



Raytheon
An **RTX** Business

Releasability and Technology Transfer Overview

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International
Business!

Common Terminology for Release and Disclosure

- **Export Controls**

- International Traffic in Arms Regulations (ITAR)
- Export Administration Regulations (EAR)

- **Technology Release**

- Pre-licensing USG policy requirements (in general)
- Jurisdiction and Classification requirements

- **Disclosure**

- Approval to release classified information (formalized processes)

- **Technology Transfer**

- Hardware, software and know-how: what do they know that they did not know before?
- Meeting Licensing requirements

- **Defined Export**

- Type and level of technology and capability
- Level of sharing (transfer) of the technology (assembly, production, development, design)
- End-users and end-use

Why is Releasability (Disclosure) and Technology Transfer Required?

[DoD Instruction \(DoDI\) 2040.02, International Transfers of Technology, Articles, and Services](#),

requires that the DoD treat dual-use and defense-related technology as valuable national security resources, to be protected and transferred only in pursuit of national security and foreign policy objectives.

These objectives include **ensuring that: critical U.S. military technological advantages are preserved; transfers that could prove detrimental to U.S. security interests are controlled and limited; proliferation of weapons of mass destruction and their means of delivery are prevented; and diversion of defense-related goods to terrorists is prevented.**

<https://samm.dsca.mil/chapter/chapter-3>

Complexity of Releasability and Export Control Process

- Major sales will probably involve all release/export control processes
 - Many “moving parts” - [3 committees, 15 processes, 23 agencies, 45+ offices](#)
 - **There is no single USG official or agency responsible for overall management of foreign disclosure and export control requirements**
 - Processes usually do not run concurrently
 - Competing/conflicting equities involved
 - May take several months (or longer) to complete/reach consensus
 - Real consensus may not be reached
 - No ultimate decision maker

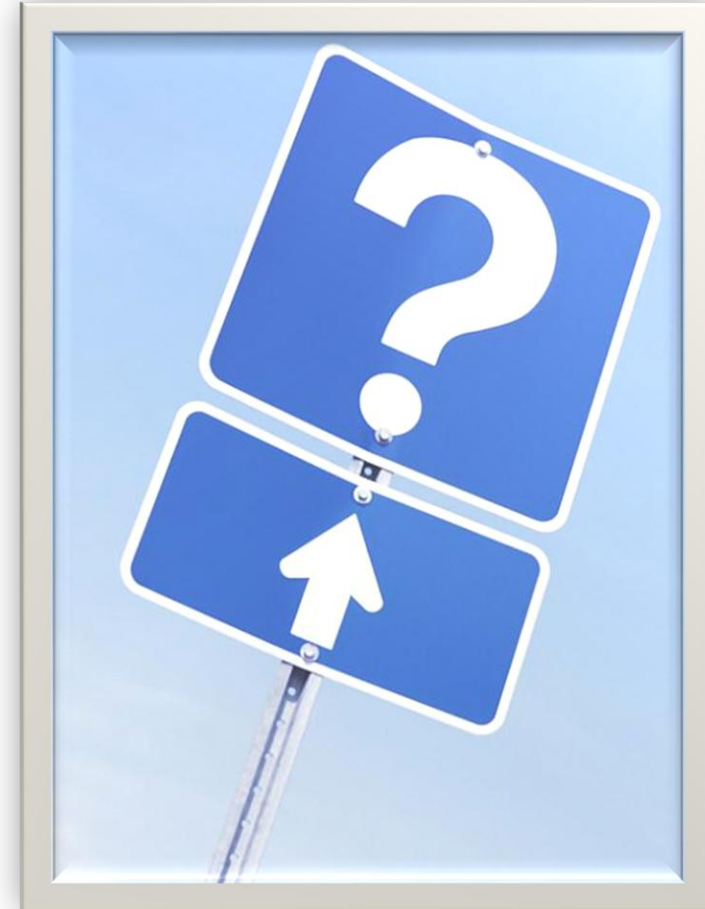
What is Releasability

Releasability is a US DoD **National Security Review Process** which applies formal release policy requests for (justified) transfers of specific defense products/system/technologies/techniques to a specific country or countries:

