

Breakout Group 1 – Manufacturing Location and Company Ownership Outbrief Report

Thursday, October 15, 2020 NDIA Workshop on NDAA Section 224

Top 3 Problems – Manufacturing Location & Company Ownership



- 1. Lack of control or influence over products and their supply
- 2. Lack of confidence in the supply chain risk of adversarial influence
- 3. Not understanding influential details of the supply chain, its location, and ownership

Top 3 Solutions – Manufacturing Location & Company Ownership



- 1. Standard to help influence consumer behavior
- 2. National investment for manufacturing and leverage of consumer demand
- 3. Standardized reporting and observability of microelectronic life cycle, including manufacturer's ownership and location

Top 3 Steps That to Implement – Manufacturing Location & Company Ownership



- 1. Develop process to identify ownership and location
- 2. Observability into supply chain risk, enabling predictive analytics and risk-based selection
- 3. Strive to engage non-DoD stakeholders for supporting behaviors



Breakout Group 2 – Workforce Composition & Access During Manufacturing Outbrief Report

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Top 3 Problems – Workforce Composition & Access During Manufacturing



- How do we incentivize commercial players to adopt new Government standards dabble in low Government volumes, the Government is not a large market for commercial products. How do we incentivize commercial players to adopt more security?
- 2. How do we work with suppliers with no pedigree, insufficient traceability, accountability across supply chain, how digital traceability standards?
- 3. End to end development flows are needed to maintain standards, including obsolescence
- 4. Affordability lower cost provides is less in compliance with what the Government needs. Are you able to get what is it what you need?

Top 3 Solutions – Workforce Composition & Access During Manufacturing



- Solution: Government and industry must quantify need, understand cost, understand how much legacy capability needs to be maintained, pay attention to measures that can keep existing capability in place while, diversifying supply, evaluating standard work to streamline compliance. Example can there be a legacy maintained.
- 2. Solution: Establish the value proposition for secure commercial connected enterprises markets
- 3. Solution: Compensation mechanism for contracts to reward suppliers complying with preferred tiers of trust requirements
- 4. Establish SCRM team to review and define areas of need define policies and standards.

Summary



Workforce Composition

Government procures from industry, need ways to incentivize players, maintaining workforce US, while tapping into alternate markets non-US Incentivizing manufacturers for industry procuring from both US and non-US manufacturers to achieve and maintain desired workforce composition

Access to Manufacturing

Need solutions to keep traditional suppliers in the game while opening up new avenues for supply, tricky unless the end need is understood, compensation factors

Considerations must include aspects of business, technical and policy interaction to establish the desired manufacturing capability access result



Breakout Group - Reliability of Supply Chain & Operational Security

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Top 3 Problems – Reliability of Supply Chain & Operational Security



- Lack of visibility into the supply chain
- 2. What is the incentive for COTS to adopt requirements or standards that are of interest to DoD?
- 3. Lack of comprehensive commercial security standards and incentives across the lifecycle.

Top 3 Solutions – Reliability of Supply Chain & Operational Security



- 1. Comprehensive tailorable portfolio of security requirements and associated standards across the lifecycle. (Possibly broken out by stages in the life cycle, technology, etc.).
- 2. Risk-based approach to use the standards to create trade space of options.
 - Levels or tiers of Trust/Assurance Levels.
 - 2. Risk decisions and impacts. Quantifiability
- 3. A successful value proposition that is recognized across industries and meaningful to consumers.