

# **The Center for Community Studies at Jefferson Community College**

**PRESENTATION OF RESULTS**

## **Regional Participation in Fort Drum Business and Commercial Contracting Opportunities:**

**A Study of Barriers and Potential for Jefferson,  
Lewis and St. Lawrence County Businesses**

**Conducted for  
The Fort Drum Regional Liaison Organization (FDRLO)**

April 2006

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Project Associate, Ron Palmer  
Project Associate, Denise Young



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**Presentation of Results**

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This study was conducted by the Center for Community Studies  
at Jefferson Community College, under contract with

**Fort Drum Regional Liaison Organization  
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April 2006

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## **Section 1 – Executive Summary**

In December of 2005, the Fort Drum Regional Liaison Organization (FDRLO) contracted with the Center for Community Studies (CCS) at Jefferson Community College to conduct a multi-phase regional study of local business participation in Fort Drum commercial contracting opportunities. The purpose of the study was to provide the FDRLO Economic Development Taskforce with the knowledge to leverage the presence of Fort Drum for greater economic growth in the North Country utilizing local business opportunities. Specifically; to determine the best means for the FDRLO and community partners to assist local businesses who aren't doing business with Fort Drum to do so, and to help those who are to be more successful. This study examines three key areas:

1. Barriers that prevent local businesses who could contract with Fort Drum from doing so
2. Factors that enable local businesses that are contracting with Fort Drum to be successful
3. Assistance that is most useful and desired by businesses pursuing contracting opportunities

This study provides an analysis of the market situation, examines key outcomes, and makes recommendations based on both secondary research of regional economic and demographic data and the survey results.

### **Description of Research**

The research was conducted in three phases.

- Phase I - Phase I was a set of 26 in-depth interviews utilizing a draft survey instrument with a selection of business already known to be contracting with Fort Drum and a selection of business in similar SIC codes eligible to contract but not contracting with Fort Drum. The interviews, conducted by Dr. Ronald Palmer via telephone, were designed to test the survey instrument and capture and utilize greater qualitative data to further develop the telephone survey instrument.
- Phase II - Phase II of the research involved a stratified random telephone survey of businesses in Jefferson, St. Lawrence and Lewis Counties in SIC Codes likely and able to contract with Fort Drum. The survey assessed multiple types of business opportunities (e.g. AAFES, RCI, MWR etc.), as well as contracts specifically. A total of 200 usable responses were obtained for the survey. Section III provides a more complete explanation of the telephone methodology used and documents the survey findings. Differences in responses by type of business (the four stratification areas), business size and county were assessed. All statistically-significant results are reported in Section III.
- Phase III – In Phase III all primary and secondary research was compiled and analyzed. This included identification of the market situation, the key outcomes and the development of strategic recommendations.

## Situational Market Assessment

1. Forty-eight percent of all survey respondents that have never done business with Fort Drum indicate they have an interest in doing so. These respondents are distributed across all sectors in all three counties. They report a variety of perceived barriers to seeking Fort Drum business, with no obvious patterns, although concerns about the size and capital requirements or the perception that Fort Drum does not want certain products seem to predominate.
2. The survey results also suggest a relatively large number of respondents (52%) who are not interested in Fort Drum business or who doubt they could get it or that it would be worth it if they did. At the same time, those who report having business (now and/or in the past) with Fort Drum are very positive about the experience and are eager to retain and repeat their Fort Drum experiences.
  - a. This suggests a situation in marketing known as a “low-involvement product.” Low-involvement products are characterized by limited customer involvement and an unwillingness to invest significant effort into a buying decision. Our minds are made up and we don’t think the possible advantages of a new product in the field are worth the risk and time required to investigate alternatives and make a reasoned decision.
  - b. This situation is common among consumer goods such as toothpaste and razor blades, as well as commodity industrial goods. The textbook marketing response to such a situation calls for extremely aggressive efforts to convince the customer to try the new product once. Ordinary promotions are generally ineffective because customers have already made up their minds and do not care to consider alternatives. If customers can be convinced to try the new product and they like it, they are likely to continue using it indefinitely. Common techniques include things like:
    - Free samples
    - Aggressive head-to-head comparative advertisements
    - The use of extremely compelling endorsements and testimonials
    - Deep initial discounting and the positioning of products in the most convenient places

*Using the low-involvement product model suggests that the FDRLO should use very aggressive promotions to convince disinterested businesses in the region to consider the advantages of Fort Drum business opportunities. Other training and assistance efforts will help, but only after the target companies are convinced to listen and care.*

There are no significant differences between industry sectors that suggest specific market targets. Instead, the ripest areas for growth in the total contracting business base are likely to be smaller companies and those located outside of Jefferson County. Local FDRLO promotional activities should stress the opportunities for small firms and those in Lewis and St. Lawrence Counties.

*NOTE: By increasing the number of companies competing for Fort Drum business, the overall level of competition among bidders will rise. This, in turn, will tend to push down prices and cause some companies that are already successful to leave the field. The long-term strategy of promoting Fort Drum business is subject to the laws of diminishing marginal returns and could generate negative secondary effects in the regional market, as well as the primary positive effects sought by the FDRLO.*

The largest single beneficiary of the proposed FDRLO promotional program will be Fort Drum itself.

## Key Survey Outcomes

The Survey revealed three specific aspects of business that are relevant to recommended FDRLO strategies:

### Complacency

The single most substantial barrier to expanding the number of businesses bidding on Fort Drum and related contracts appears to be the lack of interest in doing so on the part of many North Country companies.

While most respondents already doing business with Fort Drum were interested in continuing to do so, those with no Fort Drum business experience often reported not seeking to gain such business in the future. The difference in interest between those companies with Fort Drum experience and those with no Fort Drum experience was statistically significant at the .05 level. The best indicator of interest in Fort Drum contracts is having a current or previous contract or business relationship with the Fort. Those that have them want more, and those without frequently report liking it that way.

The most common reasons for companies in the region to lack business with Fort Drum are reported as a desire to continue as they have in the past (51%), and the perception that they had enough business without Fort Drum (52%). There were no significant differences in these findings between sectors and only minor significant differences between counties. Companies in Lewis County were significantly more likely to want to continue business as they had in the past (64%) than were companies in Jefferson and St. Lawrence counties. Lewis County companies were also significantly more likely to report being too small (64%) and not knowing where to start (55%) than were companies in the other two counties.

Forty-five percent of all businesses not currently under contract to Fort Drum reported that they had no interest in contracting with the Fort. There were no statistically significant differences in this result among businesses in different sectors or in different counties. Fifty-two percent of those who had never done business with Fort Drum (under contract or otherwise) reported no interest in doing so. Ninety-six percent of those already doing business with Fort Drum reported planning to continue those activities. There were no significant differences by sector or county.

### Size Matters

The larger a North Country company is, the more likely it is to do business with Fort Drum in some capacity. Smaller companies are underrepresented in many contract areas. The definitions of company size categories are described in Section III of this report.

There is a clear, statistically significant correlation between a company's size and its likelihood of reporting a contract with Fort Drum or with doing business with the Fort without a contract. Smaller companies were also significantly less likely to seek assistance from the Fort Drum Directorate of Contracting and showed an overall pattern of lower use of assistance agencies than did their larger counterparts. Small companies were generally less interested in receiving assistance with contracting issues.

*Note: The definitions of company size categories were determined based on actual tri-county business demographics rather than on federal government descriptions and are described on page 13 in Section III of this report.*

### **Local Companies Have Broad Penetration of the Fort Drum Market**

Different companies do business with different agencies on Fort Drum, with significant differences by sector. Clearly what they sell affects whom they deal with. Regional companies are involved with every major purchasing function on the Fort. While depth of market penetration varies from 100% in medical services to only 27% in supplies and services, the overall breadth of penetration is substantial.

Companies in the construction and trucking sectors are significantly more likely to deal with the Corps of Engineers on Fort Drum, while those in the miscellaneous sector were more likely to do business with non-appropriated agencies such as the Army and Air Force exchange Service (AAFES) and Morale, Welfare and Recreation (MWR). Companies in the healthcare and human services sector were significantly more likely to deal with other unlisted Fort Drum agencies. While the construction sector reported a significantly greater likelihood of being a subcontractor on a Fort Drum contract, there was no significant difference between any sector doing business with Actus Lend Lease and the RCI program, the Fort Drum Contracting Directorate, or accepting IMPAC cards.

These results are generally consistent with economic impact data provided by Fort Drum, which shows that the top 10 contractors to the Fort make up roughly 50% of the total contracting dollars. Of this, 18.7% goes to four local firms (including the Development Authority of the North Country).

Local non-appropriated funds (AAFES and MWR) spent in the region in 2005 are estimated by Fort Drum sources at \$1.2 million, or just over 1% of total contract spending at Fort Drum.

