



EIB World Trade Headlines

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Licenses on Hold to Russia

Both The Department of State (DTC) and The Department of Commerce (BIS) have placed a hold on the issuance of licenses that would authorize the export of defense and other controlled articles and defense services to Russia. This will continue until further notice. (03.27.14)

DTrade Notices:

Industry Notice: The IBM Forms Viewer used to view, complete, and sign DTrade forms has been updated to version 8.0.1.1. DTrade users must **uninstall** the previous version, before installing the new version. (04.02.14)

<http://www.pmdtdtc.state.gov/DTRADE>

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Bureau of Industry and Security Fines California Company for Illegal Export of Technology to Russian Engineer

WASHINGTON – The U.S. Department of Commerce's Bureau of Industry and Security (BIS), Office of Export Enforcement (OEE), today announced that it has reached a \$115,000 civil settlement with Intevac, Inc., of Santa Clara, CA. BIS fined the company for five violations of the Export Administration Regulations (EAR), including the unauthorized release of export controlled manufacturing technology to a Russian national working at its U.S. facility. The settlement involves "deemed exports," releases of controlled technology made to a foreign national located in the U.S.

"Deemed export compliance is a top priority for the Bureau of Industry and Security," said David W. Mills, Assistant Secretary of Commerce for Export Enforcement. "Today's settlement highlights the need for companies to be vigilant to prevent the unauthorized release of U.S. technology and data."

Intevac voluntarily disclosed the unauthorized release of drawings and blueprints for parts and identification numbers for parts to the Russian national in question, who was employed as an engineer at the company's Santa Clara headquarters. Under the EAR, such information constitutes technology that is controlled for national security reasons. Intevac applied for a deemed export license after discovering the initial releases but failed to prevent additional releases of technology while the license application was pending. BIS charged Intevac with knowledge of these additional releases and considered the company's conduct to be an aggravating factor in the penalty assessment. The company was also charged with one violation related to the unauthorized transmission of technology to its subsidiary in China.

Organizations that most commonly obtain deemed export licenses include universities, high technology research and development institutions and bio-chemical firms. In certain cases, they need to obtain deemed export licenses from BIS before making such releases.

BIS controls exports and re-exports of dual-use commodities, technology, and software for reasons of national security, missile technology, nuclear non-proliferation, chemical and biological weapons non-proliferation, crime control, regional stability, foreign policy and anti-terrorism. Criminal penalties and administrative sanctions can be imposed for violations of the Export Administration Regulations. For more information, please visit www.bis.doc.gov.



P-8 Poseidon Aircraft Performs 1st Missions in Korea During Exercise Foal Eagle 2014

The U.S. Navy's P-8A Poseidon maritime patrol aircraft conducted its first training missions in the Republic of Korea (ROK) March 27-31 in support of exercise Foal Eagle 2014.

During the combined U.S. and ROK armed forces training events, flight crew members from Patrol Squadron (VP) 16 operated with P-3 Orion maritime patrol crews from the ROK navy. The exercise gave the pilots, mission planners and flight crews from both the U.S. and ROK navies the opportunity to train together and exchange ideas and concepts.

"This was a great opportunity to strengthen relationships and show what operational capabilities this aircraft brings to the Pacific and to our allies," said Lt. Cmdr. Dwight Brungard, the P-8 mission commander.

"Everyone was discussing the similarities and differences between the P-8 and the P-3 and how we can operate efficiently in the operational environment. It's so important for us to understand each other and continue to work seamlessly together."

Exercise Foal Eagle is an umbrella of regularly scheduled, annual exercises between U.S. and ROK armed forces in 7th Fleet. The naval portion of these bilateral exercises test skills in a variety of warfare disciplines including maritime patrol.

"We are excited to have the P-8A Poseidon performing its first missions in Korea as a part of Foal Eagle 2014," said Rear Adm. Lisa Franchetti, commander, U.S. Naval Forces Korea. "The presence of this modern and dynamic aircraft operating with our Korean counterparts further demonstrates the U.S. Navy's commitment to our alliance with the Republic of Korea and represents the physical manifestations of our rebalance to the Pacific."

