

# UNDERSTANDING YOUR CUSTOMER



**Seán F. Crean**  
**Director,**  
**Department of the Navy**  
**Office of Small Business Programs**

**March 11, 2010**



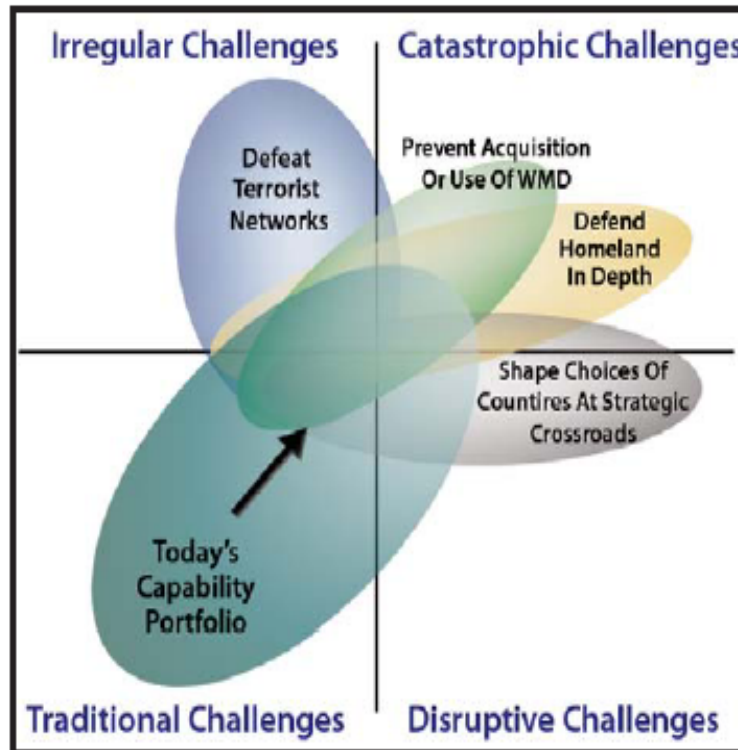
# National Strategy & Environment



**Irregular Warfare**



**Near Peer Competitors**



**Terrorist Threats**



**Global Maritime Security**





# Maritime Strategy

## A COOPERATIVE STRATEGY FOR 21<sup>ST</sup> CENTURY SEAPOWER

### Expanded Core Capabilities Of Maritime Power

- Forward Presence
- Deterrence
- Sea Control
- Power Projection
- Maritime Security
- Humanitarian Assistance and Disaster Response



# Navy Strategic Plan



Achieving maritime security through:

- Expanded expeditionary presence, sustainment and cooperation
- Improved, prompt access and combat power to deter or defeat adversaries
- Enhanced alignment of people, processes, and resources to provide the right capabilities to joint commander at the right time



***Efficiently adapting to the new security environment***





# The Navy Today

**Search & Seizure Team  
USS San Jacinto**



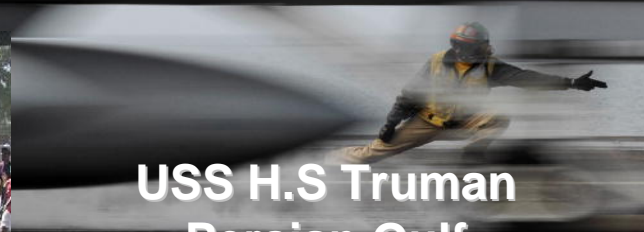
**11<sup>th</sup> MEU  
Horn of Africa**



**24<sup>th</sup> MEU  
Afghanistan**



**USS H.S Truman  
Persian Gulf**



**USS Carl Vinson  
Haiti**



**4<sup>th</sup> Marine Log Group  
Liberia**



**NMCB-1  
IRAQ**





# DON OSBP Mission

The Small Business Program promotes acquisition opportunities where small business can best support the needs of our Sailors and Marines. Through policy, advocacy and training we foster industry innovation, technology development and the acquisition of quality products, services and solutions from small business providers.





