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## Prime Contractor Diverse Business Inclusion Plan Review

Project Title: WA DES ESCO Services

RFP Number:

Project Number: 2015-181

Proposer/Prime Contractor/Consultant Name: Siemens – Sharene Rekow

Proposer/Prime Contractor/Consultant Phone Number: 971-330-8945

### Inclusion Plan Evaluation Criteria

**Voluntary goals for certified diverse business participation:** *(Of the total contract work, what is the percentage of diverse business participation proposed for subcontracting/joint venturing on this project?)*

**1. Anticipated Certified Diverse Business Participation (Goals) Submitted:** Yes  No

State certification category	State of Washington / Agency Goals	Anticipated Percent of Contract Amount (Goals)	Anticipated dollar value of Contract Amount (Goals)
Minority-owned business	10%	5 %	\$100,000
Women-owned business	6%	3 %	\$60,000
Veteran-owned business	5%	3 %	\$60,000
Small/mini/micro business	5%	3 %	\$60,000

Comment: The submitted voluntary anticipated dollar values of contract amounts are based on a cumulative \$2 Million total contract value over the next year. Please see the attached Inclusion Plan for a detailed explanation of the submitted goals.

**2. Diverse Business Subcontracting list submitted:** Yes  No

Comment: At this time Siemens will not submit a list of diverse businesses that we intend to subcontract with, as this will change and be dependent on the associated FIMs for each project. Please see the attached Inclusion Plan for a detailed explanation of the diverse business subcontracting list.

**3. Submittal of planned efforts to meet or exceed the voluntary inclusion goals:**

**a. General Description:** Yes  No

Comment: Please see the attached Inclusion Plan for detailed information regarding our planned efforts to meet or exceed the voluntary inclusion goals.

**b. Mentoring, Training and Capacity Building Programs:** Yes  No

Comment: Please see the attached Inclusion Plan for a detailed explanation and information regarding our Mentoring, Training, and Capacity Building Programs.

**c. Prompt Payment, Retainage and Dispute Resolution:** Yes  No

Comment: Please see the attached Inclusion Plan for detailed information regarding Prompt Payment, Retainage, and Dispute Resolution.

<p><b>4. Submitted description of firm's planned efforts at outreach to the small and diverse business community: Yes <input type="checkbox"/> No <input type="checkbox"/></b></p>	
<p>Comment: Please see the attached Inclusion Plan for detailed information regarding Siemens' planned efforts at outreach to the small and diverse business community.</p>	
<p><b>5. Submitted description of firm's process for ensuring small businesses have enough time and information to provide your firm with bids. (to include: explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.); description of how firm considers small business in the development of bid packages; and if firm has developed something that they believe stands them apart from their competitors in this area: Yes <input type="checkbox"/> No <input type="checkbox"/></b></p>	
<p>Comment: Siemens believes it is important for small businesses to have adequate time and information to provide bids. Please see the attached Inclusion Plan for detailed information regarding the processes in place for ensuring small businesses have enough time and information to bid and how they can improve on their bid.</p>	
<p><b>6. Diverse Expert submitted: Yes <input type="checkbox"/> No <input type="checkbox"/></b></p>	
<p>Comment: Please see the attached Inclusion Plan for a description about our Diversity Expert who is dedicated to supporting projects at the project level. Also, please see the Diversity Executive's Resume, attached.</p>	
<p><b>7. Past performance list of five (5) of your projects with diverse business participation in the last five (5) years and list them below: Yes <input type="checkbox"/> No <input type="checkbox"/></b></p>	
<p>Comment: Please see the attached Inclusion Plan for a description and list of 5 projects with diverse business participation in the last five years.</p>	
<p><b>8. Acknowledgement of proposing firm's awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state's diverse businesses utilization goals: Yes <input type="checkbox"/> No <input type="checkbox"/></b></p>	
<p>Comment: Siemens is aware and committed to reaching out to small and diverse businesses and helping Washington State to meet or exceed its diverse businesses utilization goals. Please see the attached Inclusion Plan for additional information regarding Siemens' commitment.</p>	
<p><b>9. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm's expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan: Yes <input type="checkbox"/> No <input type="checkbox"/></b></p>	
<p>Comment: Siemens has education and training programs to communicate to our employees our expected behaviors and performance related to implementing the Diverse Business Inclusion Plan. Please see the attached Inclusion Plan for additional information.</p>	
<p>Reviewer Name: Charles Wilson</p>	<p>Date: Phone Number: 360-407-8455</p>
<p>Section/Group: Energy</p>	