Regional businesses have been successful in gaining business from Fort Drum across a broad variety of sectors. Larger businesses have been more successful in gaining contracts, although many small businesses compete as well, or are able to gain subcontract work through the larger firms.

In spite of repeated attempts by the Fort Drum contracting office, the Small Business Development Center (SBDC), and other agencies in the region, many firms report being unaware of Fort Drum opportunities, or available assistance. In every area of Fort Drum purchases, we have local companies that are successful bidders and others who have no idea what the opportunities might be.

## Recommendations

### **I. Promote the general benefits of Fort Drum business to the tri-county business community.**

While some businesses that do not currently do business with Fort Drum will be attracted by opportunities to learn more about the bidding process or to partner with mentor companies, many have no interest in competing for Fort Drum business at all. These companies – primarily smaller and less sophisticated than their competitors, must be convinced that Fort Drum is an attractive business opportunity before they will participate in training or mentoring programs or seek to bid on contracts.

The FDRLO should develop an aggressive promotional program through area media and business venues, that advertises the successes and profits enjoyed by local companies that have won Fort Drum contracts. These promotions should encourage businesses to contact the FDRLO or the Fort Drum contracting office for assistance and more information. *You can't make them interested in learning more or seeking assistance until you convince them to care about the opportunity at all.*

### **II. Develop and promote training programs around specific contracts/opportunities.**

By selecting a single Fort Drum contract or class of purchases and promoting the Fort's interest in doing business with small local firms, the FDRLO may be able to reduce the general level of uncertainty to attract specific companies into the competition. Announcing a bidding conference on a specific construction project, equipment purchase, or service contract, for example, might be a stronger draw than a generic program introducing Fort Drum contracting processes.

All surveyed businesses report a very low level of interest in training/assistance programs to help them do more business with Fort Drum. The most popular approach – partnering with other successful companies, is only supported by 30% of the respondents. *Just offering more training and assistance, regardless of how it is structured or presented, is unlikely to attract much interest.*

Other than the desire to continue business as usual and the perception that they don't need Fort Drum business, there were no strong patterns in barriers identified by respondents. The most common barriers to doing business with Fort Drum were listed as, "Don't know where to start," "Our product is not needed/wanted by Fort Drum", and "Business is too small." Even these were cited as major or minor reasons by less than 40% of all companies responding. There are no obvious "smoking guns" keeping regional companies from seeking business with Fort Drum. Instead, there appear to be some general perceptions that the process is too complex and the likelihood of success too small to be worth it. *Just announcing generic opportunities on Fort Drum is unlikely to convince many holdout companies that the game is worth the candle.*

### **III. Establish a mentoring program among companies that are seeking Fort Drum business.**

By matching companies that have been successful in gaining business from Fort Drum with those who have not or have not yet tried, the FDRLO may be able to achieve some success in gaining new bidders. Once each new bidder has had a successful experience with Fort Drum, the survey results suggest that they will be eager to repeat the success and maintain their relationship with Fort Drum.

Partnerships or collaborations with successful business were cited as the most desirable assistance mode by all respondents, although it was of interest to only 30% of respondents. There were no significant differences in this response by sector, business size, or county. At the same time, 78% of all surveyed businesses reported a willingness to share experiences with others. The willingness to share was especially high in Jefferson County, but there were no statistically-significant differences by county or sector. Of the 22% who reported being unwilling to share experiences, only six felt they had “nothing to share” and only three had concerns over competition issues. Local companies that have been successful are willing to work with other companies that have not yet been successful at gaining business from Fort Drum. These successful “mentors” may be more credible with area companies than would perceived “civil servants” from the FDRLO, SBDC, or Fort Drum contracting office.

*NOTE: It is likely that far fewer numbers of companies will actually participate in such a program, as mentors or learners, than the survey suggests. It is one thing to say yes on a survey and another to take time away from routine business to help a stranger. This is just the best approach in a relatively weak field of possibilities.*

### **IV. Concentrate Efforts on Supplies and Services and Construction**

The supplies and services and construction purchases through the Fort Drum Contracting office represent \$56.6 million in escaped business opportunities for local companies – the largest elements of Fort Drum spending. By concentrating on these areas, the FDRLO can maximize the economic value of their efforts.

*Note: Smaller companies may be better-served by bidding as subcontractors as opposed to prime contractors on many contracts. The FDRLO should encourage/assist larger local companies to seek local subs whenever possible.*

## Section II - Secondary Data Review

In addition to the primary data collected in the survey itself, the CCS reviewed relevant secondary data regarding business conditions and organization within the tri-county survey area. The primary sources of secondary data were the US Census Bureau's County Business Patterns of 2003 (latest data available), and the Fort Drum 2004 and 2005 Annual Economic Impact Reports.

### Regional Business Sectors

The sectors included in this survey make up roughly 68% of all private sector businesses in the tri-county region and including 56.5% of all private employment in the region. These estimates are based on firm counts in the 2003 County Business patterns. They have some inaccuracies due to Census Bureau masking of firm sizes and employee counts for very small sectors and groups, but are considered to be a reasonable estimate of the survey's total regional coverage. Table 1 shows the distribution of firms and employment, as well as average firm size by county and sector.

**Table 1 - Distribution of Employment and Number of Businesses by Sector**

	Jefferson		Lewis		St. Lawrence	
	# Employees	# Firms	# Employees	# Firms	# Employees	# Firms
<b>Construction</b>	1849	222	178	57	1338	229
Ave. Firm Size	8.3 emp.		3.1 emp.		5.8 emp.	
<b>Trucking</b>	2079	148	179	36	1516	113
Ave. Firm Size	14 emp.		5 emp.		13.4 emp.	
<b>Healthcare</b>	6981	365	957	79	7106	419
Ave. Firm Size	19.1 emp.		12.1 emp.		17 emp.	
<b>Miscellaneous</b>	5907	891	457	116	4891	704
Ave. Firm Size	6.6 emp.		3.9 emp.		6.9 emp.	
<b>Total Private</b>	26522	2307	4390	525	28240	2149
Ave. Firm Size	11.2 emp.		8.4 emp.		13.1 emp.	

Lewis County is characterized by much smaller companies in each sector. Given the survey's results showing smaller companies as being less likely to do business with Fort Drum, the smaller relative size of companies in Lewis County could explain the county's poor showing in attracting Fort Drum business.

St. Lawrence County companies are roughly equal in size to their counterparts in Jefferson County. This suggests another explanation for the difference in relative levels of Fort Drum business between the two counties. The extra distance for many St. Lawrence companies is an obvious possible explanation, although there is no definitive proof of this in the primary or secondary data.

### Fort Drum Spending Patterns

The Fort Drum Public Affairs Office releases an annual assessment of the total economic impact of the Fort, including both payroll and other expenditures. An examination of the 2005 report

(latest available) shows significant patterns in local and national spending. Table 2 shows a breakdown of total and local spending in each area.

**Table 2 - Fort Drum Spending in 2005**

	Total Spent	Total Spent Locally	Local Percentage	Total Escaped
<b>Ft. Drum Construction</b>	\$16,025,321	\$14,189,234	88.5%	\$1,836,087
<b>Ft. Drum Supplies &amp; Svcs</b>	\$54,569,736	\$14,737,010	27%	\$39,832,726
<b>Corps Engineers Construction</b>	\$60,136,874	\$45,102,656 (estimated)	75% (estimated)	\$15,034,219 (estimated)
<b>Other Agency Supplies &amp; Svcs</b>	\$30,649,260	NA	NA	NA
<b>IMPAC Purchases</b>	\$19,304,728	\$13,040,653 (FT Drum est.)	67.5%	\$6,264,075
<b>Medical Supplies &amp; Services</b>	\$34,893,100	\$30,257,700	100%	0
<b>Non-Appropriated Funds (AAFES and MWR)</b>	\$3,464,880 (estimated)	\$1,154,960 (FT Drum est.)	33%	\$2,309,920 (estimated)

The largest source of spending from the Fort comes through contracts let by the Fort Drum Contracting Office. This office accounts for almost 80% of all Fort Drum contracted spending, making it the largest “customer” in the region. *(NOTE: No local spending numbers were available for the US Army Corps of Engineers Office on Fort Drum. Estimates were prepared based on a 75% split, which is generally consistent with construction trends on Fort Drum in the past. NAF total numbers were estimated in the same fashion.)*

While construction spending is the largest sector, local companies are already capturing the lion’s share of this spending. The greatest opportunity for local growth appears to be in the area of supplies and services purchased by the Fort. Efforts to encourage local companies to bid of Fort Drum business should be directed at the supplies and services sectors to gain maximum local economic impact. Construction is expected to grow significantly in the 2006 period, and should be a strong target as well.

