

# What a difference a year makes



## The Federal Market Outlook for Schedule 51V

Date: February 28, 2012

# Overview

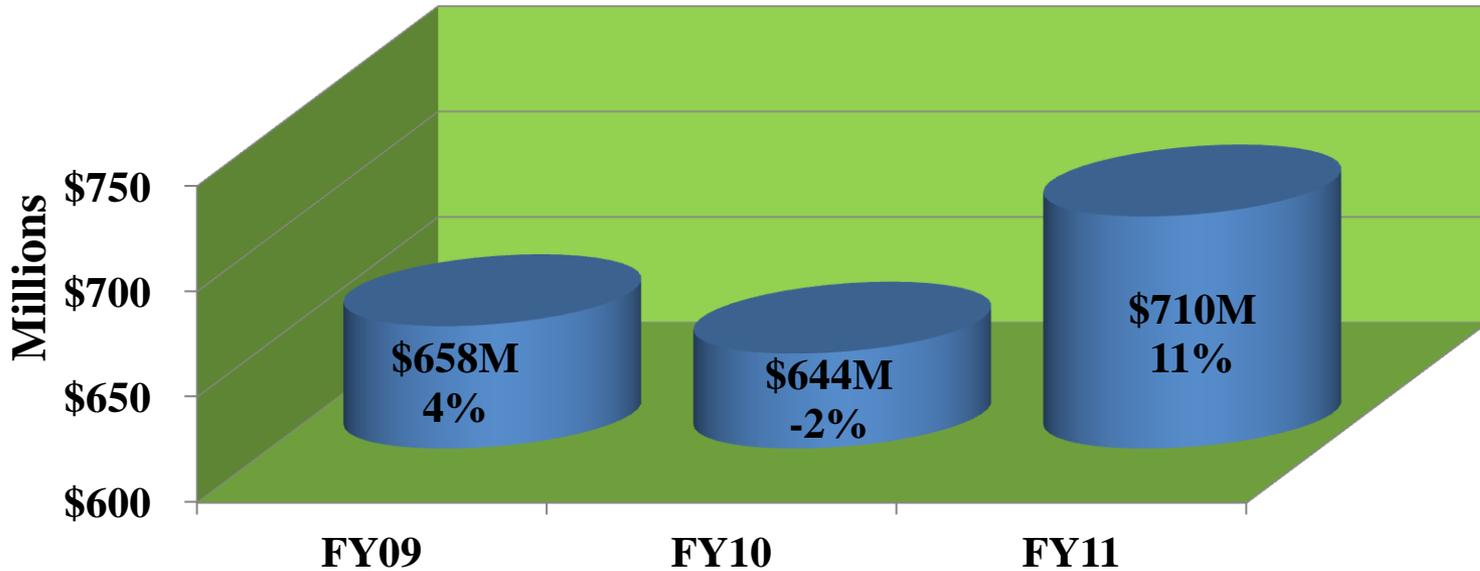
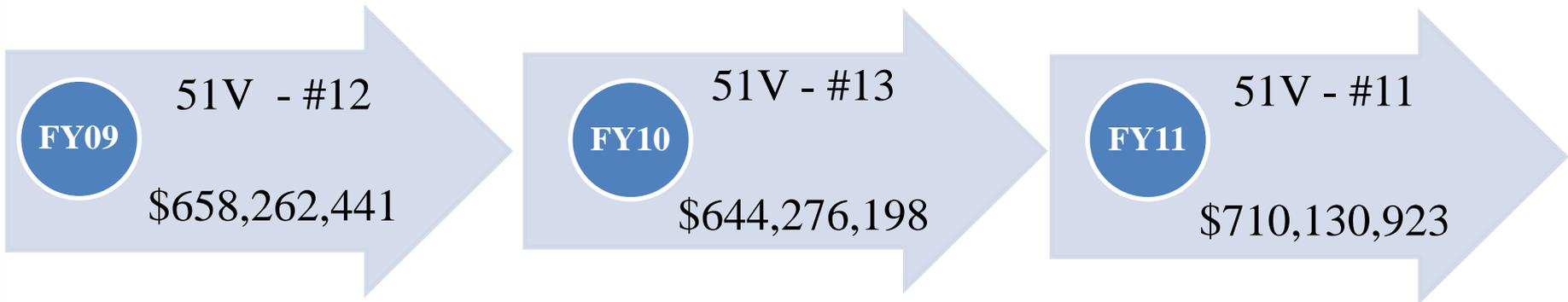
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- ✔ 51 V Market Snapshot
- ✔ 2011: 51 V Market Conditions
- ✔ GSA's sustainability impact on Schedule 51 V
- ✔ Looking Ahead
- ✔ Upcoming 51 V Market Opportunities

# 51V - Market Snapshot



# Schedule Ranking

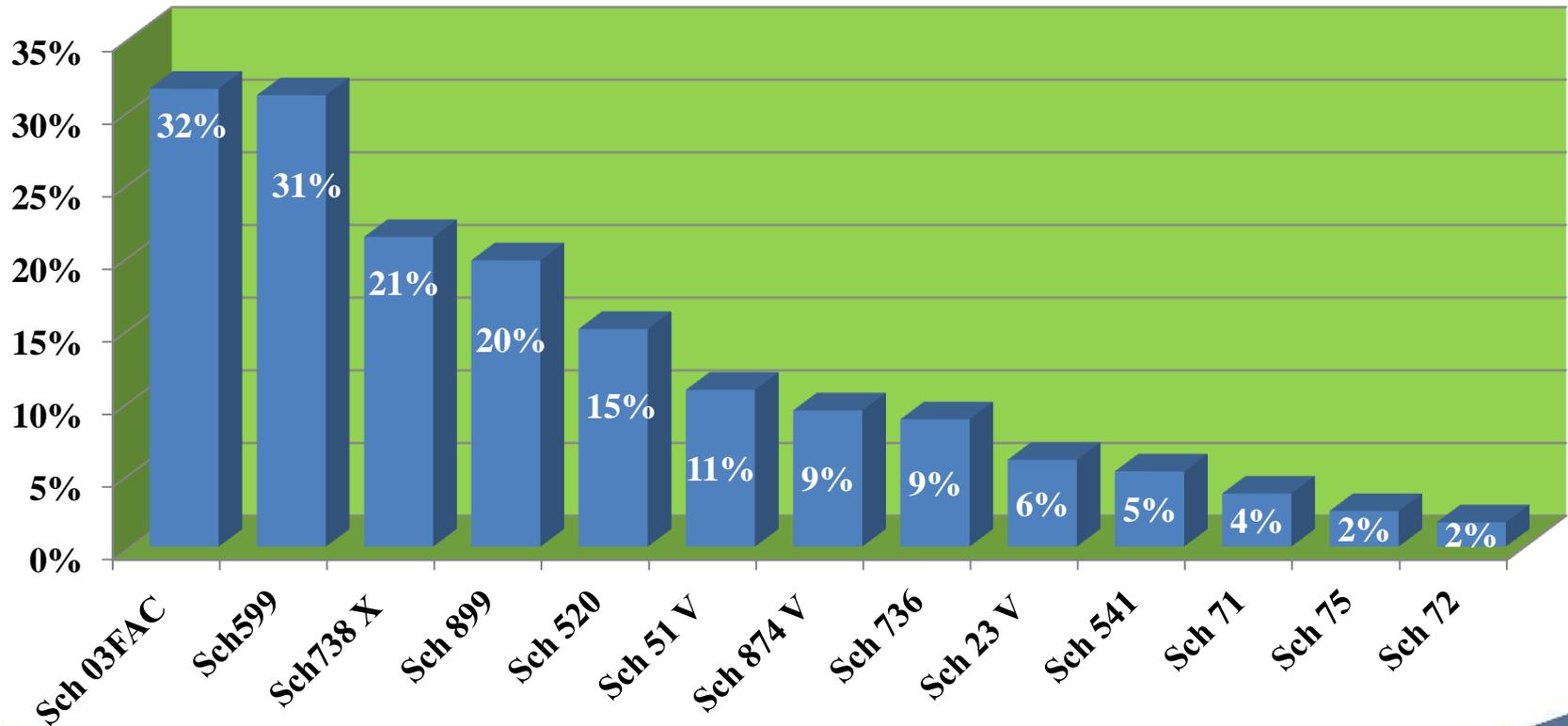


Rankings are among 32 GSA Schedules as reported by SSQ.

Source: WMG Analysis of Schedule Sales Query

# Percentage Change

Of all 32 Schedules analyzed, 51V experienced the sixth largest growth from GFY2010 to GFY2011. 13 Schedules experienced a positive percentage upswing, while the remaining 19 Schedules struggled.



Rankings are among 32 GSA Schedules as reported by SSQ.

