

DoD Mentor Protégé Program



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The DoD Mentor Protégé Program



The Mentor Protégé Program (MPP)

- Created as a pilot program (Public Law 101-510) in 1990 by former Senator Sam Nunn and implemented by former Defense Secretary William Perry.
- This program provides incentives to major DoD contractors to furnish eligible small business concerns with assistance designed to expand their footprint in the defense industrial base.
- **The National Defense Authorization Act (NDAA) 2023 makes MPP Permanent.**



*Former Senator (GA)
Samuel Nunn Jr.*



*Former Defense Secretary
William Perry*



Program Overview



The DoD Mentor-Protégé Program (MPP) assists small businesses (Protégés) to successfully compete for prime contract and subcontract awards by partnering with eligible companies (Mentors) under individual, project-based agreements for three years*.



Mentor-Protégé Agreements (MPA) consist of general business management assistance and engineering and technical (Technology Transfer) assistance. Examples of general business management assistance include activities like human resources training, capture management and proposal development training, or training on implementing a DCAA-compliant accounting system.



Technology Transfer can include implementation of quality management systems, certifications, or it can work on specific technology that provides a benefit to a program within the DoD.

* NDAA 23 increased the maximum agreement length from 2 to 3 years.



MPP Purpose



- Increase the overall participation of Small Disadvantaged Businesses (SDBs), Women Owned Small Businesses (WOSBs), Historically Underutilized Business Zone Small Businesses (HUBZone SBs) and Service-Disabled Veteran-Owned Small Businesses (SDVOSBs) in government contracts.



- Enhance the capabilities of eligible small businesses so that they may perform significant work on DoD contracts which results in an increase in the overall defense industrial business base.



- Facilitate the formation or enhancement of long-term business relationships in order to develop a stable industrial business base for the Mentor, Protégé, and DoD.



Program Update



On December 15, the Senate passed the National Defense Authorization Act (NDAA) for the FY 2023

one of those changes this year is that Section 856 codifies the Department of Defense's (DOD) Mentor -Protégé Program (MPP)

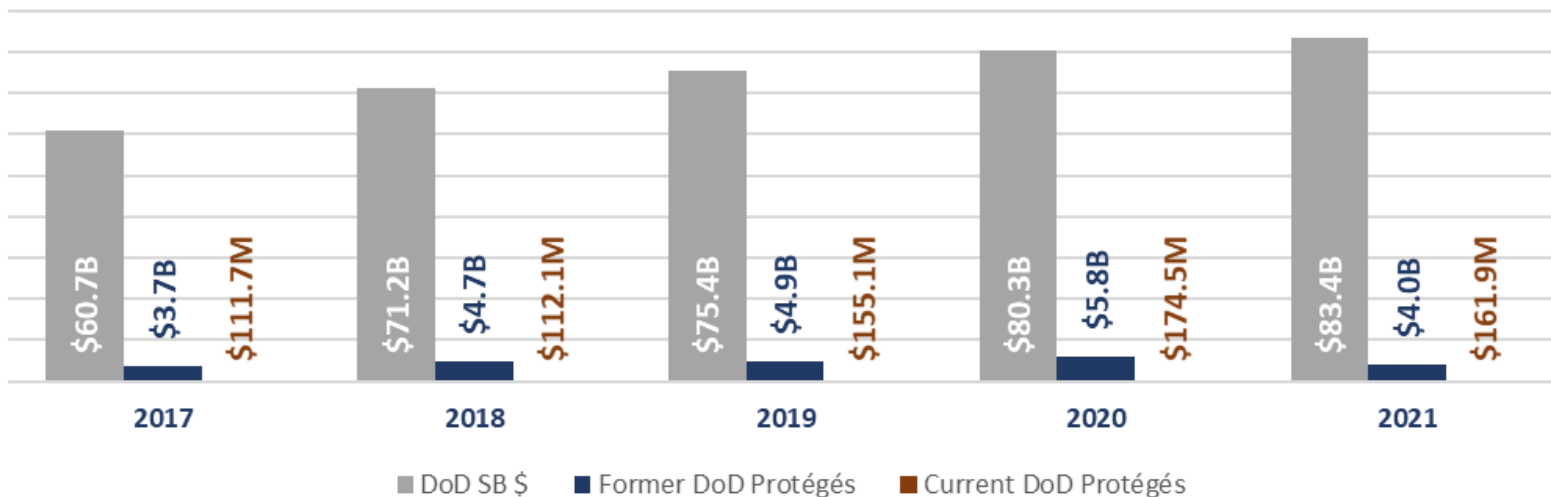
- Lower Threshold for Mentor Eligibility
 - \$100,000,000 or more in DOD contracts. Section 856 would significantly lower that threshold to \$25,000,000, allowing a broader swath of previously ineligible firms to become mentors. The change should help protégés easily find mentors and enable more mentors to participate and benefit from the MPP.
- Increased Duration for MPP Relationships
 - NDAA adds a year to the participation period allowing MPP relationships to last three years.
- Enhanced Data Collection
 - Requires the Director of the Office of Small Business programs to “maintain outcome-based performance goals and annually collect data through an automated information system (if practicable) assessing such goals” and undertake an independent review of the MPP every three years.
- Pilot Program to Incentivize Protégé Participation
 - Section 856 also establishes a pilot program that allows protégés to receive up to 25% of the reimbursement their mentor is eligible for when implementing “an engineering, software development, or manufacturing customization...in order to ensure that a technology developed by the protégé firm will be ready for integration with a program or system of the Department of Defense.” The pilot program will end in five years.
- An independent Review of the Program every three years will be conducted
- Increased post Award reporting from 2 years to 5 years (DFARS Dec 2022 UPDATE)



