



epipeline's Eye on Security Guards and Patrol Services, NAICS 561612

As the Business Development Manager responsible for creating the business plan for your company, it can be very challenging to gain a perspective of opportunities over the several years; and from that determine the specific opportunities to pursue. This week we are going to look at the opportunities for Security Guards and Patrol Services (NAICS 561612).

According to the Federal Procurement Data System (FPDS - source, epipeline's strategic partner, Eagle Eye), there was **over \$1.5B** in federal contract spending for these services in FY03 alone. NAICS 561612 is identified with companies and contracts providing guard and patrol services, such as bodyguard, guard dog, and parking security services.

1. Guard Services and the GSA
2. Who are the Security Guard Contractors?
3. Who can compete for these Contracts?

Guard Services and the GSA

The General Services Administration (GSA) was a premiere source of contracts for security guard services throughout the country. Through their Federal Protective Service (FPS), they contracted for armed and unarmed guards for the federal and office buildings under their ownership. Upon creation of the Department of Homeland Security (DHS) in March 2003, the FPS became part of the new Border and Transportation Security agency within DHS.

March 2003 also brought the advent of the GSA Federal Supply Schedule, "084: Total Solutions for Law Enforcement, Security, Facilities Management, Fire, Rescue, Clothing, Marine Craft & Emergency/Disaster Response." This schedule was created from the former Schedule 539 SAM (Solutions And More), and included security guard services as one of the offerings, under SIN 246 54. The former GSA FPS security guard contracts, now procured through DHS, often use this new GSA schedule to obtain their requirements. (Information about this GSA schedule can be found under epipeline program code **084 Total**.) Other agencies use this schedule to procure their security services as well, such as EPA and NASA.

There are currently 118 GSA Schedule 084 holders that provide services under SIN 246 54, Guard Services. Wackenhut Corporation's contract GS-07F-0382K is listed as the top contract under NAICS 561612 in the Federal Procurement Data System (FPDS - source, epipeline's strategic partner, Eagle Eye), with over \$290M reported spending over FY01-FY03. The second highest value contract is also held by Wackenhut, and is

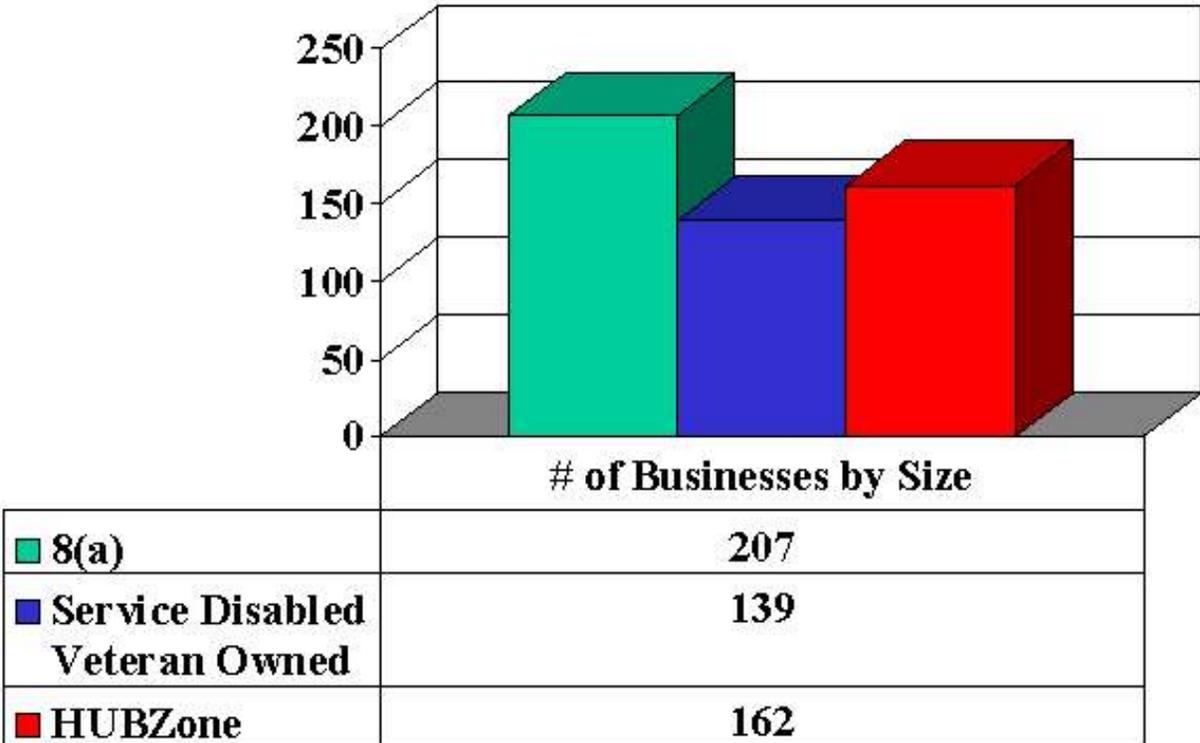
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for security services at the Department of Energy's Savannah River Site (for more information about that contract, check out epipeline's O&M Featured Opportunity Report this week, **SRS Security**).

