

Weekly Update 4.14.2026

growth[period] provides these updates weekly as a courtesy to our clients. To add additional people to the list to receive future updates, please write Hunter Congdon at hcongdon@growthprd.com

1. US Government-wide Updates

- The Office of Management and Budget is taking action to increase reporting requirements for agency CIOs as part of an effort to reduce redundancy and “shadow IT” across the government. Starting in May, agency CIOs will have to report back on any contracts they personally approve or that involve public facing technology, as well as data on utilization and prices for IT hardware and software. This comes as OMB also released data showing AI use cases government-wide more than doubled from one year ago, and that the government had eliminated 1,200 redundant or unnecessary websites over the past year.
- The White House says the government disposed of 90 unused Federal buildings last year, or about 3 million square feet, which cut \$415 million in projected repair and operating costs and added \$182 million to the Treasury.
- AI company Anthropic released its latest version of Claude, called Mythos Preview to a select group of tech companies and financial institutions last week. Mythos Preview is so adept at hacking that it was able to identify critical vulnerabilities in every major computer operating system it was tested against, leading Anthropic to limit its release to those companies so that they can start to shore up their cyber defenses. The tool also has reportedly shown capacity to escape its own containment and alter its behavior in a test environment in order to evade safety controls. It is unclear whether the tool is being offered to government agencies, amidst a legal battle between Anthropic and the Department of Defense.

2. Geopolitical Risk Updates *featuring Senior Partner for Global Geopolitical Risk Management Mirriam-Grace MacIntyre*

- After a marathon 21-hour negotiating session in Pakistan between the US and Iran failed to yield a breakthrough, President Trump announced a US blockade of the Strait of Hormuz. The ceasefire remains largely in effect, but the immediate next steps to a resolution of the conflict remain unclear. Vessel traffic through the Strait of Hormuz had increased slightly after the ceasefire was announced last week but remained significantly below pre-war levels. Just four vessels transited the Strait on April 12.

- Amidst the US-Iran conflict, China has emerged as a quiet but key player and was seen as instrumental in pushing Iran to agree to the ceasefire last week. China is seeking to balance protecting its own energy interests without being drawn into the conflict but has drawn recent criticism from President Trump for its close military cooperation with Iran. The war has highlighted China's continued dependence on imported energy. With all the focus on the Middle East, China last week also quietly allowed commercial flights to resume between Taiwan and the mainland. The short-term confidence building measure is not seen as a harbinger of broader improved Sino-Taiwanese relations.
 - With a longer-term resolution to the US-Iran conflict still unclear, questions are being raised about the impact on Russian oil production and future sanctions policy. The Trump Administration relaxed enforcement of sanctions on Russian oil to help deal with the supply crunch caused by the blockage of the Strait of Hormuz, but it is unclear when or how those sanctions will be resumed.
 - Chevron recently announced an asset swap in Venezuela that would permit it to consolidate its operations in the country. Many US companies are still hesitant to invest in Venezuela, even as global uncertainty increases demand for alternative oil sources. Even as the Trump Administration has started allowing some fuel shipments to reach Cuba, the island is still facing a major economic crisis. The combined impact of political discontent, energy shortages, and sanctions is continuing to foster instability for the island nation.
 - A recent global survey shows that Central Banks are increasingly attuned to geopolitical tensions and their impact on inflation, growth and financial stability. Geopolitical shocks and other black swan events are seen as more persistent and less predictable, forcing institutions to factor these risks more heavily into their modeling. This also extends to business executives across industries, who say that geopolitical risk now has to be an integral part of strategic and tax planning decisions.
3. April M&A Update *featuring Roger Hebden, Partner, Transaction Advisory Services*
- *Last week, growth[period] announced that Marty Brennan has joined the firm as Chief Operating Officer. Marty brings over two decades of experience advising public- and private-sector organizations on business, operational, and technology strategy. He has built a strong reputation among industry executives and private equity firms for driving outcomes across transactions*

of all sizes — from large-scale combinations to smaller bolt-on deals — while keeping risk firmly in view and ensuring organizations emerge stronger on the other side. Marty has graciously agreed to share some observations on the state of the industry for this week’s update.

