

PRO-5
Issue Date
June 5, 2008

Proper Marketing Practices – Marketing to the U.S. Government

Purpose/Summary

This procedure addresses special issues related to marketing to the U.S. Government. This procedure applies to all employees of The Boeing Company, including subsidiaries, contingent labor, consultants and others acting for the company unless otherwise approved by the Senior Vice President of Business Development and Corporate Strategy.

Supersedes

April 2, 2004

Applies To

All Boeing

Maintained By

Senior Vice President, Business Development and Corporate Strategy

Authority Reference

Policy [POL-1](#), "Delegation of Authority to Authorize Business Transactions and Agreements, and to Commit Company Resources"
Policy [POL-2](#), "Ethical Business Conduct"

Approved By

Michael J. Cave
Senior Vice President, Business Development and Corporate Strategy

Summary of Changes to the Title Page

The Issue Date, Purpose/Summary, Supersedes date, Maintained By, and Approved By have changed. There are no other changes.

1. Requirements

This procedure provides guidance regarding proper practices in marketing Boeing products and services to the U.S. Government. State and local governments may also have applicable procurement rules that must be followed. Public concern with the relationship between industry and the U.S. Government has resulted in complex laws and regulations that control the government procurement process. Procurement laws and regulations generally have three basic purposes: to obtain the best possible products and services at the best value; to promote full and open competition based on specifications and evaluation criteria that allow interested suppliers to respond; and to eliminate waste, fraud, and abuse. Contact the Law Department for further guidance.

2. Responsibilities

- A. All employees, including subsidiary employees, contingent labor, consultants and others acting for the company are expected to understand and adhere to the highest standards of ethical business conduct and to understand and comply with the rules established by our customers for procuring products and services. Conduct that is improper for employees under this procedure may not be accomplished through associate contractors, suppliers, consultants, or any other means. Employees and other Boeing representatives may not ask or permit others to do anything that they are not permitted to do themselves.
- B. Employees and other Boeing representatives who deal with the U.S. Government must understand the rules the U.S. Government has established for its own representatives. Employees and other Boeing representatives must not attempt to induce U.S. Government personnel to do anything they are prohibited from doing or to engage in any activity that could create a perception of improper business conduct.
- C. Employees and other Boeing representatives must deal with U.S. Government representatives in an atmosphere of openness. Whenever possible, meetings should be scheduled in normal business locations and

at normal business hours under circumstances that could not be interpreted to imply concealment.

- D. Any document prepared by or on behalf of Boeing and provided to U.S. Government representatives should clearly indicate that it was prepared by Boeing and include an appropriate legend if the document contains Boeing proprietary information, whether technical or financial in nature. (See Procedure [PRO-2227](#), "Information Protection," or consult the Law Department.) Under no circumstances should such a document purport to be an internal U.S. Government document or the work product of someone else.
- E. Exchange of information between the U.S. Government and Boeing and between Boeing and another company may be appropriate if
1. Receipt or exchange of such information does not violate laws, regulations, agreements or Boeing policies and procedures. Unauthorized possession or use by Boeing of U.S. Government or competitor data or information may be construed as giving Boeing an unfair competitive advantage and could be the basis for a bid protest, debarment, or civil or criminal charges against Boeing and the individual employees or other Boeing representatives involved. Accordingly, information may properly be received (whether orally, in writing, or electronically) only from authorized sources and under circumstances in which there is no doubt as to the company's, the employee's, or other Boeing representative's right to receive and possess such information. If there is any doubt, contact an Ethics Advisor, the Contracts and Pricing Department, or the Law Department before proceeding. (Refer to [PRO-70](#) and [PRO-6375](#) if there are any questions or doubts as to the data or information received.)
 2. The U.S. Government or competitor information is received in writing (including by means of regular or electronic mail or by facsimile transmission), it should be accepted or retained only if it has been received from a U.S. Government or competitor employee authorized to provide such information. Typically, such U.S. Government or competitor information is transmitted as official correspondence. When there is any doubt as to whether a U.S. Government or competitor employee is authorized to provide particular data or documentation, assurances that receipt of the information is appropriate should be obtained (and documented) from the U.S. Government or competitor employee. The information should not be accepted if there is any question or doubt as to the company's right to receive or possess the information. Contact an Ethics Advisor, the Contracts & Pricing Department, or the Law Department before proceeding. (Refer to [PRO-70](#) and [PRO-6375](#) if there are any questions or doubts as to the data or information received.)

