SMALL BUSINESS ADMINISTRATION
INTERAGENCY TASK FORCE ON VETERANS
SMALL BUSINESS DEVELOPMENT

PUBLIC MEETING

Thursday, September 11, 2014
9:00 a.m.

Eisenhower Conference Room
409 3rd Street, S.W.
Washington, D.C. 20416

Diversified Reporting Services, Inc.
(202) 467-9200
MEMBERS PRESENT:

Rhett Jeppson, Associate Administrator, Office of Veterans Business Development, SBA

Barbara Carson, Deputy Associate Administrator, Office of Veterans Business Development, SBA

Stanley Y. Fujii, Veterans Procurement

Jessica Milano, Department of Treasury

ON THE TELEPHONE:

James F. Wilfong, VET-Force

Ruth Maria Samardick, Department of Labor

Matthew Blum, Office of Management and Budget
I. Opening Remarks, Rhett Jeppson  

II. Baren Berg, PMF 

III. Update: Government Contracting & Business Development 

IV. Subcommittee Reports 

Training, Counseling & Outreach for Access To Capital, Co-chairs: SBA, DOL, U.S. Treasury 

Federal Procurement & Contracting Programs Chairs: DOD, VA, GSA 

Coordination of Federal Support Co-chairs: OMB, American Legion VET-Force 

VI. Public Comment, Constructive Suggestions & Discussions 

VII. Closing Comments/Question
I. OPENING REMARKS FROM RHETT JEPPSON

MR. JEPPSON: Good morning and welcome, everybody.

We're a little thin this morning and we knew we'd be that way. So what I'd like to do is just introductions real quick. So if we could, let's just do it a little backwards because it’s that way.

So if we could, if we could start on the phone with anybody on the phone that's there?

MR. WILFONG: Yes, it's Jim Wilfong.

MR. JEPPSON: Hey, Jim. How are you doing?

MR. WILFONG: Hi, Rhett. How are you?

MR. JEPPSON: Good, good. How's Maine right now?

MR. WILFONG: Pretty good. It's been beautiful weather. It's nice. It's down in the 40s, 39-40.

MR. JEPPSON: Okay. Perfect.

MR. WILFONG: Don't have any humidity. Great.

MR. JEPPSON: Great. Thanks for joining us, Jim.
Okay. Anybody else on the phone?

MR. SIMPLE: This is Scott Simple with the SCDO's B Counsel.

MR. JEPPSON: Great. Thanks, Scott.

MS. SAMARDICK: Ruth Samardick from DOL.

MR. JEPPSON: Hey, Ruth. How are you?

MS. SAMARDICK: Great. Thanks.

MR. JEPPSON: Good. Thank you for dialing in.

Okay.

MR. BLUM: Matthew Blum from OSPP.

MR. JEPPSON: All right. Oh, Matthew. Great.

Thank you, sir. All right.

Anyone else on the phone?

(No response.)

MR. JEPPSON: So we'll start at the table here and first with Tony.

MR. EILAND: Tony Eiland, GSA Osman.

MR. JEPPSON: Okay.

MS. MILANO: Jessica Milano, Department of Treasury.

MR. JEPPSON: Okay. So I think that that gives us most of the members of the committee. We're
still waiting on DoD and VA. So anybody from VA on the phone or DoD?

(No response.)

MR. JEPPSON: Okay. So just like yesterday at our meeting, we'll probably have one or two still show up.

If we could, just so we know who's in the room here, it'd be great, so if we could start over on this side with you, ma'am?

MS. HARRIS: I'm Melissa Harris. I'm from P&M Companies and we're guests of (inaudible.)

MR. MUELLER: I'm Kirk Mueller. I'm with the Advisory Committee for Veterans.

MR. JEPPSON: Why don't we go with you, Billy?

MR. JENKINS: Billy Jenkins, American Legion.

MR. FUJII: Stan Fujii, SBA.

MR. BAIRD: Brian Baird, Office of Veterans Business Development.

MR. JEPPSON: Ed?

MR. FIELDER: Ed Fielder, Chairman of the Advisory Committee on Veterans Business Affairs. We met yesterday. I tried to coordinate our meeting so we
could sit in this morning.

MR. JEPPSON: Great. Thank you. So we'll start with Brian.

MR. GOODROW: Brian Goodrow, Office of Field Operations, SBA.

MR. WYNN: Good morning. Joe Wynn, Veterans Entrepreneurship Task Force.

MS. TOLBERT: Good morning. Tyrenna Tolbert, Office of Business Development.

MR. DRAKE: Good morning. Kyle Drake, President.

MR. JEPPSON: Okay. Kirk?


MR. JEPPSON: Oh.

MR. MUELLER: Advisory Committee of Veterans Business Affairs.

MR. JEPPSON: Great. Okay. Well, thanks. So just before we get started this morning, I just want to take a moment, since it is the 11th, to just take a moment, if we could, to remember those. You know, as I reflected on this morning being the 11th here and I look back on that time, what it meant to our nation and
our nation came together and how it affected us as a nation, you know, so many times we have -- as we think about this, as we think about the veterans, which is certainly apropos for us here, but I think that for us as a broader nation and what it meant to us, if you reflect on that time, how we unified as a nation around a single cause, I think that was important.

So I'd like to take just a moment to reflect on the importance of this day, what it meant to us as a nation and to us as service members.

(Moment of Silence.)

MR. JEPPSON: Okay. Thank you. So you'll notice the first person on the Agenda is -- we had hoped that the Administrator would be able to be here today but scheduling change happened and she had to leave town this morning. Had to leave? That sounds -- she had to get down to the SBDC Conference. We had hoped that she'd be able to take -- with the scheduling and some of the other events later in the week, it caused a shuffle in the deck.

So we'll work to make sure that we have the Administrator join us soon here, as she is, you know,
actually the chair of the committee by statute and by Executive Order.

So we do have several updates from our office and here at SBA and I'll actually cover those under the Government Contracting component. So just to be succinct, we don't have a lot of business today but we did want to convene. We do have one presentation from Baren Berg, who is a PMF, who is on rotation from VA to my office. Then I'll give a quick update on some of the things happening here with SBA. Then we'll just go straight into Committee Reports here.

So it will be an abbreviated meeting this morning but we certainly want to give plenty of time, too, for Public Comments, Discussion, etcetera, at the end of the reports here.

So, Baren, over to you.

II. BAREN BERG, PMF

MR. BERG: Okay. Thank you, Rhett, and again glad to be in the presence of veterans here on Patriots Day. Thank you all for your service and continuing to move this country forward.

