

# SUPPLIER SCOUTING

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**“SUPPLIER SCOUTING LEARNINGS  
& OBSERVATIONS FOR TIPS &  
IMPROVED REPORTING”**

**PREPARED BY  
JARED BRODD  
DIRECTOR, SUPPLY CHAIN EDUCATION**

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## Supplier Scouting Learnings & Observations for Tips & Improved Reporting

Vessel volunteers these observations freely. This publication has not been commissioned, endorsed or supported by any specific agency or NIST. We do not assume this information to be germane to MEPs. Our intent is for the findings to be useful only as a third party exercise and discovery.

In the ever-evolving landscape of supplier scouting within the NIST MEP network, Vessel, a committed partner in supply chain solutions, presents distilled insights from MEP Supplier Scouting FTE teams to empower MEP centers nationwide.

Vessel is a Veteran-owned supply chain solutions firm focused on the health, scale, resilience and reshoring of small and medium U.S. manufacturing. Vessel leads the charge for U.S. manufacturers by providing the strategic and technological approach for holistic and actionable supply chain movements. Our vision is to empower U.S. manufacturers through supply chain expertise and technology for resilience, reshoring and clarity.

Supplier scouting within the MEP network involves proactively identifying and evaluating potential suppliers and partners who align with the network's goals and standards. This practice is about seeking timely and effective solutions for the MEP client.

Through strategic supplier selection via supplier scouting, MEP centers can access and connect specialized knowledge, cutting-edge technologies, and cost-effective solutions to U.S. manufacturers. This ultimately bolsters MEP centers' capabilities and enhances their ability to create economic impact.

This document is a part of our collective journey to enhance supplier scouting practices and amplify their impact, while equipping FTEs with actionable insights that elevate their role as the driving force behind the supply chain ecosystem.

At Vessel, our goal is to contribute to FTE's expertise by sharing invaluable insights gathered from interviews with supplier scouting FTE teams.

We recognize and appreciate the pivotal role FTEs play in supplier scouting, establishing the groundwork for a dynamic FTE community that contributes to refining practices and strengthening the supply chain landscape.

Drawing from insightful interviews with MEP center supplier scouting FTE teams, we have compiled a repository of actionable tips, use cases, and best practices. This knowledge, learned from the real-world experiences of FTEs, will hopefully provide learnings for FTE teams across the nation. This document will cover the following areas of supplier scouting:

- **Intake**
- **Search**
- **Network Management**



# Intake

Supplier scouting within the MEP network commences with the crucial "Intake" phase. This involves the strategic identification and assessment of supply chain needs from manufacturers or government agencies. Government agencies can fill out the "Supplier Scouting Opportunity Synopsis" form. Manufacturers with supply chain needs should reach out to their local MEP center to get the intake process started. By focusing on this phase, MEP centers lay the foundation for a robust supplier scouting process that drives industry advancement.

## Use Case 1

Through our interviews with FTE teams, we identified a few opportunities in the intake process. One FTE stated, *"Supplier scouting requests are specific, and it can be very time consuming to decide where to start based on multiple information sources, then manually search databases to identify the right supplier, or a match to a manufacturer's request with confidence."* Another related issue FTE teams identified was the amount of information required for a supplier scouting submission. *"As a manufacturer submitting a supplier scouting request, you want to be able to find a proper supplier to solve the problem. There is currently not a minimum amount of information needed, which can make it difficult to match to suppliers."*

## Key Learnings 2

To further highlight this issue, the FTE teams spoken with stated they routinely spend multiple labor hours per week completing tasks related to the supplier scouting process. While time consuming searches can lead to matches, the results are typically very specific. In addition to the time and effort it takes to conduct a search, without the full breadth of information for the supplier scouting request, it can be difficult to identify a match efficiently. Lastly, when there is a lack of information in requests, it can be challenging to properly record opportunities in a CRM system, which leads directly to KPI reporting at each MEP center. When the submission information is incomplete it creates inefficiencies in time lost and lack of communications for all parties.

## Insights 3

Due to the manual nature of supplier scouting and lack of information for some requests, the intake process can become essential to reducing time in the search phase of the supplier scouting process, enabling FTE teams to identify matches more efficiently.

