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**INTERNSHIP AT METALWEST AS A MARKET
RESEARCHER**

by

Jolynn Marie Carr

**Internship paper submitted in partial fulfillment
of the requirements for the degree**

of

DEPARTMENTAL HONORS

in

**International Business
in the Department of Management**

Approved:

**UTAH STATE UNIVERSITY
Logan, UT**

Spring Semester, 2014

Name: Jolynn Carr
Major: International Business
Company Name: Metalwest
Total Hours Worked: 450
(15 week semester)
Total Wages: 5,400

Job Description

I was accepted and worked as an intern for the company Metalwest. (They have since merged with another company and are now called O'Neal Industries.) My internship title was Market Researcher. As a market researcher, I was in charge of discovering vital information for future growth of the company. I participated in research in order to expand Metalwest's business into government agencies as well as discover possible customers outside of the government. I researched using the internet, books, and phone calls.

Learning Objective1

Complete daily research effectively in order to present to the executives, Craig Pickett, Rick Williams, and others involved in making a decision, as to whether or not Metalwest should pursue the selected government agency (Unicor, DOE, Federal Prison Industries or Army Corps of Engineers) in selling its products.

In order to accomplish this learning objective, my team and I needed to gather enough information to present to the executives of Metalwest on the government programs. Since the location of my research was flexible, I chose to come to the library every day in order to have more control over my environment and to be able to focus on

my work. With these government agencies, there was a lot of information available but we found it useful to call employees in order to get more information. Every day I met with my teammates (Bryson, Ben and sometimes Vikki) to go over what we found and what we should research next. We had what was called a "commander's intent" which was our focus for each day. This was very helpful in keeping us on task and we were able to present our information to those that needed to make the decision of whether or not to try and sell our products to these government agencies.

What Skills I Learned: Because I was working both alone and with a group, I felt like I learned how to be self-motivated as well as work in a team. The majority of my time was researching on my own. This was the least amount of supervision I had ever had, but I knew it was important to stay on task in order to deliver valuable information to the executives of the company. Sometimes my teammates and I would have different opinions on how to present the information, but I had to learn how to compromise and write a good report as a team.

Discovery of My Own Strengths and Weaknesses: I learned a lot about myself as I was working on this objective. While I discovered that I am self-motivated and I feel I did a good job at staying on task, I really found that I do not enjoy working by myself most of the time. It was good to have daily meetings, but I discovered that I get my energy from being around other people. In my future career, I hope to work in an environment with other people most of the time.

Help to the Company: This objective benefited the company because it gave them the information they needed to move forward. We were able to spend a lot of time

finding information that others wouldn't have time to find. We gave them the information that they needed to know and got rid of most of the fluff we had to dig through.

Learning Objective 2

Complete two hours of Lead Generation daily in order to qualify potential customers for Territory Sales Representatives to contact the companies.

We were asked to call companies on a list for two hours every day and ask them questions to find out if they were buying the products that Metalwest sold. Sometimes people weren't nice so it was difficult to stay motivated but it was a good way to break up the day. I would find a room in the library where I wouldn't bother anyone with my talking and I would call these companies through skype. I was able to find several companies that were potential customers for Metalwest and the information I found was passed on to sales agents who pursued these companies further.

What Skills I Learned: I think this learning objective really helped me develop my communication skills. We were given an outline of the information we needed to gather, but I learned the importance of listening. Their tone of voice and what they said was very important in how I proceeded to gather information. Sometimes they were irritated and I asked the questions as quickly as possible or asked if there was a better time to call back. Other times they were friendly and I could get more information from them. I also learned perseverance.

Discovery of My Own Strengths and Weaknesses: It is hard to get rejected or talk to people who are not interested in talking with you, but the ability to bounce back and keep calling is a very valuable skill in the workplace. I discovered that I could

bounce back from a bad call without taking it too personally. I did find, however, that I could only do lead generation for a few hours before I felt like I needed to do something else.

Help to the Company: While we were hired to mostly do market research, lead generation is where the interns are recognized at the corporate office. We search for people to do business with and we were told that if we were successful with lead generation, the interns basically paid for themselves because of the increased business.

Learning Objective 3

Plan and prepare a final presentation after accomplishing all the research this year.

The way that we presented our research changed throughout the summer. Our first presentation was very academic based. Our feedback was that it needed to be more applicable. By the end of the summer we developed a system to gather basic information they need to know and then in a separate document, we included useful information if they choose to move forward with that government agency. Part of our final report was taking all the agencies we researched that summer and comparing them to see which would be the most beneficial to pursue.

What Skills I Learned: I think this objective has helped me develop more practical skills. Instead of showing the academic information, I have learned to view information in a different way. I now ask myself "What does Metalwest need to know about this agency" and "How will this information benefit them." These projects and the

feedback I have received, have helped me prepare to transfer into the working world from the academic world.

Discovery of My Own Strengths and Weaknesses: For this objective, I really learned that I like constructive feedback. It wasn't the best to hear that our first report was too academic based, but I really enjoyed knowing what to change and then seeing my own improvement. I also learned that I am able to have intelligent conversations with executives without feeling uncomfortable. A weakness I need to work on is my presentation skills. I would get nervous and sometimes feel embarrassed.

Help to the Company: I think the way we organized our reports will have a great impact on interns in the future. Interns will start off knowing they need to write a very applicable report rather than an academic based report. I also believe we have worked hard and have made the information available for the decision makers. We assisted in helping the company know how to move forward to win government contracts.

