

US goes hard after low-cost cruise missiles



THE US DEPARTMENT of War (DoW) has entered into new framework agreements with a “slate of disruptive new entrants and commercial innovators” to aggressively expand the US military’s precision strike capabilities.

Agreements are now in place with Anduril, CoAspire, Leidos, and Zone 5, marking the start of the Low-Cost Containerized Missiles (LCCM) program, while a parallel agreement with Castelion advances an initiative to scale low-cost hypersonic weapons. These agreements, the DoW said on 13 May, will rapidly field effective and affordable kinetic mass for the Joint Force at scale, acting directly on the mandate from President Donald Trump and Defense Secretary Pete Hegseth under the ‘Arsenal of Freedom’ banner.

The new frameworks for LCCM will enable fast-paced experimentation and assessment campaigns that will culminate in a ‘Military Utility Assessment’ by the sponsoring service. Designed to move at the speed of the commercial sector, the agreements establish the terms for future firm-fixed-price production contracts for precision strike weapons. This effort positions the DoW to procure more than 10,000 LCCMs in total in just 3 years, starting in 2027, creating a pathway for rapid and repeatable production

ABOVE LEFT: The Barracuda-500M cruise missile can be launched from a 16-round 20ft container. Image: Anduril

ABOVE: Developed by defence start-up Castelion, the Blackbeard hypersonic missile can attain a flight speed of Mach 5. Image: Castelion

of high-volume, lethal strike capabilities. The agreements include firm fixed material-unit costs for production lots in 2027 through 2029.

Concurrently, once Castelion successfully passes testing and the validation phase, the DoW will award a 2-year procurement contract for a minimum of 500 Blackbeard hypersonic missiles annually, with options to extend for up to 5 years. To further encourage Castelion’s self-funded facility expansion, the DoW is actively seeking the necessary authorisations and appropriations to purchase more than 12,000 Blackbeard missiles over 5 years.

Across these framework agreements, several of these new vendors will reach production scale without direct DoW investment, reflecting a new model of commercial partnership that rewards speed, innovation and private sector capital investment.

To kickstart the program, the DoW will procure test missiles from all four LCCM contracted companies starting

in June 2026, laying the groundwork for the assessment phase of the program.

Of the four LCCM suppliers, it is known that Anduril will deliver its surface-launched Barracuda-500M cruise missile that features a 45kg warhead and 500nm range and is able to engage land and maritime targets.

Anduril’s framework agreement covers the procurement and delivery of a minimum of 3,000 all-up Barracuda-500M missiles across 3 years, with the ability to surge production should DoW demand increase. Under the agreement, Anduril will scale production to deliver a minimum of 1,000 all-up rounds per year, with the initial tranche of deliveries taking place in the first half of 2027, just 1 year after contract award.

Anduril will also deliver the associated containerised launch system for the Barracuda-500M, starting with more than 60 20ft ISO container launchers in 2027. Each container can house 16 Barracuda-500M missiles. **DTR**

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