

To: Sean Carroll, NYS Office of General Services
CC: Colleen Franchini, NYSPSP; John Normile, NYS OGS
From: Pravina Raghavan, Empire State Development
Date: 9/12/2018
RE: NYSPSP Application to offer Digital Accessibility and Usability Testing and Remediation Reporting Services

Description of Application

New York State Preferred Source Program for people who are blind (NYSPSP) is requesting to offer Digital Accessibility and Usability Testing and Remediation Reporting Services (DAUTRSS) as a preferred source offering.

NYSPSP's affiliate agency My Blind Spot in New York City will provide these services.

Marketplace

The sources below were used to assess the marketplace:

1. NYSPSP annual estimate provided in the application;
2. Survey of comparable products from other preferred source catalogues;
3. Survey of results from the Google "site" tool;
4. Survey of agencies that may procure similar consulting services;
5. OGS Centralized Contracts;
6. Search for NYS small business firms through NYS Contract System, SDVOB directory, Hoovers.com, Google, Glassdoor and GSA Advantage;
7. Survey of companies identified by search;
8. Historical Contract Reporter and BidNet Direct Ads¹; and
9. Office of the State Comptroller - Open Book NY.

In addition to the above data sources, the marketplace includes purchases done through discretionary spend and purchase cards (P-Card) which are not collected by OGS. The records for P-Card information do not provide spend details on what specific items are purchased. Agencies would have to give P-Card and discretionary spend information voluntarily.

The Preferred Source designation would also provide exclusivity to purchases made by local governments and municipalities, removing the service from the open market for perpetuity. No database records the purchase or spend data of these entities.

ESD performed analysis based on available data provided by publicly available data sources and survey responses. All survey data collected from agencies and businesses is voluntary and self-

¹ BidNet Direct is a third-party website that offers postings of bid and procurement opportunities nationwide. Over 200 NYS authorities, local governments and school districts post on this service.

reported. Therefore, a complete marketplace analysis is not possible and the analysis below does not encompass the entire spend on DAUTRSS like services.

Each section below includes an analysis and survey results using the available data.

NYSPSP Estimate of Annual Sales

NYSPSP has offered the estimate of their annual first year sales of this service to be \$760,000. With SUNY, CUNY, NYS ITS, Suffolk County Community College and Monroe Community College listed as potential clients.

NYSPSP intends to use automated software, along with sighted and visual impaired individuals, to complete their audits.

Survey of Comparable Products from Other Preferred Source Catalogues

The two other preferred source websites, NYSID and Corcraft, were researched. No other services offered by other preferred sources are substantially similar to this offering.

Survey Results from the Google “site” Tool

The popular Google web search engine offers the ability to limit the scope of searches by using the “site:<modifier>” tool. By using this tool, we can limit index results to a specific domain and get an approximate number of webpages indexed by the engine. This data can then be used to evaluate the partial size of the potential market for DAUTRSS services with the agencies, authorities and municipalities that control these sites. This listing is a small sample of the actual marketplace as there are many domains (examples: *.edu, *.org and *.com) used that cannot be sufficiently narrowed to provide NY based data without discrete searches. There are at least 2,000 websites that are under state and local government control that this decision would affect. A single website can contact thousands of individual pages of data, each would need to be checked for compliance. Sample set of results are listed below.

Web domain	Number of pages indexed (approximations from Google)²
dmv.ny.gov	9,550
sunysuffolk.edu	12,000
monroecc.edu	17,600
its.ny.gov	7,790
suny.edu	58,600
cuny.edu	673,000

² Page counts are non-exclusive across searches. Single pages may be in multiple categories by nature of raw data.

Web domain	Number of pages indexed (approximations from Google)²
Esd.ny.gov	12,600
iloveny.com	42,500
dec.ny.gov	60,700
parks.ny.gov	7,070
nysed.gov	389,000
.state.ny.us	648,000
*.ny.gov	1,360,000
*-ny.gov	1,330,000

Survey Results with Select State Agencies

The list of state agencies to interview is based on the information gathered from the application review, one NYS Contract Reporter ad and one BidNet Direct ad. It should be noted that this is a service with a market at all public facing state agencies, authorities and public benefit corporations, although only a limited number of them might procure those services in amounts exceeding the discretionary spending thresholds.