When FTE teams collect the proper amount of information from suppliers or government agencies, they can:

- Reduce time to search for suppliers as more information is delivered up front
- Reduce time to submit for supplier scouting requests while saving time from the intake
- Enable clear documentation and communication for CRM reporting needs

When FTE teams are conducting intakes with manufacturers or government agencies, there are multiple ways they can improve their intake process to streamline supplier scouting and increase efficiency.



# Intake

## Standardize Information Collection

FTE teams can streamline the intake process by establishing a standardized Google Form that captures essential information from both manufacturers and government agencies.

To create the Google Form follow the steps below:

- Identify each required section for the form, reflecting the questions within the MEIS intake for supplier scouting
- Include specific details about the manufacturer's supply chain needs, industry, product/service specifications, and desired outcomes
- Create the Google Form and save it somewhere easily accessible to relevant parties
- Emphasize clear instructions for manufacturers and government agencies on how to access and complete the Google Form
- Work with each manufacturer to ensure they understand the form, and hop on a call to complete it with them if necessary
- Add information into your CRM once completed to add to your MEP center's network and database

## Offer Direct Assistance

Extending personalized support to manufacturers and agencies during the intake process can go a long way. By engaging in brief conversations, FTE teams can help requestors understand the importance of specific information and guide them through the process. When guiding manufacturers through the process, consider the following below:

- Encourage manufacturers to reach out for assistance or guidance before submitting a request
- Build rapport with the manufacturer by communicating with them in person, via call, etc.
- Walk the manufacturer through the supplier scouting process, and answer any questions they may have
- Work with each manufacturer to find the best way to fill out the entirety of the supplier scouting request based on their needs
- Record all necessary information within the CRM system to track progress and the relationship
- Facilitate reporting by establishing clear expectations with manufacturers: greater information input enhances the likelihood of successful matches
- Offer support by offering additional services your MEP center provides for manufacturers you work with

**Need more? Vessel can provide process examples and guidance**



# Search

Within supplier scouting, the “Search” phase constitutes the proactive quest for the most suitable partners and suppliers within the industry. This involves thorough research, evaluation, and engagement with potential collaborators who exhibit alignment with a supplier scouting request or the network’s overall objectives. While this phase can be time consuming, it’s pertinent to the supplier scouting process, and can make or break the matching capability of an FTE team.

## Use Case 1

From conversations with FTE teams, several challenges related to the search process were identified. During these discussions, an FTE highlighted, *“It is challenging to have a dense knowledge of every manufacturing process or industry, and it can be difficult as well as time consuming to learn more to be able to fulfill a request from a manufacturer.”* Additionally, when we discussed supplier vetting and credibility, an FTE team stated, *“Without prior history of working with a manufacturer, it can be difficult to build trust and recommend a supplier match for a supplier scouting request.”*

## Key Learnings 2

When discussing this issue with FTE teams, we learned that there aren’t many solutions available for supplier scouting requests if the expertise or manufacturing capability is not within the MEP center’s network. This issue is compounded by the need to build credibility with a supplier, which is where supplier vetting comes in. This process is manual and can take time although it is key to ensuring a professional and successful relationship between multiple manufacturers with supplier scouting requests and assisting in successful matches.

## Insights 3

While there may be requests with manufacturing processes or needs that a specific MEP center may not be familiar with, it is key to improving the outcome of a search process.

When MEP centers aim to improve their search process to the best of their ability, it can lead to:

- More supplier scouting matches and enabled manufacturers
- Increased KPIs supporting your MEP center to increase funding opportunities
- Enhanced supplier capabilities at your MEP center to support manufacturers
- Improved “evergreen” data ingestion systems for more robust searching and matching of suppliers

While FTE teams are engaging in the search phase of supplier scouting, it’s crucial to consider additional resources or strategies to improve your process. By incorporating the ideas below into your current process, you may be able to reduce time, increase efficiency, and improve the overall rate of successful matches at your center for supplier scouting.



