G1VE TECHNOLOGIES

THE COST OF ENTRY JUST CHANGED

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Why One Strong Industrial Base Is Rewriting Who Can Compete for the Warfighter

I. The Memo Is About Accounting. The Signal Is About Market Access.

On September 15, 2026, Deputy Secretary of War Stephen Feinberg signed Fostering One Strong Industrial Base.

Read it casually and it looks like acquisition housekeeping:

1. Cost Accounting Standards.
2. GAAP
3. Commercial determinations.
4. Audit duplication.
5. Cost and pricing information.
6. Business systems.
7. Read it strategically and the message is considerably bigger.

The United States Department of War is attempting to lower the institutional cost of entering the Defense Industrial Base — while simultaneously raising the premium on companies that can actually execute once they get inside.

That is the signal.

The memorandum directs the United States Department of War to rely more heavily on commercial accounting practices, confine Government-unique accounting requirements to narrower circumstances, reduce duplicative audits, accelerate commercial product and service determinations, and attach burdensome oversight to the work that warrants it rather than allowing one Government award to reshape an entire company.

Feinberg framed the objective even more directly:

> "Selling to the United States Department of War should be a line of business, not a corporate identity."

That sentence is the doctrine.

For decades, part of the Defense Industrial Base moat was not technology, capacity, or mission performance.

It was the ability to survive the machinery required to become a defense contractor.

That moat is now under pressure.

And when the process moat gets lower, something else inevitably becomes more valuable: Execution.

II. The Old Barrier Was Not Just Regulation. It Was Economic Conversion.

Commercial companies do not evaluate federal opportunities in isolation.

They compare them against every other place they can deploy:

- Engineering talent.
- Management attention.
- Manufacturing capacity.

- Working capital.
- Cybersecurity investment.
- Compliance resources.
- Time.

That matters because a Government contract can become economically unattractive long before the underlying mission opportunity becomes unattractive.
A commercially successful technology company may already operate under audited financial controls.
A manufacturer may already have mature quality systems.
A software business may already have sophisticated cyber controls.
A venture-backed industrial company may already have institutional governance, cost management, and investor reporting.
But if winning one defense contract forces that company to construct an entirely separate Government-specific operating architecture, the real cost of the contract is larger than the price of performance.
The business begins paying what could be called an economic conversion tax:

- New accounting infrastructure.
- Duplicative reviews.
- Government-specific business systems.
- Additional administrative personnel.
- New data requirements.
- New approval mechanisms.
- New compliance overhead.

...Eventually, leadership asks the rational question: Is the opportunity worth becoming a different company?
The September memorandum attacks that question directly. The United States Department of War says rules should attach to contracts rather than automatically transforming companies.
It directs faster commercial determinations — within 15 business days — and calls for greater use of independent public-accounting certifications instead of unnecessary separate Government review.
That is not deregulation for its own sake. It is an attempt to reduce the conversion cost between commercial America and defense America.
And if it works, the addressable industrial base becomes larger.

III. The Compliance Moat Is Shrinking. The Execution Moat Is Rising.

This is where traditional GovCon organizations should pay close attention:

- Process expertise remains valuable.
- Acquisition knowledge remains valuable.
- Pricing expertise remains valuable.
- Contracting fluency remains valuable.

But there is a difference between expertise and protection: If administrative complexity becomes less effective at keeping capable commercial competitors outside the market, incumbents increasingly have to defend their position somewhere else.
That moves the competitive moat toward:

1. Production capacity.
2. Technical differentiation.
3. Delivery performance.
4. Supply-chain resilience.
5. Capital readiness.
6. Defensible pricing.
7. Proven mission outcomes.

The United States Department of War's stated direction reinforces exactly that model.
It wants continuous competition for speed and volume, with several performers carried farther toward production and real orders flowing to companies that deliver.
That changes what an award means.
In the older mental model:

- Win the competition → Secure the position → Defend the incumbent advantage.

In the emerging model:

- Win access → Perform → Prove capacity → Earn additional demand → Keep competing.