Conclusion

Overall, the internship was an amazing experience for me. I learned a lot about the company, Metalwest, I learned about working in the metal industry and working with the government, but most of all, I learned about myself. There were parts of the internship that weren't the most enjoyable for me, but I found that I was motivated enough to perform the tasks that needed to be done by focusing on the positive. I also learned that I can be very self-motivated with little supervision. I received an invitation to apply for a job when I graduate. I believe I made long-lasting relationships that could benefit me in the future.

Appendix 1:
Final Presentation Slides



Outline

- Review of four agencies
- Discuss the Market Development Guide
- Head to Head Agency Comparison
- Recommendation of
- Key Findings
- Recommendation for future research

TW METALS metalwest

Government Agency Overview

- Researched:
 - Unicor/Federal Prison Industries
 - Department of Energy
 - Army Corps of Engineers
 - Department of Homeland Security
- Results:
 - Key Activities
 - Budget
 - Product Alignment
 - Supply Chain
 - Small Business Goals
 - Steps Moving Forward

TW METALS metalwest

Unicor/Federal Prison Industry

- Key Activities: Unicor employs and provides job skills training to inmates confined within the Federal Bureau of Prisons. Unicor provides several products and services including steel intensive products such as vehicle maintenance, metal quarter furniture, lockers, filing cabinets, permanent fences, and license plates.
- Budget: Unicor is a self-sustaining government agency which has about \$800 million in sales and offers over 330 products and services.

TW METALS metalwest

Unicor/Federal Prison Industry

- Product Alignment: Unicor purchases metal products in order to make finished goods. There were 2 recent postings for sheet metal. There are little or no indirect selling opportunities.

