

# NNS Supplier Quality Alert

March 3, 2020

## Subject: Speculation on the Impacts of the Coronavirus Outbreak to the Semiconductor Industry

Dear Valued Supplier,

It has been brought to Newport News Shipbuilding's (NNS) attention speculation of impacts of the Coronavirus Outbreak to the Semiconductor Industry. In short, the United States Air Force Office of Special Investigations has initiated a concern that the Coronavirus outbreak may result in manufacturing delays and longer-than-expected lead times in the semiconductor industry. This provides a potential opportunity for Counterfeiters to increase production in counterfeit microelectronics devices. At this time, the Coronavirus is mostly affecting semiconductor entities in Wuhan, China; however, the spread of the Coronavirus has the potential to affect the wider semiconductor industry. The following Notable Wuhan Semiconductor Entities have been identified as: Yangtze Memory Technologies (YMTC), Wuhan Xinxin Semiconductor (XMC), Wuhan Hongxin Semiconductor Manufacturing, San'an Optoelectronics, Wingtech Technology, and Wuhan Fingu Electronic Technology.

Defense contractors need to be aware of this situation and should closely monitor for any changes in development. Newport News Shipbuilding recommends that suppliers evaluate their current Electronic Counterfeit Avoidance and Detection System to ensure that it meets the requirements of DFARS 252.246-7007 and are selecting suppliers in accordance with DFARS 252.246-7008.

Please note that this alert should not be used as a basis for any price, delay in delivery, or any other modification of NNS purchase order requirements.

If you have any questions or concerns with regards to this Alert, please contact Daniella R. Delgado, NNS Supplier Quality, email [Daniella.R.Delgado@hii-nns.com](mailto:Daniella.R.Delgado@hii-nns.com) or phone (757) 380-2183.

Sincerely,



R. L. Simpson  
Manager, NNS Supplier Quality

A DIVISION OF HUNTINGTON INGALLS INDUSTRIES

4101 Washington Avenue • Newport News, VA 23607 • Telephone (757) 380-2000 • [www.huntingtoningalls.com](http://www.huntingtoningalls.com)