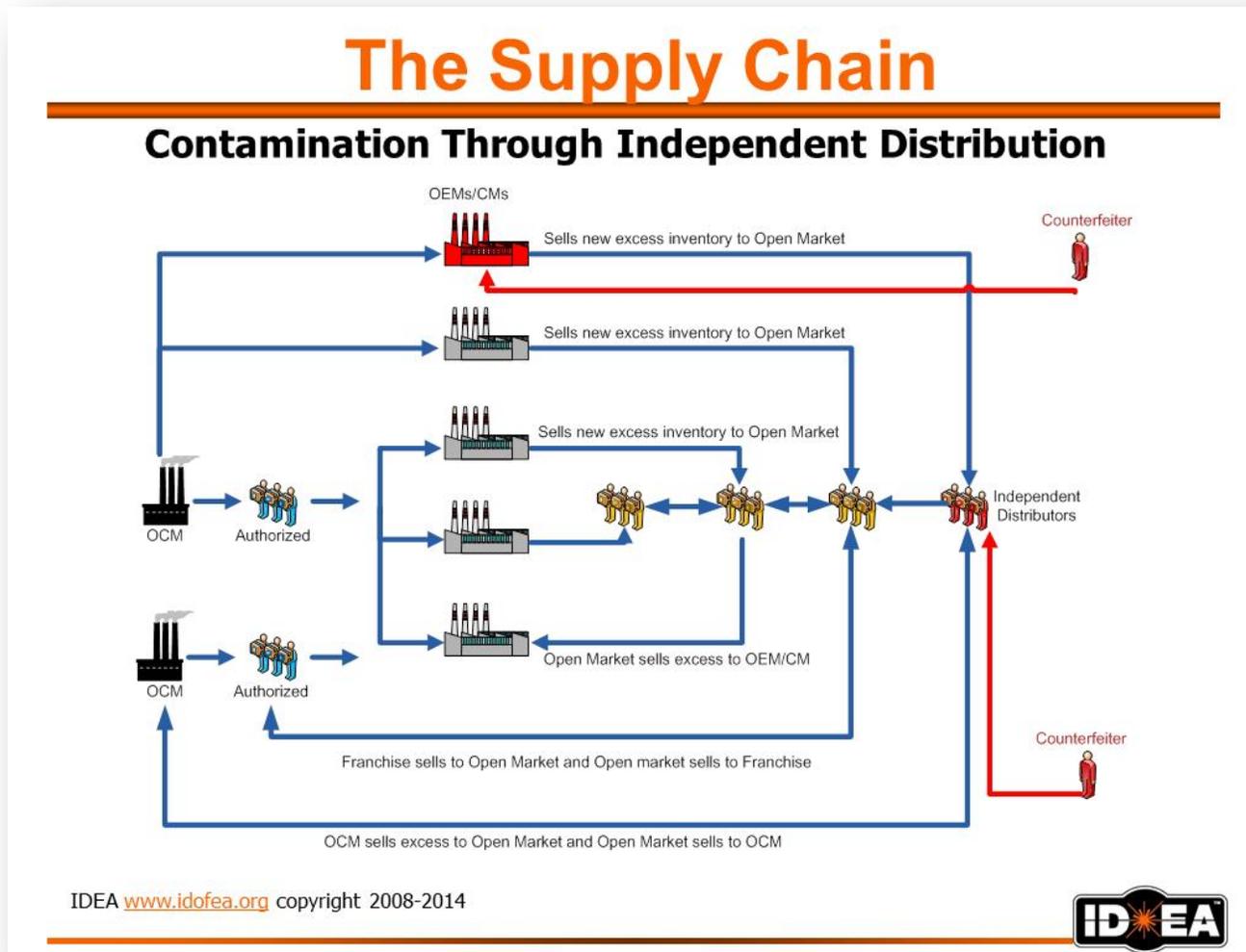


Ruminations, Myths and Unreliable Facts

Henry Livingston
BAE Systems

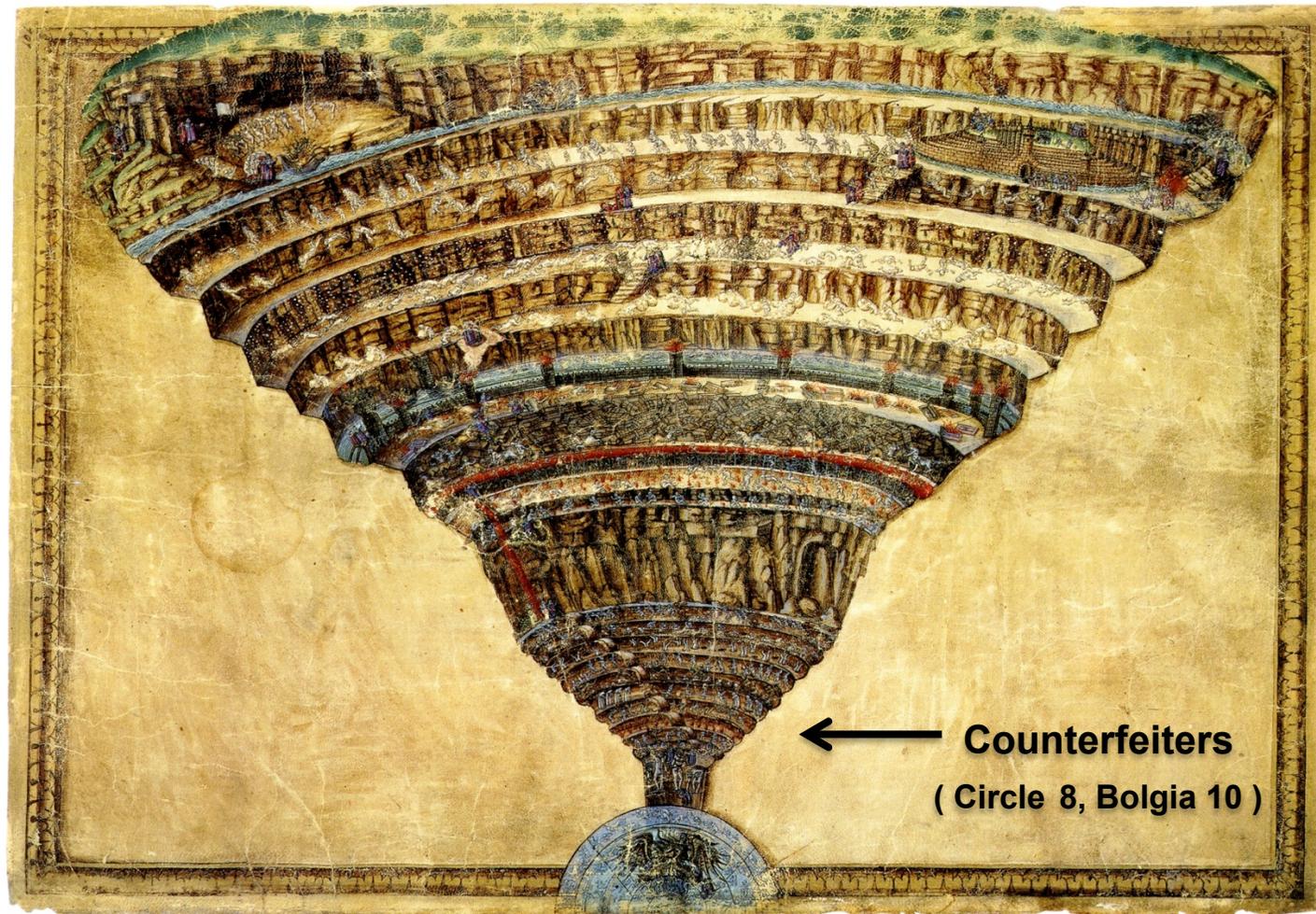


Supply Chain Representation



Used with permission from IDEA

Alternative Supply Chain Representation

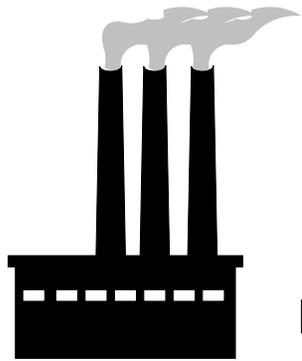


The 9 Circles of Hell from Dante's Divine Comedy
Botticelli, Chart of Hell, c.1480–c.1495. Vat. Lat. 1896. Biblioteca Apostolica Vaticana.

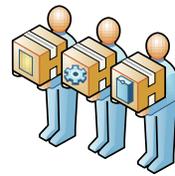
Ruminations, Myths and Unreliable Facts

- Only obsolete and hard-to-find parts are counterfeited.
- Counterfeits do not find their way into the supply chain via OEM or CM “excess inventory”.
- Counterfeits do not find their way into the supply chain via authorized distributors.
- Authorized Distributors perform inspection / verification of “returns for convenience” that will detect counterfeits.
- OCMs and distributors know who their customers are and can, therefore, limit the type of customer they support.
- OCMs will provide support to users for purchases from authorized distributors.

