

TECO Energy, Inc. Supplier Diversity

Calvin D. Marshall - Coordinator
Supplier Diversity

Ray Peters - Director
Corporate Purchasing

Clint Childress - Sr. Vice President
HR & Services

TECO Energy, Inc. Supplier Diversity

Content

- **History**
- **Mission Statement**
- **Roles/Responsibilities**
- **Definition**
- **Guidelines**
- **Approach**
- **Strategy**
- **“Tools of the Trade”**

TECO Energy, Inc. Supplier Diversity

HISTORY

In 1969 President Richard Nixon signed Executive Order #11625 which called for the enlistment of the private sector to develop programs to broaden business opportunities and capabilities of minority entrepreneurs.

In 1973 Secretary of Commerce Maurice Stans called a meeting of Fortune 500 companies to ask for their support in developing such programs. Thirteen corporations in Central Florida joined in this effort and chartered the privately-funded Central-Space Coast Minority Purchasing Council (C-SCMPC) in 1980.

Programs and services were developed to aid both the minority entrepreneur and the corporate purchaser mainstream the minority business supplier. The core of programs and services of the C-SCMPC included the identification and referral of Minority Business Enterprise firms. In 1986 the C-SCMPC changed its name to the Greater Florida Minority Development Council (GFMDC), after merging with the Florida West Coast Minority Purchasing Council and starting a chapter in Jacksonville.

In 1985 the GFMDC affiliated with the National Minority Supplier Development Council (NMSDC) became one of forty-seven regional minority purchasing council across the country. The name of the Council was changed to the Florida Minority Supplier Development Council, Inc. (FMSDC) .

TECO Energy, Inc. Supplier Diversity

(Currently)

Effective January 1, 1998 Tampa Electric Company adopted the General Services Administration's subcontracting format for public companies. This allows Tampa Electric Company to expand on its very successful track record of providing opportunities to small, small-disadvantaged and women-owned business concerns while also providing new revenue opportunities involving federal government projects. Under this new format Tampa Electric Company has expanded its Minority Business Enterprise Program to include new goals and measures of success. In addition to tracking bidding opportunities, as was done under the previous program, Tampa Electric Company now goals itself on total procurement dollars planned to be subcontracted to small, small-disadvantaged and women-owned business concerns.

TECO Energy, Inc. Supplier Diversity

Mission Statement

Identify high quality and competitive suppliers, including small minority, and women-owned enterprises for procurement within Tampa Electric Company.

Through our pledge to supplier diversity, Tampa Electric Company establishes mutually beneficial relationships that make good business sense. This demonstrates our commitment to the diverse communities and markets we serve.

TECO Energy, Inc. Supplier Diversity

- **The Supplier Diversity organization's prime responsibilities include:**
 - **maintaining a pool of qualified certified MBE/WBE suppliers accessible to Tampa Electric Company end users and buyers.**
 - **outreach activities with MBEs/WBEs and related organizations (National Minority Supplier Development Council, ethnic Chambers of Commerce, etc.)**
 - **in-reach, advocacy and educational programs with Tampa Electric Company business units and cross-functional organizations.**
 - **tracking and reporting of MBE/WBE procurement expenditures.**

TECO Energy, Inc. Supplier Diversity

COMMON ABBREVIATIONS & DEFINITIONS

| | |
|--------|---|
| 8(A) - | 8(a) Program or 8(a) Contractor A program operated by the U.S. Small Business Administration which certifies a small business as disadvantaged-thus eligible for special contracting opportunities within the Federal Government. |
| DBE- | Disadvantaged Business Enterprise A business owned, managed and controlled 51% or more by person(s) who are socially or economically disadvantaged. |
| LB - | Large Business A business that generally employs more than 500 people. |
| MBE- | Minority Business Enterprise A business which is owned, managed and controlled at least 51% by one or more ethnic minorities. |
| NAICS- | North American Standard Industrial Classification Code Numeric code system created by the U.S. Government for classifying companies by commodities (products & services). |
| SB- | Small Business A business that is independently owned and operated, not dominant in its field, with 500 or less employees. |
| SBA- | U.S. Small Business Administration Federal program established to support the development of America's small business. |
| SBDC- | Small Business Development Center Center funded by the SBA to provide general education, training and consultation to small businesses. |
| SDB- | Small Disadvantaged Business A business that generally employs less than 500 employees and is at least 50% owned and controlled by minority group members or, in the case of publicly-owned business, at least 51% of the stock is owned by minority group members. (Minority group members are Black American, Asian American, American Indian, Alaskan Native, and Hispanic American). |
| SDWB- | Small Disadvantage Women-Owned Business A business that is at least 50 % owned and controlled by a woman or, in the case of publicly-owned businesses, at least 51 % of the stock is owned by women. |

