

Considerations for Government Contracting (Including Thomson Prison)

- 1. The Federal Government is one of the biggest buyers in the world. They buy pretty much everything and on average spend at least \$400B annually on goods and services.**
 - **Do they buy what you sell?** Even though the Government as a whole buys pretty much everything, you have to determine who it is you are targeting, and whether they have a specific need for your product and service, and if they do, how much?
 - Companies should do market research to determine who their main Government customers would be, and how to best to business with them. Just because a Government entity will be in your backyard does not mean it is the right customer for you.
- 2. The Federal Government procurement process is based on laws and regulations.**
 - **Do you know the regulations?** It is not rocket science to do business in the Government market; however there is a process, competition requirements, and regulations that govern every part of a purchase.
 - A Government entity may be close in proximity, but that does not mean that automatically purchases will filter to the community first. As Federal agencies they have to follow the Federal Acquisition Regulations, as well as supplements to those regulations for all procurements.
 - Companies should be familiar at least with important parts of the regulations pertaining to competition, small business programs and types of contracts to be able to more successfully navigate for opportunities and market appropriately.
- 3. Based on statistics and previous studies, it will take a company, on average, 18 months from beginning the process to securing a Federal Government contract.**
 - **Do you have realistic expectations?** Deciding that your business is ready to pursue business with the Government is really the first step. Working with the Government is a marathon, not a sprint, and it does take commitment from companies to ensure sustained and long term success.
 - Companies should do an internal assessment of their resources and ability to commit to this market prior to going forward. While it can easily be integrated in daily sales and business development roles, it is a market that requires continuous monitoring, ongoing monitoring, and continued education and awareness of trends, regulations and programs.
- 4. The Government takes contracting very seriously.**
 - **Do you look like a Government contractor?** There are things other than being the lowest price bidder that the Government expects of companies.
 - Companies should ensure they have the proper registrations to work with the Federal Government, that they have a solid business plan and financial capabilities. The Government also expects a high level of technical competency and quality. All of these will be reviewed prior to award of any contract or purchase order.
- 5. The days of the “good old boys club” are over when it comes to Federal Government contracting.**
 - **Are you prepared to incorporate a robust Government marketing plan into your company goals?** There is so much competition for Government dollars, even at the lowest level; therefore it is not about “who you know”.
 - Companies should incorporate Government marketing strategies in addition to simply “looking for bids”. Your marketing may be the difference between hit and miss bids, and more frequent and sustained business with the Government.

Bottom Line- Deciding that you want to business with the Federal Government is a decision that can be very lucrative and be a great way to diversify into another revenue stream, but should be taken very seriously with the understanding that there should be a time investment up front to really understand how to best pursue Government business for YOUR company. There is no one size fits all plan.

We are here to assist companies with doing business with Thomson Prison (at no charge), as well as any other Government entity.

If you have any questions or would like to discuss any of the considerations above, please contact me, or consider attending the Government Contracting sessions hosted by the Clinton Chamber of Commerce and Clinton Community College tentatively planned to start February 2015.

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