



City of Milwaukee

Emerging Business Sustainability Conference

“Preparing for Business Growth in a Challenging Economy”

Joint Venturing for Large Projects
Business Expansion Mentor Protégés

Presented by
Prism Technical Management & Marketing Services, LLC





Prism Technical Management & Marketing Services

Business Consultants



Prism Technical Who?



We're a Family Business



Big Business Credentials

- **Lafayette L. Crump, Esq**
Chief Operating Officer
-BS Duke University
-JD Duke University
- **Joann Crump, MSW**
Chief Administrative Officer
-BA Marquette University
-MS University of Wisconsin Milwaukee
- **Randy Crump**
Chief Executive Officer
-BS EE, Milwaukee School of Engineering
-MS (6 cred short), MSOE



Prism Technical



Past and Current Projects (Sample)

- Wisconsin Center (Board Member)
- Miller Park
- Lambeau Field
- Allegheny County Jail Reuse Project
- Tower Automotive Reuse Project
- Pabst Reuse Project (The Brewery)
- MPS Neighborhood Schools Initiative
- Marquette Interchange
- Midtown Center (Starbucks & Pick n' Save)
- Citizen Complaint Review – MPD
- Study of the Effectiveness of the City of Milwaukee EBE Program
- Disparity Studies (SF Bay Area, Wayne County Airport, Baltimore, Tennessee Department of Transportation, Texas)
- Business Development Training Program
- Mentor-Protégé Coach
- Regional Internship in Science and Engineering
- Technical Assistant Consultant

Past and Current Clients (Sample)

- Turner Construction
- HCH (Hunt, Clark, Hunzinger) Miller Park JV
- Hunt-Mascaro Joint Venture
- Southeast Wisconsin Professional Baseball Park District
- Milwaukee Public Schools
- Hunzinger Construction
- Johnson Controls
- Wisconsin Department of Transportation
- Briohn Construction
- MSI General
- Milwaukee Metropolitan Sewerage District
- City of Milwaukee – DPW
- City of Milwaukee – Fire & Police Commission
- Dickman Development / 35th St Developers
- Zilber Redevelopment/KM Construction
- Engberg Anderson Design Partnership
- CH2M Hill
- Inland Construction



Business Support Services



- Training Facility
- Computer Equipped
- Internet/Video Conferencing
- Projection
- Up to 20 trainees

- MMSD / Business Development
 - Tier I - 48+ Hours
 - Tier II - 32 Hours
 - Competitive Grants
 - Mentor-Protégé Program
 - RISE (Internships)
- WisDOT (New)
 - Facilitate Prime Contractor Training
 - Opportunities in Transportation Workshops
 - Evaluate Partnership Agreements
 - Review Mentor-Protégé and Joint Venture Plans
 - 49CFR Training
 - Certification Viability Analysis
 - Other



Experience



Mentor-Protégé Relationships

- Holland Myron
- MMSD
 - PEC/Town & Country Electric
 - Penebaker/Roberts Roofing
- MMSD/AGC
 - Penebaker/JP Cullen/CR Management¹
 - White Glove /CG Schmidt/Sprinkmann
 - Sirrah Construction/Kinateder/Kotze

Joint Ventures

- Holland-Selmer JV²
- VJS-ACM JV³
- HCH Miller Park JV⁴
- Hunzinger-Clark⁵
- Hunt-Mascaro JV⁶
- Tweet Garot-August Winters²

1- Payne & Dolan Human Resource Operations

2- Lambeau Field Redevelopment

3- Milwaukee Public Schools – NSI

4- Hunt, Clark, Hunzinger Construction (Miller Park)

5- Wisconsin Center & Bradley Tech High School

6- Allegheny County Jail Reuse project





Mentors & Protégés

Mentor (noun): a wise and trusted guide or advisor.

Protégé (noun): a person who benefits from the experiences, support and advice of seasoned and influential person(s) with knowledge of key business practices to further his/her business.

The dictionary does not define a mentor as a client or a protégé as a subcontractor.