Who are these Security Guard Contractors?

According to the Central Contractor Registry (CCR), there are 2,346 companies that indicate they can provide services under NAICS 561612. Over half of these companies are small businesses, some are further designated as 8(a), HUBZone, etc. The chart below illustrates the number of businesses by three different acquisition strategies. Note: companies may classify themselves under more than one category.

Number of Companies Register under NAICS 561612 by Business Size

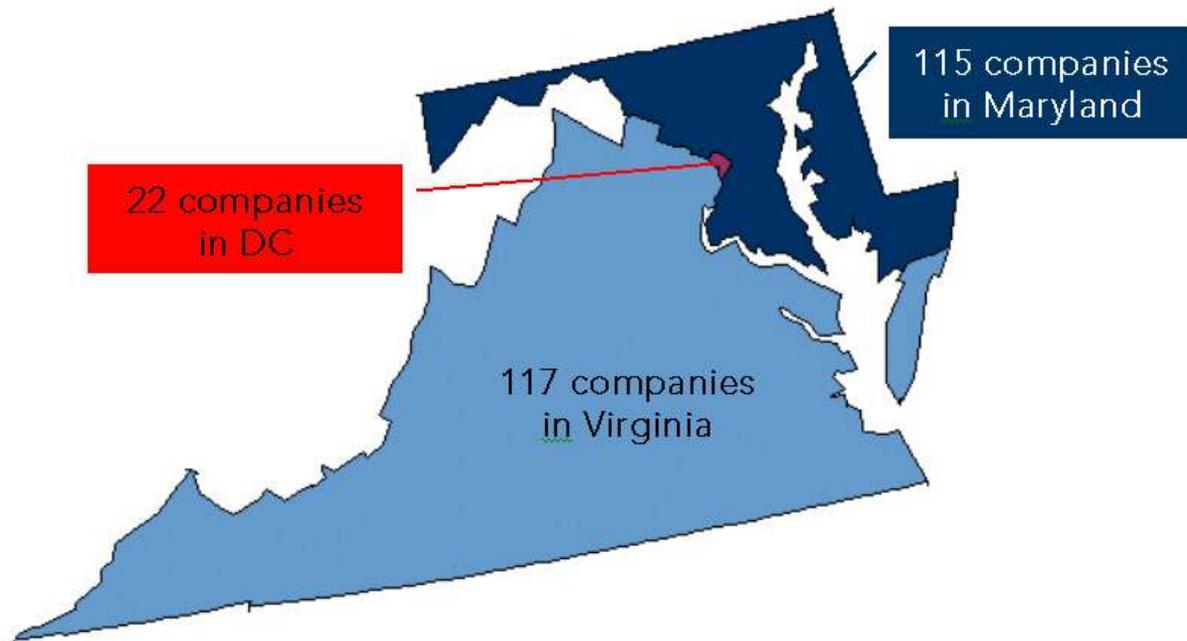


There are a significant number of companies performing security services located in the Washington, DC metropolitan area.

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**Number of Companies in the Washington DC Area Registered under NAICS
561612**



As previously mentioned, Wackenhut Corporation, holds the two top contracts under NAICS 561612. They provide services across the country and the world, from the Department of Energy sites, to Federal Correctional Centers, to US Embassies overseas. Another power player in the security field is AKAL Security. They provide court security officers for Department of Justice circuit courts nationwide. From FY01 through FY03, they held over 11.4% of the market share for security guard services. Other top providers include MVM, Inc., Inter-Con Security Systems, Coastal International Security, United International Investigative Services, and Knight Protective Service, Inc.

Who can compete for these Contracts?