TW METALS metalwest

Unicor/Federal Prison Industry

- Supply Chain

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graph LR
    A[Metalwest or TW Metals] -- 3 --> B[Distributor/Service Center]
    B -- 2 --> C[Small Business]
    C -- 1 --> D[Unicor]
  
```

TW METALS metalwest

Geography and Locations



Butner, NC	Allenwood, PA	Beaumont, TX
Cumberland, MD	Ashland, KY	Bastrop, TX
El Reno, OK	Beckley, WV	Bennettsville, SC
Lompoc, CA	Coleman, FL	Gilmer, WV
Pekin, IL	Florence, CO	Harlong, CA
Terminal Island, CA	Forrest City, AR	La Tuna, TX
Texasgona, TX	Milan, MI	Terre Haute, IN
Beaumont, TX	Schuykill, PA	Three Rivers, TX
	Victorville, CA	




Steps Moving Forward:

- Complete the basic government registration
- Stay updated with opportunities on the FBO website
- Form relationships with contracting specialists
- Possibly form relationships with small businesses to provide a better chance at winning contracts




Department of Energy

- Key Activities: A nuclear weapons program, nuclear reactor production for the US Navy, Energy conservation, energy-related research, radioactive waste disposal, and domestic energy production.
- Budget: Roughly \$30 Billion, the majority (75%) of which is dedicated to its facilities management contracts.

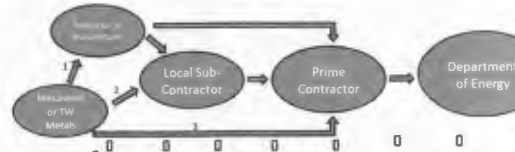





Department of Energy


- Product Alignment: The DOE does not purchase metal products but rather contracts out management and then those Prime Contractors use subcontractors to purchase needed materials.
- There is no direct selling opportunities with the DOE but there are subcontracting opportunities.




Supply Chain

Geography and Locations



Department of Energy Corps

Steps Moving Forward:

- Begin developing relationships with small businesses
- Look at individual websites for contract opportunities.
- Sign up to be on approved vendors list for prime contractors
- Develop relationships with Prime or subcontractors.



Army Corps of Engineers

- Key Activities: The USACE is responsible for investigating, developing, and maintaining the nation's water and related environmental resources.
- Budget: In FY10, USACE had funds totaling \$48.1 billion available to execute its Civil Works (CW) and Military Project (MP) activities.



Army Corps of Engineers

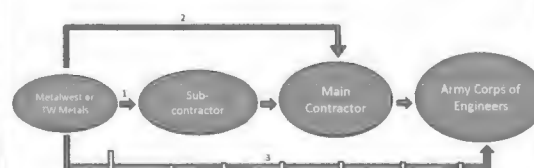
Product Alignment:

- Civil Works Projects which involve metal: flood gates, locks and dams, riverfront projects, waterways, water supply networks, maintenance shops, hazardous waste remediation waterways.
- Military Programs Projects which involve metal: Military base facilities such as: barracks, hangers, shipyards, docks, hospitals.



Army Corps of Engineers

Supply Chain



Army Corps of Engineers

Geography and Locations



Army Corps of Engineers

Steps Moving Forward:

- Target specific districts to do business with
- Search for interested vendors and form relationships
- Find subcontracting opportunities



Department of Homeland Security

- Key Activities: domestic nuclear detection, intelligence coordination, and protection of high-level government officials.
- Budget: In FY 2011, the DHS total budget was over \$56 billion. The departments under the DHS that get the largest percentage of the budget include Customs & Border Protection and the Coast Guard.



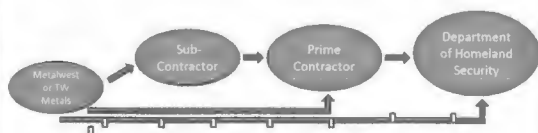
Department of Homeland Security

Product Alignment: The majority of what the DHS purchases is services or research. Overall there was little direct selling opportunity although there were a few postings for the Coast Guard. There are opportunities for subcontracting with prime contractors on the DHS website. These prime contractors are mainly helping with DHS projects.



Department of Homeland Security

- Supply Chain:



Department of Homeland Security

Geography and Location

- The DHS did not list any of these locations however with their large amount of sub-agencies, parts of the DHS are located throughout the United States.



Department of Homeland Security

- Steps Moving Forward
 - Identify related Prime Contractors on the DHS website
 - Apply to be on their approved vendors list
 - Make and maintain relationship with prime contractor
 - Look for other opportunities on the FBO website



Market Development Guide

- Applicable information
 - Contract information for bids
 - Contact information
 - Steps moving Forward



Head to Head Agency Comparison

- 15-Aircraft & airframe structural components,
- 16- Aircraft components & accessories,
- 18-Space vehicles,
- 19- Ships, small craft, pontoons & floating docks,
- 34-Metalworking machinery,
- 54- Prefabricated structures and scaffolding,
- 56- Construction & building materials,
- 95- Metal bars, sheets & shapes
- J- Maintenance, repair & rebuilding of equipment,
- Y-Construction of structures and facilities, and
- Z- Maintenance, repair, and alteration of real property.

TW METALS

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Direct Selling Opportunities

	Total Unincor	Recent Unincor	Total DOE	Recent DOE	Total USACE	Recent USACE	Total DHS	Recent DHS
Total FBO Postings	216	68	1020	395	2174	1871	5044	2359
Direct Selling - Classification 95	6	2	1	0	8	8	10	4
15	0	0	0	0	1	1	10	4
16	0	0	2	0	0	0	245	208
18	0	0	2	0	0	0	0	0
19	0	0	0	0	17	16	40	16
34	2	1	0	0	3	3	6	2
54	1	0	3	1	13	11	11	5
56	1	0	6	2	30	27	44	28
J	1	1	13	7	38	36	617	326
Y	2	0	47	35	784	666	65	31
Z	1	0	23	14	393	330	927	144