M-P Pros and Cons



PRO

- Reduced Learning Curve
- Someone to talk to
- A Sounding Board
- Connections/Networks
- Friendship before Marriage
- Observe Success
- No Cost Consultants/Free Advice
- Contract Evaluation
- Free Trouble Shooters
- Free Tools (Software, Ideas)
- Access to Best Practices
- Increased Profitability/Stability/Decreased Debt
- Impartial Evaluations
 - Estimates
 - Process
 - Employee Talent/Selection
 - Business Contracts
 - Advice when Trouble Strikes

CON

- Time
- Responsiveness Required
- Forced to make decisions
- Criticism
- You're Naked / Exposed
- Potential Embarrassment
- Must trust possible strangers
- Can't Hide
- Potential for Problems to become public faster



View 1: MMSD/AGC Mentor-Protégé



- Protégé chosen through a competitive process
- One Mentor - General Contractor
- One Mentor – Trade Specific Contractor
- Membership to the AGC
 - Includes: Bid Room, Safety Consultant, Additional Training
- Meet once per month, 3 meeting cycle
- Mentors provide Staff/Technical Resources
- Protégé must provide full disclosure
- Protégé must be healthy enough to take advantage of growth potential
- Protégé must be responsive
- Program lasts 12-18 months
- Protégé must remember the teacher-student relationship
- Protégé should not be “union” adverse
- Serious Goal: No business between the parties during relationship



MMSD-AGC Program



Mentor-Protégé Program for Emerging Businesses

Mentor (noun): a wise and trusted guide and advisor

Protégé (noun): a person who benefits from the experiences, support and advice of seasoned and influential person(s) with knowledge of key business practices to further his/her business.

Note: The dictionary does not define a mentor as a client or a protégé as a subcontractor.

Face it -- very few people are born into a family of entrepreneurs. There are many men and women with a track record of running solid businesses who want to help you succeed. You've already completed the completing Tier I of the Milwaukee Metropolitan Sewerage District's Mentor-Protégé Program. Participating in the Mentor - protégé Program is designed to help you avoid costly and time consuming detours on your own as, reinventing the wheel, going broke attempting learn by trial and your brains out trying to solve a problem that's already been solved.

Prism Technical Institute has brought together an abundance of talented leaders and resources from the organizations listed below to provide you with insightful mentors, coaches and advisors:

- ▼ The Milwaukee Metropolitan Sewerage District
- ▼ The Association of General Contractors of Greater Milwaukee
- ▼ The Small Business Administration's Service Core of Retired Executives (SCORE)

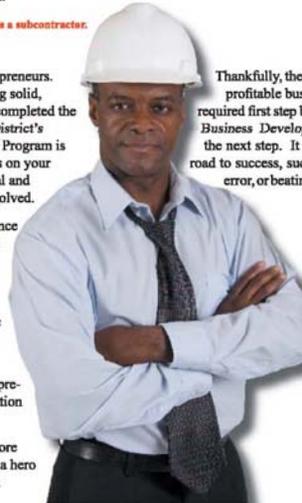
If you are serious about growing your business, complete the pre-qualification form on the reverse side and provide the information below.

Expanding on your success will allow you to employ many more people and to secure your family's future for generations. Be a hero to your family and your community. Take the next step today.

Please attach the following documents with the application on the reverse side:

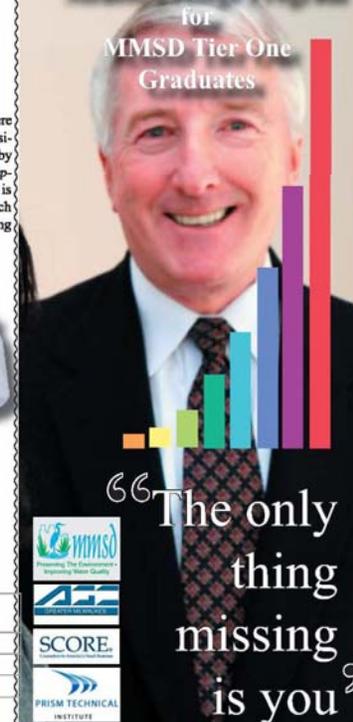
Business Plan or Narrative of Business Strategy Plan	List of Annual Gross Revenue for past three years (or as many years in operation)
Current Balance Sheet or Income Statement	Copy of Recent Federal Tax Return
Work in Progress list as of this Application date	Company Organization Chart
Copy of your certifications	Resumé of Company Principals

