



DEFENCE MARKET ACCESS SERIES

How Money Moves in Defence

Where The Money Sits, And How It Reaches Companies

Webinar 4

September 29, 2026

We are grateful to the people of the x^wməθk^wəy^əm
(Musqueam), Skwxwú7mesh (Squamish), and
Selílwitlh (Tsleil-Waututh) Nations for sharing
and stewarding these lands.



Musqueam
First Nation



Skwxwú7mesh
Úxwumixw
Squamish Nation





THE SERIES

A journey into Canada's defence market

Five sessions. The credibility comes from across the ecosystem.

1

Getting In the Door

How to enter the market

RECORDING AVAILABLE

2

Speaking Defence

Positioning your tech for buyers

RECORDING AVAILABLE

3

Inside Prime Ecosystem

Relationships, ITB, and Canadian Content Window

RECORDING AVAILABLE

4

How Money Moves

Where The Money Sits, And How It Reaches Companies

WE ARE HERE

5

Partnerships & IP

Alliances while protecting IP

After the series: select participants may be invited to closed, invitation-only Defence Showcases with buyers and primes.



WHO'S IN THE ROOM

A quick read of the room

An early-stage room: 54% are still exploring or have no defence contacts yet, and 64% say the biggest barrier is knowing which programs fit or reaching the buyer.

375

Registrations

50%

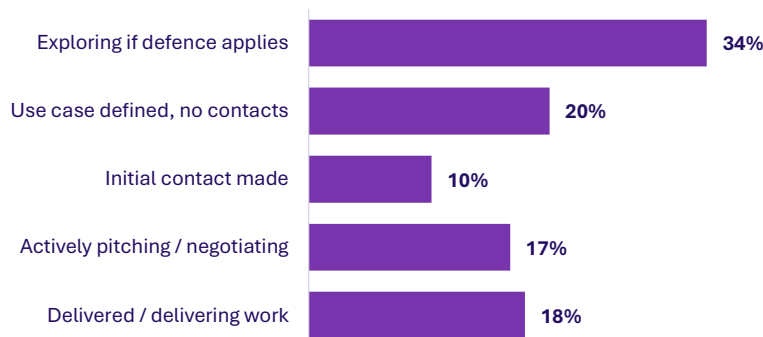
are companies with a technology, product, or service

61%

of companies are under \$2M revenue (incl. pre-revenue)

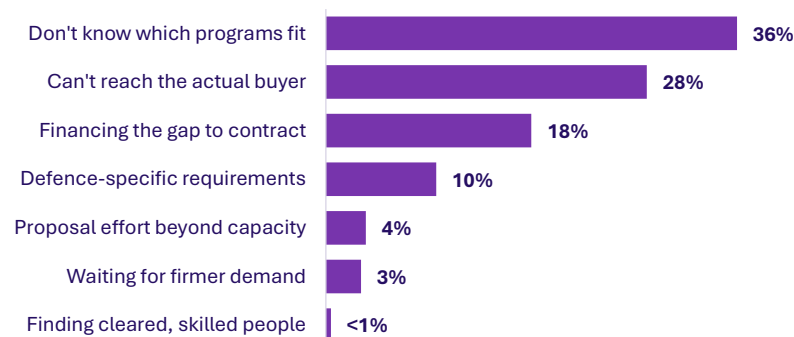
PROGRESS IN THE DEFENCE MARKET

Share of responses, excl. Other / NA (n = 255)



BIGGEST BARRIER TO DEFENCE WORK

Share of responses, excl. Other / NA (n = 240)



