Ballistic Missile Defense Organization
SADBU
UPDATE

A Quarterly Newsletter for Small Businesses

Vanguard Research, Inc.
Profile of a Small Business

Mel Chaskin
President and CEO

Vanguard Research, Inc. (VRI) was founded as a privately-owned company in 1984 and is headquartered in Fairfax, Virginia. VRI maintains offices in Norfolk, Crystal City, and Newington, Virginia, as well as Albuquerque, New Mexico, Omaha, Nebraska, Colorado Springs, Colorado, and Scotts Valley, California. With 150 employees, the company's annual revenue is currently $20 million and growing at an average rate of 15% annually. VRI has established a reputation for providing innovative, customer-oriented solutions and enjoys a clientele from the Fortune 100 to small commercial companies and major government organizations over a broad range of business ventures.

HBCU/MI
Broad Agency Announcement (BAA)

It is anticipated that the Ballistic Missile Defense Organization (BMDO) will be issuing a Broad Agency Announcement (BAA) for research efforts set-aside for historically black colleges and universities and minority institutions (HBCU/MI) in the fall of 1998. The topics of interest will be published within the BAA in the Commerce Business Daily (CBD). The BMDO issues research BAA's set aside for HBCU/MI approximately every two years. There are usually around 10 to 12 two-year awards resulting from each BAA. You are encouraged to watch the CBD for this announcement. ♦

Recent New Contracts Awarded by BMDO

The Ballistic Missile Defense Organization recently made the following awards:

On June 8, 1998, Booz, Allen & Hamilton was awarded a contract, valued at $6,996,979 (including options) to provide specialized intelligence services to the BMDO Threat Program Office. The contract has a two-year base period and three one-year options and is scheduled to end in June 2003, if all options are exercised.

BMDO Gets New OSDBU Director

LTC Arthur J. Gottlieb, the Director of the Office of Small and Disadvantaged Business Utilization (OSDBU) at Ballistic Missile Defense Organization (BMDO), has been reassigned to U.S. Army Inspector General's Office, effective September 1, 1998. He has served the BMDO in an exemplary manner, both in the Office of Small and Disadvantaged Utilization and in the Contracts Directorate. He will be missed by the small business community, for which he was such a strong advocate.

Mr. Stephen M. Moss has been appointed as the new OSDBU Director for BMDO. As many of you will recall, Mr. Moss was the BMDO's OSDBU Director from November 1987 to April 1996, when he agreed to devote his full-time duties to the Contracts Directorate. He has now agreed to again split his time between the Contracts Directorate and the Office of Small and Disadvantaged Business Utilization. ♦

LTC Arthur Gottlieb
Director/*SADBU*

Outgoing Director's Message

This is a difficult message to write, because it is my last message to the small business and HBCU/MI communities. I have accepted an acquisition assignment with the U.S. Army Inspector General's Office. I leave the BMDO SADBU Office with a number of achievements, memories and good friends. For those of you that have had personal contact with me, you know that I firmly believe that small businesses have made the United States what it is today. Without your vision and drive, the advances in technology would not have occurred. I challenge you to continue your good work. Likewise, I believe that the HBCU/MI's have made significant contributions to BMDO and its mission.

I leave this position with much confidence in my successor, Stephen M. Moss, and in my associates, Janet Farrow and Pravat Choudhury, to continue to serve the small business and HBCU/MI communities. In the past two and a half years, we have far surpassed the goals established by the Office of the Secretary of Defense. I know that my successor and his staff will continue to look for better ways to serve your communities.

I wish you great success in your future endeavors. ♦

New Contracts *(Cont'd from Page 1)*

On June 9, 1998, Wheeling Jesuit University was awarded a cooperative agreement, valued at $10,100,000 (including options), to establish a five-year program for the core operations and related projects and activities of the National Technology Transfer Center in the fulfillment of its mission. The contract has a one-year base period with four one-year options and is scheduled to end June 2003, if all options are exercised.

On July 16, 1998, Anser, Inc. was awarded a contract, valued at $6,317,741 (including options), to perform technical and programmatic activities in the Program Support and Special Studies task areas. The contract has a two-year base period with three-one year options and is scheduled to end July 2003, if all options are exercised.

On July 17, 1998, Sherikon, Inc. was awarded a contract from the GSA schedule, valued at $84,299.50, to provide analytical support and to maintain the database which is used to track review recommendation follow-up in support of the Review and Audit Directorate. The contract has a one-year base period with no options.

On July 23, 1998, Nichols Research Corporation was awarded a contract, valued at $42,081,189 (including options), to provide technical and engineering services in support of BMDO's mission. The contract has a two-year base period with three-one year options and is scheduled to end July 2003, if all options are exercised.

On July 24, 1998, META Solutions, Inc. was awarded a contract under the SBA 8 (a) program, valued at $2,298,345 (including options), to provide independent and objective analytical review services for the Review and Audit Directorate mission. The contract has a two-year base period with three-one year options and is scheduled to end July 2003, if all options are exercised.

