



**Defense Contract Management Agency
Mentor-Protégé Program
Executive Summary
FY13**

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Introduction

The following report consists of the DCMA Mentor Protégé Group's results from the 65 Annual Reviews performed for FY13 that includes DCMA Credit (12), Reimbursable Mentor Protégé agreements (53) and 56 Post reviews. (Out of 56 Post reports reviewed, DCMA received 23 first (1st) year and 33 second (2nd) year post reports).

NOTEWORTHY: Based upon the results of the 12 DCMA Credit Agreement Annual Reviews, the Mentors were able to apply \$3,647,469.00 to their Small Business Goals.

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 FY13. This information was derived from the mentor/protégé DoD MP Semi Annual Reports. Differences among the total number of firms in the various tables are due to omissions within the individual Semi Annual Reports.

Table's A-1 and A-2 present employment information for FY13: 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 Annual Employment Gains and Losses at Protégé Firms

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

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

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

Table A-5 reflects Annual Contract Awards to Protégé Firms

Table B-1 reflects Protégé Two Year Out Performance FY13

A total of 2 DoD Mentor Protégé agreements were terminated during FY13. One (1) reimbursable agreement was mutually terminated due to a failure to agree by both parties on objectives that fit within the guidelines of the Department of Defense Mentor-Protégé Program. One (1) credit agreement was terminated due to a significant change in the Federal market sector in two major market areas (DoD and NASA) and that the Mentor Protégé Program for these two companies was not providing the benefits or value that the companies had anticipated.

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

Fiscal Year	Active Number of Firms	Employee Gains	Number of Firms Losing Employees	Employee Losses	Number of Firms	Net Employee Gains	Total Firms
	Gaining Employees						
2013	40	1141	21	398	4	743	65
2012	19	1075	43	415	0	660	62
2011	57	1688	17	157	9	1531	83
2010	63	1807	26	584	10	1223	99
2009	86	3355	29	673	17	2682	132
2008	77	8935	23	386	29	8549	129

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

Employees Gained/Lost	FY 2013	FY 2012	FY 2011	FY 2010	FY 2009	FY 2008
Increase of more than 100	1	2	3	2	7	8
Increase of 51 to 100	8	2	9	7	7	4
Increase of 26 to 50	8	11	9	7	10	15
Increase of 16 to 25	5	7	5	10	13	9
Increase of 6 to 15	12	12	16	15	25	18
Increase of 1 to 5	6	10	13	22	24	23
No Change	4	2	10	9	17	29
Decrease of 1 to 5	12	5	6	10	8	9
Decrease of 6 to 15	1	3	9	10	12	7
Decrease of 16 to 25	4	2	2	3	3	3
Decrease of 26 to 50	3	2	1	1	2	2
Decrease of 51 to 100	0	3	0	1	2	2
Decrease of more than 100	1	0	0	2	2	0
Total Number of Firms	65	62	83	99	132	129

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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 FY13 DCMA Annual Reviews)

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
		\$		\$		\$	
2013	45	293,786,841	20	55,661,663	0	238,125,178	65
2012	47	728,180,552	14	28,527,409	1	699,653,143	62
2011	68	656,039,173	15	22,882,679	0	633,156,495	83
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

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

Change in Revenue						
	FY13	FY12	FY11	FY10	FY09	FY08
Increase by more than \$10M	9	13	11	9	16	14
Increase of \$5M to \$10M	8	9	7	11	12	11
Increase of \$1M to \$5M	19	18	33	32	35	36
Increase of \$500K to \$1M	6	4	5	9	15	8
Increase \$100K to \$500K	3	4	5	9	17	8
Increase of \$0 to \$100K	0	3	2	8	5	9
No Change	0	0	3	1	5	33
Decrease of \$0 to \$100K	2	1	1	2	2	0
Decrease of \$100K to \$500K	3	1	3	5	9	5
Decrease of \$500K to \$1M	3	4	5	7	7	1
Decrease of \$1M to \$5M	8	1	7	3	5	4
Decrease of \$5M to \$10M	3	4	1	2	4	2
Decrease of more than \$10M	1	0	0	1	0	0
Total Number of Firms	65	62	83	99	132	129

