



MISSILE DEFENSE AGENCY SADBU



UPDATE

A Quarterly Newsletter for Small Businesses

VOLUME VIII – NUMBER II

SMALL AND DISADVANTAGED BUSINESS UTILIZATION

September 2003

Swales Aerospace

A Small Business Success Story



Tom Wilson, Sr.
Chief Executive Officer

The Safety, Quality and Mission Assurance Directorate (QS) was established 22 April 2002. QS provides the guiding vision and direction necessary to achieve an overarching quality and safety program in MDA. In keeping with General Kadish's policy to "pursue quality ruthlessly," the Director of QS, Mr. Randy Stone, contracted with Swales Aerospace.

Swales Aerospace, an employee-owned small business founded in 1978, has a 25-year history of providing aerospace engineering services to NASA, DoD, and commercial space customers. The company is headquartered in Beltsville, Maryland, and employs more than 900 aerospace professionals in offices in Maryland, Virginia, California, Florida, and Texas. The company posted annual revenues of \$157 million during 2002. In the last six years, Swales has become a provider of full-service solutions for small satellite missions and provides a

broad range of structural and thermal management systems and flight hardware for the global satellite industry.

Swales provides a full range of engineering services relevant to the study, design, development, fabrication, integration, testing, verification, and operations of spaceflight and ground system hardware and software. Swales has performed or supported concept definition, feasibility, preliminary and detailed trade studies, and studies and analyses across the whole project life cycle, both in specific disciplines and at the systems engineering levels.

Swales is the winner of the Goddard Contractor Excellence Award for 2000. Recent examples of projects to which Swales provided significant engineering services include: HST Servicing Missions, NGST, GOES, POES, Terra (EOS-AM), Aqua (EOS-PM), Aura (EOS-Chem), XTE, TRMM, Landsat, MAP, Triana, WindSat, Clementine II, Cassini, Mars 2001/2003, and dozens of science instruments and Shuttle Small Payloads. Swales also provides engineering support in aerodynamics/aerothermodynamics and aviation flight systems development. Swales uses state-of-the-art CAD/CAE/CAM capabilities and facilities to perform

New and Recent Contracts

On 11 April 2003, Computer Science Corporation was awarded a contract, valued at \$2,104,135, to provide SETA Program Planning support for MDA/QS (Safety, Quality, and Mission Assurance Directorate). This contract has a 12-month base period with no options and ends on 10 April 2004.

On 3 March 2003, Georgia Tech Research Corporation, Georgia Institute of Technology was awarded a cooperative agreement, value undetermined, in support of MDA programs in Ballistic Missile Defense for research in broad categories of applied advanced science and technology research. This agreement has a 5-year base period with no options and ends on 2 March 2008.

On 26 February 2003, Computer Sciences Corporation was awarded a

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Director's Message



Stephen M. Moss
Director/SADBU

Since the inception of the Missile Defense Agency (MDA) one of its primary goals has been to include small businesses in the procurement process. The MDA Office of Small and Disadvantaged Business Utilization (OSDBU) created and has maintained a database of over 600 small businesses that have expressed an interest in doing business with MDA. The information in the database is used to augment our efforts to assist the various directorates within MDA in reviewing small businesses that have the capabilities to perform successfully on their procurements. We are committed to ensuring that the interests of small businesses are included in every procurement decision at MDA. On August 1, 2003, Lt. General Ronald T. Kadish, Director, MDA reemphasized the importance of that commitment in a memo to all of MDA's Directorates.

The memo reemphasizes four strategies used by the MDA OSDBU to assist the directorates in meeting the congressionally mandated small business goals at MDA. The strategies are:

- 1) Educate the program managers on the use of small businesses,
- 2) Assist the Contracting Deputate to solicit the small business community before making any requirement eligible for full and open competition,
- 3) In conjunction with the Contracting Deputate, review all contracts that are being performed by large businesses that require less than 100 man-year-equivalents to determine if small businesses can provide the level or type of support required when the contract is completed or at the earliest possible time and,
- 4) When conducting evaluations and before placing a GSA schedule order, ensure that ordering offices consider one or more small businesses that are either small disadvantaged business, women-owned small business, service disabled veteran-owned small business, and HUB Zone small business.