On July 28, 1998, Digital Systems International Corporation was awarded a contract, valued at $13,721,130 (including options), to provide personnel, resources and facilities appropriate to provide efficient and cost effective support services in support of the Contract Directorate. The contract has a two-year base period with three-one year options and is scheduled to end July 2003, if all options are exercised.

On April 27, 1998, the University of Alabama in Huntsville was awarded a purchase order in the amount of $40,000 to produce a report titled "Certification of UVISI Results" which provides an analysis of the CONVERT data reduction software. The report compares alternative Certification Processes and provides a recommendation as to which one to use.

On July 10, 1998, Oracle Corporation was awarded a purchase order in the amount of $194,728 for Oracle software and services. The delivery date was on August 10, 1998.

On July 15, 1998, Connectech, Inc., a small business, was awarded a purchase order in the amount of $251,239.04 for the purchase of server hardware. The delivery date was on July 28, 1998.

On July 15, 1998, Connectech, Inc., a small business, was awarded a delivery order from the GSA schedule in the amount of $87,986 for the purchase of a Video Conferencing System Model, associated equipment and software. The delivery date was on July 28, 1998. ♦

SBA NEWS...

The following was an SBA news release published on May 6, 1998.

SBA ANNOUNCES PLANS TO INCREASE CONTRACTING OPPORTUNITIES FOR WOMEN BUSINESS OWNERS

WASHINGTON - Aida Alvarez, Administrator of the U.S. Small Business Administration (SBA), announced new efforts to help women participate in the $200 billion federal contracting market.

"Women now own about 40 percent of all businesses in the U.S., but they get only a tiny share of federal contracting dollars," Administrator Alvarez said. "We've made some progress. Contracting dollars to women entrepreneurs have risen by 50 percent under this Administration, but more must be done."

Administrator Alvarez said the small business procurement "pie" is expanding, due to President Clinton's decision to increase the goal for small businesses' share of federal contract dollars from 20 to 23 percent.

The SBA is also taking steps to ensure that women-owned firms get a larger slice of the procurement market. These steps include:

- Requesting each Cabinet member to commit to specific strategies to increase women's share of each agency's contracts.

- Requiring women-owned firms to be considered when agencies look for contractors in a new, streamlined procurement process.

- Working to get more women-owned firms registered on SBA's PRO-*Net* database.

- Appointing an SBA manager to work specifically on the issue of women's procurement.

In 1992, women received only 1.5 percent of all prime federal contracts. By 1997, the share of contracts going to women-owned businesses increased to 2.2 percent. The SBA hopes to increase that share to 5 percent by developing a comprehensive strategy and working closely with other federal agencies.*

First, the agency plans to ask each cabinet member to enter into a memorandum of understanding with the SBA to develop government-wide strategies to increase procurement levels. The Department of Transportation is the first agency to begin this process.

Second, SBA and the Office of Federal Procurement Policy will sign a memorandum allowing senior federal procurement executives to further streamline certain government purchases from small business. On purchases between $2,500 and $100,000, agencies will be required to solicit offers from at least five small companies, including at least one woman-owned firm.

Third, Administrator Alvarez said SBA will enlist the support of women's organizations to get more women-owned firms listed in PRO-*Net*. This database lists more than 170,000 firms and is an excellent source for agencies looking for women-owned businesses to fill their procurement needs. "No longer can a contracting officer say, 'I couldn't find a qualified woman or minority.' They're listed in PRO-*Net*," said Administrator Alvarez.

Finally, Administrator Alvarez announced the appointment of Corinne Sisneros as program manager to head up the agency's efforts to boost procurement opportunities for women-owned businesses. Ms. Sisneros joins the SBA after 12 years as a senior contracting officer for NASA.

The announcement came at this week's biannual meeting of the Interagency Committee on Women's Business Enterprise (IACWBE) and the National Women's Business Council (NWBC) held Monday at the White House. Composed of high-ranking officials from 10 federal agencies, the IACWBE ensures that women's economic issues are addressed at the federal level. NWBC is comprised of business owners and representatives of women's business groups and serves as an independent source of advice and policy recommendations to the committee, the SBA, Congress and the President.

*NOTE: The data source for 1992-97 contracting numbers is the Government-wide Information Systems Division, Federal Procurement Data Center, GSA. The base calculation is dollars awarded to small and large business concerns, excluding contacts for foreign military sales, contracts with directed sources of supply such as NIB/NISH, and contracts with educational institutions (including HBCUs and MIs) non-profit organizations, and state and local governments. ◆

BMDO NEWS...

Falcon Redesignated Schriever Air Force Base

Falcon Air Force Base, home of the 50th Space Wing, the Joint National Test Facility (JNTF), and the Space Warfare Center, was renamed in honor of space pioneer General Bernard Schriever on June 5, 1998.

