

Build a Winning SLED Strategy

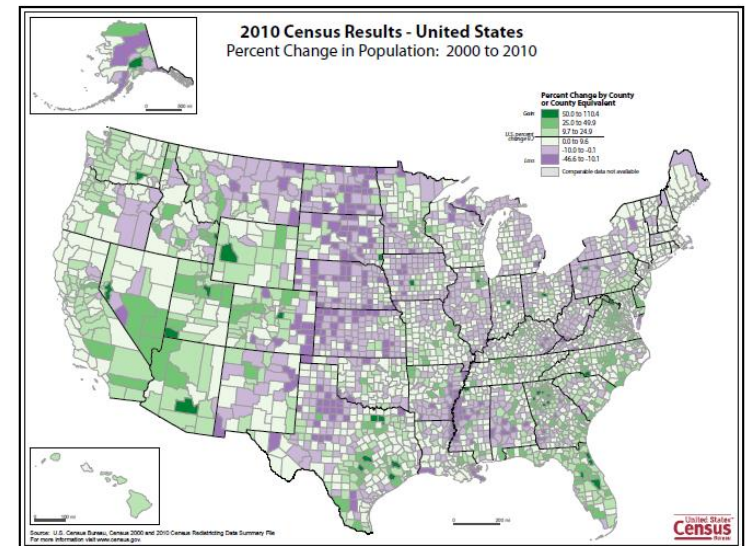
GovWin
from Deltek

Xchange SLED General Session
May 24, 2016

Chris Dixon, Sr. Mgr.
Deltek SLED Market Analysis

The SLED market is vast.

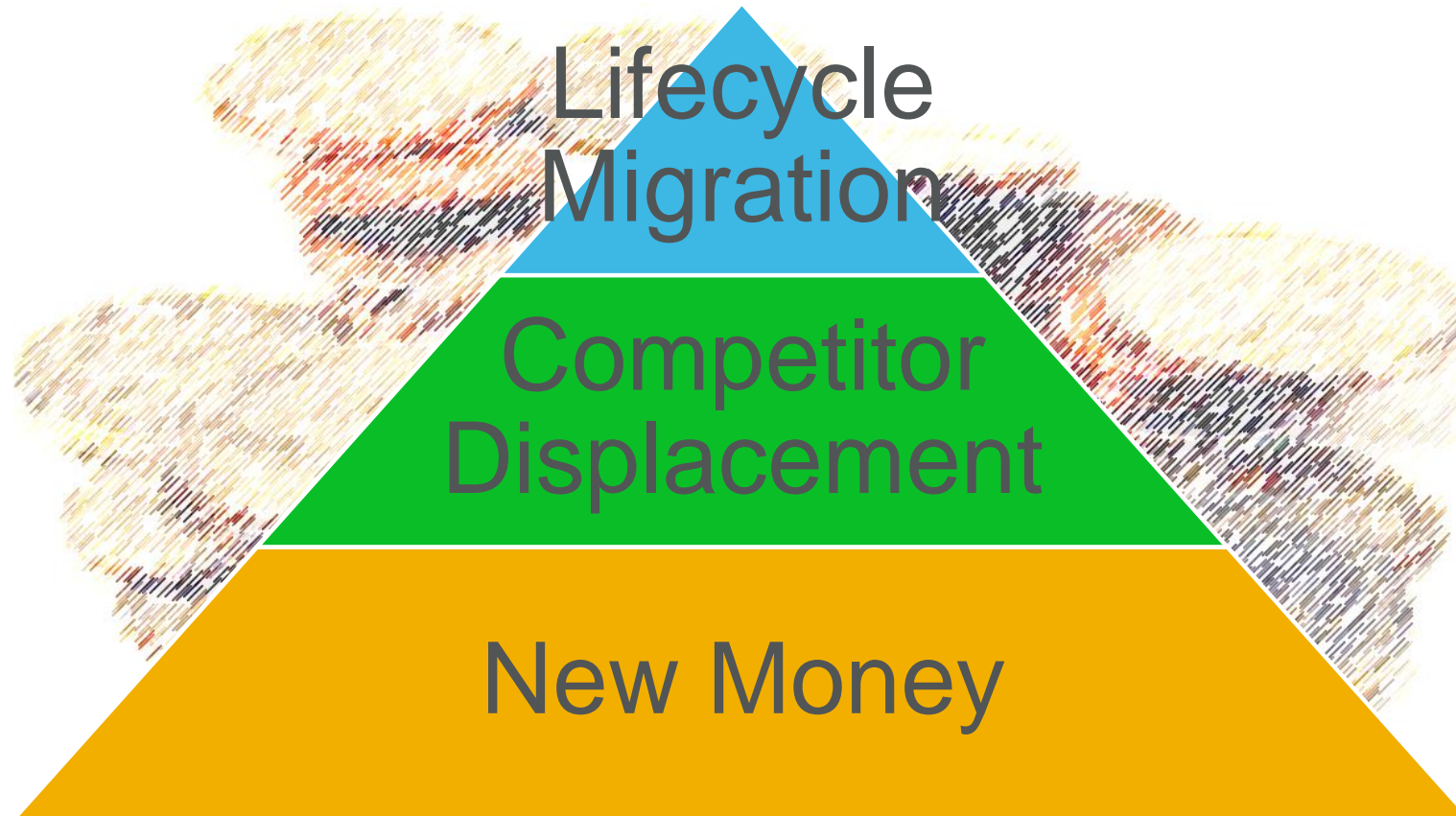
- 50 states (plus DC) serving the entire US population (320 million) and employing 3 million workers
- 36,000 municipalities and 3,000 counties serving the entire US population and employing 7 million workers
- 13,600 public school systems serving 49.5 million students and employing 6 million teachers, assistants, and administrators
- 1,600 public higher education institutions serving 15 million students and employing 2.5 million instructors, assistants, and administrators