Total from Classifications	14	5	97	59	1287	1098	1975	768

Quality of Direct Selling Opportunities

Agency	Contract \$ amount
Unincor	Both Solicitations worth about \$3,500,000
Department of Energy	No Solicitations with 95 classification
Army Corps of Engineers	8 solicitations but no price on any of them
Department of Homeland Security	2 solicitations: 1 worth about \$19,000 and the other worth about \$190,000

Unincor's solicitations were for "Sheet Metal" whereas these other solicitations might require some additional work besides what Metalwest or TW Metals specializes in. An example of this is "Culvert Valves, Strut Assemblies, Machinery Bases, and Miscellaneous Metals" from USACE list or "Materials for Anti Vehicle Barriers" from the DHS list. A list of these postings can be found in the Appendix

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Comparative Metrics

UNICOR/Federal Prisons Industries Market Evaluation				
Lowest Rank	Second Lowest	Second Highest	Highest Rank	
25	50	75	100	
Budget Considerations		Weighted Importance	Rank	Score
Budget Size		10.0%	25	2.5
Long-term Budget Stability		4.0%	25	1
Percent of Budget Used for Fabrication or Raw Materials		13.0%	100	13
Competitive Environment		Weighted Importance	Rank	Score
Opportunities for Large Businesses		8.0%	100	8
Small Business Partnership Opportunities		6.0%	25	1.5
Certification Requirements		4.0%	100	4
Direct Selling Opportunities		9.0%	100	9
Market Access		Weighted Importance	Rank	Score
Geography and Distribution		12.0%	25	3
Alignment of Products		15.0%	100	15
Quantity of Contract Solicitations		6.0%	25	1.5
Viability of Contract Solicitations		6.0%	100	6
Start Up Costs		7.0%	100	7
Total		100%		144.5

Results in Comparison

- Army Corps of Engineers – Score of 67.75
- Unincor- Score 64.5
- Department of Homeland Security– Score 56.25
- Department of Energy– 41.75

TW METALS

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Recommendation

- For direct selling opportunities, we recommend pursuing Unincor first and then The Army Corps of Engineers.
- For indirect selling opportunities we recommend pursuing relationships with contractors of the Army Corps of Engineers first, then the Department of Homeland Security and the Department of Energy.

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Key Findings - Helpful Websites

- Unicon: 31% Prime and 40% Subcontracting
- Department of Energy: 5.87% Prime and 46.4% Subcontracting
- Army Corps of Engineers: 33% Prime and 70% subcontracting
- Department of Homeland Security: 33.5% Prime and 40.5% Subcontracting



Key Findings - Helpful Websites

Resource	Cost	Website	Description
Proxity-ec.com*	\$50/mo.	http://www.proxity-ec.com/	Find present and upcoming opportunities
Govtistics.com*	\$50/mo.	http://www.govtistics.com/	Offers the defense market solution for both monitoring the market and researching potential business and competition.
USA Spending.gov	Free	http://www.usaspending.gov/	Research where government has spent money in the past. Not as searchable as Haystacks
IHS Haystacks*	\$50/mo.	http://haystack.ihs.com/	IHS Haystack Gold contains information on more than 100 million item records in the US, UK and Canadian Federal Supply Catalogs and over 40 U.S. Army, Navy, Air Force, and related military databases.
Fed Market FREE CONTENT	FREE	http://www.fedmarket.com/#	Business Development: Federal sales, strategic analysis, marketing
Fed Market.com proposal writing services	Per quote	http://www.fedmarket.com/proposal_outsourcing/proposal_writing_services/	Fedmarket helps you win business by writing persuasive and compliant proposals for you.

Key Findings - Helpful Websites

Fedmarket.com Fed Buying Opportunities	\$1,500	http://www.fedmarket.com/sales_to_pls/market_intelligence/fedbuying_intelligence	A searchable database of public bid data that tells you who bought what, from whom, for how much, when and where.
Fedmarket.com Seminars for GSA Schedules, Federal Sales Training, and Strategic Consulting Input	See website	http://www.fedmarket.com/#	See Website
Section 7	\$20,000	http://www.input.com/corp/solutions/company.cfm?cmp=ilc-pubsite	Highly powerful, gives information on: Latest government technology market trends, and identify key growth areas.
Mentor Protégé Program	\$20,000	?	Eliminates junk on FBO website and allows you to see the current opportunities.
	?	?	This is a program that allows small business owners and large business decision makers to come together to network, get to know each other and form partnerships that will allow them to meet government needs.



Key Findings - Important Note

- To be listed as an interested vendor, you must click the "Add me to Interested Vendors List" button in the listing for this solicitation on FedBizOpps and fill in your information. You can register for as many solicitations as you wish.



Key Findings - Prime Contractors

- Many government Agencies use Prime Contractors for the majority of their contracts. The DOE and the DHS listed their Prime Contractors on their website. We went through a list of the top 100 government contractors and found all that could use metal products. That list is included in an appendix of this presentation.



Key Finding: Market Information

- Government contracts are awarded based on the proposal that is submitted by each contractor, these proposals are evaluated in the following areas:
 - Price
