Rockwell Collins

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Mr. Brian Baker
Director, Electronics and Materials Division
Office of National Security and Technology Transfer Controls
U.S. Department of Commerce
Washington, DC

Re: ITAR Amendment – Category XI

Rockwell Collins appreciates the opportunity to provide comments on the proposed rules issued by the U.S. Department of Commerce (DoC), Bureau of Industry and Security (RIN 0694-AF64), and by the U.S. Department of State (DoS) (RIN-1400-AD25), published in the Federal Register on 25 July 2013. The proposed rules describe the articles that warrant continued control under Category XI (Military Electronic Equipment) of the U.S. Munitions List (USML) and address how articles that are no longer controlled under Category XI would be controlled under the Commerce Control List (CCL).

I. Corporate Background and Interest in Category XI Proposed Changes

Rockwell Collins, Inc. is a leader in the design, production and support of communications and aviation electronics for commercial and military customers worldwide. While our products and systems are primarily focused on aviation applications, our Government Systems business also offers products and systems for ground and shipboard applications. The integrated system solutions and products we provide to our served markets are oriented around a set of core competencies: communications, navigation, automated flight control, displays/surveillance, simulation and training, integrated electronics and information management systems. We also provide a wide range of services and support to our customers through a worldwide network of service centers, including equipment repair and overhaul, service parts, field service engineering, training, technical information services and aftermarket used equipment sales. We are headquartered at 400 Collins RD NE, Cedar Rapids, Iowa 52498 and employ approximately 20,000 individuals worldwide. Our 2012 sales totaled almost $5 billion.

Rockwell Collins appreciates the opportunity to provide comments on these proposed changes and supports the stated intent of the proposed regulatory amendments which is to

make the USML and the CCL a more positive list by creating a clearer "bright line" regarding articles controlled between the USML and CCL. These changes are intended to advance the national security objectives of the U.S. by creating greater interoperability with U.S. allies, enhancing the defense industrial base and allow the government to focus its resources on controlling and monitoring the export and re-export of more significant products and technology.

Given the majority of Rockwell Collins defense products are captured within Category XI of the USML we are very much interested in ensuring the changes being proposed not only further the national security objectives of the export control reform initiatives, but also allow for efficient international trade activities in the future .

II. Comments

A. Category XI USML Changes

Rockwell Collins believes the proposed reforms to the United States Munitions List (USML) Category XI – Military Electronics (RIN-1400-AD25), goes a long way towards the government's goal of establishing a positive list that draws a "bright line" between the USML and the Commerce Control List (CCL). We believe the changes set forth in the Department of State's proposed rule (RIN 1400–AD25), for the most part, articulate the equipment and technologies the government feels warrant the more stringent controls offered by the ITAR. We believe this will lead to more accurate export classifications and license applications by the defense industries impacted by the proposed changes. However, we have some concerns regarding the proposed change defined in Category XI(c)(15) *Electronic assemblies and components specially designed for rockets, SLVs, missiles, drones, or UAVs capable of achieving a range greater than or equal to 300 km and capable of operation at temperatures in excess of 125 °C (MT).*

Specifically, this proposed change seems to be in conflict with certain final rules published in Category VIII – Aircraft and Related Articles. Category VIII (a)(5) and (6) control military unmanned aerial vehicles (UAVs). Category VIII (e) controls the Inertial Navigation Systems, Inertial Measurement Units, and Attitude and Heading Reference Systems used in UAVs. Additional controls on UAVs systems and equipment are defined in VIII (h), including flight control systems and vehicle management systems.

In addition, the proposed change related to electronic assemblies for UAVs, as written, would seem to include all unmanned aerial vehicles, military or civil, if they have a range equal to or greater than 300 km.

Rockwell Collins respectfully suggests that controls on electronic systems for UAVs are adequately controlled in USML Category VIII, and that UAVs electronic systems be removed from Category XI. If it is felt these additional controls in category XI are necessary, we request it be explicitly stated they apply to military UAVs, and the specific electronic assemblies being controlled be identified.

B. CCL Changes

Rockwell Collins believes the proposed reforms to the Export Administration Regulations (EAR) Commerce Control List (CCL) (RIN 0694-AF64) are, by and large, positive; but believe some changes will lead to confusion and the potential for misclassification of certain commodities. Our specific comments on the proposed changes follow.

- We believe including computers, telecommunications equipment, radar "specially designed" for military use, parts, components, accessories, and attachments "specially designed" therefor, and related software and technology in the new 3A611, 3B611, 3D611, and 3E611 categories will lead to confusion and misclassification/licensing of controlled items. Rockwell Collins believes military computers, telecommunication devices, and radars should be placed in the appropriate existing CCL chapters as 611 items. For example, military computers and related test equipment, software and technology that no longer warrant ITAR controls should be moved to ECCN 4A611, 4B611, 4D611 and 4E611. Likewise, telecommunication devices no longer controlled by the ITAR should be transferred to CCL in category 5A611, and radars in CCL chapter 6A611. We further believe that enumerating military computers, telecommunication devices, and radars in existing chapters of the CCL as 600 series items will eventually be necessary as the government moves towards its stated goal of a single control list for both military and commercial articles.

- Rockwell Collins believes the proposed CCL category 3A611.c, controlling microwave monolithic integrated circuit (MMIC) power amplifiers, and 3A611.d controlling discrete microwave transistors is a positive move that clearly defines the articles covered.

- As stated previously, we believe the proposed CCL category 3A611.e controlling high frequency (HF) surface wave radar capable of "tracking" surface targets on oceans will lead to confusion and misclassification. We believe a better move would be to control these devices in chapter 6 of the CCL (ECCN 6A611).

- Rockwell Collins believes the proposed CCL category 3A611.f, controlling microelectronic devices and printed circuit boards that are certified to be a "trusted device" from a defense microelectronics activity (DMEA) accredited supplier is a positive move that clearly defines the articles covered.

III. Conclusion

As drafted, the proposed changes to Category XI represent a positive step forward in establishing a clearer/bright line between the USML and CCL. However, as noted above, we believe some proposed changes related to Unmanned Aerial Vehicle electronics

conflict with existing final rules and warrant review. Additionally, Rockwell Collins believes controlling military computers, telecommunication devices and radars in chapter 3 of the CCL, as opposed to placing them in existing chapters provided for similar commercial items, increases the possibility of misclassification of these devices. We also believe this move will eventually be required as the government moves towards a single control list for both military and commercial commodities.

Rockwell Collins is fully committed to supporting the Administration's efforts in moving export control reform forward. We greatly appreciate the opportunity to provide comments to the proposed changes.

If you have any questions or would like to discuss the comments provided above, feel free to contact me directly at 319-295-5396, or via email at pasmith@rockwellcollins.com.

Sincerely,

Perry A. Smith
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Rockwell Collins, Inc.