# Search

## Supplier Vetting Checklist

When pinpointing suppliers for potential matches in the supplier scouting process, a fundamental step is supplier vetting. To ascertain the credibility of potential suppliers, the following factors warrant careful consideration:

- Contact your local manufacturing network and initiate contact with trusted referrals
- Develop partnerships with industry experts or organizations that specialize in various manufacturing processes, as this can expand your MEP center's network and capabilities
- Reach out to relevant state authorities, such as the Department of Commerce - this can yield valuable background information about the supplier
- It's also vital to validate the supplier's official business registration within the respective state, which is typically done through the Secretary of State or Department of Commerce
- Request and review the supplier's company profile and marketing materials to understand their capabilities and offerings
- To evaluate the supplier's commitment to quality and industry compliance, verify their regulatory documentation such as ISO, FDA, or other professional certifications
- Make sure to take a proactive approach with suppliers by vetting their credibility, as it safeguards against unforeseen challenges, contributing to informed decision-making
- Throughout this entire process, ensure the recording of all parties interacted with in your CRM, to facilitate tracking of critical KPIs

## Additional Resources

- LinkedIn and Online Directories: Utilize professional networking platforms and industry directories to gain a deeper understanding of the supplier's expertise, industry presence, and connections.
- Industry Associations and Certifications: Assess the supplier's involvement in reputable industry associations and their possession of relevant certifications, indicating commitment and credibility.
- News and Press Releases: Search for any media coverage or press releases about the supplier to uncover noteworthy achievements or developments.
- Make sure to check out NIST's manufacturing innovation blog, and their recent article, "[8 Ways to Improve Your Supplier Selection Process | NIST](#)"

**Need More? Ask Us To Provide Process Examples Or Guidance**



# Search

## NAICS Code Searching

Another important tool available to FTE teams is NAICS codes. NAICS codes are hierarchically structured, with codes of increasing length indicating more specific industry classifications. Let's say you're interested in partnering with or purchasing from a manufacturer in the metal fabrication industry - you can use each level of NAICS codes to your advantage when searching for supplier matches.

- Start with 2-digit codes, which represent broad economic sectors. The 2-digit NAICS code for the Manufacturing sector for example is 31-33.
- Next you can move to 3-digit codes, which represent subsectors. The 3-digit NAICS code for Fabricated Metal Product Manufacturing for example is 332. This subsector narrows it down to companies involved in fabricating metal products.
- The 4-digit codes represent industry groups. The 4-digit NAICS code for Architectural and Structural Metals Manufacturing is 3323. This narrows it down further to businesses specializing in architectural and structural metal products.
- The 5-digit codes represent specific industries within those groups. The 5-digit NAICS code for Sheet Metal Work Manufacturing is 33231. This specifies a more specific industry within the architectural and structural metals subsector.
- Lastly, 6-digit codes are the most detailed and represent national industries. The 6-digit NAICS code for Ornamental and Architectural Metal Work Manufacturing is 332323. This is the most detailed level and represents a specific type of manufacturing within the broader category.

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# Network Management

Once potential partners and suppliers are identified, the "Network Management" phase comes into play. This phase centers around establishing and nurturing collaborative relationships. It's about maintaining ongoing connections, fostering communication, and cultivating a network of contributors who collectively enhance the supply chain ecosystem. It's vital to manage this communication properly, and facilitate the appropriate documentation of information to support reporting. Efficient reporting serves as the foundation for demonstrating the impact of an MEP center's efforts, facilitating informed decision-making, and unlocking further funding opportunities. The meticulous tracking of supplier scouting activities, successes, and outcomes provides invaluable insights into the tangible value generated by these initiatives within an MEP center. This, in turn, bolsters the case for continued funding support, enabling MEP centers to expand their reach and impact.

## Use Case 1

When we interviewed FTE teams at MEP centers, we identified a few issues within the network management phase. One statement we heard was, "There is no way to currently track if a manufacturer is bringing business back to the U.S. when utilizing the supplier scouting matching service." This impact is important to the network but can be difficult to track. Another prime example of an issue that can be difficult to track was identified by an FTE team: "At times, manufacturers may come in with more than one request. We recently had a manufacturer referred to us that had up to 5 potential projects to work on with us. It can be difficult to properly document every opportunity and connect these opportunities to the appropriate parties."

## Key Learnings 2

As we discussed these findings with FTE teams, they identified the need to record as much impact as possible in order to help support their MEP center. Within the supplier scouting process, there is a great deal of impact created by FTE teams. Recording this information and relating it to the relative company is crucial to supporting dynamic reporting. Capturing the impact an MEP center creates through supplier scouting has the ability to bolster a center's capability in reporting progress and securing additional funding. There are a few ways an MEP can improve their capture today, starting with NAICS codes, and CRM management.





