

## Corporate Offices

Sourcing



# KONE Inc. 2019 Small and Minority Business Subcontracting Plan

## KONE Inc.

One KONE Court

Moline, IL 61265

Tel 800 334 9556

[www.kone.com](http://www.kone.com)

## EXECUTIVE SUMMARY

KONE Inc. strives to support the development of Small and Minority Business Enterprises\* through a variety of initiatives. Primarily, where possible, we focus our efforts in procuring parts, supplies, and services associated with our work from Small and Minority Business Enterprises\*. These efforts include maintaining equal to, or achieving a greater level of, quality, safety and price competitiveness offered by our current supplier base. Additionally, we constantly monitor the industry supplier base to identify opportunities to subcontract with Small and Minority Business Enterprises\* and meet both KONE Inc. and our customers' small and disadvantaged business utilization goals. We work toward this goal while also honoring our labor agreements with the International Union of Elevator Constructors (IUEC) which supplies all of our labor for elevator and escalator installation and service related activities.

KONE Inc. requires that Small and Minority Business Enterprises\* be given an equitable opportunity to compete for its subcontracts on all projects. The companies doing so must be able to meet the certification requirements mandated for specific projects and provide products or services meeting KONE Inc.'s and our customers' quality and safety performance levels.

## METHODS

The primary method KONE Inc. uses to develop its subcontracting goals is based on the analysis of expenditures with Small and Minority Business Enterprises\* over the preceding five years and its success in meeting previously specified goals. KONE Inc. does not include indirect costs in establishing subcontracting goals.

KONE Inc. uses existing company source lists, the Procurement Marketing and Access Network (PRO-Net) of the Small Business Administration (SBA), veterans service organizations, the National Minority Supplier Development Council, the Research and Information Division of the Minority Business Development Agency in the Department of Commerce, and small, HUB Zone, small disadvantaged, and women-owned small business trade associations, as well as any other available source, to identify potential small and minority business enterprises for solicitation purposes.

On all publicly funded contracts KONE Inc. will, if requested, include the FAR clause of entitled "Utilization of Small Business Concerns" in subcontracts that offer further subcontracting opportunities. Additionally, KONE Inc. will require all subcontractors on these contracts (except small business concerns) that are awarded subcontracts in excess of \$500,000 (\$1,000,000 for construction of any publicly funded facility) to adopt a subcontracting plan that complies with the requirements of the clause.

*\*Small and Minority Business Enterprises are defined as: small business, veteran-owned small business, service-disabled veteran-owned small business, HUB Zone small business, small disadvantaged business, and women-owned small business concerns*



## MONITOR AND CONTROL

KONE Inc.'s sourcing department and personnel are responsible for administering this plan. This group serves as the subject matter experts for Buy American, Small and Minority Business Enterprise\* relationships for KONE Inc. as well as acting as procurement advisors of all non-product related supplies and services required by KONE Inc. in North America.

KONE Inc. maintains data on compliance with the procedures that have been adopted to meet the goals of this plan. Such records include maintenance of source lists (e.g., PRO-Net), guides, and other data that identify Small and Minority Business Enterprises\*. KONE Inc. monitors and when requested, can report performance to evaluate compliance with the specific requirements on a contract-by-contract basis. This includes providing records to support award data submitted to the Government, including the name, address, and business size of each subcontractor if requested to do so.

Lastly, upon request, KONE Inc. will assure companies and agencies with whom it contracts that it will:

- Cooperate in studies or surveys as may be required;
- Submit periodic reports when requested so that the Government can determine the extent of compliance with the subcontracting plan;
- Submit Standard Form (SF) 294, "Subcontracting Report for Individual Contracts", and/or SF 295, "Summary Subcontract Report" to include information on subcontract awards to Small and Minority Business Enterprises\*. This reporting would be in accordance with the instructions on the forms and as requested by the requiring agency regulations.

## CURRENT YEAR GOALS

In 2019 KONE Inc. will make a best effort to contract over \$12 million dollars with Small and Minority Business Enterprises\* as subcontractors. Percentages placed with these types of businesses vary in conjunction with the project being supported and products or services required. The most common subcontracts are for provision of material and supplies needed to manufacture and install elevators, escalators and power walks.

This plan is reviewed annually and updated as necessary. Any goals and/or deviations from this plan required by a Contracting Officer for a specific contract to satisfy the requirements of the contract can be set forth as an addendum to this plan.

Approved By:

A handwritten signature in blue ink, appearing to read 'Adam Judd', is written over a light blue rectangular background.

