



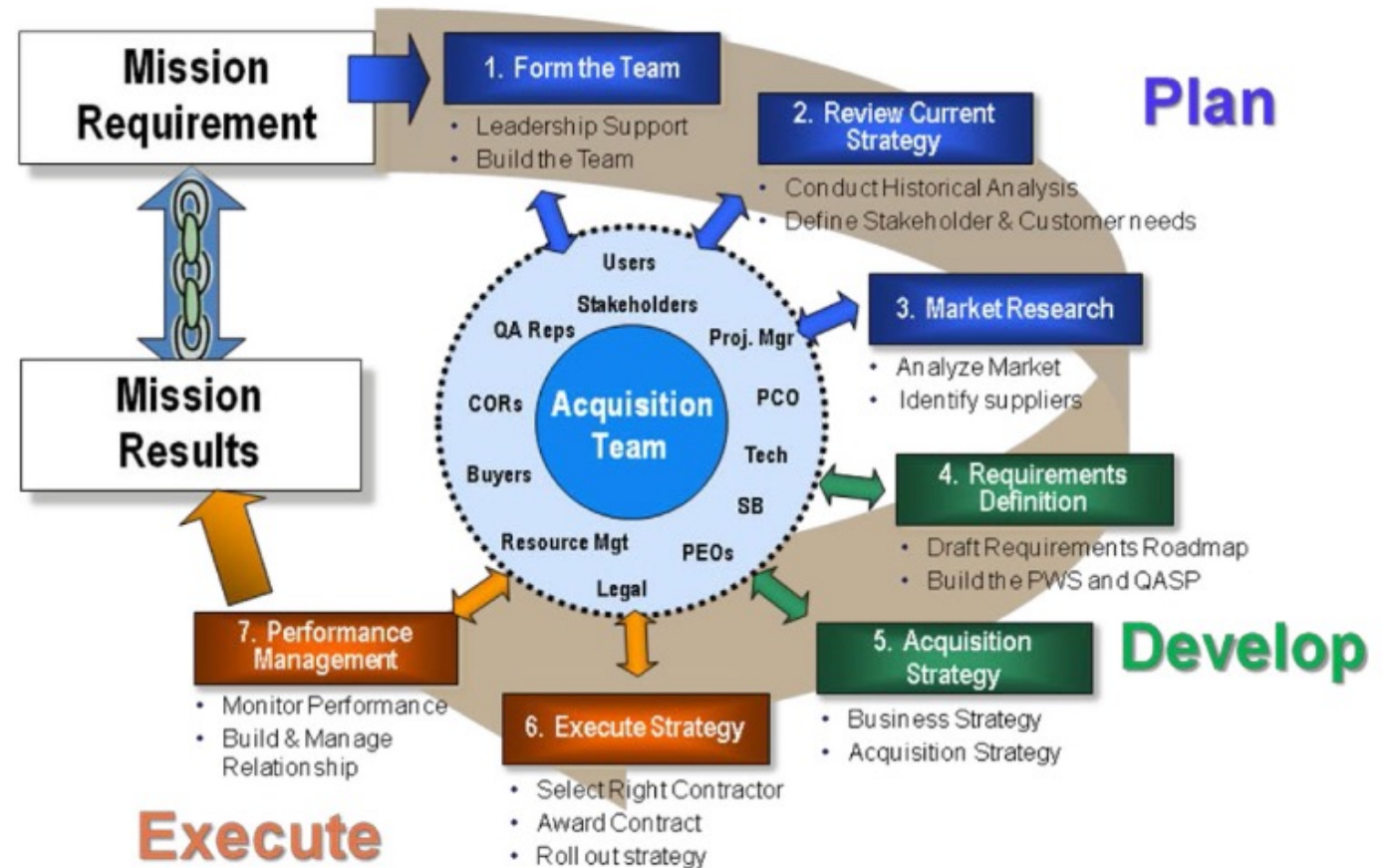
How to Do Business with the US Government

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U.S. Department of Defense (DoD) Procurement Process Overview

- DoD offers numerous business opportunities for local companies in the United States European Command (EUCOM)
- Understanding the procurement process and applicable regulations is critical to success



