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ITAR – A PERSONAL VIEW

24 JUNE 2011

ITAR – A PERSONAL VIEW

- Background
 - 33 Years Royal Air Force Engineer Officer
 - 4+ Years Cassidian Key Account Manager NATO/EU
 - Not an ITAR specialist but have lived with the effects
 - Have consulted company specialists
- Defence and Security Businesses have come together
- Major companies are multinational working in the world market
 - National business alone is becoming less viable
 - Bilateral country to country deals can confuse the situation
 - For example UK/US Trade Treaty which aims to simplify ITAR for UK Agencies or Contractors

ITAR – ISSUES FOR INDUSTRY

- Defence and Security Companies are not national islands
 - Most have overseas units or use overseas sub-contractors
 - EADS in UK, France, Germany, Spain, Finland with smaller elements in most other European countries and North America
 - Almost all our contracts draw on resources from a number of countries
- Sales to the EU and NATO are seen as a gateway to sales to NATO and EU nations
 - Often priced accordingly to get the business
- Current application of ITAR rules can prevent US companies being included

ITAR – AN EXAMPLE

- Major NATO Deployable CIS procurement
- We wished to use US company to design the system Target Architecture
 - COTS solution but as it was for NATO we were told ITAR applied
 - Gained ITAR approval – GOOD
 - Then told this did not allow sales to NATO countries – BAD
- Result – We designed the Target Architecture In House
 - US company lost multi-million dollar sale with major follow-on opportunities.
 - European executives wary of trying to use a US company in future

ITAR – A NEW WAY?

- Should we have a new US/EU ITAR Trade Treaty
 - Once ITAR approval gained for the EU then given for all EU countries
 - Ideally similar approach for NATO
 - European countries do not want different approaches for NATO and EU procurements
 - Many requirements are now the same
 - Especially with Defence and Security capabilities coming together
- Industry needs flexibility to survive in a world market

Thank you for your attention!

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