



BRIDGING THE GAP:

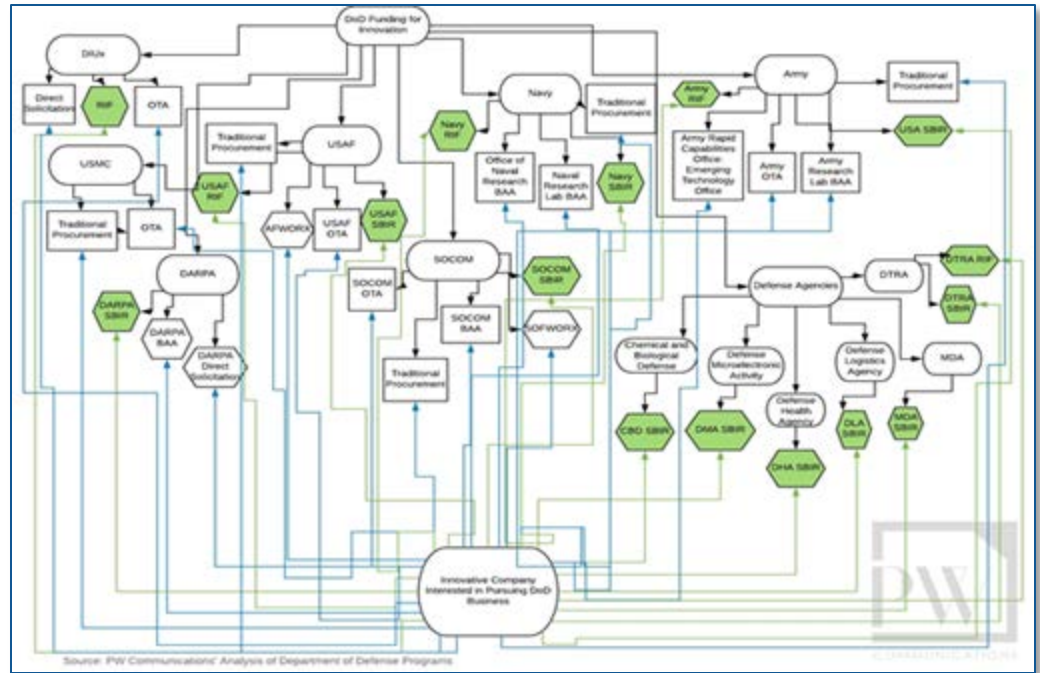
Improving DoD Innovation Programs to Enhance the Adoption of Innovative Technology Throughout the Armed Services

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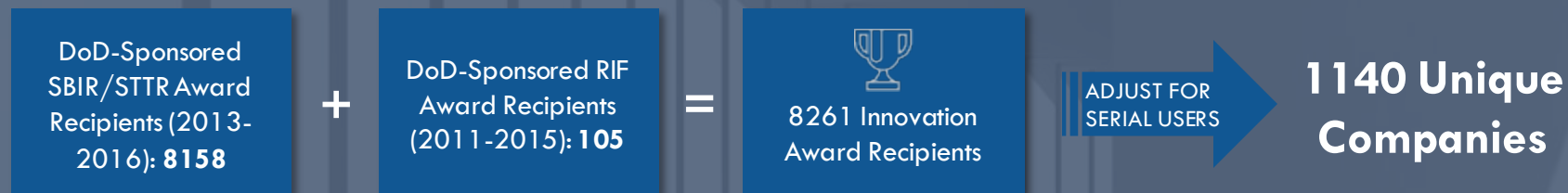
DoD Innovation Landscape



Research Question

- How can the Department of Defense (DoD) improve the rate of adoption of innovative technology across the Armed Services—specifically, technology that has been fostered in a DoD-backed innovation program?
- How effective are DoD-backed innovation programs at integrating innovative solutions *force-wide*?

Research Methods: Program Participant Data Set



Research Methods: Contract Award Data Set

Publicly-Available DoD
Contract Awards from January
1, 2011-January 15, 2018:
1.29M

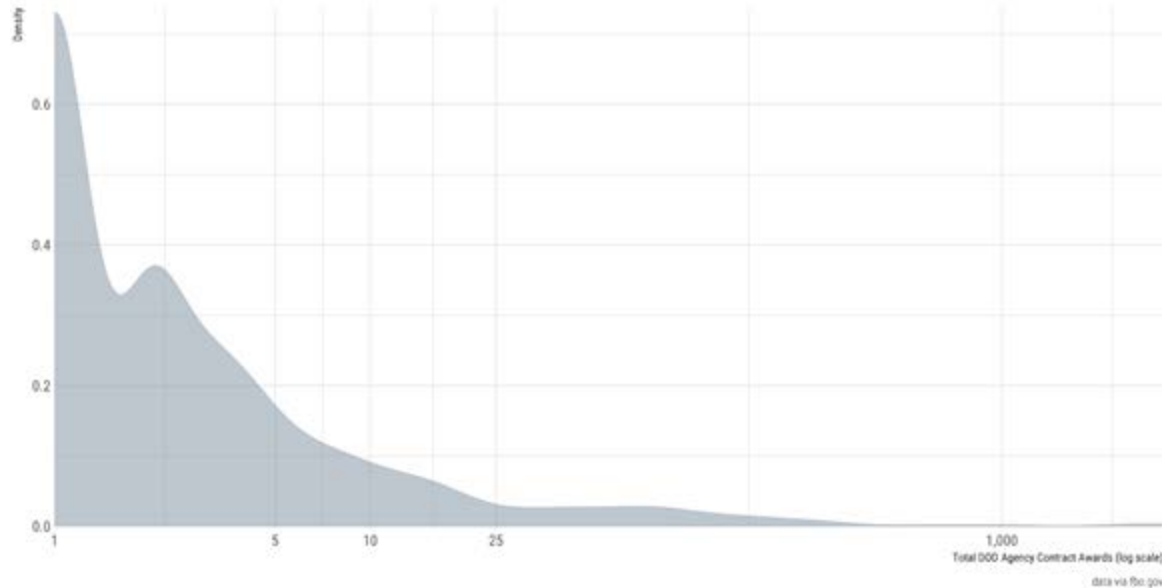



13,449
Defense Contract Awards

How are these 13,449
defense contract awards
distributed across the
1,140 program
participants?