GUEST SPEAKER

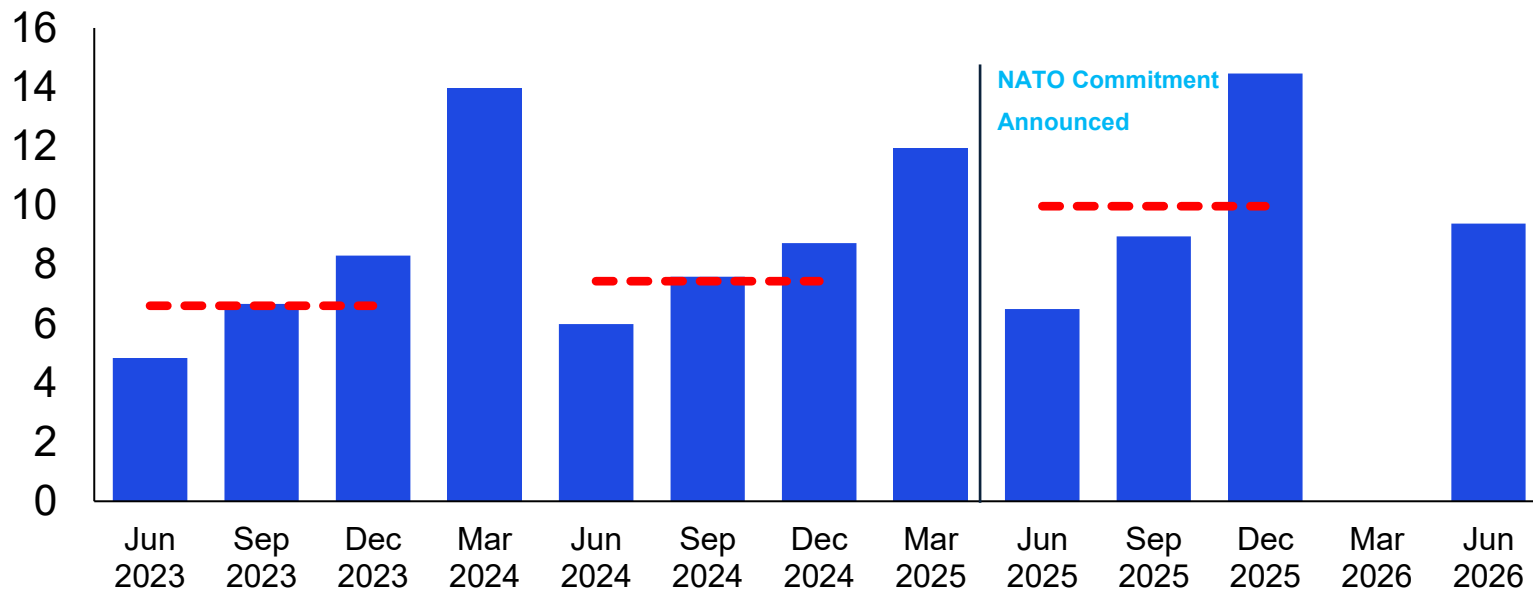


Ali Jaffery

Partner and Chief Economist, KPMG
Canada

The money is flowing. But spending will remain lumpy

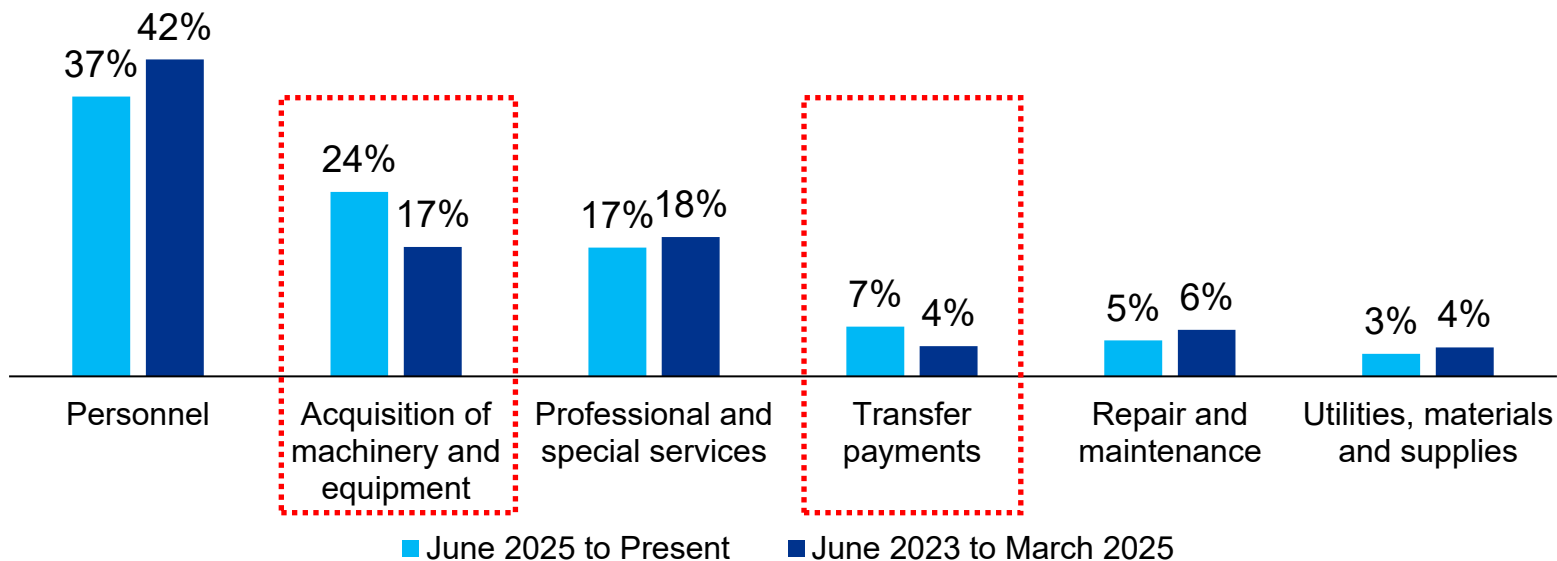
Department of National Defence Spending
(Billions, Gross Budgetary Expenditure Basis)



Source: Department of National Defence

Where is the money flowing?