- We continue to hear mixed messaging on where the federal M&A market is. B. Riley reported that Q1 2026 was a banner quarter for global aerospace deals while noting that PE dry powder continues to increase, and median EBITDA multiples for deals are at 11.9x. McLean Group released their quarterly update this week showing a strong Q1 for deals, but it's very front loaded with January numbers effectively equivalent with February and March combined. That suggests a bit of an overhang from Q4 2025 versus a 2026 surge. Further discussions with both bankers and firms reveal that there was some urgency for smaller deals to be completed by the SBA grandfathered rule-change deadline of January 16, 2026 which permitted small businesses to maintain their continued access to multi-award set-aside contract vehicles post acquisition.

At recent industry events around the DC area, we hear laments from firms that are looking to acquire but are not yet seeing options that provide scale and scope around well-funded missions that are also reasonably affordable. That is consistent with what bankers describe as the barbell market where the scarcity of the larger, more desired deals drive high multiples, and everything else comes in at mid-single digit multiples. There is continued optimism about a good (though not great) M&A year for 2026. Teasers are out, there are tuck ins and small platforms available, but most of those so far are aligned better with mid-tier firms than larger firms. And when those larger deals do come out, get your checkbooks out because they will attract attention.

4. Canada Updates *from growth[period]’s Canadian affiliate, GW Group*

- Canada is seeking observer status in the Global Combat Air Programme (GCAP), a joint UK, Japan, and Italy effort to develop a sixth-generation fighter jet, as part of a broader push to diversify defense ties beyond the US. Joining the GCAP could position Canada to purchase the aircraft or contribute to its development. It comes at a time where the Canadian government is reassessing its plans to purchase F-35 fighter jets from US contractor Lockheed Martin or scale its purchases back and buy the Gripen jets from Swedish Saab. Read more from the Globe and Mail [here](#).

- Saab is offering the Canadian government a sovereign, Canada-based data center to house intelligence as part of its bid to sell Gripen fighter jets to the Canadian government. Under the US F-35 purchase, data would be stored in Texas at a Lockheed Martin center. Saab's proposal aims to appeal to data and security concerns amid current Canada-US relations, as well as through economic benefits by offering local assembly. Read more from the CBC [here](#).
- The Canadian economy saw an increase of 14,000 jobs during the month of March, with the unemployment rate remaining unchanged at 6.7%. Gains were made in natural resources, professional, scientific, and technical service sectors, but were offset by declines in finance and ongoing weakness in manufacturing sectors due to U.S. tariffs. Read more from The Canadian Press [here](#).
- On Monday, Prime Minister Mark Carney's Liberal party gained a majority government as a result of several by-elections and through some Members of Parliament (MPs) changing their party affiliation to Liberal from both the Conservative Party and the New Democratic Party. Prior to these results, the governing Liberal party was operating as a minority government, meaning they were required to work with other political parties to gain the required number of votes to pass legislation. The government now has enough MPs to pass legislation without needing to negotiate with opposition parties.

5. US Agency-Specific Updates

- **DoD** – The Air Force announced a headquarters reorganization aimed at speeding up modernization and capability development. The service is folding responsibilities of its Integrated Capabilities Command into its headquarters instead of creating a new major command. As part of the change, the Air Force is also establishing a chief modernization officer role to oversee force design, capability development and investment priorities. The changes took effect April 1. The Army is also facing some personnel shake-ups. Transformation and Training Command (T2COM) has a new leader after Gen. David Hodne was recently removed by Secretary Hegseth, alongside Army Chief of Staff Gen. Randy George. Lt. Gen. Edmond Brown, T2COM's deputy commander, will serve as acting commander until the Senate confirms a new leader. A recent GAO report has raised concerns that the CMMC program is over-reliant on waivers and a small selection of tools. The DoD has been moving aggressively to implement the cybersecurity standards across the industrial base.

