

Using Blue to Sell Green

By Mike Sawchuk

When selling Green cleaning products, many distributors fail to take advantage of one of the largest and most potentially lucrative markets in North America—selling to local, state, and federal governments.

Many have never even approached government entities for selling opportunities, even though these groups are some of the biggest buyers of Green cleaning products.

The most likely reasons for this are fear, confusion, and lack of knowledge about how the government marketplace works, which admittedly can be vastly different than working with private industry. The first step distributors can take in overcoming these anxieties is to realize they are not alone. Many major organizations are unsure of themselves when dealing with the government; as a result, they can lose fortunes in sales.

For instance, a request for proposal (RFP) was released by a government entity for a complex of communication services that amounted to several hundred million dollars in sales. A division of Sprint bid on it and seemed assured of winning the contract.

However, at one of the last meetings between the two parties, Sprint withdrew its bid on the advice of their attorneys, citing concerns about a clause in the agreement. The contract was awarded to another company. When Sprint later reviewed the proceedings, they realized their lawyers simply did not understand the clause, which really had little impact on the overall agreement, costing the company a small fortune in profits.

Understanding How the Government Buys

Because each city, county, and state may have different purchasing procedures, we will narrow our discussion to just some of the ways the federal government purchases goods and services. However, because many government entities have developed their purchasing programs based on the federal procedures, these steps should provide some insight into the way any system works.

The first requirement is registering to do business with the federal government. This is handled through the Central Contractors Registry (CCR), which collects, validates, stores, and disseminates government acquisition requests. The steps to register are listed on their Web site, www.ccr.gov.

Distributors will also need to register their companies with Dun and Bradstreet, the credit reporting company, and secure a D&B number. With both registrations accomplished and approved, the feds will set up a commercial and government entity (CAGE) code, which is a unique identifier for your company. You are now a “registered” vendor and will need this CAGE code in order to locate, bid on, and receive government contracts, as well as to be paid.

Once registered, distributors may hunt for business, most of which is now handled online, making it much easier and requiring less footwork than was necessary years ago. One of the most important federal government purchasing Web sites to visit is called FEDBIZOPP located at www.fedbizopps.gov. This is the gateway to the government market for all kinds of products, including Green cleaning products. The site will list the selling opportunities available and will also identify the contracting officer (CO) or government buyers of goods and services. The CO will be directly involved in the purchase and the site will provide much-needed logistical information as well.

Selling Tactics

Some distributors and other vendors spend most of their time trying to sell the CO. Although this person may be the final decision maker, it is also a good idea to spend time with the end users of the products or services as well. For instance, when selling Green cleaning products, it would be advisable to meet the cleaning professionals who will be using the products and understand where and how they will be using them, their cleaning concerns and issues, etc.

This is the same as when working with a private customer. With this knowledge, the distributor can make recommendations, advise the cleaning workers and CO, and help them find solutions to some of

their cleaning challenges. This care and concern for the end users can also help differentiate you from your competitors.

Many times, the government purchases certain products and works with specific vendors almost out of habit. Showing an interest in their cleaning needs, letting them know that you are knowledgeable and familiar with Green cleaning, and providing value-added services such as training the cleaning crew how to use Green cleaning products can also help you top your competition, especially if your primary competitors are mega-vendors or big-box retailers.

Other Factors

There are other factors that influence how successfully you sell to the federal government. Some distributors and vendors hire consulting organizations that can help them through the maze as well as answer questions as they come up. However, experience is often the best educator, and the only way to get experience is to jump in and forge ahead.

In addition, don't be afraid to ask questions. At one time, a friend of mine purchased foreclosure properties in Northern California. When he started out, he was baffled over how his competitors were able to purchase foreclosures long before he found out about them. After losing out on three properties, he finally asked a City Hall clerk how and why this was happening.

"Don't you know about the 'Blue' sheet that comes out every Monday?" asked the clerk. "Every foreclosure property is listed here before it is made public."

Selling to government entities can be a little mysterious and overwhelming—at least at first. But using some of the steps mentioned here as your own private "Blue" sheet should clear up some of the confusion and open up a number of Green selling opportunities as well.

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supplies.

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