

Fairwater Labs

Whitepaper

Value Proposition

2025 UPDATE

Proprietary

Fairwater Labs LLC

our view of the world

A world in transition

We are living in a period of remarkable change in the second quarter of the 21st century, one marked by a rapidly shifting, multipolar geopolitical and economic environment, and the transformation of the post-WWII / post-Cold War world order. Global defense innovation and technology markets are becoming increasingly decentralized, moving beyond the reach of America's former dominance and opening pathways for fresh ideas and partnerships.

New systems, new approaches

While America's adversaries display increased boldness, capability, and impunity, this evolving landscape also presents new avenues for strategic alliances and innovative thinking. Likewise, as alternative economic and social systems gain wider acceptance, opportunities for collaboration, competition, and growth expand.

Change is ubiquitous and accelerating

Although America and many of its long-standing allies maintain significant investments in established organizations such as NATO, a growing inward focus among their populations signals the need for the modernization of these institutions. A less predictable geopolitical climate—more prone to polarization than at any time in recent memory—demands creative solutions to adapt and overcome new challenges.

Facing this global transition, we believe the time is now to forge stronger frameworks and shape a more adaptable, secure future for America and its partners.

today's defense landscape

New focus, new investments...

New focus and investments

The most recent National Defense Strategy emphasizes technology as a key determinant of military advantage. The DoD therefore allocates an increasing share of the defense budget—more than \$25 billion at last count—to defense innovation funding, reflecting the Pentagon's recognition of the critical need to accelerate new technology adoption.

A robust ecosystem of innovation programs has been established, including the Defense Innovation Unit (DIU), AFWERX, SOFWERX, and the Strategic Funding Increase (STRATFI) program, each designed to address specific aspects of the defense innovation challenge.

The DoD has likewise implemented new acquisition authorities and pathways, enabling more flexible and rapid procurement of innovative technologies. The success of companies like *Anduril*, which has achieved a multi-billion dollar valuation while delivering critical capabilities to defense customers, demonstrates the viability of new business models in today's defense technology sector.



...persistent gaps...

Persistent gaps remain

Despite this new investment strategy, significant, systemic challenges remain. While the DoD has increased innovation funding and created new acquisition pathways, traditional defense contractors continue to win the vast majority of defense contracts yet often struggle to attract top technical talent or maintain technological currency. Meanwhile, leading commercial technology companies often lack the expertise and simple patience to navigate defense bureaucracies effectively.

A recent RAND Corporation study (2024) identifies three persistent gaps that characterize the problem:

1. **Mission Alignment:** Commercial solutions often fail to address specific military requirements and/or lack deep understanding of military operations and context.
2. **Process Navigation:** Complex and opaque procurement processes, long sales cycles, uncertain funding, and security and compliance requirements slow new technology innovation and adoption.
3. **Talent and Leadership:** A critical shortage of business leaders who understand both national security and commercial sectors and markets often leads to cultural misalignment between commercial and defense approaches.

References: i) Office of the Director of National Intelligence, National Intelligence Council, *Global Trends 2040: A More Contested World*; ii) U.S. Department of Defense, 2022 National Defense Strategy; iii) RAND Corporation, *Hypersonics, AI, and Quantum in the Next Decade: Implications for U.S. Security*; iv) Atlantic Council, *Global Tech Forum 2024: US Allies and Emerging Technologies*

...and the need for a better company-creation system:

Fairwater Labs

Who We Are

Fairwater Labs (FWL) is a company-creation platform accelerating warfighter-focused defense innovation.

What We Do

FWL rapidly generates, screens, evaluates, and advances business concepts in several clear opportunity areas to build the next generation of dual-use technology companies.

We recruit top-flight teams to launch companies that capitalize on these opportunities and deliver value to investors and end-users in national security and commercial markets.

How We Innovate

Following from our global frameworks and first principles approach to dual-use business development, FWL takes our demand signals from stated needs from our target end users (e.g. Department of Defense, military services, federal and state government). National security requirements drive our focus and our proprietary company-creation process.

"The challenge isn't just about technology - it's about building organizations that can bridge the cultural and operational gaps between Silicon Valley and the Pentagon." - Doug Beck, DIU Director

opportunity areas

We focus on clear opportunity areas and build and launch dual-use companies that offer innovative solutions to defense and commercial customers:



HUMAN PERFORMANCE



WINNING THE
INFORMATION SPACE



CYBERSECURITY



UNMANNED SYSTEMS



ECOSYSTEM
OPTIMIZATION

"The Department of Defense budget must focus on lethality and innovation, technology is changing the battlefield."

- Secretary of Defense Pete Hegseth

Human Performance

Biometric data and AI-driven analytics present a transformative approach to enhancing human performance in both high-stakes military contexts and civilian health and wellness sectors. Human machine interfaces (e.g. AR/VR), predictive models, and wearable technologies will optimize decision-making, reduce fatigue, improve safety, upskill rapidly, and ultimately improve operational performance.

