

**Defense Contract Management Agency
Mentor-Protégé Program
Executive Summary
FY10**

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Introduction

The following report consists of the DCMA Mentor Protégé Division's results from the 99 Annual Reviews performed for FY10 that includes DCMA Credit, Reimbursable Mentor Protégé agreements and 83 Post reviews. (Out of 83 Post reports reviewed, DCMA received 41 first year and 42 second year post reports).

A. Trends in the progress of protégé employment, revenues, and participation in Department of Defense contracts.

This section shows in tabular form the trends in employment, revenues, and contractual participation for protégé firms over the fiscal year FY 2010. This information was derived from the mentor's semi-annual reports. Differences among the total number of firms in the various tables are due to omissions within the individual DoD Mentor Protégé Semiannual reports.

Table's A-1 and A-2 present employment information for FY10: Table A-1 is a macro view displaying the total employment gains, losses and no changes with the number of firms fitting into each category. Table A-2 further breaks down the categories into numerical subcategories, thereby giving a sense of the distribution of employment changes. The distribution of employment and revenue gains and losses shown is reflective of the variances in the characteristics of the protégé firms and the ever-changing Program population.

Table A-1 reflects a FY10 net increase of Protégé employees

Table A-2 reflects Distribution of Employment Gains and Losses at Protégé Firms

Table A-3 reflects Revenue Gains and Losses at Protégé Firms

Table A-4 reflects Distribution of Revenue Changes at Protégé Firms

Table A-5 reflects Contract Awards to Protégé Firms

Table B-1 reflects Protégé Post Two Year Out Performance FY10

A total of 7 agreements were terminated during FY10. Of the 7, one (1) agreement was terminated due to non-compliance and incomplete DoD Mentor Protégé Semiannual reporting. Six (4) were based upon mutual terminations. One (1) terminated when the mentor went under new leadership and protégé changed their firm name. And one (1) terminated as the protégé lost their Small Disadvantaged Business classification caused by a change in ownership which resulted in the firm's ineligibility to be a continuing participant in the DoD Mentor Protégé program.

Table A- 1. Annual Employment Gains and Losses at Protégé Firms

Fiscal Year	Number of Firms Gaining	Employee Gains	Number of Firms Losing	Employee Losses	Number of Firms No Change	Net Employee Gains	Total Firms
2010	63	1807	26	584	10	1223	99
2009	86	3355	29	673	17	2682	132
2008	77	8935	23	386	29	8549	129
2007	78	6170	25	740	34	5430	137
2006	88	3060	34	421	25	2639	147
2005	104	4587	38	545	35	4042	177
2004	87	3902	52	1729	11	2173	150

Table A-2: Distribution of Annual Employment Gains and Losses at Protégé Firms

Employees Gained/Lost	FY 2010	FY 2009	FY 2008	FY 2007	FY 2006	FY 2005	FY 2004
Increase of more than 100	2	7	8	4	7	12	11
Increase of 51 to 100	7	7	4	7	9	9	5
Increase of 26 to 50	7	10	15	5	12	20	16
Increase of 16 to 25	10	13	9	14	14	9	7
Increase of 6 to 15	15	25	18	21	26	20	19
Increase of 1 to 5	22	24	23	27	20	34	29
No Change	9	17	29	34	25	35	11
Decrease of 1 to 5	10	8	9	5	11	17	14
Decrease of 6 to 15	10	12	7	11	13	12	15
Decrease of 16 to 25	3	3	3	1	5	1	7
Decrease of 26 to 50	1	2	2	5	5	6	9
Decrease of 51 to 100	1	2	2	2	0	2	4
Decrease of more than 100	2	2	0	1	0	0	3
Total Number of Firms	99	132	129	137	147	177	150

Tables A-3 and A-4 illustrate revenue gains, losses, and no changes in a similar fashion as were presented previously with respect to employment.

Table A- 3. Total Annual Revenue Gains and Losses at Protégé Firms

(Based upon data submitted FY10 annual reports)

FY	Number of Firms Gaining	Annual Revenue Gains \$	Number of Firms Losing	Annual Revenue Losses \$	Number of Firms No Change	Annual Net Revenue Gains \$	Total Firms
2010	78	703,971,153	20	44,210,755	1	659,760,398	99
2009	100	679,338,437	27	46,552,897	5	632,785,540	132
2008	86	1,191,974,343	10	13,167,767	33	1,178,806,576	129
2007	73	1,019,086,316	18	53,519.60	46	965,566,714	137
2006	99	527,156,773	32	91,112,606	17	436,044,168	148
2005	116	1,017,566,227	34	47,675,153	26	969,891,074	176
2004	97	589,852,963	30	94,812,596	23	495,040,367	150