B

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## Inclusion Plan Evaluation Criteria

**Voluntary goals for certified diverse business participation:** *(Of the total contract work, what is the percentage of diverse business participation proposed for subcontracting/joint venturing on this project?)*

### 1. Anticipated Certified Diverse Business Participation (Goals) Submitted:

Yes  No

State certification category	State of Washington / Agency Goals	Anticipated Percent of Contract Amount (Goals)	Dollar value of Contract Amount (Goals) (Internal use only)
Minority-owned business	10%	5%	\$
Women-owned business	6%	3%	\$
Veteran-owned business	5%	3%	\$
Small/mini/micro business	5%	3%	\$

Comment:

### 2. Diverse Business Subcontracting list submitted: Yes No

Comment: No subcontractor list was submitted! Firm may have misunderstood the make-up of the list. It is not intended that the firm submit a list of subcontractors they intend to use, but a list of "potential" firms that may be solicited during the contract period.

### 3. Submittal of planned efforts to meet or exceed the voluntary inclusion goals:

a. General Description: Yes  No

Comment:

b. Mentoring, Training and Capacity Building Programs: Yes  No

Comment:

c. Prompt Payment, Retainage and Dispute Resolution: Yes  No

Comment:

### 4. Submitted description of firm's planned efforts at outreach to the small and diverse business community: Yes No

Comment:

### 5. Submitted description of firm's process for ensuring small businesses have enough time and information to provide your firm with bids:

a. Explanation of how firm ensures small businesses understand the bid and specifications and are able to learn ways to improve if they are not selected (i.e. pre-bid meetings, debriefing, etc.): Yes  No

Comment:

b. Description of how firm considers small business in the development of bid packages: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comment:</b>
c, If firm has developed something that they believe stands them apart from their competitors in this area: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comment:</b>
6. Diverse Expert submitted: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comment:</b> I-Wah Chang, Siemens Supplier Diversity Procurement Specialist
7. Submittal of list of five (5) of projects with diverse business participation in the last five (5) years: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comment:</b>
8. Acknowledgement of firm's awareness and commitment to reach out to diverse businesses and helping Washington State meet or exceed the state's diverse businesses utilization goals: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comment:</b>
9. Acknowledgement that proposing firm has education and training programs to communicate to your employees your firm's expected employee behaviors and performance relative to implementing the Diverse Business Inclusion Plan: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
<b>Comment:</b>
<b>Overall Plan Comments:</b>
<b>With the exception of the firm's failure to submit a "Diverse Business Subcontracting list", the overall inclusion plan is acceptable!</b>
Reviewer Name: Charles Wilson Date: 10 / 10 / 2016
Reviewer Title: Public Works Business Diversity Program Manager
Phone Number: (360) – 407 - 8455
Section/Group: Energy Program





**Subject:** Prime Contractor Diverse Business Inclusion Plan Review

**Prepared For:** Washington Department of Enterprise Services

**Project:** WA DES ESCO Services

**Inclusion Plan**

1. Siemens has taken into consideration the information that is publically available on the State of Washington's Office of Minority and Women's Business Enterprise (OMWBE) website. After significant research of the Agency Diversity Participation Reports, Siemens has submitted our voluntary goals. We believe these goals are attainable given the specialization of our type of energy efficiency work. We took the following factors into account when we set these goals: released facts and figures for each State of Washington Agency for 2015, existing companies who are OMWBE-certified in the specialized trades, and our national experience of identifying and qualifying companies in the specialized trades. After reviewing the participation report for the WA Department of Enterprise Services, which had a total spend of \$192 Million, the combined total spend of Certified MWBE businesses was \$1.6 Million or 1.27%. The majority of the type of work we expect our subcontractors to perform requires very specialized technical skills and has limited availability, even in locations with a high population of diverse businesses. Siemens has performed a preliminary review of the OMWBE-certified companies and has determined that while there are companies with similar capabilities available, based on our national experience across the country, only a handful of the identified companies will possess the technical capabilities needed to perform on our projects. The following table shows the number and percentage of OMWBE-certified diverse companies who we have currently identified as potentially possessing appropriate capabilities.

