



DIRECTOR

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MEMORANDUM FOR ALL DEFENSE INNOVATION UNIT EMPLOYEES

SUBJECT: Month 4 – Reorganization to Support the Revolution

After the Cold War, the Department of War spent most of its procurement budget on traditional platforms made by a handful of defense contractors. This strategy was effective for decades. But as the budget shrank as a percentage of GDP, legacy assets reduced agility. The Department was slow to reallocate its portfolio in the face of generational technological change on the battlefield.

Secretary Hegseth changed this. He toured the country encouraging new entrants, tasking DIU to harness these defense entrepreneurs and accelerate **a new way of war**. He created an Autonomous Warfare DRPM and requested a budget bump that includes healthy funding for space mass and drones. This is largest portfolio pivot since the 1950s ICBM buildout.

As the primary liaison to non-traditional defense companies, DIU walks point on the urgent reallocation to both affordable autonomous mass and cutting-edge kill webs. We can help invert the cost exchange at the low end and build orbital overmatch at the high end. To boost our role as the Department's accelerant, DIU has reduced its portfolios from 7 to 3.

Autonomous Warfare: run the DIU competitive playbook for the Autonomous Warfare DRPM.

Kill Web: harness the commercial space boom to build an unbreakable kill web in the sky.

10x: ten times cheaper, better, or faster. These are not incremental; they will save money or lives.

AI becomes a key horizontal, infused into all parts of the business from contracting to portfolios, while continuing to pilot special projects at the leading edge of the commercial frontier.

In the 1980s, investing 6% of GDP, President Reagan built a dominant force that boxed the Soviets and built American overmatch in small wars for four decades. President Trump's 4.4% budget request provides a generational opportunity to pivot without losing readiness.

Service in national defense is always noble. However, there are timely moments when small Pentagon units can directly contribute to wars won (and wars avoided), from submarine nuclearization to Assault Breaker. Stakes are too high to yield to traditional contracting or budgetary cycles. DIU's mission is not to improve yesterday's force at the margin. Our task is to apply NextGen company solutions against problems defined by our military, swiftly augmenting a reinvigorated force that bristles with the raw innovative power of our country.

Tomorrow's volunteers count on DIU's performance today.

KEEP LEADING
FROM THE FRONT!

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Over US