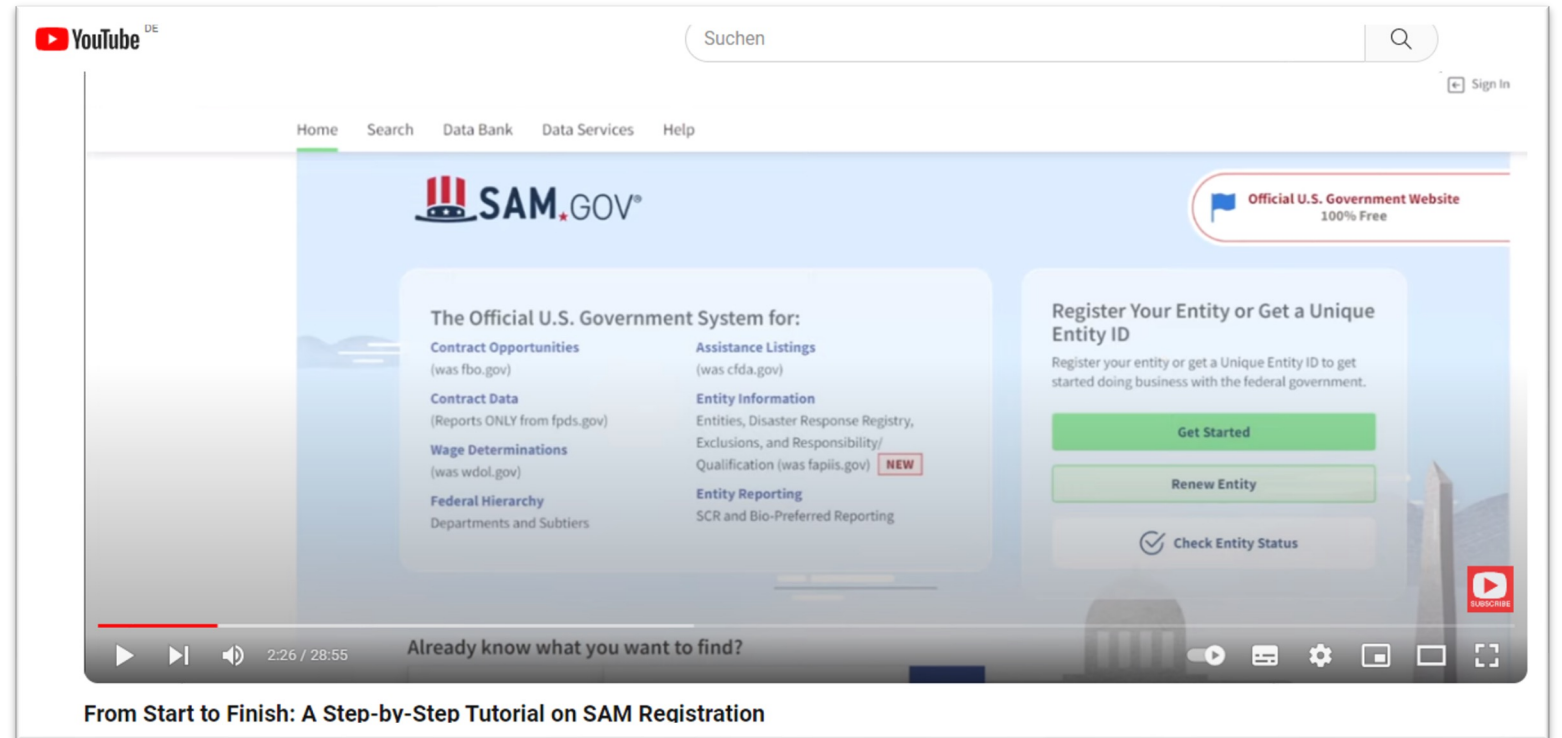
DoD's 7-Step Services Acquisition Process

Source: https://www.acq.osd.mil/asda/dpc/cp/cc/docs/corhb/ref/Guidebook_for_Acquisition_of_Services_24March2012.pdf



Required Registrations

- **SAM Registration:** Register with the System for Award Management (SAM) to do business with the U.S. Government. You will receive a “Unique Entity Identifier” (UEI) identifier.
- **NCAGE Code:** Obtain a NATO Commercial and Government Entity Code assigned by the Defense Logistics Agency (DLA)



