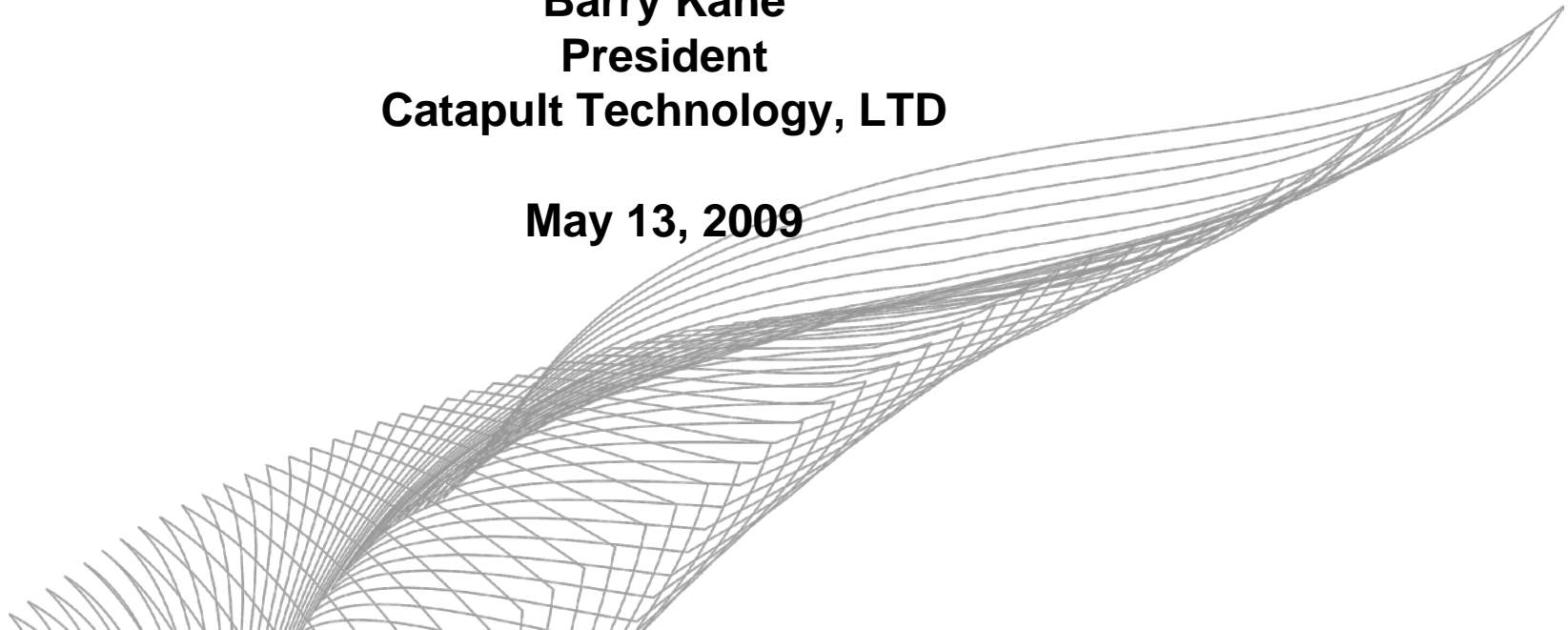


# **Leveraging SDVOSB Status in the Federal Professional Services Arena**

**presented by**

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# Topics

- Introduction
- The Good News and the Bad News
- How are Federal Agencies Doing in Achieving their SDVOSB Goals
- Be a Viable Company First
- Some Suggested Actions/Plans

# Who is Barry Kane

- 20 Year Coast Guard career – virtually all in technical area (after Vietnam)
- 20 Year career as technology contractor at 4 companies – first 3 were all 8(a) companies that graduated and all were sold to strategic buyers
- Catapult is the first SDVOSB I have ever worked for – and I have only been there for 2.5 years
- So why am I giving this briefing?

In the last 2 years Catapult has won more than \$165M in prime contract work earmarked for SDVOSBs and another \$9M in subcontract work

# Being an SDVOSB – the good news

- Meaningful government push to provide opportunities to SDVOSBs (3%)
- Some agencies publically acknowledging their shortfall in this area
- Certain segments of DOD providing numerous opportunities (Army, Air Force, WHS)
- Limited competition especially with substantial technical and management qualifications

# Being an SDVOSB – the bad news

- Field gets more crowded every day
- Some agencies, while acknowledging shortfalls in this area, are slow to take action
- Certain segments of DOD have provided very few opportunities
- Government leery of undue dependence on large subcontractors

# Agency Performance

- More Agencies are Falling Short of the 3% SDVOSB Mandate than are meeting it
- Anticipate Increased Pressure from OMB
- Industry can Assist in Disseminating Information
- In Current Contracting Environment, with High Usage of IDIQ Vehicles, VETS Contract can be a Lever

# Even Some Green Agencies Don't Meet SDVOSB Goals

| AGENCY                      | FINAL CURRENT STATUS COLOR | JUSTIFICATION  |
|-----------------------------|----------------------------|--|
| <a href="#">AGRICULTURE</a> | GREEN                      | <b>Agriculture did not meet SDVO;</b>  |
| <a href="#">DHS</a>         | GREEN                      | <b>DHS did not meet its SDVO goal</b>  |
| <a href="#">DOE</a>         | GREEN                      | DOE exceeded all their goals except for SDB and met Yellow standards.  |
| <a href="#">DOT</a>         | GREEN                      | <b>DOT did not meet its SDVO goal;</b>   |
| <a href="#">HUD</a>         | GREEN                      | HUD has done very well overall in meeting its goals and making progress especially the small business goal.                  |
| <a href="#">SBA</a>         | GREEN                      | The agency has met all of its goals and Yellow standards   |
| VA                          | GREEN                      | VA did not meet its WOB goal although the agency was close to achievement. VA did very well on its other goals and progress. |