Source: WMG Analysis of Schedule Sales Query

# Changes FY2010 - FY2011

## Schedule 51V

- Percentage Change:  11%



Change  
Amount:  
\$65,854,725

Source: WMG Analysis of SSQ data

# 51V – SIN Sales Growth (2010-2011)

SIN	DESCRIPTION	NUMBER OF CONTRACTORS CURRENTLY ON SCHEDULE	GFY2010	GFY2011	INCREASE AMOUNT	% CHANGE
105 002	Hardware Store - Catalog	139	\$377,056,627	\$426,720,990	\$49,664,363	13.2%
105 001	Hardware Store - Store Front	58	\$65,443,059	\$74,770,677	\$9,327,618	14.3%
639 001	Domestic Appliances	30	\$37,450,972	\$44,154,453	\$6,703,481	17.9%
341 100	Lawn and Garden Equipment, Machinery, Implements, and Products	23	\$11,937,603	\$17,446,080	\$5,508,477	46.1%
613 001	Tools, Nonpowered	53	\$5,765,292	\$6,840,790	\$1,075,498	18.7%
639 002	Export Appliances	7	\$3,527,867	\$5,566,816	\$2,038,949	57.8%
550 001	Tools Powered	43	\$3,131,371	\$3,911,489	\$780,118	24.9%
577 001	Woodworking Machinery and Equipment	14	\$2,514,055	\$3,382,933	\$868,878	34.6%
612 209	Tool Kits	24	\$2,002,390	\$3,297,935	\$1,295,545	64.7%
051 99	Introduction of New Products and Services	14	\$1,844,706	\$2,264,277	\$419,571	22.7%
834 500	Stains, Varnishes, Sealers, Shellacs and Lacquers	16	\$155,648	\$1,944,444	\$1,788,796	1149.3%
834 900	Lubricants, Petroleum and Waxes	17	\$920,159	\$1,275,022	\$354,863	38.6%
051 400	Ancillary Supplies and/or Services	16	\$269,493	\$308,438	\$38,945	14.5%
<b>GRAND TOTAL</b>			<b>\$512,019,242</b>	<b>\$591,884,344</b>	<b>\$79,865,102</b>	<b>15.6%</b>

Source: WMG Analysis of Schedule Sales Query

# 51V – SIN Sales Declines (2010-2011)

SIN	DESCRIPTION	NUMBER OF CONTRACTORS CURRENTLY ON SCHEDULE	GFY2010	GFY2011	DECREASE AMOUNT	% CHANGE
105 003	Hardware Store - Services	28	\$44,753,171	\$44,643,334	(\$109,837)	-0.2%
577 005	Metalworking Machinery and Equipment	44	\$46,497,952	\$37,928,055	(\$8,569,897)	-18.4%
834 100	Commercial Coatings, Adhesives and Sealants	64	\$17,457,894	\$16,542,144	(\$915,750)	-5.2%
515 002	Rental	12	\$14,727,749	\$13,459,559	(\$1,268,190)	-8.6%
600 001	Tool Boxes, Tool Cabinets, Tool Chests and Tool Holders	27	\$2,806,248	\$2,457,122	(\$349,126)	-12.4%
834 700	Commercial Coatings Applicators	19	\$1,630,362	\$1,430,163	(\$200,199)	-12.3%
051 200	Accessories	44	\$1,389,873	\$1,341,784	(\$48,089)	-3.5%
341 800	Lawn and Garden Tools	5	\$2,471,274	\$238,455	(\$2,232,819)	-90.4%
341 500	Animal Deterrents	6	\$252,992	\$131,324	(\$121,668)	-48.1%
834 600	Commercial Coatings Removers	13	\$174,186	\$42,323	(\$131,863)	-75.7%
577 002	Maintenance Industrial Machinery	6	\$95,255	\$32,316	(\$62,939)	-66.1%
515 001	Leasing	2	\$0	\$0	\$0	
<b>GRAND TOTAL</b>			<b>\$132,256,956</b>	<b>\$118,246,579</b>	<b>(\$14,010,377)</b>	<b>-10.6%</b>

Source: WMG Analysis of Schedule Sales Query

# 2011: 51V Market Conditions

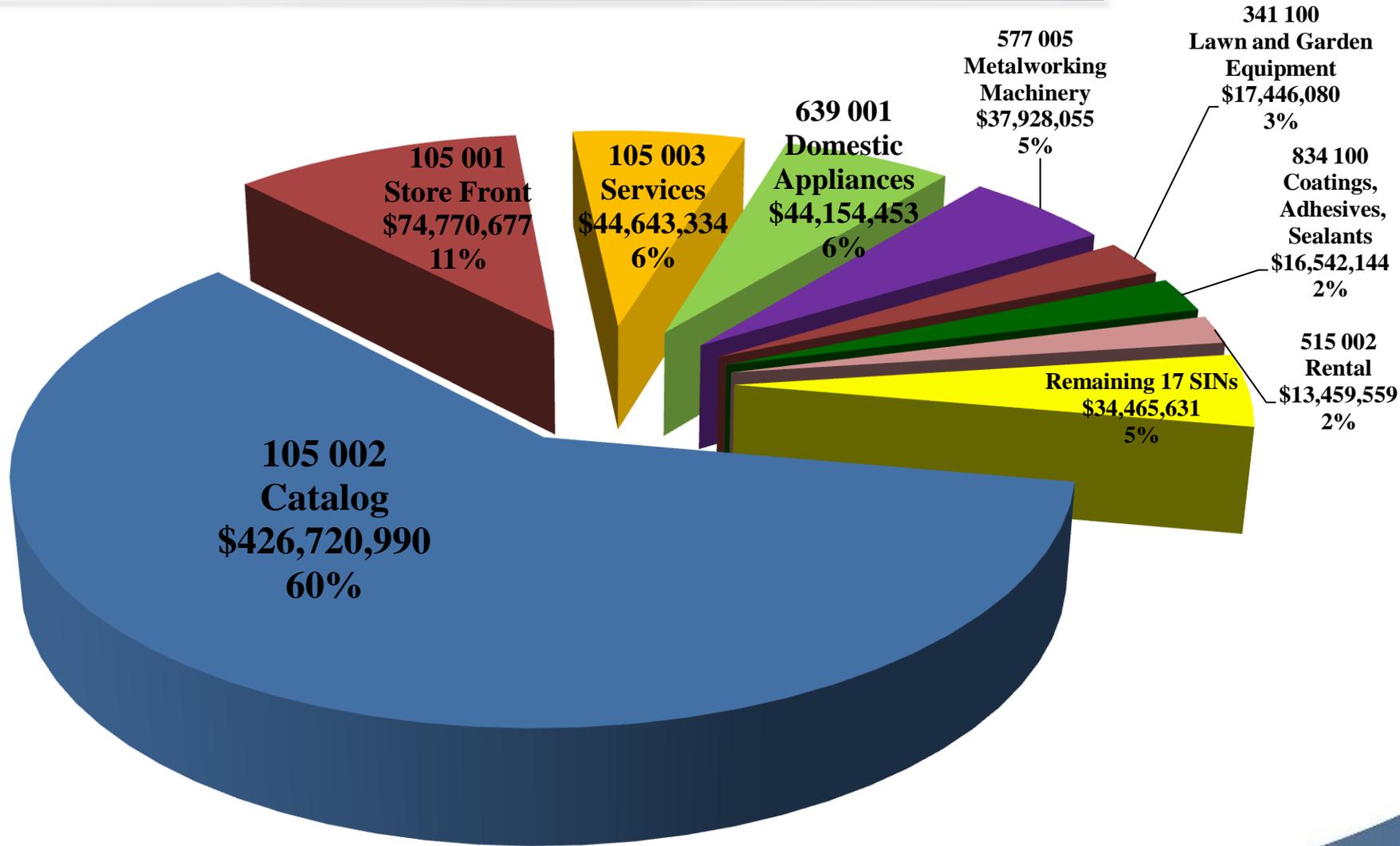


# Top 20 - 51V Contract Holders

GFY2011 RANK	GFY2010 RANK	CONTRACT	COMPANY	GFY2011 TOTAL
1	1	GS06F0007J	W. W. GRAINGER, INC.	\$129,181,472
2	2	GS06F0010N	MSC INDUSTRIAL DIRECT CO., INC.	\$64,946,930
3	4	GS06F0052N	HOME DEPOT U.S.A., INC.	\$45,015,014
4	3	GS06F0006L	IDSC HOLDINGS LLC	\$39,236,167
5	8	GS06F0018L	KIPPER TOOL COMPANY	\$36,531,243
6	6	GS06F0032K	NOBLE SALES CO., INC.	\$32,319,819
7	5	GS06F0074M	J & L AMERICA, INC.	\$28,350,014
8	7	GS07F7729C	PHILLIPS CORPORATION	\$18,240,977
9	87	GS21F0020U	MJL ENTERPRISES, LLC	\$16,587,704
10	12	GS21F0091H	INTIRION CORP	\$15,413,044
11	16	GS21F0003U	GRAYBAR ELECTRIC COMPANY, INC.	\$14,831,092
12	9	GS10F0004J	THE SHERWIN-WILLIAMS COMPANY	\$11,508,841
13	17	GS06F0083S	DEERE & COMPANY	\$9,386,918
14	18	GS06F0035M	OSC SOLUTIONS, INC.	\$9,103,919
15	11	GS06F0068R	UNITED RENTALS, INC.	\$8,506,057
16	14	GS06F0046N	COMPLETE PACKAGING & SHIPPING SU	\$8,439,651
17	15	GS06F0044M	NEWARK ELECTRONICS CORPORATION	\$8,263,752
18	19	GS21F0001K	CAPITOL SUPPLY, INC.	\$7,954,801
19	10	GS06F0027L	LAWSON PRODUCTS, INC.	\$7,910,759
20	13	GS21F0087H	ABSOCOLD CORPORATION	\$7,845,364
<b>TOP 20 SCHEDULE 51V CONTRACTORS' TOTAL</b>				<b>\$519,573,538</b>
<b>51V GRAND TOTAL</b>				<b>\$710,951,938</b>

