

Warheads & Rockets Sector

ICAP Meeting

October 28, 2010
Washington DC



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Warheads & Rockets Sector

■ Sector Members

- Aerojet
- American Ordnance LLC
- Arrow Tech Associates, Inc.
- Day & Zimmermann, Inc.
- European Aeronautic Defense & Space Company
- General Dynamics Armament & Technical Products (GD-ATP)
- General Dynamics Ordnance & Tactical Systems (GD-OTS)
- Kaman Dayron, Inc.
- KDI Precision Products, Inc.
- Nammo Talley
- Textron Systems Corporation



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▪ Intellectual Property / Data Rights

– Sector Thoughts:

- If IP / Data Rights are a deliverable line item up front, then the Government should have ownership and the contractor should price it accordingly.
- If not a deliverable line item up front, then a negotiation is in order. The contractor must be able to generate a fair payback for the investment.
- The contractor should be allowed unrestricted use of the IP / Data Rights that they develop.
- If the Government obtains rights in negotiations, it should also not be allowed to use the data to compete with the contractor that developed that IP in international competition.
- If part of the developed IP includes other protected IP, then the Government should also negotiate for that as well.
- If Government ownership has been pre-determined, the IP / Data Rights should not transfer to the Government until the end of the contract. Until then, the information should remain confidential to the contractor (and Government).



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- Industrial Base Assessment Tool (IBAT) / Minimum Sustaining Rates (MSR)
 - Sector companies were urged to participate.
 - Very tough to get a “right” answer for individual items –
 - depends on how the question is asked.
 - Data is generally based upon past history with little or no adjustment for changes that are likely necessary in the future with the anticipated reductions.
 - Companies think about their own operations, but may neglect minimum sustaining rates for the supplier base
 - especially sole source suppliers for critical items.



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- Strategic Concerns (FY2012-16)
 - While warheads & rockets is one of the few defense sectors that is actually increasing, reductions are expected.
 - Competition will become very difficult for these highly technical products.
 - Technical requirements are increasing while budgets are being cut and quantities are coming down. This will result in escalating end item prices – which will further reduce the ability to compete.



Warheads & Rockets Sector - Achievements

Warhead Horizontal Test Fire Range – Iowa AAP



- **500' Horizontal Firing Range**
- **Cordin 126 Camera**
- **Vision Research Phantom 12**
- **Soft Catch Shrapnel**
- **Bunker Demolition**
- **450 Kev flash x-ray with 8 heads**

Picture from Cordin
Camera of Slug Moving
at 6,000 ft/sec



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