Ecosystem Optimization

The application of AI/ML, integrated hardware, and/or blockchain technologies will enable dynamic supply chain optimization, real-time resource allocation, efficient energy distribution, and increased automation. For national security, this translates to improved logistics and operational resilience; for commercial use, this translates to enhanced profitability, sustainability, and transparency.

Cybersecurity

With growing reliance on interconnected systems, cybersecurity innovations are critical. Encryption and edge security solutions ensure that data remains secure across decentralized systems, benefiting industries as diverse as finance, critical infrastructure, quantum computing, and artificial intelligence.

Robotics, Autonomous and Unmanned Systems (UXS)

Innovations in robotics bring highly adaptable, automated solutions that streamline complex tasks, minimize risk to personnel, enable greater operational efficiencies, and maximize human labor. Autonomous systems accelerate real-time data collection, provide on-demand response, and expand operational capabilities. UXS is central to distributed operations in defense and commercial sectors alike. Leveraging AI and integrated hardware, unmanned aerial, maritime, and ground systems can conduct surveillance, deliver goods, and perform inspections in environments too hazardous for humans.

Winning the Information Space

Traditional sources of media and information are being replaced with new, digital sources increasingly prone and vulnerable to manipulation. With truth increasingly under fire, integrated data platforms and advanced AI analytics will revolutionize how information is validated, verified, disseminated, delivered, received, and consumed, equipping organizations and individuals with better narrative intelligence. Dual-use platforms can bridge the divide between public trust and operational transparency.

how we build

PROSPECT

**Validate Dual Use
Opportunity**

Key activities: conduct market assessments, identify trends and themes. Recruit and match prospective founders.

HATCH

**Multi-Disciplinary Team
Prototype**

Key activities: build the business, product, and GTM strategies. Extensive customer discovery. Begin prototype development.

LAUNCH

Initial Funding

Key activities: incorporation and funding. Establish team roles and responsibilities. Execute GTM plan.



our process

The Wringer: proprietary, repeatable, sustainable

WRINGER 0

Quick screen of business concepts: dual use, clear software, TAM of \$1B+

WRINGER 1

Leverage design thinking to understand the technical feasibility, market viability, and customer desirability

WRINGER 2

Comprehensive understanding of the market dynamics & qualitative potential

WE HAVE EXPLORED WELL OVER 100 CONCEPTS THROUGH THE WRINGER TO IDENTIFY THE BEST OPPORTUNITIES



TRUSTED BY US SPECIAL OPERATIONS COMMAND TO EVALUATE SELECT VENDORS

And 5 Core Functions to innovate, recruit, & accelerate



PROTOTYPING

Helping Build New Products for Early Testing



GO TO MARKET

Providing Tools and Support to Accelerate Market Traction



RECRUITING & PARTNERSHIPS

Team Building, Fostering Relationships that Benefit our Portcos



PORTFOLIO

Ongoing Support to Hatches & New Portcos













HATCH OPERATIONS

Bringing New Companies to Life

our portfolio

Successful, diverse, and expanding rapidly

					
Opportunity area	 Human Performance	 Human Performance	 Winning Info Space	 Human Performance	 Ecosystem Optimization
Purpose	Tactical mobile software with AI on the edge to empower front line operators who work in comms-degraded, complex environments	Improving mental health for military members & families through therapist marketplace and self-guided modules	Transforms open & close-source data in real-time into prioritized, actionable, predictive insights, ensuring rapid, informed decision-making	Empowering individuals to unlock their full potential through daily AI scenario-based conversation-based <u>experiential learning</u>	Empowering medical providers with an AI-driven patient data ecosystem for faster, more effective decision making
Highlights	Sold for 10X return <div>Sold</div>	Raised \$1.5M Seed Round in Q4 2024 <div>Raised</div>	Launched May 2024	Launched Oct 2024 <div>Incorporated</div>	Launched Feb 2025



our team



SCOTT BOLICK

CEO

Army Infantry

McKinsey, Accenture, SAP, GE,
Uptake

MBA: HBS

BS: West Point



KYLE OLSON

Senior Theme Owner

Marine Raider (SOF)

MBA, Wharton

BA, UNC-Chapel Hill



RJ AMADOR

Theme Owner

Navy Intelligence Officer

Serial entrepreneur

Tenured business professor

MPhil: Cambridge



JEFF PROSEK

Theme Owner

US Navy NFO

BCG & Adyton

MBA, MIT



JOE KIGIN

Head of Government

GovCon Expert

Oracle, Ascent Solar

MBA: Colorado

BBA: James Madison

More than 100 years of combined experience in
startup, technology, industry, and the military



the time is now

...to Build Businesses
that Protect
our Personal Freedoms
and Free Market System
by Securing Peace through Deterrence

And in the Event of Conflict,
Ensure Success for our Warfighters.