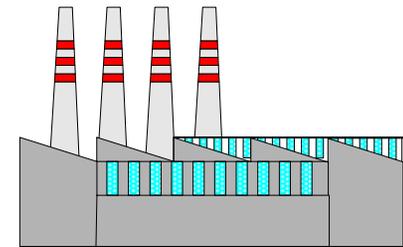
Case Study



OCM

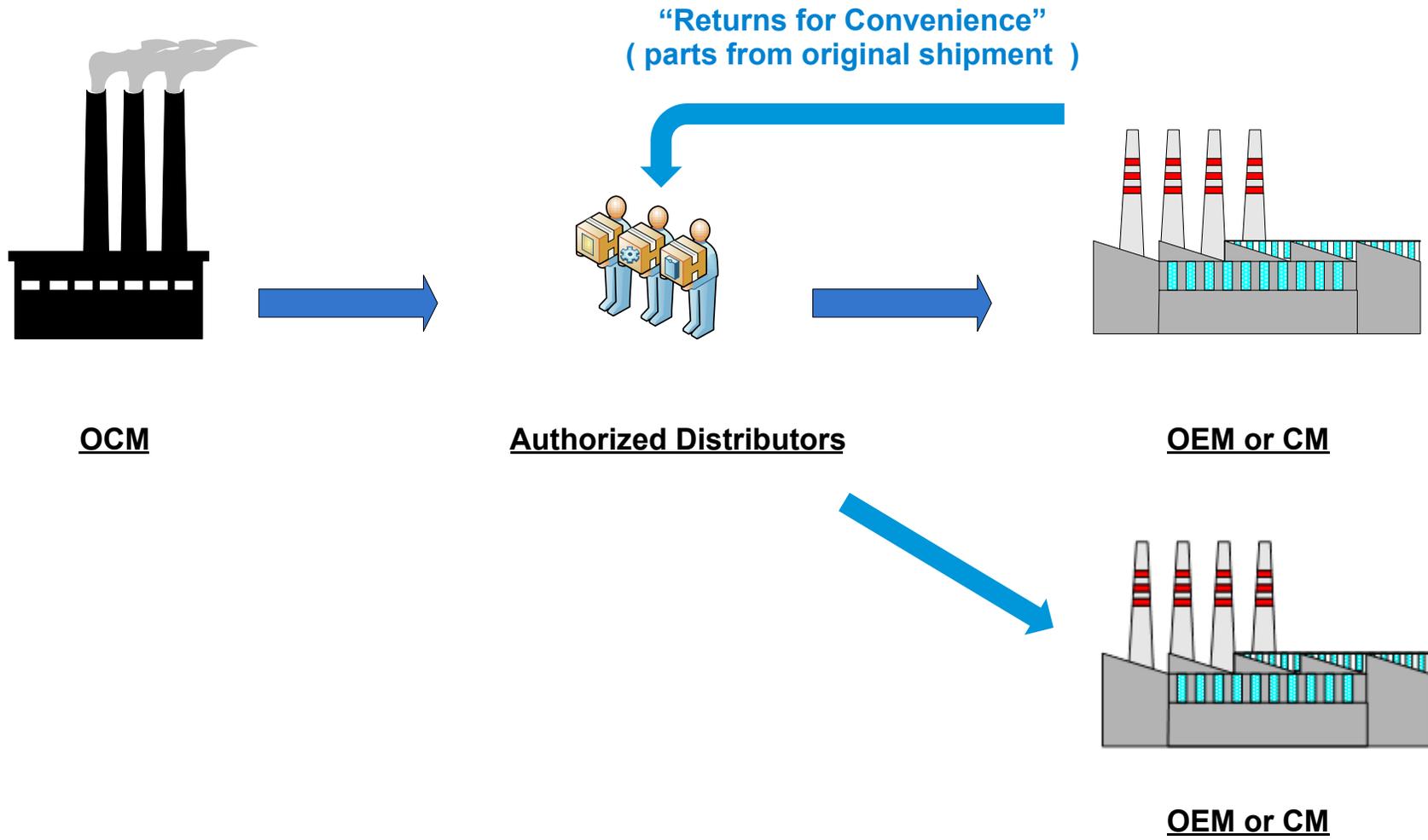


Authorized Distributors