If you have questions, please contact: Prism Technical Institute (866) 266.7043 - Lafayette Crump



Thankfully, there are many men and women with a track record of running solid businesses who want to help you succeed. You've already completed the required first step by Business Development. It is the next step. It is the road to success, such as error, or beating

Emerging Business Mentor-Protégé Program for MMSD Tier One Graduates



“The only thing missing is you”



Pre-qualification Application



Application Process



Emerging Business Mentor-Protégé Program Pre-qualification Form

The Milwaukee Metropolitan Sewerage District (MMSD), the Associated General Contractors of Greater Milwaukee, the Wisconsin Small Business Administration - Socorro of Retired Executives (SCORE) and Prism Technical Institute invite you to apply for their Mentor-Protégé Program. As a minimum qualification, your firm must be completed Tier 1 of the MMSD Business Development Training for SWABE businesses. Please complete the information below to the best of your ability. If you do not have the information requested below, please complete what you can and send in this pre-qualification form by January 11, 2008. Information provided will be kept in strict confidence and will be used only for purposes of selection into the EBMP Program. Any questions can be directed to: Lafayette Crump, Toll free at (866) 266-7045.

Contact Info

Company Name _____ Web Address _____
 Date founded _____ Phone _____ Fax _____
 President/CEG (Main Contact Person) _____ City _____ ST _____ Zip _____
 Company Location / Street Address _____ Fax Number _____ Cell Phone _____
 Email Address _____ Production Staff _____
 Number of Current Employees: Office/Support Staff _____
 Officers: _____

Legal Structure: Corporation Partnership LLC Sole Proprietorship Other _____
 Please indicate: Open Shop Union Shop _____
 Certifications: MBE WBE MMSD SBE DBE 8a SDB HUB Zone Other _____
 Please indicate your company's primary market(s):
 Environmental Commercial Buildings Highway Infrastructure Residential / Single Family Residential / Multi-Family
 Sewer / Underground Watercourse / Marine Other _____
 Primary Categories of Work
 Trade Specific Contractor General Contractor Wholesale Supplier Fabricator/Manufacturer
 Limited Design/Engineering Architecture / Engineering Design Build Contractor Other _____

List all projects completed in the last two years. (Attach a list if more than six projects).

Ln.	Project Name	Contract Name	Category*	Contract Value
1				
2				
3				
4				
5				
6				

*Category - Enter "P" if you were a Prime, "JV" if you were a Joint Venture Partner, "V" for vendor or "S" for subcontractor.
 What percentage of your work is: A. Public Bid _____% B. Private/Select Bid _____% C. Negotiated _____%
 What associations does your company currently belong to: _____

Your Service Providers

General Liability Insurance company: _____ Agent: _____
 Phone Number: _____ Fax Number: _____
 Coverage Limit \$ _____ Umbrella Limit \$ _____ Comment: _____
 Bonding company: _____ Agent: _____
 Phone Number: _____ Fax Number: _____
 Single Limit \$ _____ Aggregate coverage \$ _____ Comment: _____
 Is your company affiliated with any other company? YES NO If Yes, please list: _____
 Do you have any pending lawsuits? YES NO If Yes, please explain: _____

Please attach the documents noted on the reverse side of this form.

I certify that the information on this application is accurate and complete. I understand this information will be kept confidential and will be used only in the selection process for this mentor-protégé program.

Signed by: _____ Title: _____
 Print Name _____ Date: _____

Send completed form and attachments by Friday January 11, 2008 to:

Emerging Business Mentor-Protégé Program Committee
 c/o Lafayette Crump
 Prism Technical Institute
 6114 W Capitol Drive - Suite 200
 Milwaukee, WI 53216



View 2: Small Business Administration



- Protégé finds its own Mentor. (One Mentor at a time.)
- A Business Relationship is the purpose under the SBA 8(a) Program
- Mentor/Protégé Program established pursuant to 13-CFR-124.520
- To enhance the capabilities of the Protégé
- Improve its ability to successfully compete for contracts
- Mentor is well-qualified to provide assistance within the context of the SBA Mentor/Protégé Program
- Period of time defined in an agreement
- There must be an assessment of the Protégé's needs
- M-P relationship must be clearly spelled out
- Protégé is primarily responsible for regular documentation sent to the SBA (with assistance from the Mentor)
- Agreements last one year, but may be renewed through life of 8(a) Program
- Mentor, Protégé or SBA may terminate the agreement
- No Modifications to agreement without approval from SBA



