CONTRACTORS ON THE BATTLEFIELD

PROBLEMS IN PERSPECTIVE

TSGI
The SYTEX Group, Inc.

PRESENTED BY SYDNEY F. MARTIN, PRESIDENT
3 MARCH 2005
CURRENT STATUS

- 200+ PERSONNEL IN SWA THEATER
- PERSONNEL IN OTHER “HOT SPOTS”
- ONE COMBAT CASUALTY
- ONE MEDICAL EVACUATION
INSURANCE ISSUES

DEFENSE BASE ACT (DBA)
- EXPENSIVE
- VARIABLE
- MANDATED

LIABILITY INSURANCE
- ESSENTIAL
- DIFFICULT TO QUANTIFY

RISKS
- WAR CLAUSE EXCLUSIONS
- VERY EXPENSIVE
POTENTIAL INSURANCE SOLUTIONS

DBA: USE DEPARTMENT OF STATE METHOD

LIABILITY: (A) INDEMNIFY CONTRACTORS
(B) PROVIDE ACCESS TO LIABILITY INSURANCE
ARMING ISSUES

- DUALITY (CONTRACTOR - MILITARY)
- LIMITATIONS
- UNWILLINGNESS OF TROOPS TO ACCEPT RESPONSIBILITY
- TRAINING ABSOLUTELY NECESSARY
LOGISTICS SUPPORT

- EVACUATION (COMBAT OR HEALTH)
- COMMUNICATIONS
- TRAVEL AND SUBSISTENCE
- TRAINING
- INTERFACE WITH HOST NATIONS
LEGAL

- INFRASTRUCTURE SUPPORT
- THREE LEGAL SYSTEMS
  - U.S. CODE
  - UCMJ
  - HOST NATION
- FARS/DFARS
- PERSONAL SERVICES
BUSINESS MODEL (PRICING)

- HIGH PRICE RISK
  - HOW ODCs ARE TREATED
  - OVERTIME ISSUES
  - DIFFERENT COST MODELS
  - TYPE OF CONTRACT
  - UNCERTAIN GFE

- STAFFING

- INCONSISTENCY AMONG KOs/COs

- GOVERNMENT CLIENT TRAINING