Source: <https://www.youtube.com/watch?v=n-aB763ohe8>



NAICS Codes Necessity

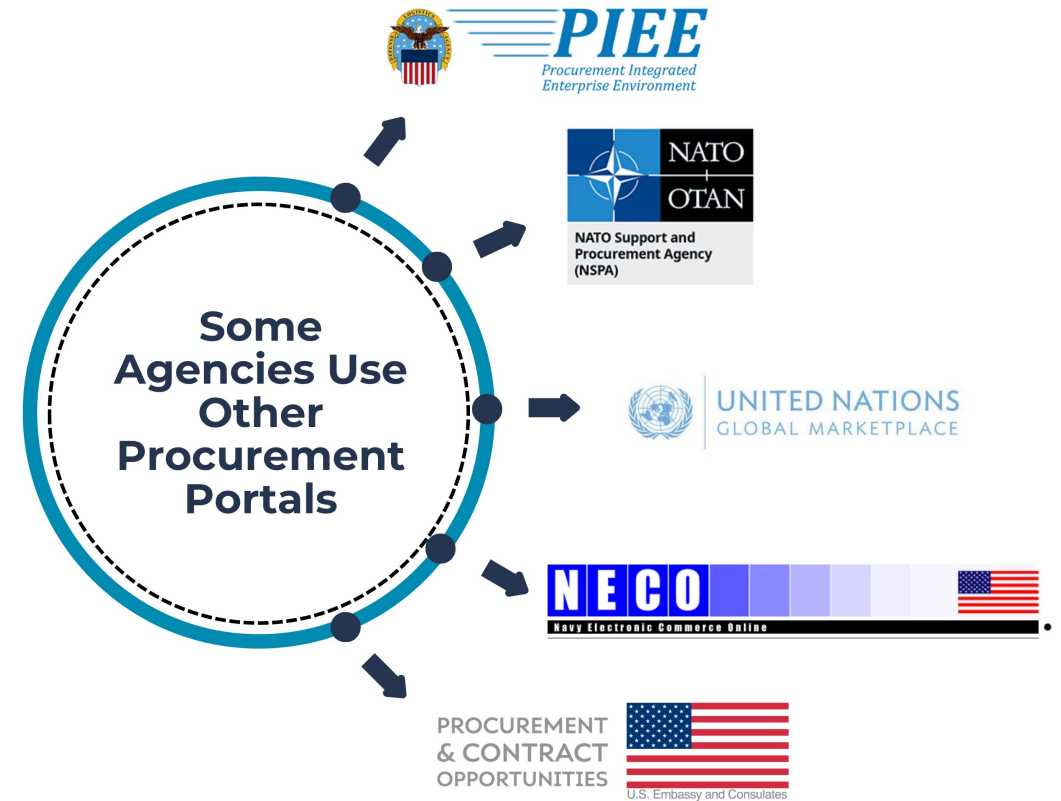
- Identify the industrial sector for which a contract award is intended.
- Companies must provide their primary North American Industry Classification System (NAICS) code(s) when registering with the System for Award Management (SAM).
- Incorrect classification can result in important opportunities being missed or problems with the awarding process. Therefore, choosing the correct NAICS code(s) for your business is important.
- Find the NAICS codes that apply to your business (there are 689 five-digit codes & 1,012 six-digit codes!)



NAICS Code Drill-Down Table					
Click Any NAICS Code to Identify the Six-Digit NAICS Codes listed within that sector.					
Code	Sector Title	Number of US Entities	Code	Sector Title	Number of US Entities
11	Agriculture, Forestry, Fishing and Hunting	376,065	53	Real Estate Rental and Leasing	947,112
21	Mining	33,725	54	Professional, Scientific, and Technical Services	2,576,732
22	Utilities	52,025	55	Management of Companies and Enterprises	97,749
23	Construction	1,564,895	56	Administrative and Support and Waste... Services	1,641,698
31-33	Manufacturing	667,833	61	Educational Services	439,219
42	Wholesale Trade	719,282	62	Health Care and Social Assistance	1,724,350
44-45	Retail Trade	1,893,740			
	Transportation and				
NAICS Code	Industry Title - 49	Business Count	Collapse		
▼ 54	Professional, Scientific, and Technical Services	2,576,732		Arts, Entertainment, and Recreation	397,633
▼ 5411	Legal Services	361,566		Accommodation and Food Services	928,144
541110	Offices of Lawyers	331,100		Other Services (except Public Administration)	1,986,470
541120	Offices of Notaries	11,401		Public Administration	259,365
541191	Title Abstract and Settlement Offices	13,545		Total US Business Entities	10,998,472
541199	All Other Legal Services	5,520			
	Accounting, Tax Preparation, Bookkeeping, and Payroll				
▼ 5412	Services	189,533			
541211	Offices of Certified Public Accountants	77,713			
541213	Tax Preparation Services	64,775			
541214	Payroll Services	3,223			
541219	Other Accounting Services	43,822			