- US DoD Policy owners issue approval or disapproval decisions in relation to a specific export transaction to the US Contractor and the DoD License Reviewers of prospective FMS or DCS export requests
- DoD Export License Reviewers are Prohibited from Approving an Export License request for a Product/Technology for which **no** releasability approval exists
- Formal Releasability Decisions are the source for Provisos later applied by DoD during the export license review process
- ***The Technology Release Process is where it all begins***
- It includes two (2) major DOD policy gates: (a) National Disclosure Policy and (b) Service Disclosure Process (TTSARB-Navy; Top Line –Air Force; TTSARP-Army)

Release/ Disclosure Considerations from USG Perspective

- National security
- Foreign policy
- Regional stability
- Human rights
- Multilateral control regimes
- Arms proliferation concerns
- Political/military relationships
- Foreign availability
- U.S. industrial base support
- Country security track record
- Cooperative programs support
- Precedence



USG Release Policy Considers Multiple, Often Competing, Aspects

Terminology Barriers to Release

Contractor Says

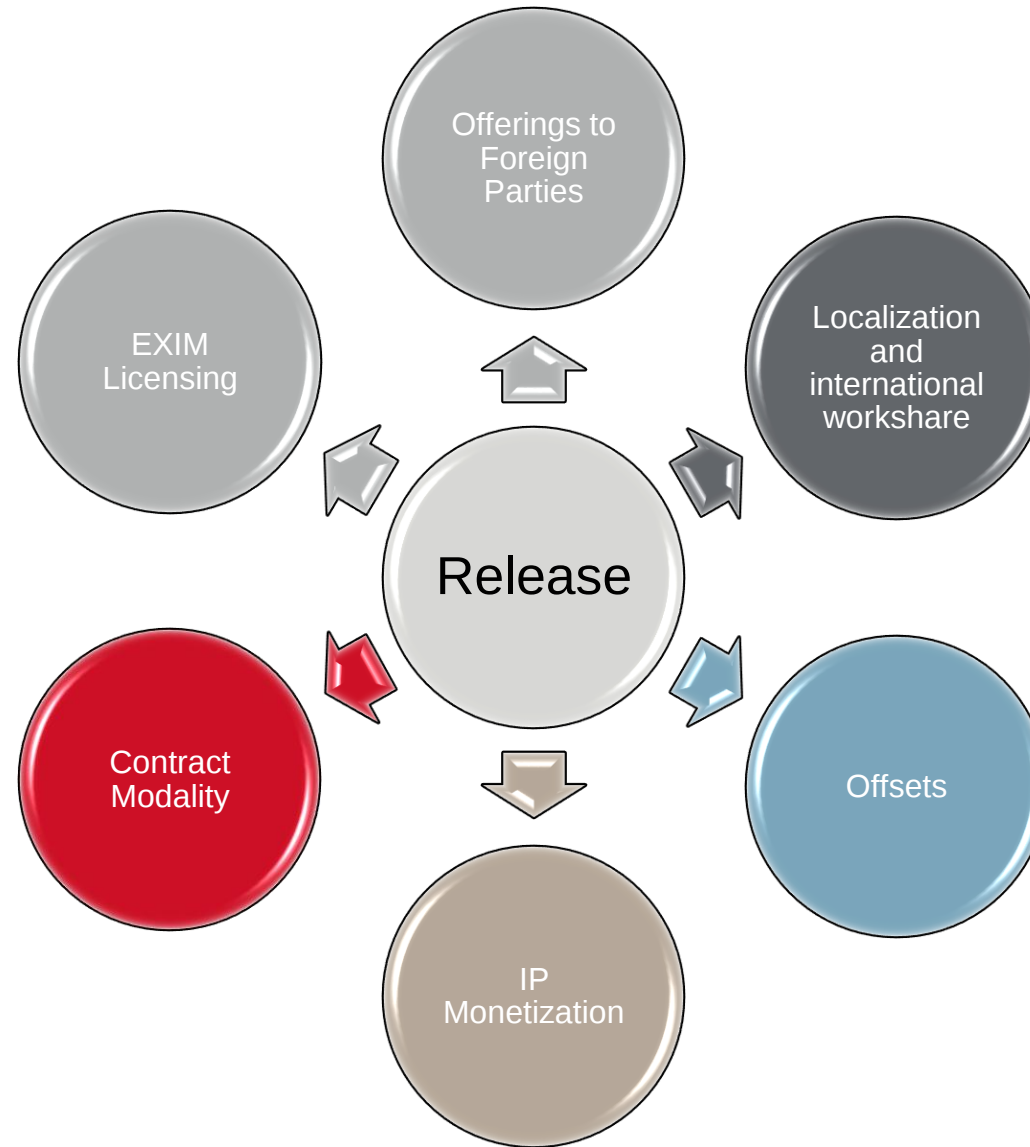
“International Customer”
“State of the Art”
“Maintainer”
“Demonstration Unit”
“Radar Simulator”
“User Maintenance”
“Integration”
“On Site Spares”
“Low Cost”
“Low Cost”
“Co- Development/Production”