First of all, I'd like to talk about my
proposed VHA Community Integration Project. So as a presidential fellow at the VA, there's community integration and I saw a need, and as any entrepreneur knows, when there's a need, you try to come up with a solution to that need, and the need is information succinct enough for the delivery to veterans.

So the project objective of the VHA Community Integration was to accomplish a one-source collaborative consortium advice and information for the successful development of self-employment for all veterans, leveraging existing resources with the VHA and a 153 field facilities with a special emphasis and focus on business formation.

Due to the fact that there's barriers to employment in the traditional conventional ways, providing an alternative for special disadvantaged service-disabled veterans as well as other veterans, as we see the population of 2.8 million estimated Iraq/Afghanistan veterans getting information out there in a way, using decentralized approach with local resources, I think, would be extremely beneficial to the cause, and so who would the customer be? The
customer would be veterans interested in starting up a small business, becoming a franchise owner or needing assistance in business ownership, and utilizing the Department of Veterans Affairs in a co-sponsorship with the Offices of Small and Disadvantaged Business Utilization and then working directly with the Veterans Health Administrative social workers on the front lines.

So throughout the VA, there's a large presence of social workers, whether that's Master's in Social Work or licensed clinical social workers, and that's at the VHA, but, alternatively on the VBA side of the house, you have vocational rehabilitation counselors, and so for the end-state user, the veteran, often they're deflected from the VBA to the VHA.

So how do we then get the message in the right hands of the people who are directly engaged with veterans and so maybe we could formulate the partnerships with the Department of Labor, the Veterans Employment and Training Service offices, and then the SBA.

I just want to propose that as being a
solution and hopefully this task force will take on that initiative and come up with a way to leverage existing resources.

So the strategic alignment would hopefully lead to improve job growth and business formation. The result could be a national center for calls and communications and easily navigatable 508 website with tutorial and templates. Also, leveraging expert leadership in a symposium for lessons learned and then hopefully decreased mental health concerns by bringing about meaningful employment in the lives of veterans in the process of transitioning.

So what would be the measure of success? The measure of success would be measured by an increase in the quality and quantity of veteran-owned businesses across the nation.

Additionally, a randomly-selected pool of veterans at a pilot facility could be interviewed to determine the effectiveness and the satisfaction with the information given.

The SBA in 2004 released information stating that "mentorship leads to a threefold increase in
successful business development." This information exchange, a greater awareness, and the creation of jobs and profits within a microcosmic scale of economies will determine the success of a collaboration.

So what the risks? The risks would be veterans' participation. It's estimated roughly 10 percent of veterans have an interest in small business formation and then the time allocated for social workers to be trained and preventing a duplication of efforts would be critical to the success of the project.

The support and implementation from existing resources to work collectively instead of competitively is also a barrier that needs consideration. By effective advertising, marketing, and training, these barriers can be overcome.

So what are the assumptions? The assumption would be that the partnership would have a facility in the VA, as well as state and local resources who want to come together collectively to try to develop this concept, and the effective brokerage of the resources and information between government agencies and
different administration is currently not a goal or a priority within local communities.

And so what are the constraints? And I'll close on that. The constraints would be the approval and support from a national and local level and a decentralized model together, bringing in uniform collaborative and truly synchronized synergetic delivery of small business information.

I'll be happy to discuss and hear from others in the room if they believe that that idea or project could be successfully implemented and hearing what you have to say.

MR. JEPPSON: So any questions for Baren right now? It's unfortunate. I wish the VA was here because I think that if the VA rep was here, because I think that there's a lot of discussion that needs to happen between us and them because there's a heavy VA component there, but certainly, you know, I think that there's a connection that we can make.

I think the one thing that you said that I liked was the collective versus the competitive piece on this and we see that a lot. You know, as I go to
different veteran service organizations that focus on veteran small business, I do see a collaborative effort among veterans and we need to foster more of that.

So, for example, when we go to Scott Simple and his group there, we actually see the veterans do a lot of networking in a very collaborative fashion. I know that, Wayne, you and other veteran small businesses have collaborated together for the benefit of both businesses.

So, you know, there is that opportunity for that collaborative versus competitive arrangement and then also it's interesting, I think that applies to the agencies, as well. We need to be competitive or parochial and, you know, that's really kind of a sad statement, if you would, something that I hope that, you know, this agency, this task force can break down, that we are focused on truly the collaborative.

So with that, thank you, Baren. I appreciate it.

We're very fortunate to have Baren with us in our shop. He's been with us about, what, three weeks now, four weeks coming in. So he is a Marine Corps
veteran with Iraq and Afghanistan. So obviously did
well and equated himself with that and is now with us
after having worked at the VA as a GS employee and then
a PMF and taking his rotation with us. So we're
fortunate to have him here.

So the other person, since I'm kind of on that
roll, but I wanted to introduce real quick, is Tyrenna.

Tyrenna, could you just introduce yourself
real quick, please?

MS. TOLBERT: Good morning. I'm Tyrenna Tolbert. It's my fourth day on the job. I'll be
working in the Business Development with the Boots-to-
Business Program, also still an Army Reservist,
Sergeant Major on the Enlisted side. Primarily, my
background is being a logistician for about 20 years,
doing HR, as well as operations, and, of course, I have
a big affinity to veterans.

I'm really happy about being assigned right
away to the meetings and being part of it and under
Rhett's team here. So I'm definitely going to be
picking your brains because I'm ready for information.

Thank you.
MR. JEPPSON: Okay. Thanks.

III. UPDATE: GOVERNMENT CONTRACTING & BUSINESS DEVELOPMENT

MR. JEPPSON: So I just want to point them out as we continue to grow the team down there with OEB. That way, we can, you know, execute Boots-to-Business in a more effective fashion and some of the other tasks that we've got. We're pretty excited about that.

So with that, we actually had a little bit of time here for the Government Contracting Update and so I want to expand on that and give you a little bit of -- since it's been awhile, just out of our office with some of the things that have been going on because it has been awhile.

So just in no particular order, I'll start with the contracting piece. So as many of you may know who are familiar with the SCORE Card, that for the first time ever, we met the Small Business Goal of 23 percent as the Federal Government for small business. So we're very excited about that.

Substantial and important to us is that for the second year in a row, we met the three percent
statutory goal for veterans. There was a tenth of a point, a tenth of one percent increase in veteran small business lending. Lending -- excuse me. Contracting. We grew from 3.03 percent to 3.13 percent or just over $13 billion in federal contracting dollars going to service-disabled veteran-owned small businesses.

