

NEDA Components Roundtable Meeting

July 11 & 12, 2007

Hershey, PA

Attendees

Name	Company	Name	Company
Vincent Ciccolo	Analog Devices, Inc.	Lisa Garland	Mouser Electronics
Alison Harris	Avnet, Inc.	Pete Shopp, Jr.	Mouser Electronics
Sharron Peek	Avnet, Inc.	Barney Martin	NEDA
Robert M. Taflinger	BI Technologies Corp.	Jeff Shafer	Newark
Ralph Justus	EIA/ECA	Leonard A. Metzger	Panasonic Industrial
Howard Dellar	Electro Sonic, Inc.	Arnold Offner	Phoenix Contact
David Gerzewski	FCI USA, Inc.	Tony Kanoff	Phoenix Contact
Patricia Smith	Future Electronics	Melanie Pizzey	TTI, Inc.
Jay Smith	Future Electronics	Patty Stanley	TTI, Inc.
Mary Carter-Berrios	KEMET Electronics	Rod Spear	TTI, Inc.
Charles Amsden	Mouser Electronics	David Richardson	Vishay

Tony Kanoff welcomed us on behalf of Phoenix Contact and gave us a presentation.

Arnold Offner covered some logistics about the meeting and the area.

Barney Martin welcomed everyone on behalf of NEDA and cautioned the group about anti-trust activities.

As in past meetings, we went around the room introducing ourselves and letting the group know what was important for this meeting or what was going on in our companies.

Ralph Justus – EIA/ECA New in the job at ECA and is trying to get a better understanding of the electronics industry.

Melanie Pizzey – TTI Berry amendment and Counterfeiting

Pete Shopp – Mouser

Rod Spear – TTI Interaction with others to learn what people and companies are doing, information on China RoHS, NEDA Spreadsheet, and Berry Amendment.

Len Metzger – Panasonic RoHS both China, he is seeing an increase in the number of inquires, an increase in 1752 Class 6 requests.

Dave Richardson – Vishey Just knowing what others are doing in general and especially on counterfeit parts.

Alison Harris – Avnet Here to listen and share. She is the leader of the CITC group.

Rob Tafflinger – BI Technologies Update on several topics. He is also tired of running two lines and having two inventories.

Jeff Schaffer – Newark Interested in Berry Amendment, Counterfeit parts, and China RoHS.

Dave Gerzewski – FCI Get the pulse of the industry, changes to distribution, RoHS both China and EU.

Mary Carter-Berrios – KEMET Here more to learn than to speak. She has been more involved in integrating new acquisitions into KEMET and moving REACH to the Health and Safety department.

Jay Smith – Future RoHS, counterfeiting, NEDA Worksheet. Some new topics might include information management. We seem to be doing things in silos. However we need good platforms to moving data.

Chuck Amsden – Mouser Had spent the past day in the CITC meeting and ready to move on to RoHS

Patty Stanly – TTI Counterfeiting, Labeling, wants to be more involved with NEDA.

Lisa Garland – Mouser Relieving Chuck Amsden in compliance and wants to learn more about distribution.

Vin Ciccolo – Analog Devices Packaging and Labeling, Export compliance.

Howard Deller – Electro Sonic Trade compliance

Sharron Peek – Avnet ISO Standards, Share info on JEDEC and counterfeit parts, labeling.

Tricia Smith – Future CITC

Arnold Offner – Phoenix Contact Industry Standards, get a better sense of what distribution wants from suppliers.

Tony Kanoff – Phoenix Contact Standards especially those that can be used with German home office to help with American logistics.

CHINA ROHS

Jay Smith – NO problems moving product to China. Manufacturers are providing information to Distributors. No relabeling now however there will probably be changes. There are mixed messages on the lead free label with RoHS components in the EU and China.

Jeff – Heard that the China RoHS catalog is being delayed ‘till early 2008. What about exemptions in China?

ACTION: Barney to confirm

Mary – Everything is very quiet.

Rod – Very quiet. Manufacturers that put information on their website have saved a lot of time. Not much call for anything China on labels yet. Getting more requests for EU labeling and more questions about certifying to EU RoHS. China RoHS really caused companies to identify exemptions; it’s not enough to just claim RoHS compliant if it’s by EU exemption. China doesn’t have those exemptions.

Not much on EU fines or enforcement.

There have been on red flags from partners in China. Companies are not getting reliable information from their China subsidiaries or customers.

Mary – KEMET is in the final process of selection a testing facility in China. They started with 18 facilities, narrowed it to 3, will decide soon. Some customers are asking for annual testing and KEMET will comply.

Dave – Vishey is also testing and will do so annually.

Note these tests from KEMET are at the material level not the component level.

Rob – BI has no plans to test but will follow the industry. China RoHS is still a non-event to companies in China. EPUP standards would help.

