

# PUBLIC COMMENT

Docket: DARS-2026-0002 | OMB Control Number: 0704-0369

Re: DFARS Subparts 227.71 & 227.72 — Rights in Technical Data and Computer Software

Agency: Defense Acquisition Regulations System, Department of Defense

Submitted: March 16, 2026

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## James Hunter Poole

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CAGE: 9S0L8 | UEI: U34MSJ6A6413 | HUBZone-Certified Small Business

ITAR-Registered Defense Contractor | BIS SNAP-R CIN: S745686

CMMC Level 2 Self-Assessed | SEC EDGAR CIK: 0002090527

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14-Patent Portfolio: Cybersecurity, Quantum Communications, Autonomous Systems

USPTO Provisional Patents: 63/962,840 and 63/962,830 (filed January 18, 2026)

### PASTE-READY COMMENT TEXT (copy into regulations.gov comment box)

DARS-2026-0002 | OMB 0704-0369 — DFARS Rights in Technical Data and Computer Software Submitted by: James Hunter Poole, CEO, Obelisk Tech Systems Inc. | CAGE: 9S0L8 | UEI: U34MSJ6A6413 | HUBZone | ITAR-Registered | CMMC L2 | USPTO Provisionals 63/962,840 & 63/962,830 | Thomasville, GA I. BURDEN UNDERESTIMATED. DoD estimates 1 hour per response across 378,035 annual responses. For a small IP-intensive defense contractor, a single DFARS 252.227-7017 assertion requires: IP boundary legal review (2-6 hrs), IP counsel coordination (1-4 hrs), technical data marking and document prep (2-8 hrs), records management setup (1-3 hrs). Realistic burden: 6-21 hours = 2.3-7.9 million actual annual hours. II. LIFECYCLE BURDEN EXCLUDED. Revalidation under 252.227-7037, audit readiness, subcontractor flow-down management, and post-contract retention impose 40-80 additional hours annually per contract — entirely absent from the estimate. III. SMALL BUSINESS IMPACT. The 1-hour estimate reflects large-contractor burden with dedicated IP staff. For HUBZone SBIR performers, the same compliance action consumes 8-16 hours of CEO time. DoD must produce a Regulatory Flexibility Act disaggregated burden estimate by contractor size. IV. RECORDKEEPING BURDEN EXCLUDED. DFARS 252.227-7019 and 7037 require standing recordkeeping obligations — restriction justification files, document marking, staff training, record updates — entirely absent from DoD's estimate. V. METHODOLOGY FLAW. Zero methodology disclosure for the 1-hour estimate. No contractor time-tracking data, no representative sample, no variance analysis by contract type. VI. OVERLAPPING CLAUSE REDUNDANCY. DFARS 252.227-7013, 7014, 7017, 7018, 7019, 7025, 7028, and 7037 require substantially similar information in separate submission events. DoD has not demonstrated non-duplication. OMB should require a data element crosswalk and consolidation. VII. TECHNOLOGY FAILURE. No digital IP assertion registry, no USPTO API integration, no SBIR system interoperability, no machine-readable marking standards. COTS solutions exist. VIII. SBIR DISCONNECT. SBIR performers document identical IP boundaries in SBIR proposals AND DFARS assertions — direct PRA-prohibited duplication. DoD SBIR portal and DFARS compliance systems have zero integration. IX. DATA SECURITY. Proprietary restriction assertions disclose the boundaries of contractor IP. No PIA, no SORN, no breach notification protocol disclosed for this competitively sensitive data. X. COTS SOLUTION. Federated IP rights management platforms with USPTO/SBIR/contract system integration are available from U.S. small defense technology firms under SBIR Phase III authority. REQUESTED ACTION: Disaggregated burden study by contractor size; data element crosswalk across all DFARS 227.71/72 clauses; published COTS modernization plan; Privacy Impact Assessment for proprietary assertion data. Full comment attached.

