



April 29, 2002

Defense Acquisition Regulations (DAR) Council
Attn: Ms. Amy Williams
OUSD(AT&L)DP(DAR) IMD 3C132
3062 Defense Pentagon
Washington, DC 2031-3062

Subject: DFARS Case 2002-D0002 and Interim Rule

Dear Ms. Williams

Mills Manufacturing Corporation is a woman owned small business that manufactures personnel, cargo, extraction and deceleration parachutes to military specifications for the Department of Defense. These parachutes uses nylon fabric, and this company was instrumental getting the Council to include parachutes in the definition of "textile products" in the language of the present 252.225-7012 so as to not exclude the synthetic fabric from the requirement of being of domestic manufacture.

Domestic manufacture of the parachutes as an **end item** is essential to the U.S. military and without this protection, the defense industrial base is placed in jeopardy. The personnel parachutes are life support items for the paratrooper or part of the ejection seat of aircraft for the pilot, and these items are supplied only by manufacturers on the Qualified Products List (QPL) which is limited to a few companies currently. Cargo or extraction parachutes are used to drop or extract expensive military equipment from aircraft, including tanks and other vehicles as well as other supplies. Deceleration parachutes are devices to slow down various military aircraft.

There have been various interpretations from different commands within the Army, which remains the primary procurement agency for parachute items, as to what the so called "Berry Amendment" requires to be of domestic manufacture. It is universally accepted that the synthetic fibers and fabric are to be manufactured in the United States. There have been issues within the past several years that some parachute items are being manufactured in Mexico. As much of the cost for parachute items is the labor cost, being able to manufacture the items where U.S. labor laws do not apply creates unfair competitive advantage for companies that do not manufacture in the United States. In turn, the companies that utilize domestic production are being placed in peril in an already fragile industry, and if any one of these companies decides to cease parachute production, the U.S. military is also placed in jeopardy.

MILLS MANUFACTURING CORPORATION

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It would appear that the proposed interim rule revises the language so as to be clear that the *listed items*, including clothing, tents, items of individual equipment, *etc.* are to be of domestic manufacture, whether components or the end items themselves. It is not clear that there is any change in the requirement of domestic production of the end item of any other product, such as the parachute, that might be manufactured from one of the listed items, *i.e.*, the synthetic fabric. It would seem that the only way to clearly indicate to the commands of the Department of Defense that domestic production of essential military items, such as parachutes, is required would be to include the parachutes in the listed list. Mills Manufacturing Corporation would request that the council give consideration to this proposal if the DFARS clause could so include this language.

Mills Manufacturing Corporation has proposed to several Members of Congress that the "Berry Amendment" be revised to include parachutes in the listed items. To have the Department of Defense and the DFARS Council support such language in the current world environment would seem logical.

Sincerely,
Mills Manufacturing Corporation

A handwritten signature in black ink that reads "James W. Turner". The signature is written in a cursive style with a large, looping initial "J".

James W. Turner
President

cc: Michelle P. Peterson