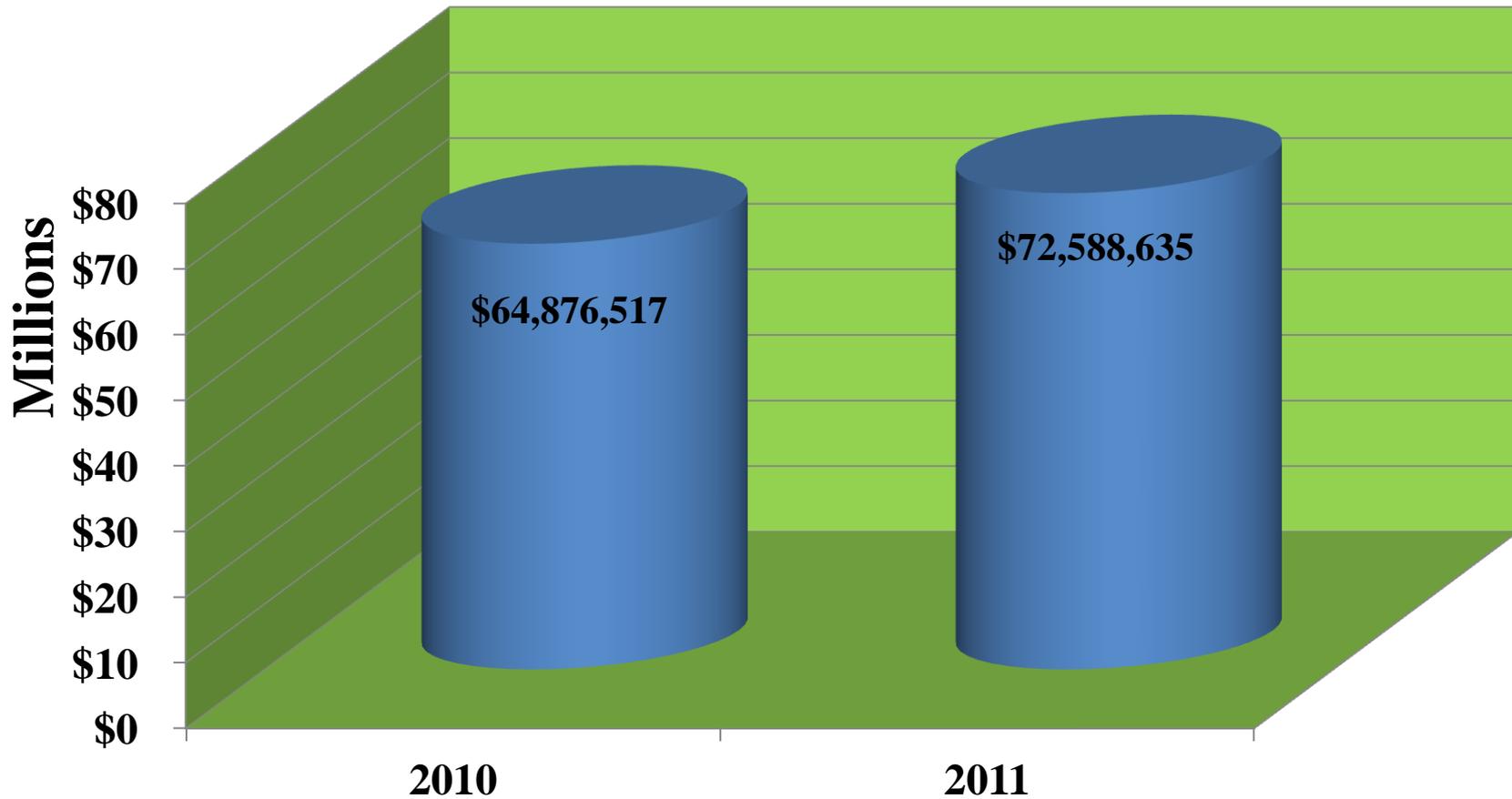
Source: WMG Analysis of Schedule Sales Query

# Schedule 51V Sales by SIN



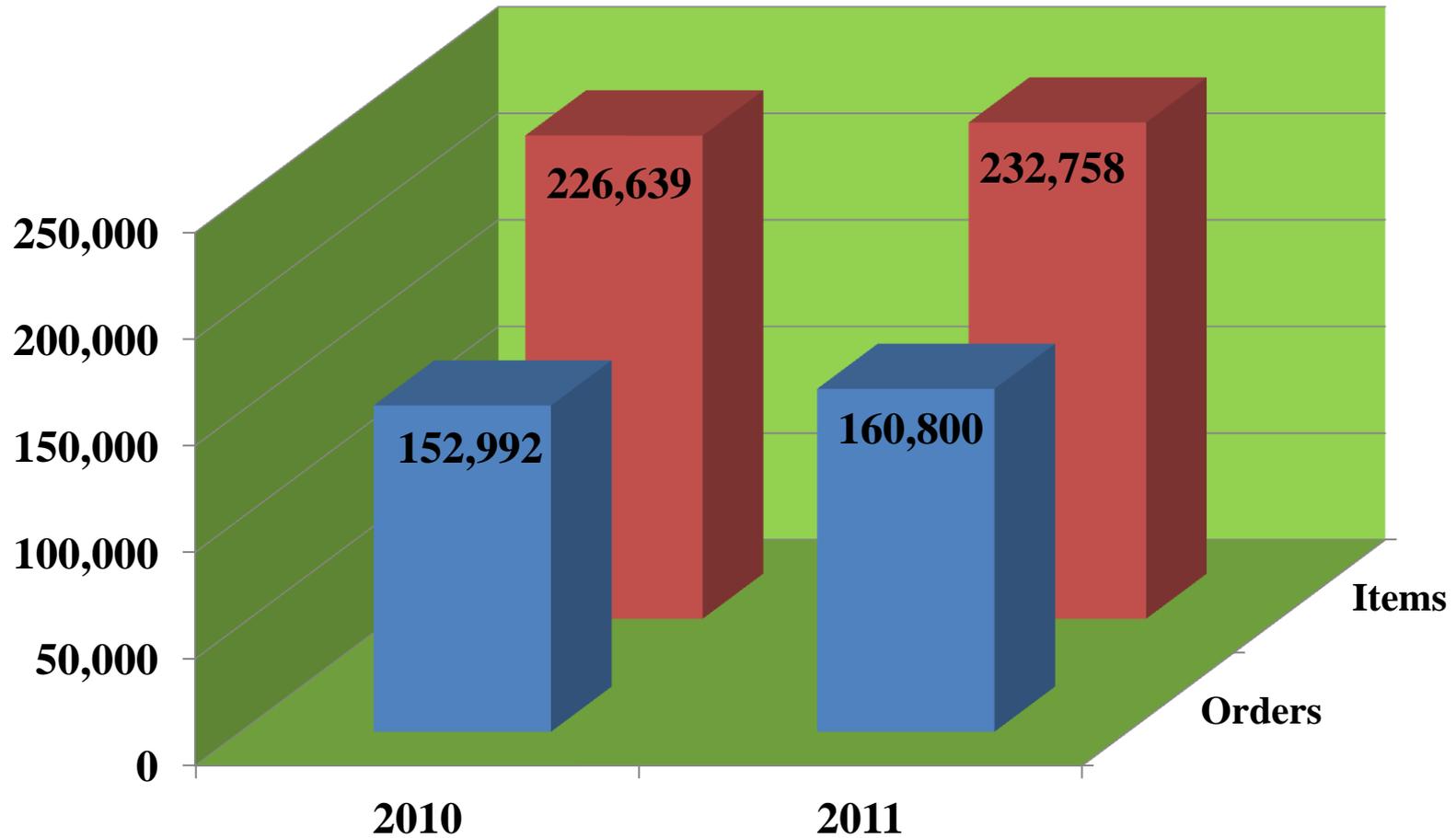
Note: Grand Total = \$710,951,938

# GSA Advantage Sales



- Source: GSA Advantage!
- Note Advantage accounts for products only

# GSA Advantage Orders and Items Total



• Source: GSA Advantage!