 - Past Performance (This encompasses delivery time, lack of defects, and whether or not exact specifications were met. More detail about how each company is rated is below.)
 - Technical/Management
 - Relationships/contacts

Key Finding: Market Information

- Technical Writers- Needed to comply with the initial technical requirements of the government solicitations.
- Government Sales Staff- Look for professional sales people with government sales experience. Government sales are extremely different than commercial sales.

Key Finding: Market Information

- Department of the Navy- 73 postings
- Defense Logistics Agency- 54 postings
- Department of the Army- 27 postings
- Department of the Interior- 20 postings

Appendix 2:
Department of Energy Report

Department of Energy

MARKET RESEARCH REPORT

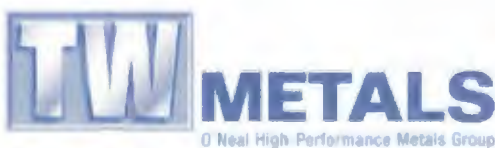
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U.S. DEPARTMENT OF ENERGY

Jolynn Carr, Ben Toney, Bryson Carter



Executive Summary

Conclusion

The Department of Energy is a 30 Billion dollar agency that encompasses an extremely large network of national labs and other facilities. Its responsibilities include a nuclear weapons program, nuclear reactor production for the United States Navy, energy conservation, energy-related research, radioactive waste disposal, and domestic energy production. Although 75% of the DOE funds are awarded to facility management contractors, most of this money is spent as a catalyst for technology development rather than on goods and services. Opportunities for Metalwest and TW Metals to sell directly to these prime contractors may exist and are worth developing further, however it should be noted that registration is required, work is often subcontracted, and small businesses are heavily favored. The opportunities for our companies that we recommend pursuing first are those in which we can sell directly to subcontractors and fabricators, especially those that have DOE contracts at multiple sites or those that are small businesses.

Industry Considerations

- The DOE funds the operations of hundreds of facilities throughout the United States
- The DOE is on continually constructing buildings and materials to support their research.
- Solicitations are decentralized.
- Most of DOE money goes to research and development.

Competitive Considerations

- DOE highly favors small business: over 50% of the DOE's budget is awarded to small businesses. In addition, most contracts under \$150,000 are set aside for small businesses
- In order to win contracts, there are several contacts that need to be established with procurement officials in different tiers of the DOE supply chain.
- Contracts are often very broad requiring a long list of raw materials—steel being among the many requirements. Supplying these vast contracts will be a challenge for Metalwest/TW.
- Our best opportunities are not directly with the DOE, but are with subcontractors and fabricators that have been awarded DOE money.
- Geographic coverage corresponds very well with the DOE locations. However, Metalwest lacks coverage on the East Coast and TW Metals lacks coverage in NM and ID; two states with a lot of DOE activity

The market development for the Idaho National Lab is already well underway. This will provide a good starting point for Metalwest and TW Metals to begin pursuing the Department of Energy. A Market Development Guide has also been created to serve as an application-based addition to this research report.

Complete details may be found in the attached report. Additional questions may be directed to the market research analysts listed below:

Jolynn Carr	jolynn.carr@aggiemail.usu.edu
Ben Toney	btoney86@gmail.com
Bryson Carter	brysoncarter@metalwest.com

Situational Analysis

Definition of the Market

The Department of Energy (DOE) is the second largest U.S. government agency behind the Department of Defense. It spends its procurement dollars more as a catalyst for technology development than for acquiring goods and services for Federal use. The DOE is involved heavily in research and development through its large network of multi-program laboratories that are primarily focused on energy sciences but also on life and physical sciences. The department is involved in supporting national security through the development of nuclear weapons and through ensuring safe transport of nuclear weapons and nuclear intelligence information. The DOE also owns facilities responsible for building naval reactors as well as storing nuclear waste and strategic fuel reserves.

The majority of the DOE's budget is allocated to large contractors who operate its massive network of facilities. The department is operated through facilities maintenance contracts primarily with large industrial, as well as academic, and nonprofit institutions. Facilities maintenance activities include management, operations, construction, deconstruction and environmental cleanup. Another portion of the DOE budget is offered in the form of financial assistance to cities, states, universities and non-profits that support its departmental mission. The DOE spends roughly \$5 billion annually on products and services such as engineering and construction services, R&D outsourcing, fabrication services and the acquisition of many different products and materials. These products and materials are diverse yet include metal which could prove as one of the opportunities for Metalwest and TW Metals to enter this market.

