

**Industrial Committee of Ammunition
Producers (ICAP)**

**Propellants and Explosives Sector
Report**

Paul Heidenreich

Sector Members

- Alliant Techsystems Inc.
- Armtec Defense (Esterline)
- ATK Launch Systems
- BAE Systems
- Chemring North America
- EURENCO Bofors, Inc.
- EMRTC
- Ensign Bickford
- GD-OTS
- Goodrich Corp
- Pacific Scientific
- Southwest Research Inst.
- Stresau Laboratory
- Chemring Energetic Devices

Kent Holliday
Paul Heidenreich
David Riemer
Jerry Hammonds
Dan McKendrick
Mats Natt Och Dag
W. Dennis Petersen
Steven Perkins
Guy Cornwell
Leonard Smith
Robert Valenti
J. Dan Bates
Bill Stewart
Bill Curren

Action Item – 1. Minimum Sustaining Rate Information

All members contacted twice to ensure MSR response compliance

Action Item – 2. Intellectual Property and Data Rights

- Gov't may insist on obtaining data rights for products developed by the contractor at contractor expense
- DFARS 227.7103 prohibits this, but
- Gov't should incentivize contractors to conduct R&D and protect those contractors that do

Action Item – 2. Intellectual Property and Data Rights (con'td)

- Incentives could include:
 - Guaranteed production for some period
 - Allows the contractor to recoup some of their investment, and
 - Puts the contractor in an experienced position for future competition
 - Use of “Specifically negotiated” data rights rather than General Purpose rights or unlimited rights
 - Negotiate government data rights that limits the gov'ts use of the data rights appropriately

Action Item – 2. Intellectual Property and Data Rights (con'td)

- A concern remains about “reverse Engineering” being performed by the gov’t, and
- Contractors who do not perform R&D benefit from the efforts of contractors who do – not good for the industry
- We need more contractor R&D, not less

Action Item – 3. Other Concerns

- Integration or consideration of the IBAT/MSR requirements to future defense funding (FY12?) – how will this occur?