While these strategies are not new to MDA, we are aggressively reemphasizing their use in the procurement process. We are reviewing current MDA policies and procedures to ensure that they are supportive of our mission, and we are increasing our presence in the organizations that serve the small business community. As Director of OSDBU at MDA, you have my personal commitment that my staff and I will use every available mechanism to meet or exceed MDA's assigned goals for small businesses. ♦

Small Business Database Update

The MDA Small and Disadvantaged Business Utilization (SADBU) Office maintains a small business database that is used as a source for matching appropriate small businesses with MDA technical requirements and as a mailing list for the quarterly newsletter, *The SADBU Update*. To keep this database current, small businesses that have previously submitted database forms are reminded to provide this office with updated information regarding organizational changes, new address/telephone/e-mail notifications, changes in points of contact, etc. If your company needs to update information, we ask that you either contact the SADBU Office or submit an updated small business database application, which can be accessed and downloaded by visiting the MDA/SADBU Web site at <http://www.acq.osd.mil/bmdo/bmdolink/html/sadbu.html>. Firms not currently listed in our database are invited to download and submit the application as indicated.

For the application or any other information, you may also contact one of the following: Mr. Stephen Moss, Director of the SADBU Office, at stephen.moss@mda.osd.mil; Mr. Raymond Lambert, at raymond.lambert@mda.osd.mil; Dr. Pravat Choudhury, at pravat.choudhury@mda.osd.mil; or Ms. Christina Ashton at christina.ashton-contractor@mda.osd.mil. Please fill in the database application (hard copy) and mail or fax it to the MDA/SADBU office along with your company's capability statement. ♦



We Shall Never Forget...

Department of Defense News . . .

Fiscal Year 2004 DEPSCoR BAA Announced

The Department of Defense (DoD) has announced the fiscal year 2004 Department of Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) Broad Agency Announcement. Submissions are due by 4:00 p.m., October 31, 2003 and award announcements are expected on or about February 20, 2004. The program is executed under the Office of the Deputy Under Secretary of Defense for Laboratories and Basic Sciences and administered through the Army Research Office, Office of Naval Research, and Air Force Office of Scientific Research with the cooperation of the Experimental Program to Stimulate Competitive Research (EPSCoR) State Committees. The DoD plans to award fiscal year 2004 DEPSCoR appropriations through ARO Broad Agency Announcement DAAD19-03-R-0010.

DEPSCoR's objectives are to: (1) enhance the capabilities of institutions of higher education ("universities") in eligible States to develop, plan, and execute science and engineering research that is competitive under the peer review systems used for awarding Federal research assistance; and (2) increase the probability of long term growth in the competitively awarded financial assistance that universities in eligible States receive from the Federal Government for science and engineering research. For more information, see the full announcement at: http://www.onr.navy.mil/sci_tech/industrial/docs/depacor_2004/depacor_04.doc.



The Policy states that UID will be a mandatory DoD requirement on all solicitations issued on or after January 1, 2004. An item will be uniquely identified if: (1) the acquisition cost is \$5,000 or more, (2) it is either a serially managed, mission essential or controlled inventory piece of equipment or a repairable item, or a consumable item or material where permanent identification is required, (3) it is a component of a delivered item, if the program manager has determined that unique identification is required, or (4) a UID or a DoD-recognized UID equivalent is available. For more information, go to <http://www.acq.osd.mil/uid>.

DURIP Awards Announced

The Department of Defense's Defense University Instrumentation Program (DURIP) announced plans to award \$27 million to academic institutions to support the purchase of research instrumentation. 125 awards to 75 academic institutions, ranging from \$50,000 to \$665,000 are the result of a merit competition for DURIP funding conducted by four research offices: the Army Research Office, Office of Naval Research, Air Force Office of Scientific Research, and the Advanced Systems Office of the Missile Defense Agency.