The P-8A Poseidon is designed with the latest avionics and onboard systems making it one of the most advanced anti-submarine and anti-surface warfare aircraft in the world. Six P-8A aircraft are currently deployed in support of the U.S. 7th Fleet conducting maritime stability, patrol, and search operations throughout the Indo-Asia-Pacific region.



Reducing Debris Threat From Satellite Batteries

Across a satellite's working life, batteries keep the craft's heart beating whenever it leaves sunlight. But after its mission ends, those same batteries may threaten catastrophe.

Space debris mitigation rules require the complete deactivation of electrical power sources aboard a satellite on retirement, in order to guard against explosive accidents that might produce fresh debris dangerous to other satellites.

Now a new study by ESA's Clean Space initiative – tasked with reducing the space industry's environmental impacts on both Earth and space – aims to evaluate battery behaviour after a satellite shuts down, assessing the risk of breakup and ensuring full 'passivation'.

Batteries are among a satellite's bulkier items of equipment. Typically, they feed their host with power during launch. Once in orbit, it switches to power from its solar arrays, but the battery is an important backup to store power for eclipses and emergencies.

To reach the high reliability and performance a satellite demands, extending across many months or years, batteries are carefully designed and extensively tested in advance of launch.

By contrast, their behaviour after their parent mission has been shut down remains a relative blind spot.

As a satellite drifts freely, could batteries endure the harsh environment of orbit – including wild temperature swings, degradation of thermal control and components as well as radiation exposure – without leakage or bursting?

Some past satellite breakups have been triggered by battery malfunctions, although mostly before the 1990s and involving older non-lithium designs.

This multidisciplinary study aims to ensure a fully inert power system at the end of a mission, perhaps through physical disconnection, while also preventing accidental premature passivation.

Source : **European Space Agency (ESA)**

Read more: http://www.asdnews.com/news-53977/Reducing_debris_threat_from_satellite_batteries.htm?utm_source=ASDNews&utm_medium=email&utm_campaign=Channel_17_19_03#ixzz2wRY6d5CY

ASTRA 5B is Delivered to the Spaceport's Final Assembly Building

For integration on its Ariane 5 launcher



The ASTRA 5B satellite, one of two passengers for Arianespace's next Ariane 5 mission, has been delivered to the Spaceport's Final Assembly Building – marking a step in payload integration.

ASTRA 5B – built by Airbus Defence and Space for global satellite operator SES – was transported this week from the Spaceport's S5 payload preparation facility, where the spacecraft underwent pre-flight checkout and received its onboard propellant. The transfer took place at night in order to reduce thermal loads on the satellite.

After its deployment by Ariane 5, ASTRA 5B will extend SES' transponder capacity and geographical reach over Eastern Europe and neighboring markets, delivering direct-to-home, direct-to-cable and contribution feeds to digital terrestrial television networks. The spacecraft also carries a hosted L-band payload for the European Commission's European Geostationary Navigation Overlay Service (EGNOS).

ASTRA 5B will be joined on the flight by HISPASAT's Amazonas 4A satellite – which will provide enhanced relay capacity over Latin America and an extended range of communications and television services. Amazonas 4A was produced by Orbital Sciences Corporation.

The upcoming Ariane 5 mission – designated VA216 in Arianespace's numbering system – is set for March 21 from the Spaceport, with liftoff scheduled during a launch window opening at 7:05 p.m. local time in French Guiana.



Source : **Arianespace**

Changchun Railway Vehicles Company Considers Springfield MA Location for New Manufacturing Hub

SPRINGFIELD, Mass. (WWLP) – The city of Springfield has a history with trains and could be heading back to its train manufacturing roots bringing in hundreds of jobs.

Changchun Railway Vehicles Company, or CNR, is based in China, but wants to build its North American hub in Springfield.