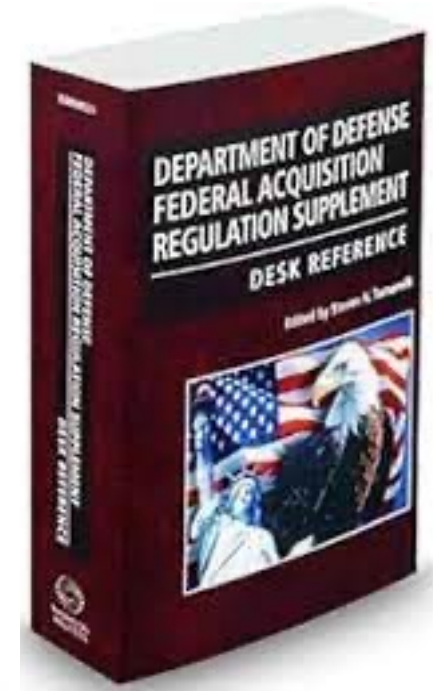
Track Procurement Activities

- **SAM.gov** is the primary source of information (including database).
- **Ebuy.gov** is also an expansive tool for tracking General Services Administration (GSA) tenders specifically.
- Many companies offer web-based tools and software solutions for tracking U.S. Government procurement activities.



Understand the FARs and DFARs

- Federal Acquisition Regulation (FAR): regulates all procurement processes within the US Government.
(2,368 pages; 1.55 kg)
- Defense Federal Acquisition Regulation Supplement (DFARS): DoD-specific requirements that supplement the FAR.
(1,326 pages; 1.1 kg)
- Purpose: to ensure transparency, fairness, and compliance in procurement.
- Frequent updates can lead to significant additional work - even for awarded contracts!



Types of Contracts

WARNING

WARNING

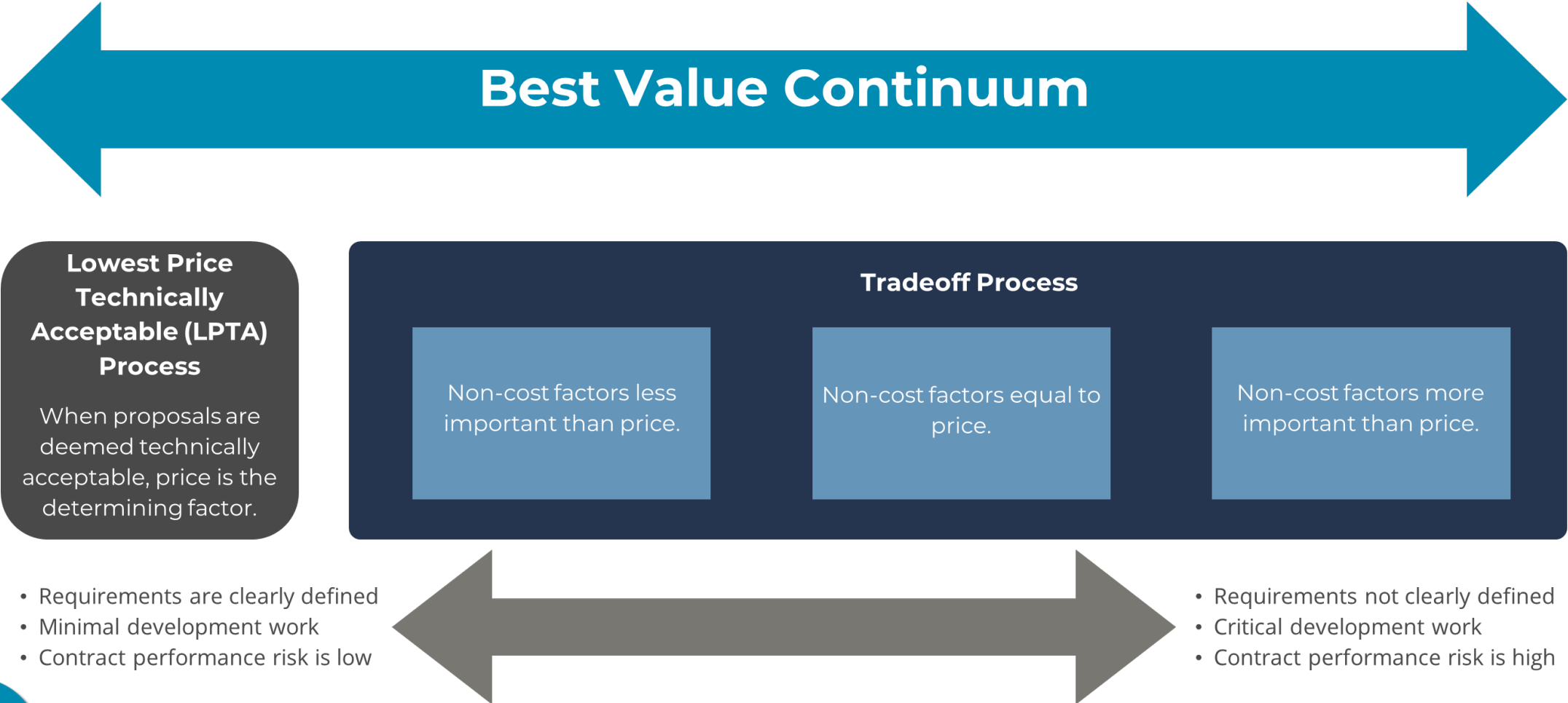
WARNING!

