurs in 5 SDRs.
11	MISSING MILITARY SHIPMENT LABEL, DD FORM 1387	Occurs in 65 SDRs.
12	MATERIAL RECEIVED IN COUNTRY <i>Staffing Note: DLMSO request clarification of this discrepancy description,</i>	Occurs in 32 SDRs.

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| 13 | SHIPMENT MISSING POP MARKINGS. | Occurs in 6 SDRs. |
| 14 | ARRIVED WITH INCORRECT COMMODITY AND SPECIAL HANDLING CODE | Occurs in 11 SDRs |
| 15 | PACKING GROUP II FOR UN1760 IS CARGO AIRCRAFT ONLY. SHIPMENT WAS CERTIFIED AS PASSENGER AND CARGO AIRCRAFT. | Occurs in 19 SDRs. |
| 16 | SHIPMENT NOT AIR CLEARED FOR MILITARY AIR MISSING DD FORM 1387 MILITARY SHIPMENT LABEL AND TRANSPORTATION CONTROL AND MOVEMENT DOCUMENT DD FORM 1384 BOX NOT OPENED FOR INVENTORY VENDOR | Occurs in 28 SDRs. |
| 17 | ANNOTATE NONHAZARDOUS IN THE ADDRESS BLOCK OF THE MILITARY SHIPMENT LABEL AND/OR MARK CONTAINER NONREGULATED. MARK THE OUTER CONTAINER WITH PRECAUTIONARY MARKING/LABEL INFORMATION AND NONREGULATED. | Occurs in 3 SDRs. |
| 18 | ADD TO REMARKS BLOCK, TYPE OF PACKAGING SHOULD BE BOX NOT CARTON. NEED TO USE THE VERBAGE IN AJIM 24-204. | Occurs in 4 SDRs. |
| 19 | CYLINDERS ARE NOT PACKAGED OR SECURE IN WOODEN FRAME. VALVES ARE NOT PROTECTED. TCN ON MILITARY SHIPMENT LABEL, CDA01691323008XXX DOES NOT MATCH TCN ON SHIPPERS DECLARATION PREPARED BY MACPACK, W91VG482630020XXX. | Occurs in 3 SDRs. |
| 20 | SHIPMENT CERTIFIED TO INCORRECT TYPE OF PACKAGE. | Occurs in 7 SDRs. |
| 21 | DDSP IS CURRENTLY ACTIVE IN DETERMINE THE CAUSE OF THIS DISCREPANCY. SUSPECT INFORMATION LOADED INTO SYSTEM INCORRECTLY. PER DOVER ITEM WERE SHIPPED INFORMATION WAS HANGED FROM 2 / Z TO 2 / 4 | Occurs in 2 SDRs. |
| 22 | PROPER SHIPPING NAME MISSPELLED ON SHIPPERS DECLARATION FOR DANGEROUS GOODS | Occurs in 3 SDRs. |

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| 23 | SHIPMENT ARRIVED WITH FUEL IN TANK AND BATTERY. NO SHIPPERS DECLARATION FOR DANGEROUS GOODS ATTACHED. FUEL NEEDS TO BE DRAINED FROM TANK. SHIPMENT AIR CLEARED AS NON HAZARDOUS | Occurs in 2 SDRs. |
| 24 | MISSING OVERPACK USED X 3 ON SHIPPERS DECLARATION FOR DANGEROUS GOODS | Occurs in 2 SDRs. |
| 25 | NOT PACKAGED ACCORDING TO THE CODE. | Occurs in 2 SDRs. |

Enclosure 2 – Comments to PDC Staffing

DLA, Navy, and Air Force concurred with proposed addendum.

USTRANSCOM – Nonconcurred. Comments provided:

"I do not concur with the proposed change. Instead I support Alternative 1 documented in paragraph 7.c.(1) of the change document.

Here are my reasons for non-concurrence:

Paragraph 6.b of the change document says (in part) that this change: "Supports metrics and analysis by enabling automated recognition of the cause of the discrepancy for determination of trends and corrective action."

I maintain that this is not correct -- by changing the definitions of the existing codes, historical metrics and analyses will not be able to distinguish the older data that actually mean there is a problem with the SUPPLY documentation from the newer data that may mean there is a problem with either SUPPLY or TRANSPORTATION documentation. One result of combining supply documentation and transportation documentation, problems into the same codes will be an increase in the number of those problems, which could result in the incorrect conclusion that documentation problems have increased, when in fact the broadening of the definition of the codes has resulted in new and different (not more of the same old) problems being reported.

Instead, I recommend establishing new codes to document problems with transportation documentation, and continue to use the existing codes to indicate supply documentation problems.

DLMSO Response: ADC revised to provide specific codes for transportation related documentation and labeling discrepancies.