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Table A-5 Contract Awards to Protégé Firms

Contract Awards	Fiscal Year 2013	Fiscal Year 2012	Fiscal Year 2011	Fiscal Year 2010	Fiscal Year 2009	Fiscal Year 2008
Number of Protégé Firms	65	62	83	99	132	129
Prime Contract Award Dollars	531,068,704	843,312,517	594,740,599	1,081,378,714	1,167,932,251	230,453,901
Subcontract Award Dollars by Mentor	93,539,160	191,893,904	386,271,648	351,505,011	1,562,928,812	248,995,986
Other Subcontract Award Dollars	231,225,333	235,328,569	436,162,610	494,885,741	5,511,720,887	235,237,614
Total Contract Dollars	855,833,197	1,270,534,990	1,417,174,857	1,927,769,466	8,242,581,950	835,083,819

B. Graduated Protégé Two Years Out Performance

The B-1 table addresses FY 2013 Post reports received by DCMA. DCMA validated the information and will continue to report on the progress of protégés for 2 years. Fifty-six (56) Post program reviews were performed for FY13. One (1) protégé was non-compliant to the DoD mandated requirement, as the protégé did not report first or second year data. Eight (8) proteges were non-compliant to the DoD mandated requirement, as the protégé did not report first year data. As a corrective action, DCMA requested several times throughout the FY 13, asking for the protégé's Post reports to no avail. Out of the 56 Post reports received, four (4) had errors or omissions and DCMA requested revisions be submitted to DCMA.

Table B-1 Identifies Protégé Two Year Out Performance FY13

Number of Protégé Firms Evaluated FY13	56
ANNUAL REVENUE in \$ (MPA)	
Revenue: (Baseline) at Start of Agreement for 56 Post Reviews	\$667,288,524
Revenue at End of Agreement (Beginning Balance) for 56 Post Reviews	\$1,083,406,604
Net Gains at End of Agreement (Beginning Balance) for 56 Post Reviews	\$416,118,080
ANNUAL REVENUE in \$ (1st Yr Post)	
Revenue at End of 1st Yr Post Reports for 23 Post Reviews	\$1,048,910,342

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Net Gains: Revenue at End of 1st Yr Post Reports for 23 Post Reviews (Baseline) at Start of Agreement	\$381,621,818
Net Gains: Revenue at End of 1st Yr Post Reports for 23 Post Reviews (Beginning Balance) at End of Agreement	\$(34,496,262)
ANNUAL REVENUE in \$ (2nd Yr Post)	
Revenue at End of 2nd Yr Post Reports for 33 Post Reviews	\$597,849,925
Net Loss: Revenue at End of 2nd Yr Post Reports for 33 Post Reviews (Baseline) at Start of Agreement	(\$69,438,599)
Net Loss: Revenue at End of 2nd Yr Post Reports for 33 Post Reports (Beginning Balance) at End of Agreement	(\$485,556,679)
Net Loss: (Revenue from End of 1st Yr Post Reports through End of 2nd Yr Post Reports)	(\$451,060,417)
ANNUAL REVENUE in \$ (Cumulative 1st & 2nd Post)	
Cumulative increase in Annual Revenue	\$1,646,760,267
NUMBER OF EMPLOYEES (MPA)	
Employees (Baseline) at Start of Agreement for 56 Post Reviews	3632
Employees (Beginning Balance) at End of Agreement for 56 Post Reviews	4721
Net Gains Employees (Beginning Balance) at End of Agreement for 56 Post Reviews	1089
NUMBER OF EMPLOYEES (1st Yr Post)	
Number of Employees at End of Agreement 1st Yr for 23 Post Reviews	4813
Net Gains: Employees at End of 1st Yr Post Reports for 23 Post Reviews (Baseline) at Start of Agreement	1181
Net Gains: Employees at End of 1st Yr Post Reports for 23 Post Reviews (Beginning Balance) at End of agreement	92
NUMBER OF EMPLOYEES (2nd Yr Post)	
Number of Employees at End of Agreement 2nd Yr for 33 Post Reviews	2688
Net Loss: Employees at End of 2nd Yr Post Reports for 33 Post Reports (Baseline) at Start of Agreement	(944)

