



Unmanned Systems

The Unmanned Systems Team at Williams Mullen can help unmanned systems operators, data providers and users, manufacturers, downstream solutions providers and other stakeholders negotiate a rapidly changing legal, regulatory and policy landscape so they can participate and excel in this burgeoning industry.

Our team can assist companies that seek to leverage this technology with obtaining Section 333 Exemptions and other regulatory approvals, securing financing, software and data licensing, international business transactions and export restrictions and numerous other issues critical to building or running a business in a global economy.

Regardless of a company's location in its lifecycle or its size, our team will focus on rendering advice that reflects our deep understanding of both the industry and the technology with a view toward augmenting a company's bottom-line, enhancing its attractiveness to potential buyers and improving its ability to acquire a business with complementary technology or coveted market share.

We can provide counsel on the following types of matters:

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Government Contracts

Our Government Contracts attorneys provide unmanned systems companies with a full-range of legal services tailored to contracting with federal, state and local governments. We combine our understanding of your business operations with our knowledge of the government marketplace to help you succeed in serving the government customer's needs while also achieving your own business goals. Our attorneys are experienced in all aspects of government contracting, from contract formation and negotiation through performance to litigation and dispute resolution. We have experience with a number of federal agencies, including the Departments of Defense, Homeland Security and State, as well as procuring agencies in many state and local governments. Our attorneys have significant experience in government contracting matters that allows them to interact with government personnel from any federal, state and local agency and help resolve any type of government contract matter.

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Export Controls

U.S. law prohibits the export of defense articles or defense services that are regulated under the International Traffic and Arms Regulations (ITAR) without an export license or Technical Assistance Agreement approved by the State

Department. Similarly, products and technologies regulated under the Export Administration Regulations (EAR) may require export licenses in export transactions. Since many unmanned systems products and technologies are listed on the U.S. Munitions List (and regulated under ITAR) or on the Commerce Control List (and regulated under the Export Administration Regulations) industry executives should use care to understand their obligations under export laws and avoid export control violations.

The stakes can be high ? violations can result in criminal penalties of up to 20 years imprisonment for the company and its employees.

Our team stands ready to help you:

- Determine the classification of your products, software and technical data under ITAR and EAR.
- Obtain requisite licenses and authorizations.
- Develop compliance policies and procedures and train employees on key compliance issues.
- Submit product classifications and commodity jurisdiction requests.
- Conduct annual internal compliance audits.
- Conduct specialized due diligence reviews on acquisition transactions in your industry.
- Stay current on export control best practices, including export processes, compliance issues and export recordkeeping.

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Intellectual Property

A system's value and likelihood of market success depend materially on your unmanned systems company's IP pedigree. In many instances, the associated IP will determine the strength and longevity of a system's only competitive advantages. It is therefore critical for you to identify the IP that corresponds to current ? and forecasted ? products and services, with a special emphasis on the core aspects and critical technologies that comprise the backbone of existing and future products and services.

We can help unmanned systems companies:

- Identify the IP assets associated with a system, which in many instances can include unrecognized but valuable IP, and develop an IP strategy that integrates with the overall business strategy for the system.
- Develop internal procedures for recognizing, tracking, and evaluating internally developed IP, as well as take advantage of the full range of

options for protecting IP assets.

- Conduct "early clearance" searches and undertake "freedom to operate" reviews to ensure a system's market viability.
- Monitor competitor and industry IP activities.
- Identify potential government IP rights and evaluate the impact those rights may have on strategic use of IP.

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Mergers and Acquisitions

As FAA regulations begin to enable commercial uses of unmanned systems in the U.S., potential service providers are seeking access to viable unmanned systems platforms, and investors are recognizing the industry's limitless possibilities. These trends are stimulating a flurry of M&A activity in the unmanned systems industry. M&A in the unmanned systems industry is particularly complex, not only because of questions of IP ownership and valuation and the red tape of FAA regulations, but also because many unmanned systems companies have contracts with the federal government or had contracts or grants/cooperative agreements with the government when they developed their unmanned systems capabilities.

Our lawyers can advise on the entire process of acquiring or selling an unmanned systems company. In addition to our experience in structuring deals with our corporate and tax capabilities, our experience with due diligence in IP, ITAR, compliance, and government contracting is a significant benefit in enabling you to get the deal done.

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Entity Formation

We welcome new participants in the unmanned systems industry with ground floor advice to help establish the corporate structure that best suits the client's short-term and long-term objectives.