# Network Management

## Insights 3

While it can be time-consuming and somewhat tedious to record relative information when managing a supplier network, properly capturing this information can significantly increase the reporting capabilities. When FTE teams and other parties at MEP centers record information properly into their CRM systems, the following benefits can be realized:

- Comprehensive data for impactful reporting enables MEP centers to showcase a wide-range of success stories
- MEP centers can then illustrate evidence of positive impact, contributing to manufacturer's growth, revenue generation, cost savings, job creation, and overall industry advancement
- With a rich repository of manufacturer data, MEPs can tailor their reporting to specific stakeholders
- Documenting relationships and outcomes over time allows MEPs to analyze long-term trends and patterns
- When requesting additional funding, MEPs can showcase how past investments have translated into concrete results and how future funding will further amplify their impact
- Utilizing data visualization tools, MEPs can create impactful graphs, charts, and infographics that visually depict their achievements
- Recorded information enables MEPs to identify areas where they excel and areas that need refinement



# Network Management

## NAICS Codes for Network Management

NAICS codes provide a concise way to communicate the nature of a business's operations. When suppliers use these codes, it saves time and reduces ambiguity in communication between businesses, potential partners, and clients. You can use NAICS codes to improve your data and service offerings in the following ways:

**Tailored Outreach and Services:**

- Collect NAICS codes from manufacturers, adding another level of clarity to a supplier database
- Categorize manufacturers based on their NAICS codes to help organize efforts in your state by NAICS code
- Identify the best sector to design specialized programs and solutions to increase manufacturer projects
- Build toward doing this for each sector's unique requirements

**Capital Investment and Job Creation:**

- Focus on industries with NAICS codes indicating capital investment potential
- Prioritize efforts in rapidly expanding sectors for job creation

**Data Analysis and Reporting:**

- Record NAICS codes in the database for manufacturers
- Aggregate data based on NAICS codes for insights into industry trends and challenges

**Alignment with Goals:**

- Align efforts with national, regional, and local economic development goals
- Contribute to initiatives for specific industries, job creation, and innovation

**Precision and Impact:**

- Use NAICS codes to enhance precision in KPIs, creating a more concise and accurate report
- Tailor strategies, services, and initiatives to cater to distinct industry needs

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# Network Management

## Recording Multiple Leads from the Same or Multiple Companies

- Bulk Data Entry:**
  - Utilize CRM functionalities that allow bulk data entry if you have access to them
  - When recording multiple leads from the same company, ensure uniformity in data entry for consistent reporting
  - Take your time to get all of the necessary information based on your CRM and MEP center needs
  
- Account and Contact Association:**
  - Create an account record for each company involved
  - Associate multiple contact records with the respective account, reflecting various individuals within the organization
  
- Grouped Intake/Meeting Notes:**
  - Combine intake or meeting notes that involve the same or multiple leads from a company
  - Associate the grouped notes with the relevant account and contact records to maintain a cohesive record
  
- Streamlined Deal Creation:**
  - If leads from the same or different companies are progressing towards a deal, create or associate deals
  - Ensure that deals are associated with the correct account and contact records
  - Begin the "deal management process" to track progress effectively
  - Make sure to create multiple deals if there is more than one opportunity with a client
  - Include detail on specific information for each deal if there are multiple deals
  - A deal in an MEP center's CRM system represents a specific business opportunity that involves engaging with a manufacturer or client to provide value-added services, solutions, or products
  - Deals can encompass a range of activities, including project proposals, contracts, negotiations, and sales efforts
  
- Unified Tag Updates:**
  - Update account tags to reflect shared attributes amongst multiple leads
  - Modify tags based on common characteristics like target market, partner type, and engagement lifecycle stage
  
- Detailed Contact Tags:**
  - Update contact tags to specify roles, departments, and activities
  - Use tags to categorize contacts based on their next steps and any relevant alerts

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“The Vessel team has been an integral partner to TechHelp. We have partnered with them on several projects, including a supplier scouting review, and they have always gone above and beyond with the quality of their work.”

-Steve Hatten  
Executive Director of TechHelp

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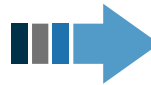
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