DURIP supports the purchase of state-of-the-art equipment that augments current university capabilities or develops new university capabilities to perform cutting-edge defense research. 949 proposals were received in response to the competition. A complete list of the winning proposers may be viewed at <http://www.defenselink.mil/news/Feb2003/d20030307durip.pdf>. ♦

Policy for Unique Identification (UID) of Tangible Items Announced

On July 29, 2003, the Department of Defense (DoD) announced a new policy for the unique identification of items that are purchased by the Department. The Acting Under Secretary of Defense (Acquisition, Technology and Logistics), Michael Wynne, signed the "Policy for Unique Identification (UID) of Tangible Items – New Equipment, Major Modifications, and Re procurements of Equipment and Spares" which is intended to allow the DoD to consistently capture the value of items it buys, control these items during their use and combat the counterfeiting of parts. Unique identification – also known as UID – will enhance logistics, contracting and financial business transactions supporting U.S. and coalition troops.

PROCUREMENT OPPORTUNITIES

Visit the MDA Business Acquisition Reporting Bulletin Board (BARBB) on the Internet

<http://www.acq.osd.mil/bmdo/barbb/barbb.htm>



Legislation/Regulation Update



Federal Acquisition Regulations

Federal Acquisition Circular 2001-15 was issued July 24, 2003

Final Rule

Item I-Elimination of Standard Form I 129, Solicitation Mailing List I Application (FAR Case 2001-032)
FAC 2001-15 amends the FAR as specified below:

This final rule removes the requirement for contracting offices to establish and maintain manual solicitation mailing lists and the need to use the Standard Form (SF) 129, Solicitation Mailing List Application. The purpose of the rule is to broaden use and reliance on e-business applications. It is expected that this rule will eliminate, in part, the need for contracting offices to maintain paper-based sources of contractor information.

Defense Federal Acquisition Regulation Supplement (DFARS)



Interim Rule

Multiyear Contracting Authority Revisions (DFARS Case 2002-D041)

Restricts the use of multiyear contracts for supplies to only those for complete and usable end items, and restricts the use of advance procurement to only those long-lead items necessary in order to meet a planned delivery schedule for complete major end items. This change implements Section 820 of the National Defense Authorization Act for Fiscal Year 2003.

FINAL Rule

Buy-to-Budget Acquisition of End Items (DFARS Case 2002-D036) (Interim Rule)

Authorizes DoD to acquire a higher quantity of an end item than the quantity specified in a law providing for the funding of the acquisition, if the head of the agency determines that (1) the requirement for the end item is expected to remain substantially unchanged throughout the period of the acquisition; (2) it is possible to acquire the higher quantity of the end item without additional funding because of production efficiencies or other cost reductions; (3) the

amount of funds used to acquire the higher quantity will not exceed the amount provided under the law; and (4) the amount provided under the law is sufficient to ensure that each unit of the higher quantity is fully funded as a complete end item. This change implements Section 801 of the National Defense Authorization Act for Fiscal Year 2003.

Affected subparts/sections: DFARS Table of Contents; Part 207 Table of Contents; 207.70. ♦

Swales Aerospace *(cont'd from page 1)*



preliminary and detailed design and multidisciplinary analysis. Recent large system developments performed in-house by Swales included the EO-1 spacecraft design, development and integration, and the FUSE Instrument design and integration.

Swales was selected by NASA to build five micro-satellites in support of its next Medium-Class Explorer Mission called the Time History of Events and Macroscale Interactions during Substorms (THEMIS). The 2007 mission is expected to provide answers to critical questions about the magnetosphere area and related space weather.

