

TechAmerica

WHERE THE FUTURE BEGINS

THE ASSOCIATION OF COMPANIES DRIVING INNOVATION WORLDWIDE

Rachel S. Wolkowitz
Assistant General Counsel
agc@techamerica.org
202-682-4442

TechAmerica and Counterfeits

- FAR ANPR on Authentic IT Products in 2008
- Represent companies in the DIB, IT and COMM Sectors
- Hardware manufacturers, integrators and operators
- Commercial as well as Public Sector companies
- Our members are on the leading edge of detection and avoidance of counterfeits

Avoiding and Detecting Counterfeits

- Counterfeit parts are inherent risk
- All risks call for:
 - identification of root causes
 - assessment of the probability of occurrence
 - identification of consequences

Common Goals

- ✓ Avoiding and detecting counterfeit parts
- ✓ Avoid increasing costs with diminishing returns

Achieving our Goals

1. Dialogue and collaboration
2. Risk-based approach
3. Focus first on electronic parts
4. Apply lessons-learned to other aspects of the Supply Chain Risk Management

Guiding Principles for Section 818 implementation

- ✓ Non-conformance ≠ “counterfeit” (as in DFARS 2012-D055). Statute targets *electronic counterfeits*.
- ✓ DoD must balance clarity, specificity and flexibility to create workable rules
- ✓ Evolving regulatory and threat environment
 - Systems and standards in development
 - Technological convergence

Section 818 implementation: Avoiding and Detecting Electronic Counterfeit Parts

- Almost every military mission relies on the success of electronic components our members make or integrate
- DoD is no longer the leading innovator in this space nor does it represent a significant portion of the global tech market
- Must maintain DoD ability to afford to buy electronics as the mission requirements currently demand

A Risk-based approach to Section 818(c)(3), Trusted Suppliers

- Governance, Process and Oversight
- Lowest risk from OEMs/OCMs and their franchised/authorized distributors
- But: Obsolete parts
- But: Commercial and Commercial-off-the shelf

Thank you!

For more information contact:

Rachel S. Wolkowitz, Esq.
Assistant Counsel General
TechAmerica

agc@techamerica.org

202-682-4442