

**Defense Innovation Board
Spring Board Meeting Minutes
Virtual, Washington, DC
April 17, 2024**

The Defense Innovation Board (DIB) is a federal advisory committee in the Department of Defense (DoD) operating pursuant to the Federal Advisory Committee Act of 1972, the Government in the Sunshine Act of 1976, and other related federal regulations.

The DIB held its third fiscal year 2024 (FY24) quarterly board meeting on Wednesday, April 17th virtually, via the Defense Visual Information Distribution Service (DVIDS). The public meeting was livestreamed and recorded by the Defense Media Activity. The livestream garnered 1,133 online engagements. The meeting recording was posted on the DIB website at innovation.defense.gov.

DIB Members Attending (7):

1. Mr. Michael Bloomberg, Chair
2. Dr. Gilda Barabino
3. ADM (Ret.) Michael Mullen, U.S. Navy
4. Mr. Charles Phillips
5. Dr. Will Roper
6. Mr. Ryan Swann (partial)
7. Mr. Will “Mac” Thornberry

Guest Speakers (4):

1. Mr. Sander Oude Hengel, Defense Cooperation Attaché at Embassy of the Kingdom of the Netherlands, Chair at the Defense Memorandum of Understanding (MoU) Attachés Group (DMAG)
2. CMSgt Ronald Lerch, Senior Enlisted Leader, Intelligence Directorate, Space Systems Command
3. COL Kristin Saling, Innovation Director, U.S. Army Recruiting Command
4. GEN (Ret.) Paul Nakasone, Former Commander, U.S. Cyber Command

DIB Staff Team (14):

Dr. Marina Theodotou, Executive Director & Designated Federal Officer (DFO)
Staff: Jongsun Kim, SES, COL Wayne Sanders, Carrie Shideler, (ADFOS); Khalia Alexander, Zackariah Crahen, Logan Hatfield, Melanie Heinlein, Kimberly Hidalgo, Christina Hilf, Abigail Linman, Dr. Juan Merizalde, Jacob Sharpe, Elliot Silverberg

Public Meeting:

The Defense Innovation Board held a public meeting on April 17th, 2024, at 12:31 pm ET.

Dr. Marina Theodotou called the public meeting to order at 12:31 pm, expressing gratitude for the Board Members, staff, and key supporting agencies. She outlined the Board's operating

authority and advised attendees of no significant changes to the agenda. The DFO acknowledged receipt of public citizen comments provided to the Board and posted to the DIB website, before turning the floor to the DIB Chair to kick off the discussion.

Michael Bloomberg, the DIB Chair, took the floor on or about 12:34 pm, introduced Board Members individually, and provided the DIB's ongoing mission to conduct independent research and interviews to provide recommendations for change to Department of Defense senior leaders. He resumed discussions on how the United States can work in partnership with global allies, turning the floor to DIB Board Member Charles Phillips to provide an update on the Optimizing Innovation with Allies and Partners study.

Mr. Phillips provided an overview of the study, noting the purpose of the study is for the U.S. to best leverage relationships with other countries to strengthen and expand its industrial base through partners, for mutual benefit. Barriers identified thus far include regulations such as the International Traffic in Arms Regulations (ITAR) and Buy America Act. Mr. Phillips noted various agencies the DIB has interviewed to inform the study, and ongoing efforts by the research team to engage interested parties across the Ally and Partner innovation ecosystems.

Subsequently, Mr. Bloomberg turned the floor to Mr. Sander Oude Hengel, who assured the future report on Allies and Partners would be read by the nations represented in the Defense Memorandum of Understanding (MoU) Attaché Group (DMAG). He highlighted the relevancy, and principal mechanism of the Reciprocal Defense Procurement MoU equivalent (RDPM) agreements (a mutual commitment between nations to reduce discrimination against supplier of the other country, enhancing security by leveraging collective resources and capabilities). Some barriers to collaboration identified were U.S. export control systems, Buy America Act, and preponderance of "Not Releasable to Foreign Nationals" (NOFORN) restrictions. The DoD should enhance the knowledge and use of RDPMs within the acquisition community through training based on language in the amended Defense Federal Acquisition Regulation Supplement (DFARS) and incorporate Allies and Partners within the RDPM at the onset of development and production.

Mr. Bloomberg asked how private sector companies and government can work together to approach these barriers from different perspectives. Mr. Hengel replied that both sides should approach with an understanding of requirements and the needs of the U.S., regarding supply chain vulnerabilities, and ensuring buy-in from governments and industry. ADM (Ret.) Michael Mullen added that one of the challenges is scale of capabilities. Dr. Roper then asked if any of the 27 nations under the MoU have classifications system that are released to partners by default. Mr. Hengel responded that he would contact the DMAG and provide an answer to Dr. Roper at a later date.