Our lawyers guide clients through the issues involved in forming a new business that intends to compete in the unmanned systems sector. We assist in determining the appropriate business structure, developing corporate bylaws and articles of incorporation, registering the new business, protecting intellectual property and ensuring corporate compliance with all regulatory guidelines. The key to our success is partnering with the client to understand the business and the client's goals.

The acquisition, divestiture, or reorganization of a corporate entity performing unmanned systems services requires an appreciation of government restrictions on assignments of contracts, cost recovery limitations, and industrial security requirements. Our lawyers have represented a number of U.S. and international companies, as well as financial institutions, in connection with mergers and acquisitions, including the drafting of special terms and conditions, the conduct of due diligence reviews, novation agreements and interaction with the U. S. Small Business Administration concerning the protection of a small business concern's eligibility to retain designated contracts.

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Private Equity

With the growth in unmanned systems commercial activity comes the need for capital and the interest of motivated lenders and investors.

We help early, mid-stage and later-stage companies as they prepare to find capital to finance their needs, and when they are ready to do so, we assist them in consummating capital financing transactions. Sources of these funds can be institutional investors, such as venture capital firms and mezzanine funds, private equity groups, "angel" investors and investors who cross the venture capital/angel divide. We also represent companies in negotiating with investment banking firms to raise capital or explore strategic alternatives on their behalf and work closely with these clients and their investment bankers to complete the transaction.

A private equity representation typically involves a comprehensive legal and regulatory due diligence examination of the target company. When we represent a client seeking capital, we similarly assess its business model and risk profile with the goal of matching the client with appropriate investors or with investment banks. Whether we are representing the investors, the portfolio company or the target, we draw on our experience in the areas of finance, intellectual property, tax law, real estate law, labor and employment law, environmental law, and other areas as appropriate to properly structure a transaction suited to the investment.

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Government Affairs

In North Carolina and Virginia, our team of attorneys and government consultants has decades of experience working with statewide elected officials, legislators, agency heads, key staff and interest groups. We have actively counseled and advocated for clients on issues before the Virginia and North Carolina General Assemblies, and we are proud to have represented clients in most of their major

public policy developments. Our advocacy continues throughout the year and includes coordinating grassroots lobbying efforts, providing political advice and helping clients work with pivotal members of the legislature. In addition, the Group regularly advocates for clients before state and local government boards and agencies.

Our North Carolina Government Relations team has a strong history of representing clients before the legislative and executive branches of government on an extensive variety of issues directly related to the unmanned systems industry in North Carolina. As veterans of the legislative and political process, our team has well-developed insight and understanding concerning the workings of the governor's administration, state legislature and agencies. We are in regular and direct contact with legislators, whether the legislature is in or out of session, as well as with the governor, the heads of state agencies in North Carolina, and the staff who are critical to the decision-making process in the executive branch. Utilizing this experience and knowledge positions the team to work effectively with decision-makers who are critical to developing the emerging unmanned systems regulatory and legal framework and to be a valuable partner to help the unmanned systems industry as it grows in North Carolina.

Virginia presents an interesting landscape for unmanned systems companies. In 2013, Virginia became the first state to pass a moratorium on the use of Unmanned Aircraft Systems by any public body having law or regulatory enforcement powers. Shortly after legislation establishing the moratorium passed the General Assembly, the Governor and Virginia Tech began work on the state's application to the FAA for designation as one of the six unmanned systems test sites around the country. In December 2013, the FAA designated Virginia as one of the six test sites, successfully competing against a pool of 24 other states. Recognition of the growth and importance of the unmanned systems industry is now beginning to take shape among policy leaders, and interest in unmanned systems applications is growing quickly. With a large military presence, consistent top ranking as a best state for business, and now the FAA designation as an official Unmanned Aircraft Systems test site, Virginia is attracting and growing its base of unmanned systems companies.

For those companies looking to do business in Virginia, our Government Affairs team can assist in navigating the Virginia-specific regulatory environment and help connect your company to state and local leaders looking into unmanned systems applications. Our team also keeps track of new legislative and regulatory developments of interest to unmanned systems companies, an absolute necessity in this rapidly evolving industry.

