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**U.S. Army Contracting Command**



# Market Research “The Game Changer”

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## WORKSHOP AGENDA

- Welcome/Introductions HQ ACC OSBP Staff
- Ice Breaker
- Workshop Expectations
- Market Research- “The Game Changer”
- Small Business Roundtable
- HQ ACC Homework



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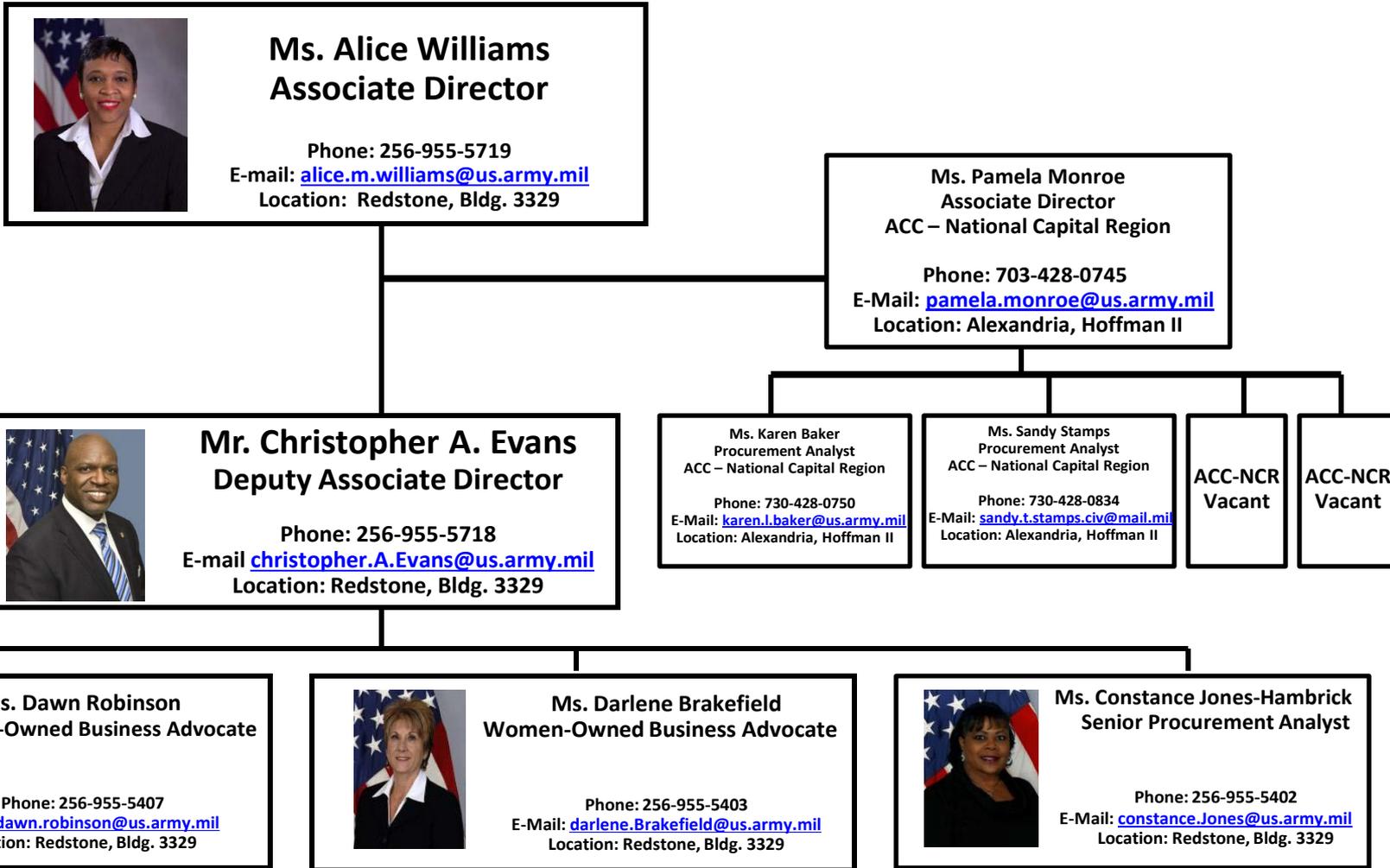


# WELCOME/INTRODUCTIONS



# Army Contracting Command Office of Small Business Programs

Address: AMSCC-SB 3334A Wells Road  
Redstone Arsenal, AL 35898





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# WORKSHOP EXPECTATIONS



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# ICE BREAKER



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# ICE BREAKER

Name, Firm, Position, Industry, Firm Size  
Government Contracts?



