MCSC OFFICE OF SMALL BUSINESS PROGRAMS (OSBP) PRESENTATION TO THE ATTENDEES OF THE NAVY GOLD COAST MCSC WORKSHOP

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13 AUGUST 2014
**MCSC Office of Small Business Programs (OSBP) Presentation to the Attendees of the Navy Gold Coast MCSC Workshop**

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5d. **PROJECT NUMBER**

5e. **TASK NUMBER**

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19a. **NAME OF RESPONSIBLE PERSON**
Marine Corps Systems Command (MCSC): Mission

• We’re the Commandant of the Marine Corps’ agents for acquisition and sustainment.
• We provide competency resources, policies and processes to PEOs and Program Management Offices.
• We field systems and equipment used by the Marine Corps and joint operating forces to accomplish their Warfighting mission.
• We manage the life cycle of MCSC acquired systems and equipment.

We will equip and sustain the Nation’s expeditionary “Force of Choice.”
Program Executive Officer Land Systems (PEO LS):

- PEO LS reports directly to the Assistant Secretary of the Navy for Research Development and Acquisition ASN (RDA).
- PEO LS meets the Warfighter's needs by devoting full-time attention to Major Marine Corps Weapon Systems acquisition, while partnering with Marine Corps Systems Command, in order to develop, deliver, and provide life-cycle planning for assigned programs.
- PEO LS’ integral relationship with Marine Corps Systems Command leverages infrastructure, competencies and technical authority.
- PEO LS Portfolio on the next slide.
Dr. Ashton B. Carter, former
Under Secretary of Defense for Acquisition, Technology, and Logistics
"Better Buying Power: Guidance for Obtaining Greater Efficiency and Productivity in Defense Spending"

**Guidance Roadmap**

**Target Affordability and Control Cost Growth**
- Mandate affordability as a requirement
  - At Milestone A set affordability target as a Key Performance Parameter
  - At Milestone B establish engineering trades showing how each key design feature affects the target cost

**Drive productivity growth through Will Cost/Should cost Management**
- Eliminate redundancy within warfighter portfolios
- Make production rates economical and hold them stable
- Set shorter program timelines and manage to them

**Incentivize Productivity & Innovation in Industry**
- Reward contractors for successful supply chain and indirect expense management
- Increase the use of FPIF contract type where appropriate using a 50/50 share line and 120 percent ceiling as a point of departure
- Adjust progress payments to incentivize performance
- Extend the Navy’s Preferred Supplier Program to a DoD-wide pilot

**Improve Tradecraft in Services Acquisition**
- Create a senior manager for acquisition of services in each component, following the Air Force’s example
- Adopt uniform taxonomy for different types of services
- Address causes of poor tradecraft in services acquisition
  - Assist users of services to define requirements and prevent creep via requirements templates
  - Assist users of services to conduct market research to support competition and pricing
  - Enhance competition by requiring more frequent re-compete of knowledge-based services
  - Limit the use of time and materials and award fee contracts for services
  - Require that services contracts exceeding $1B contain cost efficiency objectives

**Increase small business participation in providing services**

**Reduce Non-Productive Processes and Bureaucracy**
- Reduce the number of OSD-level reviews to those necessary to support major investment decisions or to uncover and respond to significant program execution issues
- Eliminate low-value-added statutory processes
- Reduce by half the volume and cost of internal and congressional reports
- Reduce non-value-added overhead imposed on industry
- Align DCMA and DCAA processes to ensure work is complementary
- Increase use of Forward Pricing Rate Recommendations (FPRRs) to reduce administrative costs

**Promote Real Competition**
- Present a competitive strategy at each program milestone
- Remove obstacles to competition
  - Allow reasonable time to bid
  - Require non-certified cost and pricing data on single offers
  - Require open system architectures and set rules for acquisition of technical data rights

