

Memorandum

Transforming the Defense Innovation Ecosystem to Accelerate Warfighting Advantage

January 9th, 2026

Overview

On January 9th, 2026, the Secretary of War released a [memo](#) titled “*Transforming the Defense Innovation Ecosystem to Accelerate Warfighting Advantage*” that aims to unify the innovation ecosystem within the department behind a single Chief Technology Officer (CTO) to assist in modernizing and providing innovative capabilities to the warfighter.

Effective immediately, the Defense Innovation Steering Group, the Defense Innovation Working Group, and the CTO council are disestablished. In their place, the CTO will convene a CTO Action Group to assist in decision making, clear bureaucracy blocks, holder leaders accountable, and quickly deliver capabilities. The Undersecretary of War for Research & Engineering (USW(R&E)) will be the Department’s sole CTO and will set technical direction across the department and lead the DoW innovation ecosystem.

Department of War Innovation Ecosystem & Organization

To deliver technological advantage and enhance the innovation ecosystem, the DoW is organizing the USW (R&E) into the following structure:

- Chief Technology Officer sets direction and priority
- Assistant Secretaries of War will develop implementation guidance and assess results
- ASW Science and Technology leads technology innovation and foundation science
- ASW Critical Technologies, redesignated as ASW Commercial Technologies (subject to congressional notification), leads policy for product innovation through commercial adoption
- ASW Mission Capabilities leads operational capability innovation

The Defense Innovation Unit (DIU) and Strategic Capabilities Office (SCO), together with DARPA, the Chief Digital and Artificial Intelligence Officer (CDAO), the Test Resource Management Center (TRMC), and the Office of Strategic Capital (OSC), will comprise the innovation ecosystem led by the CTO.

Accountability, Governance and Engagement

To assist in consolidating and streamlining the innovation ecosystem, the Department of War has ordered additional actions to be undertaken:

- **Within 90 days**, Secretaries of Military Departments will brief the CTO on their service innovation plans on how to organize their innovation communities
- A CTO Action Group, chaired by the USW(R&E), is established as the Department’s senior forum for innovation
- The Department will present clear industry signals through two main channels: Mission Engineering and Integration Activity (MEIA) and the Defense Innovation Unit (DIU)

This memo requires better organization and industry engagement to enhance the innovation ecosystem to benefit the warfighter

Implications for Government

The Department will now face initiatives to consolidate and streamline their innovation ecosystem. Important actions Defense officials need to take are:

- Defense officials need to be aware of the new structure and guidance passed down that will influence their innovation portfolios in all branches
- The Secretaries of military branches need to be ready to submit their plan for review in order to align with this memo
- Any innovation brought forth by the Department will need to align with the three main pillars that have been organized

Implications for Industry

For contractors, integrators, and developers involved in innovation within the Department, there are many changes they need to be aware of that will affect procure and RDT&E going forward.

Key takeaways for vendors:

- Contractors who play a current role in the innovation ecosystem need to be aware of new organization changes
- Innovative contractors need to contact ASW Commercial Technologies and be aware of new industry engagements provide by MEIA and DIU
- Industry must be aware of policy and guidance provide by the CTO to align with Department needs

Industry will need to align with this new structure and remain vigilant of any engagement brought forth.

Timeline

Policy	Key Dates	Focus & Key Provisions
Executive Order 14179: Removing Barriers to Artificial Intelligence	January 23, 2025	Scrapped Biden-era AI oversight, directed federal agencies to align AI use with national competitiveness, innovation, and ideological neutrality.
Memo: Reforming the Joint Requirements Process to Accelerate Fielding of Warfighting Capabilities	August 20, 2025	Rescinds the Joint Capabilities and Development System (JCIDS) and provides new resources and organizations to track DoW portfolios.
Artificial Intelligence Strategy for the Department of War	January 9, 2026	Formalizes AI as a core warfighting capability across DoW operations and streamlines integration and acceleration of adoption

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