## PRA ATTACK DOCTRINE — 20-VECTOR FRAMEWORK

Layer	Vectors	Coverage
<b>ATTACK</b>	1-5	Burden Hours, Lifecycle Burden, Methodology Flaws, Cost Reality, Economic Impact
<b>LEGAL</b>	6-9	Practical Utility, Duplication, Cross-Agency Duplication, Statutory Overreach
<b>SYSTEM</b>	10-12	Technology Failure, Interoperability Failure, Lack of Pilot Testing
<b>MARKET</b>	13-15	COTS Solutions, Barrier to Entry, Small Business Impact
<b>RISK</b>	16-17	Data Security & Privacy Risk, Data Quality Degradation
<b>STRATEGY</b>	18-20	Operational Drag, Multi-Agency Pattern Filing, Recordkeeping Burden

### 1. ■ Burden Hours — 6x to 21x Understatement

DoD estimates approximately 1 hour per response across 378,035 annual responses for 454,899 total burden hours. For small IP-intensive defense contractors, a single DFARS 252.227-7017 Identification and Assertion submission requires: legal review of patent and trade secret boundaries (2-6 hours), coordination with IP counsel on restriction justifications (1-4 hours), technical data marking and document preparation (2-8 hours), and records management setup per DFARS 252.227-7019/7037 (1-3 hours). Realistic per-response burden for a small firm: 6-21 hours. Corrected total: 2.3 to 7.9 million actual annual burden hours — a material PRA compliance failure.

- DoD estimate appears to reflect large-contractor burden with dedicated IP compliance staff
- No methodology disclosed for arriving at the 1-hour average
- OMB must require disaggregated estimate by contractor size before renewal

### 2. ■ Lifecycle Burden — Ongoing Obligations Entirely Excluded

DoD's estimate captures only initial submission burden. The DFARS technical data rights framework imposes ongoing lifecycle obligations: periodic revalidation of restriction assertions under 252.227-7037, maintenance of adequate records and procedures per 10 U.S.C. 3781(b) across the full contract performance period, audit readiness for DoD validation challenges, subcontractor data rights flow-down management, and post-contract records retention. For a small contractor holding multiple active contracts, cumulative lifecycle burden may exceed 40-80 hours annually per contract — entirely absent from the 1-hour estimate.

- Lifecycle burden is legally required to be included in PRA burden estimates under 44 U.S.C. 3502
- Post-submission obligations across 8 DFARS clauses create compounding annual burden

### 3. ■ Methodology Flaws — No Empirical Basis for 1-Hour Estimate

DoD provides zero methodology disclosure for the 1-hour average burden estimate. There is no indication that actual contractor time-tracking data was collected, that a representative contractor sample was surveyed across size categories, that the estimate was validated against real submission packages, or that variance by contract type was analyzed. An average across 378,035 responses with no disclosed methodology does not satisfy OMB's requirement for a credible, evidence-based burden estimate under 5 CFR 1320.5.

- DoD should conduct a structured burden study stratified by contractor size, contract type, and IP intensity
- Minimum acceptable validation: 50+ contractor respondents across large, mid-tier, small, and SBIR categories

#### 4. ■ Cost Reality — Compliance Overhead Systematically Excluded

DoD does not claim zero cost, but its 1-hour estimate implies negligible cost. For small defense contractors, IP rights compliance generates substantial real costs: IP counsel review at \$200-500/hour, contract compliance staff time, document management infrastructure, and in contested cases, legal defense of restriction assertions under DFARS 252.227-7019 and 7037 challenge procedures. A single contested restriction validation can generate \$5,000-\$50,000 in legal costs for a small contractor — costs entirely excluded from DoD's burden disclosure.

- PRA burden includes financial resources expended — not just time (44 U.S.C. 3502(2))
- DoD must include legal and compliance cost estimates in its OMB submission

#### 5. ■ Economic Impact at Scale — 2.3-7.9 Million Hidden Burden Hours

Applying the realistic 6-21 hour per-response estimate to DoD's stated 378,035 annual responses yields 2.27 million to 7.94 million actual annual burden hours. At a conservative \$75/hour blended labor rate for contractor IP compliance staff, this represents \$170 million to \$596 million in annual economic burden imposed on the defense contractor base — none of which appears in DoD's official estimate of 454,899 hours. This hidden economic burden falls disproportionately on small businesses and SBIR performers whose compliance costs are structurally higher per unit of work.

