The Component / Part Identifier (CPID) enables companies to identify components and parts, typically where an Original Equipment Manufacturer (OEM) defines the specifications of a component or part that is part of its final product (such as an automobile).

- The production of components and parts is often contracted to a manufacturer that will use the CPID assigned by its customer, the OEM.

- A component or part is defined as an item that is intended to undergo at least one further transformation process to create the final product. Examples include:
  - Drive motor for washing machine.
  - Fan assembly for a jet engine.
  - Pipe or tube.
  - Printed circuit board for television.
  - Starter motor for vehicle.
  - Wheel axle.

- The CPID may be printed as text or encoded in a barcode or EPC/RFID tag attached to the component or part.

- The CPID always identifies the type of component or part. If there is a need to identify an individual component or part the Component / Part Identifier Serial Number can be used in combination with the CPID.

- The CPID can be electronically used in the procurement and production process to communicate the required components and parts. It may also be used by companies involved in after-sale services and maintenance activities; for example, the ordering of replacement parts and components.

THE CPID IDENTIFIER SHALL NOT BE USED IN OPEN SUPPLY CHAINS. IT IS RESTRICTED TO USE BY MUTUAL AGREEMENT.