

**AWARD NOMINATION
SMALL BUSINESS PARTNER OF THE YEAR**

(For presentation at the Annual Small Business Awards ceremony
June 2005)

Bureau:

- 1) Please provide the following company information:

Company Name: Paradigm Solutions Corporation

Address: 2600 Tower Oaks Boulevard, Suite 500
Rockville, MD 20852

Telephone Number: (240) 283-3481

President/Owner/CEO: Ray Huger, President

Business Type (check all that apply):

Small SDB 8(a) Women-owned
 HUBZone Veteran-owned Service Disabled Veteran-owned

- 2) Please describe how this small business has excelled in the past year in the performance of their contract. Additionally, please provide a brief profile of the firm in your description.

Paradigm Solutions Corporation is the contractor for the Long Term Maintenance of Computing Centers (LTMCC) and the Corporate System Modernization/Mirror Image Acquisition (CSM/MIA) contracts with the Internal Revenue Service. The LTMCC contract provides software license and hardware maintenance and technical support for the IRS' service centers systems located at Martinsburg, WV, Detroit, MI and the Washington, DC National Office. The CSM/MIA contract provides hardware maintenance support for these same locations. The service centers are tax process systems that maintain tax and taxpayer account master files which are the "core" of the IRS' function. The centers are a vital communication link for all IRS offices nationwide and selected Treasury installation.

Paradigm Solutions Corporation is a company founded by its President, Ray Huger in 1991, received its 8(a) certification in 1995. Mr. Huger formed a partnership with Mr. Harry Kaneshiro (Information Technology) and Ms. Samar Ghadry (Management and Marketing), who together make up the company's Executive Management Team.

Paradigm is a preeminent provider of business solutions and services. The company provides exceptional service to the IRS. They achieve this through prudent deployment of a competent efficient workforce, a sound corporate and business management structure and proven policies, procedures and methodologies. The company has performed the LTMCC contract since 2001 and the CSM/MIA contract since 2003 in an exemplary manner.

1. Quality of the product/service delivered by the contractor, and demonstrated managerial and technical support above that required by the contract.

The LTMCC and CSM/MIA contracts end September 30, 2005. To ensure a smooth transition to the new contracts, Paradigm, worked with DCC and MCC to inventory quantities, model numbers, serial numbers, correct product descriptions, provided uniformity of software descriptions and verifying license levels. As a result, the IRS was able to clarify and correct several existing issues which will ensure that the follow-on contract is correct when it is issued.

Since inception of the contract, Paradigm setup and maintained a software products book to use as a reference guide. The book lists all software products at both MCC and DCC. The book has been invaluable and provides a history of all products since acquisition. Paradigm will turn over the book to the new contractor for the follow-on contract so that there will be a smooth transition to the new contract. This is just one example of "Team Work" that Paradigm has provided since becoming the contractor. The contract produces quality products and services and is a customer oriented contractor.

2. Consistent delivery of the product by the contract.

Paradigm has been extremely successful in meeting effectiveness levels and response times. The IS has presented many system upgrade scenarios and have asked Paradigm to submit proposals in very short timeframes. Because of the excellent working relationship established between Paradigm and its subcontractors, Paradigm was able to meet these short deadlines and the Government received the necessary requested information ahead of established timeframes. The contractor has had no disruption of schedule, degradation of performance or increase in costs.

3. Tangible evidence of a willingness and flexibility on the part of the contractor when dealing with the customer - -

a. To meet changes in the delivery schedule.

Paradigm has proven to be unsurpassed in demonstrating professionalism. The contractor works diligently to foster and maintain an excellent working relationship with the IRS and to make it their mission to keep its subcontractors well informed and up-to-date on current plans for upgrades. Paradigm is flexible and responsive to customers' needs and is available to the IRS on an as-needed basis.

b. To provide prompt and early communication of technical problems with reasonable solutions to correct the problem.