3. Employees and other Boeing representatives are to understand and comply with the requirements of [PRO-70](#) and [PRO-6375](#) concerning documentation of the sources of Government or competitor information, and reporting of evidence of a violation of the Procurement Integrity Act or related laws. Questions concerning these additional requirements should be referred to Ethics or the Law Department.
 4. In addition, separate requirements apply to the receipt and disclosure of classified information as set forth in D200-10015-1, "Boeing Security Manual for Safeguarding Classified Information".
 5. Information that is proprietary to Boeing should not be provided to another company, and another company's proprietary information should not be sought or accepted by Boeing, unless the parties have entered into an appropriate written agreement concerning the use and protection of the proprietary information. (See Procedure [PRO-5124](#), "Proprietary Information Agreements (PIAs) and Non-Disclosure Agreements (NDAs)".) Consult the Law Department for guidance.
- F. Boeing encourages a full and open dialogue with U.S. Government customers subject to the awareness that particular care should be taken to avoid even the appearance of a conflict of interest or other impropriety, particularly as a procurement activity approaches the competition stage. Conflicts occur when the degree of access to U.S. Government information or participation in the development of a requirement reaches a level that places a contractor at an unfair competitive advantage in bidding a procurement opportunity. Such conflicts could result in bid disqualifications and possible civil or criminal action against the company and/or involved employees and other Boeing representatives.
- G. In addition to compliance with laws and regulations, employees and other Boeing representatives will conduct themselves in such a way that the company's integrity is not questioned. The appearance of impropriety must be avoided, and care must be taken to ensure that actions that may otherwise be proper do not lead to misunderstandings detrimental to the company's reputation and chances of winning a procurement opportunity. In case of uncertainty, consult an Ethics Advisor or the Law Department.

3. Situational Guidelines and Requirements

- A. Marketing Before a U.S. Government Requirement Has Been Established
- Industry is an important source of information to the U.S. Government on future products that could satisfy U.S. Government needs. Exchange of information about those needs and the means of satisfying them is therefore in the national interest. Boeing representatives may participate in

this process and, if pursued in accordance with authorized procedures, promote solutions based on Boeing product lines and skills.

1. The following marketing activities are acceptable:
 - a. Inquiring through authorized channels about U.S. Government requirements.
 - b. Recommending ways of satisfying U.S. Government requirements based on Boeing products and capabilities.
 - c. Commenting factually about solutions advanced by others if properly requested by U.S. Government personnel.
 2. The following marketing activities are unacceptable:
 - a. Requesting or receiving information from U.S. Government personnel that they are prohibited from providing by virtue of law or their own regulations.
 - b. Offering business courtesies, except as allowed under Boeing Procedure [PRO-6](#), "Offering of Business Courtesies."
 - c. Engaging in marketing activities that could be perceived by others as improper business conduct.
 - d. Seeking, obtaining, or using U.S. Government or competitor information or documents that Boeing is not authorized to possess, or obtaining U.S. Government or competitor information or documents other than through authorized channels and with appropriate documentation. DoD planning, programming and budgetary information and supporting data bases are not to be disclosed outside DoD and other directly involved U.S. Government agencies before public release. Except in very limited and exceptional circumstances, as determined by DoD, Boeing, its employees and other Boeing representatives must not seek to obtain, possess, or use such information, whether or not classified or otherwise indicated as being for Government use only. Any questions or doubts about the possible receipt or possession of such information or the actual receipt, possession or use of such information should be resolved under the procedures set forth above (Refer to [PRO-70](#) and [PRO-6375](#) for further detail).
- B. Marketing After a Requirement Has Been Established but Before a Request for Proposal (RFP) is Issued

Boeing representatives may continue to inform the U.S. Government through authorized channels about the merits of Boeing products and services during this period. Technical solutions, terms and conditions, and evaluation criteria may be recommended to allow the U.S. Government to consider Boeing products. Direct involvement in RFP preparation must be avoided unless authorized by the U.S. Government and reviewed and approved in advance by the Law Department. An Organizational Conflict of Interest provision is often placed in the solicitation document that may potentially restrict Boeing from participating in the procurement if it is involved in the development of key documents of the RFP, e.g. the statement of work or specifications. (Refer to [PRO-5123](#).)