22News found out the company is in an "option agreement" with Pinnacle Entertainment to buy the old Westinghouse property on Page Boulevard.

Springfield Mayor Domenic Sarno said CNR could finish construction 18 months after they get approval to build, and the bid to build the MBTA rail cars.

"They went to fifty sites in the Northeast. Springfield ranked out number one for what they were looking for and what they really liked and what's going on in the City of Springfield," said Mayor Sarno.

Mayor Sarno said CNR would have contracts from Canada to Atlanta and would create hundreds of jobs in the City. He showed 22News a model train CNR gave the City.

One of the largest manufacturers of railroad cars in the U.S., Wason Manufacturing Company, started in the city's north end in 1845. It had hundreds of employees, some of the first passenger coaches and eventually trolleys.



The Bureau of Industry and Security invites you to register for this upcoming seminar to learn about export control requirements under the Export Administration Regulations. There are still places available, and the special seminar hotel rate is available until March 26.

"Complying with U.S. Export Controls" – 2 Days April 2-3, 2014, Harrisburg, PA – \$425. This two-day program is led by BIS's professional counseling staff and provides an in-depth examination of the Export Administration Regulations (EAR). The program will cover the information exporters need to know to comply with U.S. export control requirements on commercial goods. We will focus on what items and activities are subject to the EAR; how to determine your export control classification number (ECCN); steps to take to determine the export licensing requirements for your item; when you can export or reexport without applying for a license; export clearance procedures; and record keeping requirements.

<http://www.bis.doc.gov/index.php/component/content/article/81-compliance-a-training/export-administration-regulations-training/seminar-details/635-april-2-3-2014-camp-hill-pa>

Spring Conference EIB Recommended

We always recommend our ITAR exporters be members of SIA Society for International Affairs, they are the oldest ITAR Training organization in the U.S.

They used to only hold trainings in DC, but they have expanded in recent years to new locations. Spring Conference will be held on 5-6 May 2014 in New Orleans, LA at the Hilton New Orleans Riverside Hotel. The agenda is posted on the website and registration is available. You must register online for this event. **A block of rooms has been reserved at the USG Per Diem rate for the dates of the Conference until 13 April 2014 or until the block is sold out.** You can book your room online through our website or by contacting the hotel directly. Details about the Conference (hotel, airport transportation, hotel parking rates, dress code, etc.) are included with the agenda.

2014 Spring Conference

Sponsor: SIA

Day: Monday 5-May-14 7:00 AM to Tuesday 6-May-14 5:00 PM

Location: Hilton New Orleans Riverside 2 Poydras St. New Orleans, LA 70130

GE LM2500 Gas Turbine Powers German Navy's Christened Baden-WA1/4rttemberg F125 Frigate

GE Marine reports that the German Navy's Baden-Württemberg (F125-class) frigate was christened in December 2013, powered by a GE LM2500 gas turbine-based propulsion system.

The christening ceremony was held at ThyssenKrupp Marine Systems in Hamburg, Germany. According Dr. Hans Christoph Atzpodien, CEO of ThyssenKrupp Industrial Solutions AG and Chairman of the Supervisory Board of ThyssenKrupp Marine Systems GmbH, "The F125 is a completely new type of frigate with numerous technological innovations which will secure a solid basic workload for the shipyards involved in the coming years and help the German naval shipbuilding industry maintain and expand its leading position in key technologies."

MTU Friedrichshafen, a GE Marine System Supplier, provided the ship's propulsion module, which includes one LM2500 gas turbine, two electric motors and four diesel generator-sets in a combined diesel-electric and gas turbine (CODLAG) propulsion arrangement.

Through MTU, GE will provide LM2500 gas turbines for four new CODLAG-configured F125 frigates, which will replace the German Navy's eight Bremen-class F122 frigates. GE LM2500s also power the German Navy's Bremen-, Brandenburg- (F123) and Sachsen-class (F124) frigates.