- Economic impact quantification is required for OMB to conduct a meaningful cost-benefit analysis
- The \$170M-\$596M range represents a major undisclosed regulatory cost on the defense industrial base

#### 6. ■ Practical Utility — Overlapping Clause Requirements Not Justified

The current DFARS framework requires contractors to submit substantially similar information in multiple separate clause-specific formats: 252.227-7017 (identification and assertion), 252.227-7028 (previously delivered data), 252.227-7019 (software restriction validation), and 252.227-7037 (technical data marking validation). Each generates a separate information collection event despite substantial data overlap. DoD has not demonstrated that each clause produces information not available from the others. OMB should require a data element crosswalk before renewal.

- PRA requires each data element to be independently justified for practical utility
- Consolidating overlapping assertions into a unified framework would reduce burden without sacrificing DoD data needs

#### 7. ■ Duplication — SBIR Proposal and DFARS Assertion Collect Identical IP Data

DFARS 252.227-7018 specifically governs rights in technical data for SBIR/STTR performers. However, SBIR performers have already documented their IP boundaries, proprietary data categories, and commercialization rights in SBIR proposals submitted to the DoD SBIR portal. The DFARS assertion process requires re-documentation of the same IP boundaries in a separate DFARS format — a direct duplication of collection prohibited under the PRA. DoD has not established data-sharing protocols between the SBIR portal and DFARS contract administration systems.

- Duplicative IP documentation across SBIR and DFARS systems is a systemic PRA violation
- DoD SBIR portal and DFARS compliance systems must be integrated to eliminate this duplication

#### 8. ■ Cross-Agency Duplication — USPTO, SBIR.gov, and DoD Systems Disconnected

Contractor IP information is already documented in multiple federal systems: USPTO patent and trademark records, SBIR.gov proposal and award databases, DoD contract management systems (EDA, PIEE, FPDS), and DCSA facility clearance records. The DFARS technical data rights framework requires contractors to re-document IP status in yet another format without any integration with these existing federal data sources. DoD should establish API-based data sharing with USPTO and SBIR.gov to pre-populate DFARS assertion fields from existing federal IP records.

- Cross-agency IP data duplication wastes contractor resources and DoD administrative capacity
- USPTO and SBIR.gov integration would enable near-zero-burden automated DFARS pre-population for many assertion categories

### 9. ■■ Statutory Overreach — Clause Proliferation Beyond Statutory Necessity

10 U.S.C. 3771-3775 and 3781-3786 authorize DoD to protect contractor IP rights and validate restriction assertions. However, the 8-clause DFARS implementation — 7013, 7014, 7017, 7018, 7019, 7025, 7028, and 7037 — imposes a compliance architecture substantially more burdensome than the statutory framework requires. DoD has not demonstrated that each clause is independently necessary to implement the statutory mandate, or that the cumulative burden of all 8 clauses is proportionate to the statutory purpose. OMB should require DoD to conduct a clause necessity analysis before renewal.

- Statutory authority does not authorize maximum-burden implementation — proportionality is required
- A unified IP rights assertion clause would implement the statutory mandate with materially less burden

### 10. ■■ Technology Failure — No Digital IP Rights Management Platform

The DFARS technical data rights framework relies entirely on contractor-prepared paper or PDF documents submitted manually through contract administration channels. There is no: centralized digital IP assertion registry, automated pre-population from USPTO records or SBIR databases, API-based integration with contract administration systems, real-time validation of restriction assertions against known prior deliveries, or machine-readable marking standards for technical data deliverables. PRA requires agencies to minimize burden through automation — manual PDF submission in 2026 fails this standard.