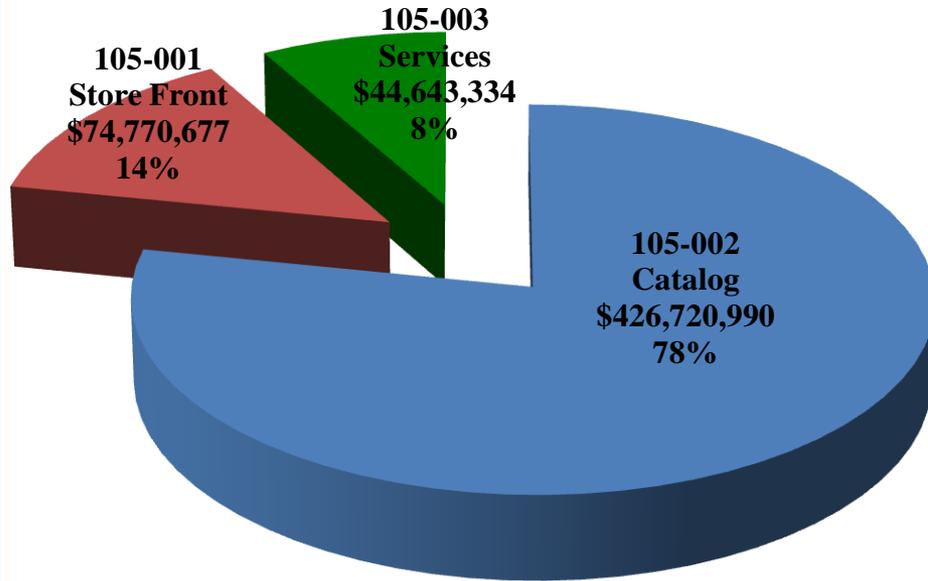
# Hardware Superstore Offerings Include:

- Appliance Department
  - (SINS: 639-001, 639-002,)
- Commercial Coatings, Adhesives, Sealants & Lubricants
  - (834-100, 834-500, 834-600, 834-700, 834-900)
- Hardware Store , Home Improvement, or MRO Department
  - (105-001, 105-002, 105-003)
- Industrial Machinery Department
  - (SINS: 577-002, 577-001, 577-005)
- Lawn & Garden Department
  - (341-100, 341-500, 341-800)
- Leasing & Rental Department
  - (SINS: 515-001, 515-002)
- Tools Department
  - (SINS: 612-209, 550-001, 600-001, 613-001)
- Ancillary Services & Accessories
  - (SINS: 051-200, 051-400, 051-99)

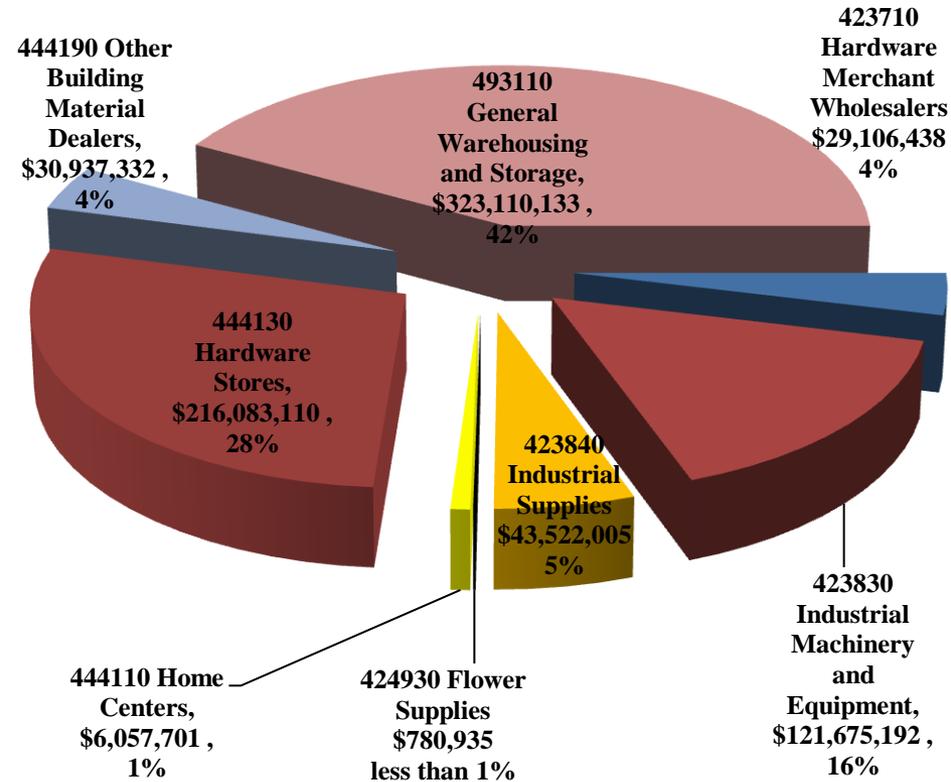


# Hardware Store

**SIN Totals**  
Grand Total = \$546.1M



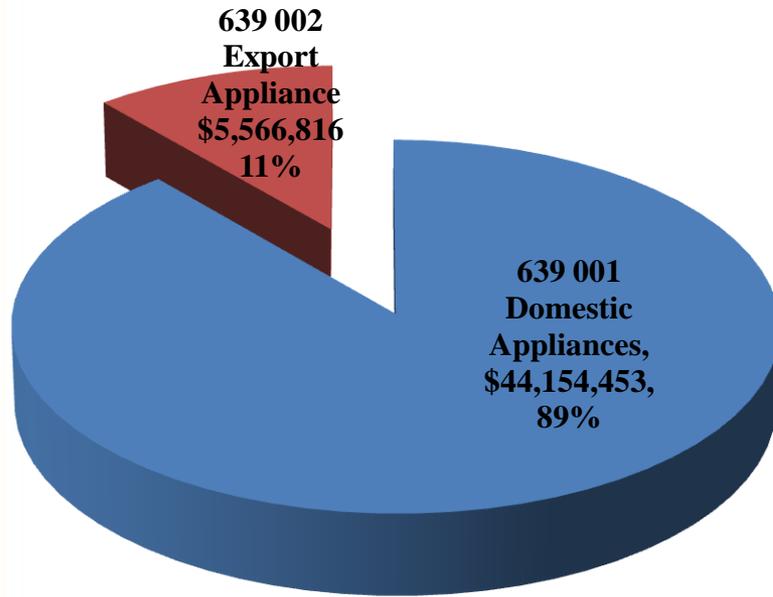
**NAICS Totals**  
Grand Total = \$771.2M



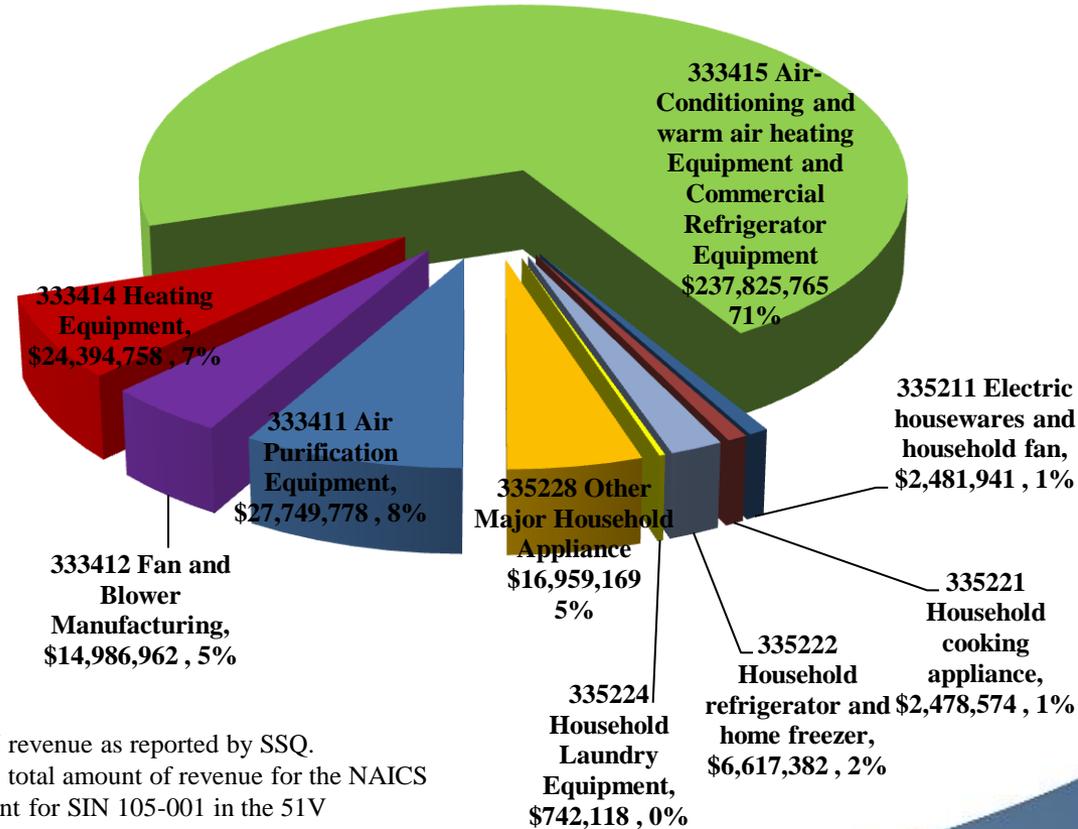
- Information presented represents SIN revenue as reported by SSQ. Government-wide revenue represents total amount of revenue for the NAICS codes as established by the government for SIN 105-001 in the 51V solicitation.

