Why and How to Use Sources Sought Notices and RFIs to Your Advantage

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Agenda

- Purpose of Sources Sought Notices
- Why should industry help government do market research
- Sources Sought Notices and Requests for Information (RFI)
- Why respond?
- Failure to respond
- Who wins?
- Marketing techniques for follow-up
- Position to win
Government’s Purpose: Sources Sought Notices

• Mandated market research
• Over 2,000 posted in last 30 days, new record!
Business’ Purpose:
Sources Sought Notices

- Over 2,000 posted in last 30 days, new record!
- Great head’s up: what is going to happen
- Advance notice: it is not an RFP
- A decision-maker is identified
- Helps you focus your business development efforts
- Opens the door to opportunities!
What is a Sources Sought Notice?

The Sources Sought Notice is a synopsis posted by a government agency that states they are seeking possible sources for a project.

It is not a solicitation for work, nor is it a request for proposal. Reference the FAR, Subpart 7.3 and OMB Circular A-76.
Backstory:
Myth Busting OMB Memo #1

MEMORANDUM FOR CHIEF ACQUISITION OFFICERS
SENIOR PROCUREMENT EXECUTIVES
CHIEF INFORMATION OFFICERS

FROM: Daniel I. Gordon
Administrator for Federal Procurement Policy

SUBJECT: “Myth-Busting”: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process

February 2, 2011
Myth Busting Details

Top 10 Misconceptions and Facts

The Office of Federal Procurement Policy (OFPP) held a series of outreach sessions with industry representatives, acquisition professionals, agency procurement attorneys, and others to identify and address core misconceptions about communication between the government and industry during the pre-award acquisition process. While these conversations will continue, as discussed later, ten misconceptions were mentioned frequently, and so are addressed by this memorandum. Attachment 1 lists these issues, and provides additional information and strategies to help agencies promote fair and appropriate engagement during various acquisition phases.

Vendor Communication Plan

Some agencies have developed policies for communicating with industry while others have not, resulting in disparate practices and confusion. To provide better direction to the workforce and to clarify the nature and schedule of engagement opportunities for industry, each agency should develop a high-level vendor communication plan. The plan should discuss how the agency will reduce unnecessary barriers, publicize communication opportunities, and prioritize engagement.

Essentially: Details how government can improve!
May 7, 2012

MEMORANDUM FOR CHIEF ACQUISITION OFFICERS
SENIOR PROCUREMENT EXECUTIVES
CHIEF INFORMATION OFFICERS

FROM: Lesley A. Field  
Acting Administrator for Federal Procurement Policy

SUBJECT: “Myth-Busting 2”: Addressing Misconceptions and Further Improving Communication During the Acquisition Process

Early, frequent, and constructive engagement with industry leads to better acquisition outcomes, which is why it is one of the key tenets of the Office of Management and Budget’s 25 Point Implementation Plan to Reform Federal IT Management. Such engagement is especially important for complex, high-risk procurements, including (but not limited to) those for large information technology (IT) projects.

**Essentially: Details how vendors can improve!**
Sources Sought Notices vs. RFIs

Sources Sought:
• Market Research without pricing
• Market Research without technical recommendations
• Identification of possible socio-economic certified vendor pool

RFI:
• Market Research with pricing estimates
• Market Research with technical recommendations
• Identification of possible vendor pool
As part of the ongoing, government-wide effort to improve vendor communication, OFPP and OMB’s Office of E-Government and Information Technology worked with the Chief Financial Officers (CFO) Act agencies to develop vendor communications plans for:

- reducing barriers to communication,
- incorporating more industry input into agency acquisitions,
- publicizing engagement events, and
- providing training and awareness to employees and vendors.
Where are "Sources Sought" notices?

Can be anywhere the government is posting notices or opportunities!

- FBO.gov
- FedConnect
- GSA eBuy
- Army Single Face to Industry
- Any agency web site
- Social media!
FBO "Sources Sought" Search
FBO Sources Sought Notices Search

You can use the following search technique to find Sources Sought notices in the FedBizOpps Advanced Search:

1. Go to www.fbo.gov
2. Click on "opportunities" main navigation (upper navigation bar).
3. On the "opportunities list" tab, use the "Advanced Search" field to see additional search filters.
4. Select "Sources sought" type.
5. Refine the search with other search criteria as appropriate to your search (e.g., agency, keyword, posting date).
6. Click "go" to proceed to filter the lists of opportunities.
7. Save!
FBO Search Agent

• As a vendor, you can set up “search agents” based on detailed search elements that highlight newly added opportunities aligning with your search criteria.

• You may also add opportunities to a “watched list” list (a la “favorites” list). This allows for ease in referencing targeted opportunities.

• Additionally, vendors receive updates about opportunities on their Watched List.
Disprove Contracting Myth #1

If it is posted in FedBizOpps it is too late.