Perceived by USG as

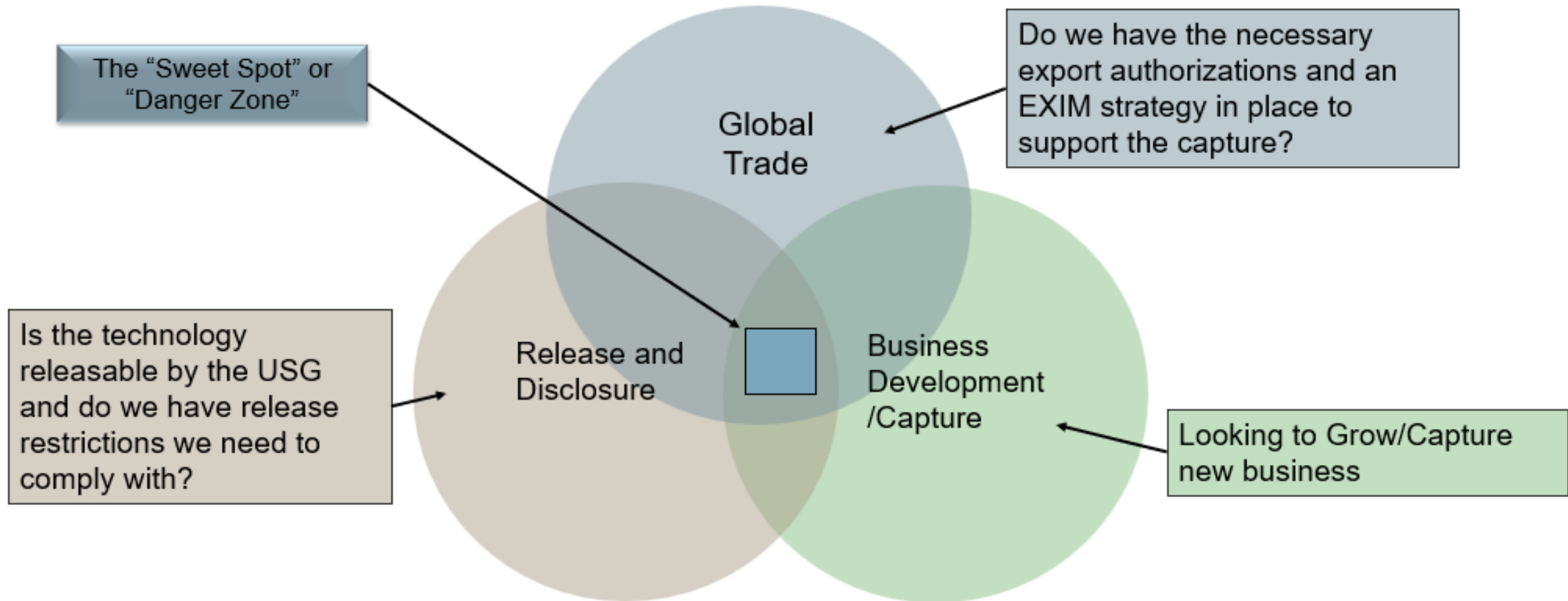
“[Potential] Adversary”
“Excess Capability”
“Reverser or Exploiter”
“Reverse Engineering Sample”
“Better Reverse Engineering Sample”
“Attack Vector”
“[Unintentional] Training”
“Exploitation Targets”
“Easier acquisition for Exploitation”
“Easier acquisition for Proliferation”
“Giving away our Crown Jewels”