That is a fundamentally different operating environment:

1. The proposal does not finish the competition.
2. The award does not finish the competition.
3. The first delivery may not finish the competition.
4. Performance becomes part of capture.

And that means one of the most valuable capabilities in the next Defense Industrial Base may be the ability to make operational proof visible faster than competitors can produce another narrative.
The market begins asking harder questions:

- Can you actually scale?
- Can you absorb fixed-price risk?
- Can your suppliers keep pace?
- Can you defend the economics?
- Can your controls withstand scrutiny?
- Can you turn capital into throughput?
- Can you deliver when demand accelerates?

That is not a weaker standard. It is a more operational one.

IV. Less Bureaucracy Does Not Mean Less Governance. It Means Governance Has To Matter.

This is where weak organizations will misread the reform.
They will hear:

- Less Government-unique compliance.

...And conclude:

- Less compliance.

Wrong.
The United States Department of War is describing a shift toward risk-based assurance:

- The memorandum calls for audits where risk warrants them, reliance on independent audits companies already maintain where appropriate, and elimination of unnecessary duplication.
- At the same time, the United States Department of War retains the ability to seek cost and pricing information where functioning market mechanisms do not provide adequate price confidence.

That means Governance, Risk, and Compliance does not disappear. Its standard gets harder.
Under a process-heavy environment, organizations can sometimes substitute activity for assurance:

1. More documents.
2. More checklists.
3. More procedures.
4. More reviews.
5. More gates.
6. More binders.

But process density is not evidence of control effectiveness.
Risk-based oversight asks a more uncomfortable question:

- Does the control actually work?

...That means the future GRC posture is not about maximizing bureaucracy. It is about demonstrating:

1. Financial integrity.
2. Reliable cost information.
3. Effective cyber controls.
4. Traceable supplier risk.
5. Quality discipline.
6. Accurate pricing.
7. Executive accountability.
8. Evidence that survives scrutiny.

This is why the reform should not frighten mature GRC organizations. It should frighten organizations whose governance model depends on compliance theater.
When redundant process disappears, actual control effectiveness becomes easier to see.

V. The 15-Day Clock Changes More Than Commerciality. It Changes the Value of Time.

The 15-business-day commercial product and service determination requirement looks administrative.
It is not.
Time is one of the most expensive hidden variables in federal acquisition.

A commercial company waiting months for Government determination is not simply waiting:

- Its capital is moving.
- Its engineers are working elsewhere.
- Its investors are evaluating other markets.
- Its production capacity is being allocated.
- Its leadership is comparing federal opportunity cost against commercial revenue.

...Delay therefore has an economic consequence.
The longer Government uncertainty lasts, the more expensive defense market entry becomes.
This is why the 15-day rule belongs in the same strategic conversation as missile production, mineral capacity, supplier qualification, and funding intelligence.
The entire Defense Industrial Base is being repriced around time:

- Time to produce.
- Time to qualify.
- Time to finance.
- Time to source.
- Time to obligate.
- Time to transition.

...And now:

- Time to get through the acquisition gate.

This is also where Predictive Funding Intelligence becomes more important:

1. Organizations waiting for the solicitation are still treating opportunity as an event.
2. Organizations reading policy movement, capital deployment, acquisition reform, supplier intervention, and demand signals early are treating opportunity as a trajectory.

That distinction matters. Because if commercial barriers are falling, the firms that identify emerging demand first have more time to build the execution capacity required when that market becomes reachable.
The advantage is not merely knowing what Government will buy. It is knowing early enough to become capable of delivering it before everyone else sees the requirement.

VI. The Contract Stack And The Capital Stack Are Beginning To Merge.

The accounting reforms become even more significant when placed beside the United States Department of War's broader industrial base posture.
The September memorandum says future profit policy should better account for:

1. Value delivered.
2. Risk assumed.
3. Private capital invested.

That third element matters...Because the Government is increasingly recognizing something the commercial market has always understood:

- Capacity frequently has to be financed before demand can be fulfilled.
- Factories are not built after the missile is needed.
- Supplier capacity is not qualified after the line stops.
- Workforces are not created after the production surge begins.
- Capital moves before capacity becomes visible.

