



Federal Sales Strategies

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I have a GSA Schedule: Now What?

Part 1 of a 4 part series: By Tom Basile, *Seneca Creek Consulting*

Perhaps the most common question asked by any small to mid-size enterprise that has recently acquired a GSA Schedule is expressed in the title of this article.

When you realize that approximately 20% of the Schedule holders account for roughly 80% of all revenue derived from these Schedules, the obvious question becomes: What are the successful Schedule holders doing that I am not?

The seemingly mutually exclusive attributes of assertion and patience need to be present. Assertion is required to doggedly discover those Agencies, programs and personnel that constitute many of the essential elements in any sale to the Government. Patience is the sense that the Government moves slowly in the acquisition phase of completing a contract action. This fact leads to the first of 3 essential steps (**Discovery, Planning and Execution**) that form the foundation of virtually any successful effort in government sales.

The first of these is "Discovery". The first two components of Discovery are:

1. **How is the Government buying the solutions we are selling?**

Is the buying centralized or decentralized?

Who makes the buying decision? End user, Contracting Officer, or combination of both? What contractual vehicles do they prefer? GSA Schedules, Basic Purchase Agreements, Agency or Government-Wide Multiple Award Contracts?

Is the buying done directly or is it imbedded as part of a larger program (e.g. large design and construction buy) where the buyer is another company.

2. **Where are my competitors focused?**

Where have your top 3 or 5 competitors made the bulk of their sales?

What contractual vehicles or entry points are they using?

Who do they deal with in their top accounts?

While these action items sound sufficiently straightforward, the fact is that a great deal of research and "shoe leather" is required to obtain valid, comprehensive answers that permit us to proceed intelligently in our quest for Government sales.

In Part 2 we will address the third component of the Discovery process: "Who is buying what you are selling?" In other words, how do you determine what agencies to focus your limited resources on and why?

Proposal Corner: Will We Win?

By Dr. Frank Greco, President, *Greco Research Engineering Company*

Why Proposals Don't Win...

- Misinterpretation/Failure to Comply with Specifications

- Failure to Demonstrate Understanding of Technical Requirements
- Over-Simplifying Technical Problems
- Technical Approach Not Feasible with Regard to Time/Cost Constraints
- Over-Optimism in Proposed Technical Approach
- Proposal that Promises a Vague Solution, Rather than a Detailed Demonstration of the Technical Approach

Common Potential Problems...

- Not Visiting Work Site
- Not Flowing Down/Verifying Subcontractors/Supplies
- Not Including Clauses, Which Protect Your Interests
 - Escalation
 - Changes
 - Disputes
 - Termination
 - Progress Payments
- Picking Most Favorable Interpretation of Ambiguous Specs/Drawings

One has to avoid the potential problems when pursuing government contracts like not visiting the work site; including ambiguous terms, drawings and specifications that can be interpreted as not being in compliance with the RFP; and failure to flow down contract requirement to your subcontractors, vendors, and suppliers. When flowing down your requirements to teaming members and subcontractors you have to ensure they follow all the clauses and changes that are incorporated into your contract. The best way to do that is to incorporate contract requirements in your subcontract agreements.

For more information visit the web site at: www.grecoinc.com
Or email Dr. Greco at: FJG@grecoinc.com

SBA Unveils Expanded Set-Aside for Woman-Owned Businesses

By Warren Corbett, Set-Aside Alert

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SBA is proposing to set aside contracts for woman-owned businesses in 83 industries, ranging from facilities support to computer systems design.

The Obama administration's proposal dramatically expands the women's contracting program from the one offered by the Bush administration, which would have allowed set-asides in just 31 industries.

However, no set-asides will be permitted in many categories of services (NAICS sector 54), including IT and professional, administrative and management services. The law allows set-asides only in industries where women are underrepresented in federal contracting. (*See the list, p. 5.*)

SBA also intends to drop what some critics called a "poison pill" in the Bush proposal: the requirement that a federal agency must show that it has discriminated against woman-owned firms before it can set aside a contract in any industry.

The proposed rule was released nine years and two months after President Clinton signed

the women's contracting program into law. The program was delayed while SBA, under the Bush administration, conducted several studies to determine which industries would be eligible. The proposed rule is open for public comment until May 3. It will be several more months before a final rule is issued and the program is operational.

In expanding the list of set-asides, the Obama administration rejected the Bush Justice Department's narrow interpretation of affirmative-action law. In its proposed rule, SBA said it believes its approach will stand up to court challenge because the contracting program is narrowly tailored to target industries where woman-owned firms have not gained a foothold in the federal market.

"Women-owned small businesses are one of the fastest growing segments of our economy, yet they continue to be under-represented when it comes to federal contracting," said SBA Administrator Karen Mills. "Across the country, women are leading strong, innovative companies, and we know that securing federal contracts can be the opportunity that helps them take their businesses to the next level, expand their volume and create good-paying jobs. This proposed rule is a step forward in helping ensure greater access for women-owned small businesses in the federal marketplace."

Woman-owned firms received slightly more than 3% of prime contract dollars in 2007 and 2008, the latest official figures available. Congress has set a goal of 5% for those businesses, but the government has never achieved it.

The U.S. Women's Chamber of Commerce, which sued the Bush administration over delays in the program, said in a statement that the new proposal shows "a strong grasp of the issue and a viable process to implement and sustain a strong women-owned small business federal contracting set-aside program."

Another advocacy group Women Impacting Public Policy said it has not had time to analyze the proposed rule, but is "thrilled" that the Obama administration is moving the program forward.

SBA plans to permit companies to self-certify that they are at least 51% woman-owned, but they must submit supporting documents, such as birth certificates and articles of incorporation, to prove it. The government would create a database where contracting officers could examine the documents. SBA will also accept certifications from federal and state agencies and approved private organizations.

Set-asides in the eligible industries will be limited to contracts worth up to \$3 million, or \$5 million for manufacturing, the same as in other small business programs. Woman-owned firms would have equal priority in set-asides with 8(a), service-disabled veteran and HUBZone companies.

Congress established a two-tier set-aside. In industries where women are underrepresented, set-asides will be reserved for companies owned by disadvantaged women. In industries where women are "substantially underrepresented," set-asides will be permitted for all woman-owned firms.

SBA's definition of "disadvantaged" follows the definition used in the 8(a) program, with limits on income and net worth.

The proposed rule is number 3245-AG06 in the March 4 Federal Register. Comments are due May 3.

Partner Corner

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Seneca Creek Consulting, LLC.16013 Copen Meadow Drive.Suite 200.
Gaithersburg, MD 20878