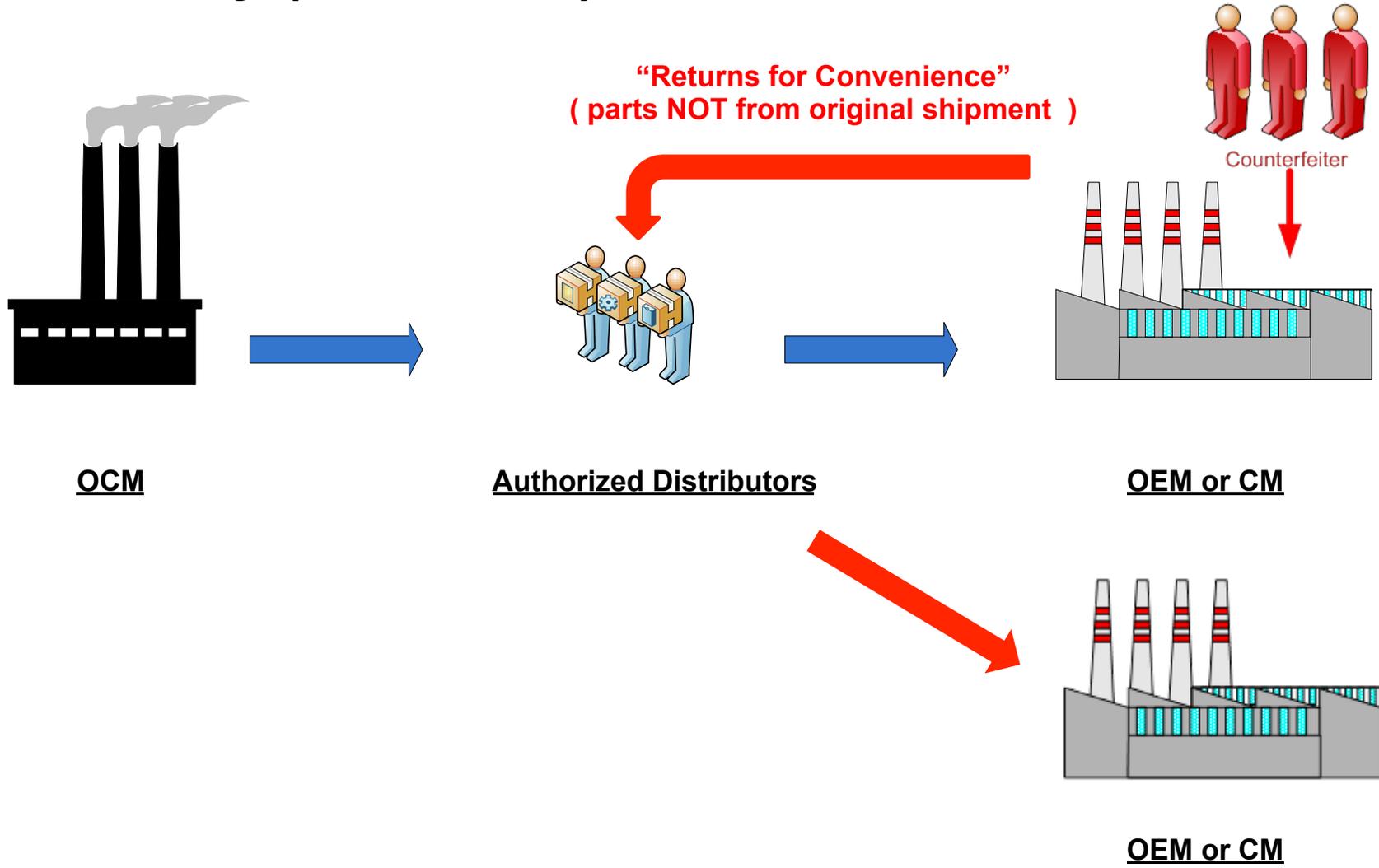


OEM or CM

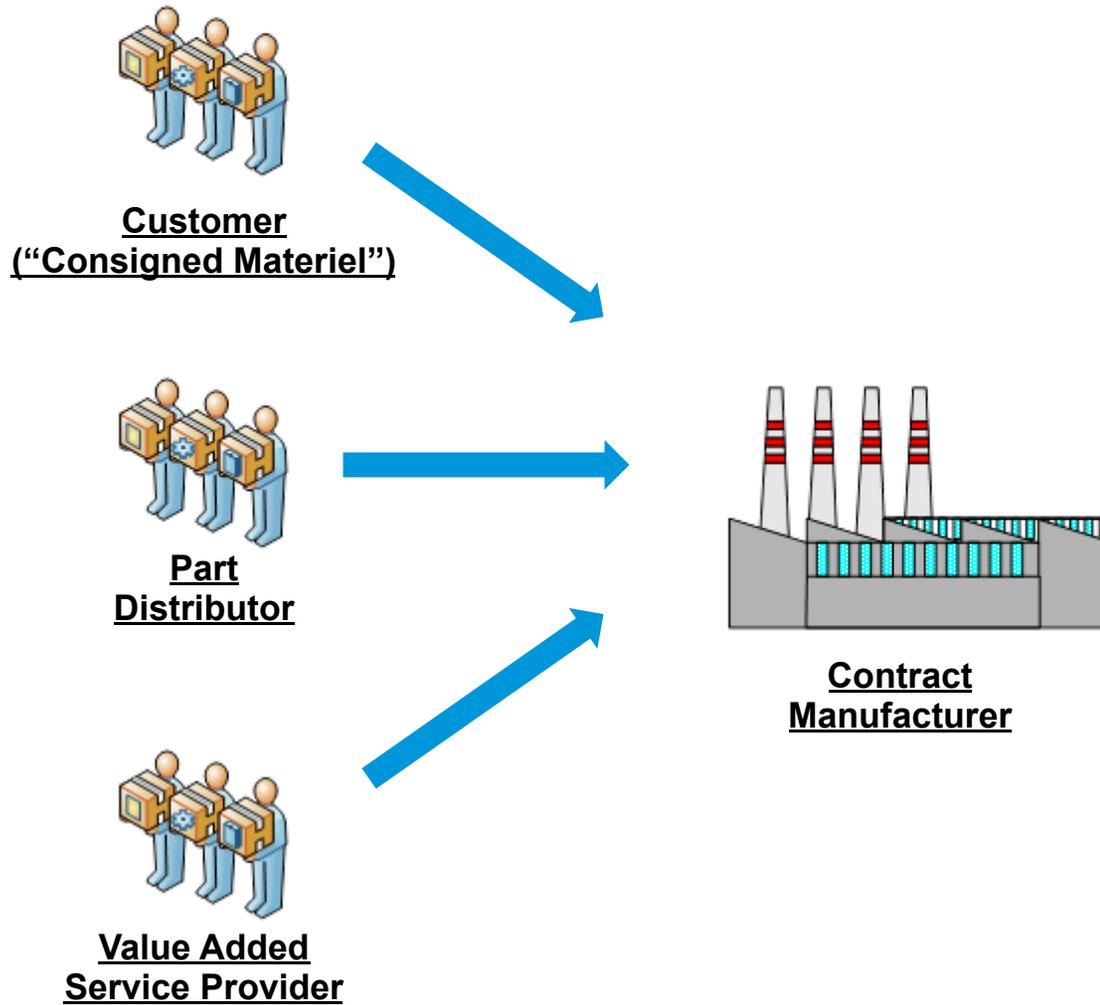
Case Study (continued)



