Andrea Garrity_Acq Talk

[00:00:00] Welcome to acquisition. Talk a podcast on the management technology and the political economy of weapons systems acquisition. I'm your host, Eric Lofgren. You can find this podcast and more information, including links, commentary, and articles on acquisition. talk.com. Thanks for listening.

[00:00:36] **Eric Lofgren:** I'm talking with Andrea Garrity, chief growth officer at GoTenna, a company that offers mesh networking for off-grid devices. And before that she was a vice president at In-Q-Tel and a client executive at IBM before that.

[00:00:49] Andrea. thanks for joining me on acquisition talk.

[00:00:52] **Andrea Garrity:** No problem, Eric, thank you so much for having me.

[00:00:54] I really appreciate the opportunity to be here.

[00:00:57] **Eric Lofgren:** Glad to have you put out an interesting article recently, and in there you talked about all of these like special people that accompany really needs to carry on their overhead just to navigate this procurement maze, to get into the government, particularly the department of defense.

[00:01:10] I've kind of had this conversation with some people, but is the cost simply too much for startups to take on before revenue or even like when they're in those early stages or is it really all of this stuff by complying with those it like conflicts with the culture and like the development strategy that a tech firm really wants to take.

[00:01:26] And so usually they'll just they even, if they look at it, they might just pivot back out of it. Because it's too much. So is it why not just add the extra expense if it's, if that's all it was right.

[00:01:35] **Andrea Garrity:** Yeah. These are all really good questions. I think that having a team of specialists who know how to navigate government procurement, to your point is expensive and adds to the overhead of sometimes what's a really small business at goTenna.

[00:01:49] We have 45 people. We work with other startups where we've talked to other companies where you're looking at five people or 10 people who have great ideas or great technology, but they don't know what a GSA schedule is. And they can't necessarily they don't necessarily have the bandwidth or the revenue to go hire somebody who knows how to navigate , that for them.

[00:02:08] Additionally, one of the other challenges we'll see sometimes is. Startups are beholden to their board and the board wants to see market fit and revenue, and they're not willing to invest in, a contract specialist or a GSA person without first seeing that fit. And that's oftentimes where we see startups really focused on the commercial sector first, before really looking at the government market as a good fit for them.

[00:02:37] **Eric Lofgren:** Yeah, that's interesting. So in the commercial side, when they're, they're looking for fundraising, they're looking to grow, but they want to see product market fit in advance of making these types of investments. Whereas governments. No, you don't even get to talk about product market fit until you got to get to this, right?

[00:02:53] Like you're not getting close to revenue until you take that on first. Pre-revenue and it feels like one of the problems is always is -- well, the incumbents, they have this big portfolio of contracts, would they need extra, overhead to comply with something. That just gets, expensed on overhead and it gets charged to all their contracts, but you would actually have to build a big base of contract before you even get there.

[00:03:15] So is this kind of like on industry to just say, take a little bit more risk, but the there's light at the end of the tunnel, or is it really on government to say this is like an unfair structure we have here.

[00:03:26] **Andrea Garrity:** I really think this one is more on the government. I think the structure is cumbersome and I think while I understand how it was implemented.

[00:03:35] Kind of for fairness and to support the FAR [federal acquisition regulation] and other things as the landscape has changed and we're looking more at, the capabilities that startups are bringing to government bringing to the table and how quickly that tech is changing. I think it's hard to ask these companies to take on that burden right away.

[00:03:53] Whether the government were to offer some sort of consulting service to support those companies and how they can get on the schedule and

navigate procurement and things like that or do more to provide outreach to those companies. I don't know exactly what the answer is here, but I do think that it's quite burdensome.

[00:04:13] **Eric Lofgren:** One of the things you said in your article that was actually pretty I just never thought of it before. You said that, ITAR, which is of course is the international traffic and arms regulations. Should only apply to things that government is willing to buy. So that, that seems to make sense.

[00:04:25] But what's going on here.

[00:04:26] **Andrea Garrity:** Yeah. And a lot of my stories are anecdotal, right? It's things that I came across in my past job, even in my current job, just talking to other partners and other companies. But one of the things that I've heard consistently is the government looking at industries like commercial space and commercial imagery and wanting to slap those companies with an ITAR restricted label.

[00:04:50] And I think the challenge there is if the government thinks that technology is so great, that we don't want other countries to have access to that tech, then the government themselves should be investing in that company and that technology and using it. And oftentimes what we've seen with startups is, the government might think that the company or the technology is not mature.

[00:05:11] But they're still willing to go after them with an ITAR restriction. And so my comment there was more about, there should be more partnership between government and startup companies, right? We all want the same thing, which is to support, the Homeland security mission, the national security mission, and, startups need a lot of nurturing and government needs, government needs some nurturing too.

[00:05:32] But I think the challenge there with the ITAR restriction is you're potentially shutting down this whole company and their line of business and we're stifling innovation. Whereas if the government were to invest in those companies and use that capability themselves, then they could really make it a business decision.

[00:05:48] Am I willing to let go of this $1 million contract, this $2 million contract to this path. I see to more business with this government agency to go do business abroad. And I think that we would see a different sort of I think we would see a different sort of partnership. I think that this is an opportunity to

drive partnership and partnering together as opposed to making an adversarial relationship between the government and a promising company.

[00:06:13] **Eric Lofgren:** Yeah. There's always like these weird frictions, that always seem to pop up. There's like this adversarial nature that always seems to be like, government has to be fair and unbiased towards all the competitors or whatever.

[00:06:25] So they have to like almost wall themselves off, but then they also feel like sometimes they're getting screwed by the contractor and the contractor feels very much the same way. This is actually put really well by Ernest Fitzgerald in the 1960s, he is testifying to Congress and he was just like, And he actually advocated for this view, by the way, he was like, doing procurement is anti-social work and that's the way it should be.

[00:06:47] Like kind of that's just the way the world works. And if you're not like that you're going to get screwed over. So he was really big into should cost studies and sending all these like teams of consultants to go like scrutinized stuff. But what's your view on like the adversarial relationship versus like a collaborative relationship and how it is a collaborative relationship, actually w how would that look like?

[00:07:07] **Andrea Garrity:** Yeah, that's another great question. I have to often seen this adversarial relationship between the government and companies and whether that's a big company or a small company exists across the board. And really it's this idea that, companies are out to take advantage of the government and the government is out to make life harder for companies.

[00:07:25] I've joked before when I was on the industry side, it was inevitable that the government would release an RFP, a big RFP, right before a holiday weekend or before a holiday break. And it was oh, Hey, we don't care if you have to work during the holiday break.

[00:07:39] It's just that we don't. And yet at the same time, I think, the, when we see collaboration work between government and companies, it's because everybody is working together for something that's mutually beneficial, which, at the kind of least petty level means, Hey, we get that like your people too, and you want to enjoy your holiday.

[00:07:56] So we'll release this request to you right after the holiday is over. And I say that half jokingly, but it is, that is the basic level of how are we

looking at the people that we're working with across the table and how are we making sure that they're showing up wanting to deliver for us?

[00:08:10] Because we are showing up wanting to deliver.

[00:08:13] **Eric Lofgren:** so actually it says like you've moved from a In-Q-Tel to, goTenna fairly recently. What's something that you've learned while you were in incu, tell that you think, you've had to reevaluate now that you're at the company trying to scale you're at that 45 person mark, trying to grow what's that like, or what'd you learn?

