



WEB SURVEY

Vendor of Goods and Services Survey

The results of this survey will be used to determine how Federal Government buying activities can more effectively use reverse auctions as a tool and for ensuring that the U.S. taxpayer is better served. As a vendor of goods or services, your responses to this survey are solicited on a non-attribution basis. Similar surveys are being conducted with Government buying activities.

This survey is in response to 2006 National Defense Authorization Act language that requires an analysis of the use of reverse auctions. Your responses should be based on your experience with reverse auction usage in Federal Government procurements. This includes reverse auctions conducted by third party reverse auction service providers, for U.S. Government requiring activities.

If you have any questions about this survey, please call 703 805-3501 or 703 805-5401.

Background

A reverse auction (also called procurement auction, e-auction, sourcing event, e-sourcing, or e-Reverse Auction) is a pricing tool used for business-to-business procurements. It is a type of auction in which the role of the buyer and seller are reversed, with the primary objective of achieving the best overall price. In traditional auctions, *buyers* compete for the right to obtain goods or services by offering progressively higher prices. In reverse auctions, *sellers* compete for the right to sell goods or services by offering to sell for progressively lower prices.

A reverse auction may be used by the Government as a pricing tool during the procurement process. It generally allows the Government to view in real-time the position of each offeror. The software reveals to each anonymous offeror its relative position in the competition. Offerors have the opportunity to continually revise their prices in order to strive for the lowest offered price. The process is repeated until offerors stop revising their

prices or until the close of the auction.

Internet capabilities and the availability of on-line auction tools have provided the technology to conduct web-based reverse auctions with anonymous, visible, and real-time bidding that can be accomplished within hours. Although reverse auction pricing is not specifically identified in the Federal Acquisition Regulations (FAR), it can be accomplished in the context of “discussions” under FAR Part 15. It can also be used as the method of receiving offers or price quotes, and for conducting competitive sourcing under FAR Parts 8, 12, and 13.

Anonymity

Your anonymity will be protected. Please give us your candid responses.

Your Reverse Auction Experience Working for a Vendor(s)

1. I have participated in reverse auctions for: a) 0-1 year, b) 1-2 years, c) 3-5 years, d) 6-10 years, e) 11-18 years, f) More than 18 years.

In FY2007

2. In FY2007, I expect to participate in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

3. In the FY2007 auctions, the total dollar value of all auctions was (or will be) approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2006

4. In FY2006, I participated in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

5. In the FY2006 auctions, the total dollar value of all auctions was

approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2005

6. In FY2005, I participated in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

7. In the FY2005 auctions, the total dollar value of all auctions was approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2004

8. In FY2004, I participated in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

9. In the FY2003 auctions, the total dollar value of all auctions was approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2003

10. In FY2003, I participated in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

11. In the FY2003 auctions, the total dollar value of all auctions was approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2002

12. In FY2002, I participated in the following number of reverse auctions: a) 10 or

13. In the FY2002 auctions, the total dollar value of all auctions was approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2001

14. In FY2001, I participated in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

15. In the FY2001 auctions, the total dollar value of all auctions was approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

In FY2000 and earlier years

16. In FY2000 and earlier years, each year I participated in the following number of reverse auctions: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

17. In the FY2000 auctions, the total dollar value of all auctions was approximately: a)\$25k or less, b)\$25-100k, c)\$101-500k, d)\$501k-\$1M, e)\$1-5M, f)\$5-10M, g)More than \$10M

Your future plans or expectations:

18. In future years, our approximate annual use of reverse auctions is expected to be: a) 10 or fewer, b) 11-40, c) 41-70, d) More than 70

The questions below address your cumulative experience with reverse auctions:

19. What contract types were requested in the reverse auction competitions in

which you participated?

Select all that apply

- a. Fixed-price contracts
- b. Cost reimbursement contracts
- c. Incentive contracts
- d. Indefinite Delivery contracts
- e. Time and Materials, Labor Hours contracts
- f. Blanket Purchase Agreements, Basic Agreements or Basic Ordering Agreements
- g. Other, please explain

If you selected "Other," please explain:

20. What contract types are not practical for reverse actions?

Select all that apply

- a. Fixed-price contracts
- b. Cost reimbursement contracts
- c. Incentive contracts
- d. Indefinite Delivery contracts
- e. Time and Materials, Labor Hours contracts
- f. Blanket Purchase Agreements, Basic Agreements or Basic Ordering Agreements
- g. Other, please explain

If you selected "Other," please explain:

Please indicate the approximate dollar values (in whole numbers) for the supplies, services, or combination of supplies and services that you have attempted to provide in reverse auction competition(s)

(Bypass any that do not apply)

21. Building and Industrial in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

22. Furniture and Furnishings in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

23. Hospitality, Cleaning, and Chemicals in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

24. IT Solutions and Electronics in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

25. Laboratory, Scientific and Medical in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

26. Law Enforcement, Fire and Security in FY05 and FY06:

Approximate dollar value (in whole numbers without the

Range: \$1 - \$50,000,000

dollar sign) -- Bypass if not applicable

27. Military Equipment including Parts and Repair in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

28. Military Subsistence, including Clothing, Food, and Medicine in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

29. Office Solutions in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

30. Recreation and Apparel in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

31. Services in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

32. Tools, Hardware and Machinery in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

33. United Nations/Special Products & Services Category (UN/SPSC) in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

34. Vehicles and Watercraft in FY05 and FY06:

Approximate dollar value (in whole numbers without the dollar sign) -- Bypass if not applicable

Range: \$1 - \$50,000,000

35. Please indicate approximate percentages of reverse auctions (based on number of total auctions participated in) for which you've used each of the below hosting services (the total should add to 100%, but do not use percentage signs).