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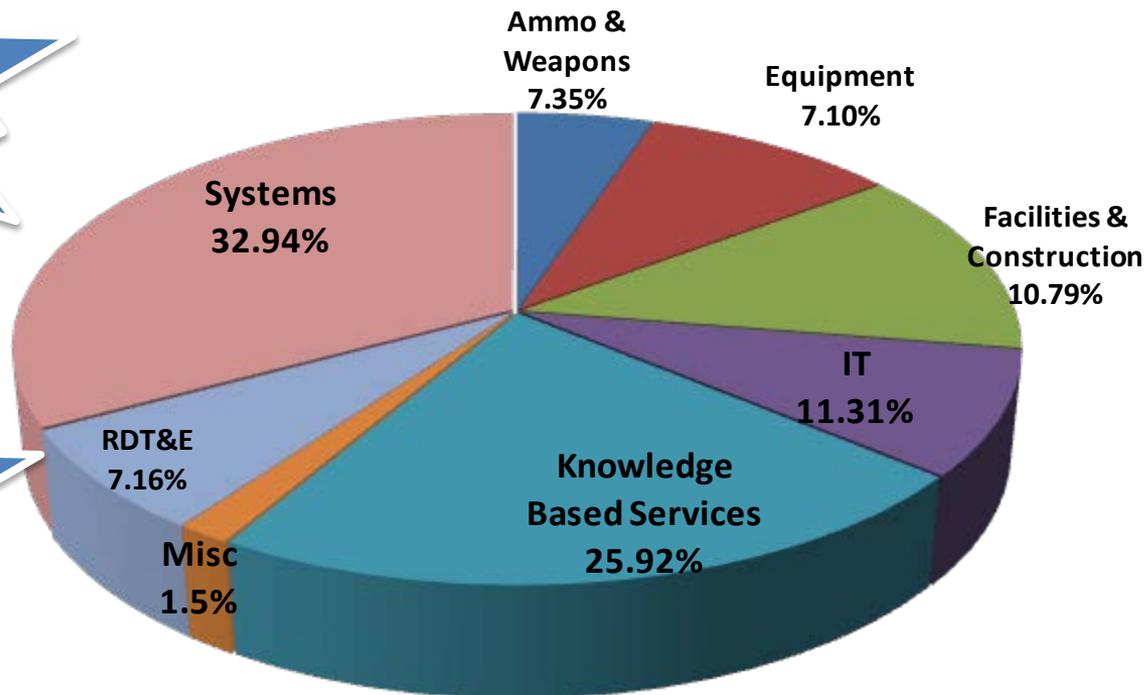


# MARKET RESEARCH FAR PART 10



# What ACC Procures

As of Apr 12



**FY11:**  
198,231  
Actions  
\$86.9B

**FY12:**  
97,506  
Actions  
\$34.7B

**FMS**  
FY11:  
\$9.20B  
12:  
\$3.9  
As of Apr 12

- PEOs/PMs
- ASCC

- IMCOM
- NETCOM

### Major Customers

- AMC
- USAR

- ATEC
- TRADOC

- FORSCOM
- DA Staff

-PEO/PM: Program Executive Office Program/Project/Product Manager

IMCOM: Installation Management Command

AMC: Army Materiel Command

ATEC: Army Test and Evaluation Command

FORSCOM: United States Army Forces Command

ASCC: Army Service Component Command

NETCOM: Network Enterprise Technology Command

USAR: United States Army Reserve

TRADOC: United States Army Training and Doctrine Command

DA Staff: Department of the Army Staff



# MARKET RESEARCH

## WHAT IS IT?

Describes a general process which uses various methods of gathering data to obtain industry/market information specific to the supply/service being acquired