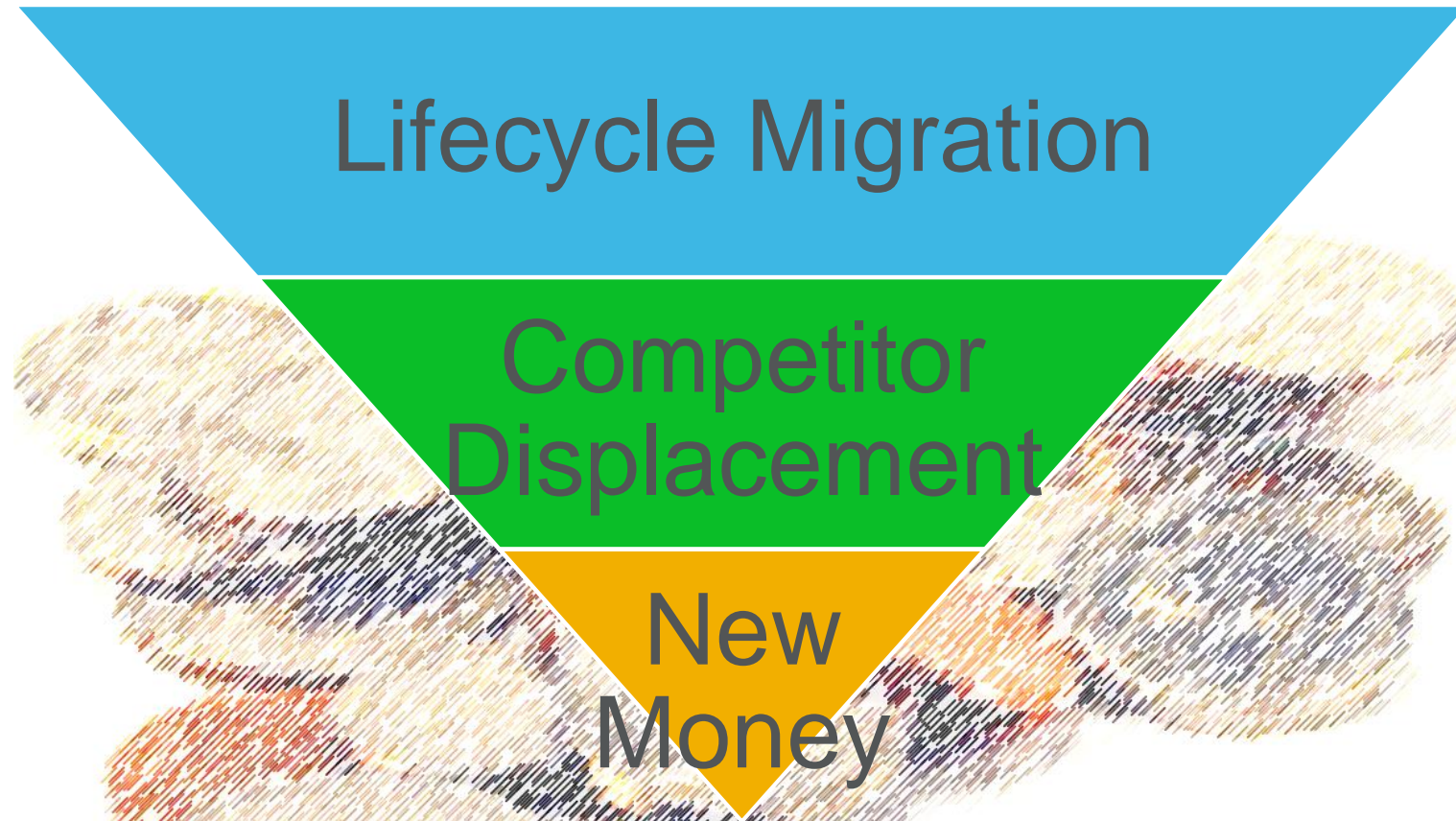
SLED business development is like hunting bison.