In January 2002, Swales established a National Security Programs (NSP) business unit to leverage its capabilities as a non-traditional military and intelligence provider. The NSP business unit is present within MDA. In April 2003, Swales was awarded a 12-month contract to support the newly formed QS. Swales and its subcontractors will provide important work for MDA and the QS Directorate in support of its program elements in the areas of Safety, Quality Assurance, Mission Assurance, and Mission Assurance Integration, both on-site and at a MDA field location. As part of an effort to promote agency-wide consistency across the MDA program elements, Swales is assisting the QS organization in Mission Assurance engineering, taking the lead in MA review of SM3 program, and MA helpers to the Kinetic Interceptors (KI) program.

Swales is an integral part of the MDA/QS team and is committed to provide continued engineering services for MDA and the QS Directorate. ♦

Note this...

GSA's New Fee Structure

The General Services Administration's (GSA) Federal Supply Service (FSS) is changing its Industrial Funding Fee, effective January 1, 2004. GSA intends to lower the fee to 0.75 percent of sales. Currently the fee is 1 percent. The fee constitutes a portion of contractor prices for goods and services purchased by agencies through FSS multiple-award schedule contracts. The fee is paid to GSA by the customer through the schedule contractor to create a fund that is used to operate the FSS program.



Federal OSDBU Directors Interagency Council Offers Best Practice List for OSDBUs and Small Businesses

The Federal Office of Small and Disadvantaged Business Utilization Directors Interagency council released a model code of expectations for OSDBUs and small businesses. The Council is the principle collective forum for the dissemination of information and the exchange of ideas relative to ensuring that small businesses are an integral part of the competitive business base from which the Federal Government purchases goods and services.

Small Businesses can expect that the OSDBU will:

- Make very clear up front the depth and breadth of the services that can be expected from the OSDBU;
- Be exceptionally candid as to whether the capabilities of the small business match the agency's needs, and, if not, direct them to the appropriate OSDBU or prime contractor Small Business Liaison Officer (SBLO), preferably with a personal introduction;
- Explain the relevant laws enacted for their benefit, i.e., small business set-asides, 8(a) set-asides, HUB Zone set-asides, subcontracting goals, and illustrate how the small business can use them to maximize contract and subcontract opportunities;
- Put them in contact with the appropriate project/technical managers, end users, or any other relevant personnel, assuming the small business is selling what the OSDBU's agency is buying;
- Inform small businesses with all up-to-date information in light of the ever-changing procurement legislation and implementing regulations that impact small business;



- Be a "marketing consultant," "information broker," and facilitator to the small business, e.g., inform it of any special unwritten and cultural nuances or procedures at the OSDBU's agency and its buying activities that will improve the small business' chances of winning a contract;
- Make very clear that certification as an 8(a), small disadvantaged business, HUB Zone contractor, service disabled veteran does not create an entitlement to a contract or a guarantee for one in the future;
- Stress that understanding the agency's procurement process, engaging in strong marketing, and competing for work, even sole source work, is critical to enhancing one's prospects of obtaining a contract;
- Ensure a professionally conducted meeting with time parameters and expectations set in advance;
- Summarize the agency's contracting opportunities at its various contracting activities and field installations for the small business' specific area of business or make referrals to those places where the small business can go to obtain such knowledge;
- Demonstrate, if necessary, how to navigate within the agency's host website and highlight the most useful sites and links;
- Offer follow-up due date for responding to questions for which the OSDBU counselor does not have an immediate answer;
- Impart knowledge about the "market" (what the OSDBU's agency buys), the decision makers (agency key players) and the competitive environment at the agency (who the incumbents are, what service needs are growing, which are declining, where the future strategic, long term opportunities are, etc.);
- Not give false hope, vague or generic information, such as stating how many millions or billions of dollars the agency spends on goods and services with no explanation as to how the small business can reasonably expect to fit into the agency's procurement structure or system;
- Treat all small businesses the same under like circumstances when providing pertinent procurement information and not show special preference to a network of friends or acquaintances;



