



Advocating for 8(a)

Political inquiries into Native business gives Greg DuMontier opportunity

BY TONY HALL
FIRST ALASKANS

This summer, a U.S. senator from Missouri led an effort to characterize what an Alaska 8(a) corporation looks like. The way some saw it, Sen. Claire McCaskill shaped an image of a shady con-artist operating barely within the rules of the game and dancing on the edge of illegalities at the expense of decent, honest small-business operators.

“The question is: how long will we continue to have a preference in the law that squeezes out good companies when a lot of companies in many, many states in this country have the willingness to work for the government for less to provide the same service,” McCaskill says on her Web site.

By its own definition, the Small Business Administration says the federal program helps “small disadvantaged businesses compete in the American economy and access the federal procurement market.”

Now, it's Greg DuMontier's turn to define 8(a) companies.

“Going back to the 1800s, you see examples of tribes prospering and then the federal government comes in,” says DuMontier, recently appointed spokesman for the Native 8(a) Works coalition. “It's



DuMontier

different now. We have media to publicize, to get the story out. If we don't take advantage of that, history shows us what's going to happen.”

Native 8(a) Works was organized by Native organizations in part as a response to McCaskill's announcement in May that her Subcommittee on Contracting Oversight would have hearings in July. She asked 19 Alaska Native corporations to provide eight years of information, including compensation paid to executive officers and boards of directors.

Progress has been made in getting Native 8(a) Works' message out, DuMontier says.

“We're getting the truth out on contemporary and historical issues, and the Native response has been ‘It's about time,’” he says.

Program for minorities

The 8(a) program was enacted in 1958. Congress later enacted laws that allow Alaska Native corporations to qualify as minority and economically disadvantaged businesses in 1988 and 1992 respectively. The rules allow 8(a) companies to receive contracts

under \$5.5 million for goods or \$3.5 million for services. Alaska Native corporations can receive no-bid contracts with no size limit.

McCaskill called her investigation into Native corporations part of a larger effort to root out waste and fraud in federal contracting.

DuMontier points to a few numbers that he says makes the story look much different: Of the \$439 billion the amount the federal government spent in 2007 for all procurement contracts, 0.07 percent of it went to Native 8(a) enterprises.

"Tribes are a minority among minorities," DuMontier says. "We make up such a small percentage of the population in remote areas, so our issues don't get as much understanding and this is part of the current problem."

The overall political response since the July hearings has been positive for 8(a) business, DuMontier says. "It's good to know," and "I didn't understand" are remarks that demonstrate 8(a) Works' efforts at educating are having an effect on politicians, he says.

"There needs to be consultation," he says. "It's working with, not working against."

DuMontier believes negative perceptions of Native business that exist now live in the shadows of past public experience with corrupt corporations in the 1990s.

"The corporate downfalls of Enron, WorldCom helped build a climate of distrust among investors, and then this was picked up by the politicians," he says. "From a political standpoint, we're low-hanging fruit for politicians who want to strike out at corporate America."

A number of businesses and corporations are lining up behind Native 8(a) Works. An online list of coalition members includes Afognak Corp., Chenega Corp., Chugach Alaska Corp., Koniag Inc., NANA Corp., the National 8(a) Association, and about a dozen businesses.

Along with DuMontier, Liz Moore has come on board to assist Native 8(a) Works in coalition building. Moore has been external affairs coordinator for the Native American Contractors Association. She has worked for NANA Corp.

DuMontier emphasizes that 8(a) Works encompasses Native people around the nation, not just those in Alaska. He points out that the Inter-Tribal Economic Alliance, a national consortium whose mission is to create Native jobs and to develop and strengthen Native businesses, is part of 8(a) Works.

DuMontier's experience in Native business began outside Alaska. In 1976, he says he began working for his tribe — the Flathead Nation of western Montana. He founded S & K Technologies and went from running a three-person operation to a business making \$100 million annually in sales within 10 years. He credits his business' success and the benefits it brought to his tribe as evidence of what the 8(a) program can do.

This experience led to DuMontier's involvement in the Native American Contractors Association, where he was chairman from November 2006 to March 2008. He resigned as CEO of S & K Technologies in October 2007 to become more involved with tribes in other ways, and this meant he could no longer lead the contractors association. After exploring eligibility options, he decided to resign as association chairman. This made him available to represent Native 8(a) Works.

As for his current role, he says there's no telling how long it will last.

"It's an historical time," DuMontier says. ❁

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