Schriever, recognized as "the father of the U.S. Air Force's space and missile program," pioneered the development of the nation's intercontinental ballistic missile programs. In partnership with NASA, he was also responsible for transforming Atlas and Titan missiles into reliable launching systems for sending man into space in the Mercury and Gemini programs.

Schriever retired in April 1966 and has continued to serve in many advisory roles to the U.S. Government. ◆

NMD Announces Program Manager Change

On August 1, 1998, the National Missile Defense Joint Program Office announced the assignment of Brigadier General Willie B. Nance as the new program manager, replacing Brigadier General Joseph M. Cosumano.

Brigadier General Nance was previously the Program Executive Officer for Tactical Missiles at Redstone Arsenal, Alabama. He assumed that position on July 18, 1996, and managed five assigned Project/Product Offices overseeing 30 programs.

Brigadier General Cosumano will assume the Assistant Deputy Chief of Staff for Operations and Plans for Force Development for the United States Army in Washington, D.C. ◆

DURIP Solicitation

In May 1998, the Department of Defense released Broad Agency Announcement 98-5 for Fiscal Year 1999 under the Defense University Research Instrumentation Program (DURIP). Through this competition, the Department of Defense intends to award approximately $45 million for Fiscal Year 1999, subject to the availability of funds. These funds will be awarded via grants made by the Army Research Office (ARO), the Office of Naval Research (ONR), the Air Force Office of Scientific Research (AFOSR), and the Research and Engineering Directorate of the Ballistic Missile Defense Organization (BMDO). Awards will be for the purchase of research equipment costing more than $50,000, items that typically cannot be purchased within the budgets of single-investigator awards.

In accordance with this BAA, the proposals were due by August 20, 1998. It is anticipated that selections will be made in January 1999 and the awards will be made by the end of March 1999. ◆

DEPSCoR Solicitation

The Department of Defense (DoD) recently released the Fiscal Year 1999 Department of Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) solicitation number DAAG55-98-R-BAA6. DEPSCoR is part of the University Research Initiative (URI) sponsored by the Director of Research, Office of the Director, Defense Research and Engineering (ODDR&E). The program will be administered through the Army Research Office (ARO), Office of Naval Research (ONR), Air Force Office of Scientific Research (AFOSR), and the Ballistic Missile Defense Organization (BMDO) with the cooperation of the Experimental Program to Stimulate Competitive Research (EPSCoR) State Committees.

Proposals were due to be received by the Army Research Office on September 10, 1998. Award recommendations for Fiscal Year 1999 DEPSCoR funds will be announced on or about November 30, 1998. ◆

MURI Solicitation

The Department of Defense (DoD) recently announced the Fiscal Year 1999 competition for the Multidisciplinary Research Program of the University Research Institute (MURI), which supports university teams whose research efforts intersect more than one traditional science and engineering discipline. Through this MURI competition, the DoD expects to make awards in thirteen specific research topics within four strategic research objectives, subject to the availability of appropriations. The awards will be made on behalf of the Office of the Director of Defense Research and Engineering (ODDR&E), under the supervision of the research topic chiefs from four agencies - the Army Research Office, the Office of Naval Research, the Air Force Office of Scientific Research, and the Ballistic Missile Defense Organization.

For the Fiscal Year 1998 MURI competition, 17 awards ranging from $0.25 million to $1.15 million per year, for a total of $13.5 million per year, were made for the 14 topics. In accordance with the Fiscal Year 1999 competition, proposals must be received by October 27, 1998. Selections for the awards will be made on or about January 12, 1999. Awards are planned to be in place by 30 April 1999. ◆

SBIR Program

The Small Business Innovation Research (SBIR) Program Solicitation 98.1 opening date was October 1, 1997. The closing date was January 14, 1998. For this solicitation, the Ballistic Missile Defense Organization (BMDO) received 602 proposals from 358 different companies. Of those companies, BMDO selected 189 technology ideas from 155 different companies in 14 different topic areas. BMDO's 1998 funding for Phase 1 awards was $12.4 million. Although the average funding request was $76,947, the average award was $65,514.

The SBIR solicitation for Fiscal Year 1999 is due to be released on October 1, 1998. In accordance with the announcement, the proposal period will close on January 13, 1999.

500th Phase II SBIR Awarded

It has taken since the inception of the SBIR Program at BMDO in 1983 to reach this point. **Systems & Processes Engineering Corp. (SPEC)** (Austin, TX) received the 500th Phase II award sponsored by BMDO. Their effort for the "Growth of SiC Using Seeded Supersonic Beams" is managed by MAJ Dan Johnstone (703-325-1160) at the Defense Threat Reduction Agency, effective 1 October, (previously DSWA, previously DNA). SPEC's Phase II approach outlines an effort "to construct a production quality SiC growth system and [will] demonstrate improved SiC material quality by fabricating a number of SiC devices and comparing the performance to those grown using conventional methods." SiC is a wide bandgap semiconductor material used in a wide variety of military and commercial applications. SPEC is leveraging an additional $800K of private sector investment support to match the $750K of BMDO SBIR funding. Direct benefits to BMDO? If their supersonic beam growth technique proves superior at producing improved quality devices, then Major Defense Acquisition Programs (MDAPs) that articulate diverse requirements for electronics operation in high-temperature hostile environments will benefit from this.