MDA NEWS

On July 14, 2003 the MDA Contracting Deputate reorganized to meet the growing needs of the Agency. The new organization is structured to enhance business communications and responsiveness in support of fielding and continuously improving a Ballistic Missile Defense System (BMDS). Servicing the small and large business concerns is the Directorate for Contract Support Services (CTS), which is responsible for the centralized procurement of MDA contractor work force augmentation efforts. In this capacity, MDA/CTS acquires services, infrastructure, and unique expertise support. MDA/CTS executes support services contracts and business agreements on behalf of over thirty MDA staff/line directorates, and is responsible for planning, solicitation, proposal evaluation, negotiation, award, and administration actions. The Director of CTS is Mr. John "Barry" Richardson. ♦

Note This...

(cont'd from page 5)

- Provide information on the agency's latest acquisition-related initiatives and agency-unique programs that will, or were designed to, increase the chances of a small business to obtain a contract or subcontract, e.g. discuss agency's mentor protégé program, if applicable.

The OSDBU can expect that the small business will:

- Have done preliminary research on the agency's web site and other sources of information to determine what their mission is and whether it buys what the small business sells;
- Be focused in developing discussion in its area of expertise based on requirements;
- Be cognizant that time and schedule does not prolong the discussion past the time set for the meeting;
- Make a case as to why an agency should use its firm over other small businesses that perform the same type of work or provide the same products;
- Not develop unrealistic expectations based upon the meeting;
- Be aware that the OSDBU is not the end user and does not need to hear the entire technical marketing presentation;
- Follow the recommended avenues of opportunity outlined by the OSDBU that the firm determines are consistent with its best interests;

- Understand that various small business certifications, i.e., 8(a), SDB, HUB Zone, women owned small businesses, service disabled veterans, are secondary to a small business' ability to emphasize its high quality products or services, on time delivery, and best value;
- Understand that from an ethical and legal standpoint an OSDBU CANNOT:
 - Promise anyone a contract
 - Provide government-proprietary information
 - Share third party proprietary information provided to him/her by other small businesses
 - *Direct* large contractors to provide jobs (employment or subcontracting) to a particular small business
 - Help small businesses write/review proposals to be submitted to the OSDBU's agency or any other government agency
 - Act in a manner that is tantamount to acting as an agent of the small business
 - Aid or abet the small business in preparation of a protest against the OSDBU's agency
 - Lobby source selection officials to select a specific small business
 - Advocate purchase of goods and services that the government does not need or want
 - Help to create false expectations on the part of small businesses of nonexistent contracting opportunities
 - Supersede the authority of the contracting officer
 - Show improper favoritism to some small businesses at the expense of others
 - Encourage or accept gratuities ♦



New Contract Awards...

(cont'd from page 1)

contract, valued at \$10,023,020 for services in support of MDA/PI Integrated SETA to define and integrate the operations of the Program Integration (PI) contractor support staff, implementing an integrated program planning and control process. This contract has a 12-month base period with no options and ends on 26 February 2004. ♦



SBA News...

Nation's Economy Driven by Small Business

Create 75 Percent of New Jobs According to Latest Statistics

The following is excerpted from a press release dated August 18, 2003

WASHINGTON, D.C. - Small business drives the nation's economy, according to a new report released today by the Office of Advocacy. The report reveals that over 99 percent of all American businesses are small, they create 75 percent of the net new jobs, and they employ over half of the nation's non-farm private employees.

"Main Street is where America goes to work," said Thomas M. Sullivan, Chief Counsel for Advocacy. "Small businesses are driving our economy and creating jobs. President Bush understands the importance of entrepreneurial enterprise, that's why his economic program promotes small business growth. I hope this report helps other policy makers recognize the key role that small business plays in our economy," he concluded.

The report, *2003 State Small Business Profiles*, uses the latest federal government statistics to show the importance of small business to each state and the nation. The 2003 edition includes available statistical data for Puerto Rico and the U.S. territories as well.

Citing a variety of sources, the report shows how small business dominates several sectors of the American economy such as construction; professional, scientific, and technical services; and health care and social assistance.