**Reinvigorate industry’s independent research and development and protect the defense technology base.**

**Increase dynamic small business role in defense marketplace competition**
• SBIR (Small Business Innovation Research) and STTR (Small Business Technology Transfer) are congressionally mandated programs designed to:
  – Stimulate Innovation
  – Use Small business to meet Federal needs
  – Encourage participation of socially & economically disadvantage businesses
  – Encourage commercial use technology developed under this program
• SBIR/STTR Process
  – Up to 3 Calls for Solicitations per year
  – MCSC and PEO funding for this program is about $16M per year
  – Solicitations are posted on http://www.dodsbir.net
Learn More About USMC Science and Technology Needs

- Office of Naval Research [www.onr.navy.mil](http://www.onr.navy.mil)
- USMC Strategic Plan [www.onr.navy.mil](http://www.onr.navy.mil)
- MCSC and PEO Science and Technology Office [www.marcorsyscom.usmc.mil](http://www.marcorsyscom.usmc.mil)
MCSC AWARDED THE FY 2013 DON SECRETARY’ S CUP

<table>
<thead>
<tr>
<th>Small Business Category</th>
<th>FY 2012 Navy Target Percentage</th>
<th>FY 2013 Navy Target Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business</td>
<td>15.75%</td>
<td>18.00%</td>
</tr>
<tr>
<td>SDB</td>
<td>5.00%</td>
<td>5.50%</td>
</tr>
<tr>
<td>VOSB *</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
<tr>
<td>SDVOSB</td>
<td>0.75%</td>
<td>2.00%</td>
</tr>
<tr>
<td>WOSB</td>
<td>2.10%</td>
<td>2.15%</td>
</tr>
<tr>
<td>HUBZone</td>
<td>2.05%</td>
<td>2.30%</td>
</tr>
</tbody>
</table>

* The Command does not have a specific target for VOSB.
MCSC & PEO LS Exceeded all of its Small Business Targets for FY 2013

<table>
<thead>
<tr>
<th>Small Business Category</th>
<th>FY 13 Target</th>
<th>FY 13 Achievement</th>
<th>% Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business</td>
<td>18.00%</td>
<td>29.93%</td>
<td>+11.93%</td>
</tr>
<tr>
<td>SDB</td>
<td>5.50%</td>
<td>14.81%</td>
<td>+9.31%</td>
</tr>
<tr>
<td>VOSB</td>
<td>0.00%</td>
<td>5.49%</td>
<td>+5.49%</td>
</tr>
<tr>
<td>SDVOSB</td>
<td>2.00%</td>
<td>3.68%</td>
<td>+1.68%</td>
</tr>
<tr>
<td>WOSB</td>
<td>2.15%</td>
<td>4.00%</td>
<td>+1.85%</td>
</tr>
<tr>
<td>HUBZone</td>
<td>2.30%</td>
<td>2.97%</td>
<td>+0.67%</td>
</tr>
</tbody>
</table>
## FY 2013 Achievement
**Prime Contracts**

Total Small Business Eligible Actions FY13 - 10,153
Total Small Business Eligible Dollars FY13 - $2,370,512,016

<table>
<thead>
<tr>
<th>Small Business Category</th>
<th>Actions</th>
<th>Dollars</th>
<th>FY 13 Target</th>
<th>FY 13 Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business</td>
<td>2,146</td>
<td>$709,508,809</td>
<td>18.00%</td>
<td>29.93%</td>
</tr>
<tr>
<td>SDB</td>
<td>704</td>
<td>$351,083,260</td>
<td>5.50%</td>
<td>14.81%</td>
</tr>
<tr>
<td>VOSB *</td>
<td>462</td>
<td>$130,028,497</td>
<td>0.00%</td>
<td>5.49%</td>
</tr>
<tr>
<td>SDVOSB</td>
<td>267</td>
<td>$87,214,636</td>
<td>2.00%</td>
<td>3.68%</td>
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<tr>
<td>WOSB</td>
<td>327</td>
<td>$94,917,568</td>
<td>2.15%</td>
<td>4.00%</td>
</tr>
<tr>
<td>HUBZone</td>
<td>208</td>
<td>$70,333,791</td>
<td>2.30%</td>
<td>2.97%</td>
</tr>
</tbody>
</table>

* Numbers rounded up to nearest whole dollar above $0.50, as appropriate
Navy & MCSC 2010-2013 (SeaPort-e) Small Business (SB) Award% Comparison