# MARKET RESEARCH

- Required for all acquisitions
- Assist the Government in determining the most suitable approach to acquire supplies and services to include construction
- Determine size and status of potential sources



# MARKET RESEARCH

- Will vary depending on such factors such as: urgency, estimated dollar value, complexity and past experience
- Involves obtaining information specific to the requirement



# MARKET RESEARCH

- Contracting Officers may use market research conducted within the last 18 months. If information is still current, accurate and relevant IAW FAR 10.002



# MARKET RESEARCH

## DFARS 210.001 Policy.

In addition to the requirements of FAR 10.001(a), agencies shall conduct market research appropriate to the circumstances before:

- Soliciting offers for acquisitions that could lead to a consolidation of contract requirements as defined in 207.170-2

Use the results of market research to determine—

- Whether consolidation of contract requirements is necessary and justified in accordance with 207.170-3
- **Whether the criteria in FAR Part 19 are met for setting aside the acquisition for small business or, for a task or delivery order, whether there are a sufficient number of qualified small business concerns available to justify limiting competition under the terms of the contract.**



# MARKET RESEARCH

Agencies must –

- Ensure that legitimate needs are identified and trade-offs evaluated to acquire items that meet those needs;

Conduct market research appropriate to the circumstances –

- **Before** developing new requirements documents for an acquisition by that agency;
- **Before** soliciting offers for acquisitions with an estimated value in excess of the simplified acquisition threshold;
- **Before** soliciting offers for acquisitions with an estimated value less than the simplified acquisition threshold when adequate information is not available and the circumstances justify its cost; Before soliciting offers for acquisitions that could lead to a bundled contract (15 U.S.C. 644(e)(2)(A));



## MARKET RESEARCH

- **Before** awarding a task or delivery order under an indefinite-delivery-indefinite-quantity (ID/IQ) contract (e.g., GWACs, MACs) for a noncommercial item in excess of the simplified acquisition threshold (10 U.S.C. 2377(c)); and
- **On an ongoing basis**, take advantage (to the maximum extent practicable) of commercially available market research methods in order to effectively identify the capabilities of small businesses and new entrants into Federal contracting, that are available in the marketplace for meeting the requirements of the agency in furtherance of -
  - A contingency operation or defense against or recovery from nuclear, biological, chemical or radiological attack; and
  - Disaster relief to include debris removal, distribution of supplies, reconstruction, and other disaster or emergency relief activities. (See [26.205](#)).



# MARKET RESEARCH

## AFARS – Part 5110.002 – Procedures.

- (b) Except for “**sources sought**” synopses, market research is the **responsibility of program managers or the requiring activity**. However, all members of the acquisition team must be cognizant of available emerging technology. Requirement statements must reflect any available commercial solutions. **Requirements personnel and contracting officers must work together as a team to gather market data needed to make decisions**. Market research utilized to **justify sole source** must be complete and not more than **12 months old**.



# MARKET RESEARCH TECHNIQUES

- Exchange with Industry regarding commercial market practices and available technical capabilities
- Query government-wide databases (CCR, FPDS-NG)
- Review Source Lists, Catalogs, and Product Literature
- Pre Solicitation Conferences



# MARKET RESEARCH TECHNIQUES

- Contacting Subject Matter Experts (SMEs) in government and industry regarding market capabilities to meet requirement
- Analysis of recent and/or past market research for same or similar requirements
- Request For Information (RFIs)/Sources Sought)



## MARKET RESEARCH

- Use the results of market research to:
  - Determine if sources capable of satisfying the agency's requirements exist;
  - Determine if commercial items are available or, to the extent commercial items suitable to meet the agency's needs
  - Could be modified to meet the agency's requirements



## EXCHANGE WITH INDUSTRY

- Before Receipt of Proposals IAW FAR 15.201
- Must be consistent with procurement integrity procedures IAW FAR 3.104
- Information is exchanged among all interested parties, from the identification of the requirement through receipt of proposals



# EXCHANGE WITH INDUSTRY

## PURPOSE

- Enhances the Government's ability to obtain supply/services including construction at a reasonable price, increases efficiency in proposal preparation, proposal evaluation, negotiation and contract award



# EXCHANGE WITH INDUSTRY

## BENEFITS

- An early exchange of information among industry, the program manager, contracting officer and other participants in the acquisition process can help ...



