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March 25, 2005

Marcia Madsen

Chair

Acquisition Advisory Panel

General Services Administration

18th and F Streets, NW

Washington, D.C. 20405

Dear Ms. Madsen:

The Coalition for Government Procurement is pleased to have this opportunity to submit comments to the Acquisition Advisory Panel (AAP). We look forward to working with the Panel through out its mission to forward the cause of common sense government procurement.

The Coalition is a multi-industry association of over 330 commercial item contractors. Our members include small and large businesses in industries as diverse as information technology, pharmaceuticals, furniture, and professional services. Approximately 70% of all GSA Multiple Award Schedule sales are transacted with Coalition members. We have worked *with* officials in and out of government for over 25 years on acquisition matters.

This letter covers two initial items on which it would like to share its views with the Panel. First, we recommend that the Panel closely examine the definition of "competition" in government contracting. Second, we recommend that the panel examine whether the law commonly known as the Brooks Architectural and Engineering Act (Brooks A&E Act) continues to serve the government's best interests when acquiring covered commercial services.

The Coalition strongly believes that the current method by which competition in government contracting is measured is out of date and in need of redefinition. The procurement reforms passed in the 1990's encouraged acquisition planning and pre-Request For Proposal (RFP) discussions between government and industry. Previous to this time, government needs were broadly defined in an RFP, requiring buyers and suppliers to use a "shot gun" approach both to define the need and the solution that might possibly match it.

...representing commercial service and product suppliers to the Federal Government

Large numbers of firms would respond to a government's request, but many offers were considerably off the mark of what the government was looking for. This wasted the government's time and the contractor's time and money. Even "winning" solutions could end up providing a solution that did not truly meet the need of what the government thought it wanted. Subsequent rounds of new contracts, or lengthy disputes that escalated overall project costs, were not uncommon.

The new model now brings suppliers and buyers together much earlier in the acquisition cycle. The result is that the government buyer can state its needs more completely and contractors can offer solutions that are better tailored. Each side benefits from this increased communication through reduced acquisition lead times, reduced costs, and better up front solutions.

This is a fundamentally new government market dynamic. There are potentially many companies involved at the pre-RFP stage. Their participation and input help the customer, but also let the company know with greater certainty whether they can meet the government's better-defined needs. While fewer companies may end up responding to the RFP, in effect "competition" has already taken place during the planning process. Companies, even very large ones, will not spend scarce bid and proposal dollars to respond to RFP's they already know they have a limited chance of winning.

Current competition measurement tools, however, still focus only on the number of responses the government receives to an RFP or Request for Quotation. As such, it may appear in some cases that little competition is taking place if the government receives only one or two responses. The Coalition believes it is important to note, however, that these responses are better tailored and have a greater chance of meeting the government's true need than under the old system that may simply have provided more responses that were irrelevant to the given situation. Greater true competition undeniably takes place when each potential supplier has a clearer idea of what they are responding to. The government benefits from this approach much more, and at a significant time savings over having to wade through unresponsive submissions.

We recommend, therefore, that the AAP consider adopting a definition of competition that takes this new market dynamic into account. The rules have changed, but the tools used to measure have not. The Coalition strongly believes that the AAP has a unique opportunity to remedy this situation and recognize what should be obvious given the large number of companies that participate in the government market, i.e.: competition exists, but the time frame in which much of it takes place is significantly earlier in the procurement cycle.

The Coalition also recommends that the AAP include the Brooks Architectural and Engineering Act among the procurement rules they examine to determine whether the government continues to obtain a benefit from them. It is important to note that the association does not have position on this issue. Some members have noted, however, that the scope of the AAP's activities include reviewing relevant procurement laws and regulations. Given the dynamics of the professional service marketplace, these companies believe it is important that the AAP examine whether the A&E Act continues to serve the government's interests or causes it to miss out on innovative solutions available in the commercial market.



As such, we believe this law should be reviewed.

The Coalition appreciates this opportunity to comment. We look forward to working the Panel on these and other issues.

Sincerely,

Larry Allen
Executive Vice President