# SUCCESS STORY

## Submarine Combat Systems and SBIRs

- Navy needed a paradigm shift in acquisition of submarine combat systems
  - Budgets falling dramatically
  - Potential threat submarines becoming increasingly quieter
- Government and industry partners had little incentive to facilitate new business model
- Navy turned to Small Business Innovation Research (SBIR) contracts to drive change
- Acoustic COTS Insertion (ARCI) Program was the result

### COTS HARDWARE (HW)

- Multi-Purpose Processor Cabinets housing COTS processors
- Order of magnitude reduction in cost; increase in performance

### MIDDLEWARE (SW)

- Isolate SW from COTS HW evolution
- Protected SW across multiple generations of HW
- Significant reduction in development costs

### SIGNAL PROCESSING

- Broadened market for innovative algorithms, tools & techniques
- Significant improvement in passive signal processing
- Provided competitive counter balance to Large Industry in cost and system performance



Submarine Navy decreased costs while increasing capability through SBIRs



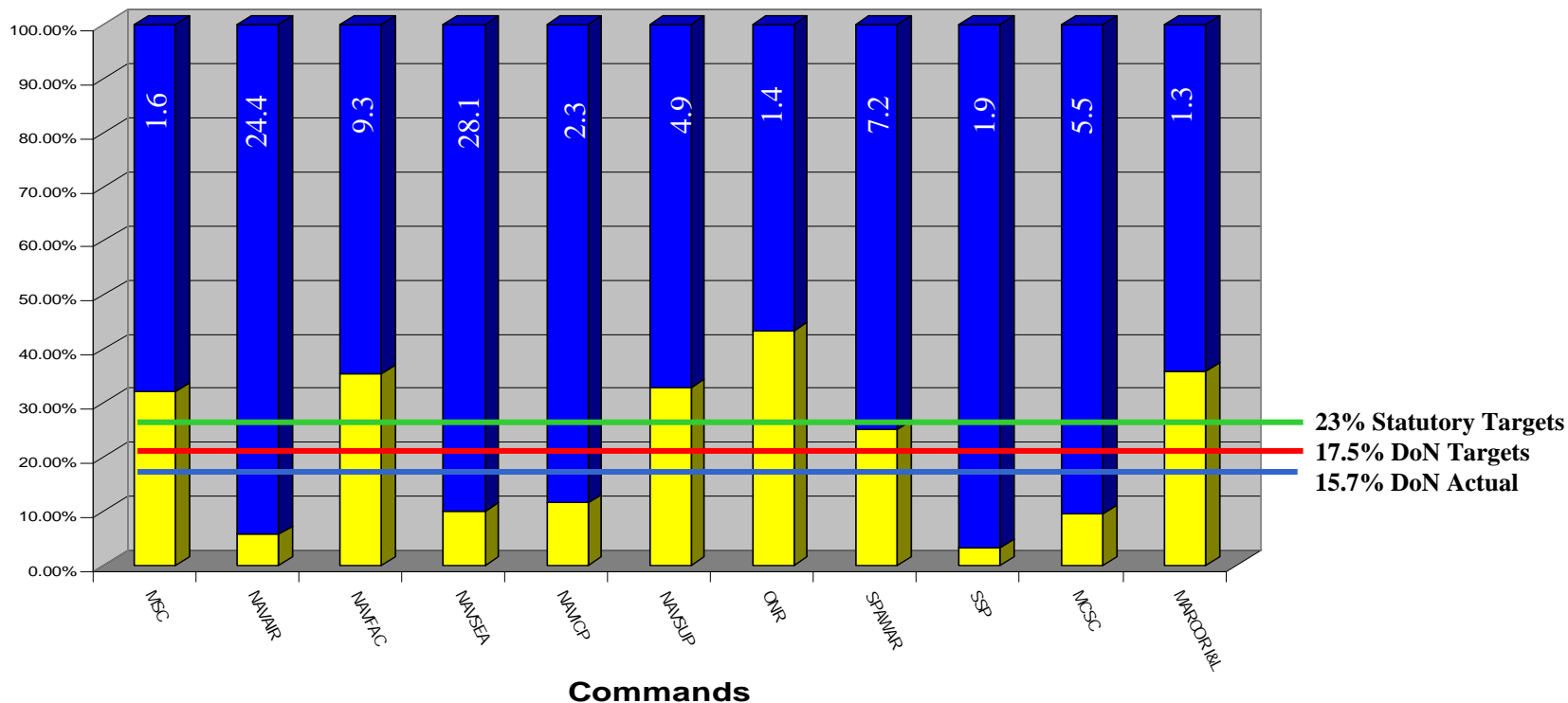
# DON Major Commands

Naval Supply Systems Command 703-604-1857	70% of Navy buys
Naval Sea Systems Command 202-781-3965	Shipbuilding
Naval Air Systems Command 301-757-9044	Aviation
Space and Naval Warfare Systems Command 619-524-7701	Technology / Communications
U.S. Marine Corps Installations and Logistics 703-614-6810	Ground Equipment
Marine Corps Systems Command 703-432-3946	Weapons and Sensors Development
Office of Naval Research 703-696-2607	R&D (SBIR)
Military Sealift Command 202-685-5565	Ocean Transportation
Strategic Systems Programs 703-601-9602	Undersea Systems
Naval Facilities Engineering Command 202-685-9129	Construction & Facilities



# DON FY 2009 Small Business Awards

Billions



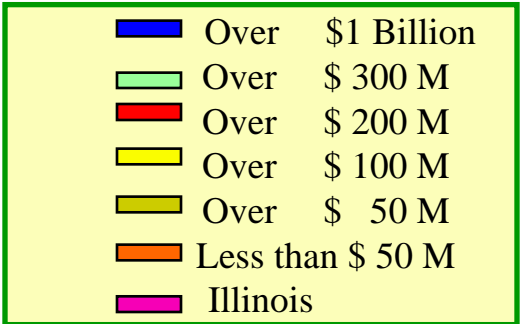
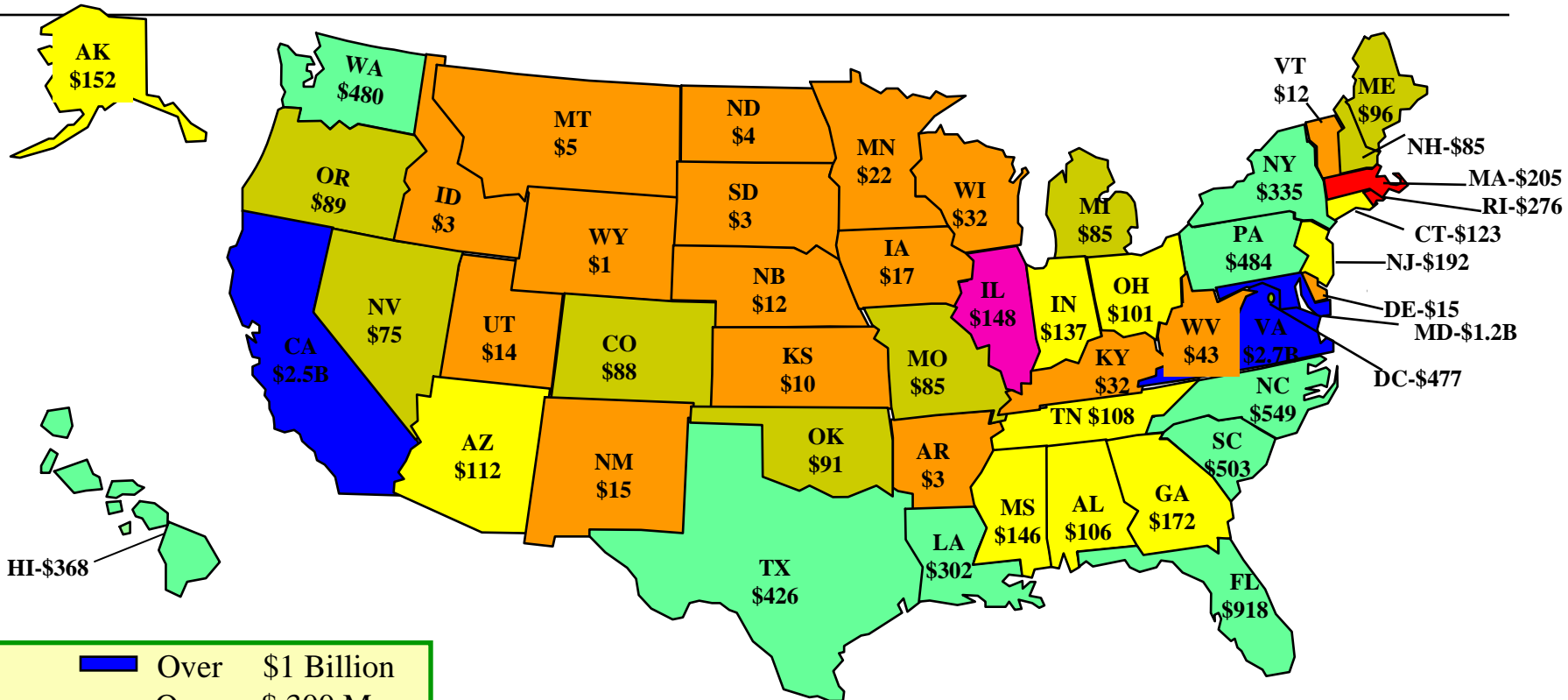
■ Large Business Awards