Program Return on Investment



MPP Contribution to DOD:

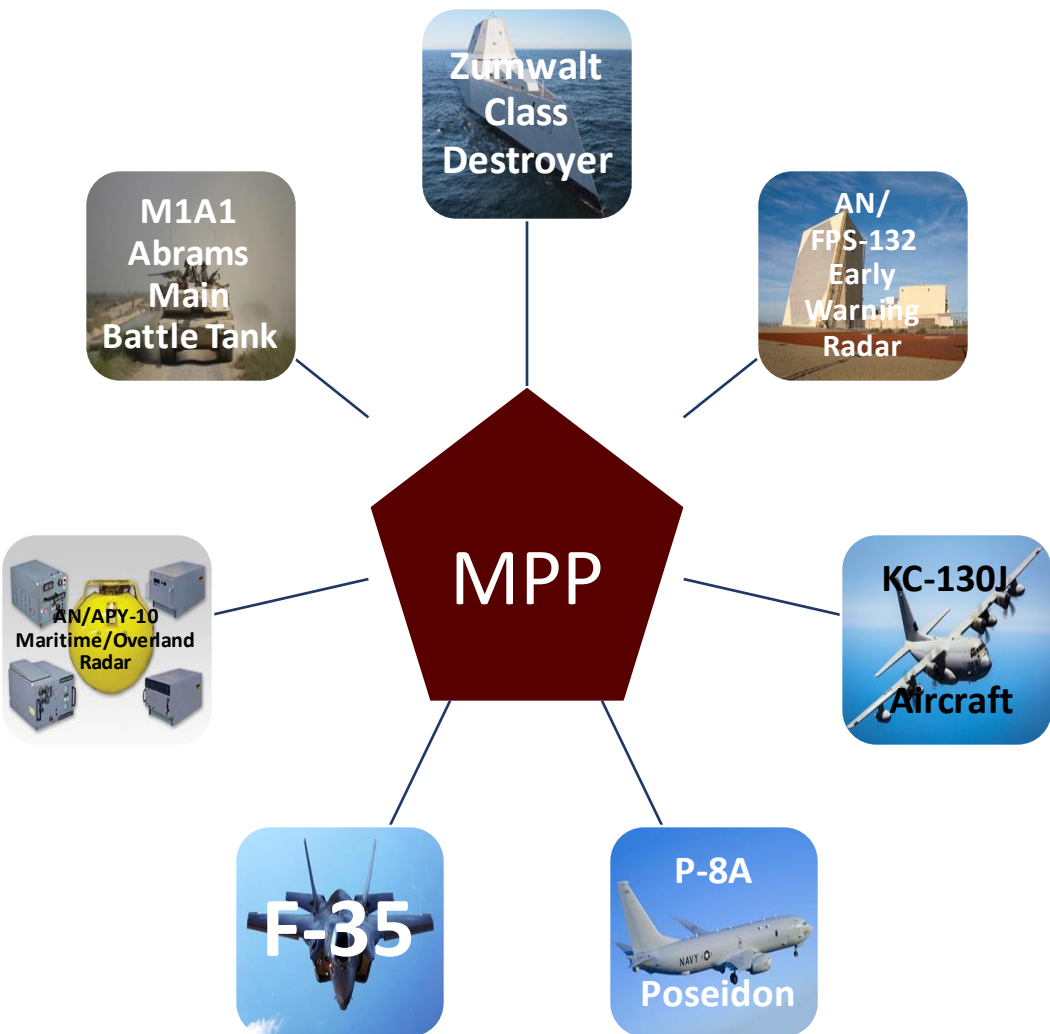


DoD and MPP Contribution	2018	2019	2020	2021	2022
Total DoD \$	\$298.4B	\$312.2B	\$328.0B	\$332.0B	\$340.0B
DoD SB \$	\$71.2B	\$75.4B	\$80.3B	\$83.4B	\$84.6B
Former DoD Protégés	\$5.2B	\$5.5B	\$6.2B	\$4.5B	\$4.9B
Current DoD Protégés	\$71.8M	\$90.3M	\$124.0M	\$106.6M	\$159.9M