Total Number of Companies	2,335	
Companies Within scope of ESCO work	79	3% of Total # of Companies
MBE Companies	47	59% of Companies within Scope
MWBE Companies	7	8%
WBE Companies	16	20%

It is based on the achievement and preliminary review of OMWBE-certified companies that we submit a combined voluntary goal of 8% for certified MBE and WBE. The submitted voluntary anticipated dollar values of contract amounts are calculated based on a cumulative \$2 Million total contract value over the next year. As Siemens evaluates each opportunity and the associated facility improvement measures (FIMs), we will do our due diligence and our best and good faith efforts to ensure we have as much small and diverse business participation as possible.

2. Siemens Building Technologies is fully committed to fostering the growth and expanding the participation of diverse businesses. Siemens is experienced in maintaining a Commercial Small Business Plan administered by the GSA. Even with our Federal Government experience, we understand that the small and/or diverse business requirements at the Federal level differ from those at the State and Local Government level; each State must cater to the market environment of its constituents. Focusing on a state or city is critical to understanding the nuances of each market. Siemens understood the importance of this critical piece and proactively invested in a small business outreach manager who is dedicated to supporting our State and Local Government projects that have diversity requirements. Siemens' Government Project Sourcing Specialist, I-Wah Chang specializes in understanding and helping Siemens to understand the diversity missions of each customer and how to align our mission with the customer to help them meet or exceed their goals.

At this time, Siemens will not submit a list of diverse businesses that we intend to subcontract with, as this will change and is dependent on the associated FIMs for each project. Also, additional companies may receive their small and/or diverse certification after we have developed a list, thus Siemens will maintain a dynamic list of diverse companies. As Siemens and our new Senior Sales Executive, Sharene Rekow, begin a

**Building Technologies Division**



coordinated and continued push for aggressive energy savings in Washington, we will build our list of diverse businesses with whom we believe we can partner. At the time of submission of this Inclusion Plan, we have begun to review the list of OMWBE-certified companies and to research each of their capabilities. As each opportunity comes up and the associated FIMs are evaluated, Siemens will adjust our list of diverse businesses accordingly.

3. a. Siemens planned efforts to meet or exceed our voluntary inclusion goals may include the following activities: general solicitation, outreach events, and project-specific solicitation. The general solicitation consists of downloading OMWBE's most current Directory of Certified Firms. Each company's provided information and information available online to determine if the company may fall within the scope of work that Siemens provides. Companies are removed from consideration for the following reasons: out of scope, unrelated industry, or defunct business. After removing companies from consideration, each company will be contacted by email and asked that if they are interested in partnering with Siemens in the future. If a company is interested, they are asked to complete a Pre-Qualification Questionnaire. If we do not receive any feedback from a company, we will follow up multiple times by phone and email to ensure each company has had the opportunity to express their interest. Hosting an outreach event begins with the same process as the general solicitation, though each company is invited to attend the outreach event. There is no cost for the diverse companies to attend the event and each company benefits from meeting new people and new resources. After we have had a chance to meet the companies, whether in-person or by phone, we begin the process of pre-qualifying them and including them in our database, which can be accessed across the country. As each new opportunity comes up, our Sourcing Specialist and the Zone procurement manager will perform project-specific searches, starting with the companies who previously expressed interest.

3.b. We currently have a mentorship program being developed in our Appalachian zone that is intended to match select diverse companies with a member of the Zone leadership. These companies were identified through an outreach event that we held at our Beltsville, MD office on May 18<sup>th</sup>, 2016. The companies were chosen for a number of factors, which included potential strategic alignment in the future and interest in developing capabilities for participation on projects. For all projects, project management utilizes our *Project Management and Controlling Tool* to complete ratings for subcontractors and to manage the project. Once subcontractors begin performing on projects, operations and procurement provide feedback to the subcontractors about their performance ratings. Operations diligently takes the time to work with subcontractors during and after performance on a job to understand how they can improve in the future.

