12-9-1968

**Concentrated Course in Subcontracting**

Marshall-Wythe School of Law

Federal Publications Inc.

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COLLEGE OF WILLIAM & MARY

SUBCONTRACTING
THE ELEMENTS AND INTRICACIES OF PURCHASING BY / AND SELLING TO / PRIME CONTRACTORS

December 9-13, 1968

PRESENTED BY THE MARSHALL-WYTHE SCHOOL OF LAW IN cooperation with FEDERAL PUBLICATIONS INC.
From the Dean’s Office

"a straight, but demanding, road to learning"

Gentlemen:

Late last year we introduced here in Williamsburg (in cooperation with Federal Publications Inc., publisher of procurement aids such as "The Government Contractor") a completely new one week course—Subcontracting. A second session has since been held by Federal Publications on the West Coast. In this short space of time over 300 people have attended—and their comments (some of which are set forth in this brochure) evidence, more appropriately than any words of ours, the worth of the course. We are, therefore, pleased to again offer this unique program.

In determining whether Subcontracting is a course which you may wish to attend, we suggest that you consider the following factors:

- The program of instruction—developed by Henry B. Keiser (Federal Publications’ President) and Edward A. Babineau (a specialist in subcontract management)—is thorough and wide ranging, blanketing the critical aspects of subcontract operations.

- It has been planned to consider all significant viewpoints—those of the seller and the buyer; the representative of industry and of the Government; the administrator, the executive and the lawyer.

- Finally, and most significantly, it requires the registrant to work as hard as the faculty, in order to absorb the mass of information which is disseminated during the week.

The particulars of the course curriculum are set forth on the following pages. Should you wish to tread its straight, but demanding, road to learning, we welcome you.

Faithfully,

Joseph Curtis, Dean
Marshall-Wythe School of Law
**Features of the Course**

**Time and Intensity**
Realizing that it is most difficult for the busy executive to be away from his office, we have limited the Course to one week and — within that restricted time frame — have packed 38 full hours of day and evening instruction. The dates: December 9-13, 1968.

**Scope**
The program of instruction is (to the best of our knowledge) the most complete ever offered in this particular field. Its overall coverage is broad, but its treatment of each individual subject is detailed — and practical considerations (along with practical working aids) are stressed. You are thus schooled in all significant phases of purchasing and subcontracting — from the basic organization of a prime’s subcontracting department, through administration, legal considerations, Government requirements, subcontract types and terms, source selection, negotiation, disputes, terminations, payment techniques and other special problems. Moreover, all sides of the problems are presented — the prime’s, the sub’s and (where appropriate) the Government’s. In short, the Course is designed to provide you with a wide range of ever-valuable working knowledge in subcontracting.

**Faculty**
We have gathered together, from all parts of the country, men of varied backgrounds: some represent the Government, some represent industry, some represent prime contractors, some represent subcontractors, some are lawyers, some are administrators, some are program managers, some are executives and some are educators. But they all have one thing in common — they are specialists in one or more aspects of subcontracting. And they have graciously consented to give of their time and talent to further the objectives of this educational program.

**Lectures and Special Clinics**
To provide you with the most information in the shortest possible time, plus the opportunity to discuss your particular problems, a combination of formal lectures and special Clinics has been devised. Information-packed lectures — 3 hours each in the morning and afternoon — are given each day (except Friday, which has a morning lecture only). These are followed by 2-hour Clinics (3 hours on Friday) in which the day’s instructors, plus additional Government and industry experts, will answer your questions — consider your problems — concentrate on particular aspects of their subjects which are of interest to you. The result: a balanced program of general instruction and individual counseling.

**Course Materials**
Over 650 pages of printed materials — including time-saving checklists, guideline memos, sample forms and suggested clauses — have been specially prepared for distribution to the attendees. The purpose is two-fold: to relieve you of the burden of taking voluminous notes, thus freeing you for greater concentration on the words of each lecturer; and to provide you with a source-book of continuing value.

**Certificate**
A handsome Certificate of Completion from the College will be issued to those who faithfully attend and successfully complete the Course.

**Facilities**
All sessions of the Course will be held in the Virginia Room of the new Williamsburg Conference Center — which incorporates the latest electrical, visual, acoustical, and furnishing features.
Curriculum & Faculty

COURSE DIRECTORS  Paul H. Gantt, Chairman, Board of Contract Appeals, Atomic Energy Comm.  
Edward A. Babineau, Senior Contract Specialist, The Raytheon Company

ADMINISTRATOR  Professor William F. Swindler, Marshall-Wythe School of Law

DAILY SCHEDULE  Morning Lecture  ⚫  Afternoon Lecture  ⚫  Special Clinic
9:00-12:00 A.M.  1:30-4:30 P.M.  4:45-6:45 P.M.