SBA Application Process (Wisconsin Example)



SAMPLE MENTOR/PROTÉGÉ AGREEMENT

Mentor/Protégé Agreement
Between

_____ and

This Mentor/Protégé Agreement ("Agreement") is between _____ ("Protégé"), a _____ corporation with its principal place of business at _____ and _____ ("Mentor"), a _____ corporation with its principal place of business at _____ (collectively referred to as the "Parties").

WHEREAS, the parties wish to formalize the proposed Mentor/Protégé relationship between Mentor and Protégé under the Small Business Administration's ("SBA") Mentor/Protégé Program established pursuant to 13-CFR-124.520; and

WHEREAS, the Parties agree that establishing a Mentor/Protégé relationship can enhance the capabilities of the Protégé and improve its ability to successfully complete for contracts consistent with the SBA's Mentor/Protégé Program; and

WHEREAS, the Protégé can greatly benefit from the assistance that the Mentor proposes to offer, and the Mentor is well-qualified to provide the assistance within the context of the SBA Mentor/Protégé Program; and

WHEREAS, the Parties wish to carry out goals of this Agreement for the duration of the Protégé's participation term in the SBA's 8(a) program.

THEREFORE, consistent with these goals and the requirement of the SBA Mentor/Protégé Program, the Parties agree to the following:

1. **Assessment of the Protégé's Needs.** As an 8(a) company seeking to develop a business base and an infrastructure to successfully participate and graduate from the 8(a) program as a viable company, the Protégé requires assistance in the following areas:

(A) Management and technical assistance – _____ recent successful _____ bids on two large Navy contracts have highlighted its need for sophisticated project management skills and specific technical assistance.

2. **Assistance to Protégé.** Mentor agrees to provide Protégé with following assistance:

(A) Management and technical assistance – _____ successful _____ past performance of four large technically challenging Navy contracts has provided it with a wealth of personnel who are experienced in managing Navy contracts. _____ will provide this expertise to _____ via business-to-business informal exchanges and through the former's participation as a _____ subcontractor to the latter's Navy contracts.

3. **Submission of Application to SBA.** The Parties agree to work together to prepare a submission to the SBA for approval of the relationship outline in the Agreement. In this regard, the Protégé agrees to assume primary responsibility for the preparation and submission of the documentation required by the SBA for approval of this Agreement.

4. **Preparation of Mentor/Protégé Reports.** The Mentor shall use its reasonable and best efforts to assist the Protégé in the preparation of the annual mentor/protégé report required by the SBA, and shall provide all necessary documentation as required by the SBA.

5. **Effective Date.** This Agreement is effective upon approval by the SBA for a period of one year. This Agreement is renewable in one-year options while the Protégé is participating in the SBA's 8(a) program, and provided the SBA approves the continuations of the relationship consistent with the Mentor/Protégé Program review process.

6. **Termination of the Agreement.** This Agreement may be terminated as follows:

(A) Voluntary Termination by the Mentor. Pursuant to 13-CFR-124.520(e)(3), the Mentor may voluntarily terminate this agreement if the Mentor no longer wishes to participate in the Program as a Mentor to a Protégé. The Mentor shall notify the Protégé and the SBA in writing at least thirty (30) days prior to the termination date.

(B) Voluntary Termination by the Protégé. Pursuant to 13-CFR-124.520(e)(3), the Protégé may voluntarily terminate this agreement if the Protégé no longer wishes to participate in the Program as a Protégé to a Mentor. The Protégé shall notify the Mentor and the SBA in writing at least thirty (30) days prior to the termination date.

(C) Termination by the SBA. Pursuant to the governing regulations, the SBA may terminate the Agreement based upon its annual review of the Mentor/Protégé relationship, as provided in 13-CFR-124.520(f)(3).

7. **Effect of Termination.** Termination of this Agreement shall not impair the obligations of the Mentor to perform its contractual obligations pursuant to government prime contracts being performed with the Protégé. Likewise, termination of this Agreement shall not impair the obligations of the Protégé to perform its contractual obligations under any contract or subcontracts that the Protégé is performing with the Mentor.