Total: 100

a. Advanced Purchasing Technology

b. Ariba/Freemarket

c. AUGURI/PROCUSOFT

d. CombineNet/ASAP

e. eDynaQuote

f. FedBid.com

g. Government hosted (no third party provider)

h. Hedgehog

i. lasta

j. IBM

k. InteSource

l. K2Sourcing

m. Procuri.com

n. Vendigital

o. It was not clear to me who was hosting the reverse auction (enter the percentage of those you were unsure about)

p. Any others? [if you put a percentage amount

here, please provide details in the following question]

36. If you chose "Any others" above, please explain and indicate the approximate percentage for each.

Enter your response

What benefits have you realized by participating in reverse auctions?

37. Increased understanding of current market pricing.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

38. Reduced administrative costs in preparation of price quote.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

39. Increased exposure to Government buying activities that my company would not have had in a traditional procurement.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

40. Resulted in a higher percentage of contract awards.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

41. Other benefit, e.g., ease of award, lower bid costs, same benefits as government buying activities (if you select this option, please explain in the following question)

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

42. If you chose "Other benefit" above, please explain.

Enter your response

Please indicate your level of agreement with each statement below.

43. Reverse auctions encourage new government suppliers to sell to the government.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

44. Reverse auctions encourage existing government suppliers to sell to the government.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

45. If multiple Government agencies could aggregate requirements and hold reverse auctions, I would participate more frequently.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

46. We would participate more frequently if there were a common federal reverse auction capability available for the government.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

47. We would participate in reverse auctions more frequently if there were a no-cost-to-us capability available through the Federal Supply Schedules Program or other Federal ordering vehicles.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

48. Does your company currently have a Federal Supply Schedule contract? If you choose "No," please jump to question 50.

Select 1

a. Yes

b. No

49. If you chose "No," above, please bypass this question.

If you chose "Yes" above, indicate your level of agreement: If the Government used reverse auctions to buy from a Federal Supply Schedules Program or other Federal ordering vehicles, I would participate in the reverse auctions to sell my product.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

50. Language should be written into the Federal Acquisition Regulations or Agency Acquisition Regulations to provide guidance on the use of reverse auctions.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

51. The Federal Government should promote the use of reverse auctions.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

52. The Government should provide procedural guidance to vendors that participate in reverse auctions.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

53. We intend to use reverse auction services in the future.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

Based on your experience, please indicate what you consider to be problems with reverse auctions:

54. The lack of awareness of reverse auction opportunities has been a problem.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

55. We have a company policy that discourages the use of reverse auctions.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

56. We think that reverse auctions result in unrealistically low prices.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

57. There is inadequate functionality of reverse auction service applications.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

58. We believe that the registration process adds too much time to the acquisition process.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

59. We need more technical assistance.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

60. We have concerns about meeting contract requirements at the awarded price.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

61. We are concerned about other bidders offering substandard products.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

62. We are concerned about the amount of the service provider fee.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

63. The solicitation response time is unreasonably short, compared with traditional procurements.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

64. The technical assistance provided for reverse auction software or website is not adequate.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

65. Our company lacks internal management support for use of reverse auctions.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

66. The Government provides insufficient reverse auction training to industry.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

67. There is inadequate training of Government participants in the proper use of reverse auctions.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

68. We have other concerns (please explain)

Enter your response

Please indicate your level of agreement on how the Government

69. Limit participation only to those vendors whose supplies or services have met specific minimum technical criteria.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

70. Provide functionality similar to that offered by Amazon.com® and Ebay.com®, where buyers can view summary statistical information and feedback about sellers.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

71. Standardize registration, procedures, and fee structures.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

72. Provide additional or expanded training and guidance to government acquisition officials.

SA-Strongly Agree A-Agree D-Disagree SD-Strongly Disagree

73. Please provide any other suggestions you might have to improve reverse auctions:

Enter your response

74. In six sentences or less, please provide any additional feedback you wish to give on your experiences with reverse auctions. For example, discuss whether or not you intend to continue to use reverse auctions, or describe an innovative use of reverse auctions and the outcome, or describe any best practices or lessons learned.

Enter your response

75. Please provide your company DUNS number (your company DUNS number will NOT be attributed to your response. It will be used to ensure that there is only

Enter your DUNS number:

76. Please indicate if we may contact you by providing your email address and phone number.

Enter your response

Thank you very much for taking the time to respond to this survey. Your input will be extremely valuable to the Office of Federal Procurement Policy (OFPP) in developing guidance related to reverse auctions. Your response will serve to improve Federal procurement processes.

Please click on "[Submit Survey](#)" only once!