IMPAC spending is dominated by local suppliers and almost certainly accounts for most of the non-contract business done with the Fort. The restrictions placed by DoD on the IMPAC program are likely to limit this sector to relatively small ad hoc purchases from local suppliers. Much of this spending is going into the (unsurveyed) retail sector of the local economy. While the FDRLO may make some gains in this area by encouraging more companies to attract IMPAC card purchases, the ad hoc nature of the purchases limits the use of any particular strategy.

While non-appropriated funds spending is estimated at only 33% local, the small total size of this sector suggests that even heavy penetration by local companies will not produce significant economic impact for the NNY region.

Medical spending, by its nature, is entirely local, leaving no room to expand in this sector. Encouraging local companies to bid on medical contracts is likely to increase the satisfaction of

the Fort Drum community and lower overall prices, without having any significant local economic impact.

The mean average local construction contract value in 2005 was \$104,741, based on a Fort Drum-reported 153 contracts at a total value of \$16,025,312 (Note: This is less than half of the total construction contracts for 2004). Given the generally small size of regional construction companies, this suggests that many may have trouble bidding on the larger contracts. The two largest contractors in 2004 were local construction firms with a combined contract value of almost \$40 million. In 2005, both firms remained on the top 10 list of Fort Drum contractors, although at lower levels. Smaller firms may be at a real disadvantage in this market, although considerable subcontract opportunities should exist.

The mean average local supplies and services contract had a value of \$29,345 (down from \$49,047 in 2004), based on a Fort Drum-reported 1,859 contracts at a total value of \$54,569,736. Local contracts in this category had an average 2005 value of \$46,933, based on a Fort Drum-reported 314 local contracts at a total value of \$14,737,010. Although the diversity of actual supplies and services purchased makes this harder to evaluate, this contracting area may be more promising for relatively small North Country companies.

Spending by major category has been relatively consistent at Fort Drum for many years. Table 3 shows the history of payroll and contract spending since 1998, in then-year dollars. Table 4 shows the same data corrected for inflation to 2005 dollars. Payroll increased significantly in 2005 with the arrival of additional troops. Contract spending, primarily in construction, increased in 2004. General percentage shares between local and total contract values have been relatively stable during this period. The methodology used by Fort Drum to estimate and report these figures appears consistent over time.

While the actual contract values and general split between local and non-local contract awards varies year to year on Fort Drum, the patterns are consistent. Major deviations are rare and are typically attributed to major build-ups of troop strength or specific construction projects.

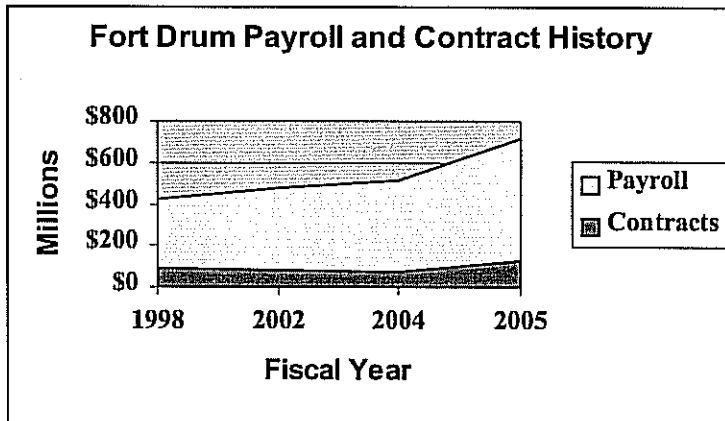


Table 3

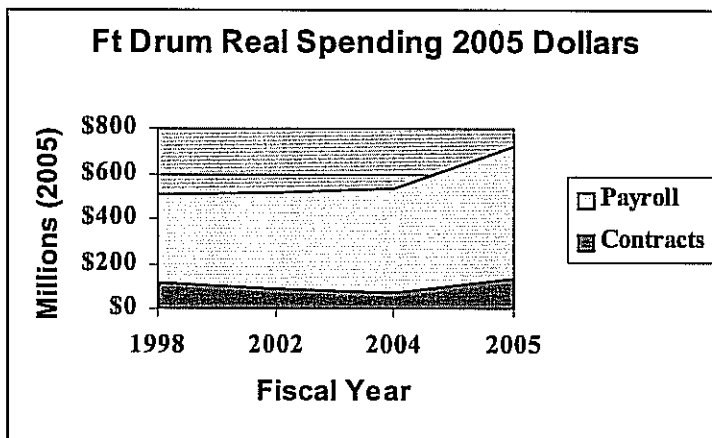


Table 4

Source: Previous Fort Drum Economic Impact Reports

## Section III – Telephone Survey

### Methodology

A database was compiled of 2,688 businesses in the Tri-County area that represented SIC codes that could contract with Fort Drum directly. Manufacturing/extraction and retailing were omitted from the survey, as they are not sectors in which Fort Drum purchases goods or services directly. Typically, manufactured goods are purchased through consolidated Army/DoD contracts. While soldiers and their families purchase significant amounts of retail goods, the Fort itself does not make large retail purchases through official channels.

The businesses were then stratified into four industry sectors and given the following weighting based on likelihood of available contracting opportunities with Fort Drum and size of strata:

- Strata 1: Miscellaneous: everything else not identified below. Ex: vet, motel, flowers, food wholesale, utilities, fuel, computers, automotive (Total 1003 in Strata sample goal 60)
- Strata 2: Construction and Related: including businesses involved in residential, commercial, and industrial construction, landscaping, road and utility work, and related activities. (Total 985 sample goal 100)
- Strata 3: Health care and Human Services: including consulting and professional services of all kinds. (Total 549 sample goal 20)
- Strata 4: Trucking, Transportation, Storage and Waste: including all commercial transportation and haulage activities. (Total 154 sample goal 20)

Nine-hundred and twenty-six (926) telephone numbers were randomly selected from strata telephone listings. Calls were made in each strata until the identified sample goal was reached. Phone calls were made from the Jefferson Community College campus in early January 2006. Interviews were completed by Jefferson Community College students enrolled in statistics courses and who had completed additional training in human subject research methodology and effective interviewing techniques provided by the College. The research team at the Center supervised the interviewing.

When each telephone number was attempted, one of four results could occur: completion of an interview; refusal to be interviewed; no answer/busy/message; or not valid number. The results for the total group of 926 phone numbers attempted were:

- 200 successfully completed
- 94 refusals to be interviewed
- 560 "no answer/busy/messages"
- 72 not valid numbers (disconnected)

**Table 5 - Summary of Telephone Response Rates**

<b>Table 1: Telephone Interview Response Rates</b>				
RESULT:	Number of Telephone #'s	% of Total Telephone #'s Attempted	% of Valid Telephone #'s	% of "Contacts"
Completed Interview	200	22%	23%	68%
Declined to be Interviewed	94	10%	11%	32%
No Answer/Busy/Message	560	60%	66%	
Not Valid Number	72	8%		

In the fields of social science and social research, response rates of greater than 20% of all valid phone numbers and approximately 68% of all successful contacts are considered successful. Therefore, it is with no hesitation and with high levels of confidence, that the findings of these studies are generalized to the population of all businesses in the Tri-County area that represent SIC codes that can contract with Fort Drum directly. Although sample sizes tend to vary for each question on the survey (as a result of businesses not agreeing to answer some questions), the results of this survey may be generalized to the population of all businesses in the Tri-County area that represent SIC codes that can contract with Fort Drum directly with a Margin of Error of plus or minus 6% to 7%.

