

CITIES AS CLIENTS

Selling to Cities & Navigating Procurement

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AGENDA

- Introduction
- Background & Experience
- Selling to Cities
 - Best approaches, lessons learned, & stories
 - Mayors, Executives, & Elected's
- Navigating Procurement
- Q & A

CIVIC INNOVATOR – CITY HALL

- **2008 – 2016 Employed in City Hall in Richmond, VA**
 - Implemented:
 - 311 Call Center & RFP for CRM
 - SeeClickFix, NextDoor, & other civic tech apps
 - Open Data Portal
 - Led innovation projects:
 - IBM Smarter Cities Challenge
 - Fuse Corps Fellowship
 - Code for America

CIVIC INNOVATOR - CONSULTANT

- **Created own consulting business – Civic Innovator**
 - Innovation Strategy leader
 - Civic Tech advisor
 - Design Thinking coach
 - Creativity Facilitator
 - Startup mentor
- **Worked with:**
 - German Marshall Fund, Bertelsmann Foundation
 - Cities of: Athens, Greece, Warsaw, Poland, and the EU

SELLING TO CITIES

The Art of the Deal

HOW CITIES DEFINE R.O.I.

- Many companies focus on the attractive shiny new platform or technology
- Benefits range from efficiencies, Smart City tech, to ROI
- Try sample 'pilot' to test and prove impact
 - Risky. Dependent on their support, access, & understanding.
- Mayor support doesn't always mean Administration support

OPENGOV & RICHMOND

- OpenGov platform was in advanced negotiation with City leadership
- Budget and finance support
- Filled a needed gap in public access to city finance data
- Stuck in negotiations
 - OpenGov was pitching the ROI of the platform
 - City leadership doesn't understand or equate 'savings' to justify decision
 - Stuck negotiating price, options, and details.
- **SOLUTION?**

HOW TO PILOT YOUR TECH

- Define success – both yours and theirs
- Define needed roles, frequency, data, etc.
- Set realistic expectations & timelines– you are looking for a test partner here
- Do not oversell: this is a free test of your product, not a \$ transaction
- Target different sized cities – scalability differs between cities
- Focus on the case study/white paper. Prove it works!
- Be ready to compete once pilot is finished!
- Prepare draft of requirements for future RFP

REGISTER YOUR COMPANY, PARTNER

- Many startup tech companies are not ready to contract with governments
- In US, registration and approval to be a vendor is required by the State/GSA
 - Can be laborious and time-consuming
 - Doesn't always generate business
 - Set realistic pricing of your product & services, check process to update costs
- Explore partnering with existing business
 - Socrata and the GSA contract, piggyback contracts
- SWAM - Small, Women-owned, and Minority-owned Businesses preferred

MAYORS, ELECTED'S, ADMINISTRATION

- Target Mayor's and Elected Leaders at conferences
 - New, shiny, buzz-word supporting tech and products work best
- City leadership & Administration very different
 - Integration with existing systems
 - Designated resources to support
 - On-going maintenance & upkeep costs
 - If customization is needed, be ready for a fight
- Prove you can hang with the usual tech partners!

NAVIGATING PROCUREMENT

The Do's & Don'ts of Public Purchasing

DATA, DATA, DATA

- Every contract focuses on ownership of the data, application, & its data
- Leverage Open Data as much as possible
 - If Data required to use is defined as FOIA'able, then its open
- Chain of Custody – who owns data after you get, create, or generate data
- Security of Data – varies from locality to locality
- WIIFM – What's In It For Me
- Why am I going to help you make more money?

SEECCLICKFIX SAGA

- Started use in Richmond in 2008
- Unknown to city leaders
- Integrated into 311 Call Center in 2010
- By 2014, Richmond was in top 5 users nationally
- Our feedback, advice, and input helped then generate new business, products, services, and other improvements
- Why are we paying SeeClickFix when we are making them money?

TERMS & CONDITIONS

- The inevitable end to almost any negotiation
- Indemnity – risk avoidant especially for external tools
- Ownership of data/information
- Security
- Customization
- Training
- Upgrade internal system, do they have to pay again?

BEING CREATIVE WITH LEGAL

- Lawyers are not known for being creative, especially in public sector
- Many will tell you NO because they can
- Ask questions to support finding you how:
 - If this option/process will not work, what might make it work?
 - How can we get to a point to work together?
- Using the fact that the Mayor or Elected wants it doesn't always help.
- Know what you are willing to give up or say yes to.

FORCING THE ISSUE

- Guerilla style implementation – make City's have to use your stuff!
- SeeClickFix – once the public uses it and it works you can't stop it
- Bird Scooters – once they descend on a city, you can't take them away
- While effective, puts you in the back of the line if successful
- Frustrates leadership as they now 'have' to work with you
- Can lose bargaining position in future negotiations

RFP'S: REALLY F*%\$ING POINTLESS

- Most city leaders do not know what to ask for in an RFP
- Process can take up to a year to complete
 - Not a good life-cycle for a startup business to be successful
 - Designed for companies that can handle the process
- Some states/cities have three-bid process
- Prepare the Statement of Work, Requirements, etc
- Make it as easy as possible to avoid an RFP
- Minimum/Maximum Value for contracts key:
\$50,000/\$100,000/\$150,000

WAY'S TO AVOID RFP'S

- Annual renewal for services – subscription based
- SAAS – software as a service
- Bill by population size – tiered based upon number of potential users
- Know the procurement thresholds – price your services to be below
- Separate core functions into separate products – helps with thresholds
- Know your value – put that in your State/GSA pricing
 - Discount to earn support, show how much you want to work with them,
 - But not too much! Cheaper it too much and they can tell.
- Know your competitors, show you can not only compete, but beat them.

QUESTIONS & ANSWERS