

Questions for Contractors That Sell Commercial Goods or Services to the Government

1. Does your organization have sales in the commercial market?
2. Do you know of any commercial practices that can and should be utilized in Government contracts under FAR Part 12 that are not currently being used?
 - a. What are the practices?
 - b. How would the use of such practices improve contracting?
3. Do you segment your Government and commercial markets when selling commercial goods or services? If so, why?
4. Do you use different pricing methodologies for your Government and commercial markets? If so, why?
5. Is there any price-related information that you provide to your commercial customers that you generally do not provide to the Government?
6. When an item qualifies as a "commercial item" under FAR Part 12 but the Government is the primary buyer, there generally is no efficient "market" establishing prices. How should "commercial" prices be established in this case?
7. What price-related information, other than certified cost or pricing data, could be provided to the Government when there is no efficient market establishing prices?
8. In your commercial contracts, to what extent and under what circumstances or limitations are time and materials type contracts used (as opposed to fixed price)?
9. In your commercial contracts, under what circumstances are "gain sharing" (or "share-in-savings") arrangements used?
 - a. What terms are provided for those contracts?
 - b. What limitations are imposed by the buyer for those contracts?
10. As a seller of commercial items or services:
 - a. What contract terms and conditions do you use? Are these "standard" for all of your customers, including the Government?
 - b. Do you use the same terms and conditions for your Government customers as you do for your commercial customers? If not, how do they differ?
 - c. Do you ever renegotiate your "standard" terms and conditions with your commercial customers? If so, under what circumstances? What factors might cause you to renegotiate contract terms?

- d. Who has authority to negotiate and change terms and conditions?
 - e. Are there any terms or conditions that you will not renegotiate for commercial customers? – What are they?
 - f. As a seller, which contract terms do you frequently renegotiate (e.g., payment terms, volume discounts, acceptance, warranties, license rights, limitation of liability, limitation of remedies, indemnification, most favored customer, disputes, etc.)
11. Have you encountered circumstances where commercial buyers refuse to change their terms? – How do you handle that situation?
- a. Walk away?
 - b. Price the risk?
12. What intellectual property terms are usually included in your commercial contracts?
13. Do you compete head-to-head for private sector contracts?
- a. What information regarding the buyer's requirements is available to you?
14. Does the Government disclose sufficient information concerning its requirements for maximum competition in its solicitations?
15. What steps could the Government undertake to improve its requirement definition process?
16. Are you aware of any specific practices in federal acquisition that prevent fair and equal treatment of offerors in federal acquisitions?
17. Viewing from a commercial standpoint, are you aware of examples where the Government is purchasing goods or services in excess of what is actually needed to fulfill the agency's mission?
18. Does your organization or any segment thereof, decline to compete in the federal acquisition process?
- a. If so, what are the reasons for not participating?
 - b. Is the failure to participate in federal acquisitions related to any particular products or services?
19. Do any of your commercial customers obtain cost data? Under what circumstances?
20. Do any of your commercial customers obtain audit rights? Under what circumstances?

21. Do commercial firms itemize and define labor categories for the purpose of soliciting proposals and/or responding to solicitations? If so, what benefits does such practice provide to the buyer and seller?
22. What is the commercial practice related to creating, issuing, and releasing service labor categories and rates when competing for service contracts?
23. What is the commercial practice related to service labor hour pricing strategies from a corporate vs. regional field office level? If field offices are permitted to deviate from corporate pricing strategies, how does that work with the corporate level rates or Most Favored Customer rates?
24. How do commercial firms handle direct contract support cost and what type of cost control measures are in place?
25. How is subcontract pricing handled in the commercial market and what happens if subcontractors negotiate price reduction with prime?
26. How do commercial firms package and price requirements (i.e., by total solution, performance-based or by specific tasks)? What is the current trend?
27. To the extent commercial practice increasingly uses total solutions to meet operational needs, what are the key considerations and/or features used to ensure a commercial contract actually provides an effective "total solution?"
28. How do commercial firms approach outsourcing overseas and prime's use of overseas subcontractors? How about security concerns pertaining to Government contracts?