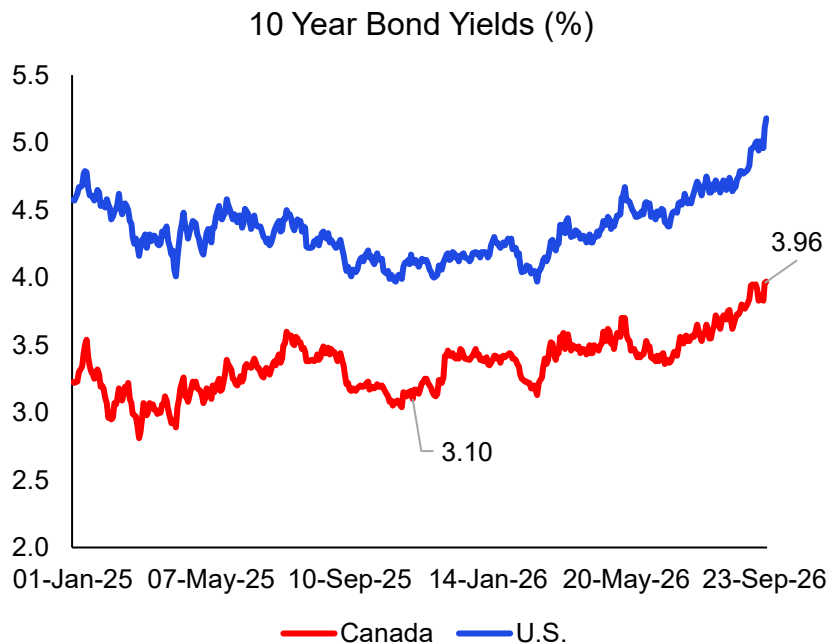
Composition of DND's spending (Cumulative Shares, Selected Categories)



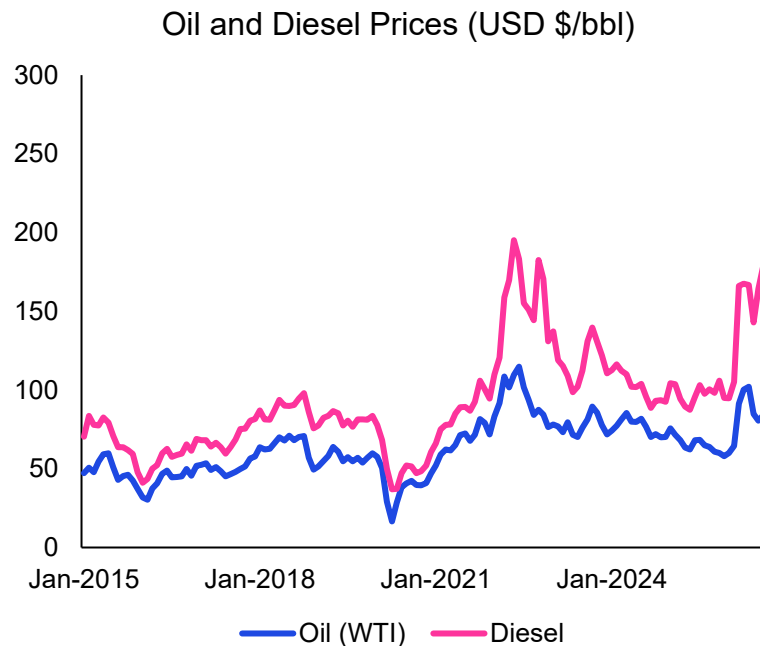
Source: Source: Department of National Defence

Note: June 2025 to Present excludes last quarter of the fiscal year of 2025-2026, which has not yet been published

Can we still afford this plan?



Source: Federal Reserve; Bank of Canada



Source: Energy Information Agency

GUEST SPEAKER



Christopher Baird

Senior Director, ISC, ISED



Innovative Solutions Canada

DIGITAL: Canada's Global Innovation Cluster
Defence Market Access Series

September 29, 2026

Innovative Solutions Canada

Helping Government buy Made-in-Canada Solutions

ISC is a whole of government innovation program that enables Government departments to find, develop, test, and buy innovative Canadian solutions that help modernize government operations, while supporting key policy priorities.

