DIUx accelerates commercial innovation for national defense
COMMERCIAL R&D OUTPACING FEDERAL R&D: > 3 to 1 ($bn)
COMMERCIAL R&D: DIB vs. NEW ECONOMY ($bn)

Source: Company filings
BREAKTHROUGH INNOVATIONS RELEVANT TO DoD
DIUx PORTFOLIOS

- Autonomy
- Artificial Intelligence
- Human Systems
- Information Technology
- Space
ACCESSING INNOVATION ACROSS THE U.S.

450+ co.’s in 39 states competed for DIUx contracts

4 Offices
-Silicon Valley
-Boston
-Austin
-DC

48 Staff
-11 civilian
-26 military
-11 contractors
HOW DIUx WORKS

- Toughest DoD Challenges
- DIUx Experts With Diverse Backgrounds
- Prototype and Transition New Tech
<table>
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<tr>
<th>CSO</th>
<th>FAR</th>
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<tr>
<td>Simple diux.mil solicitation</td>
<td>Complicated fbo.gov solicitation</td>
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<tr>
<td>&lt;60 days to award</td>
<td>18+ months to award</td>
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<td>Negotiable payment milestones</td>
<td>Set payment milestones</td>
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<td>Negotiable terms/conditions</td>
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<td>Negotiable IP/data rights</td>
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<td>Commercial accounting standards</td>
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<td>Sole source justification for follow on procurement</td>
<td>Sole source procurement difficult</td>
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SUCCESS STORIES

45 PILOT CONTRACTS

100 MILLION DOLLARS

$1.8bn of VC
DEMAND FOR CYBER EXPERTISE
DEMAND FOR CYBER EXPERTISE

DOES NOT SCALE
THE MANDATE

FY2016 National Defense Authorization Act (NDAA), Section 1647
“...complete an evaluation of the cyber vulnerabilities of each major weapon system of the Department of Defense by not later than December 31, 2019”

FY2017 NDAA Addition
Directed DoD to “...develop tools to improve the detection and evaluation of cyber vulnerabilities”

Senate Appropriations Committee-Defense Report on FY2017 NDAA
Recognizes “the value of automated exploit generation and vulnerability identification technologies for rapidly identifying security-critical vulnerabilities in off-the-shelf systems, such as those exemplified in the Cyber Grand Challenge”
WORLD’S FIRST MACHINE-ONLY HACKING COMPETITION
VOLTRON seeks to leverage the commercial marketplace to bring this “zero second” innovation into the DoD for use against weapon systems.

Credit: Mike Walker, DARPA I2O
DIUx PROJECT VOLTRON
FROM CGC TO CONTRACT IN 26 DAYS

- DIUx posts solicitation on diux.mil
- Public solicitation closes
- Selected companies pitch to DIUx and DoD customers
- Contractor receives Request for Proposal
- Statement of Work defined and terms negotiated
- First contract Awarded

- June 12
- June 20
- July 11-12
- July 14
- July 14-23
- July 27
FROM CGC TO CONTRACT IN 26 DAYS

- DIUx posts solicitation on diux.mil
- Public solicitation closes: June 20
- Selected companies pitch to DIUx and DoD customers: July 11-12
- Company receives Request for Proposal (RFP): July 14
- Statement of Work defined and terms negotiated: July 14-23
- First contract Awarded: July 27

9 Business Days from RFP to Award
FROM CGC TO CONTRACT IN 26 DAYS

DIUx posts solicitation on diux.mil solicitation closes
Public selected companies pitch to DIUx and DoD customers
Company receives Request for Proposal
Statement of Work defined and terms negotiated
First contract Awarded

June 12       June 20       July 11-12       July 14       July 14-23       July 27

26 Business Days from Public Solicitation to Award
DIUx IMPACT

45 PILOT CONTRACTS

100 MILLION DOLLARS

$1.8bn of VC
DIUx IMPACT

45 PILOT CONTRACTS

100 MILLION DOLLARS

$1.8bn of VC

DOES SCALE
QUESTIONS?
questions@diux.mil

WORK WITH US
diux.mil
DIUx + TRADITIONAL DEFENSE COMPANIES

At least one nontraditional defense company participating by any of the following:

- Supplying key technology or products
- Accomplishing significant amount of the effort
- Causing a material reduction in the cost or schedule or increase in performance

OR

One-third cost share (contributions of cash or non-cash items)

- IRAD may count towards this requirement