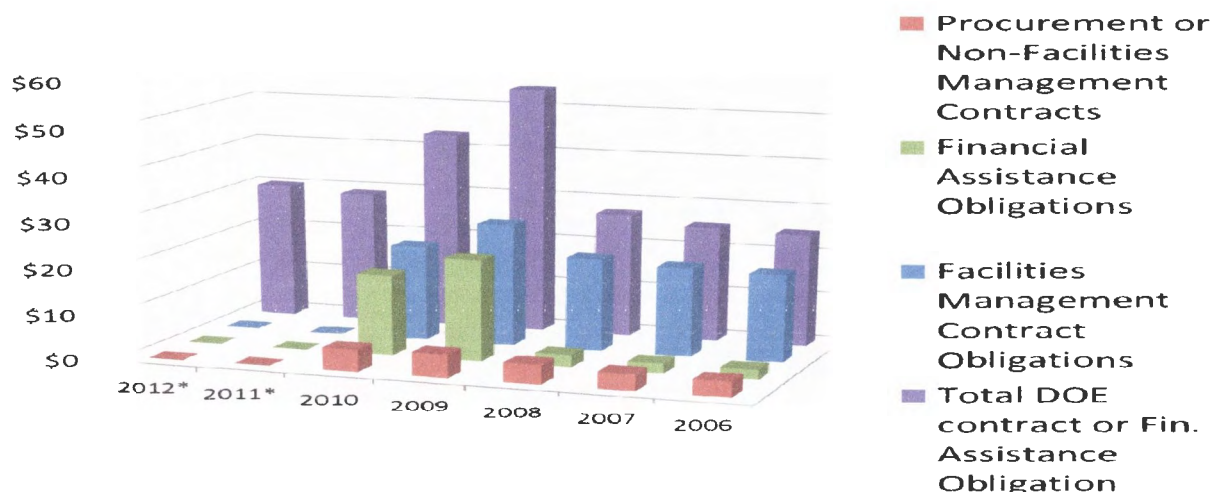
Size and Budget:

The Department of Energy has a budget of roughly \$30 Billion, the majority (75%) of which is dedicated to its facilities management contracts. Another \$5 Billion a year includes acquisitions in areas such as support services, research and development, products and materials, construction, architect and engineering, and interagency and international agreements. The rest of the DOE budget is offered as loans and grants to municipal and state governments, universities and other organizations which support the DOE's mission.

Facilities Management Contract Obligations	2012*	2011*	2010	2009	2008	2007	2006
Total Contracts			46	42	42	44	44
Dollar amount (billions)	\$0	\$0	\$20.937	\$26.933	\$20.420	\$19.475	\$19.095
Procurement or Non-Facilities Management Contracts							
Total awards			8,968	6,741	8,155	7,859	7,680
Dollar amount (billions)	\$0	\$0	\$4.969	\$5.176	\$4.326	\$3.702	\$3.529
Financial Assistance Obligations							
Total Actions			14,657	10,340	8,136	8,181	9,693
Dollar amount (billions)	\$0	\$0	\$17.655	\$22.261	\$2.741	\$2.253	\$2.246
Total DOE contract or Fin. Assistance Obligation							
Total dollar amount (billions)	\$30.142	\$29.130	\$43.561	\$54.370	\$27.487	\$25.430	\$24.870

* = 2012 and 2011 amounts were congress requested budgets, not actual spending. Actual spending tends to be over the budget each year by approximately 5%. Specific projection amounts for the three main categories of spending were not available for 2011 and 2012.

Total DOE contract or Fin. Assistance Obligations in Billions



Politics

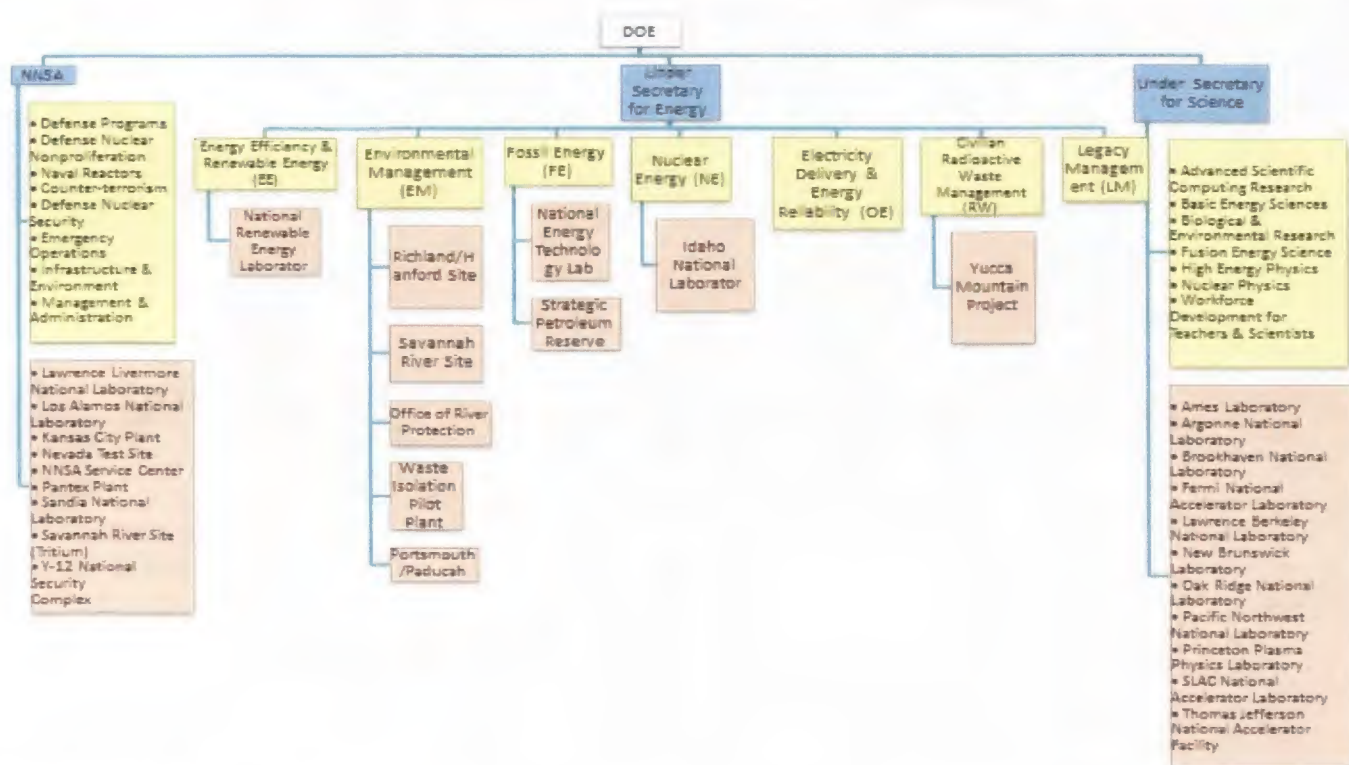
The American Recovery and Reinvestment Act of 2009 was enacted to preserve and create jobs, and promote economic recovery by investing in science, health, transportation, infrastructure, and environmental protection. Of the \$789 billion dollars available, the Act appropriated over 35 billion dollars to the DOE to fund contracts and financial assistance agreements for energy related research and development. The amount significantly increased (almost doubled) the DOE budget over an eighteen month period spanning from 2009 to 2010. However, because of the large government debt, cuts to government spending have been proposed, possibly altering future budget allocations

The Small Business Administration's mission is to maintain and strengthen the nation's economy by enabling the establishment and viability of small businesses across the U.S. The Department of Energy has small business goals that are required in order to comply with the Small Business Act that was signed in 1953. Since most of the DOE's management is contracted out, these small business goals are passed on to prime contractors who in turn mandate small business goals of their substituents. All large businesses involved in the supply chain are incentivized to subcontract or purchase supplies from small or disadvantaged businesses.

Market Structure

Agency Breakdown Chart

The Department of Energy is multi-tiered and very complex. The hierarchical chart below outlines the first few tiers but the Department of Energy can't be fully understood without understanding the other tiers below it. Further tiers are shown in the Market Development Guide. If the decision is made to move forward and enter this market, the charts that explain the full DOE organization will save time and give direction to the market developers and sales people. For clarity, the tiers have been color coded and remain consistent throughout. The blue are the undersecretaries, the yellow are DOE programs and the pink are the DOE facilities.

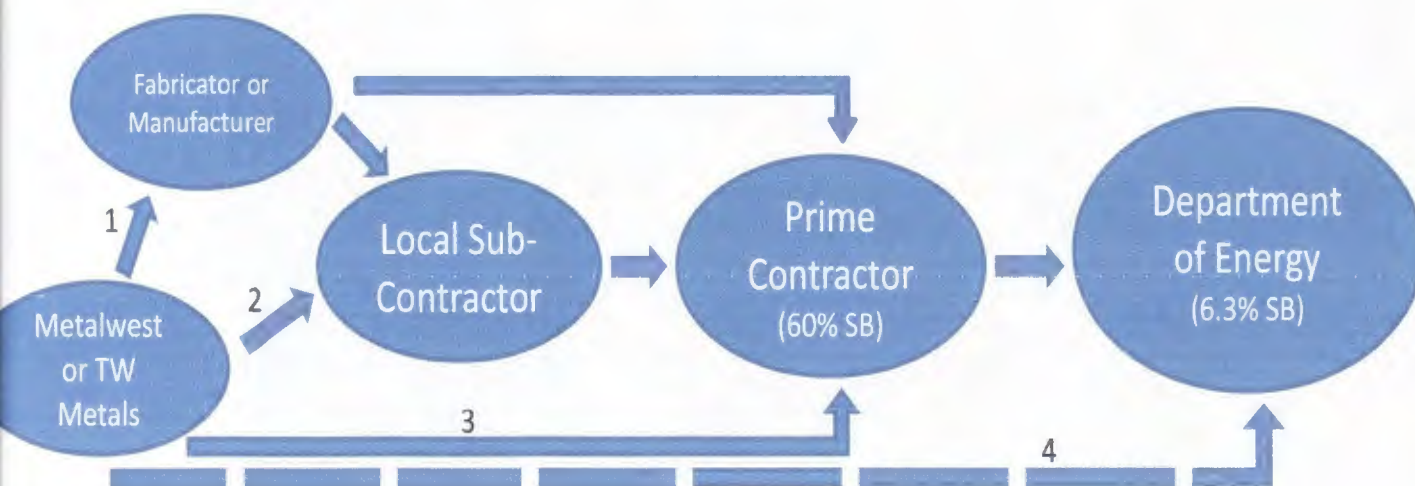


Locations Map

The following is a map that compares the geographic relationship of the ten National Labs and other large DOE facilities to Metalwest and TW Metals locations. While this map shows the major DOE facilities, there are many other facilities that are not listed on this map. The DOE locations that best correspond with TW Metals include Savannah River Site (South Carolina), Oak Ridge (Tennessee), Paducah (Kentucky), Portsmouth (Ohio), Y12 (Tennessee), Richland and Hanford Cleanup Site (Washington), Fermi and Argonne NL (Illinois). The DOE locations that best correspond with Metalwest Los Alamos and Sandia NL (New Mexico), Idaho NL (Southeastern Idaho), National Renewable Energy Lab (Colorado).



DOE Supply Chain



Points of Entry:

- 1) **Metalwest or TW sell to fabricators or manufacturers** that are in line to supply products to subcontractors or prime contractors. This point of entry is the furthest removed from the Department of Energy but is one of our best opportunities. A major difficulty in this point of entry is locating these manufacturers or fabricators since this data is not public information and can be difficult to come across. A strength of this point of entry is that it would allow Metalwest or TW Metals to identify and sell to small businesses that are working under other contractors.
- 2) **Metalwest or TW sell directly to the subcontractors** who are working under prime contractors. Since the majority of these prime contractors oversee several large projects at a time, they contract them out to large subcontractors that are often local. Visits to DOE sites and communication with the prime contractors are the most complete way to reveal who these large subcontractors are and how to contact them. This is another opportunity for Metalwest or TW Metals to seek out small businesses that are solicited by large contractors in order to meet small business goals.