■ Small Business Awards



Data from FPDS-NG  
January 13, 2010

# US NAVY SMALL BUSINESS AWARDS



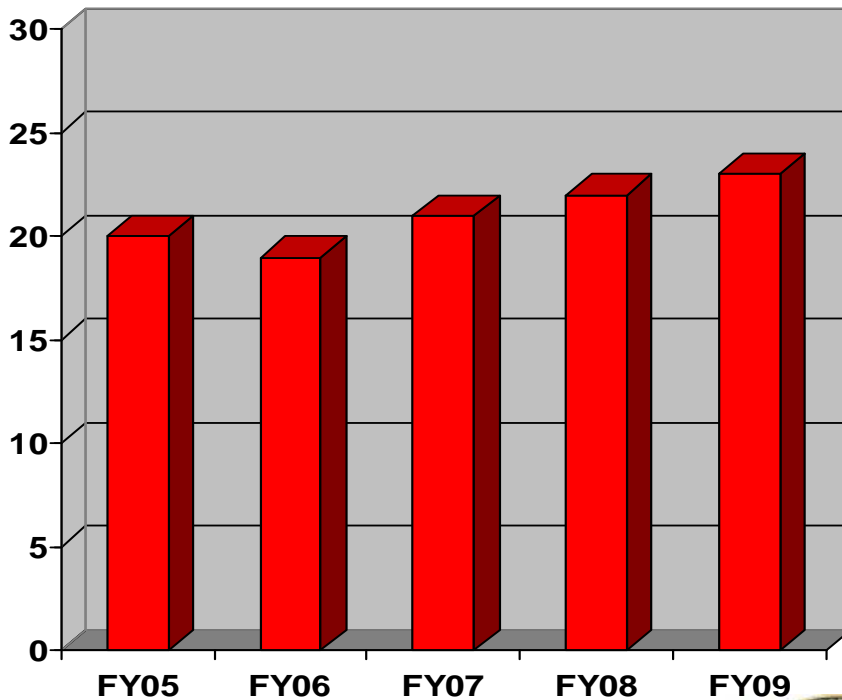
**FY 09 SMALL BUSINESS AWARDS \$13.9 Billion**

