



Department of the Navy Office of Small Business Programs



DON OSBP Mentor Protégé Program (MPP)

Briefer: Ms. Mercedes Thurston
DON OSBP Mentor Protégé
Program Manager

“Small Business...
The First Option”

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MPP Program Objectives

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- Positioning small businesses for prime contracting opportunities
- Furnishing technical and business assistance to increase the small business industrial base, competitive markets, and utilization of nontraditional & commercial companies
- Fostering the establishment of long-term business relationships
- Enhancing business development and technology capabilities
- Increasing DoD Protégé firms' technical and business infrastructure capabilities
- Demonstrating benefits to the Warfighter through technology transfer

DON MPP is a tool to establish/increase/maintain a stronger more capable SB industrial base to support the warfighter.



MPP Program Benefits

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Industry

- Capabilities can be enhanced resulting in higher quality products and services for their customers.
- Mentors have the capability to provide direct assistance (sometimes in the form of advance or progress payments).
- As mentors, firms can also award subcontracts to protégés on a non-competitive basis (even if they are still subjected to “competition in contracting requirements”.*

DON

- Brings innovative tech into established Defense Acquisition Programs
- Develops a more capable small business industrial base and robust supply chain.
- Ensures capacity & capability to support prime and subcontracting requirements.

* Dilger, R.J. (2020). *Small Business Mentor-Protégé Programs* (CRS Report No. R41722). Retrieved from Congressional Research Service website: <https://fas.org/sgp/crs/misc/R41722.pdf>

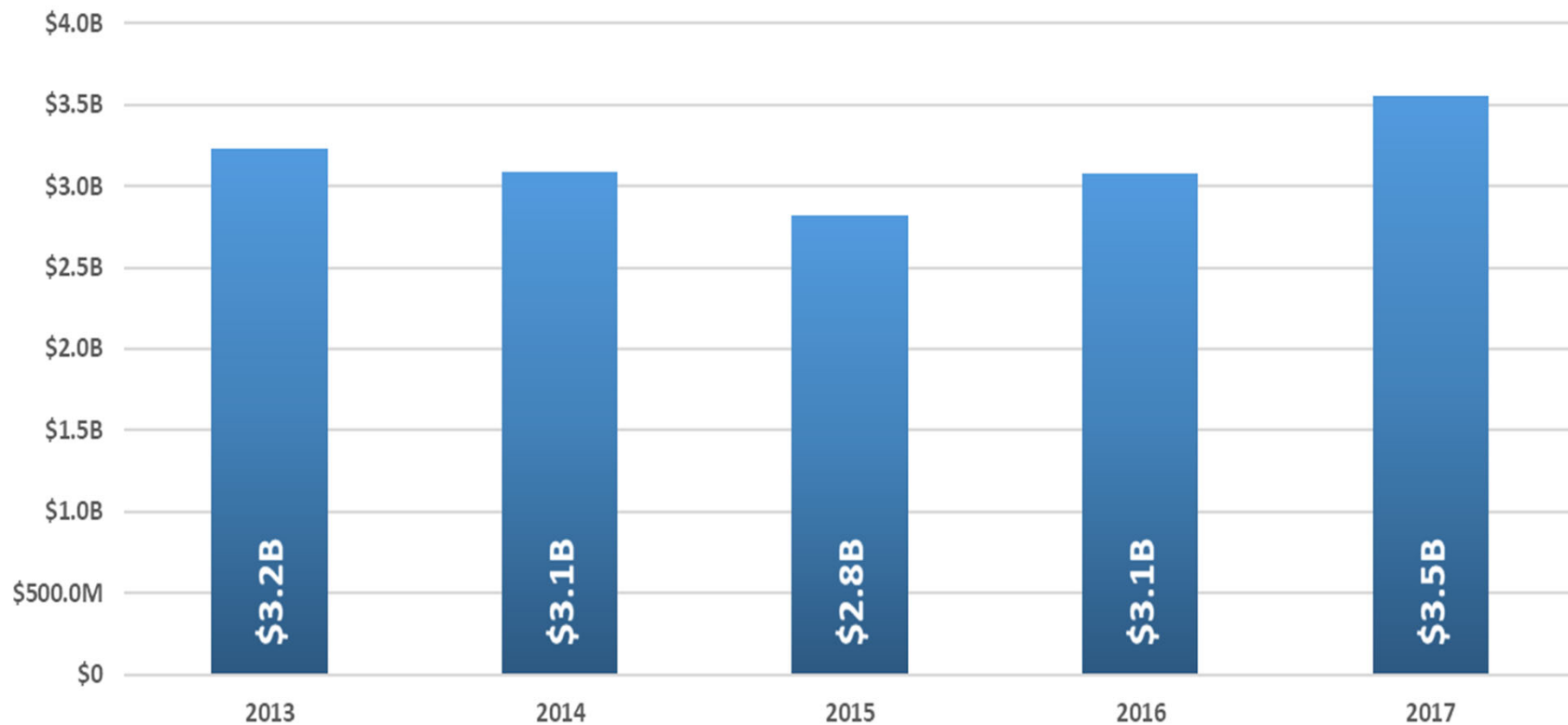
<https://www.secnav.navy.mil/smallbusiness/>