2000th Phase I SBIR Selected

What a milestone for the program! Our 2000th Phase I SBIR selection, made from the FY98 solicitation, went to **Widegap Technology (WiTech)** (Westlake Village, CA) for their "Lateral Epitaxial Overgrowth (LEO) of GaN for Electronic Devices." This was not the first Phase I the company ever received from BMDO. This company has produced private sector investment support and demonstrated commercialization potential for every Phase II effort of theirs that BMDO has selected. The technical point of contact for this effort: Mr. Gary Smith (513-255-7310) of the U.S. Air Force Wright Laboratory, who manages this technology development for BMDO. This Phase I will attempt to address the dislocations, which are a "direct result of the lack of a lattice matched substrate for GaN thin films," that are ubiquitous in GaN. WiTech is hopeful that this high-risk Phase I effort will address the issues of GaN substrate growth and their LEO process will prove to be an innovative technique to relieve the strain between a GaN thin film and its substrate. BMDO benefits? If successful, 2" LEO GaN wafers on sapphire substrates will eventually be realized for use in "very high performance X-band GaN power HEMT devices with wide gate peripheries." Major Defense Acquisition Programs (MDAPs), here is another opportunity. ◆

STTR Program

The Small Business Technology Transfer (STTR) Solicitation 98 was issued December 1, 1997, with a closing date of April 15, 1998. For this solicitation, the Ballistic Missile Defense Organization (BMDO) received 128 proposals from 95 different companies. Of these, BMDO selected 22 technology ideas from 22 different companies in three topic areas. BMDO's 1998 funding for Phase 1 awards was $1.4 million. The average funding request was $75,499, while the average award was $65,745.

The STTR solicitation for Fiscal Year 1999 will be released on January 1, 1999. In accordance with that announcement, the proposal period will close on April 14, 1999. ◆

BMDO Research and Engineering Directorate Solicitation

The Fiscal Year 1999 Broad Agency Announcement for the Ballistic Missile Defense Organization's Research and Engineering Directorate is expected to be released in October 1998. The announcement will list the areas that specifically relate to the research relevant to Ballistic Missile Defense.

For additional information about this solicitation, please contact Dr. Juergen L. W. Pohlmann at (703) 604-3491. ◆

IMPAC

The Ballistic Missile Defense Organization (BMDO) offers the International Merchant Purchase Authorization Card (I.M.P.A.C.) for vendors of products and services that are set up to take payments by purchase cards. A list of cardholders has been developed and is available for vendors. To receive the list of cardholders, please call Janet Farrow at (703) 693-6634, or e-mail at janet.farrow@bmdo.osd.mil. ◆

As a prime contractor, VRI provides Advisory and Assistance Services to the Joint National Test Facility (JNTF), with emphasis on modeling and simulation, test and evaluation, program support, wargames/exercises, and user interface definition. VRI, as a prime, also provides objective, expert, scientific assessments to the Chief Architect/Engineer through its Independent Science and Engineering Group (ISEG). These assessments of complex technological problems provide insight into the affect of sensors, weapons, technologies and phenomenologies on missile defense systems. As a subcontractor, VRI is a key member of both the Technology Readiness/Strategic Relations and the Theater Missile Defense Scientific, Engineering, and Technical Assistance (SETA) teams. VRI's participation on both of these initiatives covers the spectrum of Ballistic Missile Defense (BMD) activities including modeling and simulation; Ballistic Missile Command, Control & Communications (BM/C3); systems engineering; logistics and deployment planning; and program and contract management.

VRI has provided on-site support and technical continuity to the Government since 1984. They were an original teammate on the original Technical Engineering and Management Support (TEMS) Contract to the National Test Bed Joint Program Office. VRI won the follow-on contract as the prime contractor for the SETA Contract in 1990. As the incumbent contractor, they again won the follow-on contract, renamed National Test Facility Advisory and Assistance Service (NAAS), in 1995.

The NAAS role in the JNTF structure is to support the JNTF Government personnel in the performance of their mission. This ties in with the NAAS vision to "Remain a key partner with the JNTF-Government, the Research and Development Contractor (RDC), the Operations and Maintenance Contractor (OMC), and MITRE in the Ballistic Missile Defense of our country and its Armed Forces worldwide". The primary objective of the NAAS Contract is to provide technical, programmatic, and analytic assistance to all functional areas of the JNTF. VRI provides the JNTF Staff with expertise in the areas of wargaming; tenant support; finance; security; project management; all disciplines of engineering and testing; and program management. The company interfaces with their Government counterparts, on a continuos basis, to achieve outstanding cost effective objectives and ensure the JNTF is a center of excellence for BMDO Modeling and Simulation, real time BMC3, and interoperability test and evaluation.

