Anchors Opening Remarks:

Don Quenneville spoke about the Defense Technology Initiative’s (DTI) success at the Natick Soldier Systems Center and Electronic Systems Center at Hanscom Air Force Base. Don highlighted how important the technological resources in MA are to the Department of Defense (DoD); specifically, people and the companies they represent. Don estimated the next potential Base Realignment and Closure (BRAC) process to occur around 2015. Don noted Massachusetts’s success is largely measured in DoD not being able to live without the state’s and New England resources – these include research institutions, existing military bases and a variety of defense sector companies in close proximity to one another. DTI expanded into neighboring states and promotes across border personnel to sustain defense presence in MA. Don recognized that MA and US are not producing enough ready resource personnel for technology industry as a whole and that “home grown” folks are lacking. These people are especially important for security clearance purposes.

Art Robert recognized that the purpose of the defense sector in Massachusetts is to enable military personnel and those involved in the industry to succeed. Massachusetts companies are contributing in many areas including: land, sea, aerospace, and now cyberspace to protect America’s interests. MassDevelopment found that 2,500 Massachusetts companies have secured DoD contracts worth just under $10billion; of that about $8.1billion is for work and services taking place in MA. Massachusetts has a comparative advantage, with defense installations that meet very specific requirements. Art listed four major defense industries which Massachusetts and New England have served:

- Signal processing and software instruments to support military operations
- Aerospace and Defense
- Autonomous systems, autonomous underwater vehicle (AUV), underwater based systems, and robots
- Homeland Security technology
**Dennis Cope** highlighted that **Ophir Optics** is focused on infrared optics for military and commercial applications. Dennis showed some examples of what his company produces. First he passed around a thermal weapon sight lens which goes on M16 or M4 rifle. With the thermal weapon sight, he said a soldier can see any thermal object be it a person or large animal during day or night. It is used by troops in Iraq and Afghanistan, and Ophir produced 20 thousand over past few years. Next, Dennis spoke about systems Ophir builds for driver vision to have vision from behind for troop carrying vehicles. Lastly, he showed a Zoom lens designed for Unmanned Aerial Vehicle (UAV), which gives field soldiers more range of operations and control. Infrared allows fighters to protect people they are with and identify the enemy. Some of Ophir’s defense technologies have also been adapted for commercial use; for example Ophir’s night vision technology can be found in some newer BMW automobiles.

**Eric Hagopian** spoke about his family company developing a high volume of defense related components for nearly forty years. He talked about Driver Vision Enhancers, and noted that Massachusetts is a hot bed for defense related thermal optics. Hagopian mentioned **Hoppe Tool** makes components for remote weapons stations, manufacturing weapon mounts so the soldier can remain in the vehicle. For aircrafts, Hoppe Tool manufactures complex fuel control for small diameter compulsion. Eric spoke about his company developing program technology and machines that can manufacture highly complex parts in high and low volume to meet the demands of their clients. To conclude, Eric recognized the advantage of having defense contractors together in a localized region, and said that Hoppe Tool has experienced significant growth in business.

**Paul Worcester** highlighted how **MassDevelopment** created a defense report that analyzes where defense business opportunities are available in Massachusetts. Paul emphasized MassDevelopment’s role in helping create environments and facilities for defense related businesses to operate and grow. Paul spoke about the Massachusetts Military Reservation (MMR) on Cape Cod to show how MMR is looking to leverage opportunities with Navy, Coast Guard, and other military and homeland defense entities. Paul spoke about assets such as protected airspace at MMR and the intellectual capital the state has to offer. Paul also noted companies using the base’s ocean proximity to experiment with potential alternative fuel sources such as that being developed by Plankton Power with the Woods Hole Consortium.

See MassDevelopment Defense Industry Report

**Q&A:**

Q – How successful are Ophir Optics and Hoppe Tool in retaining their employees?
A – Dennis Cope and Eric Hagopian said that while some individuals naturally will leave to pursue new challenges, new work, desirable work environment and established industry presence have helped them achieve excellent retention rates.

Q – When can MA expect the next BRAC?
A – Don Quenneville said the next BRAC could be around 2015. Quenneville noted that Massachusetts and the New England region will be prepared. The exercise of having rallied forces in the prior BRAC process has been institutionalized through the Defense Technology Initiative. Also, Quenneville recognized there are resources in MA that can not be replicated. Art Robert emphasized the continual need for the military to see value in investing in MA.

Q – How do MA and the US remain competitive with other companies and outsourcing?
A – Eric Hagopian cited Hoppe Tool’s increased efficiency and maintenance of a lower price point. Cope noted success in driving down cost and maintaining quality. Also, anchors commented on companies in MA and US ability to meet stringent DoD standards.

Q – What are some challenges of maintaining defense related space and potentially losing military base share?
A – Paul Worcester noted it is necessary to leverage our existing assets and communicate their value. Paul offered an example: protected airspace at Massachusetts Military Reservation on Cape Cod. Carter Hunt of MassDevelopment also noted that if we lose our defense infrastructure to another state, that state will have little trouble in attracting technical talent.
Q – Who could assist my company if we were working on a site selection project for a defense company?
A – Art Robert responded the Massachusetts Office of Business Development (MOBD) would pull together a team that includes MassEcon, MassDevelopment and DTI to work on and assist in the site selection process.

Q – How did Ophir Optics decide upon a MA location? Does Ophir do its manufacturing in MA?
A – Dennis answered that Ophir is a wholly owned subsidiary of Israeli company, Ophir Optronics. Dennis noted that MA offered a desirable location in a region with rich technology resources, and that met defense industry standards. In addition, he said that Ophir’s current location at Osgood Landing in North Andover has allowed them to grow as they have experienced an increase in market demand for thermal optics. Also, Ophir Optics does do its manufacturing in MA.

Q – What makes MA a desirable location for military bases and installations?
A – Art Robert answered that proximity and access to suppliers and resources is important. Art Robert and Paul Worcester also commented that the state has successfully provided companies and locations to meet the stringent demands of the DoD.

Q – What other states have a vibrant defense culture similar to Massachusetts?
A – Eric Hagopian and Dennis Cope answered that the New England region attracts a substantial number of defense contracts. Art Robert noted that there is a strong concentration of signal processing and software in Rhode Island and New Hampshire and that Connecticut and Maine attract Aerospace & Defense work; however, for cyber defense activity Massachusetts stands alone. This concentration makes the New England region particularly formidable.

In conclusion, Bob Brustlin, chairman of MassEcon, noted the importance of Massachusetts demonstrating its readiness to meet future and changing defense needs and communicating that message to federal decision makers.