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DoD MPP Protégé Performance

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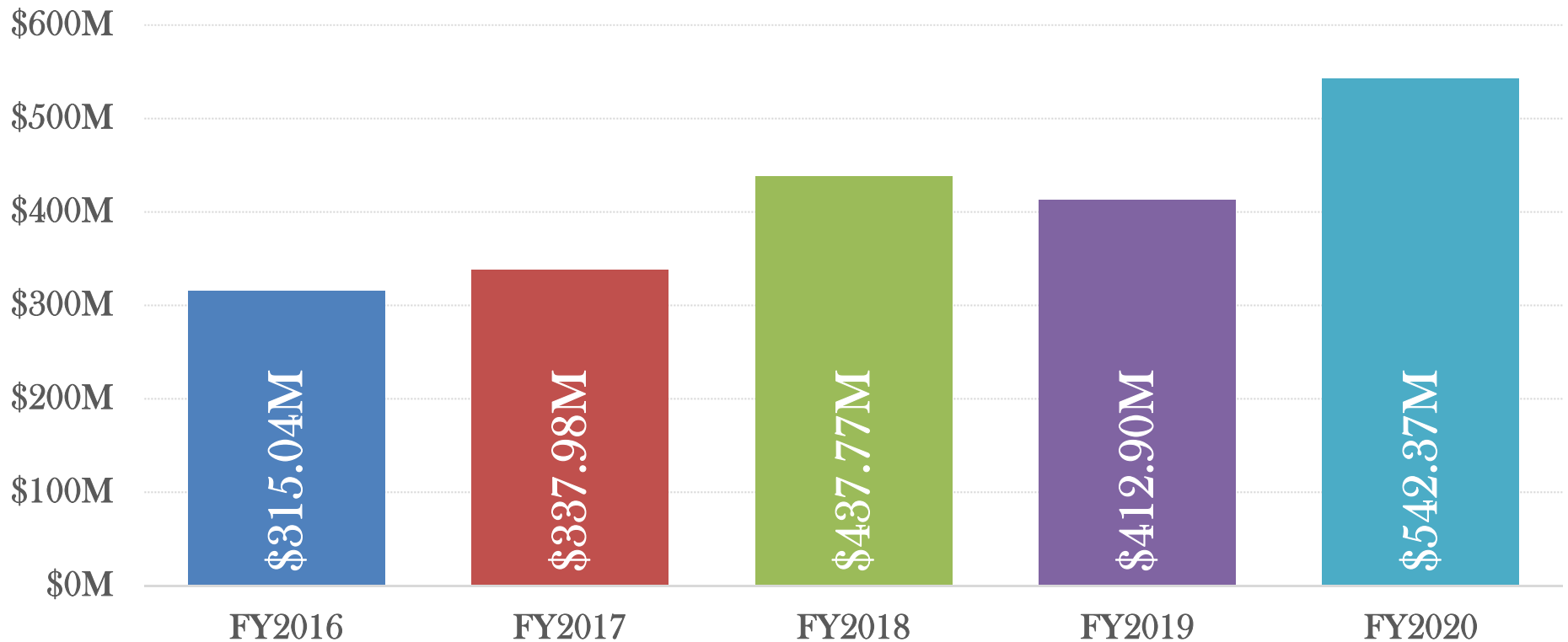
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DON MPP Protégé Performance

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Data based on historical FPDS-NG Small Business Procurement Awarding Data and the Active Mentor Protégé Vendor list as of 01 November 2020
(<https://www.sba.gov/document/support-active-mentor-protege-agreements>)