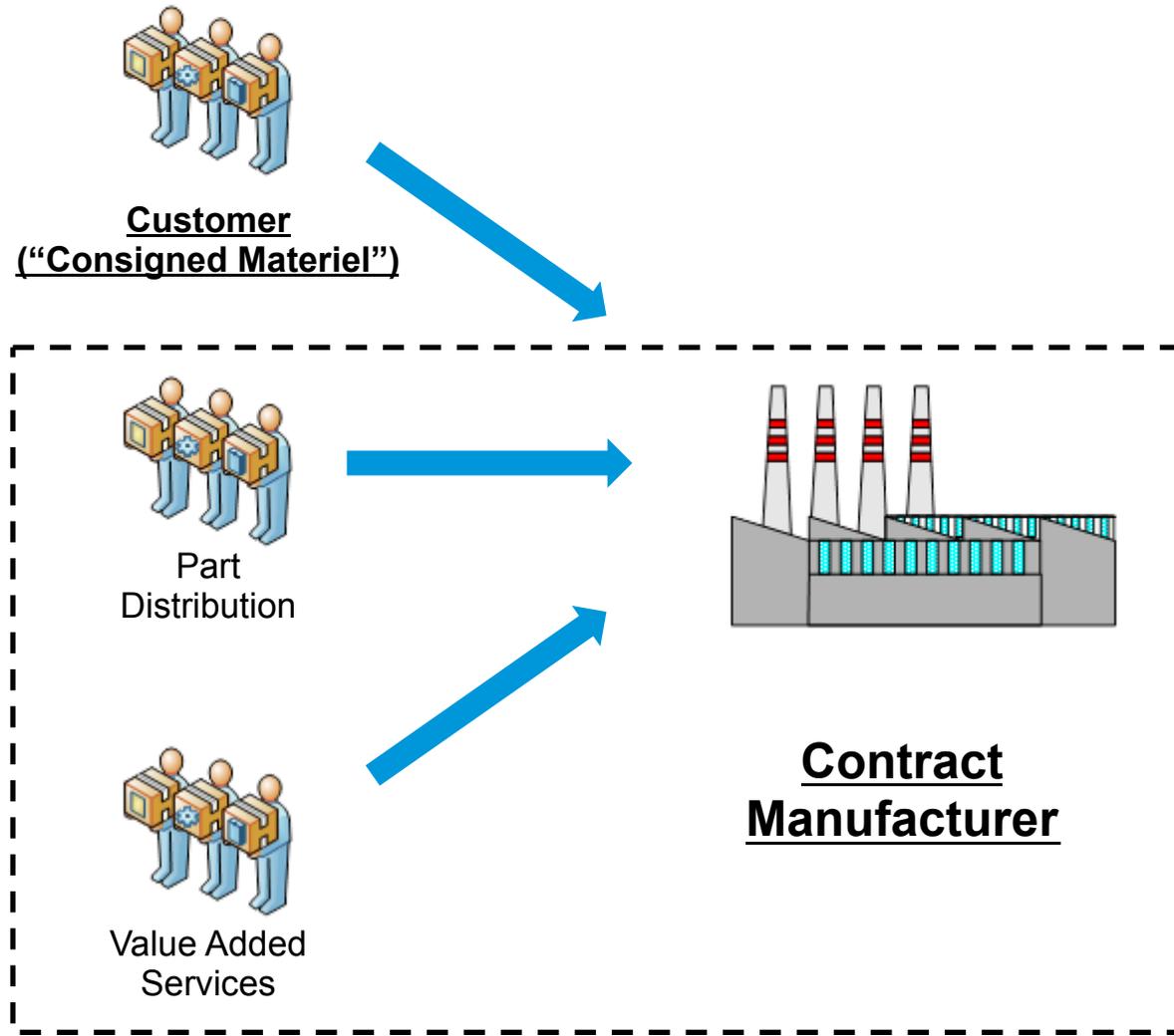
Case Study (continued)



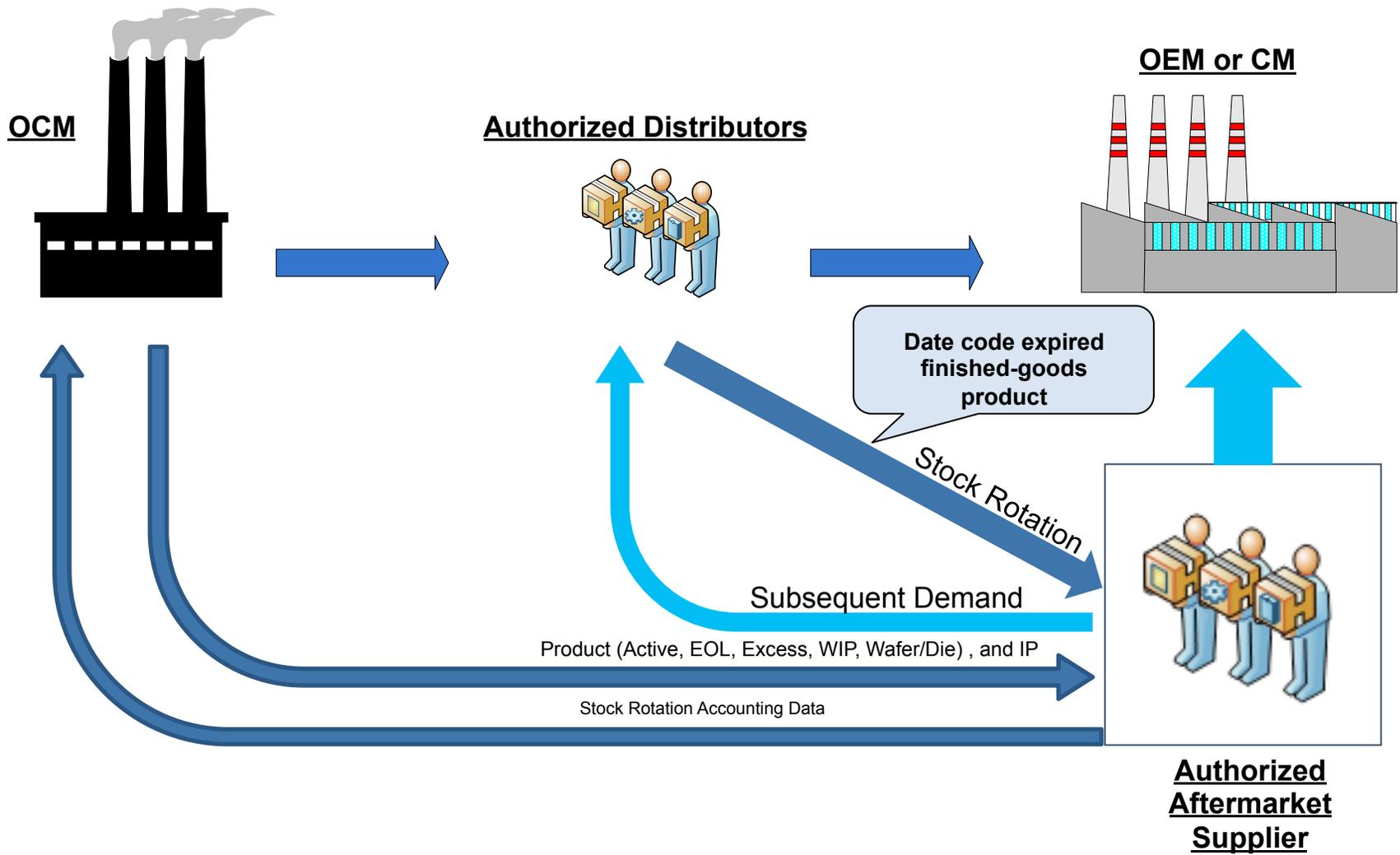
Case Study (continued)



