



September 15, 2006

Office of Business Development – MBEC Program  
Office of Executive Secretariat, HCHB, Room 5063  
Minority Business Development Agency  
U.S. Department of Commerce  
14<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20230



RE: Competition ID No: 072620061180  
South Carolina Minority Business Enterprise Center

Dear Executive Secretariat:

DESA, Inc. is pleased to submit its offer in response to your Competitive Application Package for operating the South Carolina Minority Business Enterprise Center. Please find the enclosed original **Part IV - Forms**: Standard Form 424, Standard Form 424a, Standard Form 424b, Standard Form LLL, CD-346 and CD-511. Also enclosed are the original **Part V – Attachments**: (A) Letters of Reference and Support, (B) Project Director's Letter of Intent & Official College Transcript, (C) Articles of Incorporation, (D) By-Laws, (E) Website, (F) Time Phase Plan, and (G) Staff Time Allocation Chart.

Our program narrative has been electronically submitted. Two copies of Part IV and Part V are included with this package. The original volume is marked "Original" on the lower right front cover.

Should you require any additional action on our part or have any questions, please contact me at (803) 743-1124, extension 1142.

Sincerely,

Diane E. Sumpter  
President/CEO

Enclosures



**COMPETITIVE APPLICATION PACKAGE  
FOR OPERATING THE  
SOUTH CAROLINA  
MINORITY BUSINESS ENTERPRISE CENTER**

***Submitted to***

Office of Business Development – MBEC Program  
Office of Executive Secretariat, HCHB, Room 5063  
Minority Business Development Agency  
U.S. Department of Commerce  
14<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20230

***Submitted in Response to***

Competition ID #072620061180

***Submitted by***

DESA, Inc.  
400 Percival Road  
Columbia, SC 29206-5021  
(803) 743-1124 • (803) 782-6741 fax  
[dianes@desainc.com](mailto:dianes@desainc.com)  
[www.desainc.com](http://www.desainc.com)

**SEPTEMBER 20, 2006**

---

*This proposal includes data that shall not be disclosed outside of the government and shall not be duplicated, used, or disclosed - in whole or in part - for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of - or in conjunction with - the submission of this data, the government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the government's rights to use information contained in this data if it is obtained from another source without restriction. Terms and conditions of the proposal are valid for a period of 180 days from the date of receipt by the government.*

---



# Part II - Table of Contents



## II. TABLE OF CONTENTS

### III. PROGRAM NARRATIVE

<b>3.1A</b>	<b>APPLICANT CAPABILITY</b> .....	<b>III-2</b>
3.1.1	Market Assessment .....	III-3
3.1.2	MBE Community .....	III-5
3.1.3	Successful Client Outcomes.....	III-7
3.1.4	Business Consulting .....	III-9
3.1.5	Financing.....	III-18
3.1.6	Procurement & Contracting.....	III-19
3.1.7	Financing Networks .....	III-20
3.1.8	Experience with MBEs in Supply Chain.....	III-22
3.1.9	Self-sustainable service model .....	III-23
3.2.0	MBE Advocacy .....	III-24
3.2.2	Qualifications of Proposed Staff .....	III-26
3.2.1.1	Position Description & Qualification Standards .....	III-27
3.2.1.2	Resumes Of Staff .....	III-36
3.2.1.3	Transcripts.....	Attachment B
3.2.1.4	Article Of Incorporations .....	Attachment C
3.2.1.5	By-Laws.....	Attachment D
<b>3.2B</b>	<b>RESOURCES</b> .....	<b>III-53</b>
3.2.1	Resources .....	III-53
2.2.1.1	Commitment Letters From Resources.....	Attachment A
2.2.1.2	Letters of Support.....	Attachment A
3.2.2	Location.....	III-53
3.2.3	Partners .....	III-53
3.2.4	Computer Equipment .....	III-55
3.2.4.1	Network Design .....	III-56
3.2.4.2	Desktop Workstations .....	III-56
3.2.4.3	Maintenance & Security.....	III-57
3.2.4.4	Website .....	III-58
3.2.4.5	Time For Compliance .....	III-58
3.2.4.6	Performance System .....	III-58
3.2.4.7	Data Integrity .....	III-59
3.2.5	Current Computer/Software Applications .....	III-59
<b>3.3C</b>	<b>TECHNIQUES &amp; METHODOLOGIES (WORK REQUIREMENTS)</b> .....	<b>III-61</b>
2.3.1	Performance Measures .....	III-61
2.3.1.1	Dollar Value of Transactions .....	III-61
2.3.1.2	Dollar Value of Gross Receipts .....	III-61
2.3.1.3	Jobs Created .....	III-61
2.3.1.4	New Clients.....	III-62
2.3.1.5	Quarterly Breakdown of the Goals .....	III-63



3.3.2 Market Development Plan .....III-64

3.3.2.1 Market Research & Development .....III-65

3.3.2.2 Market Promotion .....III-66

3.3.2.2.1 Annual MED Week Events .....III-69

3.3.2.2.2 Local MED Week .....III-69

3.3.2.2.3 NEC MED Week .....III-70

3.3.2.2.4 National MED Week .....III-70

3.3.2.3 Resource Development .....III-71

3.3.2.3.1 Market Opportunities .....III-71

3.3.2.3.2 Capital Resources .....III-72

3.3.2.3.3 Business Ownership .....III-72

3.3.2.3.4 Education & Training .....III-72

3.3.2.3.5 Registration of MBEs .....III-72

3.3.2.4 Development of Strategic Partners & Strategic Intra-Relationships .....III-72

3.3.2.5 Facilitate Matches .....III-74

3.3.3 Plan-Of Action .....III-75

3.3.4 Work Requirement Execution Plan .....III-76

3.3.5 Training .....III-80

3.3.5.1 Post Award Conference .....III-80

3.3.5.2 Program Review and Orientation .....III-80

3.3.5.3 Implementing a System for High-Quality Service .....III-81

3.3.5.4 Coaching Program .....III-82

3.3.5.5 Specialized Training Program .....III-82

3.3.5.6 MBDA National Conference .....III-82

3.3.5.7 Electronic Tools Program .....III-83

3.3.5.8 Business Finance Programs .....III-84

3.3.6 Client Services .....III-84

3.3.6.1 Systems-Integrated Approach .....III-84

3.3.6.1.1 Annual Sales of \$500,000 or less .....III-85

3.3.6.1.2 Annual Sales \$500,000 - \$999,999 .....III-88

3.3.6.1.3 Annual Sales \$1,000,000 - \$5,000,000 .....III-92

3.3.6.1.4 Other “rapid growth-potential” minority firms .....III-96

3.3.6.1.5 Systems-integrated Approach chart .....III-100

3.3.6.2 Business Consulting Services .....III-105

3.3.6.2.2 Functional Assistance .....III-105

3.3.6.2.2.1 Marketing .....III-105

3.3.6.2.2.2 Financial Management .....III-105

3.3.6.2.2.3 Financial Assistance .....III-105

3.3.6.2.2.4 Procurement Assistance .....III-106

3.3.6.2.2.5 Operations & Quality Management .....III-107

3.3.6.2.2.5.1 Manufacturing .....III-107

3.3.6.2.2.5.2 Construction .....III-108

3.3.6.2.2.5.3 International Trade Assistance .....III-108

3.3.6.2.2.5.4 Specialized Certifications .....III-109

3.3.6.2.2.6 Organization & Administration .....III-110

3.3.6.2.2.7 General Management .....III-111

3.3.7 Operational Quality .....III-111

3.3.7.1 Work Plan Agreement & Engagement Letter .....III-111

3.3.7.2 Client/Consultant Work Plan Objectives .....III-112

3.3.7.3 Performance Database .....III-112



3.3.7.4 Procedures For Client Fees/Collection.....III-112

3.3.7.5 Maintaining Records/Files .....III-114

3.3.7.6 Acceptance of Services .....III-114

3.3.7.7 Reporting Requirements .....II-115

3.3.7.8 Online Tools.....III-116

3.3.7.9 Promotion & Utilization of Services & Programs.....III-116

3.3.7.10 Trademarks & Licensing.....III-116

    3.3.7.10.1 Signage.....III-116

    3.3.7.10.2 Printed Materials .....III-116

    3.3.7.10.3 Internet Presence & Information .....III-116

    3.3.7.10.4 Telephonic Communication .....III-117

3.3.8 Computer Requirements.....III-118

    3.3.8.1 Network Design .....III-118

    3.3.8.2 Desktop Workstations .....III-118

    3.3.8.3 Maintenance & Security.....III-118

    3.3.8.4 Website .....III-119

    3.3.8.5 Time for Compliance .....III-119

    3.3.8.6 Performance System .....III-119

    3.3.8.7 Data Integrity .....III-121

    3.3.8.8 Current Computer Hardware/Software Applications .....III-121

3.4D COSTS ..... **TABBED**

    3.4.1 Year 1 Budget Narrative.....III-127

    3.4.2 Year 2 Budget Narrative.....III-138

    3.4.3 Year 3 Budget Narrative.....III-147

**IV. FORMS**

- 4.1 OMB Standard Form 424, “Application for Federal Assistance”
- 4.2 OMB Standard Form 424A, “Budget Information – Non-Construction Programs”
- 4.3 OMB Standard Form 424B, “Assurances – Non-Construction Programs”
- 4.4 CD-346, “Applicant for Funding Assistance”
- 1.1 Diane E. Sumpter
- 1.2 Greg Davis
- 1.3 Margaret Lattimore
- 1.4 Anthony Washington
- 4.5 CD-511, “Certifications Regarding Debarment, Suspension and Other Responsibility Matters; Drug-Free Workplace Requirements and Lobbying”

**V. ATTACHMENTS**

- Attachment A Letters of Reference Commitment and Support
- Attachment B Project Director Letter of Intent and Official College Transcript
- Attachment C Articles of Incorporation
- Attachment D By-laws
- Attachment E Website Pages
- Attachment F Time Phase Plan (TPP)
- Attachment G Staff Time Allocation Chart (STAC)

**Part III –  
Program Narrative  
For the Three (3) Funding  
Periods  
2007 - 2009**



### 3.1A APPLICANT CAPABILITY

Twenty years of commitment to minority business development is the only way to define DESA, Inc. and its founder, Diane E. Sumpter. This commitment is the primary reason that this company has the skills, talent and experience to continue to lead the effort to increase the size and role of minority firms in the state of South Carolina, as well as continue to operate the South Carolina Statewide Minority Business Enterprise Center.