Wednesday evening  7:00-8:30  • Reception for registrants and faculty
Friday afternoon  1:30-4:30  • Special Clinic (No Friday afternoon lecture)
Refreshments  • Served daily at mid-morning and mid-afternoon recesses

LOCATION  Virginia Room, Williamsburg Conference Center, Williamsburg, Virginia

Monday, December 9

8:00  REGISTRATION
8:45  OPENING CEREMONIES
9:00  TYPES OF SUBCONTRACTS
     Consideration of various subcontract types: fixed-price, cost, incentive, time and materials, redeterminable, etc. How each type is formed, its precise application and performance characteristics, its allocation of risk, its cost and profit features. When, and under what circumstances, should each type be used—relationship of the subcontract to the content of the prime. Specific study of profit determining techniques such as weighted guidelines, performance incentives, award fee, value engineering incentives. Teaming agreements, associate contractors, and other special arrangements.
Raphael Mur, Asst. General Counsel: Grumman Aircraft Engineering Corp.

1:30  LEGAL ASPECTS OF SUBCONTRACTING
     Detailed consideration—from the standpoint of both the prime contractor and the sub—of the Uniform Commercial Code’s effect on the execution and performance of subcontracts, including the Code’s relationship to everyday operations. When is a subcontract formed; what determines its precise terms; and how is it to be interpreted. Use of purchase orders as subcontract documents; advantages and dangers of standard purchase orders; the “battle of the forms.” The letter subcontract.
Henry B. Keiser, President: Federal Publications Inc.

4:45  CLINIC
     Messrs. Mur and Keiser
Harry Benoit, Director of Contract Operations: Barnes Engineering Co.

Tuesday, December 10

9:00  SUBCONTRACT TERMS & CONDITIONS
     A thorough and precise study of standard and not-so-standard critical subcontract clauses — evaluating their advantages and disadvantages to both the prime and sub. What each party should try to include in the subcontract,
what each should resist, why, and what alternatives can be offered. The “real world” of terms and conditions negotiation; guidelines for analyzing subcontract provisions; pitfalls and recommended practices. Required “flowdown” clauses in Govt contract situations.

Norman P. Singer, Vice President—Contracts: Allied Research Associates, Inc.

1:30 SELECTING THE SUBCONTRACTOR
Methods of locating, evaluating and selecting subcontractors for both standard and sophisticated procurements. Bidders' lists, pre-award surveys and other techniques. How to structure requests for subs' proposals—and how to use subs' quotations in preparing the prime's proposal (prior to award of the prime contract). Step-by-step procedures in conducting competitive bidding (between subs) for negotiated subcontracts. The “bidders' conference” for prospective subs. Detailed instruction in the methods and formulae available for evaluating subs' bids and proposals (including sample evaluation checklists and scoring forms).

Kenneth B. Gay, Vice President—Material: North American Rockwell Corp.

4:45 CLINIC
Messrs. Singer and Gay
Overton A. Currie, Partner: Smith, Currie & Hancock

Wednesday, December 11

9:00 ADMINISTERING SUBCONTRACTS
How to organize a subcontracts department for both Govt and commercial business; training subcontracting personnel and evaluating their performance; practical methods of measuring the effectiveness of your subcontracting operating, Planning and procedures for materials management and administration of subcontracts. Establishing, and effectively operating, communications channels with subs and within your organization. Negotiating changes; procedures for change control. Monitoring subs' performance; techniques of dealing with subs. Problems caused by lower-tier subs. Schedule slippage and cost overruns.

Edward J. Renner, Jr., Manager, C-5 Procurement: Lockheed-Georgia Co.

1:30 GOVERNMENT REQUIREMENTS
Government-prime-sub relationship: basic Govt subcontracting policy; the “privity” concept. Govt evaluation, approval and surveillance of prime’s overall purchasing system. Small business and labor surplus area subcontracting programs. The “make-or-buy” problem: Govt policy and the prime’s make-or-buy evaluation and decision procedures. Cost or pricing data requirements—“truth in negotiations” and its complications in subcontracting situations. Technical data policies and problems.

Gilbert A. Cuneo, Partner: Sellers, Conner & Cuneo

4:45 CLINIC
Messrs. Renner and Cuneo
Stanley D. Zemansky, Director of Materiel: Martin Marietta Corporation

7:00 RECEPTION
Hosted by the sponsors—for the faculty, the Course registrants, and their wives—from 7:00-8:30 in Rooms A & B, Williamsburg Conference Center.
Thursday, December 12

9:00 DISPUTES, TERMINATIONS & SPECIAL PROBLEMS
Disputes involving the Govt, the prime and the sub; how to handle "indirect appeals" by the sub (including recommended subcontract appeal provisions). Problems involved in default and convenience terminations of subs (a) under Govt prime contracts and (b) under ordinary commercial prime contracts —including, causes of default, excuses for default, analysis of convenience termination procedures, settlements, etc. Methods of payment to subs: advance payments, progress payments, loans, assignments and transfers, etc. Other special problems.
Walter F. Pettit, Partner and Thomas W. Kemp, Associate
Miller, Groezinger, Pettit, Evers & Martin