Adam Judd  
Director, North America Sourcing  
KONE Inc.

*\*Small and Minority Business Enterprises are defined as: small business, veteran-owned small business, service-disabled veteran-owned small business, HUB Zone small business, small disadvantaged business, and women-owned small business concerns*



THE COMMONWEALTH OF MASSACHUSETTS  
Executive Office for Administration and Finance  
**OPERATIONAL SERVICES DIVISION**  
One Ashburton Place, Suite 1017  
Boston, MA 02108-1552

Charles D. Baker  
Governor  
Karyn E. Polito  
Lieutenant Governor  
Michael J. Heffernan  
Secretary  
Gary J. Lambert  
Assistant Secretary for  
Operational Services

November 30, 2017

Ms. Diane Giblin  
Draper Elevator Cab Co., Inc.  
260 Centre Street  
Holbrook, MA 02343

Dear Ms. Giblin:

Congratulations! Your firm has been renewed as a woman business enterprise (WBE) with the Supplier Diversity Office ("SDO") under the business description of DESIGN, FABRICATION AND INSTALLATION OF ELEVATOR CABS, CAB INTERIORS, ELEVATOR SLINGS, PLATFORMS AND ALL RELATED METAL PRODUCTS FOR ELEVATOR INSTALLATION. Your firm will be listed in the SDO Certified Business Directory and the Massachusetts Central Register under this description. **This letter serves as the sole proof of your SDO certification.** Your designation as a WBE is valid for three (3) years unless revoked pursuant to 425 CMR 2.00.

Your firm's next renewal date is December 4, 2020. SDO will send written renewal notices to your business and/or e-mail address on file approximately thirty (30) business days prior to your firm's three (3) years certification anniversary. Additionally, every six (6) years, certified companies that wish to remain certified may undergo a substantive review which will require certain updated supporting documentation.

SDO also reserves the right to monitor your firm and to perform random spot checks to ensure the firm continues to meet the certification criteria. Your firm is required to notify the SDO in writing of any material changes. Examples include but are not limited to changes in its business description, as well as business phone number, fax number, business' physical location, webpage and e-mail addresses. Other reportable changes include business structure, ownership (the business is sold or transferred), control and outside employment. You also have a duty to report decertification and debarment notices from this or any other jurisdiction. Failure to abide by the continuing duty requirements shall constitute grounds for the firm's decertification.

SB

We look forward to working with you and your firm to maximize its business opportunities. Should you have any questions, please feel free to contact us via email at [wso@state.ma.us](mailto:wso@state.ma.us).

Sincerely,



William M. McAvoy  
Deputy Assistant Secretary and  
Chief Legal Counsel



Charles D. Baker, Governor  
Karyn E. Polito, Lieutenant Governor  
Stephanie Pollack, MassDOT Secretary & CEO

**massDOT**  
Massachusetts Department of Transportation

*DBE Certification Office | MassUCP*

September 20, 2019

Ms. Diane H. Giblin  
**Draper Elevator Cab Co., Inc.**  
260 Centre Street  
Holbrook, MA 02343

**This letter serves as sole and exclusive proof of your firm's DBE certification**

Dear Ms. Giblin:

Congratulations! The Massachusetts Unified Certification Program (MassUCP), is pleased to notify you that we have renewed your company as a disadvantaged business enterprise (DBE). Your company continues to be assigned **NAICS Code(s) 333921 and 238290** with the certified business description of **DESIGN, FABRICATION AND INSTALLATION OF ELEVATOR CABS, CAB INTERIORS, ELEVATOR SLINGS, PLATFORMS AND ALL RELATED METAL PRODUCTS FOR ELEVATOR INSTALLATION** and will remain listed in our certified business directory.

As a DBE, you must inform MassUCP in writing of any change in circumstances affecting your ability to meet size, disadvantaged status, ownership, control requirements or any material change in the information provided in your application form. Changes in management responsibility among members of a limited liability company are covered by this requirement. You must attach supporting documentation describing in detail the nature of such changes. The notice must take the form of an affidavit sworn to by the owners of the firm before a person who is authorized by state law to administer oaths or of an un-sworn declaration executed under penalty of perjury of the laws of the United States. You must provide the written notification within 30 days of the occurrence of the change. If you fail to make timely notification of such a change, you will be deemed to have failed to cooperate under 49 CFR 26.109(c).

