

M&S Leadership Summit

Industrial Development

Working to characterize the identity, scope, organizational relations and size of the M&S market, and coordinate M&S events throughout the industry.

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Status of Issues from 2006 Summit

Top Issues	Recommendation	Status
Identity and Recognition Compelling Needs	<ol style="list-style-type: none">1. A non DoD-led federally funded initiative to research, define, brand, and market the potential M & S industry.2. An increased awareness of modeling & simulation impact especially in non DoD and educational institutions.	<ol style="list-style-type: none">1. No specific actions to date2. No specific actions to date
Advocacy & Leadership of DoD M&S	<ol style="list-style-type: none">1. M&S must be declared a “National Critical Technology” that drives standards, industry cooperation, education and defense. Appoint M&S POCs within federal agencies and provide funding and incentives for collaboration across government and industry.2. Monitor relevant studies reviewing the management and organization of DoD M&S and act on the results (e.g., “purple” organization for M&S in Training, reducing stovepipes by sharing information and resources within and between domains, etc).	<ol style="list-style-type: none">1. Following the 2006 M&S Leadership Summit, a letter was drafted making that recommendation to the Caucus Chairman.2. No specific actions to date

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Status of Issues from 2006 Summit

Top Issues	Recommendation	Status
Incubation of Small M&S Businesses	<ul style="list-style-type: none">- Provide mechanisms for small businesses to overcome roadblocks related to VV&A, data access, OCI and reuse2. Consider lessons learned from existing small business incubators	<ol style="list-style-type: none">1. No specific actions to date2. No specific actions to date

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Issues for Consideration in 2007

- **M&S Market Sector Analysis**
- **Intellectual Property Rights**
- **Federal Government Interdepartmental Coordination and Advocacy of M&S**
- **Public awareness of M&S**
- **NAICS Codes for M&S**
- **Restrictive Federal Export Regulations**

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M & S Market Sector Analysis

- IDENTIFICATION – We don't have good information on the size, scope, and significance of the M&S Market, especially outside of defense applications.
- CIRCUMSTANCES – If M&S is a National Critical Technology, then we should have better information on this industrial sector and market operation, to establish benchmarks and identify needs.
- ISSUE / OPPORTUNITY –
 - Mostly defense-centric, but M&S spans many industries, applications & technologies
 - Opportunity for various regional M&S groups to come together on a national study
 - Market sector data are essential for NAICS development and for investor decisions
- ACTION –
 - Develop plan of action, scope, methodology, and cost estimate for a national study, publish by 2008
 - Ensure up-front consensus among study partners/sponsors

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Intellectual Property Rights

- IDENTIFICATION – Intellectual Property Rights are a growing issue within DoD and its contractor community.
- CIRCUMSTANCES – Are the current business model and procedures being followed by DoD promoting or limiting innovation?
- ISSUE / OPPORTUNITY –
 - Patent & copyright laws protect innovators and incentivize investors
 - IPR issues may be especially critical in wartime, given pressures for more rapid acquisition and acceleration of technology developments.
- ACTION –
 - Convene an M&S Caucus-sponsored technical exchange meeting on the subject of IPR, DoD regulations, and business practices
 - Identify government and commercial “best practices” and obstacles for/to stimulation of innovation and investment in M&S
 - Develop appropriate legislative/regulatory initiatives

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Federal Coordination & Advocacy of M&S

- IDENTIFICATION – There is little or no coordination of M&S development, applications and use within the federal government, outside of DoD.
- CIRCUMSTANCES – Lack of awareness, advocacy, and oversight may be limiting potential beneficial applications of M&S and promoting “stove pipe” developments
- ISSUE / OPPORTUNITY –
 - M&S is diverse in technologies, applications, and potential
 - M&S is being used extensively throughout the federal government, but where and how is it being used? Are there opportunities for sharing of best practice information and possible development of standards for M&S products, applications and interoperability?
 - How are investment dollars for Internal Research and Development programs allocated? Are IR&D programs aligned with government vision documents, or short term targets of opportunity?
- ACTION –
 - Develop an office or advocate or “center of excellence” for M&S in each federal department or major agency
 - Include M&S focus in Congressional oversight of federal agencies

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Public Awareness of M&S

- IDENTIFICATION – There is a lack of awareness of M&S among the general public and our political decision-makers and staffs at all levels of government.
- CIRCUMSTANCES – M&S can be a powerful tool, but not if it is left in the toolbox when needed.
- ISSUE / OPPORTUNITY –
 - M&S helped to accurately predict potential dangers from a major storm hitting in New Orleans, but little attention was paid to the warnings
 - Significant public events throughout 2006 offered opportunities to showcase M&S technologies and industry knowledge, but were not capitalized on
 - M&S can possibly serve as a planning and exercise tool for future situations, such as a possible bird flu pandemic.
- ACTION –
 - M&S Caucus members should continue and expand their support for such events as Capitol Hill demos and possibly a “road show” that can be brought to state capitals and localities, especially in those regions most engaged currently in M&S
 - Incorporate M&S considerations in state grants, such as law enforcement, homeland security, disaster planning and preparation, National Guard, and education

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NAICS Codes for M&S

- IDENTIFICATION – Currently, there are no North American Industry Classification System (NAICS) Codes specifically for M&S as an industry
- CIRCUMSTANCES – The absence of M&S NAICS Codes is a limiting factor for the growth and recognition of M&S at all government levels and in the commercial and investor communities.
- ISSUE / OPPORTUNITY –
 - NAICS Codes would raise the level of visibility and awareness for M&S
 - NAICS Codes would help promote and facilitate education and training in M&S
 - The federal government's process for development and approval of new codes is slow and ponderous and bureaucratic – too slow for the digital age, if the U.S. is to remain competitive
- ACTION –
 - Find a way to accelerate the federal government's development and approval of NAICS Codes for M&S and other new and emerging industries, such as Digital Media