**Table 6 – Response Rates by Strata**

Strata 1 – Miscellaneous – Everything else. Ex: Vet, Motel, Flowers, Food Wholesale, Utilities, Fuel, Computers, Automotive (Total 1003)

Result:	Completed	Declined	Not Valid	No Answer/Busy/Message	TOTAL
Frequency	60	28	24	145	257
% of Total	23%	11%	9%	56%	100%
% of Valid	26%	12%		62%	100%
% of Contacts	68%	32%			100%

Strata 2 – Construction and Related --Housing, Road, Landscaping, Utilities (Total 985)

Result	Completed	Declined	Not Valid	No Answer/Busy/Message	TOTAL
Frequency	100	47	41	318	506
% of Total	20%	9%	8%	63%	100%
% of Valid	22%	10%		68%	100%
% of Contacts	68%	32%			100%

Strata 3 – Health Care, Human Services, and Consulting of any kind (Total 549)

Result	Completed	Declined	Not Valid	No Answer/Busy/Message	TOTAL
Frequency	20	10	6	54	90
% of Total	22%	11%	7%	60%	100%
% of Valid	24%	12%		64%	100%
% of Contacts	67%	33%			100%

Strata 4 – Trucking, Transportation, Storage and Waste (Total 154)

Result	Completed	Declined	Not Valid	No Answer/Busy/Message	TOTAL
Frequency	20	9	1	43	73
% of Total	27%	12%	1%	59%	100%
% of Valid	28%	13%		60%	100%
% of Contacts	69%	31%			100%

COMBINED

Result	Completed	Declined	Not Valid	No Answer/Busy/Message	TOTAL
Frequency	200	94	72	560	926
% of Total	22%	10%	8%	60%	100%
% of Valid	23%	11%		66%	100%
% of Contacts	68%	32%			100%

## Detailed Analysis of Results

### Demographics and Fort Drum Business Relationship: All

#### Distribution of Sampled Business Types:

Type of Business	n
Miscellaneous Businesses	69
Construction Related	108
Health Care/Human Services/Consulting/Education	26
Trucking/Transportation/Waste Removal	23
TOTAL	226

#### Business Size - Number of Employees:

Type of Business	n (# responding)	Mean # Employees	Median # Employees	# Employee Groups		
				<10	10-49	50+
Miscellaneous	64	8.02	4	81%	17%	2%
Construction	103	17.45	4	69%	23%	8%
Health Care	23	69.60	6	61%	17%	22%
Trucking	23	10.52	5	57%	43%	0%
TOTAL	213	19.5	-	70%	23%	7%

#### Distribution of Locations of Sampled Businesses:

Type of Business	All Counties	Jefferson (or local rep)	Lewis	St. Lawrence
Miscellaneous	68	33	5	30
Construction	102	48	17	37
Health Care	25	12	2	11
Transportation/Transit	19	10	2	7
TOTAL	214	103	26	85

#### Q1 - "Do you do business with Fort Drum?":

Business Relationship with Fort Drum	n	%
Yes, currently do business	78	35%
No, but have in the past	18	8%
No, never have	129	57%

Thirty-five percent of all respondents are currently doing business with Fort Drum while another 8% have done so in the past. Over half (57%) have never done business with Fort Drum.

BY Type of Business: (p=0.398)	Miscellaneous	Construction	Healthcare	Trucking
	n=69	n=108	n=26	n=23
Yes, currently do business	30%	32%	42%	52%
No, but have in the past	12%	7%	4%	4%
No, never have	58%	61%	54%	44%

BY County: (p=0.000)	Jefferson	Lewis	St. Lawrence
	n=103	n=26	n=85
Yes, currently do business	60%	19%	12%
No, but have in the past	9%	12%	7%
No, never have	31%	69%	81%

The likelihood of doing business or having done business with Fort Drum in the past is not significantly different between industry sectors. Companies in Jefferson County, however, are significantly more likely to have experience with Fort Drum business than are companies in Lewis or St. Lawrence Counties. This is significant at the .001 level.

By Business Size: (p=0.000)	Small (<10 emp)	Medium (10-49 emp)	Large (50+ emp)
	n=149	n=49	n=14
Yes, currently do business	24%	53%	86%
No, but have in the past	9%	6%	0%
No, never have	67%	41%	14%

The smaller the company, the less likely it is to have experience with Fort Drum business. This is statistically-significant at the .001 level.

### **Among Businesses Currently Doing or Having Done Business with Fort Drum**

**Q2 - Which of the following do you/did you deal with? READ ALL (indicate all that apply)**

Which of the following do/did you deal with?	n	%
	Out of 96 businesses who have done bus. w/FD	
Directorate of Contracting	41	43%
Corps of Engineers	23	24%
Actus Lend Lease/RCI	19	20%
MWR (Morale, Welfare and Recreation)	12	13%
IMPAC Card Purchases	15	16%
AAFES (Army and Air Force Exchange Service)	12	13%
Other	23	24%
Subcontract to a primary contractor	24	25%

The Fort Drum Contracting Office is the single most common source of Fort Drum business among all respondents (43%), followed distantly by subcontract opportunities on Fort Drum contracts held by others (25%), the Corps of Engineers (24%), and Other unspecified agencies (24%). Non-appropriated funds agencies such as AAFES and MWR are the least popular at 13%.

By Type of Business:	% of Businesses who have dealt with each agency			
	Misc	Const	HC	Trucking
	n=29	n=42	n=12	n=13
Directorate of Contracting (p=0.635)	38%	50%	33%	38%
Corps of Engineers (p=0.030)	14%	33%	0%	38%
Actus Lend Lease/RCI (p=0.153)	17%	29%	0%	15%
MWR (Morale, Welfare and Recreation) (p=0.017)	28%	5%	0%	15%
IMPAC Card Purchases (p=0.565)	21%	12%	8%	23%
AAFES (Army and Air Force Exchange Service) (p=0.004)	24%	2%	0%	31%
Other (p=0.000)	24%	12%	75%	15%
Subcontract to a primary contractor (p=0.003)	14%	43%	0%	15%

Companies in the construction and trucking sectors are significantly more likely to deal with the Corps of Engineers on Fort Drum, while those in the miscellaneous and trucking sectors were more likely to do business with non-appropriated agencies such as AAFES and MWR.

Companies in the healthcare and human services sector were significantly more likely to deal with other unlisted Fort Drum agencies. These differences are statistically-significant at the .05 level. While the construction sector reported a significantly greater likelihood of being a subcontractor on a Fort Drum contract, there was no significant difference between any sector doing business with Actus Lend Lease and the RCI program, the Fort Drum Contracting Directorate, or accepting IMPAC cards.

By County:	% of Businesses who have dealt with each agency		
	Jefferson	Lewis	St. Lawrence
	n=70	n=8	n=16
Directorate of Contracting (p=0.038)	50%	13%	25%
Corps of Engineers (p=0.372)	24%	38%	13%
Actus Lend Lease/RCI (p=0.309)	23%	0%	19%
MWR (Morale, Welfare and Recreation) (p=0.685)	14%	13%	6%
IMPAC Card Purchases (p=0.144)	19%	25%	0%
AAFES (Army and Air Force Exchange Service) (p=0.685)	14%	13%	6%
Other (p=0.579)	23%	38%	19%
Subcontract to a primary contractor (p=0.152)	23%	13%	44%

Companies in Jefferson County were statistically-significantly more likely to deal with the Fort Drum Contracting office than were companies in Lewis or St Lawrence Counties. This difference is significant at the .05 level. There were no other statistically-significant differences by county.

#### Open-Ended Questions

An open-ended question allowing respondents to describe the particular goods and services they provide to Fort Drum yielded diverse responses. These responses were evenly distributed across dozens of categories and product types, with no pattern or preponderance of responses. Clearly, companies in the region provide the Fort Drum community with a very broad range of goods and services.

A second open-ended question allowed respondents to describe goods and services that they did not currently provide to Fort Drum, but which they could provide. This question also elicited a very diverse response. Of the 79 responses, however, 37 (47%) indicated that the respondent had no additional goods or services to offer Fort Drum. There seems to be some room for expanding the breadth of goods and services offered to Fort Drum, but not in all cases.

A third open-ended question asked respondents to identify factors that made them successful in bidding on Fort Drum work. The responses included comments on the size of businesses, convenient locations, levels of quality/service, and the ability to compete on cost. No patterns were apparent in these responses.

All responses are include in the electronic files and can be searched for particular business and the goods and services that are being provided or could be provided.

**Q3 - What goods or services do/did you provide to Fort Drum?**

<u>Goods/Services</u>	<u>Frequency</u>
AC AND HEAT	1
AIR BASE	1
AMBULANCE	1
AMBULANCE TO RANGES	1
APPLIANCES	1
ARCHITECTURE	1
AUTO REPAIR	1
AUTOMOTIVE REPAIR	2
AVIATION II	1
BUILDING MATERIAL	1
BUILDING MATERIALS AND HARDWARE	1
CLEAN LATRINES	1
COMMERCIAL FOOD EQUIPMENT	1
COMPUTER PARTS	1
CONCRETE	1
CONCRETE STRUCTURES	1
CONSTRUCTION	4
CONTRACTING	2
COPIER AND FAX REPAIR	1
CUSTODIAL	1
DAMAGE GOOD ESTIMATES	1
DEAD	1
DELIVERY	1
DENTAL	1
DOORS FRAMES HARDWARE	1
DRY CLEANING	1
DUCT WORK	1
ELECTRICAL	1
EQUIPMENT	2
EQUIPMENT REPAIR	1
EXCAVATION	1
FIRE EXTINGUISHERS	1
FIRE INSPECTIONS	1
FLOORING	1
FOOD	1
FRESH FLOWERS	1
FULL SERVICE HOTEL	1
FUNERAL HOME	1
FUNERAL SERVICE	2
HEALTH CARE	2
HEATING COOLING	1
HEATING PLUMBING	1
HEAVY TRUCK	1
INSTALL WATER AND SEWER	1
JANITORIAL	2
LANDSCAPING	1
LAUNDRY	1
LUMBER AND BUILDING SUPPLIES	1
MEDICAL	3
MEDICAL SERVICES	1
MOTEL ROOMS	1
MOVING	1
ORAL SURGERY	1
OUT MATERIALS	1
PAINT FLOOR COVERING	1
PART SALES	1
PAVING/EXCAVATING	1
PLUMBING OR HARDWARE	1
POUR CONCRETE	1
PROMOTIONAL PRODUCTS	1
PSYCHOTHERAPY	1
REMOVE APP	1
RENT VEHICLES	1
RENTAL/SELLING CONSTRUCTION	1
ROOFING WORK	1
ROOMS	1
SECURITY	1
SERVICE BANK	1
SUPPLIES	1
SWEEPING SCRAPING SEALING	1
TOWING	1
TRAINING/EDUCATION	1
TRUCKING	5
UNDERGROUND PIPING	1
WELDING	1
WELDING SUPPLIES	1
TOTAL RESPONSES=	91