Paradigm is always receptive to new ideas and recommends new and innovated ideas to the Government. The company has provided the IRS contracting personnel with key Paradigm personnel cell phone numbers to allow for easy access to the personnel. The contractor has continuously provided prompt, efficient and responsive replies to all inquiries and requests for assistance.

- c. To implement the resolutions to product and service problems quickly.

Paradigm participated in a disaster recovery exercises for DCC and MCC held at Tennessee Computing Center. The contractor's in-depth planning, coordination and scheduling of software upgrades with its subcontractor's resulted in DCC and MCC accomplishing their goals to perform system upgrades within and ahead of established timeframes. The disaster recovery exercises were extremely successful.

In February 2005, Paradigm's software manager suddenly died. The software Manager's workload entailed a very large part of the LTMCC contract and the work had to continue without delay. Paradigm quickly found a replacement and the transition was all but transparent to the IRS and vendor community. It is very reassuring to know that a contractor can continue to perform professionally even in difficult times.

4. Independently develop a more cost effective means of delivering the product or service problems quickly.

In January 2005, Martinsburg Computing Center's (MCC) workload drastically changed, requiring less actual system usage. Due to modernization reduction in applications, a 30% reduction in system platform was contemplated. Paradigm was asked to participate at an IBM Site meeting with IRS personnel to discuss the possible utilization of Sub-Capacity Pricing. Paradigm representatives willingly participated in this meeting, fielded questions and provided invaluable input. As a result of the meeting, both MCC and the Detroit Computing Center (DCC) opted to choose sub-capacity pricing, which is a monthly pricing based on actual system usage. As a result of Paradigm's guidance, this method of pricing will save the IRS \$800,000 per year. Paradigm immediately set up procedures for checks and balances against the monthly IBM invoices for utilization of this system.

Paradigm has instituted a LTMCC and CSM/MIA website utilized by Contracting Personnel, MCC, DCC, the National Office, subcontractors, Original Equipment Manufacturers and other IRS personnel. Access can be obtained on an as needed basis with approval from the Contracting Officer. The website is password protected and includes Section 508 information (for Paradigm and subcontractors) contract information, disaster recovery contacts and information, software, hardware, list of subcontractors and contacts, news, reports, databases, configuration, identification of Paradigm and IRS Contracting personnel and historical information. The website is an invaluable tool and an asset for both contracts that has benefited not only the IRS but everyone who has access.

Paradigm has 35 software subcontractors including software manufacturers and 27 hardware subcontractors. Whenever Paradigm is requested to submit pricing for its subcontractors and Original Equipment Manufacturers (OEM's), the company tackles the issued with a view towards attaining the IRS the lowest possible price. Paradigm's excellence in price negotiation has saved the IRS money. Additionally, to save the IRS money, Paradigm performs technical service instead of subcontracting to the OEM's. Paradigm's pricing for technical service is substantially lower than the pricing charged by subcontractors. This results in a substantial savings over the life of the contract. Paradigm also saves the IRS money by having spares and parts at MCC and DCC to reduce the downtime of equipment,

5. Representation to the customer provided by senior company management officials and company management demonstrate a commitment to meeting the customer's needs.

Paradigm considers its relationship with the Government as a true partnership and is dedicated to providing the Government with the highest quality services and support.

Paradigm provides strong corporate support for the performance of the two contracts. Every two months, a meeting is held with Paradigm's project, hardware and software managers and Web Master, the IRS' Contracting and COTR Personnel, IRS Program Management personnel and the MCC and DCC Sub-COTR's to discuss LTMCC and CSM/MIA problem areas, potential problem areas, software upgrades, hardware and software deletions, the LTMCC and CSM/MIA website, disaster recovery and any issues affecting contract. At every meeting, A Paradigm Vice President is in attendance, always participates providing support and assistance. Paradigm's Vice President of Operations, personally oversees and directs the LTMCC contract and frequently visits the MCC and DCC sites.

As a result of Paradigm's hard work, dedication, and commitment to total customer satisfaction and excellence, the company's performance rating has consistently been outstanding.