FDA Sued Over Failure to Issue Export Certificate

By Dara Katcher Levy

We have long been waiting for a company to sue FDA for failing to issue an export certificate. Unfortunately, we may need to wait a bit longer for a case that will resolve the standards for when FDA must issue an export certificate. Today, one can argue that FDA is “allowing” companies to sell products in the U.S. when FDA is unreasonably prohibiting the same products from being shipped outside the U.S.

As background, export certificates, while not mandated by the Federal Food, Drug, and Cosmetic Act (“FDC Act”), have become a practical requirement for many companies seeking to market their U.S.-manufactured products globally. Foreign customers and importing countries generally require that these FDA-issued certificates accompany the import of a regulated product, and some countries rely on certain types of export certificates before issuing their own product approvals/registrations. Under the FDC Act Section 801(e)(4), exporters may request, and if criteria are met FDA is required, to issue an export certificate within 20 days of a request.

There are several types of export certificates (see [here](#) and [here](#)) that exporters may request – those that certify a product may be legally **marketed** in the U.S. as well as those that simply certify a product may be legally **exported** from the U.S. A typical reason FDA may refuse to issue the first type of export certificate for a drug or device is FDA’s concern over whether the company is manufacturing the product in conformance with current good manufacturing practices (“cGMPs”) or FDA’s quality system regulations (“QSRs”). In fact, FDA often refuses to issue these certificates if the company has received a Warning Letter relating to those regulations. We are aware that in such circumstances, FDA has refused to issue an export certificate until the Warning Letter “close-out” process has been completed. As we have [previously blogged](#), this close-out process can take many months and it is unclear whether the delay is due to industry failure to correct serious regulatory problems or whether FDA is unwilling to conduct prompt follow-up to confirm corrections. FDA’s failure to timely issue a Warning Letter “close-out” in many instances may lead to its failure to issue an export certificate – even where the company may already be in substantial compliance. When FDA fails to issue an export certificate, it can effectively destroy a company’s ability to market its U.S. manufactured product outside the U.S. although there may be no impact on the company’s sales in the U.S. market, because FDA has not taken enforcement action to block the domestic sales of relevant product.

relief to compel the FDA to issue a Certificate to Foreign Government (“CFG”), a type of export certificate that certifies a product may be legally marketed in the U.S. PI manufactures and markets ultrasound gel, which is regulated by FDA as a medical device. As we read the complaint, and reviewed FDA’s website, we were curious as to PI’s assertion that FDA has not taken any action to restrain PI from distributing its devices in interstate commerce. FDA’s website shows that, in addition to a [Warning Letter](#) relating to QSR violations, certain lots of PI’s products are the subject of an open Class I recall, and that Deputy U.S. Marshals, at FDA’s request, had seized certain lots of PI’s product in April 2012. This action was undertaken less than one month before FDA’s [denial](#) of PI’s request for a CFG in May 2012. In addition, the July 2011 Warning Letter to PI advises, “Requests for Certificates to Foreign Governments will not be granted until the violations related to the subject devices have been corrected.” According to FDA’s website, the PI Warning Letter has not, to date, been subject to “close-out.”

PI maintains that it is currently manufacturing and distributing its products in the U.S. with no action from FDA to restrain the manufacture or distribution of these products. PI also maintains that it has “responded fully and completely to the warning letter as well as to subsequent FDA inspectional observations and has repeatedly expressed its desire to meet with FDA officials to address the issues raised therein.” PI further alleges that FDA has not responded to numerous written communications and verbal requests to FDA representatives for a meeting. It is unclear whether FDA still has concerns about the quality of PI’s product, or whether FDA resources are hampering its ability to issue a Warning Letter “close out.” If the issue is the latter, FDA’s inability to timely issue a Warning Letter “close out” is unreasonably (and unfairly) harming the company’s ability to obtain a CFG. If the former, one could argue that FDA’s failure to take further action against products in domestic commerce could be viewed as FDA “allowing” the company to distribute products that FDA would otherwise view as adulterated or misbranded.