By acting as a first customer the government can accelerate a company's growth, enabling them to gain new customers and reach new markets.

Facilitate the procurement of commercialized innovations

Focused on R&D and commercial contracts rather subsidies

Support the Government's Buy Canadian Policy

Support key Government priorities, such as defence and dual use, quantum, artificial intelligence, and genomics

ISC Bridges Innovation and Procurement

Benefits for Companies



Government as a first customer,
Focus on Priorities



Non-repayable, non-dilutive funding
**grants or contracts*



Retained IP rights

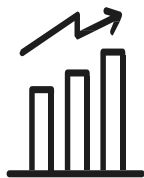


Feedback on innovation performance



Access to GC commercial procurement opportunities

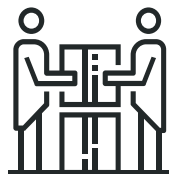
Benefits for Government Departments



Get access to Canada's top innovators



Collaborate to solve common challenges



Test cutting-edge innovations before they hit the market



Help to identify new potential solutions to existing challenges



Streamlined & de-risked commercial procurement

ISC's collaborative approach supports the development and commercialization of Canadian technologies

Development

Develop new and novel solutions that enhance operational capabilities of government or address market gaps

11 awards valued at over **\$10 million** issued in **2025-26**.

Testing

Test prototypes in real life settings to address operational needs of government

84 awards and **\$120 million** in spending in **2025-26**, the highest annual spend on record since program launch.

Commercialization

Government purchases successfully tested innovations that are market ready

15 awards valued at over **26 million** in 2025-26. Currently, over **65 tested innovations** can be procured through ISC.

Since program launch, over **\$250 million** has been awarded to Canadian SMEs for *military/defence* innovations, and **\$130M** for *safety/security* related innovations.

GUEST SPEAKER



Ahmad Khorchid

Director, R&D Innovation Operations,
IDEaS DRDC, DND



National
Defence

Défense
nationale



CANADIAN
ARMED FORCES



IDEaS
INNOVATION FOR DEFENCE
EXCELLENCE AND SECURITY

Date modified: 2026-07-21



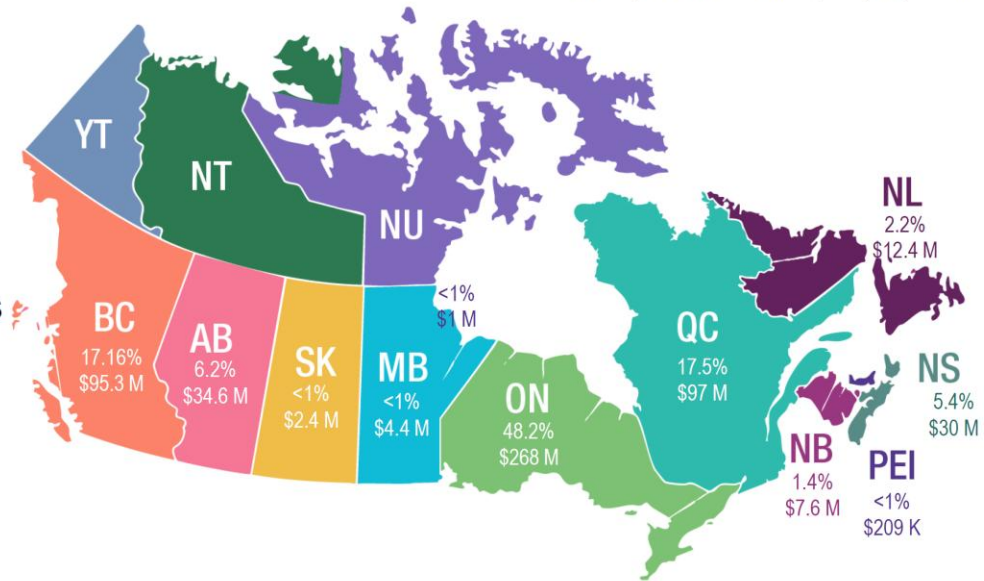
Canada



Total funding by innovator type

- ≈ 57% Small- and medium-sized enterprises
- ≈ 25% Academia
- ≈ 15% Large industry
- <2% Not-for-profit
- <1% Individuals
- <1% Other governments organizations

Total \$ committed and spent per province





How IDEaS works



Participating in the IDEaS program gives many benefits to the innovators involved, from access to world-class subject matter experts to generous funding opportunities.