<https://www.secnav.navy.mil/smallbusiness/>

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General MPP Information

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- The MPP has been reauthorized in the National Defense Authorization Act for FY20 and extended the program through September 30, 2024.
- MPA are administered in accordance with:
 - DFARS 219.71
 - DFARS 219.71-Appendix I
 - DON MPP Guidebook
- New MPA's are processed by DON OSBP during the following timeframes:
 - FY21-FY24
 - November 1st-30th
 - June 1st-30th
- Mentor-Protégé Agreements (MPA's) Developmental Assistance Areas are:
 - Knowledge Based Services (ex. Cybersecurity and Engineering and Testing, and Software)
 - Manufacturing (ex. Production Items)
 - Research and Development



Protégé's Impact Navy Programs of Record

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Air Traffic Navigation, Integration, and Coordination System (ATNAVICs)

AN/APY- 10 Maritime/Overland Radar



Zumwalt Class Destroyer

Navy Personnel and Pay Modernization (PPM/NP2)



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MPP

Who Can Be A Mentor?

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The Mentor



- Has DoD contracts totaling at least \$100M in previous fiscal year.
- Is other than small entity (can be waived)
- Prime contractor with an active subcontracting plan or is an 8(a) graduate with documentation of its ability to serve as a Mentor.

Eligibility



- Be eligible for award of a Federal contract
- Must Demonstrate:
 - Qualified to provide assistance;
 - In good financial health and character; and,
 - Is not on debarred/suspended

Mentor Benefits



- Develop long-term business relationships with Small Disadvantaged Business (SDB) concerns.
- Develop SDB subcontracting base; and,
- Develop opportunities with the Protégé to win new contracts and/or subcontracts.

[Mentor Application](https://www.secnav.navy.mil/smallbusiness/)

<https://www.secnav.navy.mil/smallbusiness/>

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MPP

Who Can Be A Protégé?

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The Protégé



- Small Business Concern
- Eligible for award of Federal contracts
- Not owned by individual/entity with stock options/securities in Mentor
- Satisfy **at least one** of the eligibility criteria.
- No more than size of standard corresponding to primary North American Industry Classification System (NAICS) code.

Eligibility



- Small Disadvantaged Business (SDB)
- Women-Owned Small Business (WOSB)
- HUBZone Small Business (HUBZone)
- Service-Disabled Veteran-Owned Small Business (SDVOSB)
- A business employing the severely disabled;
- A business owned and controlled by a Native American tribe
- A business owned and controlled by a Native Hawaiian Organization
- An entity providing goods/services in private sector critical to enhancing DoD supplier base.

