

## DOD Seeks to Match Investors with Technology Companies

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The U.S. Department of Defense (DOD) is presenting an opportunity for U.S. companies and investors alike: the recently established Trusted Capital Program. The recent outbreak of COVID-19 has increased the Pentagon's interest in the program, recognizing both that particularly smaller companies and startups face significant uncertainty as to whether their funding streams will continue, and that foreign adversaries could take advantage of that uncertainty to obtain sought-after technology or intellectual property.

### What is the Trusted Capital Program?

The Trusted Capital Program seeks to preempt the Committee on Foreign Investment in the United States' (CFIUS) concern by matching prescreened investors with companies working on technology or products of national security interest.

The DOD aims to provide a secure ecosystem of capital and companies for the U.S. government to support while also providing participating businesses and investors a number of advantages, including:

- Due diligence on technology companies
- Visibility into national security priorities
- Access to vetted investors

### Sectors of Focus Include:

- Health care/biomedical
- Unmanned aerial systems
- 5G
- Artificial intelligence
- Space
- Cybersecurity
- Robotics

- Quantum
- Autonomy
- Hypersonics
- Directed energy
- Nuclear
- Castings and forgings
- Rare earths
- Semiconductors and microelectronics

### How Companies Can Join:

Companies are encouraged to participate through various Venture Days events hosted jointly by military services and academic institutions. Upcoming events include:

- May 2020: AFWERX and Army Futures Command (COVID-19 response)
- June 2020: Air Force Life Cycle Management Center (Hybrid)
- June 2020: Special Operations Command (Artificial Intelligence Solutions With Subcomponents in Small Maneuver and Influence Operations)

### Consider In-Q-Tel:

Companies interested in the Trusted Capital Program may also be interested in another U.S. government-connected investment possibility, In-Q-Tel, which is a nonprofit strategic investor in companies developing technology of interest to national security agencies.

- Investments typically range from \$500,000 to \$3,000,000
- Works with venture capital to identify technology that will be commercially successful and have high impact on national security

## In-Q-Tel focus areas include:

- Data analytics
- Cybersecurity
- Artificial intelligence/machine learning
- Ubiquitous computing
- IT solutions
- Communications
- Materials/electronics
- Commercial space
- Power and energy
- Biotechnology
- Remote sensing

*To see our other material related to the pandemic, please visit the [Coronavirus/COVID-19: Facts, Insights & Resources](#) page of our website by clicking [here](#).*

If you are an investor or have a company interested in participating, or if you would like more information, please contact the Lowenstein Global Trade & Policy Team.

## Contacts

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