# EXCHANGE WITH INDUSTRY

## BENEFITS

- Identify and resolve concerns regarding **acquisition strategy**, proposed contract type, **terms and conditions**, feasibility requirements, statement of work, **method of procurement**, suitability of **proposal instructions and evaluation criteria**, including the approach for assessing past performance information AND other industry concerns or questions



# **EXCHANGE WITH INDUSTRY**

## **TYPES**

- Industry/Small Business Conferences
- Market Research
- One on One meetings with Potential Offerors
- Draft Solicitations/Request for Proposals (RFPs)
- Request for Information (RFI)/Sources Sought
- Site Visits



# **DECISIONS DECISIONS**

## **SMALL BUSINESS SET ASIDES IAW 19.502**

- The Contracting Officer shall set aside an individual or class of acquisitions for competition among small businesses when:
  - Assuring that a fair proportion of Government contracts in each industry category is placed with small business concerns; and the circumstances described in 19.502-2 (total set aside) or 19.502-3(a) (partial set aside) exist





## DECISIONS DECISIONS

### TOTAL SMALL BUSINESS SET ASIDES IAW 19.502-2

- Each acquisition of supplies/services that has an anticipated dollar value exceeding \$3K **is automatically reserved exclusively** for small business concerns and shall be set aside for small business unless the contracting officer determines there is not reasonable expectation of obtaining offerors **from two or more responsible small that are competitive in terms of market prices, quality and delivery**





# DECISIONS DECISIONS

## TOTAL SMALL BUSINESS SET ASIDES IAW 19.502-2

- The Contracting Officer **shall** set aside any acquisition over \$150K for small business participation when there is reasonable expectation that:
  - **Offers will be obtained from at least two responsible small business concerns**
  - **Award will be made at fair market prices.**





# DECISIONS DECISIONS

## PARTIAL SMALL BUSINESS SET ASIDES IAW 19.502-3

- The Contracting Officer **shall** set aside a portion of an acquisition except for construction:
  - A total set aside is not appropriate
  - The requirement is severable into two or more reasonable lots
  - The acquisition is not subject to simplified acquisition procedures





# **DECISIONS DECISIONS**

## **MULTIPLE AWARD AND SMALL BUSINESS SET ASIDES IAW 19.502-4**

- The Contracting Officers **may**:
  - Reserve one or more contract awards for any of the small business concerns
  - Set aside part or parts of a multiple award contract
  - Set aside orders placed under a multiple award contract to include Federal Supply Schedule





# DECISIONS DECISIONS

## IFB versus RFP

- Sealed Bidding
  - Invitation for Bid (IFB) IAW FAR Part 14
  - Award made on the basis of price and other price related factors
  - Not necessary to conduct discussions
  - Simple Requirements





## **DECISIONS DECISIONS**

- Contracting by Negotiation
  - Request for Proposal (RFP) IAW FAR Part 15
  - Source selection approaches
    - Lowest Price Technically Acceptable (LPTA)
    - Trade-Off





# DECISIONS DECISIONS

## LOWEST PRICE TECHNICALLY ACCEPTABLE (LPTA)

- Selection of the technically acceptable proposal with the lowest price
- Evaluation Factors are:  
Acceptable/Not Acceptable





## **DECISIONS DECISIONS**

### **LOWEST PRICE TECHNICALLY ACCEPTABLE (LPTA)**

- Clearly defined requirement
- Minimal Risk of unsuccessful contract performance
- Cost may play a dominate role in source selection





# DECISIONS DECISIONS

## TRADE OFF

- May be in the best interest of the Government to consider award:
    - to other than the lowest price offeror
- OR**
- other than the highest technically rated offeror





# DECISIONS DECISIONS

## Trade Off

- Less defined requirement
- Greater risk of unsuccessful contract performance
- Technical or Past Performance may play a dominate role in source selection





## **AVOID COMMON MISTAKES**

- Understanding the relative importance of evaluation factors
- Past Performance-Recent and Relevant Projects
- Read and Re-read Solicitation ensure sound understanding
- Ask Questions via RFI





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# PART TWO



# **SMALL BUSINESS ROUNDTABLE PILOT PROGRAM**

Provide a forum to improve the relationship between the HQ ACC OSBP and small business concerns

Provide a platform to address what's working, what's not working, and how we can improve the various processes/environments affecting small businesses



# SMALL BUSINESS ROUNDTABLE PILOT PROGRAM

Lets Define Success Together

- Benefits
- Opportunities
- Challenges



# HQ ACC OSBP HOMEWORK

What can we do to assist you?