* Data Source: FY 2017 – FY2021 SAM.gov



Program Impacts on Major Defense Programs

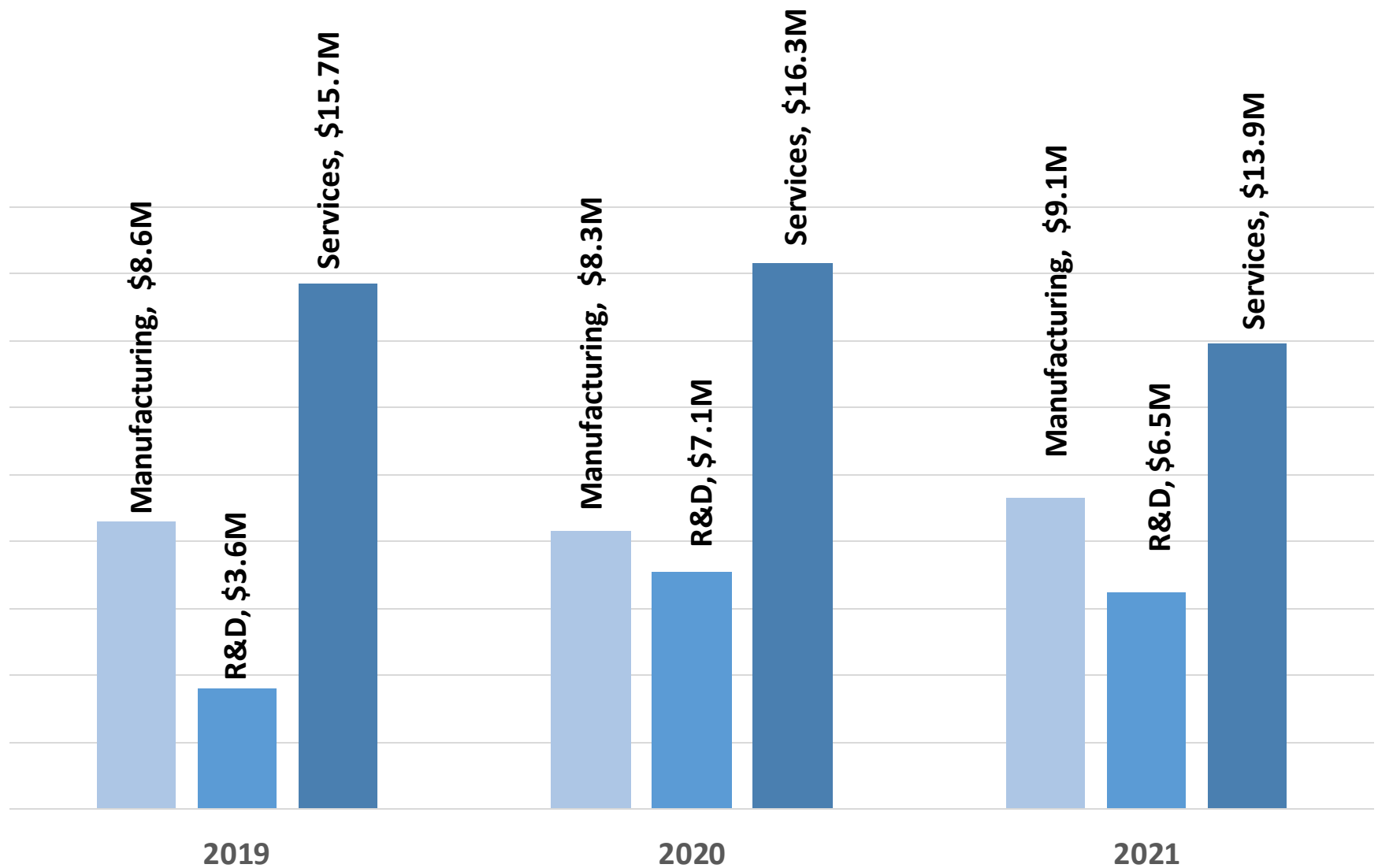


As well as technologies used in:

- AN/TPY-2 Army Navy / Transportable Radar Surveillance and Control Model 2
- AN/ALR-67 Radar Warning Receiver Systems
- ASARS – Advanced Synthetic Aperture Radar System
- CEC – Cooperative Engagement Capability
- E2D – Advanced Hawkeye (AHE)
- F15 – Eagle
- F16 – Fighting Falcon
- F18 – Hornet
- F22 – Raptor
- CAC2S – Common Aviation Command & Control System
- MMTS – Mobile Marksmanship Training Simulator
- NGJ – Next Generation Jammer
- Maverick AGM-65 Tactical Air-Ground Missile
- G/ATOR – Ground / Air Task-Oriented Radar
- AGM-114/L – Longbow HELLFIRE Millimeter Wave Radar
- THAAD – Terminal High Altitude Area Defense
- MIM-104 – Patriot Tactical System
- MACHALT – Machinery Alterations Program
- V-22 - Osprey



Program Industry Sectors





Impact for Small Businesses



“DoD's Mentor-Protégé program has been a game-changing catalyst for us.”
Mobius CEO Melaine Privitera

“We’ve had exponential growth since we’ve been in the program.”
Fifth Gait Technologies CEO Kathryn Doughty

“This is a relationship that will thrive and grow long after we’ve left the program.”
Mills Marine & Ship Repair President Donald Mills



DoD MPP: Who Can Be A Mentor?



Mentor requirements include:

- Currently performing under at least one active approved subcontracting plan negotiated with DoD or another Federal agency pursuant to FAR 19.702, and
- Have DoD contracts totaling at least \$25M* in previous fiscal year.
- Is other than small entity (can be waived)
- Be a prime contractor with an active subcontracting plan or is an 8(a) graduate with documentation of its ability to serve as a Mentor.
- 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

** NDAA 23 Lowers \$100M to \$25M, pending DFARS update*



DoD MPP: Who Can Be A Protégé?



To participate as a protégé, an entity must be*: a small business concern, not more than the SBA size standard for its primary NAICS code, eligible for the award of Federal contracts, and must be:

- a small business concern owned and controlled by socially and economically disadvantaged individuals;
- a business entity owned and controlled by an Indian tribe;
- a business entity owned and controlled by a Native Hawaiian Organization;
- a qualified organization employing severely disabled individuals;
- a small business concern owned and controlled by women;
- a small business concern owned and controlled by service-disabled veterans;
- a qualified HUBZone small business concern; or
- a small business concern that —
 - is a nontraditional defense contractor; or
 - currently provides goods or services in the private sector that are critical to enhancing the capabilities of the defense supplier base and fulfilling key Department of Defense needs

