

Webinar Questions and Answers

Supply Chain Risk Management

Webinar guests submitted several questions before and during the July 10 Supply Chain Risk Management (SCRM) session. The following responses are provided by the Center for Development of Security Excellence (CDSE).

Question: Is SCRM only for automated systems?

Answer: SCRM is not only for automated systems. For example, the Food and Drug Administration has had an efficient SCRM program for decades. However, the DoD is reliant on electronics and microelectronics manufactured overseas and they are ubiquitous in U.S. weapon systems unlike domestically produced vegetation. Whereas the FDA has some oversight over domestically produced consumer items, the DoD has little oversight over foreign manufactured items until they enter the U.S.

Question: Is SCRM required for the National Industrial Security Program?

Answer: Some NISP requirements are a foundation for a robust supply chain risk management program. For example, reporting acts of sabotage of DoD weapon systems or components permits the appropriate investigation or analysis to determine the nature of the threat and recommend further risk mitigation.

Question: Is the SCRM threat only from foreign entities?

Answer: No. A supply chain threat can originate from inside the organization. It can begin from a purchaser buying parts that are being sold way below market value, but look like a good deal. If it is too good to be true in the fast paced free market economy, it probably is.