8. **Modifications.** No modifications to this Agreement may be made without the consent, in writing, of both Parties and the SBA.

9. **Notices and Points of Contact for the SBA Program Administration.** The following individuals shall serve as the points of contact for administration of the development assistance program and are authorized to receive all notices under this Agreement.

10. **Status of the Parties.** This Agreement, in and of itself, does not constitute, create or give effect to or otherwise establish a joint venture, partnership or any other business or organization. Unless provided by the terms of another agreement consistent with the governing regulations, the Parties are and shall remain independent contractors.

11. **Integrated Document.** This Agreement supersedes any and all previous understanding, commitments, or agreements, oral or written, pertaining to the SBA Mentor/Protégé Agreement.

Subject to the SBA's approval, this Agreement is entered into and effective as of the date of such approval, this ____ day of _____, 2006 and executed by officials duly authorized to bind their corporations.



Mentor-Protégé

What's in it for me?



- Many Mentor firms have made the program an integral part of their sourcing plans; while the protégé firms have used their involvement in the program to develop much needed business and technical capabilities to diversify their customer base.
- Our Protégé participants have established long-term business relationships with providers of government and commercial goods and services.
- Successful Mentor-Protégé Agreements provide a winning relationship for the Protégé, the Mentor, and the DoD.

Source: Department of Defense, Small Business Programs
http://www.acq.osd.mil/osbp/mentor_protege/





Joint Ventures

Source: RP Emory & Associates



J-V Pros & Cons



PRO

- Provide companies with the opportunity to gain new capacity and expertise
- Allow companies to enter related businesses or new geographic markets or gain new technological knowledge
- Access to greater resources, including specialized staff and technology
- Sharing of risks with a venture partner
- Joint ventures can be flexible. For example, a joint venture can have a limited life span and only cover part of what you do, thus limiting both your commitment and the business' exposure.
- In the era of divestiture and consolidation, JV's offer a creative way for companies to exit from non-core businesses.
- Companies can gradually separate a business from the rest of the organization, and eventually, sell it to the other parent company. Roughly 80% of all joint ventures end in a sale by one partner to the other.

CON

- It takes time and effort to build the right relationship and partnering with another business can be challenging. Problems are likely to arise if:
- The objectives of the venture are not 100 per cent clear and communicated to everyone involved.
- There is an imbalance in levels of expertise, investment or assets brought into the venture by the different partners.
- Different cultures and management styles result in poor integration and co-operation.
- The partners don't provide enough leadership and support in the early stages.
- Success in a joint venture depends on thorough research and analysis of the objectives.



J-V Agreement Content



- The name of the 2, 3 or more individuals and/or businesses involved
- The purpose or objective. Typically project based.
- Financial obligations – commitments of cash, equipment, or assets and/or employees that will be transferred to the Joint Venture.
- Day to day management of finances, responsibilities and processes to be followed.
- Dispute resolution, how any disagreements between the parties will be resolved
- How, if necessary, the joint venture can be terminated.
- The use of confidentiality or non-disclosure agreements is also recommended to protect the parties when disclosing sensitive commercial secrets or confidential information.
- How to dispose / value assets developed within the joint venture such as marketing, programming, software or other Intellectual property.



Joint Ventures

What's in it for me?



- Compete for larger jobs
- Participation Credit easier to obtain on purchases
- Be welcomed into markets outside of your primary area.
- Expand your Bonding/Insurance Capacity with no significant additional cost¹
- Become a Prime Trade Contractor or General (vs. a sub)
- Expand your services quickly
- Learn new ways of doing business

1 For Bonding and Insurance info contact:

Dave Schuppler Insurance Agency
Kris Long: kris@dsa-ins-bonds.com
(414) 258-1302



Final Lesson

Keep Running



Every morning in Africa, a gazelle wakes up. It knows it must run faster than the fastest lion or it will be killed.

Every morning a lion wakes up. It knows that it must outrun the slowest gazelle or it will starve to death.

It doesn't matter whether you are a lion or a gazelle ,when the sun comes up, you'd better be running. -- SERENGETI PROVERB





Prism Technical

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