- **DHS** – Congress returned to session this week after a two week recess, apparently no closer to a deal on funding for Homeland Security. In the interim, the Administration has recalled all furloughed staff and issued paychecks to all civilian employees, further minimizing the impact of what is now the longest partial government shutdown in US history. According to recent industry reporting, the DHS reorganization proposed in the 2027 budget that folds the intelligence & analysis office into DHS headquarters would still allow the ODNI to oversee that office. Some lawmakers had raised concerns the reorganization would reduce oversight capabilities.
- **DOJ** – As part of the Trump Administration's efforts to eradicate fraud and increase whole-of-government coordination, the Department of Justice last week launched a new National Fraud Enforcement Division that will create a “robust fraud fighting squad” made up of prosecutors from every US Attorney's office and a new National Fraud Detention Center. This detention center will merge functions from the old National Center for Disaster Fraud, which DOJ shut down on March 30 as well as elements from other offices. The new center will rely on a multi-agency data analytics team, which will work to identify the most egregious fraudsters.
- **SSA** – A Federal Appeals court ruled in favor of the Trump Administration in a case that sought to block DOGE officials from accessing Americans’ Social Security records. In an earlier court filing, the Administration admitted DOGE officials may have improperly accessed the data, which includes dates and places of birth, full names, parent’s names, and social security numbers. The government also said that a DOGE employee had signed an agreement to share SSA data with an unnamed political advocacy group.

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6. US Government-wide Updates

- President Trump released his budget for the 2027 fiscal year this past Friday. The budget request to Congress is non-binding and is usually more a reflection of the Administration’s priorities rather than a true indication of what Congress will decide to fund. However, given the Administration’s willingness to use extraordinary measures to block funding to programs Congress authorized and provide funding to programs Congress did not, this year’s budget document carries more weight than usual. The budget

proposes a record \$1.5 trillion in funding for the Department of Defense while cutting civilian agencies by about 10%. More details on the President's budget can be found in the Agency-Specific Updates section below.

7. Geopolitical Risk Updates *featuring Senior Partner for Global Geopolitical Risk Management Mirriam-Grace MacIntyre*

- President Trump's latest ultimatum to Iran to open the Strait of Hormuz or face attacks to power plants and bridges is set to expire at 8pm Eastern tonight. As of this writing neither side has moved significantly from its earlier stance, raising the prospect of further escalation.
- As the conflict enters its sixth week, the threat to US businesses especially overseas remains elevated, with Iran and its proxies seeking to inflict damage through cyberattacks or terror attacks.
- Global oil prices remain elevated as many countries are taking measures to ration fuel in the face of shortages. However, the number of ships successfully transiting the Strait of Hormuz is steadily increasing, with vessels from Pakistan, China, India, Iraq and even France confirmed to have successfully transited the waterway. Those vessels are understood to have made payments to Iran to facilitate safe passage.

8. Canada Updates *from growth[period]'s Canadian affiliate, GW Group*

- A new Nanos poll suggests growing willingness among Canadians to serve in the Armed Forces in the event of a major conflict, with 24% open to full-time service (up from 12% in late 2025) and 32% willing to serve part-time. The survey also found generally positive public attitudes toward the military, with a majority expressing pride in the Armed Forces and support for others joining. The shift comes amid rising global tensions and increased federal defence spending aimed at strengthening military capacity and recruitment. Read more from the Nanos [here](#).
- Canada's New Democratic Party (NDP) has elected its new leader, Avi Lewis. Lewis is longtime activist and film maker, with roots in the party coming from his late father's leadership of the provincial NDP and late grandfather's leadership of the federal NDP. Lewis campaigned on a left-leaning platform focused on wealth taxes, green energy, and expanded social programs. His victory has come with backlash from provincial NDP leaders in the provinces of Alberta and Saskatchewan over his stance on oil and gas. Lewis is taking over the party as it seeks to rebuild following a historic electoral defeat in the last general election. Read more from the Globe and Mail [here](#).

- A new Nanos poll shows the governing Liberal Party of Canada leading the Conservative Party of Canada by 15 points in national ballot support. Jobs and the economy remain the top issue, shaping voter preferences. Prime Minister Mark Carney also holds a lead over Conservative leader Pierre Poilievre as the preferred choice for prime minister, by more than 30 points. Read more from Nanos [here](#).

