

Information Technology: Selling to the U.S. Federal Government

Although GSA schedule contracts are an important channel, many firms new to the federal IT market concentrate too heavily on them. Even with the recent changes, the market-coverage of GSA contracts will never approach the coverage provided by prime and subcontracting. In addition, a schedule contract does not guarantee sales to any agencies. To make this channel worthwhile, you must still market aggressively to your potential government customers.

Pros

- Government buyers prefer the ease of purchasing goods and services off GSA schedule contracts to the time-consuming and complicated task of conducting a competitive procurement.
- The elimination of the maximum order limitation and the requirement to advertise in the CBD have made GSA schedules increasingly popular.
- Obtaining a GSA schedule contract gives added credibility to firms new to the federal market by establishing them as government customers.

Cons

- GSA schedules only accounted for 4% of the federal IT market in FY1994.
- The market-coverage of schedule contracts will never approach the coverage provided by prime and subcontracting.
- Aggressive sales and marketing to potential government customers is still needed.
- The government is expected to place new limitations on GSA schedules to ensure that schedule contracts are not used for giant procurements.

GSA Schedules For Information Technology Firms

Below is a brief description of the five GSA schedules available to IT firms. All five schedules are managed by the Federal Supply Service's Automatic Data Processing (ADP) Acquisition Centre. To win a schedule contract on any of the following schedules you must respond to an advertised solicitation during either an *open competition* or an *open season* by submitting a proposal to the appropriate contracting office. Open competitions are held at the end of a contract period to award schedule contracts to new vendors. Open seasons are regularly held during the contract period to award schedule contracts to additional firms. Proposals are judged on strict technical and price standards and on the bidding firm's financial capability to deliver on the contract. The specific standards and requirements for each schedule are fully explained in the solicitation document. To ensure that you receive the solicitation document for the schedule you are interested in as soon as it is available, you should register on the GSA's Centralised Mailing List, in addition to having your firm put on the schedule's *hand-list*. To register on the GSA's Centralised Mailing List, contact the Business Service Centre (BSC) nearest you (see point of contact information in Appendix C). To have your firm placed on a schedule's hand-list, refer to the contact information for the appropriate schedule below.

Note: The *Canadian Commercial Corporation (CCC)* (call 613-996-0034) can register you on the Bidders' Mailing Lists that you specify. This service can save you enormous amounts of time and effort.

GSA Schedule 58 VI & VII (Commercial Telecommunications Equipment)

GSA Schedule 58 VI & VII is used by federal agencies to purchase a wide range of telecommunications equipment, including: telephone equipment; voice message systems; video teleconferencing equipment; facsimile equipment, pagers and public address systems; non-tactical two-way radio systems; broadcast band, microwave, airborne and radio navigation transmitters and receivers. There are currently over 125 contractors on the schedule and the current contract period is from February 1, 1996 until September 30, 2000. The value of a schedule contract varies from tens of thousands to millions depending on the effectiveness of the contract-holders marketing strategy. There will be an open season held beginning in late spring of 1996 to provide schedule contracts to interested firms that meet the schedule's technical and price requirements. Remember, open season's are conducted to allow interested firms