For more information and a profile of each state and territory, visit the Office of Advocacy website at <http://www.sba.gov/advo/>.

Sharp Increase in SBA-Backed Loans Fuels Small Business Job Growth Through 2003's Third Quarter

The following is excerpted from a press release dated July 11, 2003.

WASHINGTON – The number of small businesses receiving loans backed by the U.S. Small Business Administration in the first three quarters of FY 2003 is up by almost 36 percent over the same date a year ago, with sharp increases in loans to minorities, women and veterans.

Based on statements made by the borrowers, the loans made so far in FY 2003 have financed the creation or retention of more than 411,000 jobs.

"These sustained increases in SBA loan-making this year shows our commitment to meeting the unique financing needs of American small businesses and validates our approach to make that assistance more readily available to them," said SBA Administrator Hector V. Barreto. "It proves that our outreach efforts have been highly effective, and it shows how these loans are working to build the economy through job creation."

The overall increase in loan approvals under the agency's two major loan programs, the 7(a) General Business Loan Guaranty program and the Certified Development Company (or 504) loan program, came to 35.7 percent, reflecting an increase from 38,648 loans during the first three quarters of FY 2002 to 52,435 loans during the same period this year. Strong increases were registered in both programs: 7(a) loans were up by 37 percent and 504 loans rose by 22 percent.

A substantial part of the increase in smaller loans is due to significant efforts by the agency to make it easier and faster for lenders to approve loans under \$250,000, thus making smaller commercial loans more widely available. <http://www.sba.gov/news/03-50.pdf>. ♦

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Internet News

Web Site Highlight

BusinessLaw.gov is an online resource guide designed to provide legal and regulatory information to America's small businesses. Because laws and regulations affect every aspect of business strategy, topics covered on the site range from the most basic and crucial, such as choosing a business structure, to the most complex and specialized such as e-commerce and exporting. For more information, visit www.businesslaw.gov.



Other Useful Web Sites:

- SCORE — the Service Corps of Retired Executives - is a nonprofit organization that provides small business counseling and training under a grant from the U.S. Small Business Administration (SBA). To access this site, go to: <http://www.score.org>
- The SBA site with the State Tax Homepages: <http://www.sba.gov/hotlist/statetaxhomepages.html>
- The FedBizOpps home page: <http://www.fedbizopps.gov>
- The MDA home page: <http://www.acq.osd.mil/bmdo/>
- The MDA Small and Disadvantaged Business Utilization home page: <http://www.acq.osd.mil/bmdo/bmdolink/html/sadbu.html>
- The MDA SBIR/STTR Program home page: <http://www.winbmdo.com/>
- The MDA Acquisition Reporting Bulletin Board: <http://www.acq.osd.mil/bmdo/barbb/barbb.htm>
- The MDA Library: <http://www.acq.osd.mil/bmdo/bmdolink/html/tic.html>
- The MDA Office of Technology Applications: <http://www.acq.osd.mil/bmdo/bmdolink/html/transfer.html>

CALENDAR OF EVENTS

- September 18** NASA Goddard 30th Annual Small Business Conference
Martin's Crosswinds
Greenbelt, MD 20770
http://www.nlightened.com/nasaconference/nasa_home.asp
- September 28-October 1** Minority Enterprises Development (MED) Week
Washington, DC
<http://www.medweek.gov/medweek2003/attendee/enter.asp>
- October 7** 15th Annual Navy Gold Coast Small Business Opportunity Conference
Ventura, CA 93001
(805) 643-6000
<http://www.goldcoastsboc/default.asp?p=0>
- October 27-30** The National Fall SBIR/STTR Conference
Cleveland, OH
(360) 683-5740
<http://www.sbirworld.com/conferences/eventDetails.asp?confId=873&fromPg=home>
- November 17-30** Defense Research & Engineering Conference and Exposition
Washington, DC
<http://www.rdexpo.com/rdexpo/V40/index.cvn?ID=10015>