[00:08:32] **Andrea Garrity:** So I think, I left In-Q-Tel believing that there were four key ingredients for innovation to be successful. And it is, there has to be director level engagement. There has to be end-user engagement. There has to be funding and there has to be the right group of people. And so that, that idea that innovation is very personality driven.

[00:08:55] And if anything, being at goTenna the past six months, I continue to see that be the same, although not just in the government, also in the company. So it's been great to be at goTenna to see, again those same different things that play. How are we as a company going to pull together to be innovative, to support the mission, to have our CEO buy-in, all the way down to different aspects of the company everybody's rowing together and moving forward.

[00:09:20] And so it's been interesting to see that translate from, the government view to a company view.

[00:09:25] **Eric Lofgren:** And so let's actually just get right into each of those kinds of recommendations, a little bit deeper, right? So you said innovation needs to live at the director level. So one of the issues it feels like is we actually hear, leadership saying the right things.

[00:09:38] What, where do they need to do? Or like what does that mean? For it to live at the director level.

[00:09:42] **Andrea Garrity:** I think innovation living at the director level, or really at the CEO level is somebody at, in that office, keeping the organization accountable. And holding themselves accountable to. Where I've seen it done really well in one organization where they were standing up their innovation program was, at the director level the director had a bi-weekly meeting with the team that he put in charge of innovation when they went out to the field and said, Hey, do you guys want to work with us?

[00:10:10] We're doing these, we're working on innovative solutions where they, when they got pushback, they could say Hey, in our bi-weekly meeting with the director that's cool. We'll just let him know why you guys aren't interested in doing that. And that really changed people's approach, right?

[00:10:24] They didn't want to be the ones called out for not playing nice in the sandbox with the innovation team. And the director's approach was, look, let me break the logjam. I've given you this charter go out and execute, build an innovation program, but when it's not working, come back to me and I'll break through whatever the barrier is.

[00:10:42] That spoke volumes. That was way more than him just walking around saying, Hey, innovation is important. It was being an active participant in innovation.

[00:10:50] **Eric Lofgren:** And so there's this innovation team or something, it's what is that like?

[00:10:54] Is innovation like supposed to live in all of the organizations doing, or does this innovation team then empire builder scale their things, or are they just facilitators of those other guys? What does that look like?

[00:11:06] **Andrea Garrity:** So what I've seen also work really well is where the innovation team is the facilitators of the organization.

[00:11:12] They have their own partnerships at the director level, but also at the end user level. So one of the things that we've seen being a challenge of innovation is, operators and the kind of the people who are the pointy end of the spear of the mission, whatever that might be generally know best what's lacking.

[00:11:27] They can talk to, what do I need, if I could do this one thing differently, what would I do? If there was something that made my life easier, what was it? They can articulate those things, but they're doing the mission. They don't have the time to go say, Hey, what's what are the best of breed options out there?

[00:11:40] What are these new startup capabilities bringing? What might be different in this space in six months versus an 18 months? And how should I think about the tools that I'm going to bring into my mission now? And so where I've seen the innovation teams really work is they're, they're going out there capturing those requirements, and then they're coming back with ideas and they're iterating on what actually might work for those endusers.

[00:12:02] And then they're taking the rest of the work off the plate, whether it's a straight up procurement or it's driving some development of a tool that exists to make it more mission focused and then delivering it back. But they're making it as frictionless as possible for that operator. And then at the same time, they're bringing that message up the chain so that everybody knows what is this innovation thing that we're doing and why is it important so that if that operator rolls off and somebody else comes on board, their support all the way up through the organization to continue that project. And so I think that where these teams come in is not about empire building, but really about facilitating the message and what's needed.

[00:12:39] And when we talk about, innovation being personality driven, and when I talk a lot about partnerships, it's just as important as those kinds of innovation team members are partnering. Those end-users are users and operators, they have to deliver. If they're going to ask those mission users to take the time to talk to them, they've got to be able to follow up and deliver that tech to those users.

[00:12:59] Otherwise people start saying, it's not worth my time to have these conversations. Yes.

[00:13:04] **Eric Lofgren:** I think that gets to also innovation needs end-users , but innovation needs a budget. Is it the innovation team needs a budget to go out and like experiment with some things or like who gets the budget and what's that aspect.

[00:13:17] .

[00:13:17] **Andrea Garrity:** . I think there's two different budgets that I would say are necessary, right? So one is that budget for the innovation team to go do innovation. And that might be whatever flavor of innovation it is. It might be a CRADA [cooperative R&D agreement], it might be an In Q Tel It might be, Hey, we want to go buy this capability and just test it out in the field.

[00:13:35] It could be whatever that is, but giving them almost the money to go say, how do we do development? How do we do testing? What do we need to do there to create the product or the capability that might not exist yet? And then I think the other piece that's more important that oftentimes gets lost in, in translation is that there needs to be an acquisition budget.

[00:13:57] And so sometimes what we see in government is we've got our programs of record or we've got our silos and we've got all these different

buckets of money. And so what we'll see is an innovation team goes and works with some end-users. They use some of their budget to create a product or find a product.

[00:14:13] And then at the end of the day, they bring it back to the end users and say, Hey, you need to go buy this now. And those folks go, what? I don't have the time to do all this paperwork or I didn't budget this 12 or 18 months ago to buy it. And so a lot of times that's like the innovation cliff, right?

[00:14:30] Things are going really well. We found this capability and it just falls off at the end. So that's where I think having that innovation team own, maybe the initial acquisition budget to say, Hey, we've delivered this capability. Your feedback has been really positive. You've said that this is now critical to the success of your mission.

[00:14:48] We are going to now go acquire this for you. We're going to take all of the administrative burden off of your plate. The privacy impact assessments, the legal discussions, the ATTs, and the ATOs and all of these different process things. We'll take that off your plate. End-user you keep doing your mission.

[00:15:06] We'll do the procurement piece by the way. We'll get it purchased for you. We'll get it delivered to you for 12 or 18 months, and then you need to pick up the ONM tail. So you have time to get it into the budget cycle and appropriately then support that capability. Moving. So that's the budget that I think is needed.

[00:15:23] It's both the budget too, to do the scouting, to do the development, but just as importantly it's the budget to have the staff to do the administrative kind of side of innovation and then the funding to go actually acquire the product. Yeah. That's,

[00:15:38] **Eric Lofgren:** that's really interesting. It's almost again, it seems like an innovation fund of sorts on that acquisition front, that, that gets you over that proverbial valley of death. It's interesting, a lot of people would push back on that cause they would just say, look, you almost want this innovation team to you said a very interesting word, personality driven innovation, right? It's the department's run on the opposite of personality driven innovation.

[00:16:02] It's run on, you have a cost effectiveness analysis. What are the requirements? Show me the alternative specifications in that this is the optimal one across the life cycle. And here are the, Depot activation, things and

everything that goes with it. And then when you get that set up, then we can talk about that acquisition.

[00:16:21] Of course, that creates the valley of death. Then you have firms that can't handle that. But when you feed them okay, we like this, we're ready to scale with it. How did you like most people would say you didn't document it. We don't know if that's the right solution.

[00:16:34] You're creating all this duplication overlap things that we're going to have to cancel because it's not actually beating the war fighter requirement. But then you're also saying why already did that? I had the end users involved early. So like, how do you convince someone that this kind of optionality approach, like you didn't lock it in so early?

