

11/5/2012 Schedules Modernization Industry Focus Group

11/5 - 15+ Industry Participants from: CSC; Coalition for Government Procurement; Fisher Scientific; Novetta Solutions; Expedite; Booz Allen; American Hotel Register Company; General Dynamics, IT; Jamie Northrop Associates Inc.; Brown and Caldwell; Trane; and others. 10 GSA participants including facilitator.

1. GSA covered meeting logistics and basic ground rules.
2. Facilitator opened the meeting by welcoming participants and discussing the key objectives of the session such as:
 - GSA's business drivers and the high-level objectives for the Schedules Modernization Initiative.
 - The four Solution Sets that have been identified as key tenets for the Schedules Modernization Initiative as shown below:
 - Data Driven Pricing
 - Flexible Contracting
 - Enhanced Service Delivery
 - Increased Knowledge Management Capabilities
3. The primary solutions sets that were the focus for the discussion were: Data Driven Pricing and the Flexible Contracting.
4. The crux of the Data Driven Pricing Solution Set is the introduction of pricing tools, policies, and procedures that will give better insight into pricing variability. The basic assumption is that such information could be helpful to customers and industry.
5. Focus group participants were asked to respond to the following set of questions:
 - Are you interested in using product price comparisons tools as part of your offer/mod process?
 - How do you currently assess your prices against other providers are offering the same or similar products? Do you use an automated tool? If so, which features of the tool do you find most valuable?
 - What are your top concerns about the existing GSA pricing tools?
6. Highlights from the Data Driven Pricing discussion are shown below:

PRICING TOOL

- Significant discussion on the topic reflected concerns regarding the following:

- Some participants felt a pricing tool would be helpful particularly for those who rely on sales through Advantage. Note-this is a small segment of industry.
- All wanted to know how the information would be captured? Automated Upload? Manual?
 - GSA Response - TBD-pending solution refinement.
- How could one be assured the comparison was “apples to apples?” For example, within some industries there are different “grades” / classifications for the same items.
- Timing of using the tool was discussed. Will it be available before offers are submitted as well as post award?
 - GSA Response - Yes
- Will there be a stated allowable "competitive price range"?
 - GSA Response - TBD-pending solution refinement.
- Currently, GSA Advantage has some disadvantages because industry is not required to provide technically equivalent data. For example, some industry providers are distributors, all offering the same product from the same OEM. Some providers may not put the true OEM number in Advantage and instead use their own unique number; therefore, because no tech specs are also included, making matches/comparisons is impossible.
- Requirement to mandate use of OEM would help, provided it is enforced. Note, in cases where other value added or warranty services are also provided, all costs must be delineated by line item.
- Bottom line - part number standardization is very complex based on a number of variables and comparisons that must be made on more than one match point / core characteristics (i.e.-part number, warranty info, quantity, etc.)
- Even inclusion of supplier report card / standings information may be helpful for customers when making their comparisons.
- A successful tool will not be resource intensive.

PRICING POLICIES

- Several made the point that current pricing policies are really more of the issue than need for a pricing tool.
- Some made the point that pricing policies need to be revamped because many are product based and are 30+ years old.

- Some made the point that other policies are inconsistent, i.e. maximum order threshold and price reduction clause.
 - Some made the point that significant enhancements and revisions to Advantage....better search, more data, etc. could replace the need for the modernization solutions that are being discussed.
7. The crux of the Flexible Contracting Solution Set reflects recognition from GSA that the current structure of over 30 separate MAS schedules makes it difficult for customers to navigate, particularly when their requirements cross multiple schedules. A draft solution set that reduces the number of schedules down to the following eight solution sets was offered:
- Facility & Security
 - Office and Furniture
 - Engineering, Environmental, Logistical, & Scientific
 - Business Management
 - Information Technology
 - Travel/Transportation
 - Automotive
8. Focus group participants were asked to respond to the following set of questions:
- In general, would you agree that fewer Schedules improve the usability of Schedules?
 - Are there recurring requirements that cut across more than one Schedule?
 - What are the most common instances where your customers need more than one Schedule to meet their requirements?
 - Specific Schedule Consolidation Questions

Highlights from the Flexible Contracting discussion are shown below:

REDUCED NUMBER OF CONTRACTS

- Question asked and clarification made re: relationship between OASIS and Modernization's Schedule Consolidation efforts.
 - GSA Response – Different contract type solutions.
- Several agreed combining schedules was a good idea.
- Several made the case that if schedules were consolidated, contractors who were previously eligible for just one of the schedules to be consolidated should still be eligible to participate on the new, consolidated schedule.

SPECIFIC SCHEDULE CONSOLIDATION & OTHER CONCERNS

- Some consolidation does make sense.
- GSA should reconsider SINS. SINS tie back to products and are not as meaningful or accurate when describing services.
- GSA should consider if logistics should still have its own schedule. May not be a good fit as proposed with Engineering, Environment and Scientific.
- Consider adding Schedules 58 I, 72, and 73 with Office and Furniture since these are ancillary commodities. They help to create a total package for end users looking to also buy furniture.
- Customer input is key to the question of schedule relevance and appropriateness... outreach to Public Building Service (PBS) may also be very informative.
- Implementation strategy will be critical. Should develop solutions to eliminate impact to existing BPAs and task orders.

GENERAL CLOSING DISCUSSION NOTES, OTHER CONCERNS, AND OTHER APPROACHES DISCUSSED ARE SHOWN BELOW:

- A new approach to SIN structure should be under consideration. Using NAICS in lieu of SINS will create another set of issues too. Seeing more vehicles established based on very broad requirements, in lieu of detailed SIN structures.
- Modernization concepts are good. Training for current business model, as well as for future model, is critical.
- IT crosses over several requirements, no longer stand-alone.
- GSA should take "lessons learned" from the creation of the Consolidated Schedule (00CORP), in order to prevent unintended consequences.