

## 5.0 Market Identification

### 5.1 Contracting Alternatives

There are three routes into the U.S. defence market:

- a) as a prime contractor to the U.S. Department of Defense, (currently for less than \$25,000)
- b) as a contractor to the U.S. Department of Defense through Canadian Commercial Corporation (currently for more than \$25,000)
- c) as a subcontractor to a U.S. defence prime contractor (any amount)

In all cases, the objective is to become source listed with a potential buyer.

### 5.2 U.S. DoD Buying Offices/Contracting

There are two methods of identifying potential DoD buying offices:

- a) The booklet entitled *Selling to the Military* lists the major buying offices,
- b) The *Commerce Business Daily* lists all U.S. government solicitations in excess of U.S. \$10,000. Not only does it list the buyer but also lists contract awards. *This solicitation publication and the regulations in the DFARS form the backbone of U.S. defence marketing and procurement.*

NOTE: For information on any of the above, contact the Defence Programs Bureau, regional offices or appropriate trade commissioner.

Either before or after a buyer is identified, your company and products must be identified to CCC using U.S. forms SF. 129 and DD. 558 (available through CCC).

### 5.3 U.S. Contractors/Subcontracting

There are several ways of identifying potential U.S. defence contractors:

- a) The "Subcontracting Directory" lists over 1,000 U.S. defence prime contractors. It is printed by the U.S. government printing office and is normally available from the Defence Programs Bureau, External Affairs.
- b) Canadian trade commissioners throughout the U.S. can provide lists of defence contractors in their area of responsibility.
- c) The contracts awards section of the *Commerce Business Daily* lists successful bidders under the appropriate classification section.
- d) The perusal of defence-oriented trade magazines can help identify defence industries; and
- e) Defence expositions are held annually in Washington in which U.S. and foreign defence contractors exhibit their products and capabilities.

## 6.0 Contracting

### 6.1 United States Military Acquisition Agencies

The United States military structure is headed by the Secretary of Defense whose Department of Defense (DoD) is the policy group. Each of the three Armed Services is organized into an operational Military Department, designated the Departments of the Army, Navy and Air Force. Each of these Military Departments is responsible for acquiring material and services peculiar to its requirements.

In addition to the armed services departments, the following agencies of the Department of Defense acquire material and services:

- a) The Defense Logistics Agency (DLA) — requirements not peculiar to sophisticated defence systems or to a single Military Department — DLA in turn has established several Defense Supply Centers, each responsible for acquiring a number of different commodity areas

b) Defense Communications Agency

c) Defense Nuclear Agency

The acquisition policies of the Department of Defense and of the Military Departments are codified in a publication known as the *Federal Acquisition Regulations (FAR)*. Canadian companies can consult the *FAR* by contacting DPB or CCC.

### 6.2 Canadian Commercial Corporation (CCC)

The Canadian Commercial Corporation (CCC), a Canadian Crown corporation, acts primarily as a contracting agency when other countries or international agencies wish to purchase Canadian supplies and services from Canadian government sources. On a government-to-government basis CCC subcontracts to Canadian industry. On U.S. contracts under \$25,000 a Canadian company may contract directly with the purchasing agency.

### 6.3 U.S. Military Solicitation and Bidding Procedure

CCC acts as a "prime contractor" to appropriate U.S. defense acquisition agencies. As such, it receives and distributes to Canadian sellers the solicitation documents ("bid sets") relating to U.S. military requirements. The bid sets, which originate with U.S. military acquisition agencies, are mailed directly to both CCC and the Canadian firms whose names appear on the U.S. agencies' Bidders Mailing Lists (BMLs) (see paragraph 6.11).

Canadian companies interested in pursuing the U.S. military market must be registered with CCC (See 6.11). U.S. bid sets may take the form of an INVITATION FOR BIDS, REQUEST FOR PROPOSALS, or a REQUEST FOR QUOTATION as follows:

### 6.4 Invitation for Bid (IFB) (Competitive)

The use of the IFB is a formally advertised or sealed bidding method of competitive procurement. It is the