Since 1984 VRI has supported the United States Strategic Command (USSTRATCOM) and its predecessor, the Strategic Air Command. During the Cold War, they worked on strategic connectivity and the Single Integrated Operations Plan (SIOP). More recently, VRI is helping to modernize the Strategic War Planning System (SWPS) and are looking forward to making the SWPS a world class Joint Theater Support Capability with customized intelligence, adaptive tools, distributed command centers, modernized communications, and training/exercise support. They are also assisting in laying the groundwork for a Theater Planning Tool that Theater Commanders in Chief (CINCs) and other major planning organizations worldwide can use for rapid, secure, collaborative planning that reduces costs by using common Department of Defense (DoD) solutions and eliminating duplication of databases, application tools, and scarce resources.

> *"...included among the Fast 50 in the Northern Virginia Regional Technology Fast 50 competition."*

VRI supports war planning in several areas integral to the SWPS and, to a lesser extent, the Command Center (C2) and the Command Management Local Area Network (LAN). The company accomplishes software engineering on workstations, mainframes, and personal computers. Their applicable software development expertise is in PowerBuilder, Cobol, and Fortran. VRI's primary projects are a lead role in analyzing and testing Year 2000 (Y2K) compliance and independent testing of software developed by the Government and other contractors; Quality Assurance (QA) including metrics and inspections; Software Configuration Management (CM); software documentation for two large conversion efforts from mainframe to UNIX workstations; software development and maintenance and database builds for the SIOP, including migration/conversion to the Enterprise Data Base; Modeling and Simulation with concentration on the Weapon Allocation Model (WAM), the Arsenal Exchange Model (AEM) and the Strategic Offense/Defense Model (SODSIM); and multi-media support. VRI has been instrumental in reducing wargame evaluation of the SIOP from 10 months to 3 months, producing the Red Integrated Strategic Offensive Plan (RISOP), inaugurating

the Center of Excellence for Mulitmedia, implementing product inspection processes, and migrating software from mainframes to workstations and personal computers.

VRI is strong in infrared astronomy and astrophysics system design and data analysis. As principal investigators and science team members on various National Aeronautics & Space Administration (NASA) programs, VRI scientists have made significant contributions to our knowledge of both the space and atmospheric environments, and have applied this knowledge to missile defense issues, such as clutter reduction, atmospheric distortion and target recognition and sensor systems for interplanetary exploration. VRI was recently awarded a BMDO SBIR contract for the conceptual design and validation of a unique spatial-spectral sensor to detect weak targets against atmospheric clutter effects. VRI scientists had major roles in defining and planning missions of the BMDO Midcourse Space Experient (MSX) program including analysis of MSX infrared and ultraviolet atmospheric clutter data.

VRI has entered the commercial marketplace and offers video-on-demand, intranet services, and specialized products. One product is a Plasma Energy Pyrolysis System (PEPS) which destroys problem waste streams by converting organics into a clean-burning fuel gas, and immobilizing inorganics in a non-leachable vitreous slag. Sands Management Systems Division provides both the latest in hand-held parking ticket issuance units and a complete parking management system. The SHARK is a ticket issuance and management tool designed to increase accuracy and efficiency, and to maximize revenue. SPARK , the Sands Parking System for Windows©, is the first fully functional ORACLE /Windows©-based parking management system, and is also a total system providing streamlined processing of: Payments, Citations, Collections and History, Appeals Adjudication, Employee Check-in/out and Permit Management, Hand-Held (SHARK) interface, Motor Vehicle Interface and many others.

VRI has recently been included among the Fast 50 in the Northern Virginia Regional Technology Fast 50 competition. This qualifies VRI for nomination to the National Technology Fast 500. This award is in recognition that in a region where phenomenal growth is the norm, VRI is recognized for outstanding accomplishment. The US Chamber of Commerce chose VRI in 1991 as one of the four "Blue Chip Enterprises" from Virginia. This award was given for being one of four small businesses in Virginia to effectively use resources to overcome adversity and emerge stronger. The US Small Business Administration in 1991

awarded VRI its "Award for Excellence" for recognition of outstanding contribution and service to the Nation by a small business in satisfying the needs of the Federal Procurement System. Also in 1991, VRI's President and CEO, Mel Chaskin, received the US Small Business Administration's "Small Business Person of the Year Award" for the Washington, DC, Metropolitan area. In 1989, VRI placed #276 in Inc.© Magazine's 500 fastest growing companies in the US. VRI was chosen in 1989 as one of the "Mid-Atlantic Technology Fast 50" by Washington Technology Magazine. ♦

DATABASE UPDATE

The BMDO Small and Disadvantaged Business Utilization (SADBU) Office requests that small businesses notify them about organizational changes, so that the BMDO small business database will reflect an accurate profile of the firms' capabilities. The database is continuously updated and is used as a source for matching company capabilities with BMDO technical requirements. It is also used as a basis for the mailing list for *The SADBU Update*, a quarterly newsletter. If your firm has had organizational changes, please request a database form to complete and return. You may also download the form from the BMDO SADBU Home page on the internet at **http://www.acq.osd.mil/bmdo/ bmdolink/html/sadbu.html**

For those firms that are not currently in the BMDO small business database, please contact the SADBU office for a database form. A small business packet which contains useful information about contracting opportunities is also available for firms interested in doing business with BMDO. To obtain this information, you may contact Janet Farrow at janet.farrow@bmdo.osd.mil or call (703) 693-6634. ♦

Electronic Commerce – Where are we? Where are we going?

