

The Coalition for Security and Competitiveness

Aerospace Industries Association

American Association of Exporters and Importers

American Chemistry Council

The American League for Exports and Security Assistance

AMT—The Association for Manufacturing Technology

Business Roundtable

Coalition for Employment through Exports

General Aviation Manufacturing Association

Industrial Fasteners Institute

Information Technology Industry Council

National Association of Manufacturers

National Defense Industrial Association

National Foreign Trade Council

Satellite Industry Association

Space Enterprise Council

Space Foundation

TechAmerica

U.S. Chamber of Commerce

August 1, 2011

President Barack Obama
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear Mr. President:

The Coalition for Security and Competitiveness would like to restate our strong support for your export control reform initiative. Your efforts continue to be essential to supporting America's manufacturing capability, sustained leadership in innovation, new technology development and global competitiveness - all of which drive the continued security of our nation. We particularly welcome publication of the new proposed rule providing a regulatory construct for the movement of items from the USML to the CCL. We hope this step will accelerate your efforts to improve the effectiveness, efficiency, transparency and reliability of the export control system.

You have shown great leadership in taking on this important initiative and it will take more of that leadership to bring it to a meaningful resolution with tangible benefits for US security and competitiveness. To that end, we urge you to reaffirm the importance of this initiative directly to all relevant cabinet officials and task your own staff with bringing the regulatory overhaul to a prompt and successful conclusion, including taking the following steps between now and the end of this year:

- (1) Prioritize the immediate movement of the vast majority of USML parts and components to the CCL while the ongoing USML list review continues.
- (2) Establish an effective and efficient program license that dramatically reduces the number of licenses among trusted companies and allies required to support US government defense and security programs.
- (3) Create an effective and efficient intra-company transfer license that allows trusted companies to exchange technology freely within their own organizations protected by their own compliance processes and technology and intellectual property controls.
- (4) Rationalize the control of commercial satellites by completing the 1248 report on adjusting controls for export of commercial communication satellites and related components, and ensuring that it is consistent with

both the overarching list reform process as well as the Administration's national security space strategy.

- (5) Simplify encryption controls by fundamentally recalibrating them so that only a narrow positive list of encryption-related items is subject to control.
- (6) Consolidate the thirteen separate DOD technology review boards into fewer review boards, and begin managing the output of these boards for clarity, consistency, transparency, and timeliness.

These are not the only reforms we support, but these are the ones that would be most meaningful to our high technology industries in the short run. Action on them would demonstrate your Administration's continuing commitment to thorough reform, enable your enforcement authorities to concentrate their resources on the most critical issues, facilitate cooperation with our security allies and partners, and permit US companies to export pursuant to clearer guidelines.

With these priorities accomplished by year's end, you will have created tremendous confidence and momentum for this initiative, allowing us to build strong support for the conclusion of the effort among all stakeholders and securing an important security and competitiveness victory for America.

Sincerely,

COALITION FOR SECURITY AND COMPETITIVENESS