* Refer to DFARS Appendix I for additional information



Other Information



- OSBP manages the Mentor application and approval process
 - Located at: <https://business.defense.gov/Programs/Mentor-Protégé-Program/MPP-Resources/>
 - Mentors required to revalidate approval every 5 years
- Mentor firms are solely responsible for selecting Protégé firms
- A Protégé firm may not be a party to more than one DoD MPA at a time
- There is no current limit on the number of MPAs for a Mentor
- A Protégé may only participate in the DoD MPP during the 5-year period beginning on the date the Protégé enters into its first MPA



Program Benefits: Mentor & Protege



Mentor Benefits

- Develop business relationships with small businesses
- Develop a high-quality subcontracting pool
- Enhance the technical capability of the firm
- Pursue new market opportunities as part of a team
- Issue subcontracts to their Protégé on a non-competitive basis
- Gain a source selection past performance evaluation factor
- Receive cost reimbursement or small business subcontracting credit

Protégé Benefits

- Technology transfer
- Engineering and technical training
- Business infrastructure enhancement
- Develop business relationship with a Prime Contractor
- Expand subcontracting opportunities
- Business development and planning training
- Leverage technical expertise of the Mentor to bid on small business set-aside contracts
- Improve competitive advantage



Program Benefits: DoD



DoD Benefits

- Supports the warfighter
- Brings innovative tech into established Defense Acquisition Programs
- Develops a more capable small business defense industrial base (DIB) and robust supply chain
- Ensures capacity & capability to support prime and subcontracting requirements
- Fosters the establishment of long-term business relationships which benefit DoD and the DIB
- Promotes other programs and resources that exist with the DoD
- Protects our investments through cybersecurity hygiene and readiness



Types of Assistance

A MPA agreement may provide for the Mentor to furnish any or all of the following types of developmental assistance:

- Assistance by Mentor personnel in:
 - **General business management**, including organizational management, financial management, and personnel management, marketing, and overall business planning;
 - **Engineering and technical matters** such as production, inventory control, manufacturing, test and evaluation, and quality assurance; and
 - Any other assistance designed to develop the capabilities of the protégé firm to:
 - Participate in DoD, Federal, and/or commercial contracts and subcontracts; and
 - Increase small business subcontracting opportunities in industry categories where eligible protégés or other small business firms are not dominant in the company's vendor base.