Understand DoD policy, the concerns that established it, and the sensitivities of the DoD decision makers

Release Touch Points



Key Stakeholders and their roles



Collaboration is key to success

Summary - Words of Wisdom

Release/Disclosure is complicated, but we can ensure success*

Understand the **processes**

Know the players and their concerns

Work closely with each other, partners, customers and USG

Establish **credible and sustainable relationships**

Realistic **expectations**

Advanced planning

Communication

Patience

***Success = Compliance + Execution**



Export Basics

Elizabeth Chipres
Director, Global Trade

- 25 March 2025

Export Basics - Agenda

U.S. Export Laws

What Is/Is Not Export-Controlled?

What Is An Export Authorization and When Are They Required?

What Are Export-Controlled Activities?

Consequences For Export Violations

U.S. Export Laws

- U.S. federal rules that govern:
 - The export of export controlled products;
 - The transfer of export controlled information, software and services;
 - To Non-U.S. parties and to Non-U.S. locations;
 - Including to U.S. Government Sites Outside The U.S.



Exporters are required to comply with export laws to support international business, just as any other laws. Export compliance is not optional.

U.S. Export Laws

Arms Export Control Act

- Implemented Through The International Traffic In Arms Regulations (**ITAR**)
- Administered By The Department Of State, Directorate Of Defense Trade Controls (DDTC)
- Controls The Export Of “Defense Articles”
 - Items Contained On The US Munitions List (USML)



Export Administration Act

- Implemented Through The Export Administration Regulations (**EAR**)
- Administered By The Department Of Commerce, Bureau Of Industry And Security (BIS)
- Controls Exports Of Commercial and Dual Use Commodities And Technology
 - Items Contained On The Commerce Control List (CCL)



KNOW: You must also comply with other countries export and import laws.

How Are The Two Export Regulations Different ?

- Export of ITAR Products “Defense Articles”:
 - Subject To Trade Embargoes, Arms Embargoes and Restricted/Denied Parties Lists
 - Limited Countries For Approval
 - Extensive Prior Approval Requirements
 - Extensive Re-Export Restrictions Apply To All U.S. Products and U.S. Origin Products That Are “Defense Articles”
- Export of EAR Products “Commercial” or “Dual Use” Products:
 - Subject To Trade Embargoes and Restricted/Denied Parties Lists
 - Larger List Of Countries For Approval
 - Less Prior Approval Requirements
 - Re-Export Restrictions Usually Apply Based on % of U.S. Content (De Minimus)
 - There are some exceptions

You should have a robust internal process to assess the correct jurisdiction of your articles, services and data PRIOR to allowing transfer of such to any external party.

Knowledge Check - Export Basics

What are the primary U.S. export regulations that govern exports?

- A. International Traffic in Arms Regulations
- B. Export and Import Permits Act
- C. Export Administration Regulations
- D. Defence Trade Controls Act 2012

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The ITAR was first published in 1976; the EAR in 1979.

What Is Export Controlled?

- Hardware (Classified and Unclassified)
 - Military and Commercial Systems, Components, Parts, Tools and Test Equipment, Manufacturing Equipment, Installation and Integration Equipment, Spares, Replacements
 - Personal Protective Equipment (PPE) – Helmets, Body Armor, Chemical Detection Gear, Night Vision Equipment, Vehicle Armor, Weapons
 - Laptops, Smart Phones, Satellite Phones, PKI Smart Cards, Email Access Tokens
- Services/Assistance/Training Of Any Kind (Classified and Unclassified)
- Export Controlled Technical Information (ECTI) and Software (Classified and Unclassified)
 - In Any Form

**The U.S. Export Laws Apply To Any Product Physically In The U.S.
Not Just U.S. Origin Products.**

What is Export Controlled Technical Information (ECTI)?

- Information/Software that is controlled under the U.S. Export Regulations:
 - International Traffic in Arms Regulations (ITAR); or the
 - Export Administration Regulations (EAR)
- Includes Unclassified and Classified Information/Software:
 - That is required for the design, configuration, development, production, manufacture, use, operation, testing, installation, integration, modification, maintenance, repair, destruction of a product
 - Typically ECTI is technical in nature. But it can include classified information that isn't technical.