So that trajectory continues upward. We're actually seeing it pick up just a little bit on that. So we're very proud of that and considering that we did it in some pretty tough economic times there, especially in the federal contracting arena, we're very excited about that and there's a lot of credit that goes to the various agencies for leaning forward in that and some of the ODSBUs that have just really leaned forward. So that's on the contracting side.

I mentioned on the access to capital side and with the veterans advantage, as many of you know, SBA waived the fee for all express loans between zero and 350. I say we waived the fee. We reduced the fee to zero, I think that's the correct terminology, for those express loans.

Beginning in October, we'll expand that
program to loans from all 7(a) loans from $5 million and that fee will be reduced to half of what all the other borrowers. So that applies to what we call the expanded definition of veterans as it is in statute which includes dependents, the term spouses and children, and survivors of veterans. So that benefit will be expanded and we continue to work with our good friends in capital, Office of Capital Access, to determine ways that we can reduce the cost to capital for our veterans but also expand the opportunity for capital to our veterans.

Next, the 3rd to the 7th, we're going to -- we've asked the President to declare that Veterans Small Business Week. We have in works now a Presidential Proclamation for that and so as we try to highlight and recognize --

MR. EILAND: November 3rd through 7th?

MR. JEPPSON: Yes, November 3rd through 7th. I'm sorry. Just so that will be the week prior to Veterans Day. We figured that would be the most amplification then.

So we planned a couple of things or are in the
process of planning a couple of things to amplify and to highlight veterans' small businesses. First, we asked all 68 district offices to hold events, whether that meant roundtable discussions, visits to veteran-owned small businesses with media, blogs and other things in their community to highlight veteran small businesses in each of their respective states and geographical locations.

On a national level, as many of you know, we had a Champions of Change event at the White House two weeks ago where we recognized 12 veterans who have been champions, if you will, in the veterans' entrepreneurship space and accompanying the 12 veterans was three of the sharks from Shark Tank and we had some panels there and ABC was there and took footage of that event.

Last week, the First Lady filmed the opening segment for the Shark Tank that will air that week of November 3rd through the 7th and so that should, if all goes according to plan, will air just to open up that segment and then the four entrepreneurs on Shark Tank that week will be veterans.
So we're pretty excited about that. That will really kind of help, you know, shine a spotlight on veteran entrepreneurship, and we're working some events around here, supply chain initiative, some planning, some capital access events around the White House. We'll disseminate that information to the task force as we finalize dates and locations and we actual formalize the events and make sure that you're invited to those that are appropriate.

So Veterans Small Business Week should be -- this is the second time we've done it. You know, last year, we had hoped to have a little bit bigger event. Because of sequestration -- excuse me -- the shutdown, it kind of delayed us and we didn't actually have -- get to pull it off in the fashion that we'd like to but this year, I think we're well on the way to a good week, highlighting Veterans Small Business Week, so we're excited about that.

The fourth thing that I want to mention, and I would love to have discussion on this either now or in Public Comment, is that we are in the process of getting ready to recompete the VBOCs.
So, as you know, the Veteran Business Outreach Centers, they are -- it's a five-year grant. Well, it's a one-year grant with four options. I say grant. It's actually -- I guess the technical legal term is cooperative agreement with SBA and the entity and it's a wide range of entities that currently hold grants or cooperative agreements from private institutions to, in some cases, the state VA. In some cases, it's the same entity that holds the SBDC grant. So it's a wide range that currently holds those, but we are in the fifth year.

So that will be recompeted just after the first of the year, end of this year, first of this year, and we are in the process of examining how to best shape that program as we go forward.

One of our concerns has been, is that we don't want to be repetitive in what the SBDCs or the WBCs or SCORE do and so, their role and function, how do we distinguish them and make them a veteran-specific resource in a connective element in their respective communities without trying to replicate what the other resource partners are resourced to do and, quite
frankly, resourced in a much bigger way than the VBOCs. So we want to leverage them as a force multiplier for veterans in their respective communities. As we do that, we'll also examine the locations of where the VBOCs are at, positioned them so that we can best service the greatest number of veterans in each of the regions. So we will be looking at that as an office very closely in the next coming weeks and we will welcome input from members of the task force and the veteran service organizations on what they may like to see. I will try to incorporate those concerns into our plan to award these.

One of the things that's absolutely key to this is that we have a strong outreach and awareness so that we get good proposals on this. In some cases in the past, not just in our program but in other programs, there's been a limited number of proposals and in some cases not of the caliber that we really need and so in some cases it's an awareness issue. So we're really going to push awareness with the association of -- the National Association of Veteran
State Affairs Directors to make sure that their entities and then through each of the district offices and regional offices to make sure that entities who are in the entrepreneurship space, who have a veterans' focus will submit grants to us here so that we can get a wide range of people and actually have hopefully some new and innovative partners with us and so we're looking forward -- we look forward to that. We think it's a chance to kind of reshape a program that's been a good program but to make it even better.

So with that, those are the --

MR. EILAND: Quick question.

MR. JEPPSON: Yes, sir?

MR. EILAND: Tony Eiland, GSA. Do you already have an idea of how many grants you'd like to do this time?

MR. JEPPSON: That's part of what we're discussing right now.

So here's the challenge that we face, is that we have been flat-lined at 2.5 million. So we haven't taken a hit, you know. We haven't been reduced but we've been held to 2.5 million since '08 and so what
that means is that we can award about -- a baseline of about a 150,000 per VBOC and there's no match requirement in the VBOCs, unlike the WBCs and others where there's a match requirement, and in that match requirement, there's an in-kind and a cash requirement.

MR. EILAND: Mm-hmm.

MR. JEPPSON: So most of our VBOCs don't have a match associated with them. So by the time you hire a director, you pay the overhead, the rent, you know, and some administrative support, it's pretty much the 150 is gone and so it doesn't provide a lot of flexibility.

So part of our assessment's going -- has to be, you know, under the current --

MR. EILAND: Existing infrastructure.

MR. JEPPSON: Yeah. The existing infrastructure and the financial constraint, however, what's the right number and how do we right-size it, put them in the right locations?

You know, we do have some VBOCs who have great track records and, you know, we want to make sure that we continue to leverage those. In some cases, it may
be that we need to look at the location and the entity
that has that but what is the right number and I think
that really goes back to as we assess the role and the
function of the VBOC.

You know, we have some pretty big, in my mind,
some pretty big gaps that are uncovered right now about
where the veterans community is and we probably need to
have some resourcing in that region to cover that, but
it also goes back to the function, what we think the
function of the VBOC is.