Protégé Benefits

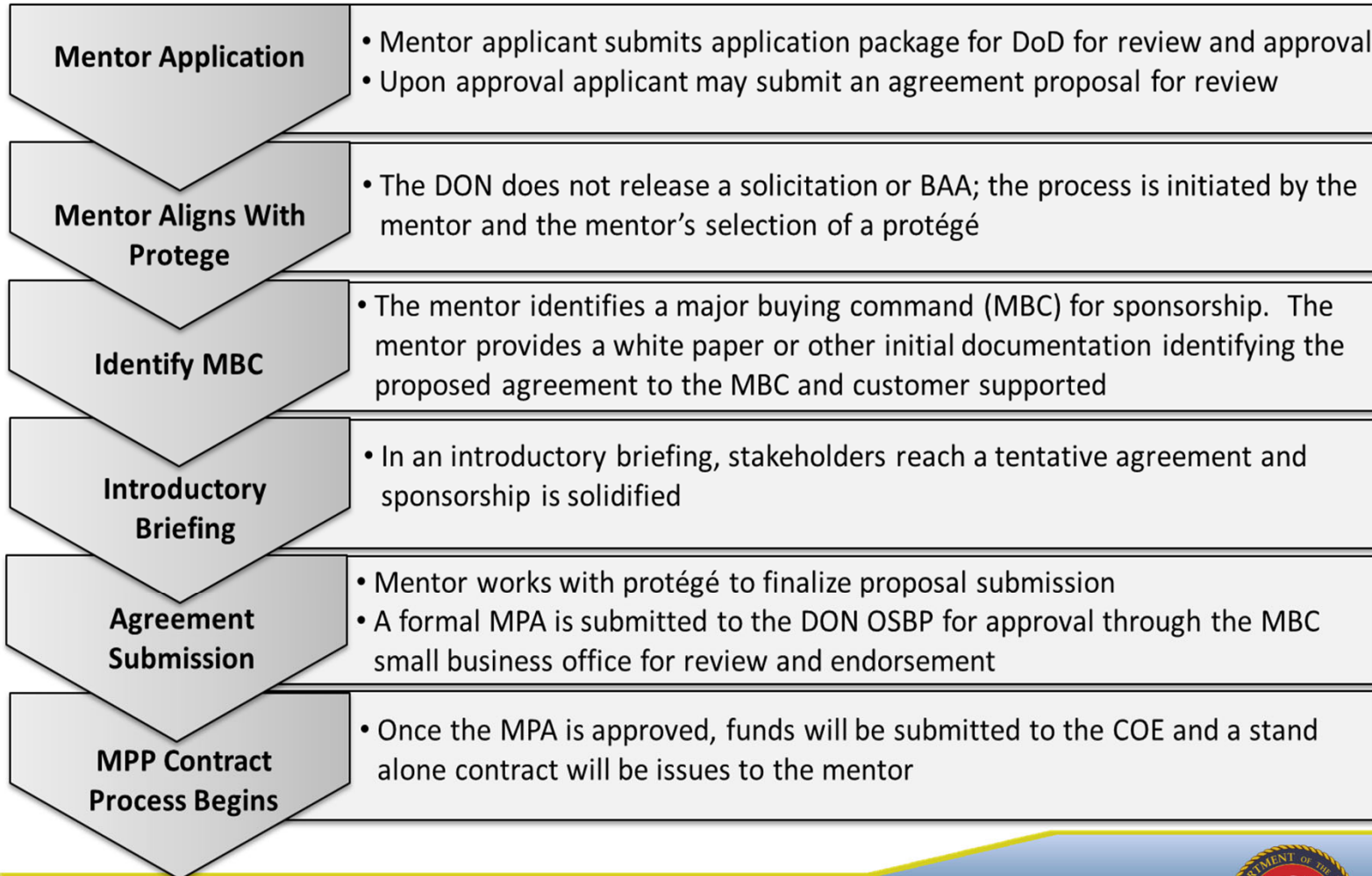


- Gain relevant technical assistance;
- Teaming opportunities with Mentor to win new contracts and/or subcontracts; and,
- DoD long-term Industrial Base partnership



MPP How To Participate

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Note: A detailed flow and description of the process can be found in the [DON MPP Guidebook](#).



Major Buying Command (MBC)

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Major Buying Command (MBC):

- A Navy or Marine Corps contracting activity that is responsible for specific duties to support the war fighter and their families.
- The MBC is also the contracting activity that will purchase your product and services. There are 10 MBCs in the DON, which also includes two Marine Corps commands.
- Each command has identified challenges/capability gaps within the organization that Small Business can fill.
- A small business specialist within each command can help identify opportunities for your product/services using the Long-Range Acquisition Forecasts that are unique to each command.



Types of MPP Agreements

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- Reimbursable MPAs
- Credit MPAs
- Hybrid MPAs (Credit MPA + Reimbursable MPA)



Reimbursable MPAs

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Reimbursable:

- Provides monetary reimbursement only for the cost of developmental assistance incurred by the Mentor firm and provided to a Protégé firm in accordance with the approved agreement.
- Allowable Cost include:
 - Assistance provided by HBCU/MI/SBDC/PTAC
 - Direct labor costs (for assistance by Mentor firm employees)
 - Cost for developmental trainings and conferences



Credit and Hybrid MPAs

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Credit:

- Allow mentor to receive credit toward subcontracting goals for costs incurred
- Credit Agreements are administered by DCMA

Hybrid:

- Combination of the reimbursable and credit agreement.
- One year must be credit and one year is reimbursable.
- Developmental assistance costs may only be incurred after receipt of DCMA approval letter.



MPP Cybersecurity Compliance

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Cybersecurity Maturity Model Certification (CMMC) Compliance Timeline

Total Number of New Prime Contracts Awarded Each Year with CMMC Requirement				
FY21	FY22	FY23	FY24	FY25
15	75	250	479	479

	Total Number of Prime Contractors and Sub-Contractors with CMMC Requirement				
	FY21	FY22	FY23	FY24	FY25
Level 1	899	4,490	14,981	28,714	28,709
Level 2	149	749	2,497	4,786	4,785
Level 3	452	2,245	7,490	14,357	14,355
Level 4	0	8	16	24	28
Level 5	0	8	16	24	28
Total	1,500	7,500	25,000	47,905	47,905

Project Spectrum (2020, November 4). Cyber Circuits, *Essential CMMC News: Your Questions Answered* (Presentation). Retrieved from: <https://assets.projectspectrum.io/cybercircuits/20201104+Cyber+Circuits+Slide+Deck.pdf>