Since its inception in 1986, DESA has grown into a well-known business with over 50 employees and average revenue of \$5 million. Because of its own growth experiences, this company has been able to serve as an advocate for the needs of the minority business community; while gaining a reputation as a successful, minority-owned business. In addition, DESA has become the main provider of technical assistance to this struggling business group.

With this knowledge, reputation and dedication, DESA is able to provide the following:

- Personal relationships with financial institutions that will result in better access to capital for minority firms;
- Familiarity with organizations that specialize in assistance to small businesses;
- Management expertise that can be used for strategic planning and problem resolution for other small businesses;
- Business relationships with public and private sector procurement officers that could increase the use of minority businesses on large contracts in excess of \$500,000;
- Small business advocacy experiences with state and federal governments;
- In depth knowledge of the minority business community in South Carolina and the rapport with the owners to make their business success achievable;

DESA is also positioned to meet the demands of an expanding MBEC program through technology, increased productivity and strategic partnerships.

Our development of a relational database will allow our staff faster access to business data. As a result, our staff's productivity will be increased, providing more time for client consultations.

During this past year, DESA had developed strategic partnerships that solidified our ability to meet the needs of our clients. We partnered with three banks, [REDACTED] [REDACTED] which broadened our financial relationships and added depth to our ability to assist firms in obtaining loans. Our partnerships with the [REDACTED] [REDACTED] reinforced our public sector relationships, providing the best potential for minority businesses to participate in multi-million dollar projects. We also partnered with [REDACTED] which gave us access to outstanding media resources and top quality construction expertise.

(b)(4)





During 2004-2005, we worked with 176 clients accounting for \$40,156,456 in contracts and financing and generating 158 new jobs.

This tremendous pool of resources, along with DESA's extensive knowledge of minority businesses in the state of South Carolina, will ensure the delivery of exceptional service that exceed meeting the goals and objectives of the Minority Business Development Agency and the United States Department of Commerce.

### ***3.1.1 Market Assessment***

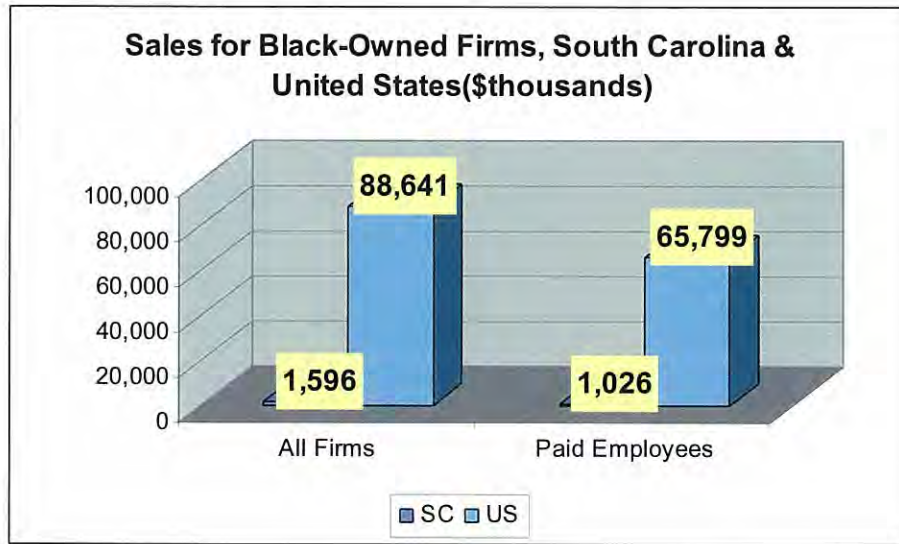
DESA's knowledge and reputation within the minority business community is second to none, having been based on more than two decades of hands-on experience in economic and business development. In order to meet the constant demands of providing top quality service, we have consistently stayed abreast of national and international trends that would enhance our business, as well as other minority firms. We know that this practical approach will be essential in assisting minority businesses to prepare to participate in a global economy.

However, the recent trends for minority businesses, in South Carolina, indicate an alarming downward spiral- requiring a need to renew our commitment to this important business group.

While businesses in South Carolina grew by 12%, from 260,342 to 292,984 from 1997 to 2002, African-American firms did not fare as well, falling 7% from 30,753 to 28,613 according to the U.S. Census Bureau. This phenomenon emphasizes the need for more focused attention on this group because of its drastic difference with the national trend - that indicates these businesses growing at a 45% rate during the same time period.

It's important to point out that minority businesses in South Carolina are underutilized in part because the opportunities for business development have been held back by limited access to procurement and contracts awarded by state agencies. According to the state's Office of Small and Minority Business Assistance, more than 1,200 minority firms are registered through this office; however only \$30,303,947.00 in contracts was awarded to them in fiscal year 2003-2004, which represents a paltry 10.2% of the total \$302,350,834.00 in contracts awarded by the State of South Carolina. Even though these results are low, it is an increase of 3.2% from the 2002-2003 fiscal year.

This data strongly supports the need for MBEC programs in this state. Not only is South Carolina losing minority-owned businesses, but also the minority businesses remaining do not generate proportional amounts of revenue. According to the 2002 Economic Census Report, African-American firms in South Carolina recorded \$1.56 million in sales compared to \$88.6 million nationally for African-American companies, which is illustrated in the following graph:



It is interesting to note that firms with Paid Employees, both in South Carolina and nationally, made less in sales than All Firms. This reflects the tendency of most African-American firms to be comprised of self-employed persons, that do not hire any employees. In South Carolina, the number of firms with paid employees decreased 21% from 1997 to 2005 from 3,148 companies to 2,495.

Several reasons can exist for this occurrence but one of the main reason is probably the lack of capital. The trend for self-employed persons has a significant impact on this state's economy because it directly impacts the state's unemployment rate. South Carolina's unemployment rate has been in the top five in the nation for the last four years and was reported to be 6.2% for July, outpacing the 4.8% national rate. July was the most recent month recorded by the SC Employment Security Commission.

As noted earlier, African-American owned firms with paid employees experienced a decline during the 1997-2002 period and as a result these companies comprising only 3.3%, of the 75,352 firms with paid employees in the state. The African-American-owned firms generated \$1,026,533 million, which comprised only .42% of the \$244,295,668 million in revenues generated in this state by firms with employees. Similar data was also analyzed for the top three metropolitan areas – Columbia, Charleston-North Charleston, and Greenville-Spartanburg-Anderson, – in South Carolina. The number of African-American firms, within these three MSAs, collectively total 1,152 and represent 3% of the 37,842 firms in these MSAs. The three MSAs, number of African-American firms, revenue generated, and employees are listed in the next chart:



<b>MSAs</b>	<b><i>Number of AA Firms w/ Paid Employees</i></b>	<b>TOTAL REVENUES (\$1,000)</b>	<b><i>Number of Employees</i></b>
Columbia	603	\$230,083	4,760
Charleston-North Charleston	383	\$193,944	2,703
Greenville-Spartanburg-Anderson	166	\$64,164	1704
Total of South Carolina	2495	\$1,026,533	16,158

The metropolitan areas where the majority of these firms are located, as well as the surrounding communities, will continue to be the focus of the SCMBEC. The Center is centrally located in Columbia, South Carolina, the geographic center of the state, and as a result, it has afforded our staff with adequate access to serve our clients throughout the state. We are confident that we can continue to effectively serve our clients in this manner.

DESA has enhanced its commitment and knowledge of the minority business environment by participating as a subcontractor on two disparity studies focused on Charleston and Columbia, two of South Carolina’s targeted MSAs. The goals of the disparity studies were to assess the expenditures for the City of Columbia and Charleston County over a three year period of time and to develop strategies to correct any disparities in the disbursements of these funds with small, women and minority businesses.

The study for the City of Columbia was completed first, with its results presented to the Council of the City of Columbia during August 2006. Some of the findings from this study were:

- o City of Columbia spent \$251 million dollars during the three year period, with non-minority firms receiving 97-99% of the contract dollars during that period
- o Disparities existed for all minority groups

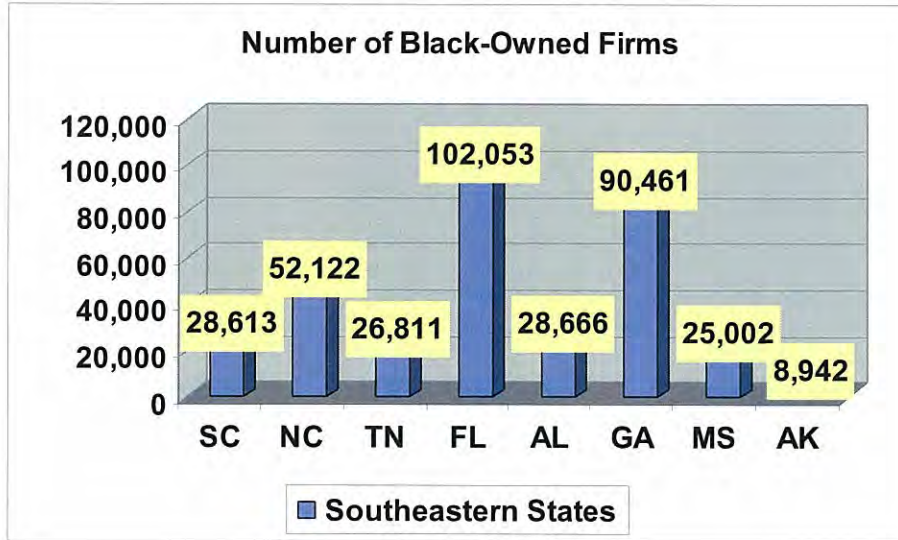
The disparity study for Charleston County is expected to be presented by the end of the third quarter 2006.