**Q4 - What goods or services could you provide to Fort Drum that you are not currently providing?**

<u>Competitive Edge</u>	<u>Frequency</u>
ABILITY TO TRANSPORT	1
BID PRICE LOW	1
BROAD SPECTRUM	1
BUSINESS	1
CANNOT WORK FOR DRUM	1
CAPABILITY	1
CARE	1
CERTIFIED	2
CONVENIENCE	1
DON'T COMPETE	2
DON'T COMPETE	1
DRUM CALLED THEM	1
EFFICIENT	1
EXPERIENCE	1
EXPERTISE AND PRICING	1
FULL SERVICE 24/7	1
GOOD SERVICE	1
HANDLE LARGE BUILDINGS	1
HIS BID	1
HUB ZONE	1
IN BID	1
KNOW PEOPLE	1
LACK OF LOCATION	1
LIKED BETTER	1
LOCAL	2
LOCAL ACCESS	1
LOCAL AVAILABILITY	1
LOCAL OFFICES	1
LOCAL VENDOR	1
LOCATION	9
LOW BID	1
LOWEST BID	1
MINORITY OWNED	1
MORE CARS	1
NO NEED TO COMPETE	1
NOT SURE	7
ON LISTING	1
ONLY BUSINESS OF THEIR KIND	1
OUTBID OTHER CONTRACTER	1
PRESENCE	1
PRICES	2
PRICING	4
PROFESSIONAL WORK	1
QUALITY	1
QUALITY OF SERVICE	1
QUALITY PROGRAM	1
QUALITY SERVICE	1
QUALITY SERVICE AND PRICE	1
QUALITY WORK	2
RELATIONSHIP NOW	1
REPUTATION AND CONTRACTS	1
SERVICE	3
SERVICES THEY DESIRE	1
SIZE AND LOCATION	1
SMALL BUSINESS	2
SMALL BUSINESS OWNED	1
SMALL SIZE	1
SUBCONTACTING	1
SUBCONTRACTER GOT THEM JOB	1
UNIQUE BUSINESS	1
WELL TRAINED PERSONNEL	1
WORD OF MOUTH	1
WORK USED TO BE BID ON	1
YEARS OF TRAINING	1
TOTAL RESPONSES=	89

**Q5 – What allowed/allows you to compete effectively for Fort Drum business/contracts?**

<u>Competitive Edge</u>	<u>Frequency</u>	<u>Competitive Edge</u>	<u>Frequency</u>
ABILITY TO TRANSPORT	1	MORE CARS	1
BID PRICE LOW	1	NO NEED TO COMPETE	1
BROAD SPECTRUM	1	NOT SURE	7
BUSINESS	1	ON LISTING	1
CANNOT WORK FOR DRUM	1	ONLY BUSINESS OF THEIR KIND	1
CAPABILITY	1	OUTBID OTHER CONTRACTER	1
CARE	1	PRESENCE	1
CERTIFIED	2	PRICES	2
CONVENIENCE	1	PRICING	4
DON'T COMPETE	2	PROFESSIONAL WORK	1
DON'T COMPETE	1	QUALITY	1
DRUM CALLED THEM	1	QUALITY OF SERVICE	1
EFFICIENT	1	QUALITY PROGRAM	1
EXPERIENCE	1	QUALITY SERVICE	1
EXPERTISE AND PRICING	1	QUALITY SERVICE AND PRICE	1
FULL SERVICE 24/7	1	QUALITY WORK	2
GOOD SERVICE	1	RELATIONSHIP NOW	1
HANDLE LARGE BUILDINGS	1	REPUTATION AND CONTRACTS	1
HIS BID	1	SERVICE	3
HUB ZONE	1	SERVICES THEY DESIRE	1
IN BID	1	SIZE AND LOCATION	1
KNOW PEOPLE	1	SMALL BUSINESS	2
LACK OF LOCATION	1	SMALL BUSINESS OWNED	1
LIKED BETTER	1	SMALL SIZE	1
LOCAL	2	SUBCONTACTING	1
LOCAL ACCESS	1	SUBCONTRACTER GOT THEM JOB	1
LOCAL AVAILABILITY	1	UNIQUE BUSINESS	1
LOCAL OFFICES	1	WELL TRAINED PERSONNEL	1
LOCAL VENDER	1	WORD OF MOUTH	1
LOCATION	9	WORK USED TO BE BID ON	1
LOW BID	1	YEARS OF TRAINING	1
LOWEST BID	1	TOTAL RESPONSES=	89
MINORITY OWNED	1		

**Q6 - Do you do business with any of the following other government entities and if so, is it more difficult, less difficult or about the same difficulty as doing business with Fort Drum?**

Other government entities:	% of Businesses WHO DO BUSINESS WITH other entities than Fort Drum (from n=91)	
	Do other business	Do not
Local Government	56%	44%
County Government	57%	43%
New York State Government	57%	43%
Other State Government	10%	90%
Federal Government	31%	69%
Other Military Installation beside Fort Drum	9%	91%
Do business with AT LEAST ONE of the above:	76%	24%

The companies reporting doing business with Fort Drum also report doing business with a variety of other government agencies at the local, state, and federal level. Over half reported doing business with local, county, and New York state governments, while 31% do business with other federal agencies. Almost 10% of those respondents doing business with Fort Drum also report doing business with state governments outside of New York or other military installations. Our concentration on government business appears to be mostly in our geographic region, with a small degree of expansion beyond our borders.

Other government entities:	% of Businesses that indicated that other entities are _____ than Fort Drum		
	Less Difficult	More Difficult	About Same
Local Government (n=51)	16%	29%	55%
County Government (n=50)	22%	28%	50%
New York State Government (n=50)	18%	20%	62%
Other State Government (n=8)	12%	12%	75%
Federal Government (n=28)	18%	14%	68%
Other Military Installation (n=8)	0%	0%	100%

Opinions varied among respondents regarding the relative difficulty of doing business with Fort Drum versus other government agencies, although the majority of respondents in each case reported that dealing with other government agencies was about the same as Fort Drum. Local and county governments were generally perceived as being slightly less difficult to deal with, while state governments were perceived as being marginally more difficult to deal with. No consistent patterns were apparent from this data.

**Q7 - What assistance, if any, have you used to obtain contracts/business with Fort Drum?**

Types of assistance:	% of Businesses WHO USED ASSISTANCE (from n=91)	
	Used this type of assistance:	Did not
Small Business Development Center	14%	86%
Directorate of Contracting	31%	69%
Chamber of Commerce	12%	88%
Fort Drum Internet Site	26%	74%
Procurement Technical Center (PTAC)	10%	90%
Other	20%	80%
Have used AT LEAST ONE of the above:	66%	34%

Two-thirds of all respondents that have had Fort Drum business report having used one or more sources of assistance in securing this business. The most popular sources of assistance are the Fort Drum Contracting office (31%) and the Fort Drum website (26%). The PTAC Center is the least popular source of assistance at 10%.

By Type of Business:	% of Businesses who have used each type of assistance			
	Misc	Const	HC	Trucking
	n=28	n=39	n=12	n=12
Small Business Development Center (p=0.169)	25%	13%	0%	8%
Directorate of Contracting (p=0.821)	29%	31%	25%	42%
Chamber of Commerce (p=0.409)	18%	10%	0%	17%
Fort Drum Internet Site (p=0.241)	21%	36%	8%	25%
Procurement Technical Center (PTAC) (p=0.111)	4%	13%	0%	25%
Other (p=0.017)	7%	31%	33%	0%

The only statistically-significant difference in assistance between industry sectors is in the "Other" category. Companies in the Miscellaneous and Trucking sectors are less likely to use other unspecified sources of assistance. This is significant at the .05 level.