# Neither Do Yellow

| AGENCY                   | FINAL CURRENT STATUS COLOR | JUSTIFICATION   |
|--------------------------|----------------------------|---|
| <a href="#">DOC</a>      | YELLOW                     | DOC had to meet one more socio-economic goal in order to receive an overall “Green” rating. and made progress in 3 goals. |
| <a href="#">DOJ</a>      | YELLOW                     | <b>DOJ did not meet its HUBZone and SDVO goal. DOJ did meet all of its Yellow standards</b>                               |
| <a href="#">DOL</a>      | YELLOW                     | standards. DOL made progress in all goal achievements.  |
| <a href="#">NRC</a>      | YELLOW                     | <b>NRC did not meet its HUBZone and SDVO goals.</b>   |
| <a href="#">TREASURY</a> | YELLOW                     | <b>Treasury did not meet its HUBZone and SDVO goals; however the agency met all yellow standards.</b>                     |

# While State was Red, They Did Meet SDVOSB Goal

| AGENCY                    | FINAL CURRENT STATUS COLOR | JUSTIFICATION  |
|---------------------------|----------------------------|--|
| <a href="#">DOD</a>       | RED                        | DOD did not meet its SB goal, socio-economic goals, or all of its Yellow standards (Question #1).  |
| <a href="#">DOI</a>       | RED                        | Although DOI has not met their small business goal (SB), their goal and achievement are one of the highest for all 24 agencies.                            |
| <a href="#">EDUCATION</a> | RED                        | Education did not meet any of its 5 goals nor met all of its yellow standards (Evaluation Response # 3).   |
| <a href="#">EPA</a>       | RED                        | EPA did not meet its WOB, HUBZone, or SDVO goals.  |
| <a href="#">GSA</a>       | RED                        | GSA did not meet its SB and SDVO goal.   |
| <a href="#">HHS</a>       | RED                        | HHS did not meet its SB, WOB, HUBZone, or SDVB goals.  |
| <a href="#">NASA</a>      | RED                        | NASA did not meet its goals for SB, WOB, HUBZone, and SDVO goals.  |
| <a href="#">STATE</a>     | RED                        | The Department of State did not meet its SB, WOB, and HUBZone goals. The Department of State did meet their SDB goal, SDVO goal, and all Yellow standards. |
| <a href="#">NSF</a>       | RED                        | NSF did not meet its SB, HUBZone, or SDVO goal.  |
| <a href="#">OPM</a>       | RED                        | OPM met their SB and SDB goals; however; OPM did not meet its WOB, HUBZone, and SDVO goals.  |
| <a href="#">SSA</a>       | RED                        | SSA did not meet any of its goals nor meet all Yellow standards.   |
| <a href="#">USAID</a>     | RED                        | USAID did not meet any of their goals nor meet Yellow standards (Questions # 4, 6, and 9).   |

# SDVOSB Status Should not be the Reason for being in Business

- Do You Have:
  - Viable business plan
  - Fundamental elements for government contracting
    - Indirect rate structure
    - FAR required insurance
    - Accounting system suitable for government invoicing
    - Auditable time keeping system
  - Proposal Capabilities
- Need to think about being a business first, and SDVOSB second

# Suggested Actions

- Do Homework
  - OSADBU Discussions
    - SDVO goal achievement
    - SDVO prime contract opportunities
    - SDVO subcontract goals
  - Some Agencies Have Veteran Business coordinators
  - Use but Do not Rely on Business Intelligence Sources such as Input/Fed Sources

# Suggested Actions (cont'd)

- Identify Targets/Gather Information
  - Who/What does Your Company already Know
  - Discussions with Government Technical Managers
  - Discussions with Industry Partners
  - Discussions with Former Employees of Incumbent Contractors
- Formulate Value Add Proposition
  - Why your Company

# How to Team (as a subcontractor)

- Bring Something to the table
  - Past performance with customer
  - Knowledge of agency
  - Key Person
  - Proposal assistance
- Why will bringing you onto a team be of value to the prime contractor?

# How to Team as a Prime Contractor

- Must have a Plausible Story as to Why you can/should prime
  - Financially sound (be prepared to set up escrow accounts for paying subcontractors)
  - Win Strategy that includes hot buttons gotten from customer
  - Ability to put out an outstanding proposal
  - Access to appropriate contract vehicle

# Leveraging GWACS

- GSA VETS has rules to help SDVOSB subcontractors
  - All SDVO labor counts toward SDVOSB 50% requirement - either prime or sub
  - No preapproval of subcontractors
- Other Agencies are starting to set aside parts of GWACS for SDVOSBs
  - Easier to win multiple awards
  - Cuts down on competition for tasks
  - Large businesses will seek you out when their work/customer base is in play

# Summary

- Being an SDVOSB does not Guarantee Success
- Sound Business Practices must Come First
- Must give Customer or Prime Contractor a Reason to Pick your Company
- Nothing Helps as Much as Customer Knowledge
- GWACs are Strong Keys to Growth
- Many Larger Companies are Willing to Help

# MCCC Veteran Business Outreach

- Newly Formed Subcommittee
- Being Led by Lockheed Martin and Catapult
- Establishing Training Program for Veteran Owned Businesses
- Anticipate Three Month/Six Session Curriculum
- Topics being Considered
  - Contracting (NDAs, TAs, Subcontract Agreements)
  - Proposal Development
  - Marketing Strategies
  - Accounting/Finance (Role of DCAA, Rates, Time Keeping, Required Systems)
- Stay Tuned for Details