You know, when you look at the VBOCs, a big
portion of what the VBOC has done to date is they have
been like an SBDC trying to train and counsel veterans
and we certainly think that there's value in that but
when you look at the SBDC network, they had a $100
million a year. They've got 900 locations. The
chances are the veterans are probably going to be
closer to the VBOC.

Now you won't convince me that they'll get the
same service at a VBOC because the VBOC will be focused
on the veteran but in many cases, the veterans aren't
going to travel two to three states over to get that
specialized, even if we have some remote capabilities, but I believe that the veterans, though, can -- the VBOCs can be the duty experts in their region and understand what's available from the VA in each of the states, what the VSOs are doing in that area, and make sure that we -- and access to capital and make sure that we have some synergy there.

So I don't want to jettison or suggest that it doesn't count for counseling of clients but if we look at how we make them a force multiplier there, it may mean more emphasis on their ability to maybe -- well, we need to resource them so they can travel and be more proactive and interactive with the rest of the SBA network and the VSO and veteran network in their respective areas there because when you -- there's just no way those 15 centers can provide the same level of service those 900 SBD centers and thousands of people will, you know.

If you go to an SBD, the time at just an SBD, the time you'll just spend prepping for just one client is a couple of hours and if we truly apply that in only 15 centers to the veterans, you know, we're not going
to be able to service as many as we could. By ensuring
that the SBD -- all the SBDC network, that the SCORE
chapters know all of the veteran-specific things,
whether it's all about veterans advantage or how to
leverage voc rehab, you know, or the state contracting
entity, you know.

For example, we have a VBOC in New York that's
doing great things and they do do some training and
counseling but there is a lot of philanthropic activity
for veterans in the State of New York and if that VSO
-- if that VBOC is aware of that, participating in
those meetings and is that connective tissue for our
veterans business community, I think they can be a
force multiplier but they've got to be proactive and
engaged but we've also got to get the right entities
involved, as well.

So we want to, with the constraints we've got
as far as dollars and locations, make them as effective
as possible.

MR. EILAND: Have you ever thought about the
concept of promoting a virtual VBOC?

MR. JEPPSON: Well, we think all of those
should have a virtual capability.

MR. EILAND: I mean at a national level that could work out of your office in connection with your staff.

MR. JEPPSON: I think that's a good idea. Absolutely. We thought about having the virtual capability for each. They do have some web presence but they could receive more. But we also like the idea of some centers of excellence or some regional focus.

We know that in the D.C. area here, there's a huge focus on government contracting, you know.

MR. EILAND: Right.

MR. JEPPSON: It's a small component of what the veterans do nationally but here, it's a very, you know, high percentage of what they do. You know, New York and California, very, very tech-centric. So we've looked at how we might tailor those a little bit but, so, we're going to study the problem more.

So I think the real ask here is just kind of forecasting a little bit. We're going to recompete the grants, we have to, but as we start to shape the VBOC, how do we make them more effective, and we're certainly
looking at searching for input on how we might be able
to do that.

We think that the status quo has been
effective but we certainly could be more effective and
have less time replicating what other services are
already being provided.

MR. EILAND: If I could make a recommendation,
that might not be a bad idea for you to delegate down
to our committee and ask us to help you develop a
couple of thoughts and ideas to wrap around and maybe
to help you kick it down the road.

MR. JEPPSON: Okay. Sounds great. Thank you.
Okay.

Okay. So that's kind of my quick update on
OBDE, Government Contracting & Business Development, as
we've got here.

So any questions to this point on that?
(No response.)

MR. JEPPSON: All right. Hearing none, I'd
suggest that we go ahead and let's run through the
Committee Reports with the committee members here and
then we'll go to Public Comments.
So, Ruth, if we could start with you?

IV. SUBCOMMITTEE REPORTS

Training, Counseling & Outreach for Access to Capital

MS. SAMARDICK: Yes. Sorry. I've been on here.

So I think our big news is we are just about to finally promulgate the final rule for the 4212, which is the Federal Contractor Reporting on their Workforce of Covered Veterans.

The proposal had proposed that rather than report veterans in each of the subcategories of protected veterans, that you would have one block for protected veterans and that would allow us to have unique counts of protected veterans rather than potentially duplicative.

So we're very excited about this proposal getting out. It would be -- about the final rule getting out. It will be in place for the next year's filing season, which starts in September, and so we're in good shape. Let me take that back. I think it starts in August. So we're in very good shape for that.
The current filing season is underway. Right now, people are filing both the VETS-100 and the VETS-100-A and so far, knock on wood, the filing season seems to be going pretty easily.

We also have the data available to the public that is filed on those. It is up on data.gov. It's a little difficult to get at. You have to download some sort of API filter or something like that but the data is available if you have a minor program and can access that data, and that's all I've got.

MR. JEPPSON: Okay. Great. And so just since you're on the phone, Ruth, one thing that -- if I could ask you to kind of help keep us in the loop with the champion and we'll do it through the ESC, as well, but as you guys work on the -- remind me what the appointment website's called now. Is it the VEC?

MS. SAMARDICK: The VEC, correct.

MR. JEPPSON: The VEC. Yeah. That I believe that, you know, you're working with a lot of large -- that VA and DOL are working with a lot of large employers. You know, one out of every two small businesses created in the nation is created through
small business.

So, you know, we have the listserv here for, you know, hundreds of thousands of small business. So as you guys develop a way for them to leverage the VEC to do hiring locally, we want to make sure that we're included in the messaging and we think we can help there, too. So if you could help champion us in that, I would appreciate it.

MS. SAMARDICK: I will do that. I was going to point out that they should be. Even small businesses, unlike large businesses, can have concentrated hiring practices there locally that they should absolutely access the job centers.

MR. JEPPSON: Great. Okay.

MS. SAMARDICK: So we will pursue that as well as the VEC.

MR. JEPPSON: Thank you. Thank you, Ruth.

Okay.

Jessica?

FEDERAL PROCUREMENT & CONTRACTING PROGRAMS

MS. MILANO: Hi. So I guess briefly, we worked with the task force last year to develop some
outreach about our State Small Business Credit
Initiative Program to be distributed through SBA's
Field Network.

For the most part, veterans or any small
business owner are not allowed to take down loans from
both programs simultaneously. However, there is a
unique situation where SBA's 504 bridge loan could use
-- sorry -- 504 Loan Program, SSBCI funds could be used
for 504 bridge loan while waiting the final loan to
come through and so we developed some outreach around
that and sent that out through SBA's networks. We're
more than happy to do that again, if you guys are
interested, but that's all I have for an update on this
go-around.

MR. JEPPSON: By the way, congratulations on
the new position.

MS. MILANO: Thanks.