# Appliances

**SIN Total**  
**Grand Total = \$49.7M**



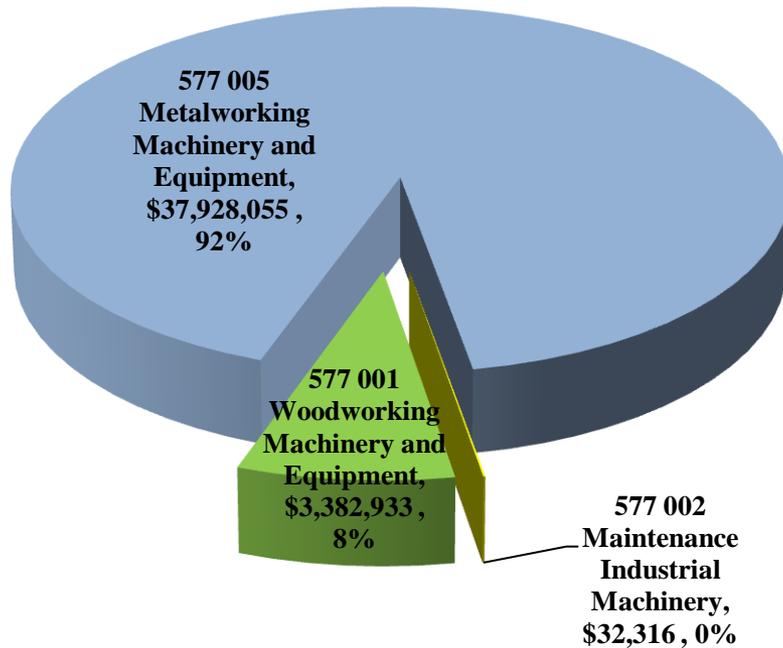
**NAICS Total**  
**Grand Total = \$334.2M**



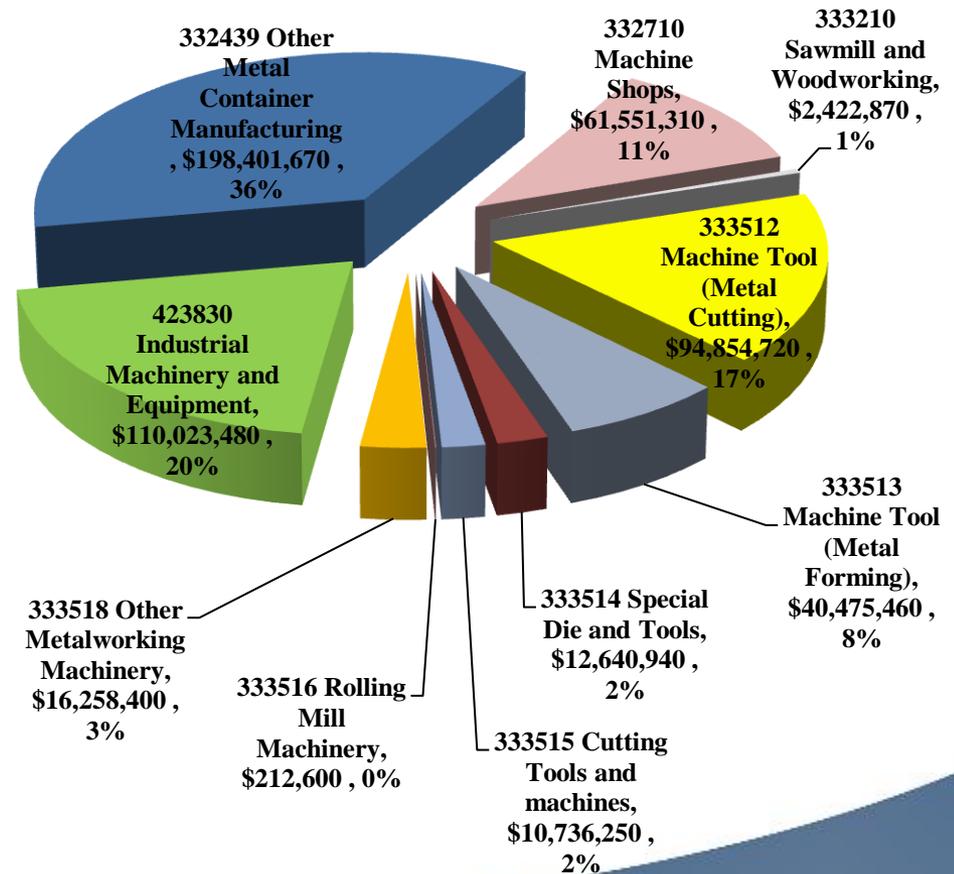
- Information presented represents SIN revenue as reported by SSQ. Government-wide revenue represents total amount of revenue for the NAICS codes as established by the government for SIN 105-001 in the 51V solicitation.