Each funding element is unique in how it is designed to advance science and technology and deliver support to innovators.





IDEaS Elements

COMPETITIVE PROJECTS



The Competitive Projects element provides up to \$6.75M in phased development funding to propel technology forward. It advances promising solutions quickly along the innovation continuum, which can take your technology to new heights.

INNOVATION NETWORKS



\$1.5M to \$3M in funding is available to establish research clusters among academics, industry, and other partners that stimulate the free flow of knowledge and information critical to innovation.

SANDBOXES



Sandboxes are an open opportunity for innovators to demonstrate their prototype solutions to DND/CAF military users and science experts for a specific IDEaS advertised challenge, receiving observational feedback to assist innovator's in their solution development. Plus, innovators may now be eligible to win prizes up to one million dollars.

CONTESTS



Contests are a competitive means of finding and rewarding creative solutions to our toughest defence and security challenges. Compete against your peers for prizes and propel your research and development.

TEST DRIVES

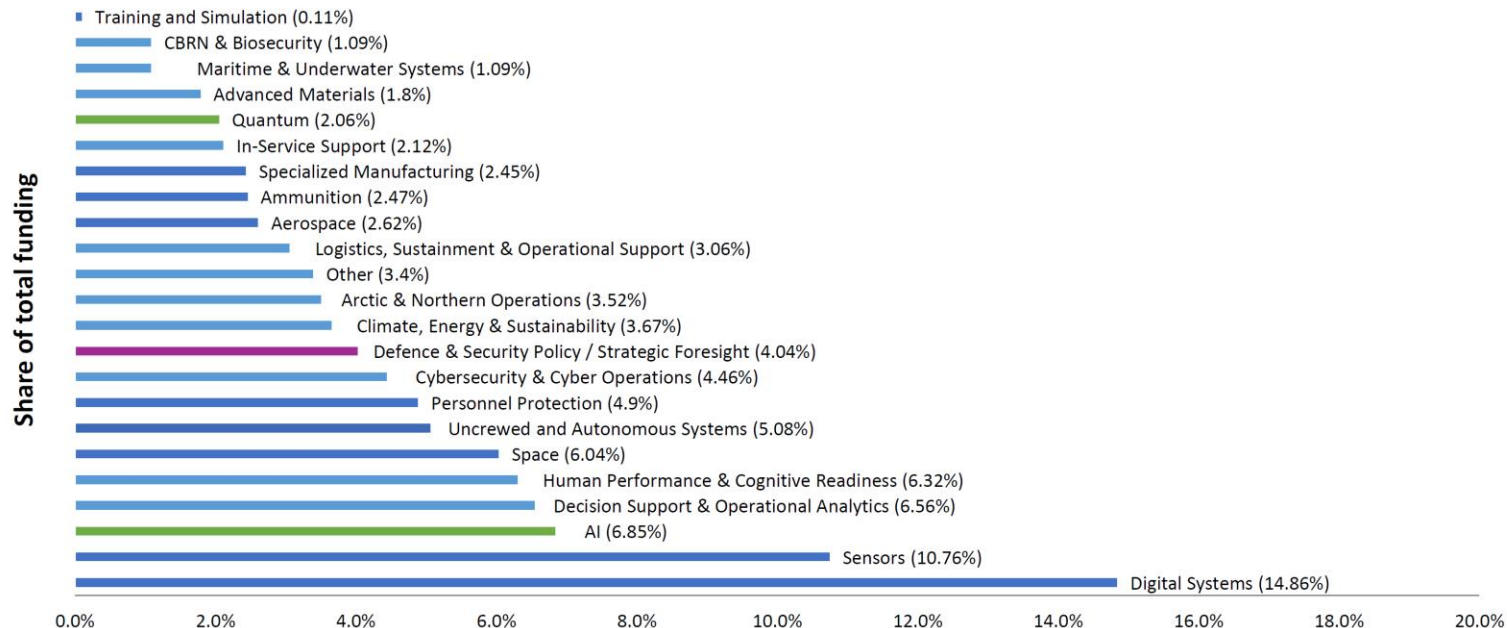


Test Drives takes your product through the final stage of the innovation journey. The DND/CAF assesses the readiness of your solution in a real-world environment for a military audience.





IDEaS Investments by Domain



Defence Market Access Series

How Money Moves in Defence:

Where the money sits, and how it reaches companies



Dan Doran
KPMG (Moderator)



Ali Jaffery
KPMG



Christopher Baird
ISC, ISED



Harold Dumur
OVA.AI



Ahmad Khorchid
IDEaS DRDC, DND



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[DIGITAL dual-use portfolio](#)



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