That is why the United States Department of War's broader industrial policy increasingly reaches upstream into the economic architecture supporting production.
The United States Department of War's Industrial Base Policy organization, for example, announced a $450 million preferred-equity investment in The Elmet Group this month to strengthen domestic tungsten capacity.
Now connect that capital behavior to the September 15 acquisition reform.
The Government is simultaneously attempting to:

1. Reduce unnecessary market-entry friction.
2. Expand competition.
3. Mobilize private-sector capability.
4. Recognize capital at risk.
5. Strengthen upstream industrial capacity.
6. Reward companies that actually deliver.

These are not isolated policy actions. They increasingly form the same operating model.
The contract stack and the capital stack are converging.
That has profound implications for primes, nontraditional contractors, investors, lenders, suppliers, OSBPs, PEOs, and acquisition executives.
The future competitor is not simply the company with the strongest proposal.
It is increasingly the company capable of aligning:

- Capital + Capacity + Compliance + Speed + Evidence.

Miss one of those variables and the others may not save you.

VII. Thought-Provoking Close: The Final Assessment

The United States Department of War is not eliminating the acquisition system.
It is not eliminating oversight. It is not eliminating cost scrutiny.
And implementation will determine how much of this reform becomes durable operating practice rather than policy intent.
But the strategic direction is difficult to miss:

- For decades, one of the Defense Industrial Base's strongest barriers to entry was the cost of learning — and then institutionalizing — how to survive Government procurement.

That barrier is being challenged. And if it falls even partially, the market does not become easier. It becomes more exposed:

- Commercial firms gain a more rational route into defense.
- Traditional contractors face stronger pressure to prove why incumbency should continue buying them advantage.
- Primes face more pressure to ensure they are not recreating Government friction inside their own supplier networks.

- GRC leaders face a higher standard for demonstrating real assurance instead of procedural volume.
- And acquisition leaders face their own execution test: If Government demands commercial speed from industry, Government will increasingly be expected to operate at something closer to commercial speed itself.

That is the real significance of One Strong Industrial Base. The objective is not to make commercial companies behave exactly like traditional defense contractors.
It is not to make traditional contractors behave exactly like Silicon Valley.
It is to create an environment where commercial speed and mission-grade discipline can coexist.
That produces the decisive strategic question: If the process moat protecting your organization disappeared tomorrow, what would still make you difficult to replace?
Your technology?
Your capital?
Your capacity?
Your people?
Your supplier network?
Your mission knowledge?
Your operating discipline?
Your execution record?
Because that is where the market is going.
The process moat is coming down.
The execution moat is rising.
And the organizations that recognize that shift while it is still being written into policy will have something their competitors cannot buy after the solicitation appears: Time.

✨ Call to Action: Build What Others Are Still Trying to Understand ✨

Most organizations are still reacting to change. The ones that lead are already engineering advantage.
Across the Government, Federal, and Agency landscape, the convergence of Artificial Intelligence, Regulatory Compliance, and Enterprise Risk is redefining how mission success is achieved.
If your organization is operating within—or alongside—the Federal ecosystem, this is where strategy meets execution.
📩 Subscribe to the G1VE | Technologies LinkedIn Newsletter to access:

1. Advanced insights on AI Governance & Ethical Implementation aligned to Federal mandates and oversight
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3. Predictive Funding Intelligence strategies to identify, prioritize, and secure Federal and Agency opportunities
4. Real-world applications across Cybersecurity, Fintech, and Mission-Critical Systems supporting National Security objectives

⚔️ In today's environment, the difference between compliance and mission advantage is execution.
This is built for organizations responsible for:

- Mission Assurance
- Regulatory Compliance at scale
- Federal funding alignment and execution
- Operational resilience in high-stakes environments

📅 Looking to operationalize these capabilities within your organization or Agency?
👉 https://calendly.com/g1ve-technologies
Let us move beyond theory—and deliver measurable, defensible, mission-aligned outcomes at scale.

🔍 About the Author

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📡 Connect with W.B. Carrington, MBA, LSSMBB, CTPRA, GRCA, GRCP here to stay at the forefront of:

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