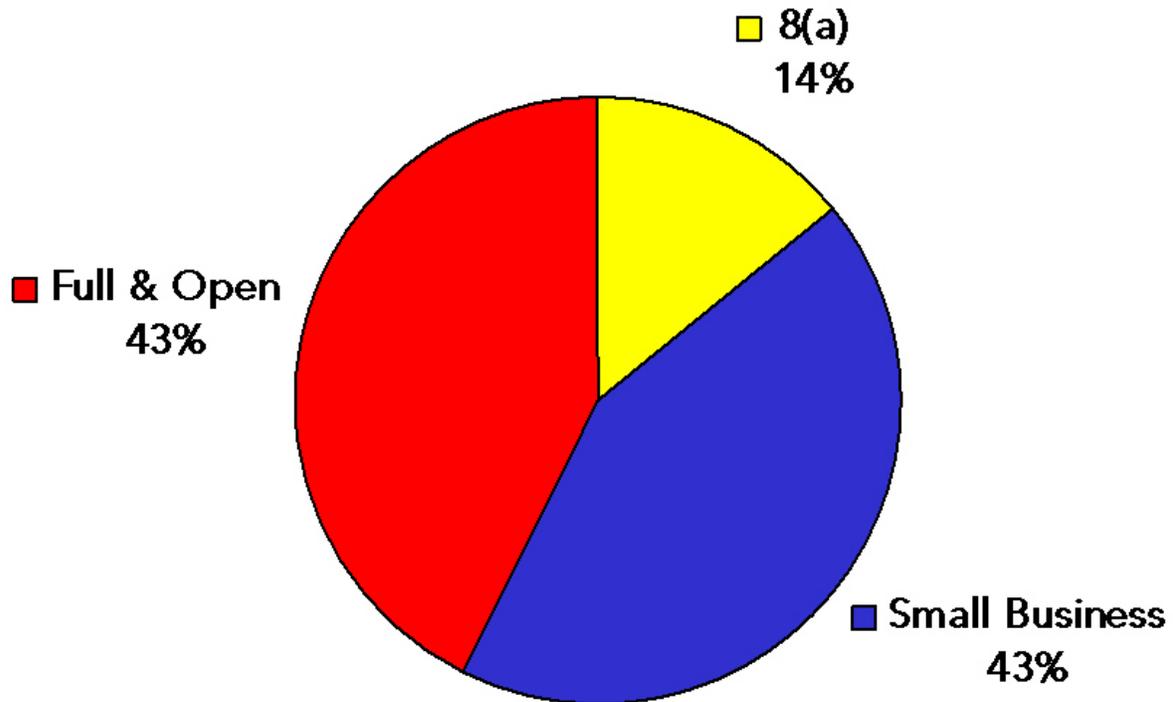
Security services are procured through many different methods. As previously discussed, many agencies, especially DHS are now using GSA Schedule 084 to obtain their security services. Other contracts follow the 'normal' method of issuing a RFP, receiving proposals, and awarding a firm fixed price contract for a base period and options. Of the opportunities that epipeline is tracking, there is an even balance between the number of Pre-RFP opportunities issued using full and open competition and small business set-aside, with a smaller number set-aside for 8(a) firms, as illustrated in the pie chart below. According to FPDS information, 8(a) contract awards amounted to over \$180M in FY03 spending and small business set-aside was over

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\$160M (note: these include GSA schedule/task order awards and may also include sole-source acquisitions).

Percentage of NAICS 561612 Opportunities by Acquisition Strategy



To learn more about the NAICS 561612 opportunities or other opportunities that epipeline is tracking today; try the following search in the epipeline application:

Find FY05 "NAICS 561612, Security Guards and Patrol Services" Opportunities

1. Status - Select **Pre-RFP**;
2. Dates, RFP After - Type **10/01/2004**;
3. Dates, RFP Before - Type **09/30/2005**;
4. NAICS Code(s) - Type **56161** (for best results, drop the last number off a 6-digit code. Ex: 561612 becomes 56161);
5. Click the **Search** Button (or hit the enter key on your keyboard).

**What NAICS Code Do YOU Want To See
in future epipeline newsletters?**

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Unparalleled Government Contracting Information
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CCR data as of 10/18/04: list of ACTIVE contractors by NAICS 561612, <http://www.ccr.gov>

GSA Schedule 084 data as of 10/18/04,

<http://www.gsaelibrary.gsa.gov/ElibMain/SinDetails.jsessionid=www.gsaelibrary.gsa.gov-10672%3A41742e01%3Afc08c93b6605544?scheduleNumber=84&specialItemNumber=246+54&executeQuery=YES&filter=NO>

FPDS information is courtesy of epipeline's strategic partner, **Eagle Eye**.

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