



COMPTROLLER

UNDER SECRETARY OF DEFENSE
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JUN 16 1997

MEMORANDUM FOR UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
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DIRECTORS OF THE DOD FIELD ACTIVITIES

INFO COPY: SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF

SUBJECT: Management Reform Memorandum #11 -- Adoption of Commercial Identifiers in
DoD Business Systems by January 1, 2000

The Secretary of Defense has directed that we undertake a revolution in business practices in conjunction with the Quadrennial Defense Review. As part of these changes, I am proposing that we consider incorporating commercial identification numbers for DoD business entities and contractors to replace the DoD Activity Address Code (DODAAC) and the Commercial And Government Entity (CAGE) codes. DoD can no longer afford the infrastructure overhead of maintaining DoD unique reference numbers while the commercial sector and federal civilian sector have found an acceptable method to identify business entities with the Data Universal Numbering System (DUNS) number. DoD should be aligned with the commercial practice of a standard reference identification number in order to simplify DoD interfaces with the private and federal civilian sectors, facilitate Electronic Commerce/Electronic Data Interchange transaction routing, and minimize the infrastructure overhead required to process and maintain unique identification numbers.

In order to determine the feasibility of sweeping changes in this area, I am requesting the Deputy Under Secretary of Defense (Logistics) develop, by August 11, 1997, a plan to accomplish these changes. The plan will include a schedule and deliverables assessing the impact of migrating from the use of DODAACs and CAGE codes in DoD business systems to commercially available DUNS numbers. This plan should include identification of necessary automated information systems and supporting infrastructure changes within DoD required for this migration. This plan should be coordinated with all organizations that participate in the business processes currently using DODAACs and CAGE codes.