Significant Increase in Small Business Opportunities as a result of transition to SeaPort-e
FY 2013 SeaPort-e Awards to Small Business

<table>
<thead>
<tr>
<th>Company</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>MLT Systems</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Corps Solutions</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Alex Inc</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>SimIS</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Delta Engineering</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>IP Keys</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Information Mgmt</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Strategic Data Sys</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>MLT Systems</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>LTC Solutions</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>BAH</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Davis Defense Group</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>EDSI Inc</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>II Corps Consultants</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Jacobs Technology</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>Patricio Enterprises</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>IM Solutions</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Kalman &amp; Co.</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>MLT Systems</td>
<td>$10,000,000</td>
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<tr>
<td>Kingfisher</td>
<td>$15,000,000</td>
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<td>Patricio Enterprises</td>
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<td>Corps Solutions</td>
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<tr>
<td>Kalman &amp; Co.</td>
<td>$10,000,000</td>
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<td>VDL-5</td>
<td>$15,000,000</td>
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<td>Abex Systems</td>
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<tr>
<td>Infinity</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>The Training Connection</td>
<td>$15,000,000</td>
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<tr>
<td>Davis Defense Group</td>
<td>$20,000,000</td>
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<tr>
<td>Logis Tech</td>
<td>$25,000,000</td>
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<tr>
<td>Flatter &amp; Associates</td>
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<tr>
<td>Avineon</td>
<td>$15,000,000</td>
</tr>
<tr>
<td>Patricio Enterprises</td>
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<tr>
<td>BiCallis LLC</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Phacil</td>
<td>$5,000,000</td>
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</table>
# 2014 ACQUISITION FORECAST

[Click to view website](http://www.marcorsyscom.marines.mil/ProfessionalStaff/Programs(ACPROG)/ACSS/ACSSForcasting.aspx)

**THIS IS A FORECAST OF ESTIMATED SOLICITATION PERIODS WHICH DOES NOT COMMIT THE GOVERNMENT TO PAY ANY COSTS INCURRED IN PREPARATION OF ANY SUBMISSION OR TO CONTRACT FOR SUPPLIES/SERVICES.**

<table>
<thead>
<tr>
<th>7-Aug-14</th>
<th>Title</th>
<th>PdM/Office</th>
<th>Category</th>
<th>Estimated Solicitation Period</th>
<th>Large or Small</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>GCSS Program Support</td>
<td>PEO EIS</td>
<td>Program Support</td>
<td>Between Feb and May 2014</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>PdM ERS IA Support</td>
<td>ISI</td>
<td>Program Support</td>
<td>Between Feb and May 2014</td>
<td></td>
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<tr>
<td>3</td>
<td>CAO Support</td>
<td>CMO</td>
<td>Program Support</td>
<td>Between Jan and April 2014</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>PM IP</td>
<td>IP</td>
<td>Program Support</td>
<td>Between Jan and April 2014</td>
<td></td>
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<tr>
<td>5</td>
<td>CSPS Support</td>
<td>CSPS</td>
<td>Program Support</td>
<td>Between Feb and May 2014</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>TCS PM and Log Support Contract</td>
<td>TCS</td>
<td>Program Support</td>
<td>Between June and Sept 2014</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>TFIIS AIT</td>
<td>PM 110</td>
<td>Program Support</td>
<td>Between Aug. and Sept 2014</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>AVTB program support</td>
<td>AVTB</td>
<td>Program Support</td>
<td>Between June and Sept 2014</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>MCNIS program support</td>
<td>MCNIS</td>
<td>Program Support</td>
<td>Between June and Sept 2014</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>PDM CSE Annual support</td>
<td>PM CSS/PdM CSE</td>
<td>Program Support</td>
<td>Between June and Sept 2014</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>C2TECO support</td>
<td>TECOM</td>
<td>Program Support</td>
<td>Between June and Sept 2014</td>
<td></td>
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<tr>
<td>12</td>
<td>CSPS Business Analytics Project Support</td>
<td>CSPS</td>
<td>Program Support</td>
<td>Between June and Sept 2014</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>PATS</td>
<td>PM 110</td>
<td>Program Support</td>
<td>Between Aug. and Sept 2014</td>
<td></td>
</tr>
</tbody>
</table>