While we want to see the diverse businesses be awarded with these opportunities, they still need to successfully bid these opportunities. If the business is unsuccessful in bidding an opportunity, our procurement and operations teams work with them to help them de-scope their bid and understand how they can improve on the next bid. To cater to diverse businesses that may be unfamiliar with working with Siemens or are new to the industry, we offer some assistance such as *Temperature Controls Electrical Estimation* seminars taught by our in-house electrical estimators. These seminars provide the companies with information about how to read our drawings, what we expect to be included in each bid, and how to more accurately put together bid packages. It is part of our standard procurement process to negotiate with firms where quotes originally submitted were too high and we utilize *Siemens Exchange*, an e-sourcing platform, to ensure that all bidders have access to the same relevant contract documents, plans, specifications, and scopes for the same length of time.

We understand that it is very important to tangibly build the capacity of diverse companies. In order to maintain the quality of our work, we expect the same level of quality work from each subcontractor. We do not lower our expectations for our diverse contractors, though we recognize that there may be a gap between the needed capacity and a company's actual capacity. We realize the capacity building takes time and takes sustained effort and does not happen overnight. We also understand the importance of ensuring that contract scopes are appropriate for contracting with small and diverse companies and will take the time to reasonably structure the scopes of work. Our goal is to start a company on a small opportunity and provide them with as much support so that they are set up to succeed on the opportunity. After completion of several smaller jobs, we gradually involve the company in the larger projects. As with any partnership, there is a learning curve for both parties to understand how to work with each other. Siemens hopes to see each supplier and subcontractor to succeed and will work with each company to develop their capabilities and capacities.

## **Building Technologies Division**



3.c. Siemens understands that one of the biggest challenges that disproportionately excludes diverse businesses is cash flow because many of the companies cannot wait for paid-when-paid or net terms. In order to address cash flow, Siemens has an optional *Supply Chain Finance Program*, which allows the diverse business to be paid 10-12 days after approval of their submitted invoice, regardless of if Siemens has received payment from our customer. This allows the diverse company to avoid having to wait for paid-when-paid terms or net terms. This program helps to bridge the gap between standard pay terms and allows them to receive their money faster, which is a tremendous benefit for companies who pay payroll weekly or biweekly. Our *Supply Chain Finance Program* has been received very favorably by suppliers, contractors, and some state government agencies.

Siemens includes retainage language in all of our subcontracts, with varying and negotiated retainage. Siemens asks that each invoice submitted by a subcontractor reflects the agreed upon percentage of retainage. When Siemens determines that work on the project is substantially complete and if the amount of retainage percentages is in excess of an amount that would be adequate for our protection, we will release the excess amount to the subcontractor. Subcontractors have the option to substitute the warranty retainage with a warranty bond that remains in effect until the expiration of the warranty period.

Siemens believes it is prudent for all parties to limit and resolve any disputes as equitably as possible, with the opportunity to appeal and reach a resolution together. Siemens believes that any claims should first be brought to the attention of and be resolved by the project manager. If the resolution provided by the project manager is not satisfactory to the subcontractor, an appeal can be made to Siemens' designated representative. Representatives will meet to resolve the claim and have adequate time to come to a mutually acceptable resolution. If a resolution cannot be reached, Siemens and the subcontractor will discuss if the claim should be submitted for mediation. Although Siemens is a large company, we work diligently with our subcontractors to attempt to resolve any disputes as equitably as possible.

4. Siemens Building Technologies has both the global experience and the local presence to provide a unique portfolio dedicated to Cities and States of all sizes across North America. Siemens believes that it makes good business sense to partner with diverse local companies because this allows the opportunities to stay within the local community. When the opportunities stay within the local community, the small and diverse companies hire local residents and those residents spend their money in the local community, driving economic growth and striving for community improvement.