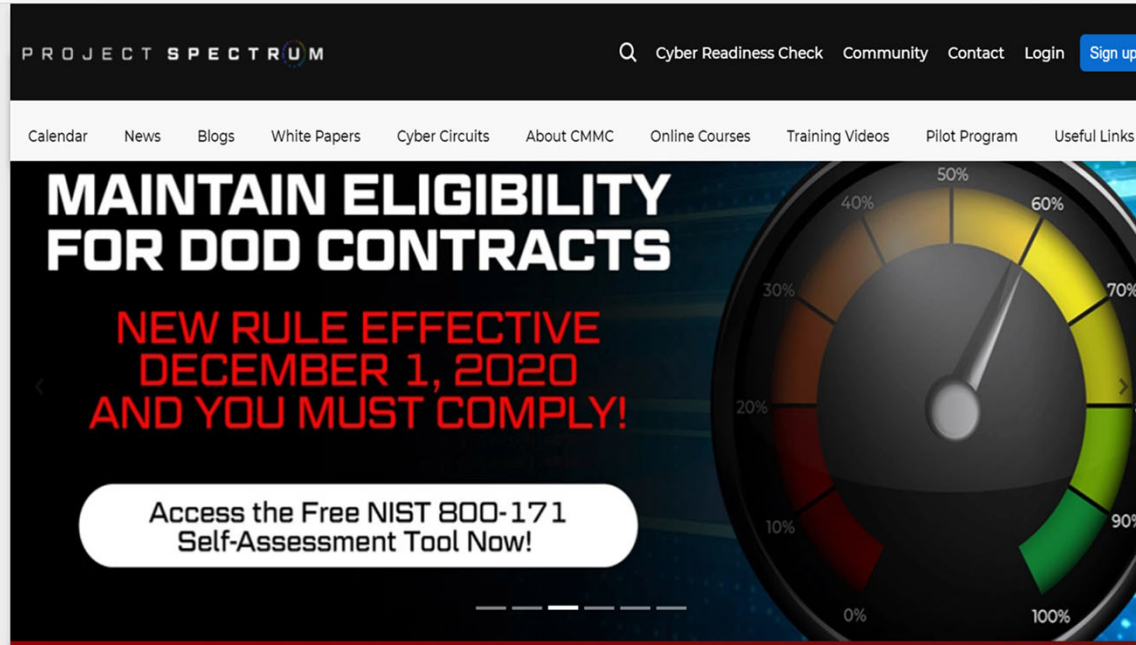
- New assessment requirements begin appearing in DoD contracts in December 2020.
- Required of all DoD contracts above the micro-purchase threshold, except for COTS by 2025.
- Requires companies in the Defense Industrial Base (DIB) have a third-party assessment.
- Project Spectrum (PS) is the initiative supporting the compliance journey.
- PS has initiated a pilot program for MPP participants.



Cybersecurity Project Spectrum (PS) Initiative

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Project Spectrum and the MPP



See [Project Spectrum](https://www.secnav.navy.mil/smallbusiness/) website for more information.

- PS includes a web portal, cyber readiness check, and customized dashboard.
- Pilot participation gives unique access to resources and coaching to prepare for CMMC.