[00:16:54] How do you convince someone that's the right way.

[00:16:56] **Andrea Garrity:** Yeah, that's a really hard conversation to have. And again I keep saying I lean heavy into partnership and relationship and where I've seen it be successful is engaging all of the stakeholders orally. So where we were most lucky was, starting a new innovation program, being able to go to legal and go to finance and go to the privacy people and all of these different groups, it that have I have a place in the innovation ecosystem, but might not be the immediate drivers of it and going to them and saying, Hey, here's what we want to do.

[00:17:29] And here's how we think we can do it. What's the best way for procurement to be engaged here and then to get their feedback. So that as we were putting that plan together, everybody had a voice and they can say you're asking to do this and we can't do that. But what we can do is something similar that looks like this construct.

[00:17:48] And so then, getting people engaged early and having everybody understand the spirit of what was trying to be accomplished. And again, having that director level person saying, I trust that you're going to figure out a way that we can do this in the confines of, the far and whatever else, come to me.

[00:18:03] If we have a problem, I think really helped everybody work together to figure out what did that process look like? And when I say innovation is personality driven, I think a lot of it is just finding the people who are so passionate about the mission that are also willing to run into the wall a thousand times until it breaks.

[00:18:22] I don't know that I'm always the person that has that much patience, but from the outside I really admire the people that do because they just are willing to hear no a hundred times and bounce back from that and figure out like, how do I find, how do I get to yes. And how you know, who do I need to talk to, to get.

[00:18:39] And that's that personality piece right there. They're out there hustling throughout the organization advocating for their mission.

[00:18:46] **Eric Lofgren:** you know, You're making me think here. It's what if you had like an innovation warrant or something that lets you cause like right now, right?

[00:18:53] If you go and try to talk to, let me go to legal, let me go to PA, let me go to, contracting officers, there'll be like, yo, show me your budget. Cause I don't want to talk, like I got mission to execute now with these guys that have a program that we need to get those obligations out.

[00:19:09] And you're talking to me about something that like probably doesn't even have a chance of getting like into the next POM or something like that. So if you had an innovation officer with. A warrant. That's oh no, he's speaking for this innovation fund or something like that.

[00:19:25] And this is a real thing. Cause it seems like there's the chicken or the egg problem. Then it's I need to engage these people. But these people won't engage with me until I like go through the regular gambit.

[00:19:34] **Andrea Garrity:** Yeah. I think that's a great idea. In fact I love that idea.

[00:19:37] I think that part of what we've also seen be successful is everybody that's in DOD or at all of these different agencies. At some point they joined because they wanted to support the mission. And I think over time, people just get removed from the mission. They get focused on the day-to-day aspect of what they're doing.

[00:19:54] I'm a contracting officer and I'm working on contracts all day and these companies are being really annoying about it or whatever it might be. And something else that I saw be successful again, with kind of the new innovation program that was stood up was they made a point of reaching out to these different teams, that are supporting the mission, but not maybe in the mission. And worked hard to use their own, that own innovation team budget, to get

those people out to the field, to get them close to the mission, to get them excited about the fact that they were working on things that would truly have an impact on the operators.

[00:20:28] And it was interesting to see people really get like reinvigorated and more engaged, because there was just that reminder of tying the work that they were doing every day, which was, probably very tedious to, the warfighter.

[00:20:41] **Eric Lofgren:** . I mean, That's we tried to write a little bit about that in, in the playbook, on the market research side, because it's just yeah. You seem to have heard about that a lot more often, back in the day where there was that kind of like on-site presence and the kind of enthusiasm that, that generates, but also understanding like when I'm a cost analyst, I'm just like looking at work breakdown, structure data all day.

[00:21:02] It's really easy to just be just like this cost guy up in up somewhere else. Who's never really known what that thing really means on the manufacturing line. I can read the WBS dictionary, but that doesn't really help. And, just like connecting to the mission, it feels Rick over has this thing.

[00:21:16] He's like for every Dewar there's two checkers or something like that. If everybody's checking and check you can quickly start. I guess I identify more with the process than the actual mission outcomes, because the mission outcomes are so abstract or just like technical and far away.

[00:21:31] And so can you like get people in there? Can you carve out some of the budget to do these things? Cause like a contracting officer today, like not only has the workforce decreased in size and they still have all these obligations, they have it's harder for them to get that travel budget just to go, see someone down the street, let alone go to a different plant somewhere in a different state that could be really important.

[00:21:53] And you're the contracting officer for, but like you just can't go connect that and really see like the price value delivery kind of aspects of it.

[00:22:02] **Andrea Garrity:** Absolutely. You said it really well, just people get into the tediousness of the day-to-day job and they just feel further and further removed from the mission.

[00:22:11] And I think that's true. A lot of the things that we talk about, right? Having that big picture vision of what we're trying to accomplish and then

helping people to understand how important their role is. Along the way is then helpful in just creating maybe a a different process for innovation.

[00:22:25] Again, that helps the organization be successful in whatever sort of model they want to put together.

[00:22:32] **Eric Lofgren:** So talk to me a little bit about mesh networking and like what you guys are doing over at goTenna. What is mesh networking? I've heard a lot about this. Why does DOD need it?

[00:22:41] **Andrea Garrity:** That's a great question.

[00:22:42] I like to start by saying that even separate from mesh networking, goTenna is a communications company and what we're really doing is moving the most critical types of data during the most important part of a mission. And that's generally at a time when operators.

[00:22:58] Doing their operating thing and they don't have any other form of communication. So they're totally off grid. They don't have access to cell phone to sat phones, to wifi, to anything else. But if they're in the midst of again, like operating, then, that's the time where they need to know where their team is.

[00:23:17] They need to be able to send text messages and to have the situational awareness of what's happening in their environment. And so that's really where goTenna comes in with mesh networking. And so what we're really doing is we have a very low C swap radio. It's three ounces. It's I like clip it on my backpack and walk around with it.

[00:23:35] And nobody notices and it pairs with an end-user device, like a cell phone and really gives, DOD access to, to ATAK. And then we're moving kind of data through that radio

[00:23:44] really

[00:23:45] **Eric Lofgren:** narrow band.

[00:23:46] **Andrea Garrity:** Yeah. So we're moving that data into a tack, which is the Android tactical awareness kit. It's a gots product that is widely used in DOD and in other kind of federal law enforcement agencies. ATAC is like Google maps on steroids in a lot of ways, but again, it's broad providing broad situational awareness.

[00:24:06] So goTenna has a plugin for attack. We also have our own apps that can be downloaded with some which some of our kind of less DOD centric users might download and use. But really it's about again, in a very narrow band where you're in a comms denied environment, or maybe it's after a disaster and cell phone infrastructure's down, which was actually by our company was founded in the first place.

[00:24:25] We're able to move short burst data through again that kind of narrow band. And so operationally that means position, location, information, text messages, and sensor IOT bot data. And

[00:24:38] **Eric Lofgren:** what's the range on so if being my buddy have one of these things, like how far away can I get instilled, communicate with them?

[00:24:44] **Andrea Garrity:** So the typical industry answer, it depends. But really, but that's true. It's very dependent on environment. And so one of the things that we're always really happy to do is get out in the field. As I kinda mentioned earlier with the different agencies to help them see how mesh networking would work in their specific environment.