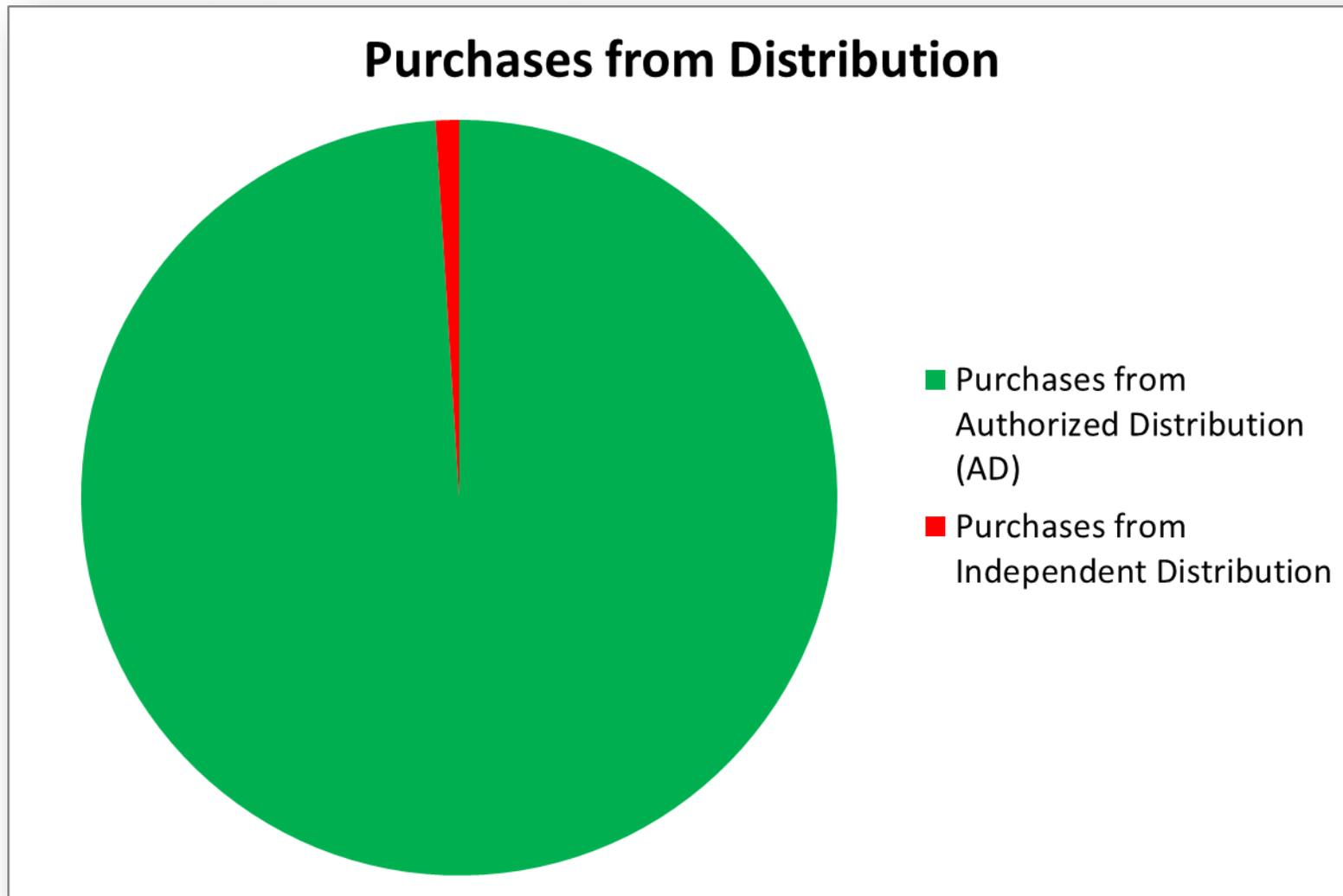
Case Study (continued)