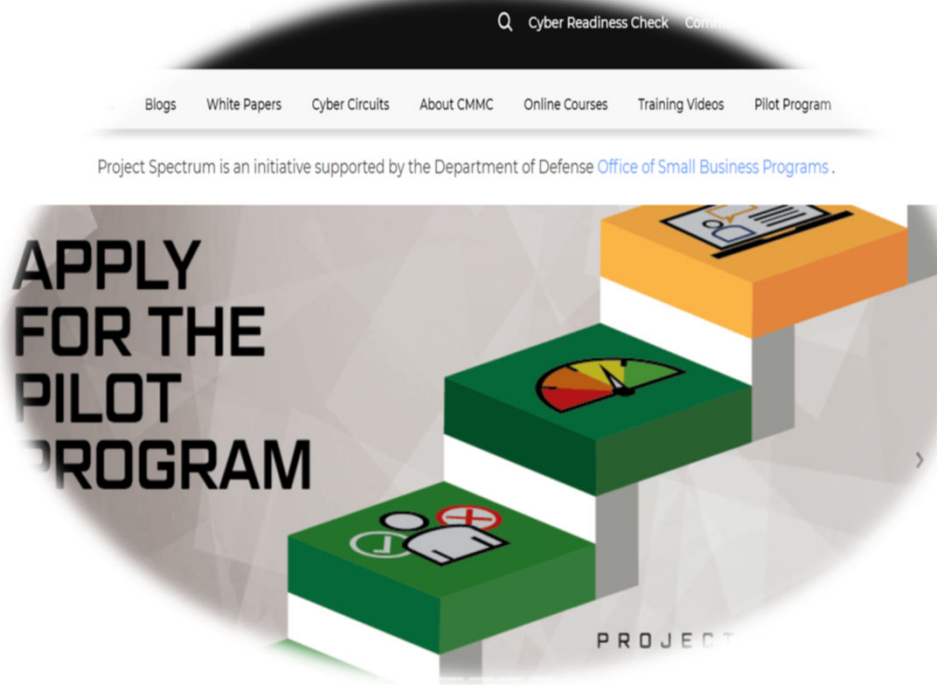


PS MPP Pilot Participation Expectations and Outcomes

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What is Required of PS Pilot Participants?

- MPP participants are expected to enroll in PS pilot program.
- Designate company representatives to dedicate approximately 10 hours per week of staff to maintain program responsibilities.
- Sign a mutual non-disclosure agreement and terms of use of data.
- Agree to a 24-month collaboration.
- Application and additional information is found at the PS website:
<https://www.projectspectrum.io/#!/pilotProgram>



Participation Benefits

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Benefits:

- Access to a unique web portal providing extensive resources for continuous training and dashboard to track compliance journey.
- Tools to assess gap vulnerabilities and compliance readiness.
- Recent information on cyber issues and links to patches.
- Sensors on network to track vulnerabilities (manufacturing)/Compliance management coach
- Protégés will be primed to transition from current NIST policies to CMMC

MPP CYBERSECURITY PILOT PROGRAM



Key Dates

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New MPA's are accepted during the following timeframes for FY21-FY24:

- November 1st-30th
- June 1st-30th



Additional Resources

Department of the Navy Office of Small Business Programs

Policy and Regulation:

- DFARS 219.71-
https://www.acq.osd.mil/dpap/dars/dfars/html/current/219_71.htm
- DFARS Appendix I-
https://www.acq.osd.mil/dpap/dars/dfars/html/current/appendix_i.htm

Department of Navy (DON):

- DON Operations Plan -
<https://www.secnav.navy.mil/smallbusiness/Documents/SB-Strategic-Plan-Updated-07APR20.pdf>
- Mentor Protégé Program Guidebook
[https://www.secnav.navy.mil/smallbusiness/Documents/DON%20MPP%20Guidebook%20\(June%202020\).pdf](https://www.secnav.navy.mil/smallbusiness/Documents/DON%20MPP%20Guidebook%20(June%202020).pdf)

DoD Office of Small Business Programs:

<https://business.defense.gov/Programs/Mentor-Protege-Program/>

<https://www.secnav.navy.mil/smallbusiness/>

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Contact Information

Department of the Navy Office of Small Business Programs

Mercedes Thurston

DON OSBP Mentor Protégé Program Manager

(202) 685-1076 (Office)

(703) 946-7870 (Cell)

Mercedes.Thurston@navy.mil

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[LinkedIn.com/showcase/deptofnavysmallbusiness](https://www.linkedin.com/showcase/deptofnavysmallbusiness)



<https://www.youtube.com/c/donosbp>



[DoN_OSBP](#)

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Questions?