Reality:
That statement used to be true even 18 months ago. But now, that is a clearly NOT the case, proven by the flood of Sources Sought Notices to be posted every month.

Growth:
70 per month to 2,200+ per month!
### Sample of Sources Sought Listings in FedBizOpps: 2,300+ in last 30 days!

<table>
<thead>
<tr>
<th>Listing Title</th>
<th>Sources Sought</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CI 102 CCIM Market Analysis Course Equivalent</strong></td>
<td>General Services Administration&lt;br&gt;Public Buildings Service (PBS)&lt;br&gt;Real Estate Acquisition Division-Sunrise (4PR1A)</td>
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<td>EQ4PS-15-5000&lt;br&gt;U -- Education &amp; training services</td>
<td>Sources Sought</td>
</tr>
<tr>
<td><strong>OXYGEN &amp; AIR DELIVERY SERVICES FOR TAIHS</strong></td>
<td>Department of Health and Human Services&lt;br&gt;Indian Health Service&lt;br&gt;Tucson Area Office</td>
</tr>
<tr>
<td>15-249-SOL-00043&lt;br&gt;68 -- Chemicals &amp; chemical products</td>
<td>Sources Sought</td>
</tr>
<tr>
<td><strong>H-1Y/Z Software Configurable Air Data Computer (SCADC) Organic Depot Standup</strong></td>
<td>Department of the Navy&lt;br&gt;Naval Air Systems Command&lt;br&gt;Naval Air Warfare Center Aircraft Division Pax River</td>
</tr>
<tr>
<td>N00019-14-P1-PMA-276-0281&lt;br&gt;16 -- Aircraft components &amp; accessories</td>
<td>Sources Sought</td>
</tr>
<tr>
<td><strong>59--50 TRANSFORMER</strong></td>
<td>Department of the Navy&lt;br&gt;Naval Supply Systems Command&lt;br&gt;DLA Maritime PSNS</td>
</tr>
<tr>
<td>N4523A5245W90&lt;br&gt;59 -- Electrical and electronic equipment components</td>
<td>Sources Sought</td>
</tr>
<tr>
<td><strong>AF Family Advocacy Program (FAP) Domestic Abuse Victim Advocate (DAVA) Services</strong></td>
<td>Department of the Air Force&lt;br&gt;AFFICA&lt;br&gt;AFFICA- CONUS</td>
</tr>
<tr>
<td>FA8052-16-RFI-DAVACONUS&lt;br&gt;Q -- Medical services</td>
<td>Sources Sought</td>
</tr>
<tr>
<td><strong>Motorola Emergency Responders Communications Maintenance</strong></td>
<td>Social Security Administration&lt;br&gt;Office of Budget, Finance, Quality and Management&lt;br&gt;Office of Acquisition and Grants</td>
</tr>
<tr>
<td>SSA-RFI-15-0070&lt;br&gt;J -- Maintenance, repair &amp; rebuilding of equipment</td>
<td>Sources Sought</td>
</tr>
</tbody>
</table>
What is Market Research?

• Collecting & analyzing information about the market’s capabilities to satisfy agency needs. (FAR 2.101)

• Federal Acquisition Streamlining Act of 1994 prescribes market research as a critical component in describing the agency needs, developing an overall acquisition strategy, & identifying the terms, conditions, & practices appropriate for the items being acquired.
What is Market Research?

• FAR Part 10.001 requires:
  – Before developing new requirements documents.
  – Before soliciting offers above the Simplified Acquisition Threshold (SAT) ($150k) &
  – Before soliciting offers below the SAT when adequate information is not available.

• FAR Part 10 aids
  – Option Exercises & Sole Source Contract Action
Purpose of Market Research

• Determine whether a commercial source exists to meet the requirement.

• Assess whether two or more small, 8(a), or HUBZone small businesses can meet the requirement for set-asides.

• Ascertain whether the item needs some minor modifications.

• Determine if the requirement can/should be modified.

• Identify commercial practices (e.g., warranties & licenses, buyer financing, maintenance programs, terms & conditions, and commercial discounts).

• Can help obtain best price/best value for the government. (Options)

• Identify successful acquisition strategies.
Why Perform Market Research

• Needed to support effective acquisition planning.
• It is performed because it is a FAR requirement and is mandated by The Federal Acquisition Streamlining Act of 1994 (FASA) and it’s smart.
• Provides help to define requirements
• Provides a database to support industry capabilities, product availability, competitive market forces, and alternative sources.
Why Should Industry Help Government Do Market Research

• Helps Government avoid mistakes
• Helps industry understand Government requirements better
• Allows communication with Government before formal acquisition rules apply (marketing opportunity!)
Government’s Failure to Perform Market Research

Can result in:

- Sub-optimum descriptions of requirements
- Protests of sole source or limited competition acquisitions.
- GAO could order re-competition and payment of bid and proposal costs.
- Contract administration problems
- The government could miss out on the newest & best technology or services.
Government Perspective: How Much Market Research Is Enough?