A contractor may end up losing money because their FFP may not be enough to cover costs for five years and a good understanding of how to claim appropriate additional reimbursement is required.

	Firm Fixed Price	Cost-Reimbursement	Time-And-Materials
Government	Pays a fixed price regardless of whether the actual cost of producing the product or providing the service differs from the agreed to price	Pays contractor's allowable costs. Also may pay a fee, which may be related to performance	Pays fixed per-hour labor rates that include wages, overhead, admin costs, and profit
Contractor	Provides an acceptable deliverable at the time, place, and price specified in the contract	Makes good faith effort to meet the government's needs within the estimated cost.	Makes good faith effort to meet government's requirements needs within the ceiling price
Who assumes the risk of a cost increase?	Contractor	Government	Government



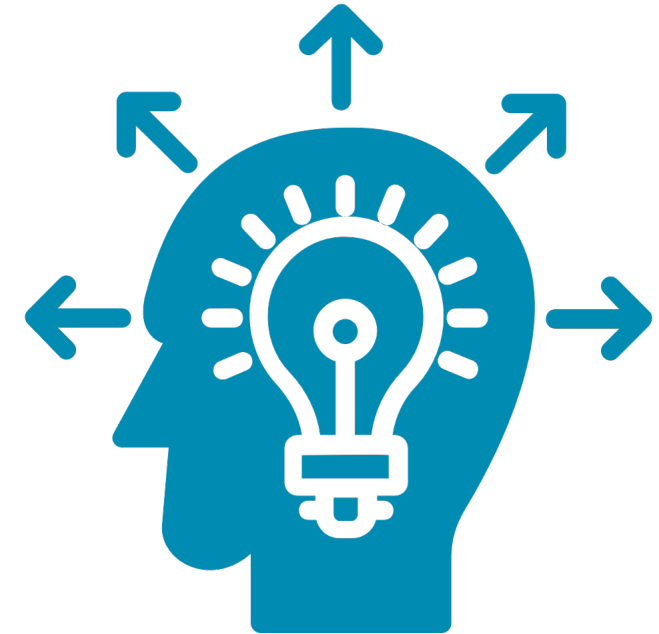
Evaluation Criteria



Analysis of Federal Acquisition Regulation § 15.101

B. French Consulting GmbH – Lessons Learned

1. Understand the procurement process & regulations
2. Create strategic partnerships & seek out mentors and supporters
3. Learn U.S. Military and Government jargon
4. Submit compliant and convincing proposals
5. Offer relevant past performance
6. Develop competitive prices
7. Request debriefings
8. Beware of political events impacting payments
9. Learn that not every order is lucrative
10. The DoD world is smaller than you think



Conclusion

- Understanding and navigating the procurement process is critical to success
- Collaboration with strategic/strong partners is a winning approach
- It takes patience, perseverance, and a bit of luck.
- This industry has enormous potential and offers countless business opportunities



