

Small VOB Opens Door to Big Contracts

Army vetrepneur goes head-to-head with large corporations for government lodging services.

by Matthew Pavelek

BASIC OVERNIGHT QUARTERS (BOQ), a Virginia-based corporate lodging provider, was recently awarded a listing with the U.S. General Services Administration (GSA), making it the first service-disabled, veteran-owned business to compete with major corporations for government temporary lodging contracts. Joe Szoboszlay and Bill Foos, both retired Army lieutenant colonels, started the company in December 2007 and said this opportunity is a key step for their business and for vetrepneurs.

"They [GSA] wanted to increase the competition field from big, billion dollar companies and give service-disabled, veteran-owned small businesses the chance to compete," Szoboszlay said.

Based in Arlington, BOQ was listed in late December on the GSA's Transportation, Delivery and Relocation Solutions Schedule 48. A GSA schedule is a five-

year contract listing the rates the federal government will pay for specific products and/or services. It also lists approved vendors so government agencies can easily shop for services and products.

"The GSA schedules are a great contract vehicle for providing small businesses the opportunity to sell their services to any agency in the federal government," said Michael Rigas, associate administrator for the Office of Small Business Utilization for the GSA.

There are 62 categories, or schedules, that cover any product or service the federal government routinely purchases from vendors. The GSA schedule is the preferred purchasing method for most federal agencies and is an easy way for vendors to land contracts.

"Getting a GSA schedule gives you the ability to walk into any federal agency and say 'here's a solution' and they can con-



Vetrepneur Info

Name: Bill Foos

Age: 45

Military Service: U.S. Army 1980-1985 (enlisted); 1985-1996 (commissioned); 1996-2008 (Reserves)

Highest Rank Attained: Lt. Col. (O-5)



Company Info

Company: Basic Overnight Quarters

Location: Arlington, Va.

Year Founded: 2007

of Employees: 6

Web site: www.boqinc.com



tract your services without going through a lengthy procurement process," Foos said.

The Schedule 48 includes corporate housing lodging services, consulting services, domestic delivery services, employee relocation services and office relocations. Foos and Szoboszlay learned of the schedule and saw an opportunity.

Foos' Advice

"Don't get into business for the sake of making money. You've got to have a passion for what you do. In my case it's serving Soldiers. After spending 26 years in the military, serving Soldiers is a passion for me. If I didn't have this passion, it wouldn't be successful."



from DeMolet Consulting, who determined that the Schedule 48 favored large corporations and limited opportunities for small businesses. DeMolet brought the matter to John Phelps, chief of staff at the GSA.

"That was a biased, limited schedule for big, big businesses only," DeMolet said.

The role of the Office of Small Business Utilization is to facilitate small businesses and help them find answers to their questions about acquiring contracts with the GSA and the federal government. DeMolet asked if there was an exception to the stipulation in the Schedule 48 that stated businesses providing temporary lodging must be nationwide in scope.

"He was put in touch with the folks who manage these programs and they were able to take a look at it and realize it did make sense in fact to open it to small businesses," Rigas said.

"Now they get to compete with the big boys," DeMolet said. "GSA worked with us hand-in-hand to get this done."

"I can't say enough about the professionalism of the folks at the GSA. The fact that they worked so hard to get us approved speaks volumes about their willingness to help veteran small business," Szoboszlay said.

BOQ had to overcome some hurdles in order to be listed with the GSA. To be listed on a GSA schedule, potential contractors typically must have been in business for at least two years to prove through past performance that the company is capable of providing the goods and/or services stipulated in each contract.

"We had to do an open-source evaluation which we had to contract with Dunn & Bradstreet and had them do surveys with former clients since we didn't have past performance from a contractual standpoint," Foos said. "The results came in well with a really high rating."

Rigas said BOQ successfully verified its potential to fulfill the contracts, despite the fact that the firm had only been in business less than one year.

