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## **Defense Contracts A Good Bet for Business Despite Sequestration**

by Jim Stickford

Doing business with the Defense Department still makes sense, even with the sequestration.

That's why Automation Alley held a special conference in which local companies could ask experts how to navigate government burueacracy to get contracts.

The meeting was held in Troy Feb. 28, and speakers included Dan Raubinger, director, Defense and Manufacturing for Automation Alley; Jennifer Tisdale, procurment counselor, Procurement Technical Assistance Center (PTAC); and Marie Gapinski, associate director, Office of Small Business Programs - U.S. Army TACOM.

Raubinger began the meeting by noting that no matter what happens with defense spending under the current budget situation in Congress, there will still be defense contracts that will be issued by the government.

Tisdale said that PTAC of Schoolcraft gets its funding from both the Defense Department and the state of Michigan. With 11 PTAC offices across the state. its goal is to support businesses that want to be defense suppliers. Her website address is www.schoolcraft.edu/bdc.

The most common thing she hears from people is that "only the big boys win" contracts. Tisdale said that's not true and the Small Business Administration can help get contracts.

quires a percentage of small contracts to go to different segments of the business world, including female-owned businesses, those owned by disabled veterans, and minority businesses.

"We can help you find out if you qualify," Tisdale said.

The second thing she's heard lately is that with budget cuts, there's no sense in going after defense contracts. She pointed out that the federal government will still be giving out hundreds of billions worth of contracts for goods and services every year.

"And the sequestration doesn't slow the flow of funds from large contractors to small ones," Tisdale said.

"Another thing I hear is that the Defense Department only buys weapons. We like to say that if you use something at home in your regular life, the government buys it, too."

And, Tisdale said, she hears from people that the process of getting a government contract is too complicated. She admitted that there is some truth to that notion, but that's why PTAC exisits - to help small businesses do business with the Defense Department.

PTAC officials provide classroom training and market research - and also help sub-contractors get work. One thing they don't do is provide help with pricing.

They also help companies identify what government agencies

The Defense Department re- would be best suited for them. Raubinger said there is a niche that manufacturers can fill that many people don't know about. He called it "reverse engineering," or the recreation of parts for vehicles and equipment the military is still using.

Raubinger said it's not uncommon for a company that made a particular part to go out of business, which means that the military needs these parts but has no manufacturer.

That's where reverse engineering comes in. Companies that can examine the parts and duplicate them can do some business with the Defense Department. By working with groups like Automation Alley, local manufacturers can find out if they can get that kind of business, Raubinger said.

Gapinski said the core compentency of the Office of Small Business is to sustain the system. They are looking for services for hardware maintenance. TACOM, she said, it isn't just Warren. They have satellite offices all over the country.

"The biggest question I get is,

'How do I do business with the Defense Department?"" Gapinski said.

"I tell them it's my job to make the government process understandable for the small business owner. So I do things like identify what small businesses can do and then work with 'large, prime' contractors on their flow-down options."

Gapinski said that when large defense contractors get work from the Defense Department, they have to make sure that a certain percentage of their subcontracted work comes from groups that fit socio-economic categories determined by Congress. That includes small businesses owned by women, handicapped veterans and minorities.

"People often don't know that fact," Gapinski said. "They think they have to work with the government directly, and don't think about doing business with prime contractors. We will work with small businesses and the prime contracting office to make sure that federal content laws are implemented."



Dan Raubinger

learn more about the bid process by working with groups like PTAC and by working with the Of-Gapinski said businesses can fice of Small Business Programs.

## Chamber Breakfast to Center Around Women in Business

Commerce will hold a Leadership Breakfast 8-10 a.m. March 13, at the Marriott Centerpoint.

The Center for Women in Business will present new research on the best practices of companies that have been successful in achieving significant female rep-

The Auburn Hills Chamber of resentation within their organiza-

tions and the board room.

The presentation will be followed by a panel discussion of cor-

porate executives who will share their experiences and advice on what has led to their success. Speakers include Roberta Zenn Phillips, executive director, U.S.

Chamber of Commerce; Lori Blaker, president and CEO of TTi. Inc.; Steve Henderson, general manager of Dow Automotive; and Rumia Ambrose-Burbank, president and founder of VMS365.

To register, visit the chamber website, find the event and click on the link provided.