Siemens strongly believes that in order to effectively partner with diverse companies, we must view the interaction and partnership as a mutually beneficial journey, not merely a checkbox activity in a process. As an example of our outreach to the small and diverse business community across the country, in August 2015, we held an MWBE outreach event in Philadelphia, PA with more than 50 attendees. In September 2015, we hosted an outreach event in the City of Richmond, VA and saw almost 20 attendees come out to the event. In February 2016, we hosted an event in Chicago, IL with 30 attendees from 25 companies. Most recently in May 2016, we hosted a MBE outreach event in Beltsville, MD, which brought out 63 attendees from 54 companies, all of which were related to our specialty field. The Training and Outreach Coordinator from the State of Maryland's Office of Business Programs and the Director of Maryland's Department of General Services' Energy Performance & Conservation presented during the event. The decisions to host these outreach events were not part of any contractual obligations; Siemens saw a need to meet and introduce ourselves to the small and diverse business community. As evidenced by our previous efforts at outreach, as we expand our presence in the State of Washington, we will increase our efforts of outreach to the small and diverse business community. Upon further discussion with the local leadership and management team, we will consider the appropriateness of hosting at least one outreach event in the State of Washington.

Beyond Siemens doing official outreach to the small and diverse business community, many of our employees are personally involved in various organizations and associations that assist and support the small and or diverse business community.

5. Siemens strongly believes that in order to partner with diverse companies, everyone involved must view the interaction and partnership as a journey, not merely a checkbox activity in a process or due to a contractual obligation. In order to prepare for the first step in the long journey, we start by researching and gathering information about the accepted certifying agencies, subcontracting participation requirements, participation

## **Building Technologies Division**



goals, good faith effort guidelines, state regulation, and searchable databases. Once Siemens understands the market environment, we perform a broad-based statewide general solicitation or outreach event to gauge the interest level of each company. Siemens understands the importance of ensuring diverse companies have adequate time to learn about and bid opportunities. After we are once again approved of being on the WA DES ESCO, list, we will help to solicit interest for each WA State opportunity; however, as we progress through each step of our inclusion plan, we will be able to ensure small businesses have adequate time and information to provide us with bids. We believe that by proactively gauging and understanding diverse businesses' interest in participation through our general solicitations and outreach events, we minimize the amount of time needed on our end to identify potential bidders and maximize the amount of time for diverse companies to learn about and submit their proposals.

Siemens utilizes *Siemens Exchange*, which is an e-sourcing platform that allows us to communicate with bidders. We ensure that all bidders have the same access and knowledge of the relevant contract documents, plans, scope of work, and specifications. Each bidder is entered into *Siemens Exchange* and invited to the appropriate sourcing event. *Siemens Exchange* is available 24 hours a day, seven days a week. As time allows on each project, we will hold pre-bid meetings to ensure that bidders are prepared to bid, know what to expect in the bid, and understand how to bid. Also during the pre-bid meeting, company representatives are allowed to ask clarification questions. During the bidding process, companies are permitted to continue to ask clarification questions, with questions and answers provided to all bidders. After all bids have been submitted, it is a standard part of our procurement process to negotiate with firms where quotes originally submitted were too high. It is also part of our standard procurement process to hold de-scope meetings with companies to help them understand why they were not selected and how they can improve on future opportunities. When time allows and deemed appropriate, Siemens will hold electrical estimating courses that are taught by one of our in-house electrical estimators.

While Siemens wants to see diverse businesses participate on all opportunities, we must also be assured that the company has the capability and capacity to successfully perform on the project; it is not beneficial to anyone if the selected company cannot financially and soundly complete the project. As such, companies, regardless of their diversity status, must successfully bid each opportunity; opportunities are not awarded purely based on diversity status. While it may take a few submittals before a company is successful in being awarded a project, our procurement and operations' teams will work the companies to help them understand how to improve on the next bid. It is part of our standard procurement procedure to review our entire scope of work to determine if it is feasible to subdivide the work to reflect the capabilities of the local market. Siemens utilizes many strategies in awarding opportunities; it is not necessarily based on the lowest cost but the method and justification will always be disclosed. Some of the selection criteria take into account total cost of ownership, quality, innovation, and diversity status.

