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POINT PAPER

18 May 2001

SUBJECT: Future Combat System

PURPOSE: To Update AMC Senior Leaders on Legal Issues Regarding the Future Combat System

O The Future Combat System (FCS) is the next-generation land combat system and forms a critical element of the Army's Objective Force. The FCS is currently in the Concept Exploration stage of the development cycle.

O The FCS will be jointly managed by DARPA and the Army through System Development and Demonstration, after which the Army will assume program management.

O DARPA has awarded four contracts under the "other transaction" authority. These contracts are not considered "procurement contracts" and give DARPA considerable flexibility to negotiate contract terms and conditions on an individual basis.

O The four contractor teams are:

- oo The Boeing Corporation, Phantom Works

- oo Team Full Spectrum, Science Applications International Corporation

- oo Team FoCuS Vision Consortium, Raytheon Corporation

- oo Team Gladiator, TRW, Inc. and Lockheed Martin Vought Systems

O AMC laboratories and RDECs have unique technical information and expertise which could be critical in the development of the FCS. The four FCS contractor teams have sought to work with AMC labs and RDECs to access this information and expertise.

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O To do this, AMC labs and RDECs have entered into Cooperative Research and Development Agreements (CRADAs) with the four FCS contractor teams.

- oo While it is not improper for labs and RDECs to do this, it is important that the CRADA terms and conditions be consistent among all MSCs and also among all participating contractors.

- oo It is also important that scarce lab resources be fairly distributed in order to maintain a “level playing field”.

O HQ, AMC established an Integrated Product Team (IPT) to address these concerns and to oversee AMC’s participation in the FCS program. The IPT has representatives from all AMC labs and RDECs on it.

O The IPT will implement two technology transfer mechanisms: (1) an on-line information library about available FCS technologies; and (2) an “Overarching CRADA” to facilitate reimbursable work for the FCS contractor teams.

- oo The information library is scheduled to be implemented within the next month.

- oo The “Overarching CRADA” will be implemented within the next four months. It will be managed at the HQ, AMC level and will allow labs and RDECs to enter into individual agreements under it.

- oo Until the “Overarching CRADA” is in place, AMC labs and RDECs must receive HQ, AMC approval of FCS CRADAs.

O There are many legal issues associated with AMC lab and RDEC participation, including:

- oo Lab and RDEC personnel must ensure that we own the necessary data rights in any technical information we put into the information library.

- oo Lab and RDEC personnel must protect proprietary and source selection sensitive information among the four FCS contractor teams.

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oo Labs and RDECs must ensure there are adequate personnel to comparably support the four FCS contractor teams. This may involve turning down work or doing less work if all teams cannot be comparably supported.

oo Labs and RDECs must ensure there are adequate personnel to support the FCS contractor teams and also to support the DARPA evaluation process, as needed.

oo It could represent a conflict of interest for the same personnel who perform CRADA work for the FCS contractors to evaluate resulting contractor proposals with DARPA.

oo Lab and RDEC personnel must ensure they take no action which could give an unfair competitive advantage or even give the appearance of giving an unfair competitive advantage to one of the four FCS contractor teams.

oo Lab and RDEC personnel must meet cost, schedule, and performance milestones established in the CRADAs.

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