MR. JEPPSON: Okay. Great. So for those of
you that know, Jessica was promoted to Don Graves'
place at Treasury. So we're awfully proud of her.
Always happy to see her.

MS. MILANO: Thank you.
MR. JEPPSON: So okay. Next, Tony.

MR. EILAND: I guess DoD and VA aren't here. Well, I have nothing to add because I guess they had the brief today but I will tell you one thing that we do have going on at GSA.

Bill Webster, who was our Senior Executive under Executive Order 13360, to establish a Senior Executive that would oversee veterans small business initiatives, he retired and we are in the process of appointing a new person.

I was hoping that person would be appointed and I could bring them here today but that hasn't been completed yet. So hopefully at the next function, I'll be able to bring that person here.


COORDINATION OF FEDERAL SUPPORT

MR. BLUM: Rhett, on personnel news, I think I had mentioned at the last meeting that Ann Wrung, who was the Chief Acquisition Officer at GSA and also Senior Policy Official at Commerce before that, had been nominated to become Administrator of the Office of
Federal Return Policy. He had a confirmation hearing and was voted out of committee at the end of July just before Congress went on recess and we are keeping our fingers crossed that she will be confirmed maybe even today but certainly by the time that we next convene.

In terms of updates, I wanted to mention three or four things.

One actually happened just two months ago today but just to remind folks about the Quick Pay Initiative to accelerate payment to small business prime contractors and subcontractors. Back on July 11th, OMB extended that policy. Usually we've been doing it on an annual basis but we've extended it until the end of December 2016, and I think those people -- some may know at the Department of Defense because of challenges coming out of sequester and other fiscal considerations had to turn Quick Pay off and it has turned Quick Pay back on as part of this renewal of this program.

And, in addition, the President had announced Prior Pay, which is, if you will, the private sector's equivalent where companies commit to pay small
suppliers faster or help them get access to lower-cost
capital and there are, I think, about 25 pretty large
companies that signed on to this initiative.

For those of you who were not aware of this,
you can find more information on the White House
website and if anybody has difficulty finding it, just
let me know and I'm happy to share that information.

Second, I wanted to mention that we have been
taking a number of steps to identify ways in which we
can promote greater innovation, privatization in
acquisitions, which we think is an important way to
also include small business participation by the many
entrepreneurial companies that are small and we have
developed a legislative proposal which the Senate
Financial Services Committee has adopted. So we're
keeping our fingers crossed that it will move forward.
That would authorize OMB, working with SBA, to conduct
an innovation set-aside program.

It is not in any way meant to compete with or
replace any of the important existing small business
programs but, rather, to provide an additional
authority for those instances where there are small
businesses that are not currently participating in
government contracting because they lack the capacity
to compete, having not -- not lacking experience, I
should say, familiarity with government contracting
rules.

This pilot would essentially allow an agency
that has requirements for new methods, processes, or
technologies or improving technologies, basically
innovations, to make an award either -- which would
limit competition to one or more businesses with a
preference to small businesses for purposes of giving
these new entrants an opportunity to learn the ropes.

So in some ways, it's a simple but a more
expansive business development opportunity, again not
in any way meant to compete or replace, for example,
the 8(a) Program that obviously is a very important
component of our work, but we certainly understand that
not every small business gets into that program and
we've had discussions about that, you know, with this
task force.

So, again, we'll be working with Congress and
hope that they will -- the House will join and we'll
have this pilot authority which we think will be very productive at getting some new small businesses that are not currently in federal contracting into the federal marketplace.

I also wanted to very briefly mention that last month, the Administration announced a number of steps to improve our delivery of IT services, which included the release of a tech bar handbook, the Tech Bar Handbook, which focuses on some of the flexibilities in the Federal Acquisition Regulations that we don't always take full advantage, one of which would be to support agile software development processes using modular contracting where we have lots of grid work into smaller chunks that are virtually customer-driven.

So I mention this because we think that the emphasis on affordability and buying in smaller chunks is something obviously that is a way in which to help small businesses in competing for this work and obviously dovetails with, you know, requirements for justifying when you consolidate and looking to contract working that facilitates access for small businesses.
And, finally, I mentioned last time that the national dialogue that OMB conducted on procurement and we believe that very shortly we will be releasing a memorandum with some additional steps that we will be taking as follow-up to help reduce barriers on differences, including barriers to innovation for small businesses, and more to come on that in the coming weeks.

MR. JEPPSON: Okay. Great, Matthew. Thank you. Thank you very much.

You mentioned this supplier pay initiative. We're engaged with that, as well, over here and aware of that. So that's great information. Thank you.

MR. BLUM: Sure.

MR. JEPPSON: Okay. So just how about Mr. Ferguson? Are you online, Bill?

(No response.)

MR. JEPPSON: Okay. So next, I think we've got Jim Wilfong on the line. Jim? Hello, Jim?

(No response.)

MR. JEPPSON: Okay. We heard him earlier. Hey, Jim. There you are.
MR. WILFONG: I'm back on.

MR. JEPPSON: Okay. Thank you, sir.

MR. WILFONG: Yeah. I was on mute. I hit the wrong button and I disappeared. Sorry.

MR. JEPPSON: That's called pulling a rat right there.

MR. WILFONG: You know, I really don't have much to report.

I sent to you, I think, some time in May or June, whenever we were -- the request was for more ideas for the reports to the President and so I was really going to -- one of my questions was going to be where do we kind of stand on all that and have we sent off the report? Is it being vetted?

MR. JEPPSON: It's being vetted and we're waiting on one agency that we can talk about offline.

MR. WILFONG: Okay.

MR. JEPPSON: So it is there and there's been several requests made at some pretty high level to get it back from them. So we're waiting on that.

The good news, though, is we do have an administrator. We couldn't sign one out without the
administrator by statute. The administrator signs it out. So once we get that back, we'll forward it to her for signature. So we've vetted it in the building, you know, done the legal sufficiency review in the building. We've had comment from all agencies, just waiting on one. So as soon as we get that back, we'll be ready to press forward.

MR. WILFONG: Okay. And I do have a question maybe Matthew Blum could answer. You know, I've been interested in how to get equity into the hands of small businesses as opposed to just vets and I was wondering, the authority that was provided under the Jobs Act, Matt, and it was sent to -- sort of cloud-funding equity program that the Securities and Exchange Commission has been working on writing the rules for. Has that progressed very far? Do you know?

MR. BLUM: That's a good question. I haven't been working on that one, that provision directly.

MR. WILFONG: Right.

