



DEPARTMENT OF THE AIR FORCE
WASHINGTON DC

OFFICE OF THE ASSISTANT SECRETARY

13 NOV 2018

MEMORANDUM FOR ALL ACQUISITION PERSONNEL

FROM: SAF/AQ

SUBJECT: blueSHIFT

Teammates, if you're like me, you geek-out on new technology. It's certainly changing our lives at a dizzying pace. Many mind-blowing ideas are being birthed in U.S. startup companies, but the Pentagon largely misses out on them. For our big bureaucracy, awarding a contract in months is a flash. For startups living hand-to-mouth, it's an eternity.

As a result, we are not competing for ideas in the accelerating tech ecosystem, opting for the passenger's seat instead. The Air Force *must* do business at the speed of ideas: inspiring and accelerating startup creativity toward national security challenges. The smaller the company, the faster we must get them on contract. Instead, companies face an amusement park sign: "*You must be this tall to ride the ride.*" I'm excited to say we're finally ripping it down.

You may think the Pentagon has tried this before, holding a few startup events, awarding a few contracts, but nothing at speed or scale. Our limitation isn't lack of desire; it's wading through the "molasses moat" process that gets money from government to industry hands. Thousands of pages of regulation and policies from Federal level to Service levels make this a slow trudge.

To the rescue, our savvy contracting and legal professionals took a challenge from me and hit it out of the park: creating a new one-page, one-day, \$158K contract using government purchase cards (GPCs). They call it "Pay in a Day"—celerity indeed!!

Last month we awarded over 100 contracts in 40 hours using GPCs; we're even attempting some software projects using \$10k contracts that program managers can award without warrants. All of this is part of an initiative we're calling "blueSHIFT." Our first Pitch Day in March will award \$40M to accelerate U.S. startups towards Air Force challenges. Let's make blue how they get to black!

But before discussing how our Pitch Day will run, let's discuss why we should do it.

The "why" is both a short game and a long game. The short game is energizing the Air Force small business portfolio with unprecedented speed. We'll undoubtedly find young companies with products or services we can immediately put to good use in existing programs. (I expect software, logistics, supply chain management, agile manufacturing, and digitization might be prime areas.) The long game is more strategic: inspiring young companies to solve Air Force problems as a means to grow and thrive, even if their business plans are ultimately

commercial. Orbiting our challenges to reach escape velocity must be easy, rewarding, and hopefully a bit cool. We need next-gen tech companies to be Air Force and national security savvy.

As for the “how”, there are seven steps we’ll need to pull it off.

- Step 1: Pick the hosts.** We’ll pick host organizations for our pilot. PEOs Digital, Fighter/Bomber, BES, ISR/SOF, C3I&N & Space have already volunteered.
- Step 2: Post problems.** We’ll post our problems and needs on LinkedIn, inviting submissions.
- Step 3: Pause for replies.** Start-ups will submit a short proposal and a pitch deck. We’ll leave the window open for four weeks to give companies time to think and respond.
- Step 4: “Please swipe right!”** We’ll review submissions and down-select to promising ideas, products, or services in less than two weeks.
- Step 5. Pack.** We’ll give notice to selected candidates in time to travel.
- Step 6: Pitch.** Companies will give a 10-15 minute pitch or demo in person, and we’ll invite both commercial investors and our defense primes to join us. We’re definitely interested in public-private partnerships!
- Step 7: Partner.** If we’re impressed by the concept and company, then we’ll sign, swipe our GPC, and say, “Congratulations! You’re now partnered with the United States Air Force!”.

Now zoom out to the big picture: there’s over \$660M in our Small Business Innovative Research program this year alone—we can have a huge impact competing for ideas at scale! So to all Acquisition Leaders: let’s remove the amusement park sign from in front of the Air Force. We want to be the preferred partner of innovative companies of **all** sizes. blueSHIFT is our chance to accelerate amazing creativity to the warfighter.

Let’s get started!

Cheers,



William B. Roper, Jr.
Assistant Secretary of the Air Force
(Acquisition, Technology & Logistics)