Submitted by Suzanne Borgo,
Director, Education & Training –
Fairfax ECRC

The Fairfax Electronic Commerce Resource Center (ECRC) is one of 17 centers funded by the DOD to help small businesses implement electronic commerce (EC) technologies and practices. We conduct training programs and help individual businesses implement EC. Our services are free or minimal cost. Here's a brief 5-step strategy to get you started with EC:

STEP 1: Implement Electronic Funds Transfer (EFT)

The Debt Collection Improvement Act requires that all federal payments except IRS be made electronically by January 1, 1999. If you are not set up for EFT, contact your bank. DOD is collecting EFT information in conjunction with the Central Contractor Registration (CCR) process. Other federal agencies may request your EFT information in another format. In addition to receiving EFT deposits, you will need to receive information about what you are being paid for. Your bank will be receiving this "remittance" information via an EDI transaction. Talk with your bank about the most cost effective way you can find out which invoices are included with each EFT deposit. If there is a charge, you may want to compare costs at other financial institutions.

STEP 2: Register in the Central Contractor Registration (CCR)

All DOD contractors must register in the Central Contractor Registration (CCR) database. On June 1, DOD contract offices began verifying CCR registration before awarding any new

Legislation/Regulation Update

Small Business Size Standards

The Small Business Administration proposed changes to the size standards under three Standard Industrial Classification (SIC) Codes. The size standard would increase the average annual receipts for general Engineering Services (part of 8711) to $7.5 million, Architectural Services (8712) to $5.0 million, and Surveying and Mapping Services (8713 and part of 7389) to $3.5 million. The public comment period ended May 6, 1998. It is anticipated that the final rule will be published in the *Federal Register* in the late summer or early fall of 1998.

Contract Bundling

Sections 411-417 of the Small Business Reauthorization Act of 1997 define bundled contracts and require written justification before contract requirements can be bundled. The Federal Acquisition Regulation coverage which will implement these sections is on hold pending appropriate changes by the Small Business Administration to Title 13 of the Code of Federal Regulations.

Changes to the 8(a) Program

The Small Business Administration's (SBA's) final rule that made changes to Parts 121, 124 and 134 of Title 13 of the Code of Federal Regulations was published in the *Federal Register* on June 30, 1998. One of the many changes made in this final rule was the change in the 8 (a) Program name from the Minority Small Business and Capital Ownership Development program to the SBA 8 (a) Business Development Program (8 (a) BD Program). The changes also include revisions to give non-minorities a better chance of getting into the 8 (a) BD Program. A copy of the final rule can be accessed on the Internet at http://www.access.gpo.gov/su_docs/fedreg/a980630c.html (click on SBA text).

Subcontractor Protection Act (HR 3701)

This bill was introduced to the House of Representatives by Rep. Al Wynn (D-MD) on April 21, 1998. It amends Section 8(d) of the Small Business Act (15 USC 637(d)) to provide a penalty for the failure by a Federal contractor to subcontract with small businesses as described in its subcontracting plan. The bill also requires prime contractors to provide written justification to the agency whenever it does not enter into a contract with a firm listed on its subcontracting plan or substitutes another firm.

The bill was referred to the House Committee on Small Business on April 21, 1998. It has received no floor action to date. ♦

Electronic Commerce

(Cont'd from Page 8)

contracts. You can register on the Internet at http://ccr.edi.disa.mil/, by fax, or by mail. The registration process is simple. You need to provide basic business information and your EFT information. If you need help with any items, call the Fairfax ECRC at 703-691-1507.

STEP 3: Accept Credit Cards

For purchases under $2,500, the federal government can buy directly from any source. Government credit cards (called IMPAC Cards) are used to make nearly all of these purchases. The DOD has a goal that at least 90% of its purchases under $2,500 will be made by credit card by the year 2000. Most DOD organizations already exceed the goal and many require their buyers to justify <u>not</u> using a credit card. If you sell products or services under $2,500 to the federal government, you will want to accept credit cards.

The price of processing credit card transactions varies considerably from bank to bank. Do some comparative shopping. The federal government also has a new credit card contract starting in November 1998 that will expand competition in the financial community and should reduce fees for accepting credit cards to the small business community.

Step 4: Implement EDI

Did you know that 75% of all computer entry comes from other computer applications? And that there are 10 typing errors for every 1000 characters keyed? Electronic Data Interchange (EDI) eliminates the manual reentry by enabling two dissimilar computer systems to exchange business information directly using a standard data format.