[00:25:02] It is a radio, which means it's dependent on RF and RF. Propagation is different in like urban areas or in areas with a lot of water that was something new I recently learned. But what we do notice is in urban environments, we'd been doing some testing where we're seeing, eight miles of connectivity through mesh.

[00:25:19] We're seeing in the Washington DC area, we did some testing that was 25 square kilometers, which was. We've seen that, when you're doing mesh networking, it's almost this great analogy I heard that has stuck with me is if you have a flashlight and you you have the flashlight close to the ground, the beam of light is small.

[00:25:38] And so that's how Mesha is. Again, we're in an urban environment, we've got a bunch of people with the devices set up. We might see eight miles, twenty-five square kilometers. We've seen 15 miles, of connectivity, but as you pull that flashlight up, that beam on the, that beam of light gets bigger.

[00:25:54] And so that's true with net mesh networking too. So when we have access to aerial assets, whether it's a drone or a helicopter or an airplane, we can significantly extend the range of communication. So we just set a recent record for range, which was essentially 145 miles from a dismounted individual to an aircraft.

[00:26:15] So when you think about, that kind of being one connection and with goTenna is mesh networking, we can do six different hops. You could really cover a significant amount of range. So it's really exciting technology. We think it's really relevant to DOD and a lot of different use cases actually.

[00:26:31] We've found that . We'll work closely with state and local entities where they know they have some communication dead zone in their area. So it might be a canyon, or it might be some mountainous area where traditionally they've done rescues every year of hikers.

[00:26:45] So for those groups, we might be their primary mode of communication in those sorts of search and rescue endeavors, we find that there's areas along the border or other parts of the United States where we have federal law enforcement operating, where there's still not cellular connectivity.

[00:27:00] So go tenant might be the backup for that situational awareness when you're off of your cellular network. And then of course we see lots of DOD entities where, there are times that they might have their encrypted radio and a second radio and go 10 might be that third form of communication device where, you know, either they intentionally don't want to do.

[00:27:19] Or, they know that they're going to be in an area where they're denied communication coverage. So there's lots of different applicability for goTenna across the government market. And and also with our foreign allies. So we're, we've been doing a lot of work the past couple of months to really capture, range data and demonstrate how that works for the different end-users

[00:27:39] **Eric Lofgren:** very cool.

[00:27:40] And because it's narrowband, it can't get like jammed or something, or it's just lower probability of being jammed. Is

[00:27:48] that

[00:27:48] **Andrea Garrity:** right? So we have characteristic. Of like a low probability of intersector detection capability. We would never say that we were, certified as a radio that did that. But to your point, because we're working in a narrow band, it is less likely that somebody is looking for you in that environment.

[00:28:04] Okay,

[00:28:05] **Eric Lofgren:** cool. And, you were talking about okay it's going to be on like soldiers, operators will be on a plane, it seems mesh networking in general in your product in specific, there's not a program of record for you to go win. And this thing could potentially be pervasive across defense systems and stuff like that.

[00:28:21] So how do you think about selling these kinds of enabling or cross cutting technologies to government? When really government just wants what's the next F 35,

[00:28:29] **Andrea Garrity:** that's a great question. I have found that again, leaning into kind of that partnership piece that I keep going back to. When companies like go Tena show up and demonstrate the capability and listen to feedback and requirements and say, Hey, here's how we work. Or by the way, here's a partner in our ecosystem. That's going to help you do this.

[00:28:50] Or, that we can show up and understand that it's really the ATAC capability and the situational awareness that is most valuable. And we're just being that transport layer for the government and kind of making sure that we are able to transport all of the different layers of information that they're interested in.

[00:29:07] We see a lot of, I would say acceleration and interest there. And so while I would like to see that happen faster, I think that, more recently we've had a lot of opportunities to show up and demo for different groups. People have been asking more for that engagement. And I'm hoping that as we're working with more of the different groups, we're going to start to see it converge.

[00:29:28] As more people are saying, Hey, why aren't we doing this more broadly? Like, why is it only that one group is using it and not the other? And that we'll start to see that momentum build and have a bigger conversation about, tack and situational awareness. And then we're go ton of plays.

[00:29:43] **Eric Lofgren:** Are you guys like on a GSA schedule or something that everyone can get at you? Cause it seems your problem would almost be like, I have to go to every program office. And then for each of their like individual situations, I have to show them that here's a solution and other people are using it.

[00:30:00] And it can integrate in that way, but it's not in your APB. You're right. That, wasn't in your original set of requirements to go get it, even if it is

useful from an end user perspective. Do you have to go out and get a mission requirement from those guys?

[00:30:13] Or little bit more on that like duplication almost of like how many times you're going to have to demo this, to get it out, to roll it out in a big way, unless they come to you through a schedule or there's like a separate program of record.

[00:30:24] **Andrea Garrity:** So Eric, you were pretty much describing my life right now, which is how many people can I talk to? How many people can I demo for? And then. When we do those demos, we see people get excited and then they say, Hey, we've got to pull in this other group, figuring out how to engage at a level where we're able to do the demonstration once, instead of 250 times would be great.

[00:30:50] And I say that as somebody who feels like I'm a veteran at engaging with the government and yet I still find that it's a little bit of a, grassroots crawl walk, run, right? If you get the operators on board good news travels fast, right? And then that message starts to move up that says, this is really a valuable capability.

[00:31:06] Hey, by the way, we use this capability in a specific operation and it was invaluable to us. Like we need to move it forward for the group. But I think you're describing a challenge that again, a lot of startups or companies face in general, which is you know, you could spend years talking to all these different groups who your product is relevant.

[00:31:23] Is there a more efficient way to do it? .

[00:31:25] **Eric Lofgren:** But you one of the things that seems like you guys have been able to do at least is get to end users. How do you even get to that stage? Did you already had to have certain contracts and won certain things to get there because it seems like that's the crucial part building credibility first.

[00:31:40] But it's not like you can just build a product and just go like show up at the nearest army exercise and pin it on one of these guys. So what does that process look like?

[00:31:50] **Andrea Garrity:** Yeah. We are on the GSA schedule to your point. So we have been selling our product to the government, but goTenna pivoted about a year ago and decided that while we had started as a consumer company,

With the idea of keeping friends and families connected after disasters, which was how our founders started the company.

[00:32:09] I should say rather why they started the company, which was after hurricane Sandy, they couldn't communicate found out later on that, something like 30% of cell phone infrastructure in New York city was down. And so they created goTenna as a way to keep people connected after disasters or at music festivals or sporting events or hiking or things like that.

[00:32:29] But over time recognized that, the product had a lot of applicability to the mission and kind of wanted to support the government. And so pivoted in 2018 to a full government focus. And I think the key in the past year was bringing in, a new CEO and a leadership team that already had credibility with a lot of the agencies were good tenants.

[00:32:51] So now you have people who knows, who knew the agencies going in and saying, Hey, we know you've had this problem. We know you've been trying to solve it. Let us come in and just do this demo and show you that it works in your space. So we've been able to be successful there and to accelerate our engagement.

[00:33:04] But going back to that sometimes adversarial relationship between government and startups. If you're a tech CEO, who's never worked with the government before, it's hard to go in and say, I understand your mission. And so that's where I think it might take a traditional startup a lot longer to get engaged.

[00:33:22] What we see is that, at tech startups, everything is about the tech, right?