Many BD strategists think this is the market pyramid.



But this is more like it.





What drives a **HOT** market?

MONEY that will fund it.

“ New taxes, the fed, a legal settlement, a budget surplus

POLICY that mandates it.

“ Congressional legislation, governor's order, council directive

TECHNOLOGY that disrupts it.

“ Virtualization, mobile phones, cloud services

PUBLIC demand for it.

“ Body-worn cameras, parking app, online bill payment

What does a **HOT** market look like?

Highly Coordinated

Similar buyers seeking similar solutions to address a common policy concern

Geographically Widespread

Buyers coming to market nationwide

Reasonably Rapid

High rate of purchasing and potential market saturation.

Big Shift #1: E-Rate 2.0

MONEY

\$3.9 billion per year plus own-funding sources.

“ Consumer telephone fees targeted toward lower-income schools

POLICY

FCC E-rate Modernization Order

“ To ensure that 99% of American students will have access to next-generation+ broadband by 2018.

TECHNOLOGY

Category 2 Broadband Internal Connections+

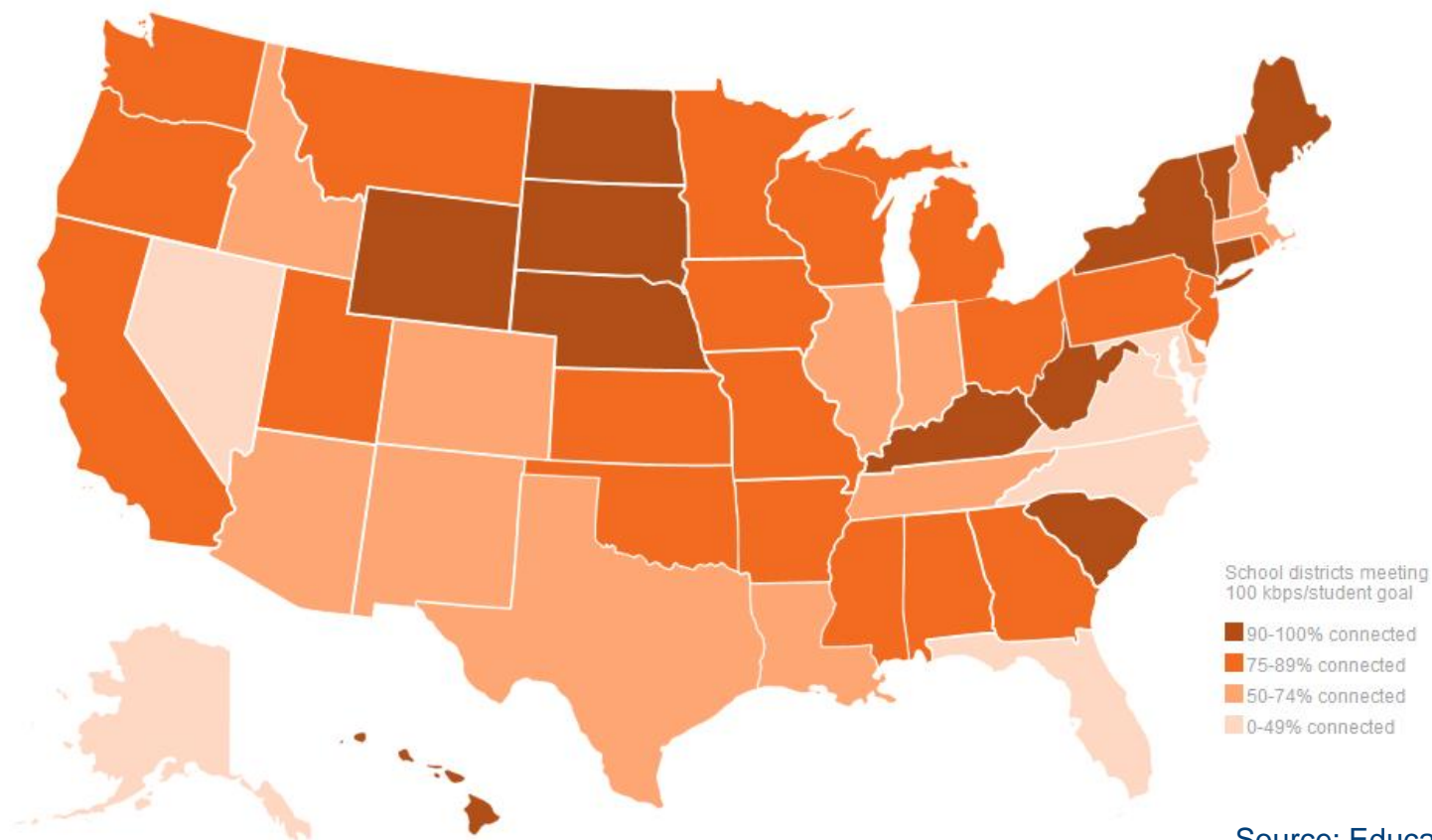
“ LAN access points, internal connections, caching, firewalls, switches, routers, racks, UPS, wireless controls, software for distribution

