Volume 27, Number 1 www.mbemag.com January/February 2010

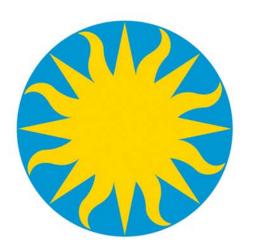
MBE

MINORITY BUSINESS ENTREPRENEUR

Dedicated to the success of minority and women business owners.

25th Anniversary

MAL McGHEE
Muskogee Technology



Preserving the past and improving the future for M/WBEs.

By Emily Richwine

Smithsonian Institution

As a former college basketball player, Brandon Adams has had to try out for every team he's ever made. He didn't think things would be much different in 2006 when he started his own office supply and services company, Micro Federal Solutions, Inc., in Washington, D.C. But he soon learned that in federal contracting, opportunities to prove oneself are difficult to come by. So in late 2007, when the world's largest educational and research institution and museum complex, the **Smithsonian Institution,** offered him a chance at a small contract, Adams understood the significance.

"We've tried to build relationships with other agencies, but we were usually struck down," Adams explains. "They would say it was because of strategic sourcing or something else. They had all of these excuses, all of these reasons why they couldn't work with us. But, the Smithsonian knocked those doors down. They told us, if you can compete and provide a competitive price, then we'll give you a chance. And that's it. A chance was all it was, but I could accept that. That chance has meant everything to us."

Micro Federal Solutions used its one chance to prove itself as a capable and valuable supplier, and today, the certified minority-owned firm supplies office products to six Smithsonian museums on a regular basis.

This is the type of story that **Rudy D. Watley**, supplier diversity program manager for the Office of Equal Employment and Minority Affairs at the Smithsonian Institution, loves to

share. "We know that there are some good M/WBEs out there, and we want to work with them," he says. "We are serious about giving these firms an opportunity to do business with the Smithsonian."

Although it is not a federal agency, and therefore does not have to adhere to federal contracting goals, the Smithsonian voluntarily follows federal spend-



Brandon Adams

ing principles, setting goals of awarding 23 percent of contracts to small businesses; 5 percent each to small disadvantaged businesses and woman-

owned firms; and 3 percent each to 8(a) businesses, HUBZone firms, and companies owned by service-disabled veterans. The institution has met and exceeded its goals in most categories in recent years. In 2009, the Smithsonian spent an impressive 49 percent, or \$105 million dollars, with small businesses; 34 percent, or \$74 million with minority-owned businesses (which includes 8(a) and small disadvantaged businesses); and 10 percent, or \$22 million, with woman-owned businesses.

The institution formalized its supplier diversity program, then known as a small and disadvantaged business utilization program, in 1993 under the leadership of **Era L. Marshall**, a recognized proponent of equal opportunity in federal operations. The supplier diversity program is a key Smithsonian program in the Office of Equal Employment and

Minority Affairs, directed by Marshall, who reports directly to the Secretary of the Smithsonian, Dr. G. Wayne Clough. Recognized for his long-standing commitment to diversity, Dr. Clough required the inclusion of diversity as a value and mandate that is woven throughout the Smithsonian strategic plan. In addition, to ensure that these

goals are realized, he established and personally chairs an executive diversity steering committee.

The institution's supplier diversity program includes a number of components, such as overseeing a cadre of supplier diversity liaisons who assist in the implementation of the institutionwide supplier diversity directive, which includes setting spending goals, maintaining an electronic vendor database, and identifying subcontracting opportunities. The supplier diversity program also includes initiatives to develop relationships with qualified suppliers, which include a robust communication and outreach strategy, attending local and national procurement events, and meeting regularly with suppliers to develop mutually beneficial strategies. The institution has taken steps to strengthen its efforts by adding a supplier diversity performance element and standard to each procurement official's performance

With 19 museums, 9 research centers, and the National Zoo, the Smithsonian Institution purchases a wide array of goods and services. In 2009, the institution's top five procurement categories were: 1) construction, operations, maintenance, and exhibition design and fabrication; 2) professional, scientific, and technical services; 3) real estate leases and rentals; 4) administrative support, waste management, and remediation services; and 5) electronics, electrical services, transportation equipment, and information technology. In addition to those categories, two projects on the horizon promise to provide ample opportunities for contractors and subcontractors. They include ongoing efforts to digitize many Smithsonian collections and the construction of the new National Museum of African American History and Culture, which is scheduled to open in 2015.

As associate director of the Smithsonian's Office of Design and Construction, **Derek Ross**, has become a champion for small and diverse suppliers. His office manages all design and construction projects, from the smallest renovations to the construction of new facilities.

"Supplier diversity is good for all parties," he explains. "For the Smithsonian, we get contractors who understand our



The **Smithsonian Institution** has chosen this design, done by the architectural team of **Freeion Adjaye Bond/SmithGroup**, for the National Museum of African American History and Culture, to be built on the National Mall near the Washington Monument. The architect of record, **The Freeion Group**, is minority-owned.

needs, we get the ability to obtain the right fit for some of our more difficult projects, and we get a fresh approach that helps us grow with our suppliers. One of our primary functions is to support the Smithsonian mission: 'the increase and diffusion of knowledge' and to explore and bring to light new knowledge and ideas and better ways of doing business. By participating in and believing in the supplier diversity program, we have the opportunity to fulfill our corporate beliefs and to participate in the growth of the community."

Suppliers interested in working with the Smithsonian need to register in the Central Contractor Registration system (www.ccr.gov). Active Smithsonian procurement notices are posted on the Federal Business Opportunities website (www.fedbizopps.gov). A yearly Forecast of Contracting Opportunities is available at www.si.edu/oeema/index2. htm, and contracts from the American Recovery and Reinvestment Act of 2009 are listed at www.smithsonian. org/recovery. In 2009, the Smithsonian awarded two-thirds of the \$25 million it received in Recovery dollars to small and minority-owned businesses.

"The Smithsonian is always looking for companies that can deliver a quality product, in a timely manner, and at a reasonable price," Watley says. "If they can fulfill those requirements, I believe they will have a future doing business with the Smithsonian."

If so, it will likely be a bright future. Just ask **Stephanie Y. Drake**, founder and owner of **Drake**, **Inc.**, a minority woman-owned Washington, D.C.-based construction and real estate services firm. Drake was able to turn a tiny project—building a partition wall at

the Museum of Natural History, a 2005 contract that was valued at less than \$10,000—into a five-year, multimillion-dollar relationship.

"I always felt that the Smithsonian was a client to aspire to," Drake explains. "Understandably, their expectations and



itephanie Y. Drak

standards are very high, so once you're given such an opportunity, you're compelled to perform at your very best. They hold us accountable, and they certainly don't give anyone anything, but if you do well, they will come back to you with repeat business."

And for Drake, it goes beyond even that. "The level of quality that the Smithsonian demands makes my company more attractive and competitive in the larger marketplace. Working for the Smithsonian nurtures a level of growth and development such that a small business like mine can go beyond supplier diversity and better position itself for the future."

Reprinted with permission from the January/February 2010 issue of Minority Business Entrepreneur • For subscription information, go to: www.mbemag.com or call (818) 286-3171