Mary – KEMET is seeing more requests for 1752 class 6 (full disclosure) and REACH requests. Information on China testing:

- China Lab \$100 a sample

- 2 week turn around

- 15% of companies what all data (From test)

- Getting pressure to post class 6 data (full content)

Jeff – CCC to match with EU Directive?

Rob – Data flow important. Many customers are returning product based on XRF testing. RoHS by exemption doesn’t work with XRF. There is a problem with XRF false readings on Cadmium. Instead of updating the system they are selling the fix.

Arnold – Caution on XRF use is that many states have differing requirements of certification and use.

Vin – What about confidentiality and the China testing labs? Mary said this was discussed and agreed to.

Arnold – Europeans are looking at 50 for EPUP ‘cause you don’t know what circuit it goes in. The life of the part can be affected by its use. Seems that the Chinese are not all that interested in the EPUP at this time.

One of the differences in the EU and China RoHS is that EU is directed at consumer products while China includes more equipment.

Export problem – Controlled items and getting a CCC vs. License.

ACTION: Arnold and Alison to investigate. CITC and CRT

It looks like there will be more exemptions coming. Tin lead in connections. There is an evaluation of what our industry has so far. Microsoft X box is going to spend \$1billion to fix problem. Specifically that lead free solder is the problem, too much heat.

Mary – in the last few months the auto industry is looking at lead free terminations. They want to be lead free by 2008? They are working on a lead free qualification spec. Should be a more reliable than the Aeronautical companies.

Sharron – Aerospace is still looking at Tin Whiskers.

NEDA SPREADSHEET

Some suppliers are not willing to update their spreadsheet. Maybe we should look at a different format (not Excel, maybe a database)

China RoHS Sections. See Spreadsheet

Actions: Jay to get spreadsheet to Barney by Tuesday. Barney to post

Actions: Look at alternative versions, Access of XML. Mel to help

ENVIRONMENTAL PACKAGING

Rod – What’s going on with Environmental packaging with China? Are the codes on the materials, the data sheet or the packing list? Will or are customers asking about packaging compliance to china and how do we prove compliance? What vehicle do we use to let suppliers know we need the info for packaging?

Rob – Why should suppliers be the database for all packaging materials?

Patty – Shipper of record is responsible.

Rob – On our PO's we specify compliant materials and marking where needed. Shouldn't that be enough?

ACTION: Barney to see if this issue needs some conference call actions.

LABELING

Scanning is the real issue here.

ACTION: Ralph – Will check JEDEC and ECA standards.

Jay – 70% of companies comply.

Mel – 50% of companies meet 100% of requirements and then tapers off from there.

Rod – the NEDA guideline is a good set of data elements in a barcode format.

ACTION: Barney to get a press release out about the release of the NEDA Guideline.

SPECIALTY METALS – THE BERRY AMENDMENT (See documents)

Rod – Metals – Lobbying to get this flow down to be re-instated. DOD establishing requirements that meet our needs but congress is proposing other. Should we reconstitute the coalition The Specialty Metals Availability Reform Team (SMART)?

Sharron – GEIA is working to re-write the regs.

ACTION: Ralph to get us a copy of the May 1 letter referenced in the EIA letter of June 5.

Rod – Get the coalition going again and get some action started now.

ACTION: Barney to talk to Robin to see what is going on with SMART.

COMPLIANCE AND INTERNATIONAL TRADE COMMITTEE (CITC)

Alison – Reviewed the meeting notes from the CITC meeting the previous day (See CITC meeting notes).

ACTIONS: Send Alison the contact information for your trade compliance person. You could win an Ipod Shuffle.

Patty – Critical that suppliers supply ECCN. Customers are asking for the ECCN

ACTION: Barney - Get BIS Licensing information URL

C-TPAT Customs Trade Partnership Against Terrorism

The goal of C_TPAT is to secure our supply chain especially those companies that import products. There is or will be a best practices manual on the customs website. The goal of C-TPAT is to

ACTION: Barney to get link.

COUNTERFEIT PARTS

Patty – The cell phone industry had to be proactive in going to the customs agents and training them.

Sharron – Sharron is involved with GEIA and ECA on a counterfeiting taskforce. Report says that of 12 recent incidents of counterfeiting, all have been purchased through brokers or independent distributors. GIDEP has a new form for reporting a counterfeit part that doesn't include the name of the counterfeited company.

ACTION: Sharron to get us information on the September meeting of JC 13 and GEIA.

Jeff – Government wants to reduce the number of suppliers but wants distributors to buy excess inventory from these previous suppliers. Some have been on the shelf as spares for a very long time. Of course, the parts need complete traceability. They are demanding that the Distributor provide their processes to ensure traceability and that the parts are not counterfeit.

