SLFS INSIGHTS COMMENTARY

From Strategy to Supply Base

How sustained national policy — from the National Defense Industrial Strategy to the Department of War's priorities today — makes the case for the Defense Expansion Pathway™

By Jerold Hawkins, Founder & Principal Advisor, Summit Line Federal Solutions | June 2026

In January 2024, the Department of Defense published its first-ever *National Defense Industrial Strategy* (NDIS) — the first unifying national-policy vision for the defense industrial base.[1] Two years on, the more important fact is not that the strategy was written. It is that it has held, hardened, and become a live operating priority of the Department of War today.[2]

A Priority That Has Only Sharpened

The NDIS set four enduring priorities: resilient supply chains, workforce readiness, flexible acquisition, and economic deterrence. At launch, the Assistant Secretary of Defense for Industrial Base Policy framed the stakes plainly — the Department, she said, "cannot afford to wait."[3]

That urgency did not fade with the administration that issued it. The strategy advanced into a formal Implementation Plan, and the office that owns it has only pressed harder. Today the Honorable Michael P. Cadenazzi Jr., Assistant Secretary of War for Industrial Base Policy, leads that mission — and his public record reads like a brief for supplier readiness. He has described the Department's work as "supply chain illumination": finding the tier-two, tier-three, and tier-four suppliers that carry real risk, and confronting fragility across every level of the lower tier.[4] He has urged defense firms directly to assess their own exposure and get ahead of risk rather than wait for it to surface.

Supply-chain resilience, in short, is not a slogan from a prior cycle. It is the explicit, funded, and personally championed priority of the office that owns the industrial base — right now.

[1] U.S. Department of Defense, *National Defense Industrial Strategy* (released Jan. 11, 2024). As summarized in Brownstein Hyatt Farber Schreck, LLP, "Department of Defense National Defense Industrial Strategy Overview," Client Alert, Jan. 23, 2024.

[2] "Department of War" is the secondary title authorized for the U.S. Department of Defense by Executive Order 14347 (Sept. 5, 2025) and now in standard departmental use; the statutory name remains the Department of Defense. The NDIS was issued under that statutory name in January 2024.

[3] Quote from Dr. Laura Taylor-Kale at the NDIS launch (Jan. 2024), then Assistant Secretary of Defense for Industrial Base Policy. The office has since sustained the strategy across administrations, with the Hon. Michael P. Cadenazzi Jr. sworn in September 2025.

[4] Assistant Secretary Cadenazzi's public remarks, as reported from his appearance at the Hudson Institute and his February 2026 Senate Armed Services Committee testimony.

The Problem the Strategy Named

Under resilient supply chains — its first and most detailed priority — the NDIS is candid about what it intends to fix: too few capable sub-tier suppliers, thin manufacturing capacity, and inadequate visibility into the lower tiers of critical supply chains. It directs the Department to use data analytics to improve sub-tier visibility and minimize risk, and to work collaboratively with both primes and their sub-tier suppliers.

That is a precise description of a seam in the industrial base — the space between a prime contractor and the small, diverse, and emerging suppliers beneath it. National policy has now prioritized that seam. It is exactly where Summit Line Federal Solutions works.

> Capacity does not solve a readiness problem. De-risking does.

Michigan Is Where This Gets Decided

This is no abstraction for our region. On May 11, 2026, Assistant Secretary Cadenazzi visited the Detroit Arsenal — the Army's premier ground-systems center of excellence, in the heart of Michigan's manufacturing base — to review industrial-base initiatives and talk supply-chain management. His charge to the leaders in the room was to bring their "biggest, most aggressive" ideas, because, he noted, the industrial base now sits at the center of national strategy in a way it has not for years.[5]

Michigan's deep bench of automotive and precision manufacturers is precisely the nontraditional, diversifiable supplier base the strategy calls for. But proximity to capability is not the same as readiness. Turning a capable Michigan manufacturer into a defense-ready supplier is specific, technical work — and it has to happen before a contract, not after a failure.

What This Means for Prime Contractors

The consequence is direct: primes are now accountable not only for their own performance, but for the readiness and resilience of the suppliers they depend on. Diversifying the base, qualifying new entrants, and de-risking the lower tiers are no longer compliance afterthoughts; they are strategic mandates tied to program survivability and surge capacity.

And there is a mismatch between that mandate and the market. Most firms offering to help a prime's supply base offer *capacity* — more parts, more throughput. The strategy asks for something different: suppliers that are visible, qualified, cyber-secure, and execution-ready *before* they reach first article, audit, or milestone. Capacity does not solve a readiness problem. De-risking does.

DXP™: Operationalizing the Strategy at the Firm Level

[5] U.S. Army TACOM / DVIDS coverage of the Assistant Secretary's May 11, 2026 visit to the Detroit Arsenal, Warren, Michigan.

The Defense Expansion Pathway™ (DXP™) was built for exactly this. It is a supplier-development methodology — an eight-domain, 140-point readiness assessment that surfaces compliance and execution gaps in small, diverse, and emerging suppliers upstream, before those gaps reach the program as cost, schedule, or quality failures. The principle is deliberate: **we de-risk the supply base; we don't supply parts.**

The alignment with national policy is not rhetorical. The strategy's named priorities — and the Assistant Secretary's stated focus on illuminating and strengthening the lower tiers — map directly onto the eight domains DXP™ already measures:

NDIS Priority / Directed Action	Corresponding DXP™ Domain
Improve sub-tier visibility; identify and minimize supply-chain risk	**Domain 8 — Supply Chain Visibility & Supplier Readiness**
Diversify the supplier base; qualify new and nontraditional entrants	**Domain 6 — Supplier Qualification & Purchasing System Readiness**
Enhance industrial cybersecurity across the base	**Domain 2 — CMMC / NIST Preparedness**
Counter counterfeit parts; enforce prohibited-source and Buy American rules	**Domain 7 — FAR / DFARS Compliance Readiness**
Strengthen traceability and configuration integrity across tiers	**Domain 3 — Traceability & Configuration Control**
Enable flexible, rapidly delivered, well-priced acquisition	**Domain 1 — Cost Accounting & Proposal Readiness • Domain 4 — Program Execution & Schedule Discipline**
Build surge capacity and withstand disruption	**Domain 5 — Financial Capacity & Working Capital Readiness**

DXP™ domain names shown for alignment; the underlying scoring and remediation methodology is proprietary.

From Strategy to Supply Base

The Department has named the problem, funded the response, and put a sustained, bipartisan priority behind it. What policy cannot do is make any single supplier ready, or hand a prime a repeatable way to see and close the gaps in its own base. That work happens at the firm level, one supplier at a time.

That is the work Summit Line Federal Solutions is built to do — in full support of the Department of War's mission to ready the industrial base. The strategy points to the destination. The Defense Expansion Pathway™ is how a prime and its suppliers get there.

We are ready to support that mission. For primes and suppliers alike, the only real question is whether they would rather find their gaps now, in an assessment — or later, in an audit.

ABOUT SUMMIT LINE FEDERAL SOLUTIONS

Summit Line Federal Solutions, LLC (SLFS) is a veteran-owned defense and aerospace industrial-base advisory firm. SLFS helps manufacturers and prime contractors assess, strengthen, and de-risk supplier readiness using the proprietary Defense Expansion Pathway™ (DXP™) — an eight-domain, 140-point readiness assessment.

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