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## **House Small Business Committee Hearing**

The Role of the SBA's 8(a) Program in Enhancing Economic Opportunities 11:30 A.M., Wednesday, September 18, 2019

Room 2360 of the Rayburn House Office Building

Testimony prepared by Dottie Li, Founder and CEO TransPacific Communications

Good morning Chairwoman Velázquez, Ranking Member Chabot and committee members of this distinguished committee. It is such an enormous honor to speak before you, it is an extra honor to appear before Congresswoman Judy Chu, chair of CAPAC, a leader in the Asian American community, along with Congresswoman Radewagen and Congressman Kim.

Almost one year into being an 8(a), TransPacific Communications, the company I founded and lead, has yet to receive an 8(a) contract. What is the reason? It's not due to lack of trying or hard work, but due to what I believe is a critical gap between the SBA 8(a) policy which is great and the operation in practice. Operational movement at agency level would greatly speed up the process for and enhance the flow for a new 8(a) firm like TransPacific Communications to obtaining 8(a) contracts.

In my testimony today in front of the committee, I will explain why I started my business, what the 8(a) experience has been (including the application process) and the expectations I have. And as a new participant, perhaps I may make a few suggestions to make the 8(a) program run better by reducing the gap between policy Congress intended and on-the-ground operations.

I started my business TransPacific Communications because of a desire to help non-native English speakers improve their communication skills, increase their confidence and raise the profile of talented, educated and highly motived members of the Asian American community and other immigrants in both the workplace and in society. This is not some grand intellectual exercise. This desire comes straight from my heart resulting from my own experience as an immigrant — a non-native English speaker who had her fair share of communication challenges in my early days in America.

I was born and raised in a small city of 5 million people in China. My hometown Hefei is the capital of Anhui province.

I was nine when I listened in secret to the Voice of America broadcasts, which helped to ignite a dream: going to America to be a broadcaster at VOA. Instead, I became a newspaper reporter in China first. When I eventually made my way to the United States, and after finishing my education, my very first job in my new country was as a VOA broadcaster.

I was struggling when I first came to the United States, initially it was the cultural shock and then it was the accent, my accent. Chinese is my first language. Later I was taught British English by Chinese teachers, so I spoke with a distinct English articulation over the remnants of Asian intonation. Then another layer of pure Southern molasses was poured on during the two-and-a-half years I lived in Mobile, Alabama. The word "pen" was coming out of my mouth sounding like "pay-un" by the time I moved north to Washington.

From VOA I went on to C-SPAN to produce coverage of many public affairs events, including Congressional hearings just like this one. I later made a transition to the other side of the media fence, first as a corporate spokesperson. This is when my life and career changed.

When I made my first professional transition, from broadcast journalism into the corporate world, I was lucky enough to be employed by a large company which valued me enough to pay for lessons to smooth out my speech. It was good for them, as I was their spokesperson. I was understandable, but that is not good enough for a high-level communications professional. I had to

sound better than that. I worked hard with a professional coach, and found "my" speaking voice, the one allowing me to sound naturally credible, and authoritative.

The extra effort was great for me. Not only did it help with my immediate work, it also opened my eyes to many of the things which are useful and even necessary for personal and professional success. It helped me take stock of my talents and attributes, and also the areas where I needed to sharpen up.

Because of that, I have to say that smoothing out my accent is the single best thing I ever did for my career, especially for someone in communications. I wrote a column about that in the *Path to Excellence* magazine, entitled *Accent-uate the Positive*. I am making the column available for the record.

It is one of the conundrums amongst some in the Asian American and other immigrant community, especially for those who are more recent immigrants, like myself. We excel academically, get good jobs, and perform well but fail to advance like many of our counterparts. A lot of this has to do with communication, perceptions and misperceptions, and lack of confidence in our ability to communicate.

This was when I saw a business opportunity. I had the entrepreneur spirit even back then.

I decided to be certified to train others so their careers could be transformed like mine was. And that was how I started TransPacific Communications. I had to become a quick study of being a businesswoman, learning on the job.

From there, TransPacific Communications has expanded beyond speech into breaking down wider cultural barriers. Barriers that exist on both sides of the cultural divide. Workers who don't understand their bosses. And bosses who don't get their workers. We have moved into serving several different industries, corporations and higher education, and some high-level personal client coaching in addition to serving federal agencies.

And that brings us to today, as I am here testifying about what I have been doing, supporting federal and private workforce as an 8(a) firm, with training that helps transform people's careers and lives.