One company found its parts were counterfeited because the printing was too legible.

Examples where a distributor bought parts from a customer tested and shipped and paid the vendor but found at customer to be counterfeit. Out money.

What about buying from a component manufacturer who out sources to a third party manufacturer and the risk of receiving counterfeit parts?

ACTION: Conference call to discuss/create a statement form distributors to customer about counterfeit parts.

PACKAGING AND LABELING

There may be some items from the CITC that would change the label spec.

Keep separate the product compliance from the packaging compliance.

Packaging

China requires that packaging be labeled and if you see the labels then you know it's OK. If you don't see the label then it's not OK.

ISPN 15 is the standard for wood pallets.

Certificate of compliance for parts and packing materials. Should it be on the packing slip? Is it to say that the part complies with what?

ACTION: Barney to see if this issue needs some conference call actions.

ECA UPDATE

Ralph – EIA is working on realignment. There has been a gap since CEA left. ECA conducts two engineering summits; Fall and Spring. This year the fall summit is in San Antonio and the spring summit is in Louisville. If anyone wants to participate in any of these contact Ralph at EIA/ECA. Ralph is working with ANSI on accreditation. Also working to review their standards. Lots of them!

Dave – The S-1 committee of ECA is the most general committee. This is where the other committee chairs meeting to talk about general industry issues and how they affect ECA. They are working on several documents,

- One that rates components for high temp reflow like moisture sensitivity

- An application guide

- A visual-mechanical guide to help determine what's OK and what's not

Auto group wrote a passives qualification spec. Need to “push back” on them or don't complain. ECA to push back.

ACTION: Barney to see if this issue needs some conference call actions.

ECA vs JEDEC Passives go to JEDEC to represent passive interests.

JEDEC UPDATE

Sharron – the 14.4 committee is one that can affect our industry. They have sent to board ballot the IPC 609 marking spec

ACTION: Sharron to get us a copy.

An effort is under way to eliminate pink polly bags for passive components. GEIA involved. Use MILPRF 81705 type 1 or type 3 bags.

ACTION: Sharron to get information on comment period for this.

Rod – Shelf Life Dave’s work with 260⁰ reflow spec. Need to add shelf life and MSL. Seems that passives are being asked to be more involved with moisture sensitivity.

How should suppliers work with Distributors to communicate shelf life and moisture sensitivity?

ACTION: Barney to see if this issue needs some conference call actions.

Mary – JC 14 has many more customers at their meetings. Also the JEDEDC specs are free and the ECA specs are not. This is one reason that customers are using JEDEC specs with Passives.

Dave’s committee is working on a list of components that can’t meet the 260⁰ requirement. This seems now to be a No buy list. Customers want to design out these components. Not good for the suppliers.

ACTION: Barney to see if this issue needs some conference call actions.

ACTION: Barney to publish dates for the next JEDEC and ECA Meetings.

Customers are using the JEDEC specs for assembly specs when they were meant for component manufacturing. Need to change this but customers have loud voice.

IPC 175X

Mary – Lots of work is going on around the IPC 175X series of Material Declarations forms. There will be a series of 175x documents. For us, it looks like 1756 will be the appropriate document. It will expand on 1752. Don’t look for this any time soon (maybe 2008). IPC is making these changes as a response to members.

Mary also heads the education sub team of the 175X team. Her function is to help adoption of the standard within the industry.

REACH will be included in 175X when the chemicals are included in the JIG and any China implications will be included after the catalog is published.

Mary indicated that getting and using a Digital Signature for KEMET was a “real process”.

EUP

Seeing some movement toward designing for energy usage. The directive will have to be made law in each country.

The California Energy Commission has directed that external power supplies must mark or define how much it is using. The California directive gives limits and the producer must be below it.

The US government gives preferences for buying to products that are more energy efficient.

Semi-conductor products are identifying energy use in work and sleep mode.

EUP is much more directed at the end products.

REACH

There is a great pushback from the chemical industry. It seems that Europe is recognizing that only chemical companies have to register. There is a document that tells manufactures what they need to be aware of.

ACTION: Barney to find this document.

The company that registers is responsible. The end user is not the person to ask for use of chemical usage.

POSSIBLE IT ROUNDTABLE

There is a lot of data out there and different requirements for presenting and transferring the data. Rather than getting the IT people together, we should make sure we have a good idea of what we expect from them. IT expenditures are funded in different ways and in some companies "ease of doing business" is not high on the list.

ACTION: Barney to see if this issue needs some conference call actions.

NEXT MEETING

Is there enough to talk about to have a fall meeting? Should we delay a meeting until the early spring?

Mel – If we delay a meeting till spring, we need to be working between these meetings to accomplish actions on industry issues.

Some suggestions were Washington DC and Phoenix in late February or early March.