FPDS-NG data as of 10 March 2010

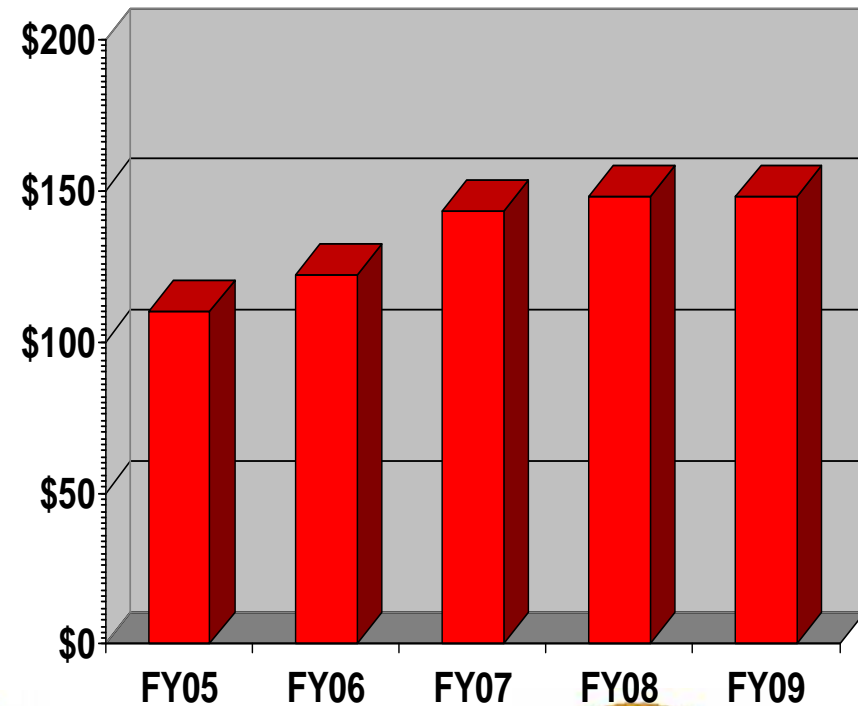
# DoN Small Business Contracts in Illinois



No. Awarded in Hundreds



\$ Value in Millions



# DoN Top Ten Businesses in Illinois



## LARGE BUSINESS

INTERNATIONAL MILITARY & GOV'T LLC	\$826M
ARCHER WESTERN/RQ JOINT VENTURE	\$151M
JOHN DEERE CONSTRUCTION RETAIL SALES	\$ 65M
NORTHROP GRUMMAN SYSTEMS CORP	\$ 47M
ALION – IPS CORPORATION	\$ 38M
SQUARE D COMPANY	\$ 31M
CDW GOVERNMENT, INC.	\$ 28M
ALION SCIENCE & TECHNOLOGY CORP	\$ 21M
CDW GOVERNMENT	\$ 18M
NAVISTAR DEFENSE LLC	\$ 13M



## SMALL BUSINESS

LOM CONSULTING	\$15.0M
RLG ENTERPRISES	\$12.3M
BELONGER-BLINDERMAN JV2, LLC	\$9.5M
C. E. NIEHOFF & CO.	\$7.3M
SPAAN TECH, INC.	\$5.4M
OLD VETERAN CONSTRUCTION, INC.	\$5.3M
THE HANA GROUP, INC.	\$5.2M
FSS ALUTIIQ JOINT VENTURE	\$4.0M
SARATOGA MEDICAL CENTER, INC.	\$3.2M
RISK MANAGEMENT ASSOCIATES, INC.	\$2.8M



