

MEMORANDUM FOR RECORD

Defense Innovation Board (DIB) Weekly Update Communication

Friday, 12 April 2024

DIB Board: Michael Bloomberg, Gilda Barabino, Reid Hoffman, Michael Mullen, Charles Phillips, Sue Gordon, Will Roper, Ryan Swan, Mac Thornberry

Purpose: Electronic mail communication to update Board Members of study progress.

Communication Summary:

During the past week, the Research Team focused on several key areas. The importance of tactical innovation and the people aspect in the S&T ecosystem was underscored, emphasizing the need for a quick pipeline from ideas to action. The skills of reserve service members in the technology field were recognized as a valuable resource. The concept of prudent risk was discussed, suggesting that the institution should bear the risk to incentivize risk-taking and even prudent failures. Trust was identified as a foundational element in the innovation process, with a focus on identifying and breaking down barriers to trust. The challenge of modernizing infrastructure and integrating new technologies into existing systems was highlighted, underscoring the need for an organizational infrastructure shift that supports innovation. The Cost Plus Fixed Fee contract model was discussed as a protective measure for small businesses in Phase II contracts. Alternatives to this model, such as milestone-based Firm Fixed Price (FFP) contracts and Other Transaction Authority (OTA) consortiums, were suggested. A critical metric to monitor in the landscape of defense innovation was identified: the trajectory of Venture Capital (VC) dollars post-initial investment within the Department of Defense (DoD). The influence of systemic and compound pressures on innovation, the role of conflicts in shaping innovative behaviors, and the key system attributes that foster innovation were also discussed. The topic of resource-constrained innovation was brought up, highlighting the overlooked innovations of multinational partners in resource-constrained environments. Despite existing institutional barriers, it was noted how professionals manage to bridge gaps and foster collaboration. The Ukrainian context was discussed, identifying bottlenecks in advancing ideas and innovation due to the requirement of routing everything through the US embassy in Kiev. Alternatives, such as leveraging NATO's Military Medical Center of Excellence in Budapest, were suggested. The session's emphasis was on organizing and extending invitations for the upcoming public meeting.

Prepared By: DIB Staff