# Industrial Machinery Department

**SIN Total**  
**Grand Total = \$41.3M**

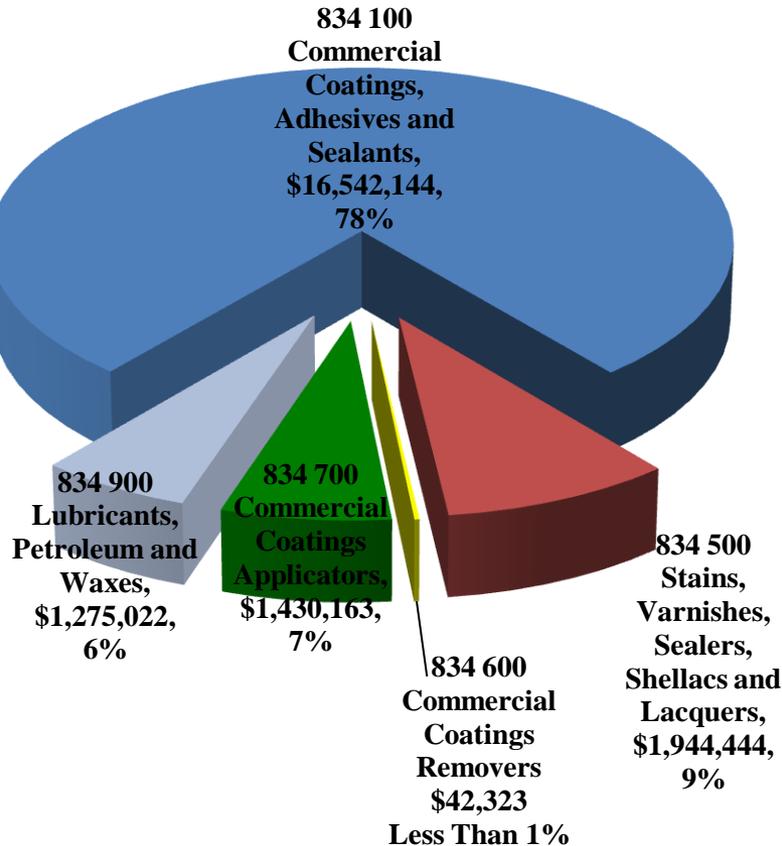


**NAICS Total**  
**Grand Total = \$547.5M**

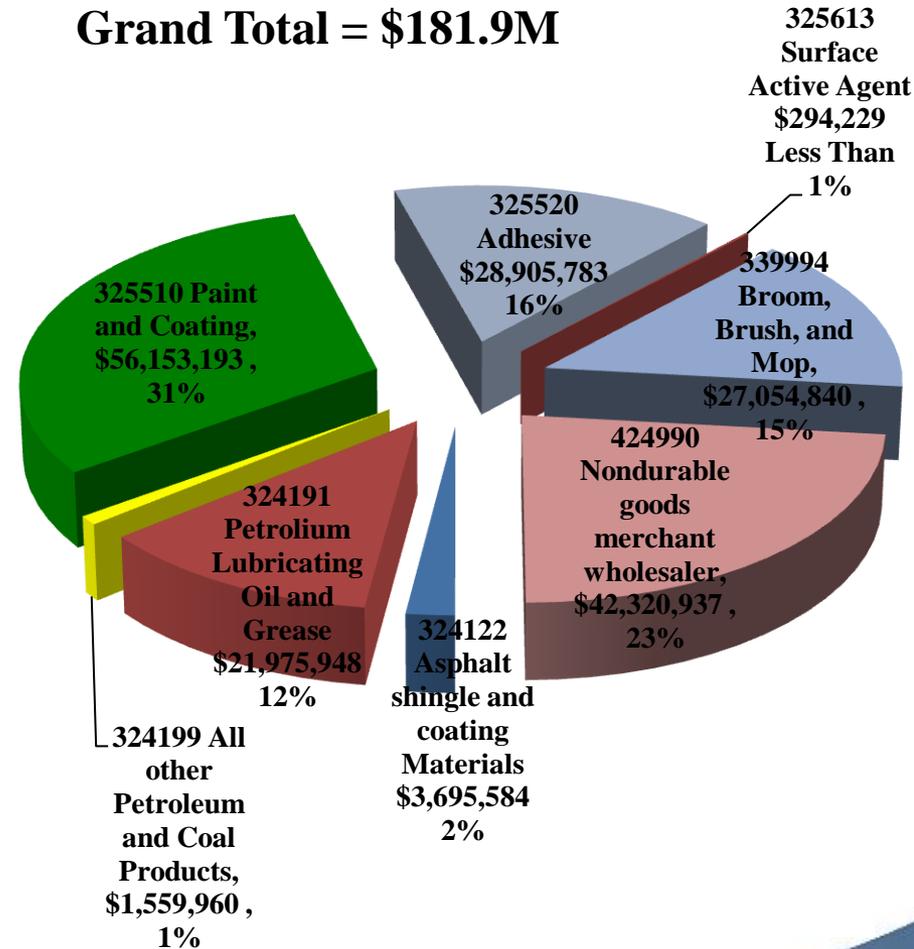


# Commercial Coatings, Adhesives, Sealants and Lubricants

## SIN Totals Grand Total = \$21.2M



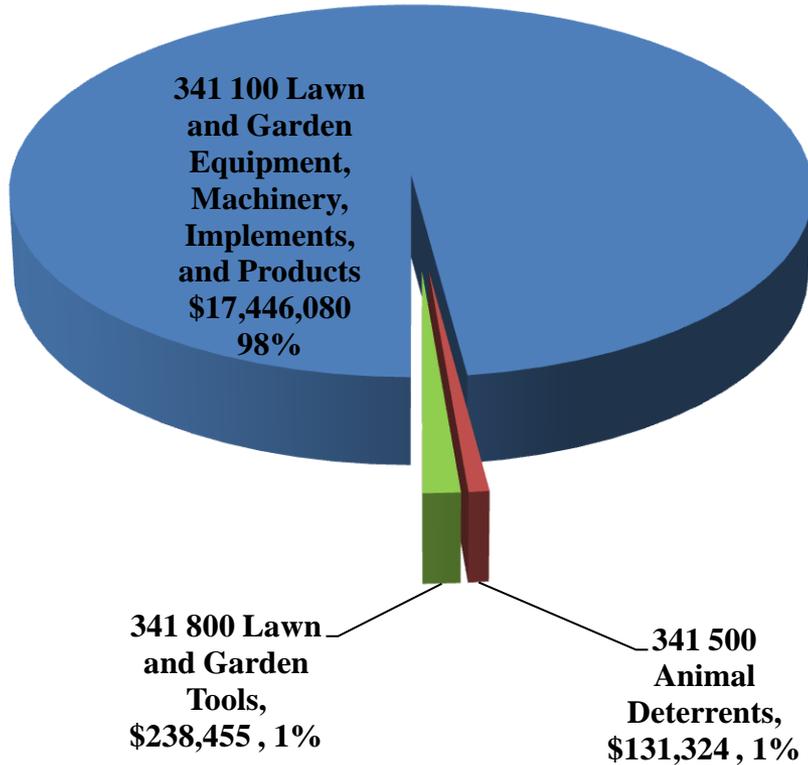
## NAICS Totals Grand Total = \$181.9M



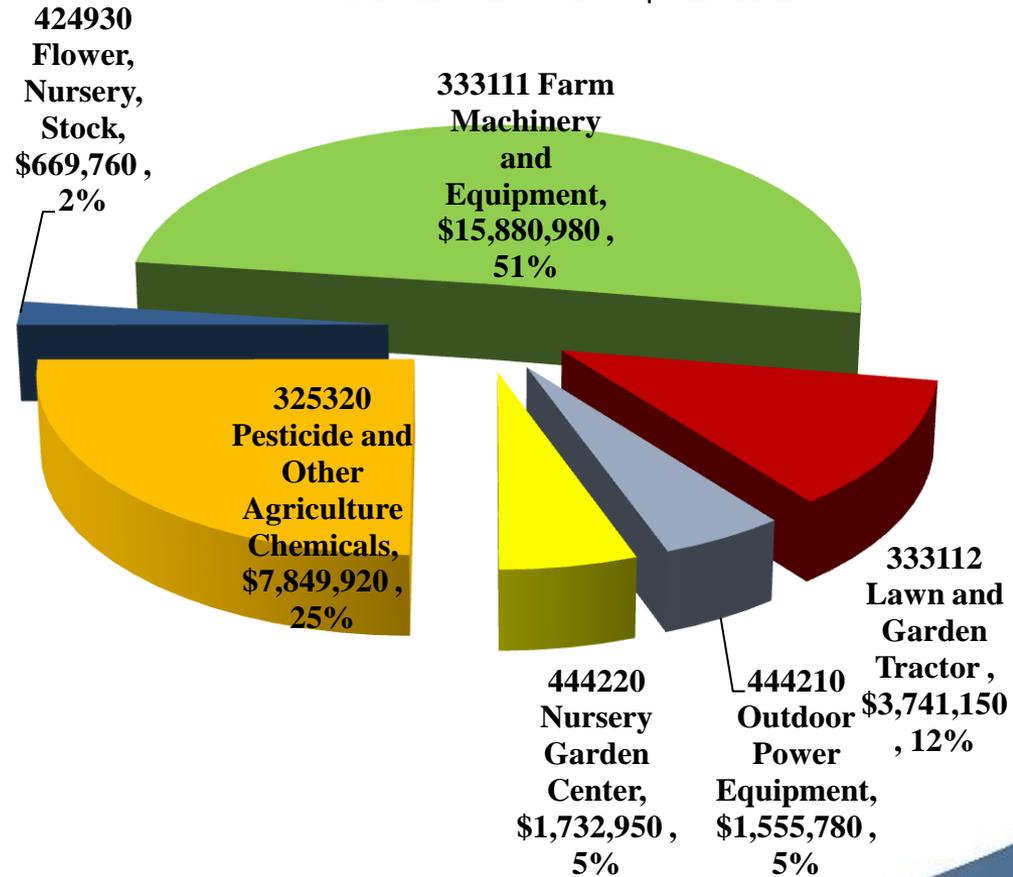
- Information presented represents SIN revenue as reported by SSQ. Government-wide revenue represents total amount of revenue for the NAICS codes as established by the government for SIN 105-001 in the 51V solicitation.