# DoN FY 2009

## Top 10 NAICS



### 6 digit NAICS Code (Description)

### Total Dollars

541330 (ENGINEERING SERVICES)	\$16,185,821,813
336411 (AIRCRAFT MANUFACTURING)	\$15,525,171,971
336611 (SHIP BUILDING AND REPAIRING)	\$13,416,702,194
236220 (COMMERCIAL AND INSTITUTIONAL BUILDING CONSTRUCTION)	\$5,250,804,489
541710 (RESEARCH AND DEVELOPMENT IN THE PHYSICAL, ENGINEERING, AND LIFE SCIENCES)	\$3,548,238,355
334511 (SEARCH, DETECTION, NAVIGATION, GUIDANCE, AERONAUTICAL, AND NAUTICAL SYSTEM & INSTRUMENT MFG)	\$3,272,872,768
336412 (AIRCRAFT ENGINE AND ENGINE PARTS MANUFACTURING)	\$2,794,719,899
336992 (MILITARY ARMORED VEHICLE, TANK, AND TANK COMPONENT MANUFACTURING)	\$2,448,633,829
336413 (OTHER AIRCRAFT PARTS AND AUXILIARY EQUIPMENT MANUFACTURING)	\$2,439,591,684
334220 (RADIO AND TELEVISION BROADCASTING AND WIRELESS COMMUNICATIONS EQUIPMENT MANUFACTURING)	\$2,120,552,646



# DoN Top 10 NAICS in Illinois



236220 (COMMERCIAL AND INSTITUTIONAL BUILDING CONSTRUCTION)	\$26,875,796
336399 (ALL OTHER MOTOR VEHICLE PARTS MANUFACTURING)	\$15,077,794
561730 (LANDSCAPING SERVICES)	\$12,426,849
621210 (OFFICES OF DENTISTS)	\$9,222,656
336322 (OTHER MOTOR VEHICLE ELECTRICAL AND ELECTRONIC EQUIPMENT MANUFACTURING)	\$7,343,487
622110 (GENERAL MEDICAL AND SURGICAL HOSPITALS)	\$6,203,340
561612 (SECURITY GUARDS AND PATROL SERVICES)	\$5,294,642
541611 (ADMINISTRATIVE MANAGEMENT AND GENERAL MANAGEMENT CONSULTING SERVICES)	\$3,969,003
541690 (OTHER SCIENTIFIC AND TECHNICAL CONSULTING SERVICES)	\$3,164,726
541712 (RESEARCH AND DEVELOPMENT IN THE PHYSICAL, ENGINEERING, AND LIFE SCIENCES (EXCEPT BIOTECHNOLOGY))	\$2,727,800



# Small Business Emphasis Programs



- SD Veteran Owned Small Business Program
- Small Business Innovation Research
- Women-owned Small Business Program
- HUBZones
- HBCU and other Minority Institutions Program
- Mentor-Protégé
- Native American Incentives



# Area DoD Small Business Representatives



## Navy

Small Business Specialist

NAVFAC MID West

Phone: 847-768-2600 ext. 108

ONR Chicago

Phone: 312-886-5423 ext. 239

NAVSUP FISA

Phone: 847-688-6975 ext. 27



## Army

Small Business Specialist

Chicago District

Phone: 312-846-5565

**“10 Step Guide to Doing Business with the Navy”**

<http://www.sellingtonavy.org>



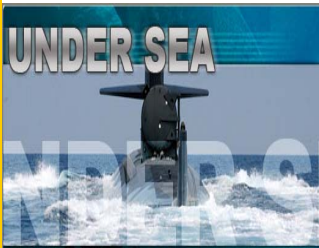
# DON Office of Small Business Programs



<http://www.sellingtonavy.org>



The Department of the Navy embraces a culture that recognizes the critical role of small business in supporting our objective to “Building the Navy – Marine Corps Force for tomorrow.” The Department of the Navy has a decentralized procurement structure that purchased approximately \$87.8 billion in goods and services during Fiscal Year 2009. Each of the Department’s Contracting Commands is responsible to acquire the goods and services to fulfill its mission to support the Department of the Navy at sea, in the air, or on land. Each Contracting Command has a Director of Small Business that serves as the focal point for small business procurement opportunities.





– in the final analysis  
this is what matters  
most.

