

Member newsletter • Reporting period October 5–11, 2026

Where capacity expansion meets supplier readiness

Major health, defense, semiconductor and advanced-computing actions create demand signals—but supplier access will depend on visible requirements and validated performance.

Opening overview

The week produced unusually large commitments affecting essential medical products, submarine components, wide-bandgap semiconductors, quantum-system prototyping and missile production. A new plurilateral trade statement also targets structural excess capacity in key manufacturing sectors. For DMSCA members, these announcements are demand and policy signals—not automatic supplier opportunities. The practical work is to obtain nonproprietary requirements, identify realistic work packages, prepare suppliers, and validate quality, delivery, cyber, workforce and financial readiness.

Top developments

1

BD commits to a major expansion of U.S. medical-supply production

HEALTHCARE RESILIENCE | OCTOBER 6, 2026

Confirmed fact: BD announced a U.S. government partnership under which it intends to invest \$19 billion in the United States over several years, including \$3 billion for manufacturing expansion at strategic sites. The company plans to add approximately 5 billion essential medical consumables annually, supply roughly 80% of those products domestically, and manufacture all BD needles used in the United States domestically with American-made steel. Future Section 232 relief is conditional on final measures and agreed milestones.

Why it matters to members: This is a substantial demand and resilience signal across medical consumables, metals, tooling, automation, packaging, logistics and regulated manufacturing. It is not a supplier solicitation, and the locations, categories, timing and qualification gates for outside suppliers remain to be established.

Who should act: BD and its sourcing organization; medical-device and steel suppliers; automation, tooling, packaging, logistics and workforce partners; the Medical Devices, Pharmaceuticals and Biomanufacturing IGC.

Recommended next steps

- Request a nonproprietary briefing on expansion sites, sourcing categories, timing, onboarding and qualification requirements.
- Use CONNEX-supported discovery only after requirements are defined; screen for quality, traceability, regulatory discipline, capacity, cyber and financial readiness.
- Translate production growth into specific equipment, maintenance, technician, operator and validation needs.

SOURCES [BD announcement](#)

2

Anduril and the Navy launch a \$6.6 billion submarine-capacity initiative

MARITIME INDUSTRIAL BASE | OCTOBER 6, 2026

Confirmed fact: Anduril announced a software-defined shipyard at Sparrows Point, Maryland, backed by more than \$3.7 billion in private investment and a U.S. Navy contract valued at up to \$2.9 billion. The two-million-square-foot Arsenal-2 facility is intended to manufacture Virginia-class submarine components and large assemblies for delivery to the prime shipyards. Maryland projects more than 3,100 direct jobs. Contract payments are tied to demonstrated production outcomes.

Why it matters to members: The project combines digital production, outcome-based contracting and heavy industrial capacity. It could create multi-tier demand in fabrication, machining, welding, inspection, automation, materials, logistics and workforce development, but supplier access depends on Anduril's make-buy strategy and Navy qualification requirements.

Who should act: Anduril, Navy and prime-contractor sourcing teams; maritime, defense and heavy-manufacturing suppliers; Maryland and regional workforce organizations; the Defense, Aerospace and Transportation IGC.

Recommended next steps

- Seek early information on work packages, vendor registration, quality and cyber requirements, production milestones and supplier-development needs.
- Build a CONNEX-supported maritime supplier map covering both deployable capacity and firms requiring targeted readiness work.
- Consider a demand-led DMSCA Day or ACCELERATE engagement only after buyer participation and sourcing categories are confirmed.

SOURCES [Anduril announcement](#) | [Maryland project announcement](#)

3

Strategic-capital commitments target semiconductor and quantum manufacturing

CRITICAL TECHNOLOGIES | OCTOBER 7–8, 2026

Confirmed fact: The Department of War's Office of Strategic Capital announced conditional commitments of up to \$1.5 billion for Wolfspeed and \$150 million for PsiQuantum. Wolfspeed's proposed 30-year financing would support U.S. production of silicon carbide materials, power devices and gallium-nitride-on-silicon-carbide wafers. PsiQuantum's proposed financing would expand advanced manufacturing and prototyping at its 140,000-square-foot Milpitas, California, hub. Both commitments remain subject to diligence, agreements, approvals and other conditions.

Why it matters to members: The commitments show federal use of patient capital to protect critical technology nodes. Adjacent supplier needs may include specialty materials, equipment, photonics, controls, testing, cryogenics, clean production, software and technical talent. Conditional financing should not be reported as money disbursed or as an open procurement.

Who should act: Wolfspeed and PsiQuantum supply-chain teams; semiconductor, photonics, equipment, test and advanced-material suppliers; research and workforce partners; the Semiconductor, Electronics and Advanced Industrial Systems IGC.

Recommended next steps

- Monitor financial closing, capital-expenditure plans, project schedules and supplier-entry requirements before positioning firms.
- Map domestic capabilities in SiC, GaN, photonics, specialty equipment, precision assembly, test, cryogenics and data systems.
- Evaluate candidate suppliers for process control, yield, traceability, cybersecurity, technical workforce and scale-up risk.

SOURCES [Wolfspeed announcement](#) | [PsiQuantum announcement](#)

4

Raytheon receives a multi-year SM-3 production and sustainment contract

DEFENSE PRODUCTION | OCTOBER 8, 2026

Confirmed fact: Raytheon announced a five-year contract with two option years valued at up to \$6.3 billion for production and sustainment of Standard Missile-3 Block IB interceptors. The company said production will occur primarily in Tucson, Arizona, and Huntsville, Alabama, and that it has invested in additional Standard Missile capacity.