I have met so many federal employees who saw the value in our training and the passion and dedication I brought to the work. They have given TransPacific Communications the opportunity to support its workforce to improve communication and to break down barriers. They understand what the benefits our service brings. They are champions to diversity and heroes in our corner. Ms. Carol Moulton, Director of Food and Drug Administration's Equal Employment Opportunity is one of them.

But even with their support, I had to find a way to grow and scale so we could help more federal workers and 8(a) appeared to be the solution for accomplishing this.

I started looking into the application process in late 2017 at the encouragement of my counselor, Mr. Richard Paden of Maryland Procurement Technical Assistance Center (PTAC). Mr. Paden had offered advice for several years, suggesting on a few occasions that we need to get our 8(a) certification to scale our business. Several of our clients also asked us to become an 8(a). So I went for it.

At that time, TransPacific Communications had been successfully awarded by federal agencies and other entities. They include the U.S. Department of Treasury, National Institute of Standards and Technology (NIST), Office of the Comptroller of the Currency (OCC), National Oceanic and Atmospheric Administration (NOAA), U.S. Department of Agriculture, many centers at the U.S. Food and Drug Administration (FDA), U.S. Department of Housing and Urban Development (HUD), the Army, the Navy, U.S. Consumer Product Safety Commission (CPSC), U.S. Coast Guard, U.S. Department of Commerce, Voice of America (VOA), Nuclear Regulatory Commission (NRC), National Aeronautics and Space Administration (NASA), U.S. International Trade Commission, the Federal Reserve Board, several institutes of the National Institutes of Health (NIH), Centers for Disease Control and Prevention (CDC), National Science Foundation (NSF), Fort Manmouth, Fort Belvoir, Defense Logistics Agency (DLA), Defense Threat Reduction Agency (DTRA), Defense Security Service (DSS), National Transportation and Safety Board (NTSB), U.S. Patent and

Trademark Office (USPTO), Federal Housing Finance Agency (FHFA), Fannie Mae, The United Way Worldwide, Aeroteck, United States Pharmacopeia Convention, Sodexo, The World Bank, RegenxBio, the George Washington University, John Hopkins University and the University of Maryland at College Park, etc.

These mostly are through simplified acquisition and direct orders because we didn't have any vehicle other than the fact we're a woman-owned small business. We provided training services to help their employees improve communication, build better teams, stellar brand and become more culturally competent in a multicultural and multiethnic workforce.

I strongly support the purpose and promise of the 8(a) program to remove barriers for small minority or women entrepreneurs to compete for and win federal contracts. The success of my company's participation can be measured by the enhanced ability of federal employees to improve their communications skills and provide better service to the public and be able to be considered for promotion and advancement. We all know that accent discrimination is illegal under Title VII of the Civil Rights Act. But it remains. Some accents, like Dr. Henry Kissinger's, may be valued over others. The 8(a) program provides the level playing field for me and other small women-owned or minority-owned entrepreneurs to provide our services to strengthen the federal government's capacity to serve all Americans.

Our service provides a solution to agency's challenges and problems in bridging cultural differences and supporting their diverse workforce's career development. ADM T.W. Allen of the United States Coast Guard commended our work: "Your excellent work emphasized the powerful message on the importance of diversity, multiculturalism and inclusion in the total workforce community. Your efforts will help the U.S. Coast Guard become a leader in diversity management within the federal government and the model for the nation."

Now back the 8(a) application. The process was daunting and too long. I was blessed to have the support of many people and their expertise. A former SBA official gave me some insightful guidance, a friend who introduced me to officials overseeing the 8(a) certification, other 8(a) firms provided testimonies. And there is a wonderful federal client who wrote in to support us. I have

another friend who is a federal agency's contracting director who also provided invaluable help. The list goes on and on. We sent in the application.

Despite all that support and my own work with the application, the waiting game eventually got old. Not knowing where your application was and what to do was not fun. I eventually cornered a high-level SBA official who texted the staff to track down where my file was. Another SBA official, a friend's friend intervened and introduced me directly to the person who handled my file.

Ms. Andrea Choy was truly heaven-sent. She was professional, courteous and helpful. It made me feel so proud knowing my tax dollars were at work through her and others at SBA. As a matter of fact, I always make a point to tell each and every SBA person I come across at many vendor outreach sessions how impressed I am with their professionalism. They all give me the same answer: we are just doing our job!