To renew your firm's DBE certification and if it continues to meet the applicable criteria, on or before your firm's certification anniversary date of **October 21, 2020**, and each year thereafter, please send the MassUCP the following documents:

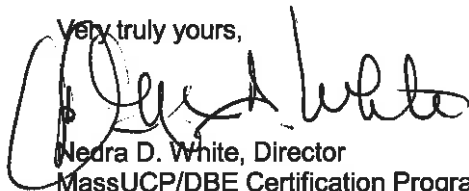
- (1) No Change Affidavit (**will be sent with reminder letter**)
- (2) A **signed** copy of your company's, and all of its affiliates', U.S. Tax Returns including all schedules and attachments for the year(s) indicated.
- (3) A **signed** copy of your personal tax returns for years(s) indicated.
- (4) If a sole proprietor, **a signed** copy of your Schedule C. for year(s) indicated.
- (5) A **statement** of the **number only** of full and part-time employees (including owner) for each year indicated.

If you have changed your company name or address, please notify Ms. Nedra D. White, in writing on the company's letterhead in order to update your state vendor file.

MassUCP reserves the right to monitor, perform random spot checks, re-evaluate the firm or revoke the firm's certification if it no longer meets the certification criteria.

During the period of your certification, if you have further questions regarding annual review, please contact Ms. Nedra D. White, Director, MassUCP at (857) 368-8659.

Very truly yours,

A handwritten signature in black ink, appearing to read "Nedra D. White". The signature is written in a cursive style with a large initial "N".

Nedra D. White, Director  
MassUCP/DBE Certification Program



Charles D. Baker, Governor  
Karyn E. Polito, Lieutenant Governor  
Stephanie Pollack, MassDOT Secretary & CEO

**massDOT**  
Massachusetts Department of Transportation

*DBE Certification Office | MassUCP*

September 20, 2019

Ms. Diane H. Giblin  
**Draper Metal Fabrication, Inc.**  
260 Centre Street, Unit A  
Holbrook, MA 02343

**This letter serves as sole and exclusive proof of your firm's DBE certification**

Dear Ms. Giblin:

Congratulations! The Massachusetts Unified Certification Program (MassUCP), is pleased to notify you that we have renewed your company as a disadvantaged business enterprise (DBE). Your company continues to be assigned **NAICS Code(s) 332322 and 333921** with the certified business description of **SHEET METAL FABRICATION JOB SHOP** and will remain listed in our certified business directory.

As a DBE, you must inform MassUCP in writing of any change in circumstances affecting your ability to meet size, disadvantaged status, ownership, control requirements or any material change in the information provided in your application form. Changes in management responsibility among members of a limited liability company are covered by this requirement. You must attach supporting documentation describing in detail the nature of such changes. The notice must take the form of an affidavit sworn to by the owners of the firm before a person who is authorized by state law to administer oaths or of an un-sworn declaration executed under penalty of perjury of the laws of the United States. You must provide the written notification within 30 days of the occurrence of the change. If you fail to make timely notification of such a change, you will be deemed to have failed to cooperate under 49 CFR 26.109(c).

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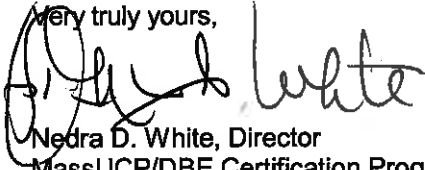
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- (3) A **signed** copy of your personal tax returns for years(s) indicated.
- (4) If a sole proprietor, **a signed** copy of your Schedule C. for year(s) indicated.
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During the period of your certification, if you have further questions regarding annual review, please contact Ms. Nedra D. White, Director, MassUCP at (857) 368-8659.

Very truly yours,

A handwritten signature in black ink, appearing to read "Nedra D. White". The signature is fluid and cursive, with the first name "Nedra" being more prominent and the last name "White" written in a simpler, more legible style.

Nedra D. White, Director  
MassUCP/DBE Certification Program





February 20, 2020

2/20/20

KONE Inc.  
Elevators & Escalators

1 New Boston Drive  
Canton, Massachusetts, 02021  
Mobile 781 856-1460  
michael.lariviere@kone.com  
www.kone.us

#### WMBE Contract/Sourcing

As part of our offer for elevator and escalator modernization work in response to RFP X 048 20008 for the Providence RI Amtrak station, will be utilizing the supply source of Draper Elevator Cabs for the elevator cab sourcing for this project. Draper Elevator is a Massachusetts certified Woman Owned Business. Certification are provided and submitted under the "Supplier Diversity" requirements of this RFP. We estimate that the value of this purchase to be 5% of the total contract/offer price.

See attached Certifications