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Labor and Employment

Intellectual property can be a significant asset of any company, particularly those in a nascent industry such as yours. To help you avoid the loss of competitive advantage that can occur when a former employee improperly discloses proprietary information to another party, including competitors, we develop comprehensive employment agreements that protect your vital proprietary information and the poaching of employees. Should the need arise, we represent employers in injunctive and other trial proceedings to enforce, or prevent the enforcement of, non-compete and non-solicitation agreements, employment contracts, confidentiality agreements and restrictions on the use of trade secrets.

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Domestic and International Business Expansion and Relocation

As the U.S. market for your industry expands, greater demand for your company's technology could necessitate the relocation and/or expansion of your company. Our experienced economic development team can help U.S. and international companies streamline their corporate relocation and expansion projects and reduce initial and long-term costs by advising on economic incentives, entity selection, tax, labor and employment issues and the necessary permits and licenses.

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Immigration

We can help your company secure access to global talent by obtaining essential visas for key executives, managers, investors and skilled workers, while streamlining processing times and reducing cross-border transfer costs. For U.S. companies, we help ensure compliance with U.S. Homeland Security regulations, including the use of programs like E-Verify. We also assist with "deemed export" issues where foreign nationals have access to technical data subject to ITAR and EAR.

Experience

The following is a summary of the Unmanned Systems Team's relevant experience.

- Helped client to obtain Section 333 exemption from the Federal Aviation Administration (FAA) allowing it to use Unmanned Aircraft Systems (UAS) for commercial purposes.
- Counseled UAS operator on obtaining proper insurance coverage and complying with coverage requirements.
- Advised UAS operators on federal and state privacy laws and policies that will impact the collection and use of data collected from UAS.
- Developed privacy policy for UAS operations.
- Prepared leasing and sharing agreements between UAS operators and prospective clients.
- Represented U.S. UAS services company in sale to private equity fund.
- Represented Canadian small UAS manufacturer in sale to U.S. strategic buyer.
- Assisted UAS operator with acquisition of assets of UAS manufacturer.
- Assisted UAS owner with sale of specific UAS assets.
- Prepared license between UAS owner and operator.
- Represented UAS operator in protests to the Government Accountability Office (GAO) against federal government agency contract awards.
- Assisted UAS owner/operator with compliance with the International Traffic in Arms Regulations (ITAR) and the Export Administration Regulations (EAR) in international sales.

- Advised company providing support services to U.S. Department of Defense regarding overseas Unmanned Aerial Vehicle (UAV) operations on export compliance issues under ITAR and EAR.
- Introduced client to Virginia legislators and cabinet members to assist in private and public sector business development.
- Counseled technology providers and integrators on patent landscape, barriers to entry, and protecting intellectual property.
- Advised insurance company regarding potential cooperative research and development agreement (CRADA) with federal agency.

Related News

- [Special Due Diligence Concerns When Buying Unmanned Aircraft Systems](#)
- [Williams Mullen UAS practice featured in Inside Business](#)
- [UAS practice group highlighted in Virginia Lawyers Weekly](#)
- [The American Lawyer mentions Williams Mullen's UAS practice](#)
- [Williams Mullen Continues to Lead in Unmanned Systems with Addition of Respected Geospatial Attorney Kevin Pomfret](#)
- [White House Memo Will Impact How Federal Contractors Can Use Drones](#)
- [FAA Interim Policy Further Supports Section 333 Exemption Process](#)
- [FTC Continues its Push to Regulate the Collection and Use of Location Information](#)
- [Drone and Space Law seminar featured in Virginia Lawyers Weekly](#)
- [Williams Mullen Represents BOSH Global Services in Sale to Momentum Aviation Group](#)
- [Judy Bristow Speaks About Unmanned Aircraft Systems \("drones"\) at 41st Annual Virginia Aviation Conference](#)
- [FAA Announces Crackdown on Unauthorized Drone Flights](#)
- [Do You Know Your IP Rights In Your Imagery and Other Data Products?](#)
- [FAA to Broaden Registration of Drones in Effort to Increase Safe Operations](#)
- [Kevin Pomfret Quoted in Law360 Article About Commercial Drone Use](#)
- [Kevin Pomfret Quoted in Law360 Article Upcoming Recreational Drone Registry](#)
- [Kevin Pomfret Quoted by Fortune Magazine About Geofencing and Drones](#)
- [Kevin Pomfret Quoted by Richmond BizSense About Commercial Drone Use](#)
- [FDI USA News - December 2015](#)
- [Williams Mullen to Host Virginia Unmanned Systems Commission Meeting](#)
- [Drones and Privacy Just Got More Complicated \(Table Included\)](#)
- [FAA Issues Final Rule for Businesses to Use Drones](#)
- [FAA Issues Final Rule for Operators of Drones \(Small UAS\) ? Part 107](#)
- [Kevin Pomfret Speaks Before Congress on Commercial Remote Sensing Satellite Regulation](#)
- [Williams Mullen Announces Launch of Unmanned Systems Association of Virginia](#)