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Net Loss: Employees at End of 2nd Yr Post Reports for 33 Post Reports (Beginning Balance) at End of Agreement	(2033)
Net Loss: (Employment from End of 1st Yr Post Reports through End of 2nd Yr Post Reports)	(2125)
Employees (Cumulative 1st & 2nd Post Reports)	
Cumulative increase in Employees	7501
Employees (Cumulative -Start of Agreement)	
Cumulative increase in Employees	3869
Employees (Cumulative -Beginning Balance at End of Agreement)	
Cumulative increase in Employees	2780
DOD PRIME CONTACT AWARDS in \$	
DoD Prime Contract Awards (Baseline) at Start of Agreement	\$103,179,326
DoD Prime Contract Awards (Beginning Balance) at End of Agreement	\$423,045,907
DoD Prime Contract Awards End of 1st Yr Report (Beginning Balance) at End of Agreement for 23 Post Reports	\$281,148,229
DoD Prime Contract Awards End of 2nd Yr (Beginning Balance) at End of Agreement for 33 post reports	\$118,278,473
Cumulative dollar amount of DoD Prime Contracts	\$399,426,702
DOD SUBCONTRACT AWARDS In \$	
DoD Sub Contract Awards (Baseline) at Start of Agreement	\$75,213,104
DoD Sub Contract Awards (Beginning Balance) at End of Agreement	\$287,631,646
DoD Sub Contract Awards End of 1st Yr Report (Beginning Balance) at End of agreement) for 23 Post Reports	\$200,047,641
DoD Sub Contract Awards End of 2nd Yr (Beginning Balance) at End of Agreement for 33 Post Reports	\$109,851,697

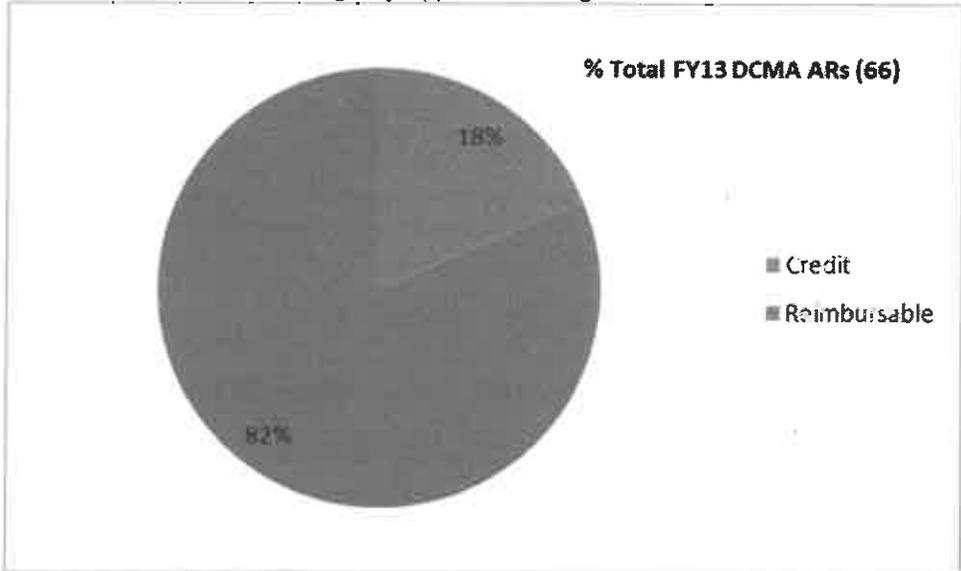
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Cumulative Dollar Amount of DoD Subcontracts	\$309,899,338
SUBCONTRACT AWARDS from Mentor in \$	
Total Sub Awarded from Mentor \$ (Baseline) at Start of agreement	\$32,097,077
Total Sub Awarded from Mentor \$ (Beginning Balance) at End of agreement	\$320,944,296
Total Sub Awarded from Mentor \$ (YR1) for 23 post report	\$127,816,824
Total Sub Awarded from Mentor \$ (YR2) for 33 post reports	\$71,549,009
Cumulative Dollar Amount of Sub Awarded from Mentor	\$199,365,833