Research Results

Distribution of Defense Contract Awards to DoD-Backed Innovation Program Participants
January 2011 to January 2018

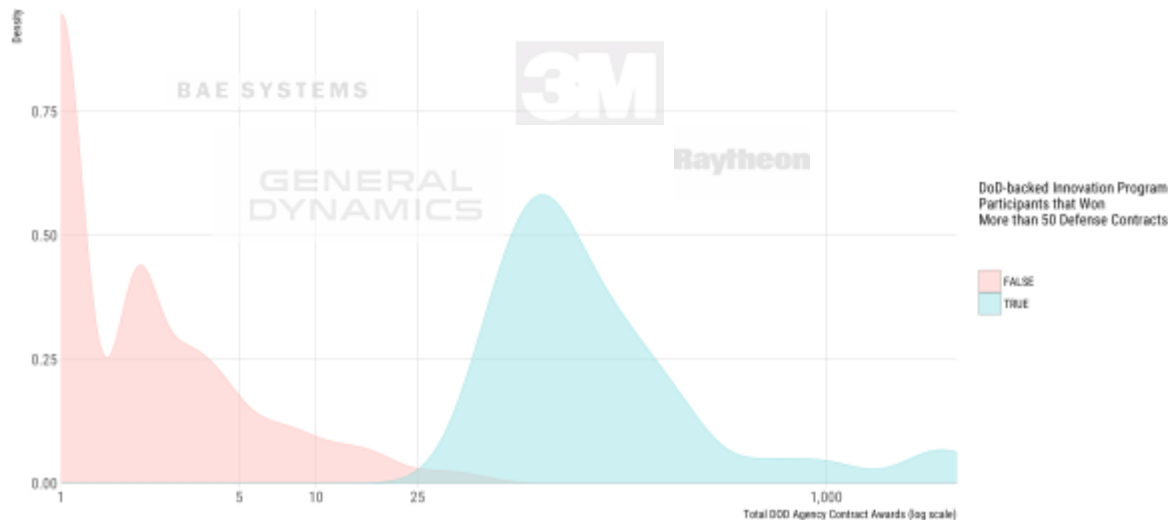


- **26%** of participants won **zero defense contracts**
- **22%** of participants won **one defense contract**
- **48%** of participants won **fewer than 2%** of the total 13,449 defense contract awards

Research Results

Effect of Established Contractors on the Distribution of Defense Contract Awards to DoD-Backed Innovation Program Participants

Grouped by Contract Classification from January 2011 to January 2018



The Participant Data set included established contractors.

How did these outliers affect the data?

40 Participant Companies:

- Won **50+ DoD contracts**
- Received **10,785** of the **13,449** defense contracts
- **Were awarded 80%** of all defense contract awards

Research Results: Customer Delivery

- Small, innovative companies that do manage to win follow-on DoD business after program completion rarely achieve broad integration.
- Instead, their capabilities remain stove-piped within the sponsor branch.



DIUx Micro-Analysis

DIUx participant companies
(publicly available,
as of Q4 2017):

31

Total DoD contract awards to
DIUx participants from
1/1/15-1/15/18:

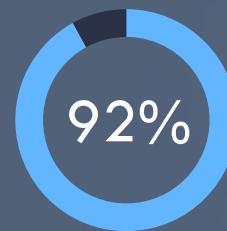
440



Rockwell Collins won
408 contracts

26 Participants won
zero or one contract

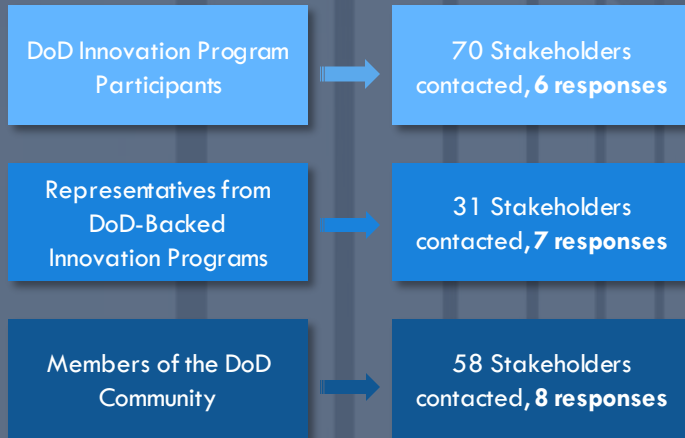
4 Participants won
3-6 contracts



*of the contracts were
awarded to **one**
participant company*

Qualitative Research: Surveys and Interviews

KEY STAKEHOLDER GROUPS



Key Findings

- Programs have become another channel for legacy contractors to gain DoD marketshare
- Programs do not educate participants on how to identify, bid-on, or win government contracts
- Programs do not market participants' capabilities to the broad armed services community
- Programs do not track participants in the years following program completion
- Participants' failure to win follow-on contracts does not necessarily correlate to a lack of demand

Recommendations

- Create a centralized database of program participants, and track participant companies long-term
- Educate and prepare participants for the DoD market
- Incentivize contracting entities and contractors to engage with program participants



THANK YOU

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