TECO Energy, Inc. Supplier Diversity

- **TECO Energy, Inc. Guidelines for meeting MBE/WBE Procurement Targets:**
 - **Tampa Electric Company will not outsource work done by TEC employees to meet a MBE/WBE purchasing goal.**
 - **All work to be outsourced will be considered an opportunity for MBE/WBE participation, and such participation will be actively pursued.**
 - **Quality will not be compromised.**

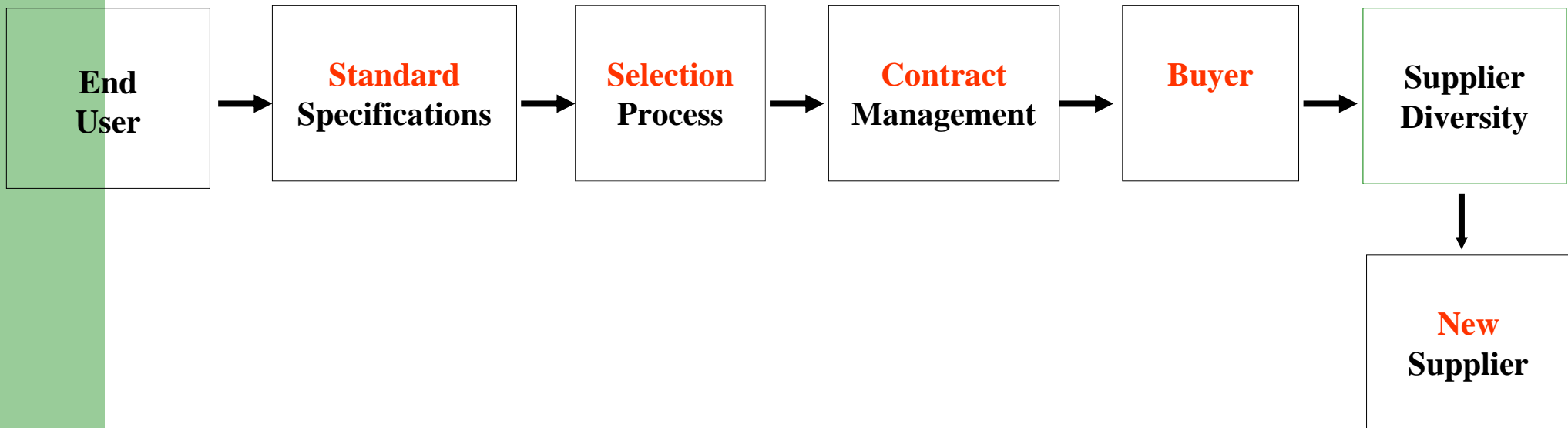
**DESCRIPTION OF PRODUCTS AND
SERVICES TYPICALLY SUBCONTRACTED
TYPE OF BUSINESS CONCERN**

