

HighTech, BioChem, and University R&D Vulnerable to Deemed Export Violations

by Michelle Kelley - Friday, March 21, 2014

When technical details, designs, software, etc. related to an export controlled item are shared with a foreign national, it's considered a deemed export by the U.S. government. Even if the sharing takes place on U.S. soil—it's still considered a deemed export.

An export license is usually required in these cases, unless the foreign national has permanent resident status, U.S. citizenship, or "protected individual" status. Many such licenses involve scientific research and are requested most frequently by the high-tech, bio-chemical, and higher education industry sectors. What's troublesome is that most people working in these industries are not aware that they may be committing an export violation by disclosing details/data about controlled technology to a colleague in the U.S. without the proper license.

Companies in these sectors should carefully review who could come into contact with information about their controlled technology through the normal course of the workday. This will help to identify individuals in the organization who may require an export license before certain information can be released to them. Such a review process should be documented in the organization's Technology Control Plan, as it will require cooperation among several different departments, including human resources, IT, security, and compliance.

It's best for organizations to do all this sooner, rather than later. The Bureau of Industry and Security (BIS) recently named deemed export violations as one of their top priorities. Just last month the BIS announced that publicly traded machinery manufacturer [Intevac was fined \\$115,000](#) for violations involving deemed exports.

[Deemed Export FAQ](#) (Bureau of Industry & Security)



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