BACK-UP & ALTERNATE SLIDES

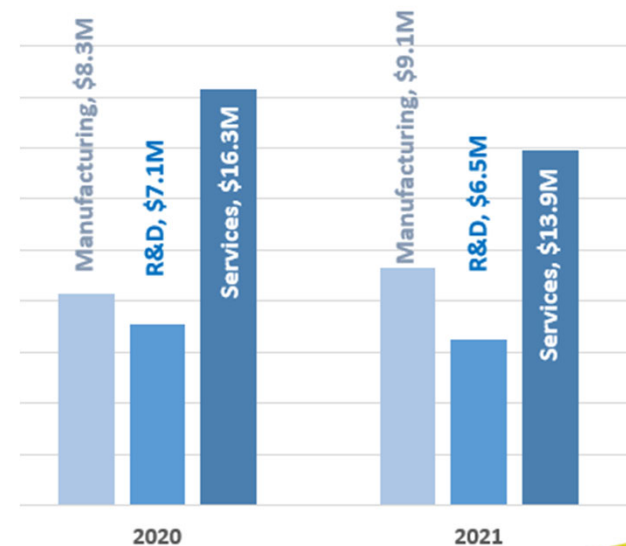
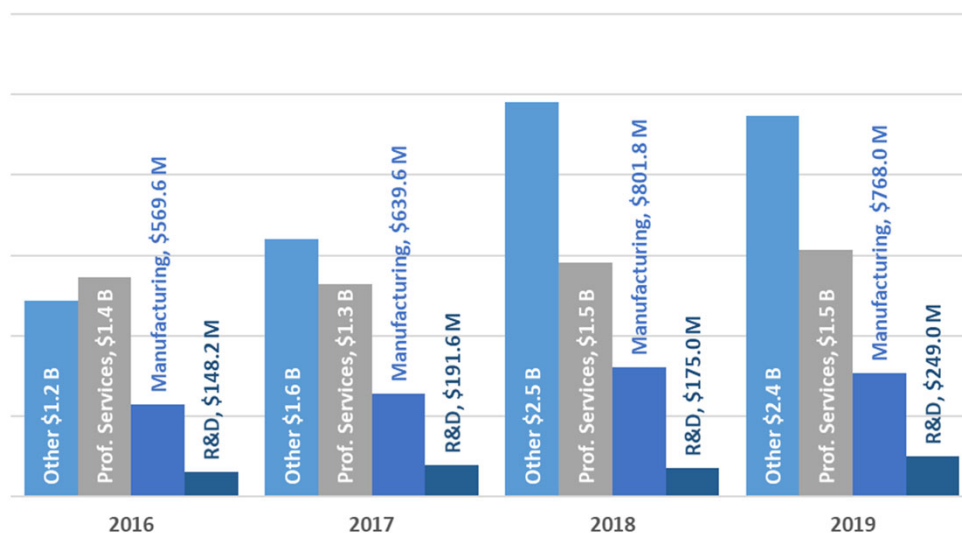


DoD Investment in Key Areas

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MPP Focuses on Agreements in the following technology areas:

- Knowledge Based Services (ex. Cybersecurity, Engineering and Testing, and Software)
- Manufacturing (ex. Production Items)
- Research and Development

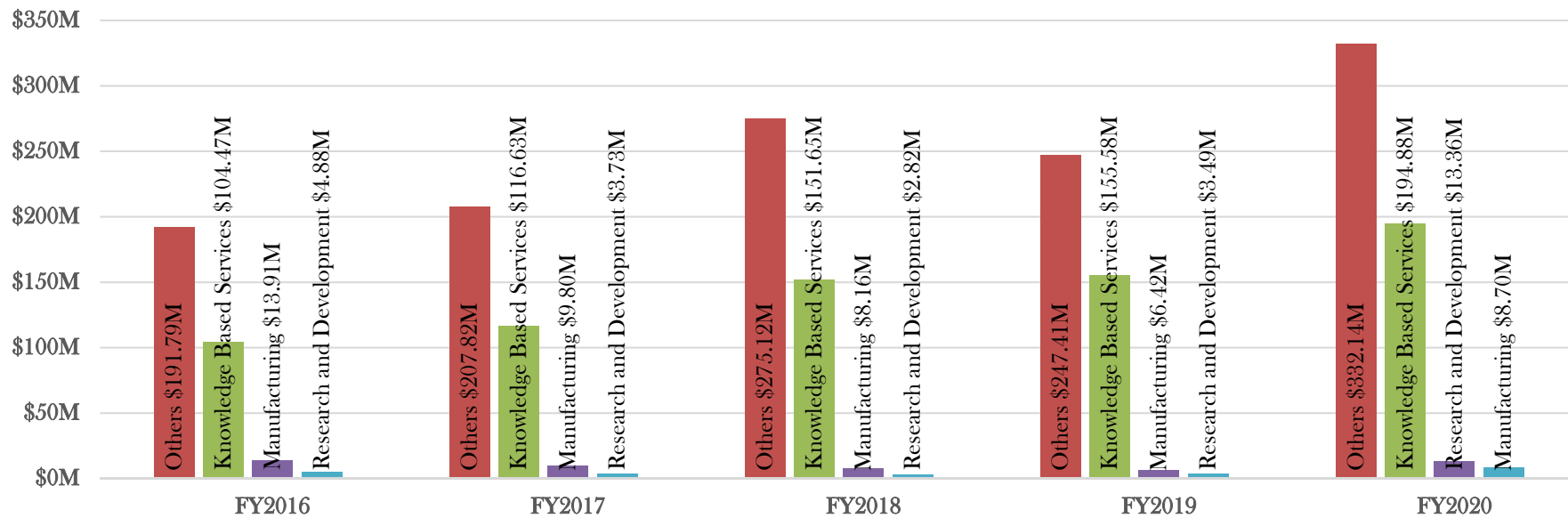


DON Investment in Key Areas

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MPP Focuses on Agreements in the following technology areas:

- Knowledge Based Services *
- Manufacturing ^
- Research and Development *



Data based on historical FPDS-NG Small Business Procurement Awarding Data and the Active Mentor Protégé Vendor list as of 01 November 2020

(<https://www.sba.gov/document/support-active-mentor-protége-agreements>)

* Knowledge Based Services and Research & Development are based on PSC – Portfolio Group crosswalk (<https://www.acquisition.gov/psc-manual>) and FPDS-NG awarding data

^ Manufacturing awards had a two digit NAICS code starting with '31', '32', or '33'

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Criteria for MPA

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- Agreement length of two years
- Must include a detailed developmental program for the protégé containing
 - Specific milestones
 - Goals and estimated dollar amount of potential subcontracts between the mentor and protégé.
 - Show value to DoD and enhancements to Defense Industrial Base through specific quantitative and qualitative metrics.
- Must provide detailed cost breakdown
 - The total amount reimbursed to a DoD Mentor for costs of assistance furnished to a DoD Protégé in a fiscal year may not exceed \$1M
 - The average cost of a 3-year direct reimbursed agreement* is \$500,000 –\$750,000 (for all three years)

Specific content found in DFARS Appendix I-107

*Average cost of agreement was calculated from historical 3-year term agreements



MPP Proposal Package

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Requirements for the Package

- Executive Summary
- The Mentor Protégé Agreement
- Benefits Statement/Return On Investment Document
- Technical Proposal
- Cost Proposal



MPP Proposal Package

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Other Key Notes:

- The assistance to be provided should be based on a needs assessment of the protégé.
- Consideration should be given to ROI for the customer, Navy, Mentor, Protégé, and DoD.
- An MPA is a marriage requiring courtship/dating. In most cases protégés are selected from the supplier base of the Mentor.
- Small businesses should be marketing themselves to large primes for subcontracting opportunities and partnerships. Build performance, grow, and establish yourself as a value-added supplier/partner and potential candidate for the program.



NDAA 2020 Program Updates

- Program extension through 2024 (Reimbursement for expenses is authorized through 2026)
- Agreement length changed from three to two years
- Modification on SDB Concern size standard (less than half the size of primary NAICS to no more than size of standard corresponding to primary NAICS)



Proven DoD Benefits (For the Data Driven)

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- An increase in the dollar value of contract and subcontract awards, and revenue to protégé firms (under DoD contracts, contracts awarded by other Federal/Non-Federal agencies and commercial contracts) from the date of DOD Mentor-Protégé Agreement (MPA) execution until 2-years *after* conclusion of the MPA
- An increase in the number and dollar value of sub-contracts awarded to Protégé firms (and former Protégé firms) by the Mentor firm; and
- An increase in the employment levels of Protégé firms from the date of MPA execution until 2-years after MPA completion
- The number of potential innovative technologies transferred into DoD Programs of Record
- Increase the numbers of Small Businesses that are prepared to compete in the Category Management (Best-In-Class) contracts



Insider Tips for Doing Business With the DON

Department of the Navy Office of Small Business Programs

Ten Steps to Help You Get Started....

Find this chart in the Navy Office of Small Business Programs FY 2020- 2021 Operations Plan

-  Identify your product or service.
-  Obtain a Unique Entity Identifier (UEI). Request the UEI and register your entity to do business with the U.S. Government at SAM.gov. This number will replace the Data Universal Numbering System (DUNS) Number, which will remain for historical purposes only. A Commercial and Government Entity (CAGE) Code will be assigned at SAM.gov.
-  Register in the Small Business Administration (SBA) Dynamic Small Business Search system and investigate other SBA resources and small business programs.
-  Familiarize yourself with Federal, Department of Defense (DoD), and Navy contracting procedures.
-  Identify the Navy and Marine Corps contracting activity that purchases your product or service and contact the Small Business Specialist on-site. Visit the "Search what the DON Buys" feature on the DON OSBP Website.
-  Identify current and future Navy and Marine Corps procurement opportunities (Review the Long Range Acquisition Forecasts).
-  Investigate Federal Supply Schedule contract (<https://www.gsa.gov/buying-selling/purchasing-programs/gsa-schedules>)
-  Investigate other DoD programs including Mentor-Protégé, Public-Private Talent Exchange, etc..
-  Explore subcontracting opportunities. These can be found at the Federal Procurement Data System-Next Generation (<https://www.FPDS-NG.gov>).
-  Seek additional assistance as needed in DoD and DON marketplace.

<https://www.secnav.navy.mil/smallbusiness/>

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