9. US Agency-Specific Updates

- **DoD** – The President’s budget requests a topline number of \$1.5 trillion for defense in 2027, of which \$1.15 trillion would be the base budget, with an additional \$350 billion to come from a reconciliation bill. The baseline number represents a 28% increase from 2026 enacted levels, and the topline number represents a 44% overall increase. The request includes major increases for the Navy for shipbuilding and for the Space Force for R&D, and plans for funding for the Golden Dome to come through reconciliation. More detailed budget documents are expected to be released in the coming weeks. The highest ranking officer in the Army, Gen. Randy George, was fired last week by Secretary Hegseth, his departure comes more than a year before his term as Chief of Staff was due to expire. Lt. Gen. Christopher LaNeve, the Vice Chief of Staff, is expected to replace him. This follows last year’s dismissals of the Chairman of the Joint Chiefs of Staff, Chief of Naval Operations, Air Force Vice Chief of Staff, and others. Last week the Army finally released the RFP for its \$50 billion IT and professional services vehicle, MAPS, launching the latest phase of that lengthy procurement. The services are also moving aggressively to incorporate CMMC requirements into solicitation language across procurements.
- **DHS** – As the impasse over funding the Department of Homeland Security for 2026 continues, President Trump took action to divert reconciliation funds to meet payroll for employees across the department. Negotiations continue as Republicans consider funding DHS through reconciliation or other alternative measures to break the logjam. The Trump Administration’s 2027 budget request for DHS is \$63 billion, which represents a 3% decrease from 2025 enacted levels. The budget relies on funding coming through last year’s reconciliation bill to continue investments in ICE, CBP, the Coast Guard and the Secret Service. The biggest proposed cuts come from eliminating FEMA non-disaster grant programs and over \$700 million cut from CISA concentrated in stakeholder engagement, international affairs, school safety, and misinformation. The budget also proposes savings from privatizing TSA

screening at some smaller airports and reorganizing DHS headquarters, intelligence and CWMD offices.

- **HHS** – The topline number in the President’s budget request for HHS is \$111 billion, representing a 12% decrease from this year’s enacted levels. The budget commits to investing in the establishment of the Administration for a Healthy America (AHA) to support the “Make America Healthy Again” or MAHA agenda. The budget calls for over \$5 billion in savings through reorganizations tied to the establishment of the AHA and cuts \$5 billion from the National Institutes of Health (NIH). The budget also proposes eliminating the Low Income Home Energy Assistance Program (LIHEAP), and cutting funding for ASPR, ORR, and AHRQ. Separately, HHS announced a reorganization of its technology focused functions that largely undoes changes from a 2024 reorganization. Under the new structure, the CTO, CAIO and CDO will once again report to the HHS CIO and the Office of the National Coordinator for Health IT will once again focus on nationwide health IT interoperability.
- **Transportation** – The President’s budget includes a more than 6% increase in funding for DOT, with a topline number of \$27 billion for FY 2027. This includes investments in highway infrastructure, the FAA Air Traffic Control modernization (BNATCS), and shipbuilding efforts, while also cutting some grants and electric vehicle charging programs. DOT is also moving rapidly to modernize applications and internal systems. In recent remarks at a conference, Ankur Saini, the chief product and technology officer at DOT, pointed to the recent Motus system modernization at FMCSA as a successful example.
- **VA** – The Department of Veterans Affairs would receive \$145 billion in discretionary funding in 2027 under the President’s budget proposal, representing a 9% increase from 2026 enacted levels. This includes major investments in medical care, the Electronic Health Record modernization, and construction projects. The VA is able to proceed with its Transformation Twenty-One Total Technology Next Generation 2 (T4NG2) contract vehicle after the Court of Federal Claims last week ruled in favor of the Department against 18 unsuccessful bidders who filed protests.
- **USDA** – The President’s budget requests a topline number of \$20.8 billion for USDA for 2027, a nearly 20% decrease from FY 2026 enacted levels. The request includes investments in relocating staff to regional offices and moving wildland firefighting resources to the Interior Department. Proposed

reductions impact various grant programs for small businesses, universities and other organizations. In a separate development, the US Forest Service announced plans to move its headquarters from Washington DC to Salt Lake City Utah, close all of its regional offices, and close 57 out of 87 research stations nationwide.