By County:	% of Businesses who have used each type of assistance		
	Jefferson	Lewis	St. Lawrence
	n=69	n=7	n=13
Small Business Development Center (p=0.521)	16%	0%	15%
Directorate of Contracting (p=0.197)	36%	14%	15%
Chamber of Commerce (p>0.10)	14%	0%	8%
Fort Drum Internet Site (p=0.391)	30%	14%	15%
Procurement Technical Center (PTAC) (p>0.10)	9%	0%	23%
Other (p=0.043)	14%	43%	38%

There are no statistically-significant differences in assistance patterns between counties.

By Business Size:	% of Businesses who have used each type of assistance		
	Small (<10 emp)	Medium (10-49 emp)	Large (50+ emp)
	n=49	n=29	n=12
Small Business Development Center (p=0.764)	17%	11%	17%
Directorate of Contracting (p=0.041)	22%	37%	58%
Chamber of Commerce (p=0.856)	13%	15%	8%
Fort Drum Internet Site (p=0.088)	20%	33%	50%
Procurement Technical Center (PTAC) (p=0.081)	4%	15%	25%
Other (p=0.907)	20%	22%	25%

Companies with fewer than 10 employees are less likely than larger companies to seek assistance from the Fort Drum Contracting Office. This is significant at the .05 level. There are no other statistically-significant differences by company size in assistance patterns.

**Q8 - Would you be willing to share your experience/expertise with other businesses?**

Willing to share experience/expertise?	n	%
Yes	69	78%
No	20	22%

By Type of Business: (p=0.206)	Miscellaneous	Construction	Health Care	Trucking
	n=27	n=38	n=12	n=12
Yes, will share	81%	84%	58%	67%
No, will not	19%	16%	42%	33%

By County: (p=0.168)	Jefferson	Lewis	St. Lawrence
	n=69	n=7	n=12
Yes, will share	83%	57%	67%
No, will not	17%	43%	33%

Seventy-eight percent of all respondents reported being willing to share their experiences with other companies. This pattern was consistent between industry sectors and counties, with no statistically-significant differences.

**If no, you would not be willing to share your experience/expertise with other businesses, why not?**

Reasons for unwillingness to share?	n	%
Nothing to share	6	46%
Competition	3	23%
No time	1	8%
Unhappy	1	8%
"It depends"	1	8%
Don't do that type of thing	1	8%

Of those respondents unwilling to share experiences, most thought they had nothing to share (46%) or were concerned about competition (23%).

**Q8a - If yes, you would be willing to share your experience/expertise with other businesses, what is the best way to contact you?**

Best way to contact for sharing?	n	%
Telephone	42	91%
Email	3	7%
Mail	1	2%

**Q9 - Do you intend to continue to do business with Fort Drum?**

Intend to continue doing business with Fort Drum?	n	%
Yes	85	96%
No	4	4%

The vast majority (96%) of all businesses currently doing business with Fort Drum intend to continue doing so.

By Type of Business: (p>0.10)	Miscellaneous	Construction	Health Care	Trucking
	n=26	n=39	n=12	n=12
Yes, will continue doing business with Fort Drum	96%	97%	83%	100%
No, will not	4%	3%	17%	0%

By County: (p>0.10)	Jefferson	Lewis	St. Lawrence
	n=69	n=7	n=11
Yes, will continue doing business with Fort Drum	97%	100%	82%
No, will not	3%	0%	18%

There are no statistically-significant differences in responses to this question between companies in different industry sectors or counties. Very few companies that currently do business with Fort Drum intend to cease doing so.

**Q9a - If no, why not?**

Reasons for not continuing?	n	%
Unable to negotiate (only response given)	1	100%

Only one response was offered to the open-ended question regarding why a company would chose to discontinue Fort Drum business in the future.

**Q10 - Do you have a contract for the business you do with Fort Drum (among those currently doing business)?**

Do you have a contract for the business you do with Fort Drum?	n	%
Yes	37	50%
No	37	50%

By Type of Business: (p=0.956)	Miscellaneous	Construction	Health Care	Trucking
	n=20	n=31	n=11	n=12
Yes, I have a contract with Fort Drum	45%	52%	55%	50%
No, do not	55%	48%	45%	50%

By County: (p=0.089)	Jefferson	Lewis	St. Lawrence
	n=60	n=4	n=9
Yes, I have a contract with Fort Drum	57%	25%	22%
No, do not	43%	75%	78%

The number of companies doing business with Fort Drum is evenly divided between those with and without a formal contract. There is no statistically-significant difference to the response to this question by industry sector or county.

**Among businesses currently not doing business with Fort Drum OR currently doing business without a contract****Q11 - Please indicate which of the following are reasons that you do not do business and/or contract with Fort Drum? INDICATE ONE RESPONSE FOR EACH REASON**

Reasons for not doing business and/or contracting with Fort Drum: ALL BUSINESSES COMBINED	% of Businesses WHO ARE CURRENTLY NOT DOING BUSINESS WITH FORT DRUM (n=147) or BUSINESSES WHO ARE DOING SO WITHOUT A CONTRACT (n=37) who report various levels of severity of reasons: (from total n=184)		
	Major reason	Minor reason	Not a reason
don't have the time to devote to paperwork requirements	12%	14%	74%
don't have the staff to devote to paperwork requirements	13%	13%	72%
business is too small	19%	16%	65%
our product is not needed/wanted by Fort Drum	21%	16%	63%
don't know where to start	25%	16%	59%
tried before and became frustrated	6%	8%	86%
lack of access to capital for expansion	10%	11%	79%
lack of access to good labor	8%	13%	79%
rather just continue what I'm doing	32%	17%	51%
have enough business without Fort Drum work	30%	18%	52%

Among all the respondents who do not do business with Fort Drum, or who operate without a contract, the two most common reasons for doing so are "rather just continue what I am doing," (32%), and "have enough business without Fort Drum work." (30%). "Don't know where to start," (25%) is a close third. Frustrations regarding paperwork, staff time, and previous unsuccessful efforts are far less common responses.

This data does not reveal any apparent patterns of strong responses that would suggest a single reason for not seeking business or additional business with Fort Drum. Other than the relatively strong responses regarding continuing business as usual and satisfaction with business levels without Fort Drum, there are no obvious “smoking guns” that act as major barriers to keep these companies from seeking additional business. Instead, there is a general pattern of finding Fort Drum work too complicated to manage or requiring more capital or size than some companies can provide. In spite of anecdotal suggestions regarding unpleasant experiences with the initial arrival of the 10<sup>th</sup> Mountain Division (L.I.) in the 1980s, previous frustrations are the least likely reason for a firm to not seek business with Fort Drum today.

Reasons for not doing business and/or contracting with Fort Drum: MISCELLANEOUS BUSINESSES	% of Businesses WHO ARE CURRENTLY NOT DOING BUSINESS WITH FORT DRUM or BUSINESSES WHO ARE DOING SO WITHOUT A CONTRACT who report various levels of severity of reasons: (from total n=54)		
	Major reason	Minor reason	Not a reason
don't have the time to devote to paperwork requirements	7%	9%	83%
don't have the staff to devote to paperwork requirements	11%	9%	80%
business is too small	13%	15%	72%
our product is not needed/wanted by Fort Drum	25%	16%	59%
don't know where to start	28%	9%	63%
tried before and became frustrated	2%	6%	93%
lack of access to capital for expansion	11%	8%	81%
lack of access to good labor	6%	9%	85%
rather just continue what I'm doing	25%	17%	58%
have enough business without Fort Drum work	19%	19%	62%

Companies in the Miscellaneous sector are more likely to believe their products are not needed/wanted by Fort Drum.

Reasons for not doing business and/or contracting with Fort Drum: CONSTRUCTION	% of Businesses WHO ARE CURRENTLY NOT DOING BUSINESS WITH FORT DRUM or BUSINESSES WHO ARE DOING SO WITHOUT A CONTRACT who report various levels of severity of reasons: (from total n=80)		
	Major reason	Minor reason	Not a reason
don't have the time to devote to paperwork requirements	15%	18%	67%
don't have the staff to devote to paperwork requirements	16%	20%	65%
business is too small	24%	20%	56%
our product is not needed/wanted by Fort Drum	17%	21%	63%
don't know where to start	29%	22%	49%
tried before and became frustrated	8%	9%	83%
lack of access to capital for expansion	10%	14%	75%
lack of access to good labor	9%	17%	73%
rather just continue what I'm doing	33%	22%	44%
have enough business without Fort Drum work	36%	21%	43%

Companies in the Construction sector are more likely to be concerned that they “don’t know where to start” (51%) or that they are too small (44%).