PUBLIC

39 governors committed to E-Rate 1.0

“ Roughly 80% of E-Rate 1.0 goals was achieved.

School Districts Meeting FCC Minimum of 100 kbps of Internet Access/Student, FY 2015



Source: EducationSuperHighway
GovWin
from Deltek

Big Shift #2: FirstNet

MONEY

TBD

“ Money for next generation communications might have to rely on lifecycle migration.

POLICY

The fed can incentivize but can issue no mandate.

“ Policy has been handcuffed by technology and culture for decades.

TECHNOLOGY

Mobile communications evolve at breakneck speed.

“ Public safety has been locked into 1960s and 1970s infrastructure.

PUBLIC

All 50 states and DC are committed (for now).

“ Everyone wants it, but the particulars are still being sorted.



FirstNet: Grassroots Opportunities

- **Hardening** will look at towers and antennas, power supplies, temperature control and the physical and electrical connections from the network to the user devices.
 - We also plan to determine how best to address hardening for **data centers, aggregation points and servers.**
- When the FirstNet network is initially deployed, it will provide mission-critical, high-speed data services to **supplement** the voice capabilities of today's LMR networks. FirstNet users will be able to send and receive **data, video, images, text**, as well as use voice applications. In time, FirstNet plans to offer **Voice over LTE (VoLTE)**. VoLTE can be used for daily public safety telephone communication.
- If needed, FirstNet intends to make it possible to **shift capacity** to different parts of the network.



Big Shift #3: Smart Cities

MONEY

No major funding streams have been created.

“ Smart technologies will have to be funded out of existing budget allocations.

POLICY

Each city or county decides on whether to have a %smart+ plan.

“ A national movement does seem to be emerging as cities seek to %brand+ themselves in order to better compete in the global economy.

TECHNOLOGY

Numerous technologies can serve %smart+ purposes.

“ Everything from %big data+ to street lights (IoT) can play a role in making a city operate smarter or provide a higher quality of life to its residents.

PUBLIC

A key segment of each city's populace is tuned in to this.

“ Mayors and other elected officials are highly attuned to this group.



Big Shift #4: Cybersecurity

MONEY

Every enterprise spends 1.0% to 2.0% on cybersecurity.

“ The fed has sought money to support its own cybersecurity efforts as well as some aid to states, but Congress has not even fully funded the federal outlay.

POLICY

Every entity has adopted generally accepted policies.

“ The current focus area for each entity can vary widely based on funding and priorities.

TECHNOLOGY

Cybersecurity tools are moving to the cloud.

“ Governments struggle to afford the personal expertise in this highly dynamic environment.

PUBLIC

Everyone wants public assets to be secure.

“ No real constituency exists to force the issues outside of practitioners and vendors.

Big Shift #5: Body-Worn Cameras (BWCs)

MONEY

Each agency funds them on their own.

“ The fed has offered limited funds to double national use of BWCs to 150,000.

POLICY

Nearly every agency uses cameras to some extent.

“ Use of BWCs will depend on public demand for them.

TECHNOLOGY

Cameras are getting better and cheaper all the time.

“ Storage is getting cheaper but the pace of video capture and cost of management is growing much faster.

PUBLIC

Demand varies by jurisdiction but is broadly evident.

“ It remains to be seen as to whether the public furor dies down and BWCs begin to lag into an extended lifecycle.

