



## The Invisible Base

How Operation Epic Fury Reveals US Defense Industrial Base's True Fragility

Policy Brief • The Knudsen Institute • March 10, 2026

---

### BOTTOM LINE UP FRONT

- DoD does not have a systematic, machine-readable map of the sub-tier manufacturers, specialty alloy processors, and feedstock sources that underpin every weapons system in the inventory.
- The White House quadrupling commitment cannot be executed without that map. The bottleneck is not the desire for surge production. The bottleneck is production visibility.
- Current reform efforts such as NDAA provisions, LYNX, or the APEX Accelerator program, improve access for manufacturers who are already findable. None of them go find the ones who are not.
- The technology to solve this exists and is deployable now. The policy framework to deploy it at national scale does not.
- Four actions within existing authority can close this gap before the next surge demand hits.

### THE PROBLEM WASHINGTON IS NOT DISCUSSING

---

The White House convened the six largest prime defense contractors and announced a quadrupling of precision munitions production. That meeting addressed the symptom. It did not address the disease.

- Sub-tier manufacturers: i.e., the forge shops, casters, and specialty alloy processors that prime contractors depend on, were not at the table.
- Most of these vital lower tier suppliers are not in any DoD database. The Department does not know who they are, where they are, or whether they have capacity.
- Quadrupling PAC-3 output requires quadrupling titanium forgings, nickel superalloys, precision castings, and solid rocket motor components. The supply chain for those materials has never been mapped.
- The Strait of Hormuz closure is not only an energy shock. It is a materials corridor shutdown. Specialty alloys and chemical feedstocks serving U.S. manufacturing move through that chokepoint.
- For some critical sub-tier materials, the number of qualified domestic suppliers has contracted to single digits.

**There is no shortage of manufacturing capacity in the United States. There is a shortage of the ability to find it.**

## **WHY CURRENT REFORM EFFORTS DO NOT REACH THE CORE PROBLEM**

---

- FY2025 and FY2026 NDAA provisions improve conditions for manufacturers who are already findable. They do not find manufacturers who are unaware they are relevant.
- Some initiatives are a good step in the right direction such DoD's LYNX platform. However, this effort is opt-in and self-reported. A forge shop running five-axis equipment for the oilfield has no reason to know it exists.
- Conventional consulting approaches add insight but do not produce manufacturing discovery at speed or scale. Moreover, the firms hired to build these systems lack depth in how parts are actually made; the unique data constraints when dealing with Technical Data Packages (TDPs); or the neural networks needed that orient around prismatic qualities to connect supply with demand.
- Even the most capable AI decision analytics platforms deployed by DoD have confirmed that the underlying manufacturing data layer does not exist in any form they can access or reason over.

## **FOUR ACTIONS EXECUTABLE WITHIN EXISTING AUTHORITY**

---

- 1. Direct USD(A&S) to establish full-tier manufacturing visibility as a formal program objective**
  - From prime contractor through feedstock source. Dedicated funding. 24-month delivery timeline.
- 2. Direct DLA to partner with AI-driven supplier discovery technology providers**
  - Explicit objective: identify qualified manufacturers outside the current DIB for critical component categories before the next surge demand emerges.
- 3. Establish a continuously maintained national manufacturing data asset as critical national security infrastructure**
  - Semi-autonomous data collection with SME curation. Standing equivalent to the National Defense Stockpile.
- 4. Require modern digital technical data packages as a condition of contract completion on all new defense production contracts**
  - Formats must enable AI-assisted manufacturing network generation.