**3.1.2 MBE Community**

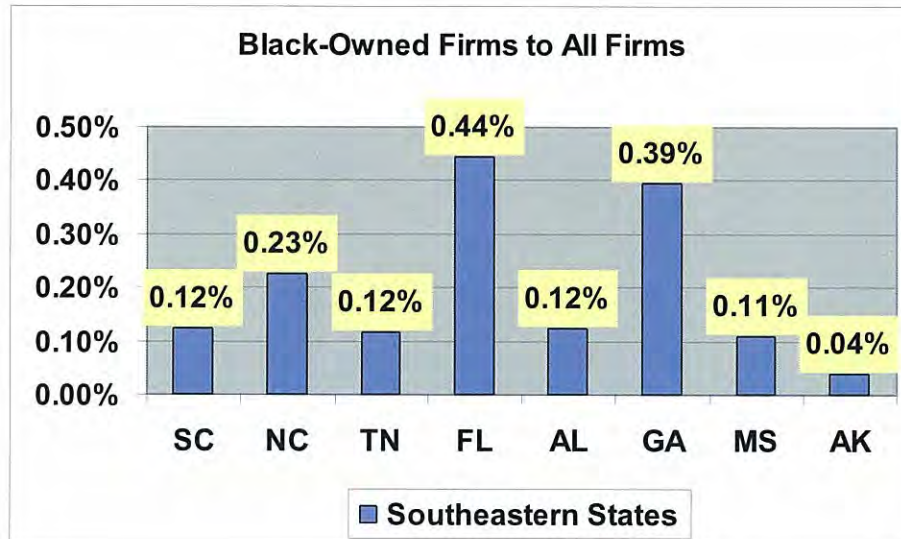
The 2000 Census data shows South Carolina’s population of 4,063,011 as being composed of 67.2% White, 29.5% African American, 2.4% Hispanic origin, and 0.9% Asian. Although African Americans make-up the overwhelming majority of the state’s minority population, the Hispanic population has grown 7.1% from 2004 – 2005, giving this state the third fastest growing Hispanic population in the U.S. We are fully aware of the growing number of Hispanics and Asians in the minority population of our state and

will continue to put forth every effort to assure that these minority groups are aware of our services and encourage them to become a part of our client base.

Additionally, a closer analysis of the data on these minority firms illustrate that African Americans firms in South Carolina, rank fourth behind Arkansas, Mississippi, and Tennessee among the top eight Southeastern states as illustrated in the following chart:



Furthermore, these African-American firms comprised less than .12% of all firms in United States. This results in a third place tie, with Tennessee and Alabama, in the eight Southeastern states as illustrated in the chart below:





**3.1.3 Successful Client Outcomes**

For over 20 years, we have been providing successful outcomes for our clients, and they will say that we have exceeded their expectations. Because of our longevity in business and numerous success stories, we will focus only on two – City of Columbia and Richland School District One.

In both of these examples, our success came from our dynamic consulting services providing multi-million dollar procurement opportunities for minority-owned firms.

Our work experience and accolades from the City of Columbia, are a testimony to our achievements. Some of our projects for the Capital City include: Greenview Park Tennis Facility, which was awarded “Outstanding Tennis Facility of the Year” by the Tennis Industry Magazine and the U.S. Tennis Association; Southeast Park, with its environmentally friendly design of leaving nearly all of the healthy grand trees in tact to comply with the City’s tree ordinance.

The City of Columbia contracted with DESA to coordinate a SWMBE(Small/Women/Minority Business Enterprise) program for the construction of the Columbia Metropolitan Convention Center. The program was designed to help ensure that small, as well as women and minority owned companies, participate and successfully compete for construction contracts totaling \$41 million. Services offered under this contract included:

*Business Identification* – DESA developed and implemented an aggressive marketing campaign, which included direct mail and electronic media advertising, to inform companies that are capable and willing to bid on the project. One of the criteria for participation in this program is that the women- and minority-owned firms must be certified by the Governor’s Office of Small and Minority Business Assistance. These firms were invited to attend a series of forums and networking sessions to learn about the procurement opportunities.

*Business Assistance* – From these sessions, DESA collected data to assess each business’ performance capabilities and develop customized technical assistance services to aid them in the bidding opportunities.

[REDACTED] (b)(4)

*Finance, Bonding and Insurance Assistance* – Securing finance, bonding, and insurance assistance is usually a major hurdle for small contractors. To assist small businesses with these challenges, DESA implemented a five-step process that includes the following:

[REDACTED] (b)(4)



[REDACTED]

(b)(4)

*On-Site Assistance* – Once contracts are awarded, DESA assisted both prime subcontractors and lower tier subcontractors with on-the-job problems to help ensure that their portion of the project ran efficiently and they stayed on schedule. Service areas include:

- Problem resolution
- Scheduling
- Schedule control
- Procurement
- Safety
- Quality control
- Processing of administrative documents

DESA's success with these types of programs is demonstrated through the large amount of procurement contracts we have helped minority firms obtain. For the [REDACTED] our efforts resulted in 42% SWMBE participation.

(b)(4)  
(b)(4)

For [REDACTED] DESA also held a contract, to implement a SWMBE program. DESA provided the following services as part of the school district's small, women-, and minority-owned business enterprise participation program for the construction/renovation of several school facilities:

- *Identification and Orientation* - DESA identified small, women, and minority businesses in the Midlands region of South Carolina that could potentially provide services for the \$184 million building program. DESA contacted the firms and invited them to seminars to acquaint them with the program. Questionnaire information was obtained to assist in the evaluation of each business's capabilities and to inform them of the resources and programs



available to assist them in developing skills and resumes to meet the necessary program requirements.

- *Procurement Tracking* - [REDACTED] implemented a policy to establish a goal that fosters effective, broad-based competition with equal opportunity for participation by small, women, and minority (SWM) businesses. The district's goal is that not less than 15% of the total controllable dollars expended for the procurement of supplies, services, and construction be directed towards SWM businesses. It is the intent of this program to widen opportunities for SWM participation, increase competition, and ensure the proper and diligent use of public funds. DESA tracks and monitors this program.
- *Support During Construction* - The district, its project managers, and DESA assisted both prime and subcontractors with problems in an effort to help assure successful performance. Areas where assistance can be provided would include, but not be limited to:
  - sequencing, scheduling, and schedule control,
  - procurement,
  - quality control, and
  - processing of administrative documents, such as invoices and reports.

(b)(4)

DESA exceeded the District's goal of 15% for SWMBE participation, by almost 5% with the total for the project at 19.48%. The District awarded contracts totaling \$111,851,031 to 17 prime construction companies, and \$21,787,589 of that amount was subcontracted to 37 SWMBE firms. The District was incredibly pleased with these results, as were the SWMBE firms who participated in the project, which is a testimony to DESA's effectiveness.

### 3.1.4 Business Consulting

DESA has helped to grow other minority- and women-owned businesses by developing new and innovative minority participation programs. DESA has been previously called upon to assist with small and local participation and business assistance programs for the

[REDACTED]

(b)(4)

DESA has always been successful in locating and assisting competent minority-owned businesses to meet the goals of each program. For example, in 1987, DESA did the first training program for minority contractors sponsored by the [REDACTED]. The [REDACTED] did not have any minority contractors qualified as a prime for their Water & Sewer projects, which is the largest portion of their budget. Today, they have two contractors, who participated in the city's first training program twenty (20) years ago that are providing services to the [REDACTED] as

(b)(4)



General Contractors in the water and sewer area. These companies are [REDACTED] which is located in Summerville, South Carolina.

} (b)(4)

Under the contract with [REDACTED] DESA managed and implemented a Small/Women/Minority Business Enterprise (SWMBE) participation program for the District's school construction project. DESA developed a Joint Venture Program, in which two or more parties undertake a specific economic activity together, for the District. [REDACTED] a majority firm in Orangeburg, SC, and [REDACTED] a minority business in Columbia, SC. The District selected this general contractor joint venture team to build Forest Heights Elementary School, which was the first and only school in the state to be built entirely with majority-minority joint venture partners. This strategy provided participation for minority-owned firms, which amounted to 49% of the contract amount.

} (b)(4)

As a subcontractor by [REDACTED] DESA managed and operated the Small and/or Small Disadvantaged Business Assistance Program in the [REDACTED] (DoE) during the period of 1998 to 2002. Through this program, DESA provided technical assistance on bidding and proposal preparation, procurement opportunities, and individual counseling to businesses. We also assisted clients in the areas of business and financial planning, and in contract, procurement and bid/proposal preparation. Another important component of this program entailed forming alliances with large businesses and organizations in the area to make small businesses aware of procurement opportunities. DESA was success in establishing teaming relationships with:

} (b)(4)

- [REDACTED]
- [REDACTED]
- [REDACTED]

} (b)(4)

This program worked very well for both the small and large companies, and had a financial impact of \$3.4 million dollars for businesses in the area of South Carolina. Fifty-two (52) firms were assisted.