<b>Reasons for not doing business and/or contracting with Fort Drum: HEALTH CARE</b>	<b>% of Businesses WHO ARE CURRENTLY NOT DOING BUSINESS WITH FORT DRUM or BUSINESSES WHO ARE DOING SO WITHOUT A CONTRACT who report various levels of severity of reasons: (from total n=19)</b>		
	Major reason	Minor reason	Not a reason
don't have the time to devote to paperwork requirements	5%	11%	84%
don't have the staff to devote to paperwork requirements	5%	11%	84%
business is too small	16%	11%	74%
our product is not needed/wanted by Fort Drum	21%	16%	63%
don't know where to start	11%	17%	72%
tried before and became frustrated	11%	16%	74%
lack of access to capital for expansion	0%	11%	89%
lack of access to good labor	0%	16%	84%
rather just continue what I'm doing	33%	11%	56%
have enough business without Fort Drum work	24%	18%	59%

Companies in the Health Care sector are least likely to report any reasons for not seeking or expanding Fort Drum business.

<b>Reasons for not doing business and/or contracting with Fort Drum: TRUCKING</b>	<b>% of Businesses WHO ARE CURRENTLY NOT DOING BUSINESS WITH FORT DRUM or BUSINESSES WHO ARE DOING SO WITHOUT A CONTRACT who report various levels of severity of reasons: (from total n=17)</b>		
	Major reason	Minor reason	Not a reason
don't have the time to devote to paperwork requirements	18%	18%	65%
don't have the staff to devote to paperwork requirements	12%	24%	65%
business is too small	18%	6%	76%
our product is not needed/wanted by Fort Drum	24%	0%	76%
don't know where to start	18%	6%	76%
tried before and became frustrated	6%	0%	94%
lack of access to capital for expansion	12%	12%	76%
lack of access to good labor	18%	6%	76%
rather just continue what I'm doing	47%	6%	47%
have enough business without Fort Drum work	41%	6%	53%

Companies in the Trucking sector are least likely to report any concerns with previous unsuccessful experiences.

<b>Summary of Statistically Significant Differences Among Reported Barriers – BY BUSINESS TYPE</b>	<b>p-value when response distributions among the 4 Business Types are compared</b>
don't have the time to devote to paperwork requirements	p=0.363
don't have the staff to devote to paperwork requirements	p=0.413
business is too small	p=0.354
our product is not needed/wanted by Fort Drum	p=0.493
don't know where to start	p=0.122
tried before and became frustrated	p=0.337
lack of access to capital for expansion	p=0.702
lack of access to good labor	p=0.324
rather just continue what I'm doing	p=0.405
have enough business without Fort Drum work	p=0.230

There are no statistically-significant differences in responses to this question between respondents in different industry sectors.

Reasons for not doing business and/or contracting with Fort Drum: BY COUNTY	% of Businesses WHO ARE CURRENTLY NOT DOING BUSINESS WITH FORT DRUM or BUSINESSES WHO ARE DOING SO WITHOUT A CONTRACT who report each as either a MAJOR or MINOR reason: (n=184)		
	Jefferson	Lewis	St. Lawrence
don't have the time to devote to paperwork requirements (p=0.665)	22%	27%	29%
don't have the staff to devote to paperwork requirements (p=0.085)	17%	43%	34%
business is too small (p=0.005)	22%	64%	38%
our product is not needed/wanted by Fort Drum (p=0.150)	29%	36%	44%
don't know where to start (p=0.003)	25%	55%	52%
tried before and became frustrated (p=0.797)	12%	19%	15%
lack of access to capital for expansion (p=0.821)	19%	19%	24%
lack of access to good labor (p=0.611)	19%	33%	22%
rather just continue what I'm doing (p=0.019)	45%	64%	49%
have enough business without Fort Drum work (p=0.382)	39%	57%	53%

Companies in Lewis County are more likely to report concerns that they are “too small” (64%) or “don’t know where to start” (55%) than are companies in Jefferson and St. Lawrence Counties. Companies in Lewis County are also more likely to “rather just continue what I’m doing” (64%) than are companies in the other counties. All of these differences are significant at the .05 level.

**Q12 - Are you interested in contracting with Fort Drum?**

Are you interested in contracting with Fort Drum? (only those not currently contracting were asked)	n	%
Yes	100	55%
No	83	45%

Just over half (55%) of all business not currently doing business with Fort Drum or not operating under a contract report an interest in doing business or expanding business with Fort Drum. The n of 183 companies in this category represents 81% of all surveyed companies or 44.5% of the entire survey response. This group of 100 respondents represents the largest area of possible growth in the number of Fort Drum bidders.

The 83 companies (45%) reporting no interest in Fort Drum business represent a large area of resistance to any FDRLO efforts to attract more companies as bidders. This group is satisfied with the status quo and has no interest in dealing with Fort Drum.

By Current Business Relationship with Fort Drum: (p=0.048)	Never Done Business with FD	Formerly Did Business with FD, but Not Now	Currently Doing Business with FD, NO CONTRACT
	n=128	n=14	n=36
Yes, interested in contracting with Fort Drum	48%	64%	69%
No, not interested	52%	36%	31%

Those companies that have done business with Fort Drum in the past or that currently do business without a contract are more likely to report an interest in seeking future business with Fort Drum than those companies that have never done business with the Fort. This difference is significant at the .05 level. Over half (52%) of all respondents that have never done business with Fort Drum have no interest in doing so in the future.

By Type of Business: (p=0.370)	Miscellaneous	Construction	Healthcare	Trucking
	n=57	n=88	n=19	n=19
Yes, interested in contracting with Fort Drum	51%	60%	42%	47%
No, not interested	49%	40%	58%	53%

By County: (p=0.753)	Jefferson	Lewis	St. Lawrence
	n=69	n=25	n=80
Yes, interested in contracting with Fort Drum	61%	52%	54%
No, not interested	39%	48%	46%

There are no statistically-significantly difference in the responses to this question by industry sector or county.

Companies that already have a relationship with Fort Drum, or that have enjoyed such a relationship in the past, are significantly more likely to seek to continue it in the future. Many companies without a relationship do not report any interest in developing one.

An open-ended question asking companies to explain why they were not interested in pursuing contracts with Fort Drum produced a variety of responses including issues such as costs, perceived need, and a lack of time or interest. The most common response, however (14 responses out of 42 or 33%) was distance from the Fort or business location

**Q12b - If not interested in contracting with Fort Drum, why?**

<u>Reasons</u>	<u>Frequency</u>	<u>Reasons</u>	<u>Frequency</u>
BENEFITS	1	NEED FOR PRODUCT	1
BUSINESS IS SIDE JOB	1	NO NEED	1
BUSINESS TOO SMALL	1	NO NEED FOR CONTRACT	1
CAN'T	1	NO OPENINGS	1
CO-OP	1	NO TIME	1
DEALING WITH CONTRACTORS	1	NOT ENOUGH TIME	1
DISTANCE	12	NOT INTERESTED	1
DON'T KNOW WHERE TO START	1	NOT NEEDED	1
DRUM HAS TO COME TO THEM	1	PAPER MOST	1
FIX THEIR OWN	1	PAY FEE	1
GETTING OLDER	1	SIZE	1
HELP OTHERS CONTRACT	1	STAY WITH REGULARS	2
JUST TOO MUCH	1	TOO BUSY	1
LOCATION	2	TOO SMALL	1
MILITARY DOESN'T ENCOURAGE ORTHODONTICS	1	TOTAL RESPONSES=	42

**Among all 226 businesses**

**Q13 - What do you think would help your business be more successful at obtaining contracts with Fort Drum? (indicate all that apply)**

Types of assistance:	% of Businesses that ARE INTERESTED IN EACH TYPE OF ASSISTANCE (from n=226)	
	Interested	Not Interested
How-to training for self and staff	19%	81%
Hands-on assistance with registration, proposal preparation, etc.	28%	72%
Partnering/collaborating with another business who has been successful	30%	70%
Other	19%	81%

Respondents were largely uninterested with potential assistance programs regarding Fort Drum work. Seventy percent or more reported no interest in each source listed.

An open-ended question on the subject revealed considerable uncertainty on the subject and no specific suggestions or new sources of assistance.