- DoD IP rights management technology infrastructure is decades behind commercial IP management platforms
- COTS IP rights management platforms with federal contract integration capability are commercially available

### 11. ■■ Interoperability Failure — SBIR, EDA, PIEE, and USPTO Disconnected

DoD's technical data rights administration operates as an isolated manual process with no interoperability with: SBIR.gov award and IP documentation databases, the Electronic Document Access (EDA) contract repository, PIEE contract administration systems, USPTO patent status databases, or DCSA facility clearance and access authorization systems. Each of these systems holds information directly relevant to DFARS technical data rights determinations. Their disconnection forces manual duplication of information already in federal systems.

- Interoperability roadmap across DoD IP-relevant systems should be a condition of OMB renewal
- API integration with USPTO would alone eliminate a significant category of assertion burden

### 12. ■■ Lack of Pilot Testing — No Usability Validation for SBIR Performers

DoD has not disclosed whether the DFARS 252.227-7017/7018 assertion process has been subject to usability testing among SBIR performers and small business contractors — the respondent category with the highest per-response burden. The forms and processes governing technical data rights assertions were designed in an era of large prime contractor dominance. The explosion of SBIR participation by small innovative firms with complex IP portfolios has not been reflected in form redesign or process modernization. Pilot testing with representative SBIR performers should be required before any renewal.

- Forms designed for large prime contractors impose disproportionate burden on small SBIR performers
- A structured SBIR performer pilot study should be completed before OMB renewal

### 13. ■ COTS Solution — Federated IP Rights Management Available

Commercial off-the-shelf IP rights management platforms with federal acquisition integration capability exist and are available from U.S. technology firms. These platforms offer: API integration with USPTO patent status databases, structured IP assertion workflows aligned with DFARS clause requirements, automated pre-population from existing contract and SBIR data, machine-readable technical data marking standards, and audit trail documentation for restriction validation. U.S. small defense technology firms — including SBIR performers — are capable of delivering these solutions under SBIR Phase III authority and existing procurement pathways at substantially lower cost than continued manual administration.

- COTS modernization would reduce SBIR performer assertion burden by an estimated 60-80%
- DoD should issue a SBIR solicitation specifically for DFARS IP rights management platform development

### 14. ■ Barrier to Entry — DFARS Compliance Discourages SBIR Innovation

The complexity and burden of the DFARS technical data rights framework is a documented barrier to SBIR participation for small innovative firms considering DoD as a customer. Founders and technical staff at innovative small companies are not IP lawyers — and the 8-clause DFARS rights architecture requires either substantial legal expenditure or executive time that could otherwise be devoted to technology development. This burden asymmetry functions as a tax on SBIR innovation that benefits large contractors with established IP compliance infrastructure and disadvantages precisely the firms DoD most needs to access for transformative technology.

- DFARS IP rights burden is a documented friction point in DoD's SBIR outreach and retention
- Streamlined IP assertion for SBIR performers would expand DoD's access to the small business innovation base

### 15. ■ Small Business Disproportionate Impact — CEO-Level IP Compliance

Obelisk Tech Systems holds 14 patents and two active USPTO provisional applications. Managing IP rights documentation under the DFARS framework falls entirely to the CEO and legal counsel — there is no dedicated IP compliance staff. A single contract with DFARS 252.227-7017/7018 requirements may generate 12-20 hours of CEO and outside counsel time for assertion preparation, marking, and recordkeeping setup — time that directly displaces technology development and business development activities. DoD must produce a Regulatory Flexibility Act analysis specifically addressing SBIR performer and small business contractor burden.

- RFA requires quantified small business burden analysis — not a generic "affects businesses" disclosure
- SBIR performer IP compliance burden should be estimated separately from large contractor burden

## 16. ■ Data Security — Proprietary Assertion Data Without PIA or SORN

DFARS restriction assertions under 252.227-7017 and 252.227-7019 require contractors to disclose the precise boundaries of their proprietary technical data and software — information that is itself competitively sensitive trade secret material. For ITAR-registered contractors, improper disclosure of technical data restriction assertions could constitute an ITAR compliance event. DoD's notice contains no disclosure of how assertion data is stored, access controls, retention periods, or breach notification protocols. DoD must publish a Privacy Impact Assessment and System of Records Notice covering all technical data rights assertion data before renewal.

