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

Tech Refresh

Many firms in the federal IT market make their living off a strategy called *technology refresh* or simply, *tech refresh*. This strategy is used specifically when approaching systems integrators. Tech refreshes are implemented after a contract has been awarded. When you locate an attractive contracting opportunity that has been recently awarded, all is not lost. Effective marketing to the contract winner may result in your winning a piece of that contract. Of course, as you win a piece of the contract, another firm is *swapped-out*. As noted above, this is a risk you always run when teaming with a large prime.

To market successfully in a tech refresh, you must prove three things to the prime contractor. First, you must prove that the products or services your company provides are superior to similar products or services in the contract. Second, you must be able to prove that you have government demand for your product or service. And third, you must prove, through concessions to the prime, that a teaming partnership with you will be economically advantageous.

A great advantage of this strategy is that it is easy to identify contract winners. Every contract award above US\$25,000 is advertised in the *Commerce Business Daily (CBD)*. In addition, the CBD can be accessed electronically from one of the companies listed in Appendix D, including Canada's *Open Bidding Service*. "FedMark Federal," the database available from *Federal Sources Inc.*, also tracks contract winners.

Networking

Government channels marketing is about building relationships; with government end-users, systems integrators, 8(a) firms, U.S. small businesses, and other IT firms. The best opportunity to build relationships is by networking at professional association meetings, trade shows, and other events.

Professional Associations

The following five associations; AFCEA (Armed Forces Communications and Electronics Association), IAC (Industry Advisory Council), ITAA (Information Technology Association of America), Northern Virginia Technology Council, and the Suburban Maryland High Technology Council; offer excellent networking opportunities at association meetings, workshops, and conferences. They are great venues to build relationships with systems integrators, 8(a) firms, U.S. small businesses, and other IT firms. To determine the association or associations that best meet your needs, refer to their descriptions and point of contact information in Appendix A for more information. Generally, AFCEA, IAC, and ITAA are the best associations for companies that are primarily interested in the federal marketplace. The Northern Virginia Technology Council and the Suburban Maryland High Technology Council are concerned with local commercial market issues and, therefore, are most appropriate for firms that plan on having a commercial presence.

Executive Breakfast Meetings

Washington Technology sponsors monthly executive breakfast meetings that cover a wide variety of topics related to the federal IT market. The meetings are designed to be information sessions and networking venues. The executive breakfast meetings provide opportunities to network primarily with systems integrators, but also with resellers and other IT firms. Call (703) 848-2800 (see "Publications," Appendix A).

Trade Shows

Tech Expo and the Small Business Technology Showcase are two trade shows that were created, primarily, to provide companies with opportunities for networking. Tech Expo is designed to give IT firms many opportunities to network with systems integrators. The Small Business Technology Showcase is designed to showcase small