- 3) **Metalwest or TW sell directly to the prime contractor** such as B&W, Bechtel, or Batelle (see Market Development Guide). A major obstacle in working with prime contractors is that most of this money is spent on technology development rather than on goods and services. However, we have found that Batelle has its own metal fabrication shop which would be an opportunity for Metalwest and TW. Some of these contractors publicize their procurement opportunities through internet solicitations posted on their own websites or on the FBO website. Developing relationships with these contractors may lead to opportunities to work with them or may lead to opportunities to work with their subcontractors or fabricators. Prime contractors receive 75% of the DOE's total budget; of that 75%, nearly 60% is allocated for small businesses.
- 4) **Metalwest or TW sell directly to the Department of Energy.** The reason the line is dotted in the supply chain diagram is because there is very limited opportunity to sell directly to the DOE. The DOE only manages two projects: The New Brunswick Lab and The National Energy Technology Lab. It should also be noted that 6.3% of the DOE budget goes directly to small businesses.

SWOT Analysis

Strengths

- Geographic Locations
- Nuclear Business Unit of TW with Certifications
- Past experience with DOD (TW)
- TW is set up to be a broker which will meet the demands of more contracts
- Socio Economic Plan (TW)

Weaknesses

- Lack of contacts within DOE/Subs
- Lack of Small Business Relationships
 - Lacking Human Capital
- Limited East Coast Coverage (MW)
- Limited Coverage of New Mexico and Idaho (TW)
- Contracts require services as well as products which we don't do

Opportunities

- Second Largest Gov. Agency which makes large purchases
- Diverse Sales Opportunities
- Develop Future Partnerships with Small Businesses
- Battelle has metal shops with fabrication abilities
 - Stable Market
- Accessibility to procurement offices and solicitations
- The energy industry is growing

Threats

- DOE highly favors small business: over 50% of their money goes there
- Difficult to fulfill contracts including more than just steel
 - Decentralized Solicitations
- Complex, multi-tiered supply chain
- Most of the Budget Goes Toward Research and Developments
- Few Metal Intensive Contracts: Very Few Low Hanging Fruit

Prime Contractor Information

The majority of the DOE money goes to prime contractors. Although there are many different prime contractors, we have identified the eight largest which are Babcock & Wilcox (B&W), Bechtel National, Batelle Energy Alliance (Batelle), CH2M Hill, CE2 Corporation, Honeywell, Wackenhut and URS Corporation. Summaries, background information, relationship with DOE, and website links for each of the above companies are located in the Market Development Guide.

Bid Solicitations

Unlike other Government agencies, the DOE provides contract solicitations through an array of websites. Besides the traditional Federal Business Opportunities, DOE solicitations can also be found on general websites as well as prime contractors specific websites.

Public	Definition
DOE Acquisition Forecast	This site is designed to provide timely information to the public regarding DOE/NNSA's forecast of future prime contracting opportunities and subcontracting opportunities which are available via the Department's major site and facilities management contractors.

	https://hqinc.doe.gov/forecast
STRIPES	The Strategic Integrated Procurement Enterprise System (STRIPES) is the procurement and contracts management component which encompasses both acquisition and financial assistance. You must request for an account at http://www.cfo.doe.gov/corpsyst/i-manage/STRIPES/UserRes.htm .
FedConnect	The FedConnect portal is a one-stop location where you can find opportunities for federal contracts as well as opportunities for grants and assistance funds. Registration is free but you must register for an account at https://www.fedconnect.net/FedConnect/ .
Federal Business Opportunities	When searching on the FBO website you must be specific to which facility you are looking for contracts at. This will provide the best results.

Private Bid Solicitations: Along with searching general websites to see solicitation postings for the Department of Energy, there are also several private companies that are prime and subcontractors for the DOE. Most of these prime contractors encourage businesses to register on their individual websites for small purchases and to create visibility. Subcontractors usually require that a company register on their website for all supplier opportunities. See the Market Development Guide for a more detailed table of what is required for business opportunities with these contractors.

Suggestions for Moving Forward:

Further Registration