1. The following activities are acceptable prior to issuance of an RFP:
 - a. Requesting information about U.S. Government requirements through authorized Government personnel only, i.e., the contracting officer or the head of the agency, because such information might be considered “source selection” information, third-party proprietary information, or information that is otherwise unauthorized for release. (Refer to [PRO-70](#))
 - b. Presenting technical solutions, specifications, evaluation or selection criteria, and procurement recommendations, as long as the source is clearly identified.
 - c. Reviewing advance copies of RFP documents at U.S. Government request for such factors as clarity of specifications and acceptability of contract terms, and submitting comments in writing, as long as the source of the comments is clearly identified.
 - d. Providing information in an open manner to consultants retained by the U.S. Government to define requirements or to develop specifications on behalf of the U.S. Government.
2. The following activities are unacceptable:
 - a. Requesting, accepting, or possessing information that could be considered “source selection” or other “non-public” information or third-party proprietary information without the approval of the government contracting officer or the head of the agency.
 - b. Preparing all or any part of the actual RFP or evaluation criteria unless authorized by the U.S. Government and reviewed and approved in advance by the Law Department. Care must be exercised that such activity does not lead to

an organizational conflict of interest that could preclude Boeing from bidding on follow-on work.

- c. Engaging in any activities that could impair the fairness of the procurement process.
- d. Engaging in any activities that are not acceptable before a U.S. Government requirement has been established (see sec. 3.A.2).

C. Activities During the Proposal Preparation Period

During this period, contacts with U.S. Government personnel or representatives involved with the RFP should be limited to those authorized by the procuring agency. The Procurement Integrity Act, its implementing regulations, and related laws also apply to this phase of the acquisition process (see sec. 3.B.2).

D. Activities During the Proposal Evaluation Period

Generally, U.S. Government agencies do not permit marketing during the evaluation of competitive proposals. If that is the case, all marketing efforts should be discontinued with those U.S. Government personnel or representatives involved in proposal evaluation. Care should be taken to avoid even the appearance of involvement in the internal U.S. Government proposal review, including attempts to access competitors' information or to provide information through informal channels. The Procurement Integrity Act, its implementing regulations, and related laws also apply to this phase of the acquisition process (see sec. 3.B.2).

- 1. Answering U.S. Government questions relating to a Boeing proposal is acceptable during the proposal evaluation period, provided the response is in writing and with the source identified.
- 2. The following activities are unacceptable:
 - a. Providing proposal information through unauthorized channels.
 - b. Taking part in evaluation of competitive bids submitted by others unless Boeing is under U.S. Government contract to do so with prior approval of the Law Department.
 - c. Engaging in any activities that are unacceptable before a U.S. Government requirement has been established (see sec. 3.A.2).

E. Activities After a Contract Has Been Awarded

Derogatory comments about contract awards to competitors should not be made. Propriety and impartiality in U.S. Government source selection should be assumed. If any employee or other Boeing representative has reason to believe that a conflict of interest or other improper activity may have affected the outcome of a source selection, or that material facts may not have been considered, the matter should be reported to the Boeing contract manager.

F. Activities During Contract Performance

It is essential that Boeing preserve its reputation for honoring contractual commitments. It is expected that all employees or other Boeing representatives who are responsible for contract performance will conduct themselves accordingly. Legitimate differences of opinion may arise about contractual terms and performance. These should be referred to the Boeing contract manager.

G. Sole Source (Other Than Full and Open Competition) Procurement

Federal procurement laws and regulations require competitive bidding for U.S. Government business unless a procurement activity falls under a specified exception. If Boeing believes the situation involves an exception, Boeing representatives may recommend sole source procurement and accept sole source contracts. A sole source award must be handled with good judgment to preclude an appearance of favoritism that may result in protests, U.S. Government or judicial review, and damaging public criticism.

H. References

Procedure [PRO-4](#), "Proper Marketing Practices"

Procedure [PRO-70](#), "Procurement Integrity and Restrictions on Proposal Team Assignments"

Procedure [PRO-5124](#), "Proprietary Information Agreements (PIAs) and Non-Disclosure Agreements (NDAs)"

Procedure [PRO-5123](#), "Organizational Conflict of Interest (OCI)"