What is Export Controlled Technical Information (ECTI)?

Can Be in Any Form

- Verbal
- Visual
- Electronic (Email, Collaborative Sites)
- Hardcopy (Paper, Disk, USB)

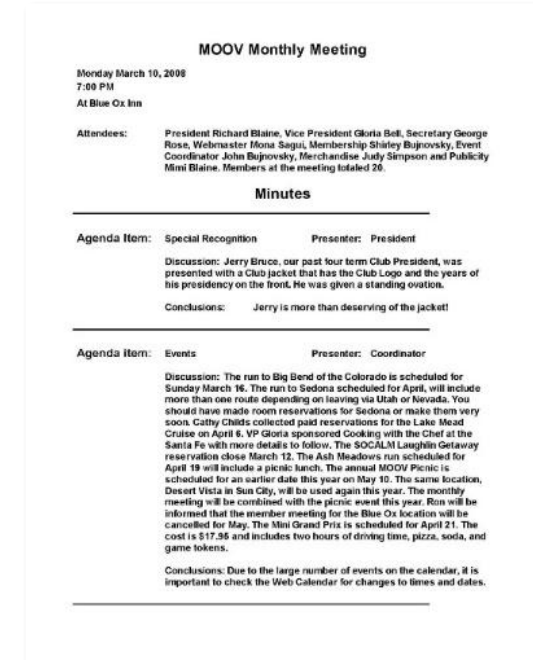
Could Be In

- Emails and Attachments To Emails
- Instructions, Operational Manuals, and Maintenance and Repair Manuals
- Displays, Presentations, Videos, Data Sheets, Web Postings, and Photos
- Drawings, Specifications, Proposals, Supply Chain RFQ, BOMs, and Discussions Of Requirements
- Speeches, Training, Abstracts and Symposium Lectures

Not sure if its ECTI? You should PAUSE before your PROCEED.

What Is **Not** ECTI?

- Basic marketing information
 - Form, fit, function (depends upon level of detail)
 - Descriptions
 - Environmental characteristics
- Information containing general scientific principles
- Delivery schedules
- Pricing information
- Contracts and Business Documents (non-technical)
- General meeting information and logistics
- Information in the public domain
 - Note: “In The Public Domain” and “Cleared For Public Release” are not the same



Knowledge Check - Export Basics

The only products that are export-controlled are those designed specifically for military uses.

True or False?

Knowledge Check - Export Basics

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True or False?

Even low-tech commercial products are subject to U.S. export controls. Don't assume.

What Is An Export Authorization?

U.S. Government Permission To Undertake an Export-Controlled Activity. There are many different types.

Some Require Written Approval In Advance From The State or Commerce Department

- Examples
 - ITAR Authorizations: DSP-5, DSP-73 Licenses, Technical Assistance Agreements (TAAs)
 - EAR Authorizations: BIS-748P License

Others Can Be Internally Approved By Your Company If Specific Conditions Are Fully Met

- Examples
 - ITAR Authorizations: For Repairs, For Exports To Canada, For FMS Programs
 - EAR Authorizations: GOV, STA, TMP, RPL, LVS

Export authorizations cover specified products, countries, parties and activities.

When Are Export Authorizations Required?

- Before We Undertake Any **Export-Controlled Activity**
- Requires Planning and Coordination With your Global Trade
 - Export Authorizations Take Time To Prepare
 - The USG Export Authorization Review Process is Lengthy – Months – Not Weeks or Days
 - Obtaining the authorization is just the first ‘step’ – then you must maintain the authorization and continually ensure it is sufficient for your ongoing needs
 - You may need to add parties, increase value, mature scope, etc. that may drive the need for amended, or even new, authorizations

Export-Controlled Activities

Physically Send or Take a Product or Commodity (Including Technical Data and Software) Out of the U.S. For Any Duration, Using Any Method For Any For Any Reason or Purpose

- Including:
- Temporarily or Permanently
- Loans, Spares, Replacements and Test Equipment
- For A Foreign or US Government Customer/Contract
- Including For Personal Use By An Employee
 - Laptops, Company Phones, PKI Smart Cards, Key Fobs, Smart Cards, Protective Gear



You must also comply with other countries export and import laws.