6. Siemens understands the importance of increasing participation and opportunities for diverse businesses. Almost two years ago, we invested in a small business outreach program by hiring I-Wah Chang as our Government Project Sourcing Specialist, who is dedicated to supporting State and Local Government projects or any project that has diversity requirements. While Siemens has a corporate Small Business Supplier Diversity Initiative, our specialist is embedded as project-specific resource at the project level; she is involved first hand in reviewing varying requirements, developing diversity strategies for projects, identifying diverse companies who can be utilized directly on projects, meeting these diverse companies, hosting outreach events, and documenting diversity efforts for each opportunity. I-Wah's resume has been included to demonstrate the range of her experience. She is currently pursuing the Certified Professional in Supplier Diversity™ Certification and provides support across the country to provide participation opportunities to diverse companies.

7. Siemens has experience in maintaining a Commercial Small Business Plan administered by the GSA. We are also experienced in maintaining project-specific diversity plans. Siemens procurement and business intelligence is developed Advanced Reporting Solution (ARS), which is an on-demand reporting environment that enables transparency into procurement related figures, results, and details. ARS enables the user to drill down in the system to analyze information for a specific area or zone. For instance, the results shown below are through FY2016 Period 10 for the Mountain Pacific zone and the figures are in Millions of USD. With three mouse clicks, we are able to show the small business achievement results (through FY16 P10) for just the Mountain Pacific

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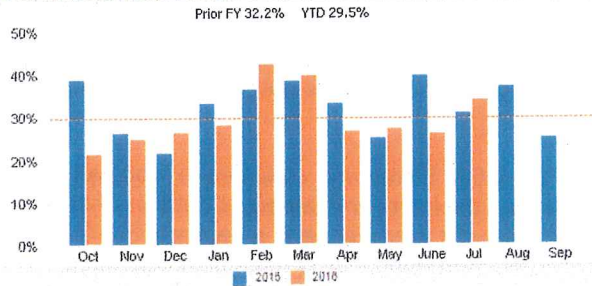
22010 SE 51<sup>st</sup> Street  
Issaquah, WA 98029

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Fax: 425-507-4350



Zone. With one additional click, ARS can show the names of all the companies with a MBE certification for which Siemens is getting credit in the Mountain Pacific Zone. It is important to note that the certifications shown may not be the specific ones that the OMWBE recognizes, that means the companies that show up as MBE may not be certified specifically with the State of Washington's OMWBE.

### Small Business Achievement



### Small Business Suppliers - YTD

Supplier Name	SB Spend	Prior FY	% of Spend
<b>Total</b>	<b>\$13.36</b>	<b>\$15.10</b>	
EC COMPANY	\$2.78	\$1.33	20.79%
PATRICK MECHANICAL LLC	\$1.88	\$0.85	14.08%
EPIC ELECTRIC INC	\$0.94	\$0.96	7.01%
STAR ELECTRIC INC	\$0.77	\$0.60	5.74%
VAISALA INC	\$0.61	\$0.34	4.57%
JOHNSON RIVER ENTERPRISES LLC	\$0.59	\$0.28	4.42%
LANDSCAPES UNLIMITED LLC	\$0.59	\$2.50	4.39%
MERIT ELECTRIC INC	\$0.51	\$0.20	3.83%
AUTOMATION CONTROLS INC	\$0.49	\$0.51	3.66%
FULLFORD ELECTRIC INC	\$0.35	\$0.52	2.59%
ONICON INC	\$0.34	\$0.20	2.54%
AIR REPS LLC	\$0.23	\$0.20	1.74%
AQUA ENGINEERING & ENERGY	\$0.22	\$0.02	1.68%

### Suppliers by Small Business Category

#### SB Category

- 8A
- ANC
- DBE
- Disabled
- EDWOSB
- GLBT
- HBCU
- Hubzone
- JWOD
- MBE
- MWBE
- NAT
- SBE
- SDB
- SOVOSB
- VOSB
- WBE
- WOSB

#### Small Business Suppliers

Supplier Name
<b>Total</b>
PATRICK MECHANICAL LLC
EPIC ELECTRIC INC
EC COMPANY
JOHNSON RIVER ENTERPRISES LLC
AUTOMATION CONTROLS INC
STAR ELECTRIC INC
VAISALA INC
LANDSCAPES UNLIMITED LLC
MERIT ELECTRIC INC
AIR REPS LLC
AQUA ENGINEERING & ENERGY
LET COMPANIES INC
GLACIER ELECTRIC CONSTRUCTION INC
FULLFORD ELECTRIC INC
COCHRAN INC
ONICON INC
PROCTOR SALES INC
MONACO ENTERPRISES INC