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Recommended Contract Vehicles

1. SeaPort-e

2. GSA Schedule Contracts

3. GSA Stars II Schedule Contracts

4. Small Business set asides outside of SeaPort-e

5. All Other GWAC / DWAC Contract Vehicles that MCSC can utilize
DoD Small Business Subcontracting Requirements

- All Contracting Action over $650K being awarded to “Other than Small Business Concerns” requires a Small Business Contracting Plan (Individual Plan preferred)

- The DoD Wide Statutory Subcontracting Procurement Goals are provided below:
  
  • Small Business - 36.7% of Primes subcontracting dollars should be awarded to “small businesses”
  
  • SDB - 5% of the Primes subcontracting plan (note: a D&F is required if the SDB Goal is less than 5% and must be signed one level above the contracting officer)
DoD Small Business Subcontracting Requirements, Continued

- The DoD Wide Statutory Subcontracting Procurement Goals Continued:

  - WOSB - 5% of the Primes subcontracting plan
  - HUBZone - 3% of the Primes subcontracting plan
  - SDVOSB - 3% of the Primes subcontracting plan
  - The remaining 20.7% can be subcontracted as increased to the four socio-economic types listed above or to traditional small businesses, Veteran Owned Small Businesses, HBCU/MIs, and AbilityOne, NIB, NISH concerns.
Register with FEDBIZOPPS for all NAICS Codes that are applicable to your company so that you will receive automatic messages of procurement opportunities posted by MCSC: https://www.fbo.gov/

Contact PEO LS and MCSC Program Managers from the Program Management Offices (PMOs) through MCSC Small Business Office of Small Business Programs (OSBP)

Learn more about the Acquisition Center for Support Services (ACSS), the Command’s utilization of SeaPort-e and the Command’s forecast @ http://www.marcorsyscom.marines.mil/ProfessionalStaff/Programs(ACPROG)/ACSS/ACSSForcasting.aspx
Participate in Modern Day Marine (MDM), Advanced Planning Briefing to Industry (APBI), Marine South (Camp Lejeune) and Marine West (Camp Pendleton), and Industry Days

Propose New Technologies and Ideas through Unsolicited Proposals (FAR 2.101) by Contacting MCSC’s Contracting Business Operations – Mr. Willard Hines (willard.hines@usmc.mil)

Pursue Small Business Innovation Research (SBIR/STTR) Opportunities
Recommendations for Success

Study your potential customers (i.e., market research)
Engage Small Business Specialists (SBS) as your allies, not your adversaries
Measure yourself against your peers; consider teaming
Perform, Perform, Perform. Outstanding Performance is the key to success. Don’t make excuses.
Evaluate the market
Respond in a timely manner

Focus on your capabilities and technical solutions, not your small business size status
Invest in yourself; obtain professional certifications, training, acquisition training, etc.

SEMPER FI!
Paul Ortiz
PM ACSS
United States Marine Corps
Marine Corps Systems Command
(703) 432-3787 - Office
paul.r.ortiz@usmc.mil
http://www.marcorsyscom.marines.mil/ProfessionalStaff/Programs(ACPROG).aspx
http://www.marcorsyscom.marines.mil/ProfessionalStaff/Programs(ACPROG)/ACSS/ACSSForcasting.aspx
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Marine Corps Systems Command
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David.J.Dawson@usmc.mil
http://www.marines.mil/unit/marcorsyscom/command/osbp/
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Deputy for Small Business Programs  
United States Marine Corps  
Marine Corps Systems Command  
(703) 432-3944 - Office  
Austin.Johnson@usmc.mil  
http://www.marines.mil/unit/marcorsyscom/command/osbp/
“To a Marine, the term ‘Expeditionary’ is more than a slogan; it is our state of mind. It drives the way we organize our forces, how we train, and what kind of equipment we buy.”
- Gen. Amos, Commandant’s Planning Guidance 2010