

# Defense Debrief

## WORTH A READ:

### 1 **How DIU Should Spend its War Chest** ([Article Link](#))

In a year of DOD budget tightening and reduced purchasing power, the Defense Innovation Unit (DIU) finds itself in a unique position with \$983M to spend in 2024, a ~\$800M increase over 2023. With appropriations now set more than five months into the fiscal year, DIU must now decide where to spend its war chest. In a recent interview, DIU Director Doug Beck outlined four types of initiatives that DIU plans to fund:

- 1) Accelerating existing programs
- 2) Launching new programs
- 3) Supporting projects housed within other Defense Department innovation organizations
- 4) Addressing some of the challenges commercial companies face as they try to work with DOD

While the first three initiatives provide pathways to deliver near-term, measurable progress and marketable successes that rationalize DIU's levels of funding, supporting commercial vendors looking to work with DOD may provide the greatest long-term impact for our national defense. By bolstering commercial innovators and helping them navigate the DOD acquisition process, DIU could establish a new generation of defense vendors rather than merely providing additional funding to areas of the DOD that are already funded. As Director Beck and his team work through the difficult process of allocating 2024 funding, a balance of near and long-term perspectives is needed and support of novel industry provides the clearest pathway to sustained innovation.

### 2 **New USV Squadron Needed for DOTMLPF-P Maturation** ([Article Link](#))

The establishment of a new unmanned surface vessel squadron focused on the development of tactics, techniques and procedures and the concept of operations for small USVs is a step in the right direction for the Navy as USVs will play a critical role in the Navy's Distributed Maritime Operations strategy.

As BCE has monitored the USV & UUV markets, we have paid close attention to the disconnect between the sophistication of the capabilities industry have developed and the relative immaturity of the Navy's DOTMLPF-P elements. The Navy has not yet invested enough to mature DOTMLPF-P elements to the levels needed to support broad adoption. For now, the Navy's maturation across DOTMLPF-P elements appears to be the hold up and we hope that the newly established Surface Development Squadron One (SURFDEVRON) unmanned squadron will accelerate maturation and allow the Navy to move forward with programs of record that harness the capabilities that industry has developed.

## WORTH A LISTEN:

### 3 **Commercial Space Integration Strategy** ([Episode Link](#))

War On The Rocks host Ryan Evans discussed the 2024 DoD Commercial Space Integration Strategy with Assistant Secretary of Defense for Space Policy John Plumb. The interview includes a detailed discussion of the role innovative commercial vendors should play in the DOD space strategy and the steps DOD is taking to incentivize and support commercial integration. In the words of Plumb, "the commercial space sector is driving innovation. But the impact on national security will be measured by how well the department can integrate commercial capabilities into the way we operate, both in peacetime and in conflict."

For now, the Plumb and the DOD are taking the right steps by engaging with industry to understand the obstacles vendors face and identifying solutions to counter these hurdles. However, while the spirit of the Commercial Space Integration Strategy is sound, the real test will come as the DOD continues to integrate new vendors into the fold, balancing diversity, resilience, and innovation with reliability, stability, and consistency.