Export-Controlled Activities

Release, Disclose Or Transfer Export Controlled Technical Data To A Foreign Person or Foreign Party

- By Any Means (Electronic, Verbal, Visual)
- Regardless Or Where Either Party Is Located
 - In The U.S. Or Abroad
 - Including To Foreign Persons Employed By your company; and
 - Company Non-U.S. Locations
 - Plant Visits, F2F Meetings, Virtual Meetings
 - Specifications To Vendors



Provide Service, Assistance Or Training Relating To An Export Controlled Product For The Benefit Of A Foreign Person Regardless Of Their Location

- Including At The Request or Direction of the USG Customer
- Operational, Maintenance Training
- Repairs, Replacements, Upgrades, Updates



Export-Controlled Activities

Access Export Controlled Technical Information While In A Non-U.S. Location (Email, eRooms, SharePoint, Cloud)

- Including By your own global Employees



Disclose Or Transfer, By Any Method, In The United States, Any Defense Article To A Foreign Entity In The U.S.

- Including Export Controlled Technical Information



German Embassy In DC



United Nations

Export-Controlled Activities

Permanently Or Temporarily Re-Exporting or Re-Transferring Any U.S. Origin Commodity To Any Entity or Location Not On The Original Export Approval

- Including Export Controlled Technical Information
- Re – Selling, Leasing and Loaning
- Repair Activities
- Traveling Through Countries Not On The Original Travel Approval
- Drop Shipments



Brokering of Defense Articles

- Any Action Taken By A U.S. Person On Behalf Of Another To:
 - Facilitate The Manufacture, Export, Permanent Import, Transfer, Reexport, Or Retransfer
 - Of A U.S. Or Foreign Defense Article Or Defense Service, Regardless Of Its Origin.



Knowledge Check - Export Basics

Which of these activities require an export authorization? Include as many as apply.

- A. Sending spare components to a customer in Canada.
- B. Hiring a French citizen to support technical marketing activities in Europe.
- C. Taking your company smart phone on PTO to a resort in Brazil.
- D. Emailing drawings and specifications to a vendor in the United Kingdom to obtain a quote.
- E. Sending a field service engineer with spares and equipment to support repairs on a U.S. Navy ship docked in Japan.

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Export Violations

Undertaking an export-controlled activity without an export authorization will result in an export violation.

Many Export Violations Are Accidental And Avoidable

– Don't

- Wait Until The Last Minute
- Try To Avoid The Processes
- Assume or Guess
- Click Through Automated Warnings
(Email Pop Ups, etc that your company may implement)

– Do

- Take Time To Understand the Basics
- Contact your local GT **Before You Act**
- Share Information and Ask Questions

Ask for permission not forgiveness.

There is no export authorization after the fact.

Consequences For Export Violations

- Investigations
- Disclosures To USG
- Suspension of Export Authorizations
- Denial Of Future Export Authorizations
- Increased Training and Education Efforts
- Retain External Counsel
- Implement Corrective Actions
- Debarment From USG Contracts
- Employees Lose Their Jobs
- Companies/Employees Fined
- Company Property Seized
- Subject To USG Oversight and Monitoring Programs
 - Consent Agreements Issued

Pause and Follow the Process - Critical Export Steps

Jurisdiction and Classification

- Is it ITAR or EAR Controlled
- And Where On Each Control List is it?
- Company JC Assessment Process Must Be Followed to determine

Releasability

- Does the Government Have a Release Policy In Place Allowing That Product To Go To That Country and/or Entity
- Foreign Military Sales (FMS) Program or Direct Commercial Sales (DCS)

Exportability

- What Kind of Export Authorization Is Needed?
- Is There An Export Authorization Already In Place?
- Is It Valid And Active In The Company Export Tools?
- What Parties Are Approved ?
- What Products Are Approved?
- What Locations Are Approved?
- What Conditions/Limitation Apply?
- Do You Have Permission To Use it?

Products, Software, Data Must be Classified, and Releasability Determined Before An Export Authorization Can Be Requested