**Q13d - What "other" types of assistance would help your business be more successful at obtaining contracts with Fort Drum?**

<u>OTHER TYPES OF ASSISTANCE</u>	<u>Frequency</u>
ACCESSIBILITY	1
AWARENESS	1
BECOMING FAMILIAR WITH BUSINESS	1
BEING COMPETITIVE	1
CAN'T	1
DECIDING	1
DOESN'T NEED HELP	2
DON'T KNOW	1
DRUM HAD BETTER PARTNERSHIP WITH SM BUSINESS	1
GOOD ACCOUNT	1
HAVE EXPERIENCE	1
HAVING JOBS AVAILABLE	1
IF NEEDED	1
INSURANCE REQUIERMENTS?	1
ISSUE OF SCHEDULE	1
KNOWLEDGE	2
LEARNING THE "IN'S AND OUTS"	1
LESS PAPERWORK	1
LIST OF CONTRACT	1
LOCATION	1
MORE EXPERIENCE	1
NONE	1
NONE OF ABOVE	1
NOT SURE	1
NOTHING	2
REASON	1
REGIONAL TRAINING	1
RENTING APPT.	1
REQUESTS FROM DRUM	1
TOTAL RESPONSES=	32

By Type of Business:	% of Businesses that ARE INTERESTED IN EACH TYPE OF ASSISTANCE			
	Miscellaneous	Construction	Health Care	Trucking
How-to training for self and staff (p=0.849)	17%	22%	15%	17%
Hands-on assistance with registration, proposal preparation, etc. (p=0.243)	25%	34%	15%	26%
Partnering/collaborating with another business who has been successful (p=0.283)	25%	36%	23%	26%

By County:	% of Businesses that ARE INTERESTED IN EACH TYPE OF ASSISTANCE		
	Jefferson	Lewis	St. Lawrence
How-to training for self and staff (p=0.843)	20%	15%	20%
Hands-on assistance with registration, proposal preparation, etc. (p=0.445)	33%	27%	25%
Partnering/collaborating with another business who has been successful (p=0.226)	35%	38%	25%

By Type of Business:	% of Businesses that ARE INTERESTED IN EACH TYPE OF ASSISTANCE			
	Miscellaneous	Construction	Health Care	Trucking
How-to training for self and staff (p=0.849)	17%	22%	15%	17%
Hands-on assistance with registration, proposal preparation, etc. (p=0.243)	25%	34%	15%	26%
Partnering/collaborating with another business who has been successful (p=0.283)	25%	36%	23%	26%

There were no significant differences in the responses to this question by industry sector, county, or company size.

**Q14 - Is there anything you would like to share with us about doing business with Fort Drum that we have not covered? (n=50 responses)**

Comments	Frequency
ACCEPT CREDIT CARDS	1
AWARE OF JOBS OUT THERE	1
CANNOT TAKE CREDIT CARDS	1
CLUELESS WITH WORKING WITH DRUM	1
CONTACT FLOW WOULD HELP	1
DELAY AT GATE	1
DISTANCE	1
DON'T CARRY STOCK DRUM WANTS	1
DON'T KNOW IF ABLE	1
DRUM SEEKS OUT OF STATE HELP	1
DRUM SHOULD BE ABLE TO BUY LOCALLY	1
DRUM SHOULD NOTIFY BUSINESS	1
ENJOY IT	1
ENJOY WORKING ON POST	1
FRUSTRATING AT GATES	1
GOOD NOTIFICATION IN ADVANCE	1
GOOD PAY	1
HAPPY DOING WHAT THEY DO	1
NA	2
NO	16
NO-GREAT BUSINESS	1
NOT INTERESTED	1
NOT SURE	2
PAPERWORK DIFFICULT	1
PROVIDE TO PERSONNEL	1
SEND MORE BUSINESS TO THEM	1
SERVICES PROVIDED BY	1
SIZE OF BUSINESS	1
STAY LOCAL	1
STAY WITH REGULARS/ PAY DISCREPENCY	1
TAKE INITIATIVE	1
THEY DO EVERYTHING	1
WOULD BE WILLING IF NEEDED	1
N=	50

A final open-ended question about Fort Drum business produced no apparent patterns or suggestive responses.

**Q15 - May the FDRLO contact you in the future?**

<b>May the FDRLO contact you in the future?</b>	<b>n</b>	<b>%</b>
Yes	205	92%
No	17	8%

The vast majority of businesses (92%) indicated that the FDRLO may contact them in the future. This provides an opportunity to identify businesses interested in sharing successes and identifying mentoring opportunities.

# APPENDIX

## Survey Instrument

**Fort Drum Regional Liaison Organization**  
**Participation in Fort Drum Commercial Contracting Opportunities Study**

**Business Name:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_

**Phone & Fax #:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**Contact Name:** \_\_\_\_\_ **E-mail:** \_\_\_\_\_

**Owner:** \_\_\_\_\_ **Website:** \_\_\_\_\_

**Mailing Address (if different):** \_\_\_\_\_

**Type of Business:** \_\_\_\_\_

**SIC Code (if known):** \_\_\_\_\_

**Number of Employees:** \_\_\_\_\_ **County** \_\_\_\_\_

**1. Do you do business with Fort Drum?**

- a.  yes COMPLETE SECTION 1
- b.  no, but have in the past COMPLETE BOTH SECTION 1 and SECTION 2
- c.  no, never have COMPLETE SECTION 2

**SECTION 1 – Currently doing or have done business with FORT DRUM**

**2. Which of the following do you/did you deal with? READ ALL (Check all that apply)**

- a.  Directorate of Contracting
- b.  Corps of Engineers
- c.  Actus Lend Lease/RCI
- d.  MWR (Morale, Welfare and Recreation)
- e.  IMPAC Card Purchases
- f.  AAFES (Army and Air Force Exchange Service)
- g.  Other \_\_\_\_\_
- h.  Subcontract to a primary contractor, if so which one? \_\_\_\_\_

**3. What goods or services do/did you provide to Fort Drum?**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**4. What goods or services could you provide to Fort Drum that you are not currently providing?**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. What allowed/allows you to compete effectively for Fort Drum business/contracts?

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6. Do you do business with any of the following other government entities and if so, is it more difficult, less difficult or about the same difficulty as doing business with Fort Drum? (CHECK ALL THAT APPLY)

		Less Difficult	More Difficult	About the Same
a.	<input type="checkbox"/> Local Government			
b.	<input type="checkbox"/> County Government			
c.	<input type="checkbox"/> New York State Government			
d.	<input type="checkbox"/> Other State Government			
e.	<input type="checkbox"/> Federal Government			
f.	<input type="checkbox"/> Other Military Installation beside Fort Drum, if so, which ones _____			
g.	<input type="checkbox"/> Do not do business with other government entities			

7. What assistance, if any, have you used to obtain contracts/business with Fort Drum?

- a.  Small Business Development Center
- b.  Directorate of Contracting
- c.  Chamber of Commerce
- d.  Fort Drum Internet Site
- e.  Procurement Technical Center (PTAC)
- f.  Other \_\_\_\_\_
- g.  Have not used assistance

8. Would you be willing to share your experience/expertise with other businesses?

- a.  yes - If yes, what is the best way to contact you? \_\_\_\_\_
- b.  no - If no, why not? \_\_\_\_\_

9. Do you intend to continue to do business with Fort Drum?

- a.  yes
  - b.  no - If no, why not? \_\_\_\_\_
- 
- 

10. Do you have a contract for the business you do with Fort Drum?

- a.  yes
- b.  no

**IF YES - SKIP TO QUESTIONS 13 -15**

**IF NO - CONTINUE WITH SECTION 2**

**SECTION 2 – Not doing business with or doing business without a contract**

**11. Please indicate which of the following are reasons that you do not do business and/or contract with Fort Drum? READ ALL – CHECK ONE FOR EACH**

		Major Reason	Minor Reason	Not a Reason
a.	don't have the time to devote to paperwork requirements			
b.	don't have the staff to devote to paperwork requirements			
c.	business is too small			
d.	our product is not needed/wanted by Fort Drum			
e.	don't know where to start			
f.	tried before and became frustrated			
g.	lack of access to capital for expansion			
h.	lack of access to good labor			
i.	rather just continue what I'm doing			
j.	have enough business without Fort Drum work			
k.	Other reasons (please specify):			

**12. Are you interested in contracting with Fort Drum?**

- c.  yes
- d.  no – If no, what is the most important reason why not?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

IF NO, SKIP TO QUESTION 13

**13. What do you think would help your business be more successful at obtaining contracts with Fort Drum? READ ALL – CHECK ALL THAT APPLY**

- a.  How-to training for self and staff
- b.  Hands on assistance with registration, proposal preparation, etc.
- c.  Partnering/collaborating with another business who has been successful
- d.  Other \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**14. Is there anything you would like to share with us about doing business with Fort Drum that we have not covered?**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**15. May the FDRLO contact you in the future? a.  yes b.  no**

If you have any questions about the Fort Drum Regional Liaison Organization or this survey contact Mr. Douglas Schelleng at (315) 785-7932

Thank you for helping with this survey!