MR. BLUM: If you can remind me of the provision number, I can check with our friends in the Office of Information Regulatory Affairs on the status.
MR. WILFONG: I don't know if I know what the provision number is right offhand.

MR. BLUM: Tell me offline.

MR. WILFONG: Sure.

MR. BLUM: Are you familiar with what the status of that is?

MR. WILFONG: There may be somebody in Treasury.

MR. BLUM: Okay.

MS. MILANO: So this is Jessica Milano, Department of Treasury.

I am not familiar with the status of this specific example that James raised. I can take it back and see if I can find out a little more but I did want to offer up an alternative, if I may.

There are two -- Treasury operates two small business credit programs through my office at Treasury, the Small Business Lending Fund and the State Small Business Credit Initiative.

SSBCI, which is the one I discussed earlier, actually provides a wide latitude to states that have their own small business support programs but they can
be both debt or equity and so a number of states have
developed venture capital programs targeted to small
businesses and helping to fill the BC gaps around the
country and so we'll be happy to connect you offline,
James, with the staff at SSBCI just -- they have a
rundown of the list of states that have BC programs.

MR. WILFONG: That would be terrific, Jessica.

Thank you.

MR. JEPPSON: Yeah. This is Rhett here. Let
me just kind of dovetail on what to you said. Two
things that we've seen recently. One is that I will
obviously defer to the duty experts on that but it is
my understanding that they still have not promulgated
formal rules for, you know, the cloud-funding equity
style, if you will.

MS. MILANO: In terms of implementing rules
from the Jobs Act that passed a few years ago, again
this is the Office of Capital Markets at Treasury, so I
hope I'm not speaking out of line for them, I believe
that it is entrained. Some have been formalized and
some are still being developed and I don't know which
are which in terms of what your specific interests are
but they're working on it.

MR. JEPPSON: But more relevant -- not more relevant but tangentially, if you will, right now, we've done a couple of things in that arena a little bit that are interesting and we'll see where it goes from here.

So in the past two months, we've done two what we call VET CAP, working with VETS and TECH. We did the first one in California and the second one in New York and we plan to do the third one here in D.C., where we actually bring a panel of venture capital angel investors, cloud funders, which are debt cloud funders or gift funders, if you will, like Kick Starter or Indigo Go, traditional lending, in one case corporate venture, together as a panel and talk to the veterans and then take questions and actually hear the pitches from the different veteran small businesses.

It was a very interesting evening both times and we'll do one here but it's -- so we are trying to do a few things to work to connect venture to the veterans who are in that space. You know what I mean?

There is a segment of the veterans community, I can
tell you, a very exciting segment of the veterans small business community with fantastic ideas that really are after the venture capital that, you know, whether it's seed money or, you know, in some cases we've seen Round A and Round C, you know, money that they're after, and I will tell you that going to San Francisco and in New York, the quality of the business ideas and plans, concepts they had were absolutely fantastic.

Some had fully-developed business plans and ready to go to, you know, for Round C. Others -- we had one Marine sergeant show up there, younger Enlisted guy, and didn't have a business plan, pretty much had it on the back of a cocktail napkin, but it was a fantastic idea and so, you know, he was actually able to connect with some of the venture capitalists there and they were helping him put him in the right direction to get his IP, intellectual property, protection that he needed and then to go on. So that's kind of exciting.

The other thing that I'd mention, we actually had a brief yesterday. We're starting to see some veteran-specific people come in to this space here. We
actually had the folks from Street Share come in, which is kind of -- it's still debt funding but it's kind of a reverse auction EBay type of thing, and we're seeing more and more veteran-specific or affinity group-specific lending in those areas come online.

So that is an area that we're starting to see some movement in, which will, I think, help shape the future of veteran lending.

MR. WILFONG: That's great. I do have one final thing that I might mention and that has to do with the G.I. Bill and being able to use some of the G.I. Bill as start-up capital and I did have several conversations with Angus King's office and so they have some folks working on that and there were two people that were working on it but I don't have the names right here but King's office was not only interested, they were very interested in perhaps offering up some legislation, and I have not -- I was -- I had planned to come down but something came up and prevented me from coming this trip.

I was going to go over and talk to them and I tried to get ahold of them yesterday to find out what
the status was and I will try to do that and perhaps
send an e-mail to both once I find out what the status
of their interest is.

MR. JEPPSON: Yeah. You know, we've heard
this -- we've heard from other senators, as well, the
same interest and some variation of use of the G.I.
Bill, either as a stipend, as a lump sum, or as an
equity guarantee or a guarantee, rather, on debt.

So it's -- you know, it's still one thing that
I will tell you that in the veterans community remains
very, very interesting. You know, when I talk to my
friends that's always one of the questions we get asked
by the veterans. But the Legion actually has a
resolution on that right now.

Bill, you want to mention anything about that
resolution?

MR. JENKINS: The resolution is to support
that program and as far as I know, we're going to move
forward with proposing legislation in order to get that
done.


MR. WILFONG: Great. Thank you, Billy.
MR. JEPPSON: Well, moving right along, that concludes the Committee Reports there.

So next on the Agenda, we're ahead of schedule, so we do have some time to have Public Comment dialogue here and so we'll open the floor here for the next while and see where it goes.

So, questions, comments, or concerns from folks in the room or on the phone from the public? Joe?

VI. PUBLIC COMMENT, CONSTRUCTIVE SUGGESTIONS & DISCUSSIONS

MR. WYNN: Good morning. First of all, just as a follow-up to the comment that was made by the use of G.I. Bill funding for small business start-ups as it relates to this task force group, we were going to suggest or make a recommendation that perhaps since this was a previous recommendation that was made over a year ago, and with the backing of some of the VSOs now, that we could have a more formal discussion of it during the Interagency Task Force meeting. You know, maybe at the next meeting, we could actually have it on the agenda for a more detailed discussion.
MR. JEPPSON: I think that's good and, you know, let me just put that down and we'll put that down as an agenda item. Let me just kind of, if I could, scope that real quick.

So we have seen it as three potential uses of the G.I. Bill cap. There's three different ways that we've got. So we'd look at other ways that this may be used.

One is, and I believe that the Legion's position is they would like to see a lump sum upfront that you could take the cash value of the G.I. Bill, so you would forego the educational benefit and receive a dollar amount of cash, a check for that.

There's also been the idea proposed that you could use it as a guarantee against a loan. So it would act as -- so on an SBA loan, say if you took out a $200,000 loan, the additional guarantee to the bank would be there. So it relieves you of kind that debt position difference.

