



Column: GWACs and MACs - Vital tools for small businesses

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Government-wide acquisition contracts ("GWACs") and multiple award contracts ("MACs") have become increasingly important to contractors and agencies, and they can be invaluable vehicles for small businesses.

MACs and GWACs are intended to streamline the acquisition process by creating a pool of contractors to compete for task orders that are issued under the larger vehicle. A MAC operates within a single agency, and GWACs may be used across the entire federal government. Many of these vehicles have tracks for small businesses.

\$115 billion in orders

In many ways, MACs and GWACs have become the predominant way for the government to acquire services, particularly those involving information technologies.

In 2014, federal agencies placed approximately \$115 billion in orders using MACs and GWACs. That is more than a quarter of all prime contract spending. These vehicles, such as SeaPort, Alliant, EAGLE, and Encore, are well known in the industry. This trend bodes favorably for small businesses. In 2014, small businesses won more than 40% of all MAC and GWAC dollars.

2016 a critical year

This is a critical time for MACs and GWACs. Ten GWACs are being competed this year, and four were competed last year. The ceiling value of the 10 vehicles being competed this year is expected to be \$128.6 billion. In prior years, only one or two were competed a year.

Small business opportunities

MACs and GWACs present an excellent opportunity for small businesses because the contracts have long periods of performance; they often have a five-year base period and a five-year option period. At the same time, offerors are usually not required to recertify their size status when bidding on

task orders.

This means that a concern may become "other than small" after winning the MAC but still be able to compete for set asides competed under the MAC. GWACs also offer the benefit of exposing a contractor to multiple agencies, providing an opportunity to expand its customer base.

Plan in advance

The good news is that pursuing and winning an award under a MAC or GWAC is an achievable goal for a motivated small business contractor.

The first step to meeting this objective is to plan well in advance. Agencies release valuable information regarding their requirements and acquisition plans for these vehicles years in advance.

Contractors looking to win an award should first seek to understand what the procuring agency is looking for and what its anticipated timeline will be for the acquisition. Reviewing agency announcements and draft solicitation documents, attending industry days and analyzing the work currently being performed under the vehicle are all helpful first steps.

"Off-ramping" and "on-ramping"

When reviewing these documents, contractors should keep in mind that there may be other opportunities to get on these contract vehicles outside of the announced procurement timeline.

Many agencies remove, or "off-ramp," contractors from their set-aside MACs or GWACs, opening spots for other contractors.

At the same time, these agencies bring in, or "on-ramp," new contractors to increase the level of competition taking place at the task order level.

The General Services Administration, for example, has announced that it will consider on-ramping eligible offerors onto its OASIS GWAC if they meet certain proposal score thresholds.

Beyond on-ramping, a small

business looking to get on a GWAC or MAC could look to acquire a company or business unit that already has a contract.

Teaming to gain experience

Once a contractor knows what the agency is looking for and what the agency's timeline is, it must then make sure its experience and capabilities match the agency's needs.

Because GWACs and MACs are designed to fulfill government requirements across broad subject areas, contractors competing for such contracts must be able to show that they similarly have experience across a broad spectrum.

One of the best ways for a small business to gain this experience is to team with an established contractor. Such teaming partners, including both large and small businesses, can be found not only on the list of incumbent contractors, but also performing work on similar agency vehicles.

Since such large businesses (and businesses that anticipate growing to be large) cannot compete for set-aside MACs and GWACs, teaming with small businesses can offer valuable opportunities for all.

Summary

As the procurement dollars spent through GWACs and MACs continue to increase, small businesses looking to develop and remain competitive should seize upon these opportunities.

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