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Industry Update

White House and DoD Unleash New Directives on Drones

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The White House and Department of Defense (DoD) have announced a series of new directives that will significantly impact the burgeoning domestic drone industry. This initiative, titled “[Unleashing American Drone Dominance](#),” aims to accelerate the commercialization of drone technologies, integrate them into the national airspace and strengthen the domestic industrial base. These directives affect a range of stakeholders, from manufacturers and operators to government agencies and defense contractors.

Key Takeaways From the White House and DoD Directives

The President's Executive Order

Executive Order 14307, issued on June 6 and titled “Unleashing American Drone Dominance,” establishes a clear policy to ensure the United States remains a leader in drone technology. The order prioritizes three key areas:

- **Accelerating Safe Integration:** The Federal Aviation Administration (FAA) is directed to fast-track rulemaking for Beyond Visual Line of Sight operations for commercial and public safety purposes. This includes issuing a proposed rule for Beyond Visual Line of Sight drone operations within 30 days of the order, which [the FAA did on August 6, 2025](#). The FAA will also use begin using AI tools to streamline the review of unmanned aircraft systems (UAS) waiver applications under 14 C.F.R. Part 107.
- **Promoting Domestic Commercialization:** The order promotes the domestic manufacturing and production of drones by requiring all federal agencies to prioritize U.S.-made drones over foreign-made ones. The Federal Acquisition Security Council is also tasked with publishing a Covered Foreign Entity List to identify companies that pose supply chain risks.
- **Strengthening the Industrial Base and Exports:** The directives aim to boost the export of U.S.-made civil drones. The secretary of commerce, in coordination with other agencies, is authorized to review and amend export control regulations to enable expedited exports.

The order also creates the eVTOL Integration Pilot Program (eIPP), a three-year initiative to accelerate the deployment of safe electric Vertical Takeoff and Landing (eVTOL) aircraft operations. This program will select at least five pilot projects that involve U.S.-based entities and focus on advanced air mobility, medical response and cargo transport.

The Secretary of Defense's Memo

On July 10, Secretary of Defense Pete Hegseth echoed the president's sentiments and issued [a memo that announced a shift](#) in DoD policy regarding drones. The unclassified portion of the memo, signed by the secretary, outlines a three-part mission to enhance the military's use of drones:

- **Bolstering U.S. Manufacturing:** The DoD will approve hundreds of U.S.-made drone products for military purchase, with a clear preference for U.S. manufacturers. This aligns with the executive order's focus on "Buy American" policies.
- **Leapfrogging Technology:** The memo emphasizes the need to arm combat units with low-cost, effective drones. The secretary announced a plan to delegate procurement and operational authorities from the bureaucracy to warfighters, enabling faster adoption of new technologies.
- **Integrating Training:** The memo calls for a more aggressive approach to training, including the integration of "force-on-force drone wars" into combat exercises. The secretary notes that bureaucratic risk-aversion has hindered the adoption of drones, and this new policy is intended to overcome those self-imposed restrictions.

An attachment to the memo was designated "Controlled Unclassified Information" (CUI) and not publicly disclosed.

The secretary also specified that the Defense Innovation Unit's (DIU) [Blue UAS List](#) will be expanded to include all drones and critical components that are compliant with Section 848 of the FY 2020 NDAA, with monthly updates to the list. The DIU Blue UAS List currently lists 33 drones. The DoD will prioritize the procurement of these compliant drones and use exemptions only when absolutely necessary.

What This Means for the Industry

These actions represent a major push by the U.S. government to encourage innovation and leadership in the global drone market. The directives signal a strong commitment to reducing regulatory friction and supporting domestic innovation.

- **For Manufacturers:** This is a clear signal to scale up production and invest in research and development. The government's preference for U.S.-made products and expedited export processes creates new market opportunities. The DoD's new procurement policies, including the expansion of the Blue UAS List, will open the door for more companies to supply the military.
- **For Operators and Service Providers:** The expedited BVLOS rulemaking and streamlined waiver processes are expected to unlock more complex commercial operations, such as package delivery and infrastructure inspection over long distances.
- **For Federal Contractors:** The new directives on prioritizing U.S.-made drones and the upcoming Covered Foreign Entity List will be critical when navigating procurement processes.

Conclusion

The combined force of the president's executive order and the secretary of defense's memo marks a pivotal moment for the drone industry. This new approach, which balances national security with a clear-eyed focus on innovation and commercial growth, is designed to empower the U.S. to dominate the global drone market.

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