**As per excerpts from annual reports, the MBEC is credited with achieving the following successful outcomes for MBEs from 2004-2006:**

**[REDACTED] "Partners With Minority Business Alumni"**  
*In the midst of government cutbacks, the SCMBDC is surviving and making a difference in the minority business community with the help of its strategic partners. We are on the cutting edge of innovation, strategic growth and creating value for minority businesses in South Carolina. One of the major successes for 2004 was teaming up with a strategic*

} (b)(4)





partner, [REDACTED] and saving the day for a major minority business, [REDACTED]

} (b)(4)

In 2003 and 2004, the SCMBDC assisted the firm with its strategic redevelopment plan. The major focus of that plan was to restructure debt and secure contracts. In April 2004, the company was awarded a [REDACTED] [REDACTED] alma mater, has been instrumental ensuring that the initial contract period, transition and continued performance, is running with much success. Without this transaction occurring, the entire company may have closed its doors. Also, in April 2004, the firm submitted a debt restructuring proposal (with SCMBDC assistance. As the company looks toward the future, it remains committed to the continuity of quality services and products for its customers. Building this foundation has not been easy, and will require continued commitment to maintain a solid presence in the existing markets and to establish a presence in new markets. They will continue to sharpen management skill levels and recruit quality employees to help build a stronger and more profitable company for the future.

} (b)(4)

[REDACTED] - (b)(4)

[REDACTED] is a small, minority and female-owned multi-disciplinary government contracting firm based in [REDACTED]. The founder and president is [REDACTED]. Since 1984, [REDACTED] has provided quality food services, janitorial services and chemical supplies to a broad spectrum of government and corporate accounts, and has established a track record for technical excellence and responsive, cost effective service. The company acquired 8(a) status in 1988 and became a client of the South Carolina SCMBDC in 1994.

} (b)(4)

The SCMBDC has worked [REDACTED] in providing contract services to its clients in the public and private sectors. These contracts include agencies such as the [REDACTED] [REDACTED] and many more. The firm also has well established relationships with financial institutions and has allowed the SCMBDC to assist with obtaining the needed financial support for its growth and development over the years.

} (b)(4)

Consonant with this firm's reputation and superior performance, Arcadia has received many awards and special recognition on local and national levels. The company experienced rapid growth, going from zero to a multi-divisional and multi-million dollar operation, from 2 employees to 50+ in a 10 year time period.

In [REDACTED] expanded into different markets, establishing [REDACTED] [REDACTED] which acquired several properties that included two [REDACTED]

} (b)(4)



restaurant locations, a [redacted] convenience store, and several acres of land in the [redacted] area.

} (b)(4)

Initially, all companies were thriving and self-sustaining except for the [redacted] [redacted]. Consequently, all of the management's focus and the overall profits had to be re-directed to the [redacted] location was not been able to sustain itself, which placed a huge financial and managerial strain on overall business development.

} (b)(4)

By 2002, the company had suffered detrimental financial losses and management had to make tough decisions for changes in order to save the now failing business. This resulted in the closing and liquidation of both [redacted] While [redacted] was still surviving, overall business had suffered a tremendous loss. Management turned its focus back on re-developing the core business, which [redacted]

} (b)(4)

Today, [redacted] is re-structured and will continue to develop strong partnerships with key leaders in the community to maximize efforts in developing a quality business. Its efforts for the next one to three years are to increase sales and services to individuals, small, medium and large businesses, as well as to the government market -- federal, state and local entities. It will also continue to use the as an integral part of its business growth and development plans. We certainly appreciated [redacted] involvement, interest and support in the minority business community as it educates future minority entrepreneurs like [redacted]

- (b)(4)

[redacted] "On the Pages for Success" (b)(4)

According to John Lubbock, "What we see depends mainly on what we look for." [redacted] S.C., was looking for an opportunity when he graduated from the University of South Carolina in 1987. Though he found immediate success as a marketing representative with the Xerox Corporation for over four years, [redacted] had a bigger picture in mind. He was looking for a perfect shot to write the pages of his life, his way. In October 1990, [redacted] got the chance to create his own portfolio - picture perfect.

} (b)(4)

[redacted] then-friend and now [redacted] co-owner, approached [redacted] with the idea of creating a medium for African Americans to promote and grow their businesses. Because of his success as a salesman, [redacted] recognized an opportunity to develop this snapshot of a chance. In October of 1990, with only three employees, [redacted] better known [redacted] opened its first doors to history in [redacted]. Since that time, [redacted] has enjoyed rapid, continuous and steady growth. In nearly eleven short years, [redacted] has opened some [redacted] Headquartered centrally in [redacted] with a regional office in [redacted]

\_\_\_\_\_ staffs approximately 20 employees. And with today's high attrition, \_\_\_\_\_ is proud of the six-year average tenure of its 20 employees. (b)(4)

The past five years have been phenomenally profitable for \_\_\_\_\_. For each year since '96 to '99, the young enterprise has watched its sales increase by more than 25% annually. Sales for 2000 grew by 15% to top out at \$1.2 million, with sales expected to increase between 10-12% in 2001. Though the relatively new entrepreneurs have been enjoying their rapid success, they still desired to expand the business. In 1997, \_\_\_\_\_ This first Expo attracted \_\_\_\_\_. The company has since expanded to host Expos in \_\_\_\_\_ South Carolina. The SC Statewide MBDC assisted \_\_\_\_\_ in the planning and implementation of the first \_\_\_\_\_ in May 1998. The \_\_\_\_\_ present a unique opportunity for minority business owners to showcase their products and/or services, while simultaneously developing viable relationships with major corporations. The Expos provide everything from step shows to singing, to African storytelling to on-the-spot sales from exhibitors. Educational seminars on relevant business topics are conducted to assist the minority entrepreneurs in enhancing their skills and knowledge base. There is also a variety of minority of restaurateurs on hand to offer attendees a true taste of the South. Food fare ranges from the breathtaking aroma of honey roasted pecans and almonds to mouthwatering barbecue and fish sandwiches. Everyone who attends the Expos will remember them for years to come. (b)(4)

If a picture is worth a thousand words, \_\_\_\_\_ have a lot to say. When asked about future plans for \_\_\_\_\_ on the community." Furthermore, "I would like to see it grow to the point where it can buy out other \_\_\_\_\_" Today, thirty-something \_\_\_\_\_ sits back and basks as he peruses \_\_\_\_\_ sales portfolio, which reported sales of \_\_\_\_\_ in 2000. The most astonishing fact about \_\_\_\_\_ is that they were able build this enterprise without ever having to borrow funds. So it's safe for one to say that \_\_\_\_\_ will definitely be in the picture well into the new millennium. (b)(4)

### Success Highlights for 2005

Throughout that year, the MBEC assisted clients in various ways in order to help them reach their desired goals. Some businesses needed assistance in procuring private contracts, while others were more interested in bidding on larger public opportunities. Some firms were relatively new and wanted to expand and grow, while others were interested in downsizing one line of business in order to better establish a more lucrative line.



Companies like [REDACTED] were each awarded loans and contracts under \$150,000. [REDACTED] received loans that provided the needed capital to expand and grow their business to the next level. Although smaller than many awards, the contracts won by [REDACTED] not only provided revenue but also assisted them in developing and strengthening relations with a local school district and a municipality.

(b)(4)



The Center was able to maintain its client relationships with several Strategic Growth Initiative (SGI) firms. [REDACTED] are experienced firms who returned to the Center for assistance in preparing larger, more extensive proposals. Although their target markets varied (large corporations, the federal government, and school districts), they valued the expert services of the SCMBDC and were each awarded contracts in excess of \$500,000.

(b)(4)

Then, there were long-time clients of the SCMBDC who sought the aid of the Center as they considered restructuring their businesses. [REDACTED] owned and/or operated several businesses and wanted to restructure or close some lines in order to fortify others. The Center worked hand-in-hand with [REDACTED] in order to bring this about. Another devoted client, [REDACTED] returned to the Center for help in developing a strategy to downsize or close his business in the most profitable manner. In both cases, the SCMBDC was able to take pride in successfully walking loyal clients through this business cycle.

(b)(4)

In all of the cases mentioned above, the skilled SCMBDC team assessed the company's needs and provided tactical business consulting to help them meet their objectives. Each of these encounters resulted in success for the firm.

**"The Right Time and Place for [REDACTED]"**

Being in the right place and at the right time for [REDACTED] has proven to be just the right combination for getting the doors opened to her new business—[REDACTED] an upscale retail liquor store. [REDACTED] came to the SCMBDC in March to obtain help in fashioning costs and preparing a financial package for the funding of the liquor store. [REDACTED] committed to invest \$17,000 from her personal funds, with the remaining \$158,000 to be financed over five years. With the parameters in place, the SCMBDC identified [REDACTED] who was willing to finance a new venture. Less than three months later, the loan was approved and her store opened for business.

(b)(4)

The 1,300 square foot retail liquor store is well situated in a thriving new shopping center—the Village at Sandhill, a 3,200-acre planned, mixed-use development featuring a combination of upscale shopping, residential, office, and entertainment units located in northeast Columbia, which is one of the fastest growing areas of





her city. Four new subdivisions are scheduled to open in close proximity to her business before the end of the year.

According to initial sales projections, the Village at Sandhill will significantly impact the income for [REDACTED] generating sales of more than [REDACTED] in the first year, approximately [REDACTED] by the second year, and exceeding [REDACTED] by the third year. This is a 24% annual increase in year two and an 8% increase in year 3.