[00:33:27] This is somebody's baby. They see this vision for how it's going to transform, some industry or transform the world. And so they're coming into the government like. This is the best tech don't you want this? And that's, that's not always the right approach when the government is like, Hey, look, we're working all the time to, to do this mission, to, to protect freedom, to be the, the law enforcement agency, to investigate.

[00:33:52] Counter-intelligence like, we don't know that this tech is the best thing for us, or like it's not applicable to our mission. And so from the get-go, there's just, not a matchup of how do we work together. And so again on the goTenna side pivoting to a team that had that credibility and that experience, and who has a deep understanding of the mission, I think has been really helpful in, in what we've been able to do, in the past year,

[00:34:16]

[00:34:16] **Eric Lofgren:** One of the challenges. It always feels especially for tech companies coming in is just , how do you price the product and get that through with the government? And it seems okay, you guys have this little, like piece of hardware, right? Like a little electronics thing that, that you could stick onto people that's required.

[00:34:33] It's a radio. But I assume that like making each one of those things is relatively trivial compared to the enterprise kind of infrastructure and like technology that goes behind it in the software. And there's, most of the effort is probably they're not in, in the, marginal unit of the thing, but the government will probably want to just be like what's the marginal cost of each unit.

[00:34:55] And then like, how do you recoup all of that? The real value is in, it is like what's behind it. But they don't recognize it. It's in software. It's not like this hardware thing that I reproduce every single time. Is that a challenge? Like how'd you get to pricing on this thing with the government.

[00:35:10] **Andrea Garrity:** Yeah. So you touched on something there that I would want to reiterate, which is we talk about ourselves as a hardware company. We have this hardware device, you can see it, you can touch it, we can demo it, which is great. But for us, it's actually our software that allows us to provide the capability that we do.

[00:35:28] It's the software that is so efficient. It helps us to move data through a narrow band when, nobody else is able to move any sort of communication data through that channel. On the one hand I always say we need to talk about ourselves as a software company. On the other hand, I'm so glad that we get to price it by device because you're absolutely right.

[00:35:48] That software pricing and enterprise software pricing is really challenging. And one of the things I've seen most recently, Is just that as as new capabilities are coming to bear, AI related software and synthetic data software and labeling software, their pricing model is entirely different from anything else that the government has seen before.

[00:36:10] And I still don't think that those companies and the government have worked out what is the right model to buy to buy that software for. And I think a lot of it goes back to that budget, right? The companies look at it as a kind of, price per usage model and the government looks at it and says, we can't budget for that.

[00:36:29] That's not how we work. So to me I'm curious to watch that space and see what happens at the moment. I'm really glad to not be part

[00:36:36] **Eric Lofgren:** of it. There is the whole, I think consumption-based solutions came out of the section 8 0 9 where it's you pay. By the hours of compute and all that kind of stuff.

[00:36:45] Yeah, that seemed to be the issue, right? Like the government doesn't pain, a rears, according to some metered price. That's not, I don't think that works for appropriations, but they're trying to figure that out. But you think even for your product, right? Could you almost just say I just give you each of these little pieces of hardware, but I bill you based on the data exchange or some kind of like rate and then you go to like asset service model.

[00:37:07] Is that ultimately a good idea

[00:37:10] **Andrea Garrity:** or, I wonder if I do think that's a good idea. I wonder that if there is a future where we could move to that, where we say the radios are really disposable, it's not where the capability is. We'll provide the service and we can manage it.

[00:37:22] And we could assess the network and the network health and help you in real time address how to make that network stronger, where it might be being attacked or jammed or things like that. It was a really interesting place to take it.

[00:37:34] **Eric Lofgren:** Let's shift gears a little bit and let's go to the acquisition next playbook, which we've been developing here at George Mason center for government contracting and your company has been supporting it really nicely.

[00:37:45] And you guys have been on the advisory board and we appreciate that. But some of the things that, we've been trying to do in the playbook really was trying to turn these programs into more like iterative and modular going concerns such that they can actually onboard new kinds of technologies and have that insertion not be obsolescent, by the time you've delivered.

[00:38:05] But then also get into some of the contracting piece. How can you be fast use agile kinds of fork statements in, just be able to do business with companies like yours in a way that like the commercial industry, the regular tech startup world would actually recognize. And it's not like this blast from the past, the shock of 1960s era kinds of business methods.

[00:38:26] And the first one is we start with, and I guess best because that's how the acquisition process starts with the requirement. And the government loves spending all this time, shoring up requirements. And then you just execute to the requirements, you just put that in RFP.

[00:38:39] People propose, choose the lowest one and then see how they do. But in some ways it, it also feels like that. Pre cognition of what that is actually going to be, stifles innovation. So in your view, like from the incu, tell where you've seen a lot of these companies, but also, in your current role, , how does industry like non traditional type industry look at this concept of requirements and advanced development planning versus this kind of MVP and iterate, view, do th does government need to get on an iterative basis in order to do business with these companies or how do you think about that?

[00:39:12] **Andrea Garrity:** Yeah. So first of all, thank you for, having us be part of the board and giving us the opportunity to share our views on these things. You all are absolutely doing God's work by trying to help reform the procurement processes, which by the way, I think is the next step in. In innovation that we've been talking about, we've pushed the tech pretty far and what it can do and where it can go. And now, the next revamp is how do we start to bring it in house and acquire it? And so a lot of the stuff that was in the playbook really resonated with me and even, I think touches on a lot of the things that we've been discussing.

[00:39:45] So we see startups and commercial companies approach innovation a little differently. It is a much more iterative process. They also have experts in their field who, part of their job is every day is looking at, how else is this being done? What's the latest thing that's going to impact, my data science field.

[00:40:05] And I think that the government doesn't necessarily have those same types of resources. People wear many hats, they're doing different jobs. And so they're not necessarily focused on their one thing. This goes back to something I mentioned earlier, that is definitely, I think, in the very beginning of the playbook, which is the idea that we need to have more research and development in general in the government.

[00:40:23] And I don't mean like longterm 10 year programs, but more like, how do we have an AI subject matter expert? For, individual agencies who know that mission and then know how to take AI and make it applicable to their mission and to have policy discussions, and to help the agency think through how do I use this?

[00:40:42] But also, have that person be on a team with somebody who again, is looking at commercial space or autonomous vehicles or field communications and sensors. So that, that, that group of people is collaborating across how these different things impact each other. And I think that's a real R and D function.

[00:40:58] But going back to, companies doing things differently, a lot of times I think , outside of the government, the approaches, here's this big problem that we need to solve. you know, The tech the best, tell me how we solve it. And then they'll come back and say this is the problem.

[00:41:14] This is the approach I would take to solve it. And a lot of times what we find is that through those conversations, And that big picture might not actually be the real problem, but it's a, it's an interdependent part of that process or that function. That is the true thing that needs to be addressed.

[00:41:31] It's really hard to dig into what the actual problem is when the government releases requirements that were brought together 12 months ago. And nobody's talked about it since.

[00:41:42] **Eric Lofgren:** Yeah, that's a good point. It's almost like you integrate right. The requirements and a lot of this idea of what the program should be.

[00:41:49] It's integrated into a technical person. Who's living it and almost responsible for it in a way. It seems like I keep bringing up brick over, but I'll bring it up again because Someone doesn't know what to do with the program. They create this board that goes study it.