Agency/Authority	Total amount per year spent on DAUTRSS style services	Purchasing method	Comments or additional data
City University of New York	\$100,000 to \$500,000 estimated	RFP	“High Interest” in recent RFP with “many competitive organizations” with “capacity” being a point of concern
Monroe Community College	Could not determine dollar amount	BidNet Direct posting/RFP	Contract (RFP 18-02) may not be awarded yet
Nassau Community College	Not aware of any specific procurement	TBD	Not aware of any, but would likely in the future
Gaming Commission	Did not respond		
New York State Department of Education	Did not respond		
New York State Department of Motor Vehicles	About \$50,000	Discretionary spend	Legal Settlement
New York State Office of Children and Family Services	Could not determine	Possible P-Card	Not aware of any specific procurement, but knows the topic has arisen in the past.

Agency/Authority	Total amount per year spent on DAUTRSS style services	Purchasing method	Comments or additional data
New York State Office of Mental Health	Small dollar values for specific employees only so far	P-Card	Not aware of any large procurement, only small items as needed so far.
State University of NY	Tough to estimate since institutions buy individually and there is no university wide contract. Perhaps \$200,000 at SUNY Central/Open SUNY	Discretionary purchases and possibly using CUNY contract. Have spoken with My Blind Spot, NYSPSP agency.	Interested based on violation notices and Open SUNY, the online classes system.
Suffolk County Community College	Did not respond		

OGS Centralized Contracts

OGS does not have any centralized contracts that offer a similar service at this time.

Search Results for NYS Small Business

Searches were conducted in Google, Glassdoor, Hoovers.com, the NYS Contract System, the SDVOB directory, and the GSA Advantage website. The result of each search is below:

Web Search	# of search results³
Glassdoor – 508 Compliance, website accessibility, website consulting services	2
Google – 508 Compliance	8
Google – WCAG Testing NY	10
Google – online accessibility services	10
Google – Accessibility consulting services NY	3
Total	33
Hoovers.com Search	# of search results⁴
Hoovers – NY state HQ with <=100 employees NAICS code 541511 ⁵	381

³ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

⁴ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data. NIGP codes are not a searchable parameter on Hoovers.com.

⁵ NAICS code 541511 – Software Analysis/Web Design Services

Hoovers.com Search	# of search results⁴
Hoovers – NY state HQ with <=100 employees NAICS code 541512 ⁶	225
Hoovers – NY state HQ with <=100 employees SIC code 73790203 ⁷	46
Total	652

NYS Contract System Search (MWBE)	# of search results⁸
NAICS code 541511 – Software Analysis/ Web Design services	27
NAICS code 541512 – Computer System Consulting Services	72
NIGP code 91596 – Webpage Design, Management and Maintenance Services	98
NIGP code 91648 – Webpage Design and/or Management Services	21
NIGP code 91829 – Computer Software Consulting	147
Total	365
SDVOB website search	# of search results⁹
Category: Information Technology	71
Total	71
GSA Advantage website	# of search results¹⁰
Searched for online accessibility compliance	13,168

NAICS codes are broad categories that can be difficult to determine where products may be categorized. Since there is no specific NAICS code for this specific service, “World Wide Web Consortium (W3C) Web Accessibility Initiative (WAI) Web Content Accessibility Guidelines (WCAG) 2.1 AA testing” (aka DAUTRSS), a search was conducted for related fields and two NAICS codes, three NIGP codes and one SIC code were identified. Based on these codes alone, it is hard to determine which entities offer these services. Therefore, a smaller subset of 316 was chosen as a sample set to assist in determining the potential marketplace. The term “DAUTRSS” is not a standard information technology term that is used outside of the confines of this application and is not suitable for use as a phrase to generate any applicable company data. Additionally, the term “Worldwide Consortium for Accessibility Governance” generated no results.

⁶ NAICS code 541512 – Computer System Consulting Services

⁷ SIC code 73790203 – Online Services Technology Consultants

⁸ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data. SIC codes are not a searchable parameter in NYS Contract System.