Percentage by Types of MP Agreements

Out of the sixty-five (65) DCMA Annual Reviews performed and distributed to all parties during FY13, Eighty-two percent (82%) were reimbursable MPAs and Eighteen percent (18%) were credit agreements.

Distribution Chart: Percentage by Types of MP Agreements

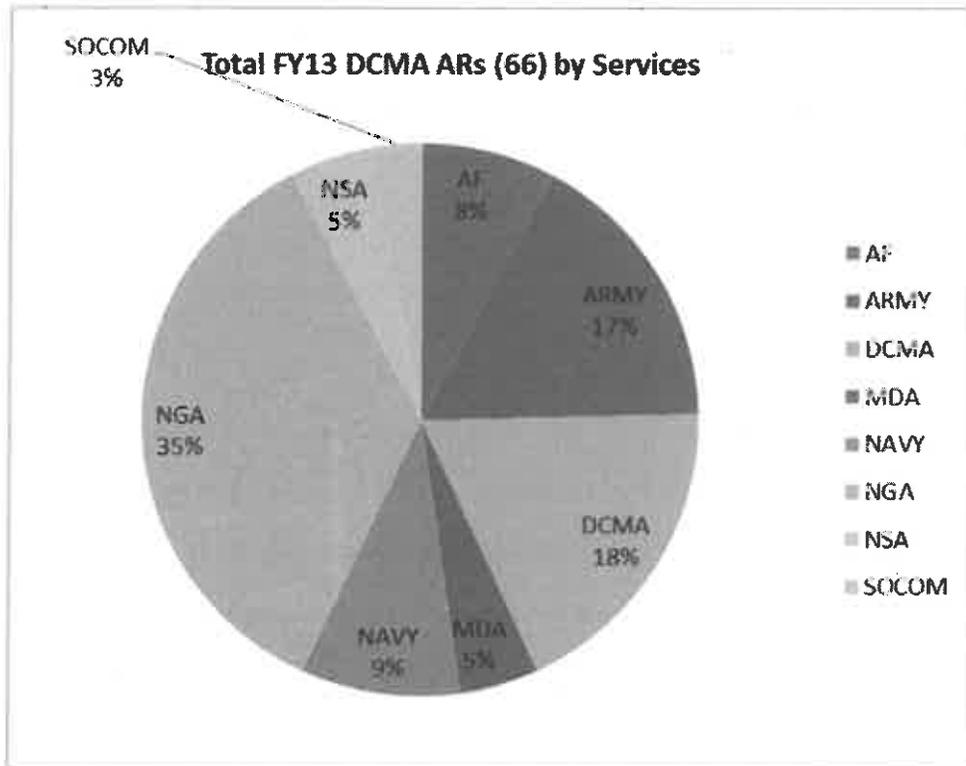


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Annual Review Performed -- Percentage by Services or Sponsoring Agencies

The following chart breaks out the sixty-five annual reviews performed by DCMA during FY13 and broken down by Services or Sponsoring Agencies. NGA had the largest percentage of annual reviews (35%). Followed and ranked as shown in the chart below; DCMA 18%, Army 17%, Navy 9%, AF 8%, MDA and NSA tied at 5% and SOCOM 3% .

Distribution Chart: Annual Review Performed -- Percentage by Services or Sponsoring Agencies



Conclusion

The following report consisted of the DCMA Mentor Protégé Group's findings for the FY13 Annual Reviews, along with the Post Reviews that require follow-up for 2 years after completion of the Mentor Protégé agreements.

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