"A lot of small businesses are started by entrepreneurs who have significant past performance experience," Rigas said, adding that experience in the industry can satisfy the requirement, but it's always handled on a case-by-case basis.

Both Foos and Szoboszlay are experienced vetrepneurs. In 2002, Foos founded Security Management Solutions, a security consulting firm. In 2006, Szoboszlay bought Executive Apartments Inc. (EAI), a firm that provides similar housing solutions primarily to the Department of Defense and the Pentagon. Foos, who retired after years of active duty and Reserve service with the Army, spent six months working for the Army Corps of Engineers in the Washington, D.C., area in 2001. When he was activated after the terrorist attacks of 9/11, Foos spent six months living in an apartment complex that would eventually be owned by EAI.

Foos was activated again in 2004 and deployed to Iraq to support Operation Iraqi Freedom and served as a contracting officer representative for the Army Corps of Engineers.

"While in Iraq, I was exposed to and became much more familiar with the Army contracting process," Foos said. "A huge part of what I did was life support, which means providing lodging arrangements for the contracted security guards that we had."

In October 2008, BOQ became one of eight contractors awarded an indefinite

delivery, indefinite quantity national contract for Army lodging across the U.S.

"In less than a year, we've gotten a national contract, a local contract with the Department of the Army and we were put on the GSA schedule," Foos said. "And we're the only service-disabled, veteran-owned business in the lodging arrangement that's currently listed on the GSA for corporate lodging."

The second major obstacle was proving financial viability.

"They [the GSA] set a platform of \$150,000 that had to be available as either cash or a line of credit," Foos said. "Small businesses, especially at this time in the economy, have had difficulty getting a line of credit. Most banks won't give you a line of credit unless you've been in business for a year."

Foos was able to invest some personal capital to generate enough revenue to support the financial report. BOQ also paid to have a credit evaluation conducted by Dunn & Bradstreet to establish a favorable credit rating.

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Name: Joe Szoboszlay

Age: 47

Military Service: U.S. Army 1985-2006

Highest Rank Attained: Lt. Col. (O-5)



In March 2008, the GSA announced its Twenty-One Gun Salute initiative. This program is designed to increase the amount of money the agency spends with SDVOBs.

"This is GSA's action plan to meet and exceed the 3 percent contracting goal with our service-disabled veterans," Rigas said. "It's the effort that GSA has made internally to exceed this goal. We like to look at this as a floor, not a ceiling."

However, Rigas said the GSA intends to do as much business as it can with all veteran-owned businesses, not just service-disabled veterans.

"The outreach was to all veterans," Rigas said. "We actually went through the Department of Veteran Affairs' Center for Veterans Enterprise and notified all the small businesses that were registered in their network. We work with veteran service organizations like VET-Force and [The] Elite SDVOB [Network] and other veteran organizations to help us get the word out to veteran-owned small businesses about what opportunities are there for them at the GSA."



The GSA also hosts workshops and Web seminars to help educate and train vetrepreneurs about conducting business with the federal government. The GSA had scheduled one such Web seminar for January, but the substantial interest expressed by VOBs forced them to add three more sessions.

"We had such an overwhelming response from the veteran business community that it blew the doors off our ability to actually provide it in one workshop so we had to do four separate workshops," Rigas said. "That's a great way for veterans to learn how to get a GSA schedule contract."

"Just because you get the contract, that doesn't mean business is going to come to you. Don't get into business for the sake of making money. You've got to have a passion for what you do."

— Bill Foos

For more information about GSA workshops, visit www.gsa.gov, Office of Small Business Utilization.

Foos offered some advice for vetrepreneurs considering doing business with the government.

"Just because you get the contract, that doesn't mean business is going to come to you," Foos said. "Don't get into business for the sake of making money. You've got to have a passion for what you do. In my case it's serving Soldiers. After spending 26 years in the military, serving Soldiers is a passion for me. If I didn't have this passion, it wouldn't be successful." 