

BRAC Small and Minority Business Opportunities Study

Presentation for SMART PROCurement

October 30, 2009

The Research Group & Project Oversight Team

Research Group:

The University Team of Towson University-RESI & Bowie State University (*Dr. Darius Irani & Dr. LaTanya Brown*)
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Project Oversight Team:

GOMA – Governor’s Office of Minority Affairs

DBED – Department of Business and Economic Development

RESI- Regional Economic Studies Institute of Towson University

Objective of the Study

- To gain insight into BRAC related procurement opportunities
- To identify federal defense spending/ procurement patterns to better assist small/minority firms who are seeking to access BRAC opportunities

Key Stakeholders in the Study

- **BRAC Sub Cabinet/Administration**
- **BRAC Small/MBE Advisory Board Members**
- **Maryland General Assembly-MLBC & Congressional Delegation**
- **Small/Minority Business Vendor Community**
- **Local County MBE Program Directors, other Minority Business Assistance Programs**

Study Methodology

- **Analysis of procurement activity between 2002-2007 at the following federal and MD Military Installations:**
 - ✓ **Department of Defense (DOD)**
 - ✓ **General Services Administration (GSA)**
 - ✓ **Defense Information Systems Agency (DISA)**
 - ✓ **Ft. Monmouth**

Maryland Military Bases:

- ✓ ***Aberdeen Proving Ground***
- ✓ ***Fort Meade***
- ✓ ***Bethesda Naval Hospital***
- ✓ ***Andrews Air Force Base***
- ✓ ***Fort Detrick***

Data Source: Federal Procurement Data System & Contracting Officers at various Military Bases

Study Methodology

- 2-Surveys were conducted to identify the opportunities & challenges facing small/MBE firms related to BRAC procurements

Survey #1: Interviews of Federal Government
Procurement Officers

Survey #2: Interviews of small/minority business owners

Key Study Findings

(Past 5-Yrs of Federal Procurement Levels)

Based on past performance there is a positive future for small, women-owned and minority business with federal procurements

Department of Defense spent \$56 Billion in Maryland and 66% was spent with Maryland Businesses

Of the \$37Billion, 28% went to small business, 18% went to women-owned and 4.8% went to minority firms

Key Study Findings

- During the same time period (2002 – 2007), \$5 Billion was spent by the five BRAC bases
- The bases spent \$1.5 Billion with Maryland companies
- Maryland small business collected about \$720 Million of which \$245 Million was awarded to women firms and \$89 Million to minority firms

Key Study Findings

- Future procurements with all of the bases are predicted to increase.
- The BRAC Advisory Board and GOMA are providing opportunities for more Maryland MBE firms.
- The addition of procurements for the transferred Ft. Monmouth and DISA headquarters will add another \$15000 million in procurements for Maryland.

Official Release of Study

Lieutenant Governor Anthony Brown
released the study on October 31, 2008.

The Study is currently on the GOMA website
and can be accessed at:

www.mdminoritybusiness.com