

Putting the “I” Back in IR&D

Written by Nick Sanders

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Readers may recall our vehement concern with recent decisions made by the Department of Defense that, taken together, seemed to signal an intent to control contractors’ “independent” research and development (“IR&D” or “IRAD”) efforts. We most recently voiced our concerns last January, in [this article](#). We made some fairly strong characterizations of the policies of then-USD (AT&L) Frank Kendall. We stand by those characterizations.

That article, of course, was but one of many in which we pointed out how the DoD was engaging in a “guerilla war” against its contractors. (The words in quotes weren’t originally ours; we swiped ‘em with full attribution.) We [posited](#) in early 2016 that the real objective behind the attacks on IR&D was to obtain contractors’ intellectual property rights without paying for the privilege.

In any case, the most recent article pointed out that Mr. Kendall’s policy was failing, as evidenced by a DFARS Class Deviation that delayed its implementation. And now here we are, nine months later, to tell you that DoD just issued [another DFARS Class Deviation](#) that has effectively killed one of Mr. Kendall’s pet initiatives—the requirement that contractors must enter into “technical interchanges” with a DoD official in order to have their IRAD costs reimbursed by the Defense Department.

Yep. It’s dead. And good riddance, too.

The Class Deviation states:

Effective immediately, contracting officers shall not require a major contractor ... to engage in or document a technical interchange ... as part of the criteria for determining a contractor’s annual IR&D costs to be allowable. ... As the result of this deviation, the [DFARS allowability requirements pertaining to such technical interchanges] are no longer a part of the criteria a contracting officer must consider in determining a major contractor’s annual IR&D costs to be allowable.

Well, there you go.

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