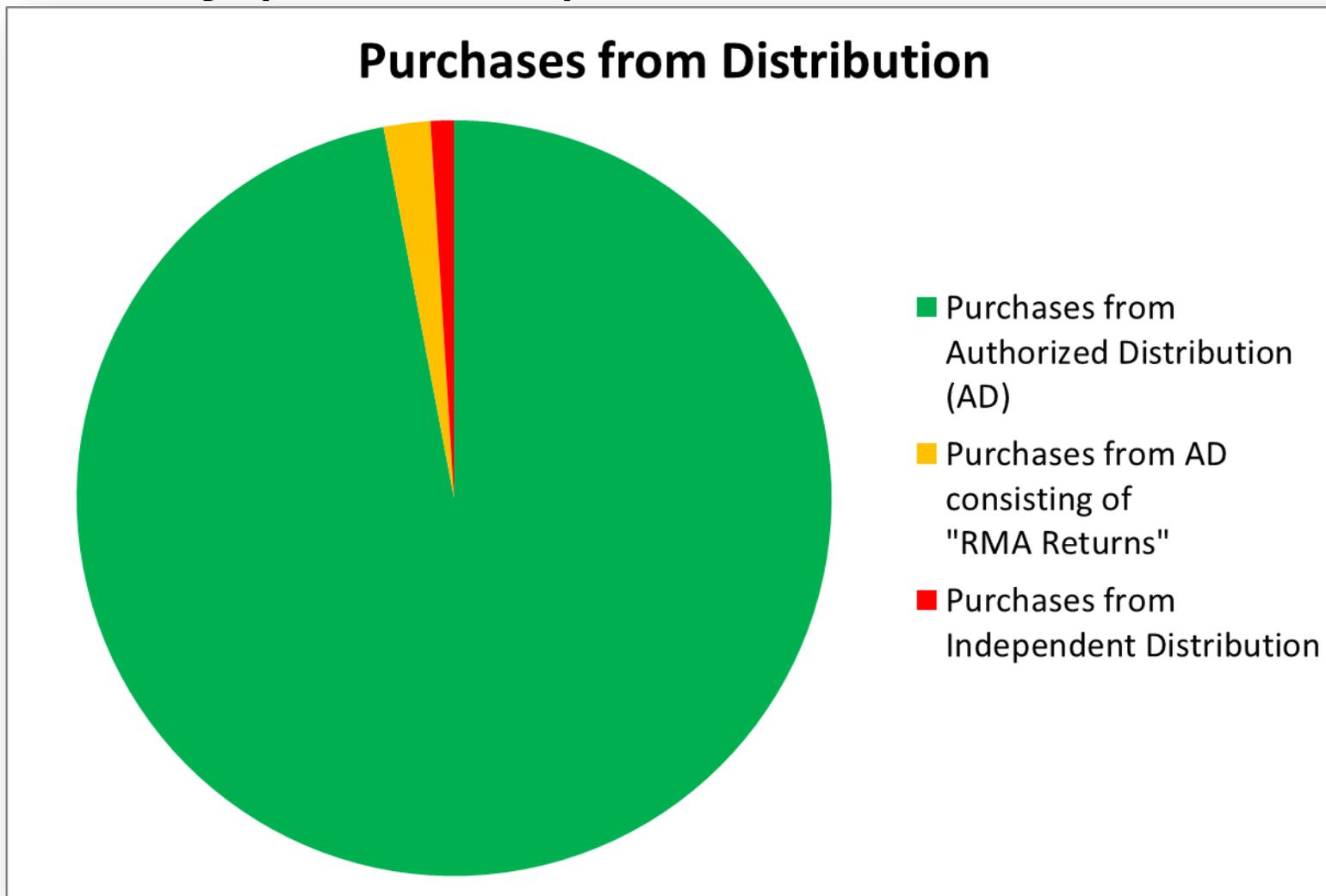
Another Scenario



Case Study (continued)



Case Study (continued)

