DMSCA

MANUFACTURING AND SUPPLY CHAIN WEEKLY

MEMBER NEWSLETTER | REPORTING PERIOD NOVEMBER 9 TO 15 2026

# New supplier pathways meet smarter manufacturing and rising costs

*Federal actions opened practical pathways for veteran-owned suppliers, critical-materials recovery and AI-enabled manufacturing while producer costs increased the financial demands on SMM execution.*

## Opening overview

The week produced a common message for MNEs and SMMs: opportunity is expanding, but participation will depend on verified demand, supplier readiness and sustainable economics. SBA announced new veteran-business contracting, drone-sector and acquisition-financing initiatives. DOE launched a critical-materials recycling collaborative and detailed an AI-enabled advanced-manufacturing direction. Commerce finalized a semiconductor-related quantum R&D award, while BLS reported renewed producer-cost pressure.

For DMSCA members, these developments favor demand-driven supplier development. Buyer requirements should be defined before discovery; CONNEX-supported searches should identify plausible suppliers; and SDaaS readiness work should address capability, quality, workforce, cybersecurity, data, capacity and working capital before commercial engagement.

## Top developments

### 1 SBA expands pathways for veteran-owned suppliers

Defense aerospace and cross-sector manufacturing | November 9

**Confirmed fact.** SBA announced FY2027 goals that increase the combined federal prime-contracting and subcontracting target for Veteran-Owned Small Businesses and Service-Disabled Veteran-Owned Small Businesses from 5 percent to 10 percent. SBA also launched a VetsinTech pilot for veteran founders in the drone and dual-use aerospace sector and waived certain 7(a) equity-source restrictions for veteran business acquisitions.

**Why it matters to members.** The actions can widen federal-market and capital pathways for qualified veteran-owned manufacturers. They do not replace agency, prime-contractor or buyer qualification requirements.

**Who should act.** Veteran-owned and service-disabled-veteran-owned SMMs; defense and aerospace MNEs; sourcing organizations; VBOCs; APEX Accelerators; lenders and supplier-development partners.

**Recommended next steps**

- Confirm current ownership, certification, NAICS, capacity, quality, cybersecurity and past-performance information.
- Ask MNE and prime-contractor members to identify specific categories in which veteran-owned supplier participation could increase.
- Use CONNEX-supported discovery and SDaaS readiness reviews to distinguish certification status from readiness for a defined requirement.

SOURCES SBA announcement

### 2 DOE launches critical-materials recycling collaborative

Semiconductors electronics and advanced industrial systems | November 10

**Confirmed fact.** DOE launched the Accelerator for Supply Chain, Economy, and National Development, or ASCEND. Led by Idaho National Laboratory with the National Laboratory of the Rockies and Oak Ridge National

Laboratory, the collaborative will analyze end-of-life electronics, critical-material recovery economics, supply-chain gaps and industry barriers.

**Why it matters to members.** Electronics recycling and domestic material recovery can reduce exposure to constrained or foreign sources. ASCEND is a collaborative initiative, not an announced supplier solicitation or open funding opportunity.

**Who should act.** Electronics and semiconductor MNEs; recyclers; materials processors; equipment manufacturers; automation, sensing, separation and testing suppliers; laboratories and workforce partners.

**Recommended next steps**

- Identify member capabilities across collection, preprocessing, separation, refining, testing, data and materials reuse.
- Request information on future industry-engagement mechanisms and the supply-chain questions ASCEND intends to validate.
- Document traceability, environmental controls, material yields, process economics and downstream customer requirements before positioning SMM capabilities.

SOURCES DOE ASCEND announcement

## 3 DOE sets an AI-enabled advanced-manufacturing direction

Industry 4.0 and Industry 5.0 | November 13 update

**Confirmed fact.** DOE described a Genesis Mission challenge focused on advanced manufacturing and industrial productivity. The approach combines agentic and generative AI, real-time machine and supply-chain data, digital twins and human-in-the-loop decision support to improve discovery, scale-up and deployment.

**Why it matters to members.** The direction connects Industry 4.0 tools with Industry 5.0 workforce capability. It does not itself provide funding or establish that every SMM should adopt AI or digital twins.

**Who should act.** MNE operations and technology leaders; SMM owners; manufacturing engineers; OT and cybersecurity teams; system integrators; workforce and research partners.

**Recommended next steps**

- Begin with a measurable production or supply-chain requirement, not a technology-first demonstration.
- Assess data availability, interoperability, OT cybersecurity, operator skills, maintenance support and change-management capacity.
- Use future ACCELERATE and DMSCA Day activities to connect verified buyer use cases with suppliers and integrators able to support deployment.

SOURCES DOE advanced-manufacturing challenge

## 4 Commerce finalizes a 100 million dollar quantum semiconductor award

Semiconductors electronics and advanced industrial systems | November 13

**Confirmed fact.** Commerce finalized a CHIPS Research and Development award of up to $100 million to Atom Computing. The work will support semiconductors, hardware development and systems integration for neutral-atom quantum computers designed to manipulate and address tens of thousands of qubits and validate their performance.

**Why it matters to members.** The award is a long-horizon technology and commercialization signal. Potential supply-chain needs could include precision hardware, photonics, controls, vacuum systems, electronics, test equipment and systems integration, but no supplier opportunity should be inferred without procurement information.