The other would be that if you were in a new business start-up, that you would leverage it just the same way you would as -- rather than being in school,
you'd be in a small business start-up phase. So, in other words, once you had an approved business plan with an SBDC or, you know, SCORE counselor, that just like enrolling in school, they would begin your tuition assistance, which you could actually pay for account, marketing, accounting, those type of things. Then each month that you are in business for -- and you'd be approved, pre-approved, just like you are for a semester, you know, semester's four months long.

You receive that E5 housing allowance and you'd get that each month. You'd go back in for your next check-up or check-in with -- you know, it'd be like enrolling another semester. They'd give you the next round of the tuition and the next four to six months of that E5 housing allowance for your area.

So, in essence, you wouldn't get a lump sum upfront but it would be to offset your costs during start-up and provide that cash. That way, you know, unfortunately, some businesses, small businesses do fail, that you would still preserve whatever was remaining of your G.I. Bill, so you could use it that way.
So those are three courses of action that we've had discussed in the way that you could leverage the G.I. Bill. We'd certainly be interested in any others but if that's what you want the discussion --

MR. WYNN: Yeah. That's the gist of the discussion and having folks participate in that discussion, either for or against the use of the G.I. Bill for that purpose, so that we could try to move this along, move it forward, and because, you know, obviously it would take congressional approval to change the use of the G.I. Bill.

The other thing, too, I want to see about adding -- you know, first of all, let me premise my next comment with the fact that, you know, I'm with the Veterans Entrepreneurship Task Force and we have been following this Interagency Task Force along since its inception and from the legislation and from our understanding, you know, it's been -- the purpose of it primarily was it came about because agencies were not meeting the minimum three percent contracting requirements for service-disabled veteran-owned businesses.
So to try to find ways to improve that, to increase those percentages, this Interagency Task Force was formed. So wherein we know that, you know, all businesses not Federal Government contracting still we come back to what is the real focus and purpose of the Interagency Task Force was to increase that three percent?

So when we talk and hear these other agencies speak, what we want to hear about and hear them tell us after, you know, doing their analysis within their agency is what kinds of programs, what kinds of things they can do within those agencies or within the Federal Government marketplace that will increase these opportunities for service-disabled veteran and veteran-owned businesses and along the way, it's kind of gotten a little bit -- you know, the conversation on this topic has gotten a little vague from my view and from the view of other members of our group.

And so if it's to continue, if this task force is to continue now with the new Administrator going forward, you know, we would just hope that we can find a way to get it a little more focused on point.
One of the things that has come up as an issue, which has not even been discussed by this task force, is Federal Strategic Sourcing Initiative. This is beginning to impact small businesses tremendously by them putting these large procurements under these like GWACs and, you know, different procurement vehicles. They're calling it strategic sourcing and they're lumping it all together and only a few companies are selected to compete for these opportunities but probably the unintended consequences of that is that there are a lot of other service-disabled vet and other small businesses who are left out of that equation and there's a severe impact.

Now the Government will argue that there's a benefit to lumping it together. It's supposed to save the taxpayers money but if you look at the consequence on the other side of how many businesses lose contract opportunities as a result, how many employees they have to lay off, how many then are not able to pay for this, that, and the other because they don’t have the income, you have to weigh that and see what is the real benefit.
Is it really a benefit or is it a detriment to the majority?

And so I just think that this should be again one of those topics since we've got these different government agencies and almost all of them are using this vehicle, Federal Strategic Sourcing vehicle, to have some discussion of it, you know, at this particular forum.

Another topic that I wanted to bring before the task force was also to support, see if we could get some support for the inclusion of service-disabled veteran-owned businesses and Hub Zone businesses in MAP 21.

Now for those of you that are not familiar with MAP 21, that's an acronym for Moving Ahead for Progress in the 21st Century, and it's a federal construction program managed by the Department of Transportation through a trust fund and it's awarded. The monies is used within the different states to, of course, use for labor and to build, you know, roadways, highways, bridges, infrastructure in each of the states.
And right now and for the past -- well, for probably the past 10 years or more, only disadvantaged businesses in the category of women-owned and, say, like the 8(a) minority disadvantaged businesses are inclusive in that program and so, again, we're here talking about how can we increase opportunities for veteran-owned businesses. Here's a program that's existed for some time.

It's come up this year for renewal of the bill, for reauthorization, and so there's an opportunity to try and get -- well, can we include service-disabled vets to be in this category and Hub Zones, as well? They're also asking could they be included, as well.

Now the time table on this has already moved from the House. It's over to the Senate in the National Defense Authorization Act and it may not be an opportunity to get any language to insert service-disabled vets in it now but the bill will open again in February. So we still have time, if we have some discussion about this now and we find that there is a lot of support for it, either among the agencies or
among -- I can't imagine any other service-disabled vet
businesses not wanting to be included in other contract
opportunities.

So we need to bring this to, you know, the
level of awareness so that people realize that this is
an opportunity. It also creates jobs because, of
course, as more businesses, more veteran-owned
businesses have contracts, who's more likely to hire
other veterans than veteran-owned businesses?

So I wanted to bring that to your attention.

We're going to be talking about it more at our upcoming
monthly VET-Force Veteran Small Business Forum on
September 16th for this month. We do these each month.
We talk about these types of topics at our forums and,
of course, agency representatives are there, as well.

This month, hopefully Mr. Gudger from DoD,
who's not here today, will be with us next Tuesday to
talk about some of these topics, as well, and I have
some notice flyers for those who may be interested.

So those are just a few of the comments that I
wanted to make and one last one with regard to the
VBOCs.
You know, you pointed out something, Rhett, about the budgetary constraints with those VBOCs. Now, again, VET-Force and members of our group and other veteran business owners and the VSO for years have been supportive of veteran business outreach centers. We felt that there should be a strong network of veteran business centers throughout the country. Just like you have women business centers, there should be veteran centers but, of course, again as you mentioned, the budget that was, you know, authorized just won't allow a real robust center exclusively for veterans and it sounds like, as you mentioned, that budget still isn't destined to increase any time soon.

MR. JEPPSON: But at least in the '15 budget, there is legislation that was proposed on the Senate side that increased. I think you saw that, too.

MR. WYNN: Yeah.

MR. JEPPSON: I think it had support from the Legion and others, which would have gotten us probably -- I don't recall the exact number. I think it doubled the amount. Yeah. That certainly would have given us more flex.
There's actually some other legislation we saw that did not get turned in that would have taken it to 10 million which would have made parity with the WBCs.

MR. WYNN: So, anyway, what I was alluding to, though, was under the present budget structure is the concern possibly viewing this just slightly a little bit different. Instead of trying to create a veteran business center with a very limited budget, why not create a veterans business development coordinator position where that person would be stationed at small business community centers and with that budget, they could probably function quite well if they're already utilizing, you know, the infrastructure of that existing small business center, and I'm not saying that the SBDCs be the only consideration.