- The extent of market research will vary, depending on such factors as complexity, urgency, estimated dollar value, & past experience.
- Generally speaking, do as much market research as possible (until decision-makers understand the marketplace well) since it saves time in the long run.
Who Performs the Market Research?

- Joint technical & procurement collaboration
- Small business specialist & resource analyst also provide some feedback.
- All layers of decision-makers!
  — CO, PM, SB
Techniques for Accomplishing Market Research

- **Contact knowledgeable people** within Government and industry.
- Review **recent market research** for similar items.
- Publish formal requests for information (**RFI**).
- Query Government and commercial databases.
- Obtain source lists for similar items from other organizations.
- Commercial catalogs and other product literature.
Techniques for Accomplishing Market Research

- Conduct interchange meetings or pre-solicitation conferences with potential vendors.
- Contact known vendors
- Sources Sought Notices
- Capability Statements on file
- Internet
Results of Sources Sought Notices

- If one commercial item or source is found, procurement proceeds in accordance with FAR Part 12 - Acquisition of Commercial Items.
- If commercial item is not found, requirement should be reviewed to see if it can be restated to permit commercial item or service.
- Proceed with set-aside or sole source contracts
- Proceed with full and open competition
Topics in Government Market Research Documentation

- Summary of acquisition background
- Identification of market research team
- Description of agency’s needs
- Desired or required schedule for the delivery of the end items.
- Explanation of the list of potential suppliers
- Summary of industry sources
- Customary commercial terms, provisions, and conditions
- Price ranges & pricing structure/terms
- The Market Research (including summary of available commercial or no developmental items.)
Government’s Best Practices

• Start early
• Involve users
• Communicate
• Market research is ongoing
• Tailor the investigation/research
• Refine as you proceed
• Document, document, document!
• More training for procurement/non-procurement
Vendor: Respond or Not?

- Yes: time, effort, influence the acquisition?
- Ask for a set-aside
- Pursue a sole source
- Used as a down-select: only respondents receive RFP

- No: wait for RFP
  - May never see it!
How to Respond

- Always copy the Small Business representative at that office/agency
- Always “answer the mail” exactly!
- Do NOT attach a pre-written Capability Statement
- Always follow-up
- Ask for a capability briefing
- Identify all three layers of decision-makers
- Begin and continuously market to decision-makers
Daily Action Plan for Sales Success

- Sales and Revenue Goals
- Resources
- GSA eBuy, any opportunities posting sites
- Relationships and Registrations
- Targeted Capability Statement
- Value Proposition & Differentiators
- Required Collateral Material Content
- Targets: Agencies, Primes, Teaming Partners
Build Relationships With the Multiple Layers of Decision-makers

- Contracting and acquisition staff
  - CO, KO, CS
- Program and technical managers
  - PM, end-user, COTR
- Small business representatives
  - OSDBU, SADBU, SBLO
Pursue Sole Source Contracts

- 8(a), ED/WOSB, SDVOB
- Know the required process!
- Involve all decision-makers as early as possible
- Do as much preparation as possible
- Ask for it!
- Ask again!
Marketing Processes

- Registrations (SAM & SBDS)
- Web Site
- Capability Statement
- White Papers
- Lead Generators
- Vendor Outreach Meetings
- Debriefings
- Social Media, Blogs
- Public Relations
- Advertising: TV, Radio, Print (XXX)
Company and Personal Marketing Outreach

- Emails (not spam!)
- Phone calls
- Capability Statements
- News Releases
- Articles
- White Papers
- Case Studies
- Repeat!
Bonus: Matchmaking Pitch

• Develop a focused “Matchmaking Pitch” to communicate specific offerings
• No company does “Everything.”
• An example of “Reverse Pyramid”

Matchmaking Speech: I am_____ with ________.
We provide __________________
Our primary focus is ____________
We are the absolute best at ____________
We are different because _______________
We can help your agency/office by ________________
Government Conclusion

• Performing market research is a logical process that, if planned, can provide the information you need to generate requirements & locate sources & information on alternative commercial products, services, & practices.

• Conducting market research up front may take time and effort; may initially feel too busy to spend; however, the benefits down the road in terms of a smoother, faster buy with fewer performance problems makes it more than worthwhile.
Your Conclusion

• The more Sources Sought Notices and RFIs You answer and plan a strategic follow-up for, the more business you win!
Complimentary Materials

Give me your card or email me for the promised additional documents

• OMB’s Myth Busting Memos 1 & 2
• This PowerPoint
• How to set up an FBO Search Agent
Questions?

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