**Who should act.** Semiconductor and electronics MNEs; quantum and photonics companies; precision-manufacturing SMMs; controls, test and integration suppliers; research institutions and technical-workforce partners.

**Recommended next steps**

- Monitor award implementation and seek nonproprietary supplier-roadmap and vendor-onboarding information.
- Map technically adjacent SMM capabilities only after component, tolerancing, quality, security and scale requirements are defined.

- Prepare suppliers to document traceability, clean production, configuration control, cybersecurity and technical-workforce depth.

SOURCES NIST CHIPS award announcement

### 5 Producer costs increase the financial risk of execution

All industry group clusters | November 13

**Confirmed fact.** BLS reported that the Producer Price Index for final demand rose 0.3 percent in October and 6.5 percent over 12 months, the largest 12-month increase since November 2022. Final-demand goods rose 0.5 percent for the month and 10.2 percent over 12 months.

**Why it matters to members.** Cost escalation can compress SMM margins, shorten quote validity, increase inventory financing needs and create delivery risk. A technically capable supplier may still be unable to perform if commercial terms do not support the order.

**Who should act.** MNE procurement, supplier-development and finance teams; SMM owners, estimators, commercial leaders and operations teams; lenders and working-capital partners.

**Recommended next steps**

- Revalidate material, freight, labor, energy, escalation and quote-validity assumptions before award.
- Identify categories in which supplier financial stress could become a continuity or quality risk.
- Incorporate order-level cash needs, payment timing, inventory, tooling and production milestones into SDaaS readiness reviews.

SOURCES BLS Producer Price Index

## Deadline watch

Dates were rechecked against authoritative sources on November 16, 2026. Confirm complete terms and eligibility immediately before acting.

| DATE | OPPORTUNITY | WHO SHOULD ACT | NEXT STEP |
|---|---|---|---|
| **Nov. 18** | MEP supplier scouting: exhaust fans, BABA HVAC and fan-coil units | Potential domestic manufacturers | Contact an MEP Center immediately to confirm the applicable scouting request and response process. |
| **Nov. 20** | DOE Grid SCALED concept papers | Eligible grid-equipment, materials and refurbishment project teams | Submit the required concept paper; full applications are due February 8, 2027. |
| **Nov. 23** | ARM shipbuilding industrial-base project call | ARM-member teams in adaptive welding, inspection, wire DED and related systems | Confirm membership and submit against the published technical objective. |
| **Nov. 25** | MEP supplier scouting: BABA diesel engine | Potential U.S. engine manufacturers and qualified supply-chain partners | Contact an MEP Center and verify specifications before responding. |
| **Dec. 4** | MEP BABA construction-component scouting opportunities | Manufacturers of metals, fasteners, HVAC, electrical, lighting, plumbing and related items | Review the current opportunity list and contact an MEP Center for the relevant scouting request. |

SOURCE NIST MEP supplier scouting | DOE Grid SCALED | ARM shipbuilding project call

## Members in the News

DMSCA members are invited to submit concise, verifiable news for possible inclusion in future editions. Appropriate items may include new contracts, capacity expansions, certifications, technology deployments, workforce initiatives, partnerships, awards and measurable supply-chain improvements.

To submit an item, email info@dmsca.us with a proposed headline, a 75 to 150 word summary, the announcement date, a public source link and a member contact. Submission does not guarantee publication; DMSCA may edit for length, relevance and verification.

## DMSCA Perspective

Official announcements establish programs, investments, policy direction or economic conditions. They do not automatically produce supplier awards. DMSCA analysis in this newsletter identifies possible implications; it should not be read as an official agency statement or a confirmed procurement forecast.

DMSCA's demand-driven sequence begins with buyer-defined requirements, uses CONNEX-supported discovery, evaluates supplier readiness through SDaaS and the OMA-to-SIP pathway, closes performance gaps and advances appropriate firms into qualification and commercial engagement. Planning for ACCELERATE2027, Industry Group activities and company-specific DMSCA Day engagements should follow the same sequence: confirmed demand, accountable buyer participation, screened suppliers and defined follow-up decisions.

## Member calls to action

### FOR MNE MEMBERS

- Share nonproprietary demand, qualification criteria, volumes, timing and long-lead risks.
- Identify veteran-owned, critical-material, electronics and technology categories suitable for targeted supplier development.
- Use ACCELERATE or DMSCA Day engagement only where a buyer owner, requirement and follow-up path are defined.
- Review supplier commercial terms where cost escalation or working-capital pressure could threaten performance.

### FOR SMM MEMBERS

- Update CONNEX capability, certification, equipment, capacity, workforce, cyber and past-performance information.
- Confirm veteran-business status or other relevant credentials without treating certification as buyer qualification.
- Quantify quote validity, cost escalation, inventory and working-capital requirements before pursuing new demand.
- Engage through SDaaS when OMA-based development, a Supplier Improvement Plan or CMP maturity progression is needed.

## About this publication

DMSCA Manufacturing and Supply Chain Weekly is a member intelligence publication covering consequential developments affecting U.S. manufacturing, supplier development, Industry 4.0 and 5.0 adoption, workforce readiness and supply-chain resilience.

**Disclaimer.** This publication is for informational purposes only and is not legal, financial, procurement or eligibility advice. DMSCA does not determine federal eligibility and does not guarantee funding, certification, supplier qualification, contract awards or other business outcomes.

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