



July 9, 2018

Stephen Kinsella
Contracting Officer
U.S. General Services Administration
2300 Main St.
Kansas City, MO 64108-2416

Subject: Maintenance/Repair Facility Supplies Draft Request for Quotation

Dear Mr. Kinsella,

Thank you for the opportunity to provide comments in response to the General Services Administration's ("GSA") Draft Request for Quotation ("RFQ") for the Maintenance/Repair Facility Supplies purchasing channel.

The Coalition for Government Procurement ("the Coalition") is a non-profit association of firms selling commercial services and products to the Federal Government. Our members collectively account for a significant percentage of the sales generated through GSA contracts including the Multiple Award Schedule ("MAS") program. Coalition members are also responsible for many of the commercial item solutions purchased annually by the Federal Government. Coalition members include small, medium, and large business concerns.

The Coalition appreciates GSA's outreach to industry as it plans for the next generation of the MRO and JanSan Federal Strategic Sourcing Initiative ("FSSI") contracts. The modifications made to the acquisition strategy thus far have been constructive, especially the use of a BPA based on the Schedules versus the "enhanced SIN" model previously proposed. We also appreciate the inclusion in the draft RFQ of certain socioeconomic requirements consistent with the GSA Schedules program, including sustainable products and compliance with the AbilityOne program. In response to the current Maintenance/Repair Facility Supplies draft RFQ, the Coalition would like to submit the following feedback and questions on behalf of members.

Three New Transaction Data Reporting ("TDR") Elements

Schedule 51V, 73 and 75 contractors may currently provide the first eleven TDR elements listed in the draft RFQ on a voluntary basis through GSA's TDR pilot. The three additional TDR fields proposed in the draft RFQ, however, would be new data for these contractors to collect and report. Reporting these three additional elements would require significant investment, either in technology or personnel to

conduct the reporting manually. The need to make this investment could drive BPA pricing higher, which appears inconsistent with GSA's stated objective of the BPA to "achieve the lowest possible prices" as described in Section 2.0 of the draft RFQ.

Members report that collecting and reporting delivery status, tracking number and carrier name is inconsistent with commercial practice and would require sizable technology investments to complete. Reporting these additional TDR elements would be especially burdensome for small businesses, which may elect to track and report this information manually versus updating the technology. Members are also concerned that they are uncertain that total compliance with the requirement could be achieved. Specifically, many vendors rely upon third party providers for the shipping of their solutions to their customers. Without complete line-of-site to the shipment, these vendors would not be able to guarantee that they could consistently provide the information requested.

Point of Sale Discounts

Contractors are concerned that Point-of-Sales Discounts for all orders, where payment is received via GSA SmartPay or government purchase card, is overly burdensome for industry to implement, as it would require contractors to completely overhaul the manner in which they identify government customers. Small business members report that, historically, they have identified government customers on the front side of an order, via a contract number provided by the customer. Moving this functionality to the check-out process, which adds the responsibility to change the results of what could be inaccurate data (*e.g.* an order with a different contract number), would be seriously burdensome and challenging. Thus, the Coalition recommends that GSA remove these requirements from the Draft RFQ.

Pricing Discounts

The Coalition recommends that GSA remove the Draft RFQ's requirements related to the application of maximum discounts and tiered pricing. For contractors with significant product offerings, the application of a single discount across thousands of vendors would be seriously challenging and burdensome. In addition, for these vendors, the application of tiered pricing discounts would present similar challenges with ensuring that the correct discount is applied. Again, tiered pricing requirements add to contractor costs, which are inevitably passed on to customers in the form of higher pricing. Removing the tiered pricing discount requirements would provide contractors with more flexibility to meet GSA's stated pricing objectives for the BPA.

Subcontracting Blanket Purchase Agreement ("BPA") Commitment

Pursuant to the Draft RFQ, non-small business contractors would be required to submit a subcontracting commitment alongside their MAS subcontracting percentages. Further, if the subcontracting commitment for the BPA does not exceed the goals of the MAS subcontracting plan, the contractor would receive a "No-Go" rating. Although the Coalition supports GSA's efforts to enhance opportunities for small businesses, as currently set forth, the Draft RFQ appears to conflict with FAR 19.705-1(b)(2), which provides:

Contracting officers placing orders may establish small business subcontracting goals for each order. Establishing goals shall not be in the form of a new subcontracting plan as a contract may not have more than one plan (19.705-2(e)).