} (b)(4)

Based on the store's contemporary design and its strategic location, [REDACTED] is already well on its way to achieving the breakeven mark within four months of being opened for business. Her choice of business and location is already reaping the benefits of having made the right decisions at the right time, and the SCMBDC is pleased to have played a role in establishing a thriving minority-owned business in [REDACTED] community.

} (b)(4)

Another example of a firm that the staff recently assisted in mapping a plan for growth is [REDACTED]. In an effort to better prepare [REDACTED] for long-term success, an assessment was performed and a comprehensive approach was taken. In conjunction with the 8(a) program, efforts were focused on utilizing available procurement tools, developing new market promotion tools, leveraging existing market resources, sourcing and securing additional capital resources. Over the last two years, the following has been accomplished:

} (b)(4)

- Successful entry into the SBA 8(a) / SDB program, SC Governor's Office of Small and Minority Business Assistance (OSMBA) MBE program, SC Department of Transportation DBE program
- Assistance leveraging business opportunities as a Prime Contractor for DoD and local governmental entities.
- Assistance securing over \$400,000 in competitive and sole source business contracting opportunities, contributing to over 50% revenue growth.
- Assistance securing \$137,000 in financing used to purchase commercial property and to construct a larger facility.
- Assistance with an unsecured \$25,000 working capital line of credit.
- Identification of and bid preparation for an [REDACTED] [REDACTED]. A consultant also assisted in securing a joint venture agreement between [REDACTED] and the current incumbent and prepared documentation needed to secure the required bid bond. These efforts resulted in securing a bid bond valued at [REDACTED] and winning the [REDACTED].

} (b)(4)



Prior to operating the South Carolina Statewide MBDC, DESA operated three MBDCs strategically located throughout South Carolina for three years. DESA managed the Columbia Minority Business Enterprise Center in Columbia, South Carolina; the Charleston Minority Business Enterprise Center in Charleston, South Carolina; and the Rural Minority Business Enterprise Center in Orangeburg, South Carolina. Support for these programs were provided through the US Department of Commerce, Minority Business Development Agency (MBDA).

DESA has worked very closely with other organizations, which provide general business assistance to small and minority businesses. These include:

***Service Corporation of Retired Executives (SCORE)*** – SCORE is a resource partner with the US Small Business Administration and is dedicated to aiding in the formation and growth of small businesses nationwide.

***Columbia College Center for Women Entrepreneurs (CWE)*** - The CWE is dedicated to expanding economic opportunities for women by advancing entrepreneurship and providing resources to assist in successful business start-ups, maintenance of growth and exploration of new business opportunities.

***South Carolina Economic Developers' Association (SCEDA)***– SCEDA is a proactive group of visionary professionals dedicated to developing the economy in South Carolina.

Additionally, DESA’s founder and president, Diane Sumpter, has also been committed as well as actively involved with organizations and special projects that are focused on strengthening the small and minority businesses. She has spent countless hours serving as a member of the South Carolina Technology Alliance, and she was one of the team leaders that draft a series of initiatives and recommendations to help improve and support small businesses, as well as increase the growth and expansion of small businesses in South Carolina. These initiatives were included in the ***Governor’s Economic Development Task Force Report***, which was presented in March 2003, to South Carolina’s Governor Mark Sanford. Ms. Sumpter, representing both South Carolina and the City of Columbia, has also participated on several economic trade missions to England, Germany, and Cuba. She will be a member of a South Carolina team, headed by Governor Sanford that will visit Japan and China in October 2003. Ms. Sumpter has recently been appointed to the board of the SC Competitive Initiative, a statewide organization focused on wealth creation and raising the wages of all South Carolina.

Over our 20 years in business, DESA has developed relationships with procurement personnel from both the public and private sector. We know most contracting officers at military bases located in the North Carolina, South Carolina and Georgia on a personal basis. Some of these include:

Base	Location
------	----------



Fort Jackson	Columbia, SC
Shaw AFB	Sumter, SC
Charleston AFB	Charleston, SC
Charleston Naval Weapons Station	Goose Creek, SC
Parris Island Marine Base	Parris Island, SC
Corp of Engineers	Savannah, GA
Seymour Johnson, AFB	Goldsboro, NC
Fort Bragg	Fayetteville, NC

The following are examples of how DESA provide added value services for the MBE with end results:

Client	Value Added	Result
[REDACTED]	Proposal Preparation, contract negotiations	Award \$500,000 contact with [REDACTED]
[REDACTED]	Proposal and Pricing	Award \$10 Million purchase order IDIQ contact with [REDACTED]

} (b)(4)

Additionally, we have met, and visit on a regular basis, most purchasing agents from larger corporations in our State. These include:

- Hoffman-La Roche
- Flagstar
- Honda
- Michelin Tire
- BMW

The MBEC has assisted many County Procurement Administrators in strengthening their base of minority suppliers. Additionally, the Center sponsors periodic seminars at its office for minority businesses addressing how to do business with both the government and private companies. DESA has an ongoing marketing effort with persons in charge of either specifying or purchasing goods for South Carolina State government. Through these continued relationships, we have the opportunity to be made aware of procurement needs before they are posted for bid.

DESA, Inc. continues to be awarded million dollar contracts from the federal government. We have developed vast knowledge in managing these contracts. We know what type of accounting system is required for a federal audit. We are aware of the personnel and logistics problems that arise in managing these contracts. We would like to share our knowledge to benefit other minority businesses.

With DESA's vast business experience, we have developed the expertise to assist other minority firms. We know what strategies for business development and project



management have worked for DESA, Inc. in the past; therefore, we have first hand knowledge to relay to minority businesses.

### 3.1.5 Financing

DESA believes that the strategy for growth for any business is having adequate financing. However, in the case of minority businesses, they usually have to contend with various obstacles that prevent them from accessing capital. In general, most of these firms are younger, with less revenues and employees as compared to majority-owned companies. Therefore, creative strategies must be offered to help the minority firms overcome not having adequate financial resources and identifying market opportunities that would provide significant growth potential.

To help improve the financial infrastructure of minority businesses in South Carolina, DESA has been actively working on several initiatives, which include the following:

- Develop and implement a statewide Capital Access Program (CAPs), which is a small business-lending program that is designed to help finance projects that do not meet conventional lending guidelines and hold particular appeal for borrowers in emerging markets. Under a CAP, the bank and the borrower pay a combined up-front insurance premium, typically between three to seven percent of the loan amount at the bank's discretion, which goes into a reserve fund that is held at the originating bank. Additionally, the state matches the combined bank and borrower contribution with a deposit into the same reserve fund. The CAP reserve fund allows a lending bank to make slightly higher risk loans than conventional underwriting, with the protection of the reserve fund for its entire pool of CAP loans.
- Develop a statewide Link Deposit Program whereby the State of South Carolina places a certain amount of its deposits in financial institutions that lend to eligible minority businesses on favorable terms, as well as in those institutions that are owned by minorities, i.e. the [REDACTED] located in Columbia, S.C. (b)(4)
- Coordinate with JEDA to develop a statewide financing and training program that would help increase capital for the minority businesses, as well as increase the financial management skills, to help ensure their business success.

Finally, DESA and the SCMBEC assisted in pulling together investors and the support of the business community to create [REDACTED]. The state's only minority-owned bank was begun in March 1999 from the remnants of [REDACTED] Bank after regulators seized it. In fact, several of the SC Statewide Minority Business Enterprise Center's clients are members of the bank's board of directors and are stockholders. Furthermore, the bank has been a strategic partner with the MBEC since (b)(4)





2001. They are dedicated to providing superb banking and loan services to the minority business community; and have been assisting the MBEC in providing financing for minority business development over the past several years.

The SCMBDC assisted [REDACTED] with growth and development through a procurement opportunity, which was identified to provide banking services for the [REDACTED]. The bank was awarded a subcontract from Bank of America to receive deposits from SC Lottery Vendors. As a result, they have received over \$4,000,000 in vendor deposits.

} (b)(4)

The SCMBDC also assisted the bank in becoming a [REDACTED] [REDACTED] which resulted in a contract with American Payment Services. During the first half of 2004, the bank received approximately \$1,500,000 in payments and generated about \$30,000 in service fees from *BellSouth* customers.

} (b)(4)

Not only has the [REDACTED] received Center services, but also the SCMBDC formed a strategic alliance with the bank to serve as a great financial resource leader for minority businesses. They are dedicated to providing superb banking and loan services to the SCMBDC clients as well as the minority business community. We have cultivated the relationship with [REDACTED] to take our partnership to the next level of minority business development. This consisted of a more aggressive approach in finding ways to finance minority businesses.

(b)(4)  
(b)(4)

Over the past few years the bank has closed nearly \$1 million in loans for minority businesses. The SCMBDC continues to work very closely with [REDACTED] in the continued development of its business and our clients. This relationship has really grown and has proven to be a direct and positive opportunity for the local minority business community to receive the necessary finance, management and technical assistance services needed for growth. It has also sealed a lasting relationship and partnership that will be a benefit to all.

(b)(4)

**3.1.6 Procurement & Contracting**

DESA strongly believes that procurement and contracting opportunities must come into play in order for a business to grow. Therefore, we are continuously stressing to our clients that it is through mergers, acquisitions, teaming arrangements and joint ventures small businesses can grow. By joining with complimentary businesses, a small business is able to compete on larger procurement opportunities, projects, programs, etc. When two or more businesses combine their resources and talents to pursue a central goal, the possibility of achieving the goal is much greater.

Our focus for enhancing growth and profitability takes into account teaming with other partners to take advantage of more resources and opportunities. As a minority firm, DESA is continuously marketing in both the federal and private sectors for procurement and contracting opportunities. As a result, many of those strategies are used to assist the



clients of the MBEC. For example, DESA is an active member of the Carolinas Minority Suppliers Development Council- Foothills Region. The non-profit organization has been very aggressive in forming alliances between major corporations and minority firms, which have resulted in profitable procurement contracts.