ATTACHMENT "A"
TAMPA ELECTRIC COMPANY
1999 SUBCONTRACTING PLAN

| PRODUCTS AND SERVICES | SB | SDB | WOSB | OTHER THAN SB |
|------------------------------------|----|-----|------|---------------|
| Air Compressors | X | X | | X |
| Architectural/Engineering | X | X | | X |
| Chemicals & Solvents | X | X | X | X |
| Computer Training | X | X | X | X |
| Computer hardware/Software | X | X | X | X |
| Concrete Poles Supply | X | | X | X |
| Courier Services | X | X | | X |
| Electrical Construction | X | X | | X |
| Fabrication Services | X | X | | X |
| Fencing Supply & Installation | X | X | | X |
| Fire Protection Systems | X | X | | X |
| Fleet Vehicles | X | X | | X |
| General Construction | X | X | | X |
| Generators, Portable | X | X | | X |
| Helicopter Services | X | | X | X |
| Industrial Supplies | X | X | | X |
| Janitorial Services | X | X | | X |
| Landscaping and Maintenance | X | X | X | X |
| Lawn Service | X | X | X | X |
| Load Management Installation | X | X | | X |
| Lubricants | X | | X | X |
| Medical & Health Services | X | X | | X |
| Metals Supply | X | | X | X |
| Office Supplies | X | X | X | X |
| Plumbing | X | X | | X |
| Printing Services | X | X | X | X |
| Pumps | X | X | | X |
| Railroad Track work Services | X | | X | X |
| Refractory Supply and Installation | X | | X | X |
| Safety Equipment | X | X | | X |
| Surveying | X | X | | X |
| Telecommunications | X | X | X | X |
| Temporary Staffing | X | X | X | X |
| Underground Construction | X | | X | X |
| | | | | |

TECO Energy, Inc. Supplier Diversity

Procurement Process



TECO Energy, Inc. Supplier Diversity

- **“The Approach & Objective”**
 - **Operates in a “business as usual mode”.**
 - **Recognizes supplier diversity as a business issue.**
 - ***Women and ethnic minorities not recognized as having a significant economic business impact.**
 - ***Internal processes not driven to be inclusive.**
 - ***Objective setting not linked to business planning.**
 - ***Tracking, measurement and reporting not included in standard functional departmental reporting.**
 - *** Do(s) and Do Nots**

TECO Energy, Inc. Supplier Diversity, Now!!

Strategic Approach

- **Recognizes women and ethnic minorities as an economic reality in organization's strategic planning.**
 - **Include strategic business planning.**
 - **Requires tracking, measurement and performance reporting as a standard element of departmental reporting.**

TECO Energy, Inc. Supplier Diversity

Expected Results to Strategic Approach

- **Positioned to achieve:**
 - **Customer/market share retention/acquisition rates.**
 - **Expanded market presence.**
 - **Enhanced brand loyalty.**
 - **Community recognition.**

TECO Energy, Inc. Supplier Diversity

- **Supplier Diversity - What it is not**
 - **An affirmative action issue only**
 - **An issue that will disappear over the current strategic planning horizon**
 - **Does not support paying a premium just to gain inclusion**

TECO Energy, Inc. Supplier Diversity

- **End Game Objective**
 - **The end-game objective is to integrate supplier diversity into standard, a) strategic planning, b) business operations, and c) supply chain management processes. A key enabling strategy is to continue the identification and implementation of critical business practices and process changes that impact the MBE effort.**
 - **A demonstrated inclusive behavior that is consistent with the business demographic population shifts toward a greater diversity.**

TECO Energy, Inc Supplier Diversity

What You Should Do?

- **Actively participate**
- **Establish a Core Business Value**
- **Share Today's Information**
- **Regularly communicate with Supplier Diversity Department**
- **Use MBE reports as a management tool**

TECO Energy, Inc. Supplier Diversity

What we have learned

- **Supplier Diversity:**
 - **Is an attribute of world class companies**
 - **Is a management strategy - NOT A PROGRAM**
 - **Requires “enactment” and “implementation” tactics**
 - **Requires human and monetary resource allocation**
 - **Historically implemented due to external (customer, regulatory) drivers on a reactionary basis**
 - **Will continue to grow in significance as a business issue over the current planning horizon**

“Tools of the Trade”

- **Senior Management Support!!**
- **Work jointly with the Procurement Department seeking opportunities.**
- **Membership/Relationship & participation with organizations possessing WMBE data base.**
- **Resources: People, time and money for outreach and training.**
- **“PASSION”**



CALVIN D. MARSHALL
Supplier Diversity Coordinator
Tampa Electric Company
(P) 813. 228.4253
(F) 813.228.4935
cdmarshall@tecoenergy.com