Mr. Bloomberg turned the floor to Chief Master Sergeant Ron Lerch who discussed information sharing and the need for government standards when innovating with allies and partners. He also

discussed how over classification is a significant challenge of its own. Internally, within the DoD, security classification guides for space programs almost automatically enter the classified NOFORN level. CMSgt Lerch stated that even smaller non-Interagency Program Offices find it difficult getting cleared to utilize programs, likely due to un-established relationships and existing large programs of record. To navigate these challenges, CMSgt Lerch recommended that the DoD should consider advocating for an Allies and Partners Space engagement strategy detailing intel community efforts to support information sharing, which could create a demand signal to the intel community for products releasable to Space Allies of choice. This would also benefit industry and enhance ongoing joint efforts such as the Joint Requirements Oversight Council (JROC). CMSgt Lerch went on to discuss the need for government standards, stating that the current lack of standards from the government is creating a void that may be potentially exposed by competitors, leaving the U.S. playing catch up. The DoD should consider developing fully intellectual property free standards, and releasing immediately to enable innovation domestically, and for our Allies.

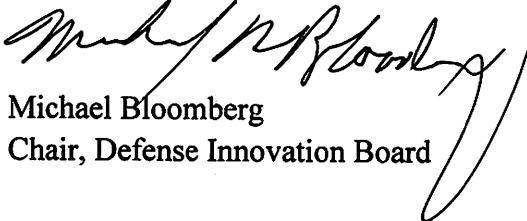
Next, Mr. Bloomberg introduced Admiral (Ret.) Mullen to provide an update to the study on Aligning Incentives to Drive Faster Tech Adoption. ADM (Ret.) Mullen highlighted that the Incentives study is intended to align efforts to modernize the Department in line with the Secretary's priorities, given baseline evidence that the current incentives structure is misaligned to faster tech adoption. To this end, the Incentives study is seeking to adopt and adapt key best practices from industry that would enhance the Department's incentives framework and provide a template for a communications and roll-out plan to facilitate the adoption of the new incentives structure as well as relevant metrics to monitor and assess the progress of the new incentives structure across the various stakeholders in the department. ADM Mullen continued that the study is currently synthesizing information from academia, industry, and the Department, to develop a comprehensive viewpoint and distill relevant actionable recommendations. So far, the study facilitated four separate group engagements, reviewed 43 different reports, and held over 15 stakeholder engagements with over 30 stakeholders across various sectors including the Department, VCs, small businesses, academia, and the acquisition community, among others. Participants included program executive officers, requirements officers, members of innovation hubs and cells, both uniformed personnel and civilian employees, all at various levels. The next steps include continuing with information gathering intensifying analysis of data, and ultimately writing the report, which will be published on July 17th.

The DIB Chair then introduced the first guest speaker for the Incentives study, Innovation Director at U.S. Army Recruiting Command, Colonel Kristen Sailing. COL Saling presented several key areas in which the Army is focused on relating to developing talent and fostering innovation, as well those in which it must continue to improve. They included the following: Reforming tenure and rank based rewards to include monetary as well as nonmonetary incentives that are comparably attractive to industry; enabling career flexibility and adaptability to meet evolving mission needs; promoting career diversity versus traditional pathways; ensuring the talent management system reflects external demand and competition for similar technology

and innovation talent; ; establishing innovation centers of excellence; and leveraging the diverse expertise and flexibility of guard and reserve forces.

Mr. Bloomberg then introduced General (Ret.) Paul Nakasone. GEN Nakasone proposed a proven method which has been effective at drawing elite young talent to the Department, by creating learning experience programs where elite talent is directly paired with senior officials at the Under Secretary, Chief of Staff, or Secretary-level. Combining the opportunity of supporting senior and strategic leadership, as well as clearly identifying problems with the flexibility for creative approaches to address them, led to a 50% increase in hiring of elite talent that would have otherwise opted to work in industry. GEN Nakasone caveated that such initiatives require more than simply a USAJobs posting; (USAJobs is the federal government portal where job seekers can apply for available positions in the federal government) in the competitive marketplace for elite talent, it necessitates the Department implements sophisticated recruiting tactics aligned with industry best practices to expand upon existing and future program success. Finally, he reiterated points made by COL Saling, most poignantly, the need for flexible employment pathways that make it easy for employees to enter, leave, and reenter government service.

At or about 1:21 pm, Dr. Theodotou provided an overview of the public citizen comments received, before turning to the DIB Chair for closing remarks. Mr. Bloomberg thanked all the speakers and DIB Members and announced the DIB's next public meeting to be held on July 17, 2024. Dr. Theodotou adjourned the meeting at 1:24 pm. I hereby certify, to the best of my knowledge, the foregoing minutes are accurate and complete.



Michael Bloomberg
Chair, Defense Innovation Board