1:30 PLANNING FOR NEGOTIATION
Evaluating the issues and objectives of the particular negotiation. Precisely defining and recording your negotiation position (optimum and minimum) on each point in advance of the negotiation. Selecting your negotiation team, training them, and planning your negotiation strategy. Explanation (and guidelines for use) of key negotiation tools such as price analysis, cost analysis, improvement curves, value analysis, etc. Documentation; preparation and utilization of charts, graphs and other "visuals."
James W. Hurlbut, Assistant Director: Sylvania Electro-Optics Organization

4:45 CLINIC
Messrs. Pettit, Kemp and Hurlbut
Joel P. Shedd, Vice Chairman: Armed Services Board of Contract Appeals

Friday, December 13

9:00 THE ART OF NEGOTIATION
A realistic presentation of negotiation techniques—the drama, the drudgery, the dangers. Analyzing the opposition—its psychological motivations, business and personal pressures, legitimate objectives, probable “last ditch” positions. Classical attitudes and negotiating devices of the buyer and the seller. How to set the stage, establish dominance, and carry through to a conclusion. A cataloging of “plays”—including the waiting game, question-and-answer dialogues, keeping the opposition off balance, bargaining devices, jockeying for position, end-running the roadblocks, humor, righteous indignation, feigned ignorance, the non-final last offer, etc. Selling your organization’s image and objectives. Settling down to hard-nosed bargaining. Concluding the negotiations; executing a memo of agreement.
E. K. Gubin, Esquire: Attorney at Law

1:30 CLINIC
Mr. Gubin
Edward A. Babineau, Senior Contract Specialist: Raytheon Company
Evaluations from professionals who have attended

By far the best course of its type anywhere—written materials excellent—lecturers outstanding—considered it a privilege to attend. Robert E. Warthan, Newport News Shipbuilding & Dry Dock Co.

One of the best I have ever attended. Will provide assistance and guidance on a daily basis. J. J. Kennedy, RCA.

Cannot recommend too highly for either neophyte or “old hand.” Edward J. McElliot, Chamberlin Mfg. Corp.

Excellent—an opportunity which is seldom offered. David McMillen, J. J. Henry Co.

Will recommend to my management that all our contracts people attend your seminars. John A. Gittle, Jr., Texas Instruments.

Exceptional! Bertram Balch, Jr., Atlantic Richfield Co.

My company obtained its money’s worth with my attendance. E. G. Prain, Cutler-Hammer.

Valuable to anyone involved in Govt contracting. Thomas Gikas, National Academy of Sciences.

Course was fast-moving, sincere and useful on an everyday basis. The best I’ve seen. Duane E. MacLeod, Federal Electric Corp.

Extremely well planned, informative and worthwhile. Look forward to other courses given by this organization. Danforth Joslyn, Optical Coating Lab.

Top-notch authorities in the fields covered—excellent learning atmosphere prevailed throughout. E. C. DeHart, Hoffman Electronics Corp.

Written material is probably the most useful tool a subcontract administrator can find under one cover. Larry Pennison, Teledyne.

Comprehensive and well thought out; good balance of theory and practice; very complete. Robert A. Perry, Raytheon Co.

Written materials along with professional speakers provided an excellent program. Eugene T. Napolitan, University of Michigan.

A cogent presentation, understandable to all. Charles H. Gifford, General Dynamics.

Excellent! David J. Marker, General Services Administration.


Was a privilege to attend such an outstanding course—extremely useful to contractor and Govt personnel associated with subcontracting. Don M. Thau, Naval Air Systems Command.
REGISTRATION Fee for the Course, including all instruction materials, is $250 ($275 after November 24, 1968). To register, mail the accompanying application form to the Washington, D.C. building address stated thereon, along with a check payable to Subcontracting Course. Registrations will be accepted in the order of receipt, are limited by the capacity of available facilities, and may not be cancelled after November 24, 1968.

ACCOMMODATIONS Blocks of rooms, in the Williamsburg Motor House and Williamsburg Lodge, have been reserved for Course registrants at the following special rates (not included in the registration fee): $12-$14 single occupancy; $16-$18 double occupancy. A room reservation form will be sent to you upon receipt of your Course registration. Free transportation is provided between The Motor House and the Conference Center (the Lodge is connected to the Conference Center).

MAIL & MESSAGES Registrants should arrange to have all mail and phone messages directed to their lodgings in Williamsburg. There are no facilities for delivering messages to the registrants during Course sessions.

FURTHER INFO If additional information is desired, contact: J. K. Van Wycks, Seminar Division, Federal Publications Inc. ▪ RCA Building, Washington, D.C. 20006 ▪ Code 202/337-8200

Enclosed please find my $250 check ($275 after November 24, 1968) covering registration for your Subcontracting Course. [Please make check payable to Subcontracting Course.] I understand that this registration may not be cancelled after November 24, 1968.

A receipt for this registration will be sent me along with a form for my use in making room reservations at The Williamsburg Motor House or Lodge.

Name: ____________________________________________
Organization: ____________________________________
Street Address: ____________________________________
City-State-Zip: ____________________________________

Please be sure to send this Application to the Washington, D.C. address noted above.