Why it matters to members: Multi-year demand can justify supplier capital, workforce and tooling investments, but it also raises expectations for schedule, quality, cyber, configuration control and sub-tier visibility. The announcement did not identify open work packages for SMMs.

Who should act: Raytheon and Department of War sourcing teams; defense electronics, propulsion, structures, specialty-material, machining, test and sustainment suppliers; workforce and capital providers.

Recommended next steps

- Request nonproprietary supplier demand, bottleneck categories, qualification requirements and delivery-rate targets.
- Identify relevant SDaaS participants with defense past performance and assess their capacity, AS9100 quality, cyber, traceability and financial readiness.
- Tie supplier-development plans to measurable throughput, yield, lead-time, workforce and delivery milestones.

SOURCES [RTX announcement](#)

5

Fifteen economies commit to work on manufacturing excess capacity

TRADE AND INDUSTRIAL POLICY | OCTOBER 7, 2026

Confirmed fact: The Office of the U.S. Trade Representative announced that the United States and 14 other economies signed a joint ministerial statement establishing dedicated sectoral work to examine and address structural excess capacity and production in key manufacturing sectors. The statement calls for action against non-market policies and practices that distort markets. It is a policy commitment; sector-specific measures and implementation schedules were not announced.

Why it matters to members: Future actions could affect pricing, imports, sourcing strategy and investment decisions in exposed sectors. MNEs and SMMs need evidence on category-level exposure, domestic alternatives and transition costs rather than assuming near-term protection or demand.

Who should act: Manufacturers and sourcing organizations exposed to import competition; trade, finance and strategy teams; industry associations; domestic suppliers able to document capacity and competitiveness.

Recommended next steps

- Identify product categories affected by structural excess capacity and quantify price, volume, margin and supplier-continuity exposure.
- Document domestic supplier capability gaps, cost drivers, qualification timelines and investment requirements.
- Monitor USTR and partner-economy sectoral platforms for consultations or measures requiring member input.

SOURCES [USTR announcement](#)

Deadline watch

Verification note. Dates were rechecked against official sources on October 12, 2026. Confirm complete terms immediately before acting.

DATE	OPPORTUNITY OR EVENT	WHO SHOULD ACT	NEXT STEP
Oct. 16	LIFT ICME project call for U.S. casting and forging	Eligible industry and academic teams	Submit by 5:00 p.m. Eastern Time; verify all call and transition requirements.
Oct. 19	Build Freedom Summit late registration window	Manufacturing, defense, education, and workforce leaders	Register before the published late-registration window closes; confirm availability.
Oct. 20–22	Build Freedom Summit and Career Expo	Employers, workforce partners, educators, and job seekers	Use the summit to define occupations and partnerships; register separately for the October 22 expo.
Nov. 6	FY2027 Defense University Research Instrumentation Program	Eligible U.S. higher-education institutions	Submit by 5:00 p.m. Eastern Time; verify research-area, equipment, and Grants.gov validation requirements.

Members in the News

DMSCA members may submit concise, verifiable news for possible inclusion in future editions, including contracts, capacity expansions, certifications, product or technology introductions, workforce partnerships, appointments, awards and measurable resilience milestones.

To submit an item: Email info@dmsca.us with a proposed headline, a 75–150 word summary, the announcement date, a public source link and a member contact for verification. An approved photograph or logo with attribution is optional.

Editorial note. Submissions are subject to verification, editorial review, relevance and available space. DMSCA may edit for clarity and length; submission does not guarantee publication or endorsement.

DMSCA Perspective

Official announcements establish investments, contracts, financing commitments or policy direction. They do not automatically establish a procurement opportunity for a DMSCA member. BD, Anduril and Raytheon show how defined demand can support domestic capacity and multi-year production. The Wolfspeed and PsiQuantum commitments show how strategic financing can support critical technology nodes, while the USTR statement signals possible changes in the competitive environment. Across all five, supplier opportunity depends on usable work packages, entry requirements, timing and prepared firms.

DMSCA's demand-driven sequence begins with nonproprietary buyer requirements, uses CONNEX-supported discovery, evaluates readiness through SDaaS, closes gaps against a Strategic Improvement Plan and advances appropriate firms into B2B Qualification and Commercial Engagement. CMP Supply Chain Performance Certification is available only through active SDaaS participation; membership alone does not confer certification.

ACCELERATE Industry Group Cluster activities and DMSCA Day engagements should follow the same discipline: confirmed buyers, defined sourcing categories, prepared suppliers and measurable follow-through.

Member calls to action

FOR MNE MEMBERS	FOR SMM MEMBERS
• Share nonproprietary demand, qualification criteria, long-lead categories, and supplier constraints suitable for CONNEX-supported discovery. • Identify realistic SMM work packages tied to medical consumables, submarine components, wide-bandgap semiconductors, quantum systems or missile production. • Before DMSCA Day or ACCELERATE engagement, define supplier evidence, follow-through milestones and workforce requirements.	• Update CONNEX capability, equipment, certification, capacity, workforce, cyber, lead-time, and past-performance information. • Pursue investment- or contract-related work only after confirming the buyer, work package, timing and qualification path. • For the LIFT call, confirm eligibility before October 16; engage through SDaaS when capability development or CMP certification is sought.

About this publication

DMSCA Manufacturing and Supply Chain Weekly is a member intelligence publication covering consequential developments affecting U.S. manufacturing, supplier development, technology adoption, workforce readiness, and supply-chain resilience. Official facts are attributed to linked sources. DMSCA Perspective and recommendations are DMSCA analysis, not official agency or company statements.

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