Finally, South Carolina has been experiencing a recent boom in school renovation and new construction projects, particularly in the counties of Greenville, Richland, Darlington, and Williamsburg. As a result, the MBEC has successfully matched several of its clients who have construction firms with contracts.

### **3.1.7 Financing Networks**

Throughout DESA's experience with assisting minority business owners, it has sought out relationships with many different companies involved in banking, lending, and investment. A partial list of lending organizations, which we have relationships with, are as follows:

U. S. Dept. of Agriculture (USDA) Rural Development Columbia, SC 29201	Business Development Corp. (BDC) Columbia, SC 29221
Commercial Capital Corporation New York, NY 10021	Business Carolina, Inc. Columbia, SC 29202
Centura Bank Santee, SC 29142	Quantum Corp Funding, LTD Columbia, SC 29211
Commercial/ Residential Lending Myrtle Beach, SC 29577	The Millennium Group Columbia, SC 29223
Enterprise Bank of South Carolina Walterboro, SC 29488	South Carolina Bank & Trust Columbia, SC 29201
First Citizens Bank of SC Columbia, SC 29201	SC Community Bank Columbia, SC 29201
National Bank of South Carolina Columbia, SC 29201	Regions Bank Columbia, SC 29201
BB&T Columbia, SC 29223	Wachovia Bank of SC Columbia, SC 29201
Bank of America Columbia, SC 29201	First Community Bank Lexington, SC 29072



National Franchise Capital Bank  
Chicago, IL 60725

CAG Corporation  
Dallas, TX 75229

Textron Financial Corporation  
Providence, RI 02940-6687

First Bank  
Columbia, SC 29202

City of Charleston  
Enterprise Community  
Charleston, SC 29401

Southcoast Community Bank  
Charleston, SC 29407

Farmers & Merchant Bank of SC  
Holly Hill, SC 29057

CAPS Funding  
Columbia, SC 29212

First Reliance Bank  
Florence, SC 29501

Allied Capital Express  
Greenville, SC 29601

SourceOne Financial  
Columbia, SC 29201

Carolina Capital Investment Corp  
Columbia, SC 29201

Business Loan Center  
Richmond, VA 23230

Express Factors, Inc.  
Covington, GA 30209

Commerce Funding Corp.  
Vienna, VA 22182-3931

The Money Store  
Community Capital Group  
Sacramento, CA 95816

Bank of Barnwell County  
Barnwell, SC 29059

Emergent Business Capital  
Greenville, SC 29606

Bridges Financial  
Atlanta, GA 30303

SouthTrust Bank  
Columbia, SC 29211-2106

National Minority Supplier  
Development Council Loan Fund  
New York, NY 10017

National Assoc. of Surety  
Bond Producers  
Washington, DC 20015-2015

Princeton Capital  
Arlington, VA 22209

Small Business Assist. Corp.  
Savannah, GA 31401

Federal National Payables  
Bethesda, MD 20814

AMS Capital  
Bordentown, NJ 08505

Signet Bank  
Falls Church, VA 22043

Certified Dev. Corp. of SC  
Columbia, SC 29221

AT&T Capital Corporation

Alliance Technology Venture



Charlotte, NC 28210	Atlanta, GA
Business Development Corp. Columbia, SC 29221 Columbia, SC 29202	City of Columbia Commercial Revolving Loan Fund
GE Capital Charlotte, NC 28210	First Credit Corporation Pensacola, FL 32503
Trinity Capital Corporation San Francisco, CA 94111	Small Business Funding Augusta, GA 30903
Access Funding Center Greenville, SC 29607	Regions Bank Columbia, SC 29201

Our relationships cover most banks/lenders in the state of South Carolina. We have also searched out many national firms to meet the individual needs of each business. Our relationships have served us well as the Center's staff was able to secure over \$11.2 million between 2004 and 2006 in financial transactions for its clients.

DESA has an excellent relationship with the banking and investment community. We look forward to strengthening these relationships in the future by supplying assistance in financial packaging to the minority businesses in the state of South Carolina. DESA is now poised to search out equity capital and investors to further strengthen minority businesses in the state.

**3.1.8 MBE Supply Chain Experience**

Over the past 20 years, DESA has moved through several facets of the supply chain, which has equipped us to assist other minority businesses navigate through their supply chain issues. DESA has consistently added value to growing minority businesses by sharing first-hand knowledge of how the supply chain works, and identifying opportunities to move up the chain.

One of DESA's business lines is construction management. Initially, the company secured a contract to provide consulting services to [REDACTED] (b)(4)  
One for their five-year school renovation and construction program. DESA worked closely with the general contractors to recruit small, women and minority subcontractor participation. Our services included: fostering and developing joint ventures and teaming arrangements, preparing feasibility studies, identifying contractors by classification, and assisting with bonding and finance. A few years later, DESA obtained its general contractor's license and was awarded a contract by [REDACTED] (b)(4) to construct an elementary school as general contractor. This is just one example of how DESA has moved up the supply chain from consultant to subcontractor to general contractor.



Another one of DESA's business lines is conference management. By utilizing software and other communications technology enabled by the internet, DESA has successfully moved up the supply chain and minimized disruptions caused by unforeseen events. As a [REDACTED] DESA has transitioned from managing one-day conferences of 50 people or less within the United States to international conferences of 2,000 participants lasting up to a week. As a result of continuously improving performance, DESA has improved its supply chain relationships.

(b)(4)

These experiences are transferred to the clients that we serve through the Center. Lessons learned by DESA, as operator of the South Carolina MBEC, are communicated and implemented in the solutions MBEC consultants offer to help minority businesses improve their supply chain management.

[REDACTED] is a good example of the assistance available through the MBEC. As a long-term client of the Center, the company has moved from simply hauling dirt on road construction projects to selling dirt from its own dirt pit for use on SCDOT projects. Led by [REDACTED] this business has collaborated with the Center to improve its supply chain relationship with the South Carolina Department of Transportation.

(b)(4)

(b)(4)

Similarly, [REDACTED] another long-term client of the MBDC, has moved from merely distributing its [REDACTED] publication in three metropolitan areas to offering the business directory online via its website at [REDACTED]. Because of the MBEC staff's insistent push for continuous improvement, this company utilized technology to move up the supply chain.

(b)(4)

These are just a few examples of how knowledge transfer from DESA's supply chain experience to the MBEC staff has benefited the minority clients that are striving to move up the supply chain.

### ***3.1.9 Self Sustainable Service Model***

DESA's self-sustainable service model is based on providing minority business enterprises with quality service and performance results. Our motto is "Exceeding Expectations" and for the past two decades DESA has maintained the company's promise of a high service commitment level. This service model encompasses a five-step, client-focused approach for sustaining the Minority Business Enterprise Center.

Step 1 – Identify a select group of Strategic Growth Initiative (SGI) clients, and provide them with a variety of value added services to meet their particular business needs. These services will include supply chain management, equity financing,



mentor-protégé and other teaming arrangements, information technology integration, government contracting, and cash flow management.

Step 2 – Utilize long-term relationships with city, county, state and federal government procurement officers to create business opportunities for clients. The MBEC will seek out contractual requirements from local, state and federal governments and match with contractors to meet their needs.

Step 3 – Parlay the MBEC’s already established relationships with financial institutions into short- and long-term capital access for clients, to include accounts receivable financing, factoring, gap financing, contract financing, debt and equity financing.

Step 4 – Build value added relationships with private developers in order to generate new contracting opportunities for clients. The MBEC staff will work collaboratively with private developers to identify opportunities and increase access for clients.

Step 5 – Tie payment to performance. Client payments will be based on a results-oriented, quality performance agreement. The MBEC consultants will work closely with clients until pre-determined performance results are achieved.

The revenues to operate the Minority Business Enterprise Center will be derived from the following sources: (1) MBE added value service fees, (2) Fees generated from city, county and state governments for assisting minority business in their areas, and (3) Business training/seminar fees.

For added value services, an hourly rate will be charged based on the complexity of the service requested and the consultant assigned. Each consultant will have a “burdened” hourly rate, which includes their base labor rate, plus a percentage for fringes, G&A, overhead and fee. This service model is projected to generate nearly \$300,000 per year with approximately 40% from client fees, 35% from city, county, and state governments for assisting minority businesses in their areas, and 25% from business training and seminar fees.

### ***3.2.0 MBE Advocacy***

DESA has always been a leading advocate for minority-owned businesses in both the state of South Carolina and throughout the US. We view our advocacy role for the MBEC as: (1) political advocacy for business clients, (2) advocacy for business clients with other businesses, and (3) advocacy for business through the community.

Ms. Diane Sumpter has led DESA’s advocacy role. She has made a lasting effect on the laws regarding minority- and woman-owned businesses in the state of South Carolina. She contributed to the writing and passage of the incorporation of Article



21 of the South Carolina Consolidated Procurement Code. This article includes the following text:

**11-35-5210. Statement of Policy and its Implementation.**

**(1) Statement of Policy.** In 1985, the South Carolina General Assembly declares that business firms owned and operated by minority persons have been historically restricted from full participation in our free enterprise system to a degree disproportionate to other businesses. The General Assembly believes that it is in the state's best interest to assist minority-owned businesses to develop fully as a part of the state's policies and programs which are designed to promote balanced economic and community growth throughout the State. The General Assembly, therefore, wishes to ensure that those businesses owned and operated by minorities are afforded the opportunity to fully participate in the overall procurement process of the State. The General Assembly, therefore, takes this leadership role in setting procedures that will result in awarding contracts and subcontracts to minority business firms in order to enhance minority capital ownership, overall state economic development and reduce dependency on the part of minorities.