- **Commerce** – The President’s budget requests a topline number of \$9.2 billion for the Commerce Department for 2027, about a 12% decrease from FY 2026 enacted levels. The request includes funding increases for two trade-focused sub-agencies, the ITA and BIS, as well as for shipbuilding and unmanned systems at NOAA. The budget also includes over \$2 billion from the National Telecommunications and Information Administration (NTIA), \$1 billion in cuts to NOAA research operations and grants, and cuts nearly \$1 billion from NIST, among other program cuts.
- **Education** – The President requested \$76 billion for Education in his 2027 budget, a 3% decrease from FY26 enacted levels. The budget includes a new “Make Education Great Again” or MEGA grant program, and also funds special education programs and Pell Grants, while cutting K-12 education programs, as well as some higher ed and adult education programs. The budget also continues to propose moving all or most programs to other cabinet departments in line with the President’s pledge to eliminate the agency.
- **Energy** – The President’s budget request includes a 10% increase for the Department of Energy, with a topline number of \$54 billion. Almost all of this increase goes to the NNSA for activities including modernizing the nuclear deterrent and developing new reactor technologies. The budget also proposes cutting energy infrastructure and renewable energy projects.
- **HUD** – HUD would receive \$73 billion in discretionary budget authority in 2027 per the President’s budget proposal, representing a 13% cut from FY 2026. FHA operations would receive increased funding, as well as a new initiative to fight fraud, waste and abuse. The budget proposal eliminates the Community Development Block Grant program, and also cuts homeless assistance and programs flagged as “DEI”.
- **Interior** – The President’s budget request proposes funding the Interior Department at \$16 billion, which represents a 13% decrease from the levels Interior has been funded for FY 2026. The proposal includes new funding for beautification of the nation’s capital and restoration of Utah’s Great Salt Lake, as well as for the Park Police and the proposed new consolidated

wildland firefighting organization. Proposed cuts would impact the Bureau of Reclamation as well as renewable energy programs, and other programs characterized as wasteful or duplicative.

- **Justice** – The Department of Justice would be funded at \$41 billion in 2027 under the President’s budget proposal released last Friday. This represents a 13% increase from 2026 levels. The proposal includes major funding increases for EOIR and FBI, violent crime and drug trafficking task forces, and establishes a new National Fraud Division. The budget proposal cuts some state and local grant programs as well as “woke” programs and offices.
- **Labor** – The Department of Labor would see a 26% decrease in funding in 2027 compared to 2026 under the President’s budget proposal, with a topline funding number of \$10 billion. This includes the elimination of the Job Corps program entirely, and cuts to OSHA and the Office of Federal Contract Compliance Programs.
- **State** – The 2027 budget request for State is \$35.6 billion, which represents a 30% decrease from FY 2026. The budget includes \$13 billion for critical minerals, as well as funding for targeted foreign aid through the America First Opportunity Fund, counter-drug trafficking efforts, and foreign military financing. The budget cuts humanitarian assistance, global health and food aid programs, as well as funding to the UN and international organizations.
- **Treasury** – The Treasury Department faces a 12% budget cut under the President’s Budget, with a topline number of \$11.5 billion requested. The budget includes limited investments in international trade and tariff financing resources, as well as major funding cuts to the CDFI grants program and to the IRS.
- **EPA** – The President’s budget proposes a massive 52% funding cut for EPA, bringing their budget down to \$4.2 billion. This includes cuts to grants programs, the Superfund program, and R&D, while focusing remaining funds on permitting reforms and drinking water.
- **NASA** – The President’s budget includes \$19 billion for NASA, representing a 23% decrease from 2026. The budget retains investments in the Artemis program, with the goal of landing astronauts on the moon by 2028 and establishing a moon base by the 2030s, while cutting scientific research and funding for the International Space Station.
- **SBA** – The President’s budget requests a 67% cut to the Small Business Administration’s budget, asking for \$329 million to fund this agency, cutting loan programs and staff.

- **NARA** – Edward Forst, the head of the General Services Administration, has been tapped to also serve as the acting head of the National Archives and Records Administration. Secretary of State Marco Rubio held the post in an acting capacity for much of 2025. President Trump has yet to announce a nominee for Archivist.

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For more than 19 years, growth[period]’s management consulting, business development, geopolitical risk, strategy and transaction advisory services have focused on serving the principal challenges faced by companies in highly regulated industries. We are nationally recognized as a leading provider to growing and established firms seeking assistance to complete sophisticated corporate and technology transactions; manage entry into the federal government contracting industry; assist with navigating the federal marketplace; represent them in partnering agreements; and/or advise them on diligence matters. With deep roots globally, growth[period] has more than 90 experts and offices in multiple markets across the United States, Canada, Latin America, Asia and Europe. For more information, please visit www.growthprd.com.