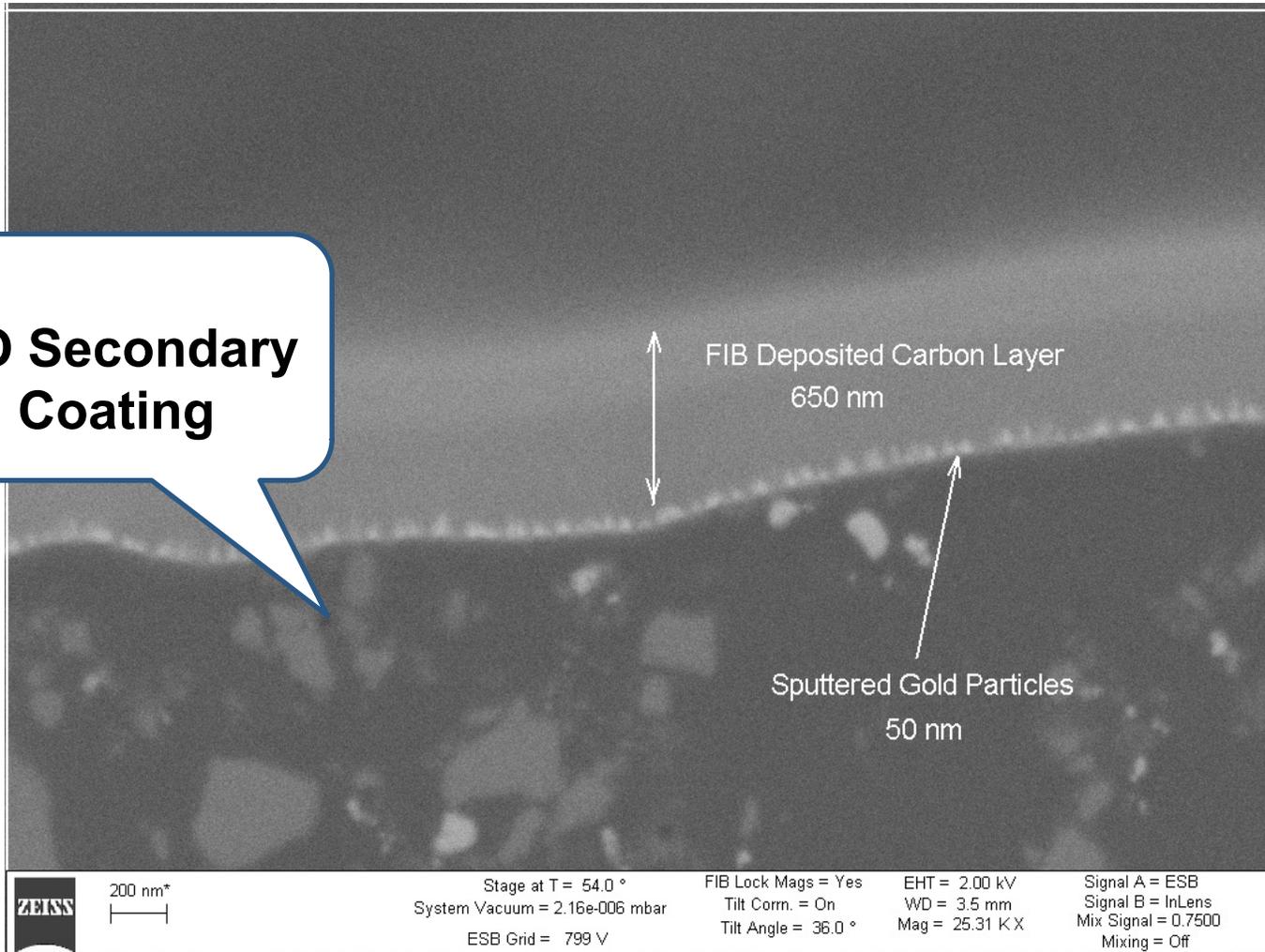


More Myths and Unreliable Facts

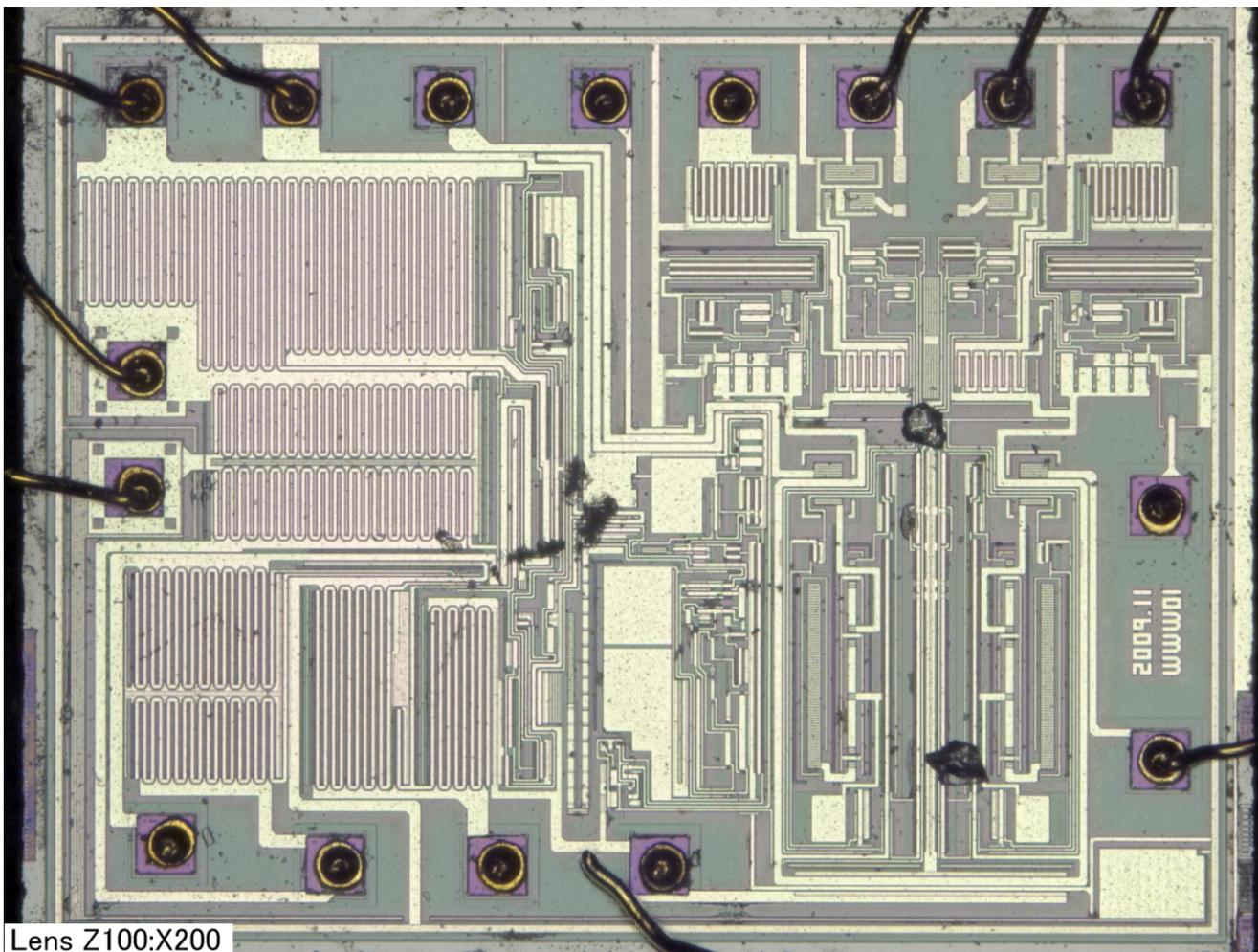
- Current surface examination methods using aggressive solvents will reveal evidence of resurfacing and remarking.
- Decap is not necessary to reveal counterfeits.
- Simple electrical tests will detect counterfeits.
- Counterfeits can be detected by testing the next higher assembly or system.

Case Study

NO Secondary Coating



Case Study (continued)



What me worry?

“If clones are the same as the genuine part, why should I be concerned?” ...

1. A “clone” could, in theory, be identical in function and work in the application, but its quality and reliability is unknown.
2. A “clone” may be very close in function, but fail performance parameters that may not be detected until the equipment containing the part is used in the field.
3. A “clone” is a reversed engineered device and, therefore, presents a potential opportunity for its creator to add unwanted features.

Summary – Ruminations, Myths and Unreliable Facts

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- Counterfeits do not find their way into the supply chain via OEM or CM “excess inventory”.
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