Consequently, the Coalition recommends that GSA remove this requirement from the Draft RFQ to align with existing regulation.

Standard CONUS 6-Day Delivery

As currently set forth, the Draft RFQ's requirements related to the assurance of a 6-day Continental United States ("CONUS") delivery period do not provide sufficient flexibility for contractors who work with small business partners. Specifically, for these contractors, compliance would require a significant investment of time and resources into improving the IT systems of their small business partners, as the contractor would need to ensure accountability to the 6-day delivery period. Moreover, the Coalition is concerned that this considerable investment on the part of contractors to ensure compliance may contribute to the dissolving of some of their existing partnerships with small businesses. Thus, the Coalition recommends that GSA revise the requirement to include additional flexibility to accommodate case-by-case exceptions to the 6-day delivery period.

Order Status and GSA Advantage!

Coalition members have more questions regarding the Draft RFQ's requirements to provide order status to GSA Advantage!, rather than specific recommendations. Based on the Draft RFQ, contractors are unsure of GSA's expectation regarding what they will be responsible for under the requirement. For instance, will contractors be required to simply provide an EDI 856, including tracking information, to GSA for posting on Advantage!, or will contractors be required to use a manual portal? Further, contractors have expressed concerns regarding their ability to regularly provide data to Advantage! because the data must be provided manually. For this reason, the Coalition requests that GSA provide additional details regarding the requirement through a subsequent draft solicitation and/or Industry Day, so that industry can better understand the proposal and provide more substantive feedback.

Additional Contract Access Fee

Given GSA's emphasis on offering lower pricing for customer agencies, GSA should eliminate the proposal's 1.25% Administrative Service Fee ("ASF") and apply the standard Industrial Funding Fee ("IFF") of 0.75% consistent with the Schedules program. If the ASF is included, the Coalition requests that GSA provide a detailed explanation of how it will be using the fee to market the BPA to customers.

Questions

1. Will suppliers have to provide SIN classifications for their MAS offerings, or will GSA notify awarded vendors which items from their MAS Schedule have been awarded to the BPA?
2. Could GSA provide additional clarity regarding the technical requirement for contractors to provide information pursuant to Section 5 of the Draft RFQ, titled, "*Order Status, All Other Platforms/Methods?*" Would it be possible for GSA to provide examples of acceptable and non-

acceptable methods of providing information pursuant to this section so that contractors can be better understand what is expected?

3. Does GSA intend to provide vendors with a list of items that have known sales demand?
4. Would it be possible for GSA to share any feedback that it has received regarding the results of the first edition of the FSSI contracts with its industry partners? This information would enhance the ability of industry to provide more thoughtful input regarding the Draft RFQ.
5. What specifically will be required of contractors as it relates to the Draft RFQ's provisions for maintaining catalogs for GSA Advantage! and FedMall?
6. How will GSA enforce the Draft RFQ's provisions for assuring that a contractor's part number aligns with the product's manufacturer and/or standard wholesaler?
7. Industry is concerned that a \$25 order minimum could cause the prices for less costly items to increase as contractors seek to counterbalance the freight costs associated with these orders. How does GSA intend to address these concerns? Would GSA consider a higher minimum order value?
8. Will the Draft RFQ's provisions related to expediated delivery be mandatory for contractors to include for customers?
9. Industry is concerned that the Draft RFQ's requirements that damage goods be replaced, "...at the Contractor's expense" unduly shifts significant burden to contractors. Recognizing that contractors often rely upon third-party providers (e.g. UPS, FedEx, etc.) to transport ordered items, how will GSA address concerns regarding the equitability of the requirements, particularly as it relates to small businesses?
10. Could GSA provide additional explanation regarding how it will ensure customers have access to "best value" products (vs. Lowest Price Technically Acceptable) under the Draft RFQ?
11. What "other factors" may be considered as part of the decision to Off-Ramp a contractor from the BPA?

Thank you for the opportunity to provide public comments in response to the proposed rule. If there are any questions, please contact me at (202) 331-0975 or rwaldron@thecgp.org.

Sincerely,



Roger Waldron
President