Along with completing the registration required for any business with the government such as the CCR, there are other registration requirements that would be beneficial when doing business with the Department of Energy. Both STRIPES and FedConnect, listed under the Public Bid Solicitations above, require that you register on their website in order to look for solicitations. Both registrations are free. Several prime and subcontractors require that you register on their websites in order to be added to their suppliers list. Some of these include Battelle, CH2M Hill, URS Corporation, National Security Technologies, LLC, and Lockheed Martin. Other companies such as Bechtel National highly encourage that you register with their company in order to increase visibility however, they do not require it.

Action Items if the decision is made to pursue the DOE

1. Where to start

- 1.1. Look for the most direct sell opportunities available. For example, Los Alamos and Sandia and Batelle (for INL) occasionally buy metals directly. (See Market Development Guide)
- 1.2. Search for every bidding opportunity that has to do with metals which is posted on the individual websites and then bid on them.
- 1.3. Attend small business seminars <http://smallbusinessconference.energy.gov/>

2. How to get there

- 2.1. Market development. See Market Development Guide for an outline of steps previously taken in Argonne and Idaho National Lab
- 2.2. Seek to get on the approved vendors list for the main prime contractors at each location
- 2.3. Look for bidding opportunities on the general websites such as the DOE acquisition forecast, fedconnect.gov, STRIPES and the FBO website

- 2.4. Identify bid opportunities on the individual DOE agency websites such as Los Alamos and Sandia National Labs
- 2.5. Identify bid opportunities listed on the websites of the main contractors such as B&W, CH2M Hill, Batelle, Bechtel, etc.

3. Who to talk to

- 3.1. Talk to purchasing agent within the procurement office of the National Labs or other large DOE facilities.
- 3.2. Talk with the OMBUDSMAN offices. For example, the Savannah River site and others have offices to help those who would like to become vendors.
- 3.3. Talk and make personal visits with procurement offices of the 8 main DOE prime contractors.
- 3.4. Reach out to construction general contractors who currently are working on DOE projects such as the twelve listed working under the Savannah River Site or the ones identified in the Market Developer's Guide.
- 3.5. Begin developing as many relationships with small businesses as possible.

3.5.1. Below is a table which includes Small Business percentage achievements and goals for a sample of national labs and prime contractors. From this table we estimated that 60% of DOE facility management contracts ultimately go to small businesses. (This is an assumption but is our best guess.)

Location	FY	Total Prchs	SB Prchs	SB%	State Prchs	State %
Los Alamos NL	2010	\$ 925	\$ 583	63%	\$ 484	52%
Sandia NL	2009	\$ 911	\$ 490	54%	\$ 358	39%
Idaho NL	2011			45%		30%
MSA (Hanford site contractor)	2009	\$ 146	\$ 73	50%		
Washington Closure Hanford	2010	\$ 209	\$ 196	94%	\$ 84	40%

** Dollars are in Millions

- 3.6. Get involved in the mentor protégé program for the DOE
- 3.7. For MW create our socio-economic plan to increase our chances of being awarded contracts to prove that we will plan on working with SB.

Recommendation

The Department of Energy is multi-tiered and very complex. Because of this, it is difficult to identify specific opportunities for Metalwest and TW Metals. A large percentage of the DOE budget is spent on Research and Development. Purchasing raw materials is not at the core of their activities. The opportunities that we recommend are those in which Metalwest and TW Metals can sell directly to subcontractors and fabricators, especially those that are small businesses. It will be very important to develop relationships in each specific location when focusing on market development. Partnerships with small businesses are also highly recommended and will be a key determinant in the success of selling into the DOE and future Government Agencies.

Works Cited

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- [FY 2009](#) (pdf) Please note that the Acquisition data was obtained from the Federal Procurement Data System-Next Generation (FPDS-NG)
- [FY 2008](#) (pdf) Please note that the Acquisition data was obtained from the Federal Procurement Data System-Next Generation (FPDS-NG)
- [FY 2007](#) (pdf) Please note that the Acquisition data was obtained from the Federal Procurement Data System-Next Generation (FPDS-NG)
- [FY 2006](#) (pdf) Please note that the Acquisition data was obtained from the Federal Procurement Data System-Next Generation (FPDS-NG)

Appendix

DOE Total Small Business Goal Calculation

- 6.3% is the DOE's annual SB goal, converted into dollars that amount is \$1.90 Billion for 2012
- Over $\frac{3}{4}$ of the DOE's annual budget goes to facilities management contracts on a normal year (75.89% from 2006-2008 before the implementation of the recovery act)
- Therefore, it can be estimated that \$22.87 Billion of the \$30.14 Billion of the 2012 requested budget will go towards facility management contracts (75.89 percent of \$30.14 B)
- If you estimate that 60% of the facilities management contract award dollars go to small business, then you can calculate that \$13.72 Billion of that money will go towards SB (60 percent of \$22.87 Billion)
- Therefore, we estimate that \$15.62 Billion or 53.63% of the DOE's 2012 \$30.14 B budget will be awarded to small business directly or indirectly ($\$1.90 \text{ B} + \$13.72 \text{ B} = \$15.62 \text{ B}$)