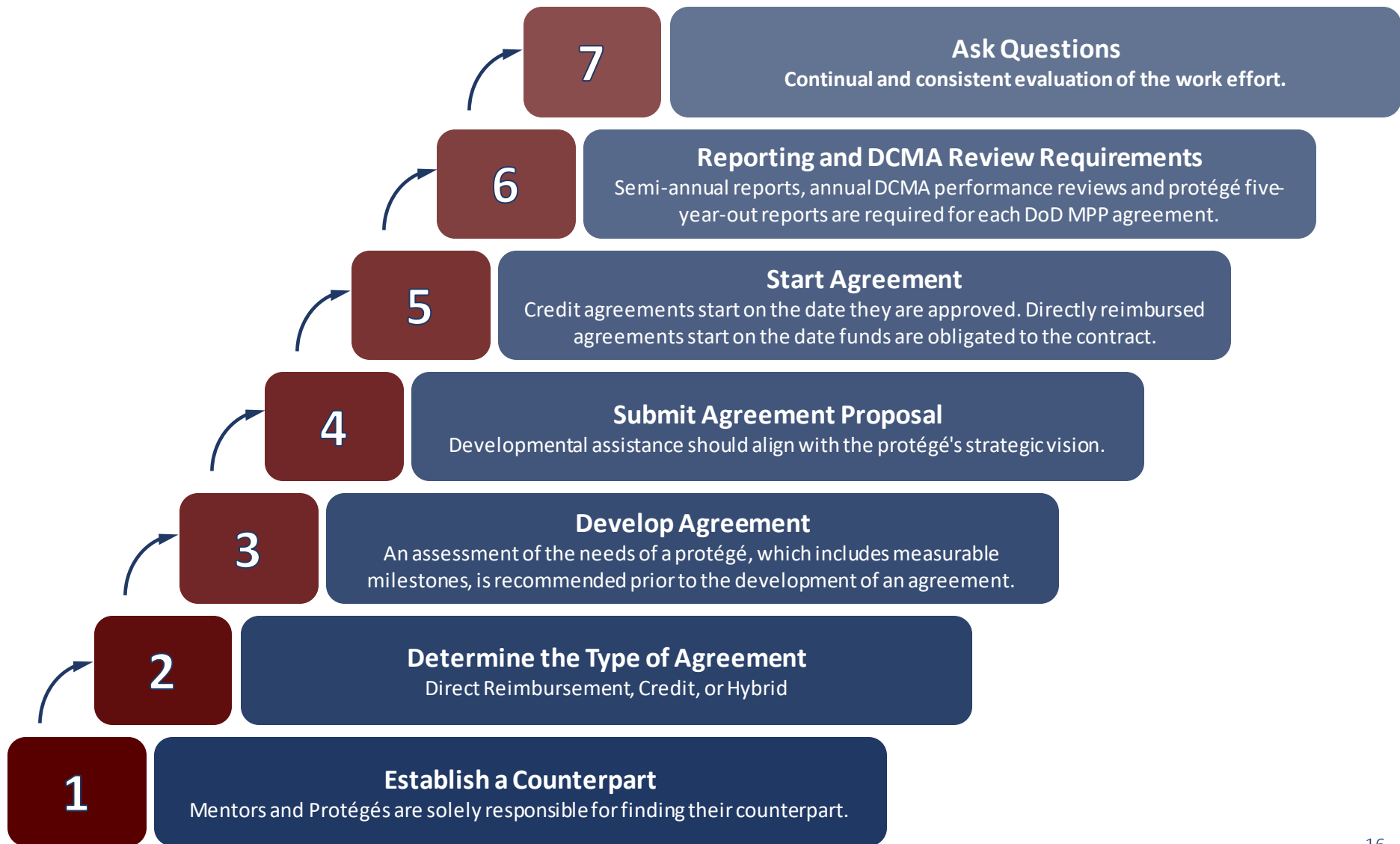
Other Assistance



- **Assistance in understanding contract regulations of the Federal Government and DoD (FAR and DFARS) - mandatory;**
- Award of subcontracts to the Protégé firm under DoD contracts or other contracts on a noncompetitive basis;
- Payment of progress payments for performance of the Protege firm under such a subcontract in amounts as provided for in the subcontract;
- Advance payments under such subcontracts;
- Loans; and
- Assistance obtained by the Mentor for the Protege from one or more Authorized Subcontractor.
 - Authorized Subcontractors are:
 - Historically Black Colleges and Universities (HBCUs)
 - Minority Serving Institutions (MSIs)
 - Small Business Development Centers (SBDCs)
 - Apex Accelerators (Formerly PTACs)
 - Manufacturing Extension Partnerships (MEPs)
 - Women Business Centers (WBCs)
 - Manufacturing Innovation Institutes (MIIs)



How to Participate

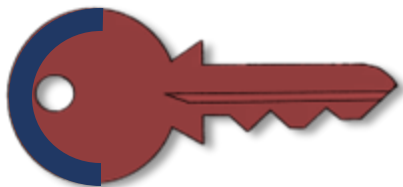




Keys to Successful Agreements

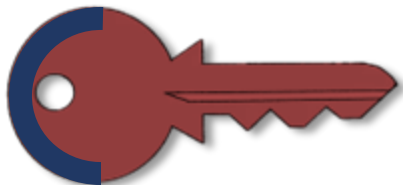


Mentor

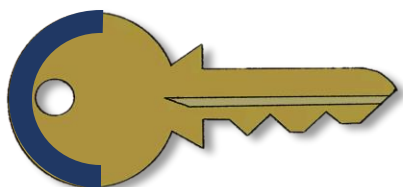


- Recognize the Protégés limitations (resources and schedule)
- Focus on the critical areas the Protégé needs in order to rise to the next level of qualifications for competitiveness for both prime and subcontract opportunities
- The Authorized Subcontractors can be vital members of the team

Protégé



- Realistically evaluate the level of investment needed (time and money)
- First priority is being a business, somewhere after is being a Protégé
- Focus on the critical areas...
- Don't be afraid to ask for assistance



Communication and Commitment are keys to success!



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QUESTIONS ?

“ A patriotic passion to serve small businesses that protect the warfighter. ”