EDI has been central to the federal government's electronic commerce strategy since 1994. Your bank can send you information about an EFT payment using EDI. You can also exchange a wide variety of other business documents (Requests for Quotations, purchase orders, invoices, shipping notices, etc.) with your suppliers and your customers using EDI. If implemented correctly, EDI can save time, paper, and money.

EDI has proven a good business investment for many firms. The Fairfax ECRC offers several courses on EDI and can help you decide if and when to implement EDI depending on your business case.

Step 5: Exploit the Internet

Experts now estimate that by the year 2000 more than 160 million people will be on the Internet and online consumer sales will exceed $20 billion. The first wave of business on the Web has focused on consumer products – books, automobiles, flowers, airline tickets. A second wave will support business-to-business transactions using tools like Web-enabled EDI. Most of us use the Internet to "surf" and exchange email messages. Some of us have actually taken the plunge and made an online purchase. Businesses are swiftly moving to establish online catalogs. Depending on the nature of

your business, you will want to explore: (1) using Internet resources, (2) establishing an Internet presence, and (3) doing business over the Web.

Using Internet resources requires searching and sorting efficiently. If you are looking for federal procurement opportunities, check out the online Commerce Business Daily (CBD) at http://cbdnet.access.gpo.gov or the federal acquisition jumpstation at http://nais.nasa.gov/fedproc/home.html. For information on electronic commerce, start with the new DOD Joint Electronic Commerce Program Office (JECPO) at **http://www.acq.osd.mil/ec** or our website at **http://www.fecrc.com**.

You may want to establish a website either to highlight your firm's products or as the first step in creating an online catalog. Consider whether to host the site yourself, whether you need a company-specific domain name, how to address security issues, whether you want to keep track of the traffic on your site, and most importantly how you will use the site.

Finally, you may be ready to establish an online business. The DOD is currently consolidating its existing online catalogs under the new DOD EMALL and is actively looking for manufacturers or distributors of commercial products who would like to offer their products on the EMALL To learn more about these solicitations, check out our website (**http://www.fecrc.com**) under "Electronic Catalogs."

Not all of these "steps" may be suitable for your business. However, there is no question that doing business electronically is here to stay and will have a dramatic effect on how we shop, how we sell, and how we exchange information for the foreseeable future. The Fairfax ECRC would be happy to help as you traverse these exciting electronic paths. ♦

Procurement Technical Assistance Program (PTAP) Business Development
Submitted by Victor Zeng, Marketing Director, PTAP George Washington University

So, What Is a Procurement Technical Assistance Center (PTAC)?

From paper clips to smart ships, lawn-cutting services to complex scientific research, the federal government buys $200 billion in goods and services each year from American businesses. Successfully navigating the procurement process can be a daunting challenge for even the largest of government contractors.

How can the small business crack the code and sell their products and services to the federal customer? One highly successful answer: Procurement Technical Assistance Centers.

Under the direction and oversight of the Defense Logistics Agency (DLA), small business entrepreneurs can turn to a national network of 116 Procurement Technical Assistance Center locations for help. Centers are co-funded by the DLA and state or local governments or non-profit organizations.

The Procurement Technical Assistance (PTA) Cooperative Agreement Program was established by Congress through the 1985 DoD Authorization Act. This Department of Defense initiative was designed to assist state and local governments, and non-profit organizations establish or maintain procurement assistance for small businesses interested in selling their goods and services to the DoD. In 1991, the PTA program was extended to Federal civilian agencies.

What Does GMU PTAP Do?

The Procurement Technical Assistance Program (PTAP) at George Mason University's Entrepreneurship Center is one of the premier services in the PTA network. As a not-for-profit organization funded by the Defense Logistics Agency and George Mason University, PTAP's mission is to increase contracting activity between small businesses, prime government contractors and the government. We achieve this goal by offering marketing, counseling and educational services to businesses in the nine county area of Northern Virginia and other greater Washington metropolitan area.

- Our staff and volunteer counselors advise small business entrepreneurs on various aspects of government business development, from the fundamentals of marketing and responding to Requests For Proposals, to assistance with government regulations, and the use of technology in government business development.

- Market research assistance uses Internet and multi-media services to help businesses identify areas to focus the business development activities. PTAP also offers client companies a computerized Bid Matching Service (BMS) which uses an automated keyword search against a number of databases that help identify bid opportunities.

- Prime contractors and government agencies can take advantage of PTAP's Small Business Tracking System (SBTS) to find small business teaming partners, subcontractor or contractors who are 8(a), Small Disadvantaged Businesses, woman-owned companies or other small businesses with requisite capabilities.