# Lawn and Garden Department

**SIN Totals**  
Grand Total = \$17.8M

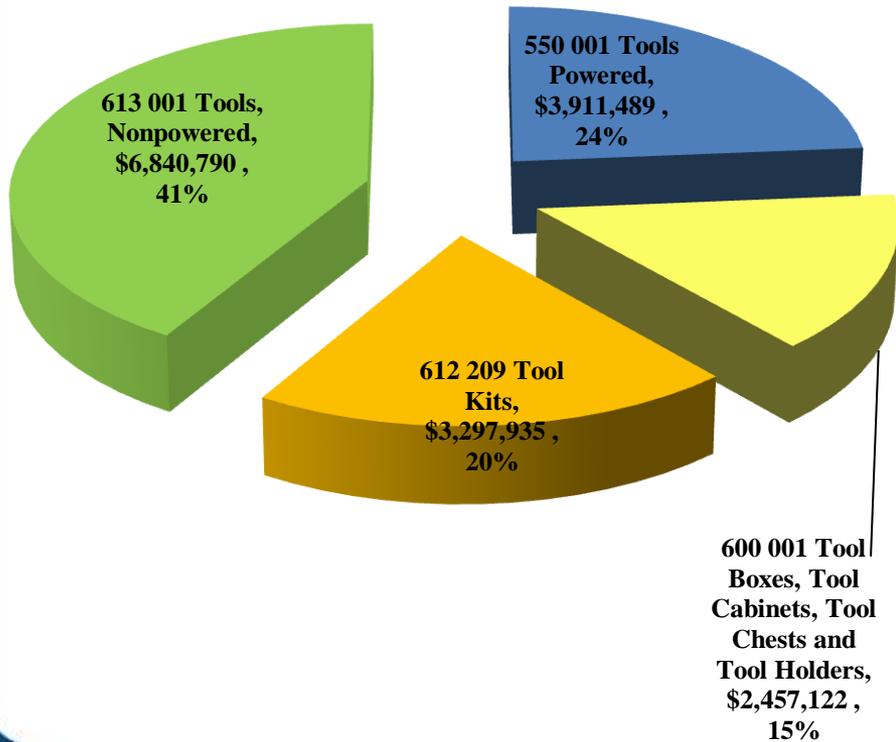


**NAICS Total**  
Grand Total = \$31.4M

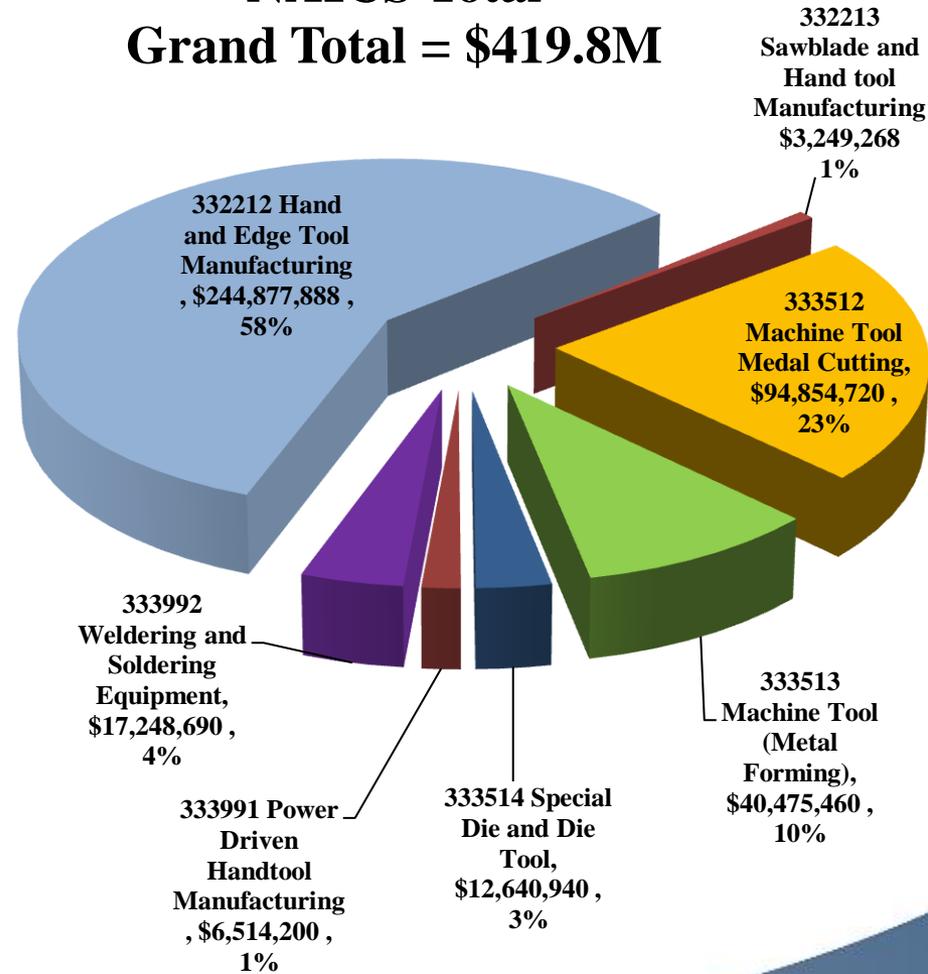


# Tools Department

**SIN Totals**  
**Grand Total = \$16.5M**



**NAICS Total**  
**Grand Total = \$419.8M**



# GSA's Sustainability impact on Schedule 51V



# GSA: Strategically Sustainable

## Agency Policy Statement...

GSA will eliminate its impact on the natural environment and use its government-wide influence to reduce the environmental impact on the federal government.

~ GSA Sustainability Plan

Source: [gsa.gov](http://gsa.gov)

# Schedule 51V Goes Green

- The goal of EO 13514 is "to establish an integrated strategy towards sustainability in the Federal Government and to make reduction of greenhouse gas emissions (GHG) a priority for Federal agencies."
  - Requires that 95 percent of all new contract actions be designated as “green” products and/or services through certification guidelines established by governmental agencies.

Source: [www.gsa.gov](http://www.gsa.gov) – Sustainable Solutions

# Schedule 51V Goes Green

- 51V, Refresh 10, dated March 1, 2011 requires that new products under SINS 639 001, 639 002 105 001, and 105 002 be designated as “green” products. The initial focus of this effort will be on the following product groups as they apply to the 51V categories:

## Appliances

- Clothes Washers
- Dehumidifiers
- Dishwashers
- Freezers
- Refrigerators
- Room Air Cleaners and Purifiers
- Water Coolers

## Heating & Cooling

- Central Air Conditioning
- Room Air Conditioning
- Room Air Cleaners & Purifiers

## Plumbing

- Gas Condensing
- Heat Pump Water Heater
- High Efficiency Gas Storage Water heater
- Solar Water Heater
- Whole Home Gas Tankless

Source: [www.gsa.gov](http://www.gsa.gov) - Greening of Schedule 51V and HSS Marketing.

# Green Products Compilation Guidance Sheet

- A complete listing for the greening of specific products can be found at: <http://www.gsa.gov/portal/content/198257>
- The products listed are those for which the U.S. Environmental Protection Agency, U.S. Department of Energy, or U.S. Department of Agriculture have issued designations or otherwise provided guidance for environmental or energy attributes.
  - The attributes are organized in 18 spreadsheets by category, product, product type, and content levels

Source: [www.gsa.gov](http://www.gsa.gov) – Sustainable Solutions

# 51V Guidance Examples

- SIN 639-001, 639-002: Appliances (dishwashers, refrigerators, washers)
  - Content Level: Energy Star
- SIN 105-001, 105-002: Non-pressure pipes
  - Content:
    - » HDPE: - 100% postconsumer high density polyethylene
    - » PVC: 25-100% recovered polyvinyl chloride, including 5-15% postconsumer content
- SIN 834 100 and 105 002, 105 001 and 105 002 - Covers all types of paint Product
  - Content:
    - » Paint -- consolidated latex paint: 100% postconsumer content
    - » Paint -- reprocessed latex paint: 20% postconsumer content
    - » Paint -- latex and waterborne: 20% minimum biobased content
- SIN 834-900: Lubricants
  - 68% biobased content

Note: This is a sample size of guidance examples, for a full listing please refer to <http://www.gsa.gov/portal/content/198257>

Source: [www.gsa.gov](http://www.gsa.gov) – Sustainable Solutions

# GSA Environmental Program aisle on GSA Advantage



## Environmental Program

### Product Search

Look for:

in

All Categories



Search

Select an environmental program below

Note: checking more than one will return only those items having all the indicators selected

- |   |  |  |
|---|--|--|
| <input type="checkbox"/>  BioPreferred               | <input type="checkbox"/>  NESHAP Compliant  | <input type="checkbox"/>  EPA Primary Metals Free |
| <input type="checkbox"/>  Energy Star Compliant      | <input type="checkbox"/>  PRIME Item        | <input type="checkbox"/>  Low VOC                 |
| <input type="checkbox"/>  CPG Item                   | <input type="checkbox"/>  S.N.A.P. Approved | <input type="checkbox"/>  WaterSense              |
| <input type="checkbox"/>  EPEAT                      |  |  |
| <input type="checkbox"/>  FEMP Energy Efficient item |  |  |

Note: For a full listing of product icon definitions please visit: <https://www.gsaadvantage.gov/advantage/information/page.do?keyName=SYMBOLS>

Source: GSAdvantage!

# GSA Long Term Goals...

- RFP's requiring proof of contractors' sustainability credentials
- By FY2015, 18% of owned or leased buildings greater than 5,000 gross square feet (GSF) will incorporate the sustainable practices in the Guiding Principles for Federal Leadership in High Performance and Sustainable Buildings.
- By GFY2020, reduce Scope 1 & 2 Greenhouse Gas (GHG) emissions by 28.7% compared to FY 2008 baseline estimates of 2.4 million tons of carbon.
  - By FY 2020, reduce its Scope 1 & 2 GHG emissions by 684,157 tons of carbon
- By GFY 2020, reduce Scope 3 Greenhouse Gas (GHG) emissions by 43.9% from the FY 2008 baseline of estimates of 198,000 tons of carbon.
  - By FY 2020, reduce its Scope 3 GHG emissions by 87,000 tons of carbon

Source: [www.gsa.gov](http://www.gsa.gov) – Sustainable Solutions

# A Message from our Chief Knowledge Officer



**Ray Bjorklund**  
Vice President and  
Chief Knowledge Officer

“Sustainment is one of the biggest challenges facing the federal government over the next decade. Deficit pressures have raised many lifecycle affordability questions. How can a facility operate sustainably with a smaller footprint? How can people and equipment resources be consolidated in fewer facilities? How can the total cost of ownership for the remaining facilities and capital assets be kept at a minimum? Companies who can answer these questions will have many business opportunities.”