### # Active Suppliers by SB Category

8a	2
ANC	3
DBE	6
Disabled	1
EDWOSB	1
GLBT	-
HBCU	0
Hubzone	0
JWOD	0
MBE	10
MWBE	1
NAT	0
SBE	114
SDB	23
SOVOSB	1
VOSB	8
WBE	10
WOSB	2

### Percent of Active 3rd Party Suppliers by Small Business

8a	0.2%
ANC	0.6%
DBE	0.9%
Disabled	0.2%
EDWOSB	0.1%
GLBT	0.0%
HBCU	0.0%
Hubzone	0.0%
JWOD	0.0%
MBE	1.7%
MWBE	0.1%
NAT	0.0%
SBE	16.3%
SDB	3.4%
SOVOSB	0.2%
VOSB	1.0%
WBE	1.9%
WOSB	0.4%

### Industry Benchmarks (where available)

MBE	2.6%
SDB	3.2%
WBE	4.7%
WOSB	6.8%

### Small Business Categories

- SBE - Small Business Enterprise
- SDB - Small Disadvantaged Business
- WOSB - Women-Owned SB
- HUBZone - Hub-Zone Small Business
- VOSB - Veteran-Owned SB
- SD-VOSB - Service-Disabled Veteran Owned
- 8a - Is a small business dev. program
- ANC - Alaska Native Corporations
- NAT - Native American Tribes
- MBE - Minority Business Enterprise
- WBE - Women Business Enterprise
- DBE - Disadvantaged Business Enterprise

Note: This section is only used to identify suppliers in a certain SB Category. Selecting a category in this area will only display suppliers in the selected category and will not change data in other sections. However, clicking on a specific supplier name will change data in the other sections.

Below is a list of five projects within the last five years where Siemens has demonstrated our efforts and dedication to the inclusion of diverse businesses. This list is an example of our experience across the country, across different markets, and different project sizes.

State	Market	Total Price (Approx)	Subcontracted to Diverse Business \$ (Approx)	% of Total Price Subcontracted to Diverse Business
TX	Federal Government	\$27,500,000	\$11,600,000	42%
NY	Higher Education	\$909,000	\$357,000	39%
TX	Municipal Government	\$9,439,000	\$1,440,000	15%
Washington,	Federal	\$2,850,000	\$826,500	29%

## Building Technologies Division

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DC	Government			
TX	Hospital	\$3,442,000	\$722,000	21%

8. We recognize that within Governor Inslee's strategic framework, Results Washington, the second goal is "Prosperous Economy" and within this goal is "Quality of Life – Washington is a great place to live" and "Vibrant Communities". Siemens is aware and fully committed to reach out to diverse businesses and to help Washington State reach the state's diverse business utilization goals. To increase utilization by 2017 and reach the ambitious State goals takes dedication. When we have met our voluntary goals, we will continue our dedication to put forth our best and good faith efforts to identify and include diverse businesses in each opportunity. Siemens is committed to helping the State prove that vibrant communities abound in Washington and that the State is a great place to live.

9. Due to our Commercial Small Business Plan administered by the GSA, Siemens is obligated to "conduct or arrange for the conduct of training for purchasing personnel regarding the intent and impact of Section of 8(d) of the Small Business Act on purchasing procedures." However we believe it is prudent and a best practice for our employees to be trained and educated on the benefits of utilizing and partnering with diverse businesses. In addition to the required education and training, our Specialist routinely presents to various internal groups. She provides updates and presents to the procurement department at least once a month and presents to certain sales executive groups once or twice a year. She also does presentations around diversity contractual compliance and contract management, as needed. Depending on the situation, there are times when our Specialist spends hours educating and explaining to an employee, on an individual basis, the importance of considering, utilizing, and partnering with diverse companies. As the Mountain Pacific Zone builds and develops its Inclusion Plan, we will provide additional training and education to the employees in the Zone to ensure clarity and expectations.

## **Building Technologies Division**

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