[00:42:02] And then you have these people who just go from one of these to another, and they remain in expert their entire lives. Cause they like, they go and they study it real quick. They come up with a baseline and then it's just they go off and that just becomes like the gospel.

[00:42:17] And there's none of that kind of like feedback of reality. And everybody else is just like I know that there's a better way to do this, but I'm stuck, right? Like it's not like I have that kind of iterative process available to me,

[00:42:29] **Andrea Garrity:** there's also something that I've found.

[00:42:32] Even in my role at, In Q Tel, if you went and presented a company to somebody and said, I think this company could be really interesting to your

mission, what enhancement would we need to make so that it would have the ultimate impact? A lot of times people would say, I don't want. Yeah, this is interesting, but I'm not making the connection.

[00:42:51] But when we went in and said, we think this company could have a big impact for your mission. Here are some ideas of what we could tweak, what we could enhance to make it have extra impact, which of these is most interesting to you. Then we started to have that dialogue, right? Because we were sparking ideas and we were maybe taking that off the end user's plate, right?

[00:43:14] Again they're thinking about their mission. They're thinking about their job. It's hard to sit back and say here's this technology, what would I change? But when we could start to say, Hey, if we change this, it would have this impact. If we change that, would it make this easier for you? Then we start to have conversation.

[00:43:27] That's where we could get to a really good place on if we make these changes, it will have significant impact for my mission and I will go through procurement to buy it. And it was really interesting to me to see that difference. Just talking about a company versus talking about a company and what we thought could be changed and just the different sorts of dialogue that

[00:43:47] **Eric Lofgren:** led to.

[00:43:47] Yeah. It seems like, in some ways the companies themselves can imagine what the requirements can be. Or they already have some technology push and then they can work it in some way. They already come with something, they can show it. The classic thing, Ford says if I listened to the customers, I would have just had a faster horse or something like that rather than a car.

[00:44:04] But something that was interesting. We had a panel, on the acquisition next and one of the guys Zach Mears over at Anduril, he was like we need to put more risk on companies themselves. so is some of it just like three requirements may become a little bit later.

[00:44:17] It's more on industry to kind of show, show them what they might want as opposed to like them imagining what they might want. And then, that just being laid down.

[00:44:28] **Andrea Garrity:** Yes. I think that's an excellent point. And going back to what we were talking about a little earlier, I think industry kind of showing their partnership right.

[00:44:39] Saying, Hey, this is what I understand about your mission. This is what I think my product could do to help. Here's a couple of different ideas, right? I think again, that kind of shows that they want to. Work with the government, right? I'm giving you suggestions. You help me understand how, what helps you the most, which I think is a different approach than coming in and saying, Hey, I have this.

[00:44:58] And this is the best thing since sliced bread, and it's absolutely going to work for you because, again, we were talking about software earlier and hardware, with goTenna, we go in the field, we demo our equipment and we show that it works and people are like, this works in my environment.

[00:45:13] Like I'm comfortable saying I need this capability and I'm confident it's gonna

[00:45:17] **Eric Lofgren:** work. Do they then compete it? Or do they like almost sole source it to you?

[00:45:21] **Andrea Garrity:** So it depends, it can be both. I think again, we're lucky that we operate in a in an environment where nobody really does what we do.

[00:45:29] So it's easy to do a sole source. We're also not a super expensive product, which is makes it easier to. But I think the bigger thing, when I think about software companies is how do you demo your capability or your software in the government's environment, so that they're comp competent that it's going to work for them.

[00:45:49] You can't, it's hard to get nobody wants to do a live demo on a laptop in an, in a government building because there's a chance, you might not have connectivity, live demo might not work, et cetera, et cetera. I just point that out from an innovation perspective, because if we want to reduce friction for startups or companies working with the government, I do think that part of it is how do we let those companies demonstrate their capability, give the government a sense of confidence that the product is going to be.

[00:46:18] And then let them make a decision on how they want to move forward. And that might be, that's probably a whole separate conversation. Innovation comes in a lot of different flavors and one of it is

[00:46:27] **Eric Lofgren:** how do we work together? It gets right to the next one because, we talked with a bunch of people.

[00:46:32] We interviewed all these folks in government and industry. And like the one that was actually of our hypotheses, we have nine of them, the one that was always rated the highest was this idea that government needs to get away from these passive RFIDs where they just like, put something out and get a bunch of responses and more towards this continuous market research idea.

[00:46:51] So I think you were trying to get into that. And some of it is, it seems like government wants to only be fair. So it's I don't like all of this kinds of collaboration because I need to have a required evaluation criteria. And then just go, like I do the sole source evaluation and then when I do the evaluation and then when I pick you and then we can have that discussion.

[00:47:10] And then, but like, how do you bring some of that collaboration forward? Have you seen some good examples.

[00:47:16] **Andrea Garrity:** Another great question. Also, I think a tough one. Some of it is, I think the government being honest about what is most important to them and then how do they get to that? What I mean is when you look at some of the big tech companies like Google or Facebook or LinkedIn, You know, they're willing to talk to anybody and they want to know all of the capabilities that are out there.

[00:47:37] And if they think they can save one penny on a transaction using a certain software or working with a specific company, they're going to do that because that one penny adds up significantly over, all the transactions are all the things that are happening during the day. And to me, with the government, if we're truly looking at how do we get tech to operators, how do we support the mission?

[00:47:58] Then I think we have to back into that to say how are we doing that today? And is that the most effective way to bring tech in-house? Because, I think what we keep getting at and some of your other guests have said too is right now, the answer is no, right, where we're creating these huge programs.

[00:48:13] We're not delivering in a quick manner. We're leaving innovation or innovative company out of the equation because we can't, we on the government's, I can't figure out how to work with them. And so I guess my thought here really is the idea of continuous market research is really valuable. I think from a planning capabilities perspective, it's really important thinking about how you would do your mission differently, knowing that certain technology might be coming.

[00:48:40] But I also think, again, maybe this goes back to that R and D piece that we keep talking about, which is, how do we have a team of people who are doing that constant iteration and that constant market research, and then have the voice in the organization that people listened to them.

[00:48:54] When they say, Hey, we need to start thinking about pivoting, or we really need to be pushing into mesh, networking.

[00:49:00] **Eric Lofgren:** We kind of recommended like a single point of entry. The person's job is just doing that kind of market research and maybe coordinating with others on that.

[00:49:09] But yeah, maybe is that almost like your innovation warrant person, or like a group, like a separate group rather than all the program offices or PEOs having their own kind of market research function that continues, that's not just okay, we have this solicitation, let's do it.

[00:49:23] And then we like stop and then wait for the next one, or is that just take it out and put some more higher or somewhere different in the organization. They're just like, the functional support for that.

[00:49:32] **Andrea Garrity:** Yeah. I think one of the reasons that I struggle to answer this question is that innovation in bureaucracy is really hard.

[00:49:42] And so when we talk about those key ingredients like director engagement, end user engagement, budget, personality, it's a lot of like individuals winning hearts and minds and their organization, right? Lots of conversations , with end users about mission then actually delivering tech to those end-users. Bringing insights to the director and senior leadership and kind of this whole loop of continuous value that innovation is providing. And so again, where I struggle is how do you do that in an organization like DOD, how do you do it across the services? Is it at the PEO level?

