

## The Decontamination & Hazardous Materials Market

- Growth in military and hazmat market opportunities stems from rising threat of a CBRN attack
- Decon market falls into two large and growing segments, i.e., non-FDA regulated and FDA regulated; surfaces and people, respectively.

Spending Growth by Sector (Smillions)

MODALITY	2008	2009	2010	2011	2012	2013	2014	2009-2014	CAGR
Detection Systems	232	267	298	332	361	400	451	2,107	11.1%
Equipment & Building Decon	197	229	269	305	349	404	463	2,019	15.1%
People Decon and Systems	276	317	357	405	446	503	538	2,566	11.1%
<b>Total Sales</b>	<b>704</b>	<b>813</b>	<b>923</b>	<b>1,041</b>	<b>1,155</b>	<b>1,308</b>	<b>1,452</b>	<b>6,692</b>	<b>12.3%</b>

Source: Homeland Security Research Corp. © 2009

- Double digit growth means Industry is predisposed toward investments

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### Unmet needs in the decontamination sector:



Unmet Needs predispose industry toward investments

Source: HSRC report

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## Challenges for Decontamination Sector

### Protecting and Growing the Commercial Base

- Civilian Market:
  - SAFETY Act requires that Congress designate each Chem/Bio event as an act-of-terror
  - Effectively closes civilian market to risk averse companies or drives up price
- Rest of World Military Market:
  - Easier sharing of efficacy and safety data among governments
- First Responder Market:
  - Centralized purchasing mechanism would reduce costs, e.g., DHS
  - Water Myth NEEDs to be dispelled



Courtesy: Al Seib/Los Angeles Times

## Challenges for Decontamination Sector

### External Challenges

- Appropriations are in the hands of Congress which tends to be reactive
  - How do we keep Decon issues on the front burner for the long term without fear mongering?
- Clean standard: When are we done?
  - Statements of Requirements that lack measureable endpoints add risk for service or equipment providers, e.g., the prolonged clean up of Postal facilities following Bacillus Anthracis contamination
  - Lack of a Clean standard impedes EPA registrations for Surface Decon
- Out run the terrorists: Individually or collectively?
  - Our collective government, scientific, academic, and commercial entities are smarter and faster than the terrorists.
  - To run collectively requires a paradigm shift: From Need-to-Know to a more open sharing of information. Example: Response to Anthrax event