- Outreach events and seminars and a host of procurement topics offered by PTAP can be seen at PTAP's Home Page (**http://www.gmu.edu/gmu/PTAP**). You may also call (703) 277-7750 to receive an information package. ♦

NOTE THIS

Direct Award of 8(a) Contracts

On May 6, 1998, the Department of Defense (DoD) and the Small Business Administration (SBA) signed a Memorandum Of Understanding (MOU), that authorizes DoD to award contracts directly to 8(a) firms and establishes procedures for 8(a) purchase order awards under the simplified acquisition threshold. The MOU was published on June 19, 1998 in the *Federal Register*, requesting comments on the interim rule. Comments were due on or before August 18, 1998. The final rule is pending the review and evaluation of the comments, however the change was effective June 19, 1998. ♦

Internet News
Some Useful Internet Addresses

Web Site Highlight

To contribute to the economic success of Women-Owned Small Business (WOSB), the Department of Defense developed the Women-Owned Small Business Program and created the new WOSB web site, which went on-line in May 1998. This site has information on the WOSB Program, procurement information and opportunities, DoD Points of Contact, and other WOSB resources. This web site may be accessed at: **http://www.acq.osd.mil/sadbu/wosb/**

Other Useful Web Sites:

- The Commerce Department's Information Services Web Site - This site provides statistical, economic and demographic information - **http://www.doc.gov/bureaus/info.htm**

- The Small Business Administration's Most Frequently asked Questions about the 8 (a) Program web site address is: **http://www.sba.gov/gopher/minority-small-business/8aquest.html**

- The Electronic Commerce Resource Center Program is the responsibility of the Defense Logistics Agency. This site is an excellent online resource for electronic commerce information - **http://www.ecrc.ctc.com/**

- The online Women's Business Center provides information to assist women owned firms in all stages of development - **http://www.onlinewbc.org/**

- Defense Supply Services - Washington (DSSW) - Provides all Department of Defense agencies and military departments in the National Capital Region a full range of administrative contracting support, plus complete service for the acquisition, disposal, warehousing, and distribution of supplies - **http://www.hqda.army.mil/dssw/**

- The purpose of the Central Contractor Registration (CCR) online process is to facilitate registration by a commercial company as a Trading Partner with the Department of Defense - **http://ccr.edi.disa.mil/**

- The BMDO Home Page address is: **http://www.acq.osd.mil/bmdo/**

- The BMDO Small and Disadvantaged Business Utilization Home Page address is: **http://www.acq.osd.mil/bmdo/bmdolink/html/sadbu.html**

- The BMDO Acquisition Reporting Bulletin Board address is: **http://www.acq.osd.mil/bmdo/barbb/barbb.htm**

- The BMDO Chief Information Officer's Home Page address is: **http://www.acq.osd.mil/bmdo/ciomod/**

- The BMD Technical Information Center address is: **http://www.acq.osd.mil/bmdo/bmdolink/html/tic.html**

- The Defense Technical Information Center is the central Department of Defense facility for providing access to and facilitating the exchange of scientific and technical information. - **http://www.dtic.mil/**

- The Procurement Technical Assistance Centers (PTACs) provide assistance to business firms that want to sell goods and/or services to Federal, state and local governments - **http://www.dla.mil/ddas/procurem.htm**

- Defense Acquisition Deskbook provides the most current acquisition policy for all DoD services and agencies - **http://www.deskbook.osd.mil/**

- Federal Acquisition Jumpstation provides links to federal acquisitions on the Internet - **http://nais.nasa.gov/fedproc/home.html**

CALENDAR OF EVENTS

SEPTEMBER EVENTS

(MED) Week '98 National Conference
September 20-23, 1998
Minority Enterprise Development/SBA
Marriott Wardman Park Hotel
Washington, DC
For information contact:
Ms. Tia Williams at (202) 205-7352

OCTOBER EVENTS

Seminar - Introduction to Contracting with the Federal Government
October 19, 1998
Procurement Technical Assistance Program
George Mason University - Entrepreneurship Center
Fairfax, VA
For information contact:
Ms. Dana Slaughter at (703) 277-7750

The Eastern Regional Procurement Opportunity Fair
October 29, 1998
Fort Hamilton
Brooklyn, NY
For information contact:
Mr. Frank Larkins at (610) 239-6222

NOVEMBER EVENTS

DoD Regional Council Luncheon
November 3, 1998
Crystal City Sheraton
For information contact:
Wendi Smith at (202) 267-2499

Small Business Innovation Research (SBIR) National Conference
November 3-5, 1998
Hynes Convention Center
Boston, MA
For information contact:
SBIR Conference Center
Phone: (306) 683-5742
Fax: (306) 683-5391

Seminar - Hands on Internet for Government Contractors
November 17, 1998
Procurement Technical Assistance Program
George Mason University - Entrepreneurship Center
Fairfax, VA
For information contact:
Ms. Dana Slaughter at (703) 277-7750

DECEMBER EVENTS

Seminar - Government Proposal, Pricing, and Accounting
December 2, 1998
Procurement Technical Assistance Program
George Mason University - Entrepreneurship Center
Fairfax, VA
For information contact:
Ms. Dana Slaughter at (703) 277-7750