⁹ Company counts are non-exclusive per category. Single entities may be in multiple categories by nature of raw data.

¹⁰ Due to the nature of the application and the required section 508 disclosures on GSA Advantage postings, no keywords could be found to sufficiently narrow the search results.

Survey Results with Companies

Of the 316 company subset, 17 businesses were surveyed that offer substantially similar services, three of which are not for profit companies.

Below are the survey results of the respondents.

Company	Total # of Employees	Agencies or municipalities sold to	% of government sales for DAUTRSS services to NYS entities	\$ value of DAUTRSS sales to NYS government	Certification	Do you use Visually impaired employees in your process? ¹¹
Company A	1	Yes, Colleges	5%	\$25,000	WBE	Yes
Company B	60	Have not but would like to, all Federal work	0%	\$0	WBE	No
Company C		Does not offer this specific service				
Company D	187	Yes, would not disclose	Would not disclose	Would not disclose		Yes
Company E	3 NY (11 total)	Has not but would like to	0%	\$0	WBE	Yes
Company F	12	Yes, SUNY Colleges, Office of Mental Health, NY Lottery	50%	\$2.5 million	WBE	Yes
Company G	6	Yes	30-40%	\$50,000	MBE	Yes
Company H	70+	Did not disclose				Yes

¹¹ Companies were surveyed to see if they used people who are visually impaired as part of their evaluation procedures. Not every company would necessarily use the exact same methodology in their services.

Company	Total # of Employees	Agencies or municipalities sold to	% of government sales for DAUTRSS services to NYS entities	\$ value of DAUTRSS sales to NYS government	Certification	Do you use Visually impaired employees in your process? ¹¹
Company I	40	Yes, Dept. of Health, OCFS, SUNY, and others	100%	Would not disclose	MBE	No
Company J	77	Can, but unlikely to seek the work	0%	\$0	MBE	
Company K		No longer offers this service				
Company L	6	Would like to but has not won bids			MBE	No
Company M		Did not respond				
Company N	70	Yes, Community Colleges	Would not disclose	Would not disclose		No
Company O	5	Only as part of site development	0%	\$0	MBE	
Company P	12	Yes, RIO, Colleges	30%	\$150K-\$200K		Yes
Company Q		Did not respond				

Contract Reporter Ads

A search was conducted for any ads that were posted from January 1, 2010 to June 22, 2018 for the following phrases: “web content accessibility”, “online accessibility”, “508 assurance”, “508 compliance”, “website accessibility” and “accessibility” which generated one applicable opportunity (with one revision) with the City University of New York (CUNY) that closed on 6/24/2018 (UCO-698-1). A similar search was conducted in the BidNet Direct system, which generated one applicable opportunity with Monroe Community College that closed on 1/12/2018 (RFP 18-02).

Analysis & Recommendation

Based on the information from the state agencies and small businesses that were surveyed, we recommend that the preferred source application be denied.

The surveyed agencies indicated there is a very large, active and growing state government marketplace for this field of service. Additionally, there are a significant number of firms (a minimum of 13 were identified in our survey employing over 549 employees, some of them visually impaired), that offer this service in the marketplace.

This application would have a strong negative impact on those businesses if approved, with several businesses noting that state expenditures are 30-50% of their sales in the category, with a potential revenue loss in excess of \$2.5 million dollars from the surveyed firms alone. The nature of this analysis, with the difficulty in quantifying the full number of firms and size of the marketplace, would dictate that this is only a fraction of the true potential for revenue loss to New York State businesses.

The Monroe Community College opportunity (RFP 18-02 from the BidNet direct listing) for example had twenty four document requests noted, with eight of them from NYS firms.

Approval of this application would severely curtail a large portion of the predominately government based market for these firms, many of which are M/WBEs. The applicant (NYSPSP) and their agency (My Blind Spot) already successfully offer this service in a competitive marketplace and could continue to do so if this application is denied. The nature of their organizations already has given them a strong competitive advantage in this field. Our recommendation is to deny the application so that all parties currently in the market place including My Blind Spot can continue to compete for this service.