Please visit [www.govwin.com](http://www.govwin.com) for additional information  
on opportunities and market intelligence solutions

# Looking Ahead



# The Conclusion of Middle East Wars

## Short-Term

- There is a positive short-term effect as agencies are returning home and finding it is cheaper to leave supplies abroad and purchase new supplies domestically.

## Long-Term

- This may have a long-term negative impact as budget cuts will continue to effect the transactions of hardware products as defense contractors are closing locations abroad.

# e-Commerce

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- e-Commerce is becoming more convenient for the purchase of hardware items via the web.
- e-Commerce simplifies the purchasing process.
- MAS ordering procedures driving agencies toward eBuy.

# Strategic Sourcing

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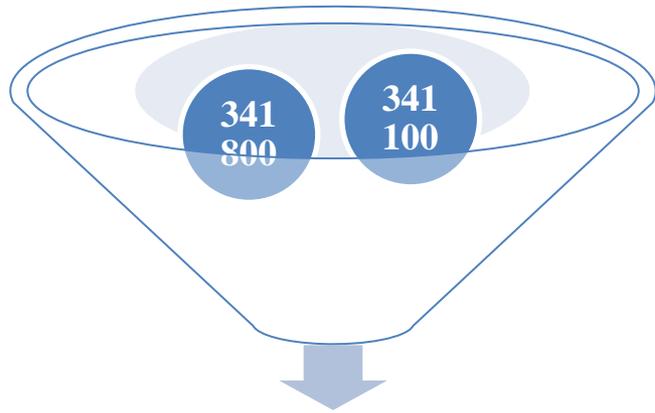
- Agencies are utilizing strategic sourcing as a method to lower costs and increase efficiencies.

# SIN Service Additions

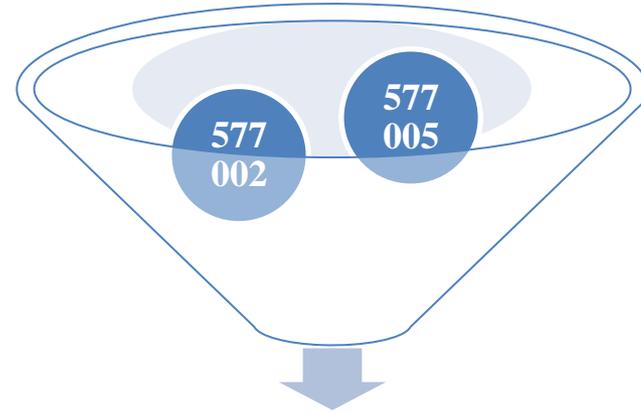
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- Schedule 51V could benefit from adding services in particular areas.
- Some examples include:
  - » 834-100: Commercial Coating, Adhesives, Sealants
  - » 834-500: Stains, varnishes, Sealers, Shellacs and Lacquers
  - » 577-001: Woodworking Machinery and Equipment
  - » 577-002: Maintenance Industrial Machinery
  - » 577-005: Metalworking Machinery and Equipment

# SIN Consolidations



**Lawn and Garden Equipment**



**Industrial Maintenance/Machinery**

- *Commercial Coatings, Adhesives, Sealants, and Lubricants* should be considered for consolidation.
  - 834-100: Commercial Coatings, Adhesives and Sealants
    - 834-500: Stains, Varnishes, Sealers, Shellacs and Lacquers
    - 834-600: Commercial Coatings Removers
    - 834-700: Commercial Coatings Applicators
  - 834-900: Lubricants, Petroleum and Waxes

# Upcoming Opportunities

# Early Stage

# 51V Market Opportunities...

## Early Stage

### Contractor Operated Civil Engineering Supply FE WARREN AFB

- This is small business set-aside. Contractor shall provide a simplified method for authorized personnel to purchase quality material, tools, and equipment used for work orders, construction, recurring maintenance and repair, and self-help type work. The store shall be located on the installation and provide easy access for authorized individuals and contain a wide variety of commercial and industrial products (i.e., items found in commercial stores like Lowes, Home Depot or other local lumber and hardware stores)
- Estimated Due Date: January 2014                      Estimated Value: \$11M
- Solicitation Number: Unavailable                      POC: Arthur Makekau (Arthur.Makekau@warren.af.mil)

## Early Stage

### Contractor Operated Civil Engineering Supply at DYESS AFB

- To provide a simplified method for authorized personnel to purchase quality material, tools, and equipment used for work orders, construction, recurring maintenance and repair, and self-help type work. The store shall be located on the installation and provide easy access for authorized individuals and contain a wide variety of commercial and industrial products (i.e., items found in commercial stores like Lowes, Home Depot or other local lumber and hardware stores).
- Estimated Due Date: January 2013                      Estimated Value: Unavailable
- Solicitation Number: Unavailable                      POC: Ronald Miller(ronald.miller@dyess.af.mil)

Source: GovWinIQ

# 51V Market Opportunities...

## Early Stage

### Rental of Washers & Dryers

- The Westover Job Corps Center is seeking bids on monthly rental of 29 washers and 44 dryers). Please provide the unit rental for each. Please identify the hours of customer service and the expected time frame for service calls.
- Estimated Due Date: January 2014                      Estimated Value: Unavailable
- Solicitation Number: W-D-2-17-12-002              POC: Shannon St Peter, Purchasing Coordinator,  
103 Johnson Road, Chicopee, MA 01022

## Early Stage

### Powder Milling/Grinding Equipment

- There is a requirement for a Powder Milling/Grinding Equipment to include various other parts and delivery. The award will be made as a Firm Fixed Price contract. The delivery point is US Army ARDEC Picatinny, New Jersey. The required delivery is May 30, 2012.
- Estimated Due Date: January 2014                      Estimated Value: Unavailable
- Solicitation Number: SPM4A812R0026              POC: Eliza J. Miller (eliza.miller@dla.mil)

Source: GovWinIQ

# Pre-RFP

# 51V Market Opportunities...

## Pre-RFP

### Contractor Operated Civil Engineering Supply Store Nellis AFB (COCESS)

- The contractor shall provide all necessary labor, supervision, equipment, supplies, and materials to support a “one stop shop” Contractor Operated Civil Engineer Supply Store (COCESS) located on Nellis Air Force Base (AFB). To provide a simplified method for authorized personnel to purchase quality material, tools, and equipment used for work orders, construction, recurring maintenance and repair, and self-help work.
- Estimated Due Date: June 2012 Estimated Value: Unavailable
- Solicitation Number: FA486110RB001 POC: Matthew Zavala 702.652.8450

## Pre-RFP

### Contractor Operated Civil Engineering Supply Vandenberg AFB (COCESS)

- To provide a simplified method for authorized personnel to purchase quality material(s) used on work orders for construction, recurring maintenance, repair and support of 30 CES. The store shall provide easy access for authorized individuals to obtain a wide variety of commercial and industrial products (i.e., items found in commercial stores like Lowes, Home Depot, or other local lumber and hardware stores). The Contractor shall provide uninterrupted across-the-counter service for customers to acquire products from store-stock as well as non-stocked items.
- Estimated Due Date: April 2012 Estimated Value: \$9.6M
- Solicitation Number: FanCirculating POC: Ashley Seffernick  
(ashley.seffernick@vandenberg.af.mil)

Source: GovWinIQ

# 51V Market Opportunities...

## Pre-RFP

### Contractor Operated Civil Engineering Supply Store at Hurlburt Field AFB

- Contractor shall provide a simplified method for authorized personnel to purchase quality material, tools, and equipment used for work orders, construction, recurring maintenance and repair, and self-help type work. The store shall be located on the installation and provide easy access for authorized individuals and contain a wide variety of commercial and industrial products (i.e., items found in commercial stores like Lowes, Home Depot or other local lumber and hardware stores)
- Estimated Due Date: October 2012                      Estimated Value: \$13.75M
- Solicitation Number: Unavailable                      POC: Rodolfo Estrada (rodolfo.estrada@hurlburt.af.mil)

## Pre-RFP

### Contractor Operated Civil Engineering Supply Store at Hurlburt Field AFB

- The Department of Air Force, Air Combat Command (ACC), may have a continuing requirement for a Contractor Operated Civil Engineering Supply Store (COCESS) at Seymour Johnson AFB. Estimated Due Date: April 2012                      Estimated Value: \$1.3M
- Solicitation Number: Unavailable                      POC: Debbie Scott (deborah.scott@seymourjohnson.af.mil)

Source: GovWinIQ

Questions?



**Janet Clarke**  
**Sr. Vice President**  
**&**  
**Carolyn Alston**  
**General Counsel**