[00:50:17] Is it somewhere lower? Cause again, it seems like trust and relationship is sometimes what's w what is what kind of lets people lean into innovation or take some risks that they might not ordinarily. Why am I going to put my time against evaluating a product if you're not going to be able to procure it for me versus, Hey, I'm absolutely willing to put my time and energy into this.

[00:50:38] Cause you got me this last product and it made my life way better. So yeah, I'm going to do this again. So at large scale, I don't know, I've seen it work in an organization. And again, I think it's that team, it's the right people navigating the org.

[00:50:53] **Eric Lofgren:** Yeah. , I don't think there is an answer to it. Cause we always think about what's the perfect structure, but it almost seems like going back to what you're saying, it's just you almost just need to have people that have that R and D domain expertise. And, Maybe like the warfare centers in the Navy, they have that.

[00:51:11] They matrix that support in some ways. The army is interestingly enough, I think they brought a lot of that R and D of, control over that R and D parts of the budgets, even on the acquisition side of the R and D like to army futures command. And then they have these cross-functional teams, the air force seems to not really have much of that at all.

[00:51:29] I think AFRL is that market research, functional support there, but, yeah. It just seems like it's just the programs or just the programs and they just close off to people. Where it's just you get your prime. Once the prime gift, the program, they have no incentive to do continuous market research.

[00:51:46] And like, how do you pull that? Some of that back so that the government. Or the prime doesn't have privity with contract of every subcontractor. The government gets more insight and control and can actually insert different vendors so long as potentially they meet interface criteria or the like, and that was back out to our master and the baseline, but it seems and correct me if I'm wrong I don't know what your impression of the master of the baseline play was, but does that kind of get to some of what you were thinking of just like that R and D bringing more R and D in-house to the government, which most people in industry like, hate that idea.

[00:52:19] But it seems like it has that counterintuitive, feeling of if the government knows like the technology fairly well, that they won't feel like

they're getting taken advantage of necessarily because they don't have that information asymmetry.

[00:52:31] **Andrea Garrity:** Definitely. So I do agree with the master of the baseline and especially as it relates to R and D.

[00:52:37] When I started my career. And again, like through all my time, I've worked with awesome people, but I heard a lot about the heyday of IBM's partnership with different government agencies and all that they were able to accomplish. And interestingly, , some of IBM software products that had come out of that co-research they had done with agencies to commercialize those products for, for IBM's benefit.

[00:53:02] So the agency could buy it, et cetera. And people always talked about those days, very fondly, where they felt, again, they felt close to the mission. They felt like they were working in collaboration and in partnership with the government. And at the end of the day, they were clearly creating successful solutions because they were getting commercialized and then, sold to other agencies and to to commercial entities as well.

[00:53:22] Even as in part of origin story, it's always about how that decline of government, R and D and how at the end of the day, the CIA said, we're not getting, we're not getting access to the, two people in a garage or a couple people in a dorm room. We don't know what's happening.

[00:53:38] And we want to know. And so inky tell was stood up to be that bridge. So again, as I think back through, through my career so far, it really goes to R and D collaboration, and really, some kind of outside entity working closely with the government to, to get to a solution. I wonder

[00:53:57] **Eric Lofgren:** if the air force would have had, UAV during the, especially the first decade, maybe of the war, if the CIA didn't contract with .

[00:54:05] That guy, Kareem. It's pretty interesting that the whole story, so maybe sometimes the CIA leans out forward a little bit more. It's hard for me to know. They're always like behind that black box, I can't look at their FPDS data. Like I have no idea what goes on with them, but you know, one last one I want to talk to here is this just this idea of okay, you're working with government, how can you do agile development and dev ops, while like building a product for government.

[00:54:28] And it seems like there's these two ways, right? You could just build the whole darn thing and then sell it to them as a service or on the backend and hope that you can build in enough margins back there to pay for everything that you did up front. And then just keep doing iterative, continuous develop.

[00:54:44] With those margins, and hope that you can grow it and all that kind of stuff. So you now get operating, gains instead of losses. But the other way is well, can government itself, write agile contracts and have modular contracts where they're actually funding the development in that way or the continuous upgrade of it.

[00:55:01] What's your thought on, just that, like, how does government allow for agile software development without creating those waterfall processes that create, the rigidities where it's like not real agile.

[00:55:13] **Andrea Garrity:** Right. So look, I'm the person who always wants to see things go faster and never really wants to acknowledge that.

[00:55:19] Sometimes things take a little more time, but I think programs like app works and DIU have really helped in this space because for one thing they allow. Companies like goTenna or others to engage with. End-users in fact, that's a big part of the process is that, you have to have your MOU and your buy-in from groups in the field.

[00:55:38] So it allows you to have some of those requirements discussions and those mission discussions of what are you doing today? And here's what we have. How is this relevant to you? And if we're thinking about these different things, what gets you excited? And then of course, like being able to have part of your roadmap funded, knowing that there's end users on the backend becomes really valuable.

[00:55:58] So I think that AF works and and DIU are doing a lot to reduce the barriers for companies who are looking to do business with the government and who want to have a more iterative development cycle so that they know they're creating a product that the government wants and needs, but it

[00:56:15] **Eric Lofgren:** feels like, that iteration like DIU in Africa, they're just like the front end to that.

[00:56:19] It's like it got it. Like, how did they continue that iteration? I'm I'm now at a program office, right? Do I now just get like this big, one-off

contractor and like now I have an integrated master schedule. I'm reporting, earned value management data to you. I have 40, 50 C drawls, right?

[00:56:37] Have you seen a world where like the government actually gives mission, outcome statement, or something like that on a contract and just holds you accountable through deliverables and repeated orders, as opposed to did you hit that statement of work or not?

[00:56:49] Cause that was one of the ideas we're trying to bring out of acquisition next and we heard some program offices doing it, but it's just it seems like it's not a usual thing.

[00:56:57] **Andrea Garrity:** Yeah. I have not come across that. But I do agree. I think that, so answering the question a little differently.

[00:57:03] I do think breaking out contracts into smaller chunks, awarding companies along the way, and making sure that we're giving everybody their gold star both internally and externally is really valuable, right?

[00:57:18] Like how great would it be to look back over a two or three-year contract or program. Where you had these six month awards or payments or whatever it might be so that now you can look back and say, wow, this company delivered, at each milestone and have them be quick wins. Because I also think that one of the things that can be a challenge with, innovation and we'll talk about innovation is like this big eye thing, is that if it involves development and iteration, it can take time. And it feels like in the environment right now, we don't have time to win.

[00:57:52] We have to show success and quick wins first and then build on that. And when you have those quick wins and you have those successes that, that success, then you can start to take more risk, right? Because now your your probability of winning is going to be, is it looks like it's going to be higher.

[00:58:08] And so you can start to say, I brought in these three things to the agency and they all provided impact and value. Now I'm going to go out on a limb and I'm going to go for this thing that is a little harder to do, and there's a higher risk of failure, but I've got these wins to back me up.

[00:58:23] **Eric Lofgren:** one of the nice things about that is it's just like the feedback effects, right? So often, like you could have a five-year contract before you find out whether something was delivered. Now you're stuck, as opposed to just being able to assign, reputational effects with more confidence, because you

have these short cycle times and you can actually say whose fault it was to some degree, or were they actually doing a good job, as opposed to five years down the line, you have a new program manager, a new people in the company, like everyone's blaming everyone else.

[00:58:50] Right?