- Provide Suggestions
- Implementation Options
- Potential Obstacles
- Milestones to Success



## DOING BUSINESS WITH ACC

### Point of Contacts:

- Alice Williams, HQ ACC Associate Director

Email: [alice.m.williams@us.army.mil](mailto:alice.m.williams@us.army.mil) Phone: 256-955-5719

- Christopher Evans, Deputy to Associate Director

Email: [christopher.a.evans@us.army.mil](mailto:christopher.a.evans@us.army.mil) Phone: 256-955-5718

- Website Information:

<http://www.acc.army.mil/command-and-staff/staff/smallbusiness/>

<http://www.facebook.com/USArmycontractingcommand#!/ACCSmallBusiness>

<http://www.sellingtoarmy.info/uploads/Small%20business%20directory.pdf>



## CONCLUSION

The US Army Contracting Command is a Global Organization with a **STRONG COMMITMENT** to our Nation's Small Businesses!

Our Leadership is Committed to the Small Business Program and will Maximize Small Business Opportunities in Support of the Warfighter  
and

Actively Pursue Ways to Increase Small Business Participation and Meet our Small Business Goals!



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**QUESTIONS...**



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# Backup Information



## MARKET RESEARCH

- **13.102 -- Source List.**
- (a) Contracting officers should use the Central Contractor Registration database (see subpart 4.11) via <https://www.acquisition.gov> as their primary sources of vendor information.
- (b) The status information may be used as the basis to ensure that small business concerns are provided the maximum practicable opportunities to respond to solicitations issued using simplified acquisition procedures.



# MARKET RESEARCH

- **13.104 -- Promoting Competition.**
- The contracting officer must promote competition to the maximum extent practicable to obtain supplies and services from the source whose offer is the most advantageous to the Government, considering the administrative cost of the purchase.
- (a) The contracting officer must not --
  - (1) Solicit quotations based on personal preference; or
  - (2) Restrict solicitation to suppliers of well-known and widely distributed makes or brands.
- (b) If using simplified acquisition procedures and not providing access to the notice of proposed contract action and solicitation information through the Governmentwide point of entry (GPE), maximum practicable competition ordinarily can be obtained by soliciting quotations or offers from sources within the local trade area. Unless the contract action requires synopsis pursuant to [5.101](#) and an exception under [5.202](#) is not applicable, consider solicitation of at least three sources to promote competition to the maximum extent practicable. Whenever practicable, request quotations or offers from two sources not included in the previous solicitation.



# MARKET RESEARCH

## 13.105 -- Synopsis and Posting Requirements.

- (a) The contracting officer must comply with the public display and synopsis requirements of [5.101](#) and [5.203](#) unless an exception in [5.202](#) applies.
- (b) When acquiring commercial items or supplies or services procured in accordance with [12.102\(f\)\(1\)](#), the contracting officer may use a combined synopsis and solicitation. In these cases, a separate solicitation is not required. The contracting officer must include enough information to permit suppliers to develop quotations or offers.



# SMALL BUSINESS PROCUREMENT POLICIES

- ❑ September 14, 2010 – Dr. Carter, Deputy Secretary of Defense, Better Buying Power Memorandum
  
- ❑ September 27, 2010 – Small Business Jobs Act
  
- ❑ February 4, 2011 - The Small Business Administration announced a Federal Contract Program authorizing contracting officers to **set aside certain federal contracts** for eligible Women-Owned Small Businesses (WOSBs) or Economically Disadvantaged Women-Owned Small Businesses (EDWOSBs)
  
- ❑ December 19, 2011 – Mr. Daniel Gordon, Office of Federal Procurement Policy, Increasing Opportunities for Small Businesses in Purchase Card Micro-Purchases