This portion of the state procurement code establishes a certification process for minority firms. It establishes the Governor's Office of Small and Minority Business Assistance. It also allows for firms with state contracts that subcontract with minority firms to be eligible for an income tax credit equal to 4% of the payments to minority subcontractors for work pursuant to a state contract. This was a very important step in the history of our state, and DESA is proud to have played a part.

DESA was also instrumental in changing the procurement procedures for the South Carolina Department of Highways and Public Transportation, as well. Through its advocacy efforts, DESA and other minority contractors were able to have minority set-asides for highway related contracts. This was done in an effort to meet the minority participation standards established by the state. Through this set-aside, it has helped minority contractors to strengthen and develop as viable prime contractors. This set-aside continues today and has not been either politically or legally challenged.

DESA and the MBEC supported [REDACTED] in his efforts as a member of the Conference Committee, which hammered out the tough negotiations resulting in the Transportation Equity Act for the 21st Century (TEA-21). [REDACTED] was able to influence national transportation policy. He successfully fought to retain the Disadvantaged Business Enterprise (DBE) provisions at the US Department of Transportation. Countless minority owned businesses depend on the DBE Program to provide assistance in obtaining and maintaining federal contracts. [REDACTED] fought successfully for his own State's interests, as well. TEA-21 increased South Carolina's return from the Highway Trust Fund by 79%, and established a Transportation Center at South Carolina State University.

(b)(4)



Over the past two decades, DESA has built an excellent relationship with the South Carolina Urban League and SC Conference of NAACP. In addition, DESA, Inc. coordinated a school district philanthropic foundation, sponsors scholarships for youths in our community, and offers summer jobs for minority youths.

Richland County School District One and Two is two of the largest school districts in the state of South Carolina. In order to assist the teachers of this district to provide additional funding for projects, materials, etc., DESA served on board of the Richland One and Two Foundation. The Foundation is composed of the Mayor of Columbia, Chairman of the School Board, and other business leaders in the community. The Foundation sponsors fundraising activities to raise money for the school district. The money is available to any teacher in the school district after they request funding for a project and it is approved by the Foundation Board. By offering funding for projects, which the school cannot fund, we feel we are enhancing the learning experience for the many students in the District.

DESA has worked with the state chapter of the NAACP to implement a statewide African American Summit along with Claflin University and the South Carolina Legislative Black Caucus. This netted a statewide plan with economic development as a key to improve the bases of African Americans and the State of South Carolina.

From school desegregation, fair housing, employment and voter registration, to health and equal economic opportunity, the NAACP, working successfully with allies of all races, plays a significant role in establishing legal precedents in order to improve the quality of life of America's downtrodden. Diane Sumpter serves on the state board of the NAACP.

DESA is very aware of its importance to our community. By our leadership role as a minority business, we hope we are setting the example for the many minority businesses to follow in the future.

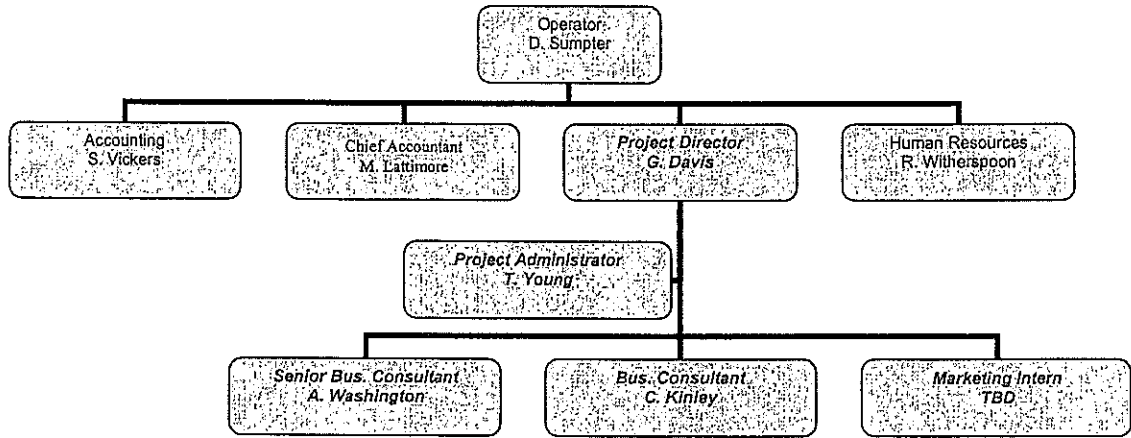
### ***3.2.2 Qualifications of Proposed Staff***

DESA has developed a highly experienced work team to provide the well-rounded client service required for today's business. By presenting a team of professionals that cumulatively offer more than 125 years of business experience, DESA is positioned to catapult targeted South Carolina minority businesses into a position of long-term profitability.

The organizational chart and staffing allocation chart below represents the proposed staffing hierarchy for the South Carolina Statewide Minority Business Enterprise Center. Each consultant listed below provides a minimum of 10 years of management-level experience in varied business disciplines.



### Organization Chart



### Staffing Allocation

<i>Direct Staff/Positions</i>		<i>Time Allocation</i>
Project Director	Greg Davis	[REDACTED]
Senior Business Consultant	Anthony Washington	[REDACTED]
Business Consultant	Cheryl Monroe	[REDACTED]
Project Administrator/Marketing	Tanya Young	[REDACTED]
Marketing Intern	To Be Determined	[REDACTED]

(b)(4)

<i>Corporate Support Staff/Positions</i>	
Operator	Diane Sumpter
Accounting	Sophia Vickers
Human Resources	Reva Witherspoon
Chief Accountant	Margaret Lattimore

#### 3.2.1.1 Position Descriptions and Qualification Standards

The proposed staffing for the Center provides the minority business population of South Carolina with two (2) tiers of experience. Tier 1 consists of three (3) highly skilled business consultants charged with providing daily direct client assistance. Tier 2 consists of corporate staff designated to augment the project’s dedicated staff as well as to provide specialized and/or global expertise to the Center’s clients.



## **Project Director**

### **Organizational Relationships**

**Reports to:** Operator

**Supervises:** Business Consultants  
Project Administrator  
Marketing Intern

**General Function:** Provides leadership for and manages the MBEC staff's efforts to ensure consistent high quality work performed in the following areas: market development, client services and operational quality. Ensures the Center operates using a systems-integrated business consulting service approach to assist in minority business growth. Nurtures the growth of MBEs to become larger companies.

### **Major Duties and Responsibilities:**

- Implements goals and objectives of the MBEC by ensuring compliance with the performance measures as outlined in the contract.
- Identifies high potential MBEs through the use of MBDA-provided technology and recognized community presence and places them on a high-growth trajectory through the effective utilization of MBEC staff.
- Defines and implements a systems-integrated consulting approach to provide exceptional customer service to clients demonstrating the functions of: competitive strategy, efficient process management, organizational value structure, appropriate financial, technical and human resources, management information systems, and staff empowerment.
- Facilitates the match of qualified minority entrepreneurs with identified opportunities and resources utilizing MBDA technology and effective marketing efforts.
- Aggressively utilizes and directs the staff's use of the Portal tool to leverage the business advantage it provides to the MBEC's client base (i.e. Business Needs Analyzer, Phoenix/Opportunity, Resource Locator, Capital Locator, Business Analyst GIS, and Business and Marketing Planning).
- Promotes the client's use of use of new technology such as the Resource Locator tool.
- Aligns staff for exceptional performance and productivity and promotes professional growth of MBEC personnel through training, coaching, counseling and mentoring activities as established by measurable goals.
- Reviews periodic reports relating to the MBEC's operations then devises strategies and allocates resources to enhance project performance in order to meet or exceed quarterly and annual performance expectations.
- Prepares or directs the preparation of all MBEC reports and correspondence as required by the MBDA.

- Promotes and organizes advocacy activities and relationships, in the public and private sectors, to help increase business ownership, market, capital, education and training opportunities for minority business enterprises or individuals.
- Leads the development of strategies to increase the MBEC's visibility and client base.
- Develops and maintains a network of strategic partners and intra-strategic relationships.
- Networks with other MBEC's and businesses to share information, ideas and best practices and refer appropriate clients for additional services.
- Collaborates with MBDA to identify MED Week key participants, conduct outreach and maintain ongoing communication with participant before, during and after the Business-to-Business Linkage event.
- Ensures the identification and electronic recording of sources of the following on the MBDA Portal: market opportunities, capital resources, business ownership opportunities, education and training resources and registration of MBE's.
- Provides personalized and/or group consulting to minority businesses utilizing integrative systems.
- Ensures that all required training is successfully completed by the MBEC staff.
- Synchronizes efforts between MBEC and MBDA.
- Ensures response to MBDA communications within 24 hours. Responsible for all official communication of changes in staffing, location or contact information.
- Fosters collaboration within the MBDA network of funded projects.
- Performs other duties as assigned.

**Qualification Standards:**

**Education** - Bachelor's degree from an accredited four-year college or university or equivalent experience in Business or Public Administration, Economics, Marketing, Law, or related area is required. Master's degree is preferred.

**Experience** - Minimum of ten (10) years of experience in private business with a concentration in business development, purchasing management, public relations, marketing or operations and a minimum of five (5) years experience in a supervisory or management role. A minimum of five (5) years of prior experience developing markets and/or customer service management. Must have effective verbal and written communication skills and presentation experience. Strong negotiation and business development skills is needed. Demonstrated ability to develop and maintain useful business relationships within the State of South Carolina. Must have intermediate knowledge of computer technology (various software programs, Internet, database management, spreadsheets) and the ability to utilize information technology to leverage resources and meet changing industry requirements.