Table A-4 Distribution of Annual Revenue Changes at Protégé Firms

Change in Revenue	FY10	FY2009	FY2008	FY2007	FY2006	FY 2005	FY 2004
Increase by more than \$10M	9	16	14	11	15	24	14
Increase of \$5M to \$10M	11	12	11	15	14	17	15
Increase of \$1M to \$5M	32	35	36	26	35	43	29
Increase of \$500K to \$1M	9	15	8	8	13	14	15
Increase \$100K to \$500K	9	17	8	8	17	15	16
Increase of \$0 to \$100K	8	5	9	5	5	6	8
No Change	1	5	33	46	17	26	23
Decrease of \$0 to \$100K	2	2	0	2	2	7	1
Decrease of \$100K to \$500K	5	9	5	3	4	7	5
Decrease of \$500K to \$1M	7	7	1	2	5	8	9
Decrease of \$1M to \$5M	3	5	4	11	15	9	12
Decrease of \$5M to \$10M	2	4	2	0	3	1	3
Decrease of more than \$10M	1	0	0	0	2	0	0
Total Number of Firms	99	132	129	137	147	177	150

Table A-5 Contract Awards to Protégé Firms

Contract Awards	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2008	Fiscal Year 2007	Fiscal Year 2006	Fiscal Year 2005
Number of Protégé Firms	99	132	129	137	147	177
Subcontract Award Dollars by Mentor	351,505,011	1,562,928,812	248,995,986	232,369,312	155,382,259	169,362,796
Other Subcontract Award Dollars	494,885,741	5,511,720,887	235,237,614	450,277,139	300,117,673	270,942,412
Prime Contract Award Dollars	1,081,378,714	1,167,932,251	230,453,901	1,284,544,177	647,485,610	803,271,698
Total Contract Dollars	1,927,769,466	8,242,581,950	835,083,819	1,967,190,628	1,102,985,543	1,243,576,905

B. Graduated protégé two year out performance

The chart addresses FY 2010 Post reports received by DCMA. DCMA validated the information and will continue to report on the progress of protégés for 2 years. Eighty-three (83) Post Program reviews were performed for FY10. Three (3) were non-compliant to the DoD mandated requirement as protégé did not report first or second year data. As a corrective action, DCMA requested revision reporting of the protege's. Out of the 83 Post reports received, twenty-four (24) had errors or omissions and DCMA has requested revisions to be submitted to DCMA and OSD.

Table B-1 identifies Post reviews accomplished for FY 10

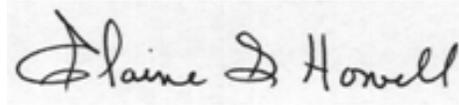
Number of Protégé Firms Evaluated FY10	83
ANNUAL REVENUE in \$	
Revenue at Start of Agreement for 83 Post Reports	\$462,948,971
Revenue at End of Agreement for 83 Post Reports	\$702,793,294
Revenue at End of 1st yr Post Reports for 83 Post Reports	\$752,842,007
Net Gains	\$289,893,036
ANNUAL REVENUE in \$	
Revenue at End of 2nd yr Post Reports for 42 Post Reports	\$399,473,969
Net Loss (Revenue ending from end of 1st Yr Post Reports through end of 2nd Yr Post Reports)	\$22,456,270
NUMBER OF EMPLOYEES	

Number of Employees at End of Agreement 1st Yr for 83 Post Reports	3662
Number of Employees at Start of Agreement for 83 Post Reports	5304
Net Gains	1642
NUMBER OF EMPLOYEES	
Number of Employees: at End of Agreement for 42 Post Reports for 2nd Yr Post Reports	3127
Net Gains	187
DOD PRIME CONTACT AWARDS in \$	
DoD Prime Contract Awards At Start of Agreement (Baseline)	\$159,398,113
DoD Prime Contract Awards At End of Agreement (Beginning Balance at end of agreement)	\$281,342,278
DoD Prime Contract Awards (End of 1st YR Report Since Program Completion) for 83 post reports	\$215,554,211
DoD Prime Contract Awards (End of 2nd YR Since Program Completion) for 42 post reports	\$118,578,609
Cumulative dollar amount of DoD prime contracts	\$334,132,820
DOD SUBCONTRACT AWARDS in \$	
DoD Sub Contract Awards At Start of Agreement (Baseline)	\$112,724,623
DoD Sub Contract Awards At End of Agreement (Beginning Balance at end of agreement)	\$203,231,278
DoD Sub Contract Awards (End of 1st YR Report Since Program Completion) for 83 post reports	\$206,439,098
DoD Sub Contract Awards (End of 2nd YR Since Program Completion) for 42 post reports	\$71,913,293
Cumulative dollar amount of DoD prime contracts	\$278,352,391
SUBCONTRACT AWARDS from Mentor in \$	
Total Sub Awarded from Mentor \$ (Baseline)	\$139,611,414
Total Sub Awarded from Mentor \$ (Beginning Balance at End of agreement)	\$264,804,158

Total Sub Awarded from Mentor \$ (YR1) for 83 post report	\$257,131,998
Total Sub Awarded from Mentor \$ (YR2) for 42 post reports	\$129,672,051
Cumulative dollar amount of DoD prime contracts	\$386,804,049

Conclusion

The following report consisted of the DCMA Mentor Protégé Division's findings for the FY 10 Annual Reviews with the Post Reviews that require follow-up for 2 years after completion of the agreements.



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