Munitions Executive Summit
Steve Dart
April 2015
<table>
<thead>
<tr>
<th>BUSINESS AREA</th>
<th>MAIN PRODUCTS</th>
<th>CLIENTS</th>
<th>LEADERSHIP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Civil Explosives</td>
<td>Cartridge explosives, Bulk explosives, Seismic explosives, Delivery systems</td>
<td>Mining, Public sector, Infrastructures, Quarries</td>
<td>#1 in Europe</td>
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<tr>
<td>Initiation Systems</td>
<td>Electric detonators, Non-electric detonators, Electronic detonators, Detonating cord, Boosters, Safety fuse</td>
<td>Internal needs, Chemical sector</td>
<td>#1 in Europe</td>
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<tr>
<td>Chem</td>
<td>Raw materials: Ammonium nitrate, Nitrocelulose, Fine chemicals</td>
<td>Internal resources and abilities</td>
<td>#1 worldwide</td>
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<tr>
<td>Outdoors</td>
<td>Cartridges, Components, Powder</td>
<td>Shooting clubs, Hunting</td>
<td>#1 worldwide</td>
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<tr>
<td>Defence</td>
<td>Ammunitions and energetics, weapons systems, maintenance and demil services</td>
<td>Defence Ministries (NATO Area), Defence Companies</td>
<td>#1 in Demilitarization Recycling in Europe</td>
</tr>
<tr>
<td>Energy</td>
<td>Environment consulting, Wind Energy</td>
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140 companies in the Maxam Group
Defense products and services around the world

- Electronic systems
- Fire control systems
- Small calibre ammo
- Fuzes
- Complete mortar systems
- Nitrocellulose
- Nitroglycerine
- Propellants
- Forgings
- Shells
- Bombs
- Load, Assemble & Pack
- Insensitive Explosives
### Readiness
Use export markets to sustain in downturn
- US products are “MIL-STD”
- Large number of customers
- FMS
- FMF
- Fragmented markets
- Low volumes / country
- Export complications
- Alien procurement methods
- Understanding customer
- Time to establish networks
- Exchange rate risk
- ITAR restriction
- Domestic competition

### Affordability
Combine defense with commercial activities
- Large volumes
- Slow steady cycles
- Less rigid specs
- Sharing fixed costs
- Lower margins
- Many small contracts
- Distribution channels
- Many different clients
- Cross training costs

### Future Capabilities
Onshoring of alternative technologies
- Fast response
- Easy to import
- NIH
- ITAR restraints
- Foreign specs
### How can the Government help

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<th>Readiness</th>
<th>Affordability</th>
<th>Future Capabilities</th>
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<tr>
<td>Reduce regulatory burden</td>
<td>Reduce proposal complexity</td>
<td>Ownership of IP</td>
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<tr>
<td>Sensible ITAR</td>
<td>More multi-year contracts</td>
<td>Support for IRAD</td>
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<td>Faster export licenses</td>
<td>Less multi-year re-competes</td>
<td>Faster CRADA’s</td>
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<td>Wider scope on licenses</td>
<td>Increase minimum award quantities</td>
<td>Facilitate transfer of mature technologies out of government facilities</td>
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<td>Pre-approval of items for export</td>
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