- Richmond Times-Dispatch Covers Launch of Unmanned Systems Association of Virginia
- Unmanned Systems Team Provides Insight on Drone Industry to Virginia Business
- FAA Issues Guidance On Part 107 Waiver Requests
- 4 U.S. Senators Introduce Unmanned Systems Bill in Congress; Kevin Pomfret Quoted in Press Release
- Key Considerations in Addressing Privacy Concerns During Drone Operations
- Kevin Pomfret Pens Article for GeospatialWorld on Commercial Remote Sensing Satellites in the U.S.
- Kevin Pomfret Writes on Evolving Drone and Privacy Laws for CLM Magazine
- Selling Unmanned Systems Products and Services to the Government
- Navigating the State and Local Public Procurement Process in Virginia
- U.S. Department of Transportation Announces Establishment of Unmanned Aircraft Systems (UAS) Integration Pilot Program
- Financial Times North America's Innovative Lawyers Report Recognizes Williams Mullen for Launch of Unmanned Systems Association of Virginia
- Two Steps Forward, One Step Back: FAA's UAS Identification and Tracking Aviation Rulemaking Committee (ARC) Issues Final Report
- Kevin Pomfret Discusses Challenges Facing Small Satellites at USGIF Workshop
- Virginia Selected to Participate in FAA UAS Integration Pilot Program; Kevin Pomfret Quoted in Press Release
- Forecasting The Future: What to Learn from The Weather Channel App's Geolocation Lawsuit
- Kevin Pomfret Writes Article on Selling UAS Services to the Federal Government
- Bob Korroch Named a BTI Client Service All-Star for 2019
- Commerce Adopts Export Controls on Artificial Intelligence Software for Geospatial Imagery ? Controls on Additional Technologies Expected Shortly
- Pomfret Quoted in Trajectory Article on Ethics and Professionalism
- Williams Mullen Represents DroneUp in Investment by Walmart
- Firm Represents DroneUp in Acquisition of AirMap LLC
- Kevin Pomfret Quoted in Fairfax County's E-Bird Newsletter
- Kevin Pomfret Named Geospatial Ambassador of the Year at GWF 2022

Related Events

- Offshore Wind Industry Breakfast
- Autonomous Technology Summit of Virginia
- USGIF's Small Sats Workshop: Evolving Capabilities
- Selling Unmanned Systems Products and Services to Federal, State and Local Government Agencies

- 2017 CGA Conference: The Drone Revolution in Spatial Analysis
- Jacobs Technology Days, Unmanned Systems - Regional Economic Development Panel
- United States Geospatial Intelligence Foundation (USGIF) Geospatial & Remote Sensing Law Workshop
- False Claims Act Seminar and Webinar
- TAGLaw 2015 Southeastern U.S. Regional Meeting - "Drone Law: The Business Potential and Legal Obstacles for Unmanned Aircraft Systems (UAS)?"
- Drone and Space Law: Let's Fly Wisely Continuing Legal Education Seminar - "Survey of State Legislation Governing the Use of UAS?"
- ITSVA Annual Conference & Exposition - Keeping Virginia's Economy Moving
- HRUHCA Lunch and Learn - "How to Use Drones in Your Business"
- Yes, Virginia, You Can Use Drones in Your Business!
- Commercial UAV Expo - Safety, Legal & Regulatory Panel
- 41st Annual Virginia Aviation Conference - UAS/UAV's The Good, The Bad, The Ugly Panel
- "Stakeholder and Policy Perspectives?" panel during The Commonwealth of Virginia Cyber Security - Unmanned Systems Technology Showcase
- On The Radar: The Future of Unmanned Aerial Systems
- New Ways of Acquiring Spatial Data: How to Foster Participation and Validity of Data
- Geospatial Business Leadership Summit
- Licenses and Licensing
- Licenses and Licensing
- The Drone Agenda - How is the Federal Government Shaping the Use of Such Systems?
- Drone Law: Business Considerations for Providers of Unmanned Vehicle Systems

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