**Salary Range: \$45,000 - \$65,000 annually**

## **Senior Business Consultant**

### **Organizational Relationships**

**Reports to:** Project Director

### **General Function:**

Provides direct client assistance to MBEs on the basis of individualized professional engagements. Provides personalized and/or group business consulting services to minority businesses with special emphasis on business/strategic planning, financial agreements, obtaining appropriate equity funding, assisting with mergers, acquisitions and asset purchases.

### **Major Duties and Responsibilities:**

Contributes to the Center's goal of meeting or exceeding performance standards of the MBEC contract by:

- Identifying potential high-growth MBEs through the use of MBDA-provided technology and recognized community presence
- Conducting a standardized client assessment and establishing a projected growth track using the Business Needs Analyzer.
- Providing personalized and/or group business consulting services to minority businesses in all functional areas of small business management.
- Providing strategic business consulting to SGI firms through one-on-one consulting or by strategic team consulting led by MBEC as appropriate.
- Assisting clients to obtain access to capital to start, grow or expand a business by developing effective financial agreements and accessing different types of equity financing.
- Assisting clients to obtain access to markets by identifying and accessing business opportunities through plan development and implementation, mergers and acquisitions, franchises, licensing agreements and asset purchases.
  
- Aggressively utilizes the Portal and promotes the business advantage it provides to the MBEC's client base. Introduces and educates clients on the business advantage of using the Resource Locator.
  
- Nurtures the growth of MBEs to become larger companies through the use of market research and development, market promotion and resource development.
  
- Facilitates the match of qualified minority entrepreneurs with identified opportunities and resources utilizing MBDA technology.



Enters (daily) data into performance system for monthly reporting to MBDA.

Performs other duties as assigned.

**Qualification Standards:**

**Education -** Bachelor's degree from an accredited four-year college or university or equivalent experience in Business or Public Administration, Economics, Finance, Accounting or related area is required. Master's degree is preferable.

**Experience -** Minimum of fifteen (15) years of experience in Business or Public Administration, Finance, or Accounting preferred, with a minimum of five (5) years experience in supervisory or management role. A minimum of five (5) years of proven experience in bid and proposal development, and debt and equity financing for minority business is desirable. Must have effective verbal and written communication and presentation skills. Effective negotiation and business development skills are needed. Must be a results-oriented, self-starter who can work independently. Must have intermediate knowledge of computer technology (various software programs, Internet, spreadsheets) and the ability to utilize information technology to leverage resources and meet changing industry requirements.

**Salary Range: \$45,000 to \$75,000 annually**



## **Business Consultant**

### **Organizational Relationships**

**Reports to:** Project Director

### **General Function:**

Provides direct client assistance to MBEs on the basis of individualized professional engagements. Provides personalized and/or group business consulting services to minority businesses in all functional areas of small business management.

### **Major Duties and Responsibilities:**

Contributes to the Center's goal of meeting or exceeding performance standards of the MBEC contract by:

- Providing strategic business consulting on a personalized or group basis as appropriate.
- Identifying potential high-growth MBEs through the use of MBDA-provided technology and recognized community presence.
- Assisting clients to obtain access to capital to start, grow or expand a business.
- Providing personalized and/or group business consulting services to minority businesses in all functional areas of small business management.
- Providing strategic business consulting to SGI firms through one-on-one consulting or by strategic team consulting led by MBEC as appropriate.
- Assisting clients to obtain access to markets by identifying and accessing business opportunities.

Aggressively utilizes the Portal and promotes the business advantage it provides to the MBEC's client base. Introduces and educates clients regarding the business advantage of using the Resource Locator.

Facilitates the match of qualified minority entrepreneurs with identified opportunities and resources utilizing MBDA technology.

Serves as backup systems administrator to support the maintenance and security of the MBEC's computer systems.

### **Qualification Standards:**

**Education -** Bachelor's degree from an accredited four-year college or university or equivalent experience in Business or Public Administration, Economics, Finance, Accounting or related area is required. Master's degree is preferable.

**Experience** - Minimum of five (5) years of experience in Business Management or Public Administration, or related field preferred, with a minimum of three (3) years experience in supervisory/management role. Requires a minimum of three (3) years of successful bid and proposal development. Exceptional verbal and written communication and presentation skills are required. Must be a results-oriented, self-starter who can work independently. Strong negotiation and business development skills are desired. Must have intermediate knowledge of computer technology (various software programs, Internet, spreadsheets) and the ability to utilize information technology to leverage resources and meet changing industry requirements. Must be competent in the operation of an operations system fully compatible with the Windows 2000 network and local area network technology. Working knowledge of website maintenance and design is required.

**Salary Range: \$35,000 to \$50,000 annually**

### **Project Administrator**

#### **Organizational Relationships**

**Reports to:** Project Director

**General Function:** Provides administrative, marketing and information systems support to the Center's staff by managing the MBEC database, entering accurate information in MBDA-based systems, managing the central file system and coordinating the Center's training and informational seminars and events. Designated as the party responsible for the Center's computer maintenance and security.

#### **Major Duties and Responsibilities:**

- Registers local MBEs in MBDA's Phoenix system.
- Provides basic bookkeeping functions for the MBEC, such as client billing and accounts payable, and will reconcile with DESA's controller on a monthly basis.
- Assists with the preparation of all MBEC reports and correspondence as required by the MBDA and the project director.
- Reviews correspondence, memoranda, and reports prepared by others to ensure accuracy.
- Conducts Internet and other business research to assist consultants with work plans and marketing/promotional activities.
- Serves as systems administrator, responsible for operating systems, maintenance, security and in-house computer support and set up. Performs these actions by:
  - Set up and assignment of all new e-mail accounts and passwords.
  - Troubleshooting operating systems and local area network concerns.
  - Ensuring appropriate communication links are active and available upon 24-hour notice from the MBDA.



- Reviewing MBEC website (at least every three (3) months) for accuracy, currency and appropriateness for the general public and in compliance with the Americans with Disabilities Act.
- Coordinates efforts of MBEC staff to plan and execute MED Week activities.
- Maintains control files of all MBDA required documents which include but are not limited to: strategic partnership MOUs, MBEC and related staff computer security agreements, etc. Responsible for initial submission and update of all required documentation to MBDA.
- Manages database with current business profile information.
- Ensures telephone communication is pleasant and in accordance with the contract.
- Maintains adequate supplies and/or required forms.
- Performs other duties as assigned.

**Qualifications:**

Minimum of a Bachelor's degree in Business Administration, Information Technology or related field and two (2) years experience in an administrative capacity or an equivalent combination of education and experience. Business management/marketing/public relations skills are preferable.

Intermediate-level computer skills using the Internet for web-based searches, MS Office, specifically MS Word and Access. Ability to use technology to create more efficient flow of information, web searches of business information and completion of work through database design and management. Must have working knowledge of systems/server administration and the ability to perform basic to moderate information technology troubleshooting per the contract.

Must be competent in the operation of an operating system fully compatible with the Windows 2000 network and local area network technology or higher. Must be experienced with the installation and uninstallation of software. Working knowledge of website maintenance and design is desired.

Effective interpersonal and communication skills (oral and written). Excellent grammar and written composition skills required. Prior experience writing business communications and/or business reports is desirable.

Excellent organizational, multi-tasking and time management skills are needed.

**Salary Range: \$24,000 to \$30,000 annually**





## **Marketing Intern**

### **Organizational Relationships**

**Reports to:** Project Director

**General Function:** Provides marketing and public relations support to the Center's staff by assisting with various aspects of market research and development and market promotion. Will assist MBEC staff in developing and implementing marketing plans for MED Week and other designated events hosted by the Center.

### **Major Duties and Responsibilities:**

Assists with the development of a MBEC brochure for mail-out and distribution.

Assists with development of program description for inclusion in MBDA portal and the MBEC web site.

Maintains and updates MBEC website content.

Assists with market research of business and capital opportunities for potential MBE

Assist with the development of public service announcements and paid advertisements.

Performs other duties as assigned.

### **Qualification Standards:**

Junior/Senior-level college student majoring in Marketing, Advertising, Public Relations or related field with a cumulative GPA of 2.8 or better. Must have successfully completed a minimum of 9 credit hours of upper division study in marketing/advertising or related classes.

Intermediate-level computer skills using the Internet for web-based searches, market research and MS Office. Knowledge of HTML, Frontpage and or Dreamweaver software is desired.

Effective interpersonal and communication skills (oral, written and presentation). Excellent grammar and written composition skills required. Prior experience writing business communications and/or business reports is desirable.

Must be a self starter with excellent organizational and time management skills.

**Salary Range: \$9.00-\$12.00 hourly**

**2.1.7.2 Resumes of Staff**

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b)(6)

[REDACTED]

(b)(6)

[REDACTED] - (b)(8)



[Redacted text block]

(b)(6)









Part III. Program Narrative  
Competitive Application Package

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b)(6)



[Redacted text block containing multiple lines and bullet points of obscured information.]

(b)(6)

• [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

} (b)(6)

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b)(6)

[Redacted text block containing multiple paragraphs of blacked-out content.]

(b)(6)

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b)(6)

Financial Data for federal and state proposals

[Redacted text]

[Redacted text]

[Redacted text]

[Redacted text]

(b)(6)

[Redacted text]

[Redacted text]

[Redacted text]

[Redacted text]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b)(6)



[Redacted text block containing multiple paragraphs and bulleted points, all obscured by black bars.]

(b)(6)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b)(6)

**3.1.1.3 Transcript**  
See Attachment B

**3.1.1.4 Articles of Incorporation**  
See Attachment C

**3.1.1.5 Bylaws**  
See Attachment D