After going back and forth with Ms. Choy on additional documents for a couple of times, on September 25, 2018, we finally received the notice that TransPacific Communications became an 8(a) certified firm. I was elated. Another reason for my happiness was I had worked behind the scenes with a federal agency to line up an 8(a) sole source BPA contract. I thought once we have the 8(a) certification, our first 8(a) BPA contract would be ready to go. I began planning, allocating resources and staff. But nothing happened. And the period of nothing stretched on even longer with the government shutdown last year, which further delayed that contract.

So far I'm not all that favorably impressed with my experience of getting our first 8(a) contract. Almost 12 months later, we have yet to receive one, despite our best efforts.

Because of the hard lesson I learned, I thought I'd offer some suggestions in hopes that this process would be improved incrementally to make it better and easier for other new 8(a) companies.

One suggestion is to put a check-in mechanism in place that allows the 8(a) firm to move in a timely fashion. It would also hold agencies accountable while SBA provides oversight to avoid 8(a) firms being left dangling.

Another suggestion is to bridge the gap between policy and operation by empowering operations. Operational movement is critical in order for 8(a) firms to successfully obtain contracts.

Agencies conduct many Vendor Outreach Sessions where most representatives of Office of Small and Disadvantaged Business Utilization (OSDBUs) attend. However, vendors including TransPacific Communications need to talk to program officials directly. There is a missing link between OSDBUs and the program. These VOSs take a lot of time and efforts and we want to maximize our resources to make these events beneficial and successful for both agencies and vendors.

Promoting the success and ameliorating the potential for discouragement of 8(a) contractors requires a high degree of coordination, collaboration and teamwork among SBA, contracting agencies and the 8(a) participants. After my own experience of almost a year of being certified but not gaining any contracts as a result of certification, I know how daunting it is for women and minority entrepreneurs to persist with federal contracting.

Specifically, I would recommend strengthening the mentoring of 8(a) participants both during the contracting process between contractor and subcontractor and outside of any contract relationship. Majority-owned firms should be given recognition for mentoring 8(a) participants irrespective of whether the 8(a) participant is included in a particular contract. Of course, subcontracting with 8(a)s should be given even greater weight in awarding contracts.

The 8(a) program is a race of time, for only 9 years. Our 8(a) race started on September 25 last year. I'm wiser, but still excited and have hope for the program. It has given us a good platform as we wait to see the full potential it will bring to us. It's a sobering experience. My expectation and understanding is that the 8(a) certification would truly give small and disadvantaged businesses like TransPacific Communications a boost and help level the playing field so we can scale and grow; more importantly to contribute to our economy, and to fulfill the mission to serve others. I'm not naïve thinking contracts will be landing in our laps. There are always roadblocks and barriers, and we're ready to take on the challenges.

I'm truly grateful to be in the SBA 8(a) program. I have spoken to enough 8(a) firms and contracting officers to know there is hope. We need a first 8(a) contract to break through. I still trust and believe the core of the program is to give small businesses the access we need. On the operation side there are areas for improvement, to be more fine-tuned, redesigned and reworked to make it run better and more efficient.

The clock is ticking on this 8(a) race. We lost some very precious time. Our goal is to win more contracts through this vehicle because we have a mission to support more of America's workforce, both the employees who wish to reach their professional and personal potential, the managers who are demanding the best work from the best teams.

I'm more determined today than that nine-year-old girl in China. More fierce, more focused, more driven, with more power, wisdom, savvy, success, know-how, skills, expertise and an 8(a) certification to boot, not to mention a village of supporters, to pursue my mission in life.

Speaking of supporters, I'd like to acknowledge the President and CEO of National ACE, Chiling Tong who recommended us, and VP of Development Daniel Oliver. Executive Director of the White House Initiative on Asian Americans and Pacific Islanders, Holly Ham and Senior Advisor Dr. Debra Suarez. National Director of the Minority Business Development Agency Henry Childs. Administrative Director of the Maryland Governor's Office of Community Initiative, Christina Poy. Director of Maryland PTAC, Denise Warner and Counselor Richard Paden. Director of Training at Maryland SBDC's Russell Teter and Counselor Mark Wells. Some of our federal clients are here. Many individuals also helped me get ready for today are online watching. Finally, my family members, my loyal Asian American community and many other individuals who have supported me on this journey.

Chairwoman Velázquez, Ranking member Chabot and distinguished committee members, thank you again for giving me the opportunity to share TransPacific Communications' 8(a) experience. I hope my perspective as a new 8(a) company owner and suggestions will be helpful to the committee in addressing the gap between policy and operation. It is a great privilege to testify today. Thank you for listening.