We have other community-based small business centers around the country where -- it's almost similar to the model where you have at the American Job Centers, you have DVOPs and LVRs. For those that don't know what DVOPs and LVRs are, it's a veterans facility, veterans outreach specialist is actually stationed at each job center around the country and that is funded
differently. They're paid out of a different pot than
some of the other folks at that center.

And so veterans come to the centers seeking
job assistance, employment assistance, you know, they
can go to that veteran specialist. So it would be
similar, you know, to that model where you would have a
veterans business development specialist located in
various locations and it probably ends up being sort of
like that now.

MR. JEPPSON: I think this is -- I mean, maybe
it's a little bit different an approach but the idea is
kind of the same, I think, Joe, where we have this and
so, you know, we'll look forward to talking with you
more about that because I think you're really on to
something there.

MR. WYNN: Okay. All right. So that
concludes my comments for today.

Thank you.

MR. JEPPSON: So, Joe, thank you. Thank you,
as always, thank you, and we'll take these back. We'll
make sure we get the G.I. Bill Capital on the
discussion point there, some slide discussion, and
we'll actually have a call for, you know, input and comment on that and then it'll be interesting what the body does. We make a recommendation in the report but we provide a forum for the larger committee to talk about they may engage with the decision-makers to influence that. We will be interested in that conversation.

MR. WYNN: Go ahead, Jim.

MR. WILFONG: This is Jim Wilfong. I just wanted to echo the support for that being included on a future meeting of the group.

I think that the committee I chaired back at the beginning of this whole thing, we put that forward in April of 2011, that idea. So it's been awhile and it was in the first report that we sent to the President and what I will do is follow up with Angus King's office again and then if they're still on that, whatever meeting it is that we put that, have it for a discussion, I would like to invite them.

MR. JEPPSON: Perfect. Okay. Senator Rand's office has also been very interested. They've had a lot of inquiries to us about that, as well.
MR. WILFONG: Okay. Great.

MR. WYNN: All right. I just wanted to conclude right quick with the fact that I'm glad that, you know, I was here yesterday for the Veterans Small Business Advisory Committee Meeting and I'm glad to see that some of the committee members are here today and that the scheduling of this meeting allowed that, so that you were able to be here.

We've also offered, as you know, to schedule our Veterans Small Business Forum the day before the committee meeting, so, you know, you can also try to attend that, as well, and so once you decide on your schedule, we're willing to take that Tuesday before, if space is available here.

MR. JEPPSON: Joe, let's talk about the possible scheduling maybe offline and we'll get with Cheryl but I think that there's a way that we -- because theirs is normally a day and we usually meet for half a day and you have half a day. There may be a way where we can get all of them to kind of happen within a two-day period and at least align that three times a year or four times a year and I'd like to see
Additionally, you know, you never -- knock on wood. At some point, we're going to get our deputy back here in the agency and when we do, that will increase the visibility of this. I mean, it's an important committee and, you know, I'm glad that I can do what I do but I don't carry the same gravitas as the deputy. So that will be helpful when we have that within the building, outside the building. So we're looking forward to that.

MR. EILAND: Joe, you brought up FSSI.

MR. WYNN: Yes.

MR. EILAND: It's ironic. I had a meeting with them Tuesday. They did a workshop for us there at GSA. It was very well attended. But I was able to sit back with the individual that's running FSSI right now. It's going to be up for recompete. It's got less than two years before they reissue it.

I asked for our office to be included on that and I was told we would be. So I just thought you'd like to know that.

MR. WYNN: Yeah. Thanks.
MR. BLUM: This is Matthew Blum. Just to kind of dovetail on that, and I know that our good colleagues at SBA are kind of very plugged in to the whole issue of how to, you know, reconcile and properly balance leveraging and strategic sourcing with small business contracting rules. It's been the subject actually of hearings in the last couple of years.

So even if it hasn't been discussed specifically within this task force, it definitely is on our collective radar screen and we continue, as I think was reflected probably in the feedback given to Tony, to be very committed in any strategic sourcing effort to making sure that there is real small business consideration.

In fact, the Guidance Document that OMB issued back in 2012, M1302, expressly requires for all strategic sourcing initiatives that the agreements have to baseline current small business usage under current strategies and set goals that meet or exceed the baseline participation.

We have seen increases in, for example, office supplies and other areas where we've applied strategic
sourcing but we do appreciate this is a hard issue that needs continued attention.

One other point is our nominated Administrator Ann Wrung has talked very much about commodity management, which is, I think, a broader concept than strategic sourcing and I think why it's important to the conversation is to remind people that you can get better pricing and quality because everything doesn't require, that your every event doesn't require leveraging, and having expertise within the Government in how a category of goods or services are acquired and also having better visibility into the prices the Government is paying can also be a very powerful way in which to get better prices, even if we're doing an increased amount of open market purchasing.

So my point, Joe, is just to simply point out that, you know, this isn't about just figuring out how much we can consolidate through leveraging but really how we can be smarter buyers and, you know, within that larger frame, there's obviously a lot of room for not only continued participation with the small businesses in the market currently but building that and getting
new entrants in.

MR. WYNN: Thanks, Matt.

MR. JEPPSON: Joe, as always, thank you very much, sir.

MR. WYNN: Mm-hmm.

MR. JEPPSON: Okay. So additional comments from anybody in the office -- office -- in the room here or on the phone?

Joe?

MR. WYNN: Just a question.

MR. JEPPSON: Yes, sir?

MR. WYNN: About the report that was due out in November. I think you said it was being on hold because of one of the agencies. I mean, why do we -- I mean, this report -- you know, obviously we've been waiting for it for some time and how long are we going to let one agency hold it up?

MR. JEPPSON: That's a great question. Thank you. Okay.

VII. CLOSING COMMENTS/QUESTIONS

MR. JEPPSON: So we'll call it a quick meeting today then.
So I want to thank everybody for joining us on the phone. I know that each of you are busy, especially this time of year, as we go to the end of close-out. I'll tell you it's eating my lunch right now. So I'm sure it's tough for the rest of you guys but thank you for making time for being here and participating.

We'll probably look at having the next meeting some time in December time, between Christmas -- November and -- Thanksgiving and Christmas. We'll try and find a time to wedge it in there. I think that we'll try and focus around when you guys can be here so we can do it.

All right. Thank you.

(Whereupon, at 10:30 a.m., the meeting was concluded.)

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