We are anxious to see whether PI will be successful in its suit. If not, we will wait to see whether, if the facts were different, a lawsuit filed by another company without a Warning Letter “close-out” could be successful in requiring FDA to issue an export certificate.

Export Control Reform BIS Seminars

The Bureau of Industry and Security will conduct a series of briefings to help companies understand how to comply with the different regulatory requirements in the Export Administration Regulations (EAR). The next programs will be conducted in Los Angeles, CA on April 15, 2014, and

Navy Weapons Program Delivers New Capability for H-60 Helicopters

A modernized rocket launcher will soon enable MH-60 Seahawk helicopters to carry and deploy a variety of weapons for the first time.

As part of an Early Operational Capability (EOC), the Navy delivered the new system, called the Digital Rocket Launcher, to Helicopter Sea Combat Squadron (HSC) 15 in March for pre-deployment training.

DRL is the answer to an urgent operational needs statement (UONS) from the Navy, and its quick fleet deployment is the result of the hard work and cooperation of a number of program offices here at Naval Air Systems Command (NAVAIR), said Cmdr. Alex Dutko, the Airborne Rockets and Pyrotechnics team lead for the Direct Time and Sensitive Strike Weapons program (PMA-242).

Dutko's team worked closely with the H-60 Multi-Missions Helicopter Program (PMA-299) to deliver DRL to the fleet in less than 24 months.

This new, "smart" launcher will first be integrated onto the MH-60S as part of a Rapid Deployment Capability (RDC) and later, onto the MH-60R and potentially other platforms.

"The fleet is very excited because this launcher will make an armed helo even more lethal than it already is," said John Male, PMA-299's Common Weapons lead. "The H-60 Sierra is already a significant threat, but the new launcher, and all that it brings, will allow the aircraft to engage a larger set of threats."

Though the helicopter can be equipped with a variety of other weapons systems, the DRL will permit employment of the Advanced Precision Kill Weapons System (APKWS), Dutko said. A semi-active laser guidance section added to legacy rocket components, APKWS offers greater precision than the unguided rockets currently employed from helicopters.

Additionally, the DRL's digital interface makes it capable of employing a wider variety of rocket configurations, offering significant flexibility to engage different target sets. DRL allows for sequential and selective single fire; selective and all ripple fire; and rocket-inventory tracking, not available in its legacy predecessor, which required aircrew to keep a physical record of rockets fired.

"When the vice chief of naval operations (VCNO) told us to 'Get lead in the air,' that was a clear, concise and direct statement reflecting the urgency with which we needed to accomplish this effort," said Capt. Jim Glass, PMA-299 program manager. "Having a UONS is an integral part of this process, but when Navy leadership reinforced the urgency of the need with a short direct edict, the imperative was crystal clear, and this joint team responded."

In 2012, the team was challenged to complete the project in 24 months and deliver EOC to the fleet in March 2014.

"We have a lot of important programs in our portfolio," Capt. Al Mousseau, PMA-242 program manager explained. "While all of these programs are developing and delivering capability crucial to the warfighter, DRL is an RDC that Navy leadership asked us to deliver to the fleet as quickly as possible — at least one year ahead of what a normal program would have delivered."

Throughout the accelerated development effort, the team overcame numerous technical challenges and ultimately produced 22 launchers that fully incorporate a multitude of configuration changes. These launchers will support the scheduled deployment of HSC-15 later this summer.

"It's not often that you see a program go from a sketch on a piece of paper, to a reality," Dutko said. "I keep telling the team: this is unique, special. EOC is just the first step to equipping the fleet with the capability and lethality that we need to be effective and successful in countering the fast inshore attack craft threat."

PMA-242 is responsible for the acquisition, development and sustainment of weapon systems, including anti-radiation missile systems; airborne rocket systems; precision guided munitions; airborne gun systems; and joint air-to-ground munitions. PMA-299 provides full-spectrum, worldwide support for the Navy's SH-60B, SH-60F, HH-60H, MH-60S and MH-60R helicopters and user communities.