- Proprietary IP boundary data is competitively sensitive — its security architecture must be disclosed
- ITAR-registered contractor IP data held in DoD systems must comply with ITAR data protection requirements

## 17. ■ Data Quality Degradation — Complexity Generates Errors and Omissions

The 8-clause DFARS IP rights framework — with overlapping but non-identical requirements across 252.227-7013, 7014, 7017, 7018, 7019, 7025, 7028, and 7037 — generates respondent fatigue and confusion that produces systematic errors and omissions in restriction assertions. When contractors are unsure which clause governs which data category, they either over-assert (claiming restrictions beyond their actual IP rights) or under-assert (failing to protect legitimate IP). Both errors harm DoD: over-assertion clouds the Government's data rights; under-assertion fails to protect innovations funded by private investment that DoD depends on. Clause consolidation and streamlined assertion would improve data quality, not degrade it.

- Framework complexity is an independent cause of data quality degradation beyond burden reduction concerns
- A streamlined unified assertion framework would produce more accurate, reliable IP rights records

## 18. ■■ Operational Drag — IP Compliance Delays Contract Execution

DFARS technical data rights assertion requirements must be satisfied before contract award in solicitation responses and at contract execution. For small SBIR firms operating under tight timelines, the time required to prepare compliant 252.227-7017 assertion packages can delay proposal submission, slow contract definitization, and create post-award performance delays while IP counsel reviews and marks deliverables. This operational drag has direct mission impact: DoD's access to innovative small business technology is slowed by an IP compliance process whose burden is 6-21x what DoD reports to OMB.

- IP compliance delays in SBIR proposals and contract execution are documented friction points in defense acquisition
- Streamlined COTS-enabled assertion would reduce proposal-to-award timelines for small innovative firms

## 19. ■ Multi-Agency Pattern — DoD IP Rights Burden Systemic Underestimation

This comment is one of multiple submissions Obelisk Tech Systems is filing across DoD PRA dockets in this comment cycle. The DFARS technical data rights burden estimate — 1 hour per response — reflects a systemic pattern of DoD information collections that treat large-contractor compliance costs as representative of all respondents and exclude lifecycle, recordkeeping, and legal compliance burdens. OMB should conduct a cross-DoD audit of contractor-facing IP compliance burden estimates, require disaggregation by contractor size for all IP-related collections, and establish a standard requiring DoD to validate burden estimates against actual contractor time-tracking data before any IP rights collection renewal.

- Systemic DoD burden underestimation for IP compliance is an OMB oversight gap requiring cross-agency correction

- OIRA should conduct a comprehensive review of DFARS information collection burden methodology

## 20. ■ Recordkeeping Burden — Explicit PRA Coverage Ignored

44 U.S.C. 3502(2) defines PRA burden to explicitly include time and resources required to "maintain, retain, disclose or provide information." DFARS 252.227-7019 and 252.227-7037 require contractors to maintain adequate records and procedures to justify any asserted restriction across the full contract performance period and beyond. This standing recordkeeping obligation — IP restriction justification files, marked document archives, staff training records, restriction update logs — is entirely absent from DoD's 1-hour estimate. For a contractor holding multiple active DoD contracts with DFARS IP clauses, annual recordkeeping burden may exceed 20-40 hours per contract. DoD must estimate and disclose recordkeeping burden independently from submission burden.

- Recordkeeping burden is a legally defined component of PRA burden — DoD's exclusion of it is a compliance failure
- OMB should condition renewal on a standalone recordkeeping burden estimate separate from submission burden

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**Requested OMB/Agency Action:** Each vector above constitutes a substantive basis for OMB to require additional justification, disaggregation, or modification of this information collection before approval. Obelisk Tech Systems Inc. requests that OMB and the agency address each challenge enumerated herein in any final notice of approval. A complete administrative record of this submission is maintained by the submitter.

**James Hunter Poole | Executive Chairman & CEO | Obelisk Tech Systems Inc. | CAGE: 9S0L8 | ITAR-Registered |  
Thomasville, Georgia | March 16, 2026**