[00:58:51] **Andrea Garrity:** Yeah. So really good point. As we were talking about wins and success rates, some of it is psychological. Everybody wants to win, right? So when you do that sooner, rather than later, I think it keeps everybody engaged to get to that next milestone to keep having that win and those successes that feels good.

[00:59:06] It feels good to have a reason to celebrate. And so doing those things more frequently, a, I think continues to support and validate the companies that are working hard and delivering. And I also think it gives the government insight into companies that are maybe not delivering and gives them a chance to figure out why, because if there's one thing I have seen and I laugh about it, but it's really not funny.

[00:59:27] As I've seen agencies who will spend $500,000 to bring a capability in house and then, $2 million trying to get it work, get it to work because, they worked really hard to get the budget to bring that capability right. They want to show success. They saw a vision for it working and it's not working and they think they're going to make it work.

[00:59:44] And so I think kind of contracts with smaller milestones along the way will give you easier insight into where are there companies that maybe aren't performing or aren't meeting the specs. And then if we truly are being more iterative, right. We can start to have that conversation that says are we asking them to do something?

[00:59:59] That's just, nobody can do right now. Or maybe our requirements were actually off because it, in fact this was not entirely what we needed. It's slightly different. It's a different period. Whereas, I, I don't know that we have as much of that conversation right now.

[01:00:12] **Eric Lofgren:** You reminded me of a story of a company told me where they were just like, Hey, the government wants to give me this cost plus contract. I don't want to take the cost plus contract. I want the fixed price at this level and we'll deliver. And the government. No, no, No. We usually do these types of things.

[01:00:30] That's a cost plus. So take the cost plus, and trust me, you can actually grow that contract. Just do all sorts of mods later. So it'd be better for you. You get more revenue out of it. And they're like, no, we don't want to do that. ,

[01:00:42] **Andrea Garrity:** This is where the government needs to come up with. What is the most important thing that they are trying to accomplish? And then what is the best way to actually go about, contracting for that, because. Age old story with the government, right? As companies come in and say, if you implement this solution, you're going to save all this money, which really resonates with commercial companies and does not resonate at all with the government.

[01:01:05] We all know you have to spend your budget or the budget is cut next year, and nobody wants that. And as companies are approaching the government, it would be helpful to understand what is the most important thing here? What are we trying to accomplish? It's not saving money and that's okay, but what is it?

[01:01:20] And then at least it gives the companies a chance to attempt to show how they align to that most important value. And that's not always clear especially with some of these huge multi-year contracts and awards and things like that. Yeah. Yeah. I

[01:01:34] **Eric Lofgren:** mean I mean that also just comes out of the requirements, right?

[01:01:37] The government would be like I want the fastest and the most armor and the most networked and the most reliable and the most survivable. And it's just yo, those all have trade-offs, it's like, what actually do you want me to do? And it's no, I want it all. I want this big multi-mission thing that does everything, because I want one logistical supply chain, one by , economies of scale.

[01:01:59] But it seems like the government searching for all of these economies of scale for everything. It just they end up getting nothing.

[01:02:05] **Andrea Garrity:** And doesn't that also tie back to the market research piece we were talking about we can ask for things that we know are in the realm of possibility. And then if companies want to stretch and say, Hey, we think we can do more. We have that market researcher who can actually look at that and say, that is a novel approach.

[01:02:22] We haven't seen it before, but everything that they've laid out says that they should be aligned for success. And let's lean into this

[01:02:28] **Eric Lofgren:** one. Yeah. Getting that kind of clarity, at least on what is the priority? Not necessarily. Tell me all the requirements, I'll just build it like this.

[01:02:37] What are you really trying to do here? Is it really survivability? And I guess it depends on the con ops. Maybe they don't even know. Like it depends on like the situation you're going to use it in. And because they don't know there's all these situations, they just won't do all of them.

[01:02:49] Do we need more functional types of systems? Like government to just think about one thing at a time, rather than, replacing the old thing with a new thing that does all the same things as the whole thing.

[01:02:59] **Andrea Garrity:** And I'm looking at this with, through my lens, which is thankfully, not as complicated as I have this enterprise software and I need to integrate it into the next build of the F 35.

[01:03:10] And how am I going to do that? I think that gets a lot more complicated.

[01:03:14] **Eric Lofgren:** Yeah. I guess you guys are a little bit standalone almost by design. And that seems to actually work out right.

[01:03:20] **Andrea Garrity:** And it's interesting too. It's a decentralized communications platform, which a couple of years ago I think was a nice to have and now has quickly become a, almost a focus, I think, in in the future of communications for DOD.

[01:03:34] What is the near peer threat look like? What does a no satellite environment look like? All of a sudden decentralized comms. It's cool. Again,

[01:03:41] **Eric Lofgren:** as has this been used in Ukraine at all ship, ship him over there for some free advertisement.

[01:03:47] **Andrea Garrity:** We do work really closely with our foreign allies as well. So it has been a busy two weeks. It's always hard during times of conflict. To have outreach from partners and to on one hand, see how your capability is so valuable to them. And then on the other hand to know, to know what they're going through and why they're reaching out.

[01:04:08] But yes, we are doing a lot of work abroad. Wow. Very

[01:04:11] **Eric Lofgren:** cool.

[01:04:12] **Andrea Garrity:** So it's been goes back to that. I tar piece since we're not, I tar controlled we are able to work with foreign partners and allies, and I think that actually extends the mission of the U S DOD as well, because they also, goTenna also provides layered encryption.

[01:04:29] So then there's interoperability between different partner forces.

[01:04:32] **Eric Lofgren:** That was good to hear. Cause I was assuming when you wrote in the thing about it, I was like guess you guys might be running into some of these problems. But

[01:04:39] **Andrea Garrity:** yes, not only we are not. We're not running into ITR problems, but that was that was just something I was really surprised at and almost mad on behalf of the companies that we're dealing with that.

[01:04:50] Just because again, to me it felt like the government was being short-sighted and slapping eye tar controls on those companies and potentially shutting them down while not thinking about, how they should

[01:05:00] **Eric Lofgren:** engage. Very cool. Is there anything you'd like to end on here?

[01:05:04] We've had a pretty good hour. Anything else you'd like to share?

[01:05:06] **Andrea Garrity:** We have had a really robust conversation and I really appreciate you having me on the podcast. I do want to say, I truly believe that, everybody in this government ecosystem, both on the government side, on the private sector side, everybody is doing their best.

[01:05:22] I love having the conversations of just how do we do it better? How do we build more trust and find things that are mutually beneficial? And I really want to take a moment just to thank our frontline operators and our first responders for the mission that they do every day. And also think the companies and the individuals that are working hard to support those operators, and then also really want to give a shout out to the team.

[01:05:44] Our CEO is super mission focused and I see that every day just getting to work with other people in the company. And it's been it's been really

exciting time for me to be here. And Eric just want to let your listeners know they can feel free to like ping me on LinkedIn or get my contact information from you or check out, go Tenas website.

[01:06:03] If they have follow-up questions.

[01:06:04] **Eric Lofgren:** We'll definitely make sure to put some of that information up with the podcast and with the write-up and everything. Andrea Garrity. Thanks for joining me on acquisition talk.

[01:06:14] **Andrea Garrity:** Thanks so much.

[01:06:15] This concludes another episode of acquisition. Talk, if you have comments, interview recommendations, or just want to chat, please contact us@acquisitiontalk.com. Thanks again. And until next time.