

Defense Security Technology Administration Overview of Licensing



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Agenda

- Overview of Defense Technology Security Administration (DTSA)
 - Mission
 - License Directorate

- Exporting Technology
 - Why is this important to me?

- Export Control Reform
 - Four singulars



Overview of DTSA



DTSA's Mission & Strategic Goals

Mission Statement:

“To promote United States national security interests by protecting critical technology while building partnership capacity”

Strategic Goals:

- **Preserve the U.S. defense edge by preventing the proliferation and diversion of technology that could prove detrimental to U.S. national security**
- **Engage U.S. allies and partners to increase interoperability and protect critical technologies**
- **Facilitate the health of the U.S. industrial base**
- **Align and utilize resources to support DTSA's mission**
- **Empower people and make DTSA a great place to work**



Licensing Directorate Authority/Mission

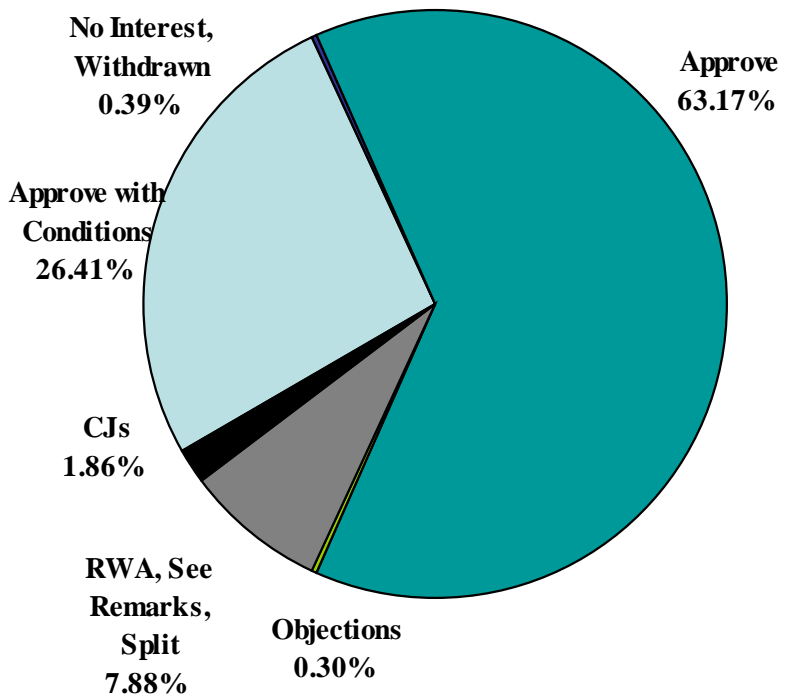
- U.S. export laws divide the authority for export licensing
 - Arms Export Control Act: Department of State for defense articles
 - Export Administration Act: Department of Commerce for dual-use items
- Expeditiously coordinate, develop and adjudicate the DoD position on licenses, regulations and other actions received from the licensing regulatory authority for review.
- Ensure recommendations fully address DoD technology security policies, support and protect the warfighter, and prevent the diversion and proliferation to programs or entities of national security concern.



POLICY

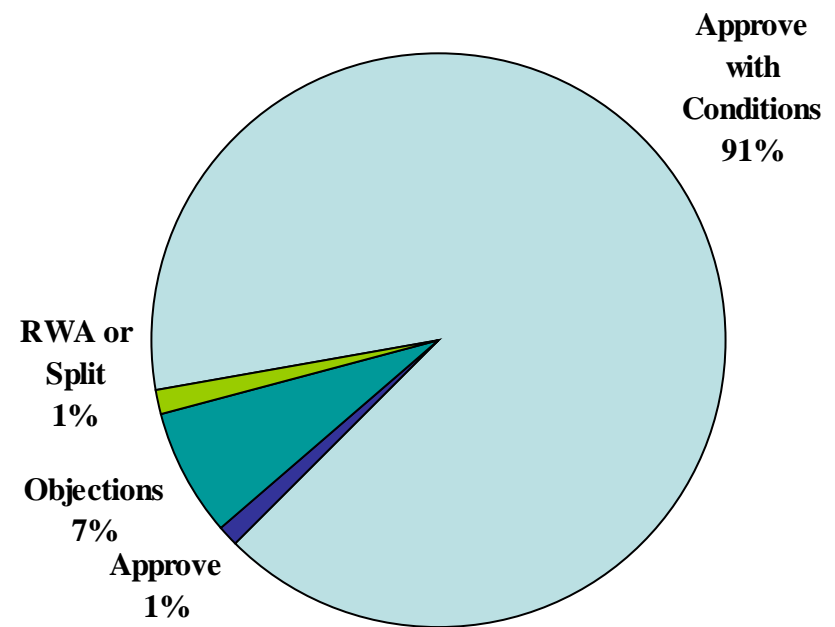
2010 License Reviewed

Munitions



38,907 Licenses Reviewed

Dual Use



19,049 Licenses Reviewed

1 Jan - 31 Dec 2010



POLICY

Exporting Critical Technology



Exporting Critical Technology

The balance in protecting technology:

“Give a man a fish and you feed him for a day. Teach a man to fish and you feed him for a lifetime. “

Chinese Proverb

“If we guard our toothbrushes and diamonds with equal zeal, we will lose fewer toothbrushes and more diamonds,”

*McGeorge Bundy
National Security Advisor
for President Kennedy and Johnson*

“...allow the nation to focus on controlling critical technologies and items that maintain U.S. military technology advantage.”

*Robert M. Gates
Secretary of Defense
April 20, 2010
on export control reform*



Exporting Critical Technology

What is a technology export for munitions items?

- **ITAR 120.10 Technical Data:**

1. Information, other than software as defined in 120.10(a)(4) which is required for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance or modification of defense articles. This includes information in the form of blueprints, drawings, photographs, plans, instructions and documentation;
2. Classified information relating to defense articles and defense services;
3. Information covered by an invention secrecy order;
4. Software as defined in 121.8(f) of this subchapter directly related to defense articles;
5. This definition does not include information concerning general scientific, mathematical or engineering principles commonly taught in schools, colleges and universities or information in the public domain as defined in 120.11. It also does not include basic marketing information on function or purpose or general system descriptions of defense articles.



Exporting Critical Technology

What is a technology export for dual-use (commercial) items?

- EAR, Part 772.1
Technology is “Specific information necessary for the “development”, “production”, or “use” of a product.”
- Controlled information leaving the U.S. is a technology export.

What is a deemed export?

- EAR, Part 734.2(b)(2)(ii)
“Release in the United States of technology or source code subject to the Export Administration Regulations to a foreign national. Such release is “deemed” to be an export to the home country of the foreign national.”



Dual-Use Clarification of “Use” technology

- The regulatory definition of “use” is technology for “operation, installation (including on-site installation), maintenance (checking), repair, overhaul and refurbishing.”
- **IMPORTANT NOTE:** Whether such “use” technology is controlled in a particular situation depends on the specific technology involved, as detailed in the relevant Export Control Classification Category Number (ECCN).



Fundamental Research

- EAR 734.8 Information resulting from fundamental research:

“Fundamental research is basic and applied research in science and engineering where the resulting information is ordinarily published and shared broadly within the scientific community.”



Export Control Reform



Structure of the New Export Control System

- On August 31, 2010, the President announced that the Administration is moving forward on a fundamentally new U.S. export control system.
- The system will be based on the four singles that Secretary Gates mentioned in his April speech:
 - Single export control licensing authority
 - Single control list
 - Single primary enforcement coordination agency
 - Single IT system to process all licenses



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Questions?