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Restrictive Federal Export Regulations

- IDENTIFICATION – The federal International Traffic in Arms Regulations (ITAR) are overly restrictive in regulating the export of training devices and simulators and there is no clear consensus on information sharing relating to M&S developments and technology.
- CIRCUMSTANCES – US business interests are being placed at a competitive disadvantage by these overly broad regulations.
- ISSUE / OPPORTUNITY –
 - US businesses are routinely hindered from exporting M&S technologies commonly available elsewhere in the world
 - Imported technologies are subjected to burdensome export controls once a US citizen adds even a small content or value
 - Inability to share M&S technology information between different agencies and military coalitions prevents replication of the real world
- ACTION –
 - The US Munitions List should be revised/refreshed
 - ITAR regulations should be reviewed for possible updates or changes regarding M&S products and technologies

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Industrial Development *Out Brief*

Charter: Working to characterize the identity, scope, organizational relations and size of the M&S market, and coordinate M&S events throughout the industry.

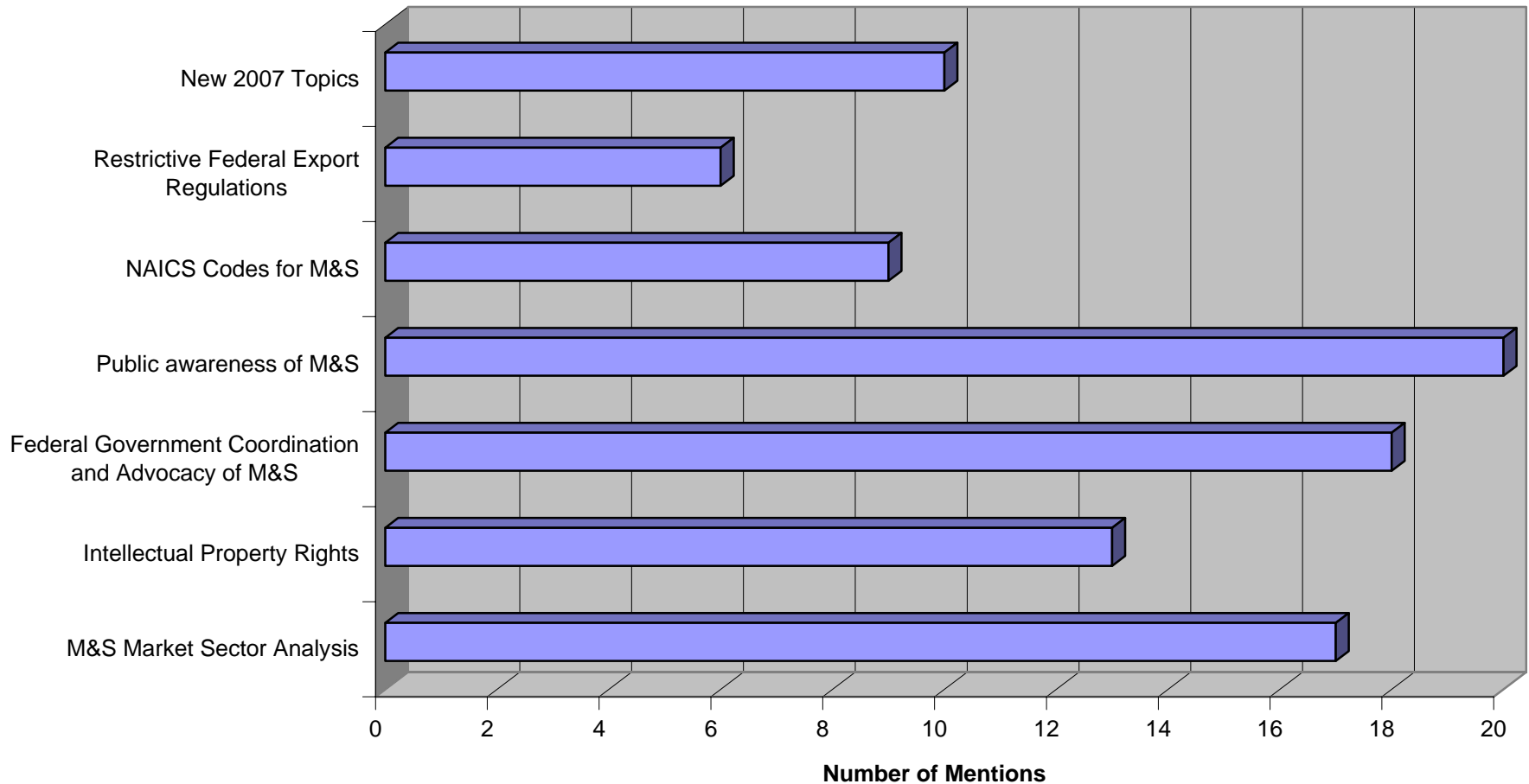
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2007 Industrial Development Topics



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Out Brief – Industrial Development

Top Issues of 2007	“New” Actionable Recommendations
Public Awareness of M&S	<i>Organize national competition for M&S similar to DARPA “Grand Challenge”</i> <i>Emphasize creative school activities, starting in middle school (NSF STEM approach)</i>
Federal Coordination & Advocacy of M&S	Create M&S focus within federal depts, but not a new agency. National committee/clearinghouse Look at the FAA model Federal “Learning Officer” State gov’t associations for collaboration
M & S Market Sector Analysis	Use universities for this study NTSA lead suggested

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New Industrial Development Topics

- Establish the legitimacy of M&S as a basis for Policy Decisions
- Identify requirements applicable to M&S in new procurements
- Establish a National Association for M&S
- Identify Return on Investment for M&S