Sikorsky Agrees to Pay US\$3.5M Over Claims it Overcharged U.S. Military

HARTFORD, Conn.—Federal prosecutors say helicopter maker Sikorsky Aircraft Corp. has agreed to pay US\$3.5-million to resolve allegations it inflated the cost of spare parts.

Connecticut United States Attorney Deirdre M. Daly said Sikorsky failed from 2008 to 2011 to disclose accurate, complete and current cost and pricing data to the U.S. Army purchasing unit that buys spare parts for the manufacturer's Black Hawk helicopter.

Stratford, Conn.-based Sikorsky is a subsidiary of United Technologies Corp.

It says in a statement that it's pleased to have resolved the matter.

Daly says Sikorsky's actions created an uneven playing field in negotiations that "tilted unfairly" in its favour.

Military contractors are required by law to disclose accurate, complete and current cost and pricing data to the government during negotiations.

International Travel Tips

- Bring required travel documents for the countries you're visiting, as well as identification for re-entry to the U.S. Passports are required for re-entry to the U.S. by air. Visit the [Department of State's website](#) for destination information.
- U.S. Passport or other recommended ID for U.S. citizens (Carry it; do not pack it). Visit the [U.S. Department of State: Travel](#) website for more information on passports.
- Green Card (Form I-551) or document for Lawful Permanent Residents (Advance Parole if LPR status is pending). Visit the [U.S. Citizenship and Immigration Services](#) website for more on green cards. Failure to have Form I-551 or document for lawful permanent residents could result in a \$545 waiver fee.
- Notarized travel permission letters for minors traveling without their parents; Entry documentation for the country(ies) you will be visiting. (Is a visa required?) Visit the [U.S. Department of State: Travel](#) website for more information.
- Valid driver's license; Do you need an international driver's license in the country you are visiting? The Department of State offers more information on [International Driving Permit Application Instructions](#).
- Declare everything you are bringing in from abroad, even if you bought it in a duty-free shop. This merchandise is also subject to U.S. duty fees and other restrictions. It will be easier to fill out the CBP declaration if you have an envelope with receipts from all of your purchases.

If you are traveling with a lot of new jewelry, be sure to have the appraisals or receipts.
- Be cautious when buying something from a street vendor. Keep in mind that the merchandise may be counterfeit and/or unsafe and you may have to surrender it to U.S. Customs and Border Protection when you get home.
- Know the difference between prohibited merchandise (such as ivory, tortoise shell products, absinthe, and counterfeit items) and restricted merchandise.

"The road to success is always is under construction"

~Lily Tomlin~

- Be aware that many foreign made medications are not FDA-approved, and you cannot bring them into the U.S. Also, when traveling abroad, bring only the amount of medication you'll need during the trip in its original container.
- Don't bring any Cuba-made products into the U.S., no matter where you purchased them.
- Don't bring any food into the U.S. without first checking to see if it is permitted. Also, any and all live birds and bird products, whether for personal or commercial use, may be restricted and/or quarantined. You should have permits and/or certificates if you're bringing restricted animal and plant commodities regulated by the U.S. Department of Agriculture, Animal and Plant Health Inspection Service: [USDA APHIS Permits](#).
- Understand that CBP officers can inspect you and your belongings without a warrant. This may include your luggage, vehicle, and personal searches and is meant to enforce our laws as well as protect legitimate travelers.
- If you are traveling with your pet, you must bring Proof of Rabies vaccinations for a dog. This is recommended but not required for cats. Check for requirements regarding other pets: [USDA APHIS: Pet Travel](#).
- Bring receipts or registration paperwork. Use [CBP Form 4457](#) for firearms and for any new electronics, such as a camera or laptop that you're taking with you. (Only suggested if traveling with recently purchased goods. Not necessary for goods more than 6 months old.) You might have to pay duty on these items if you have not registered your item or cannot prove you owned it prior to your departure.

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