

Global Science and Technology's acquisition helps it snag contract

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Global Science and Technology Inc. had to jump through a lot of hoops over three years to snare its \$200 million contract with the National Oceanic and Atmospheric Administration, announced Aug. 27. But one move was particularly risky: The Greenbelt-based company made a \$6 million acquisition in anticipation of the win.

With the NOAA contract, GST, an SBA certified "small disadvantaged business," is expanding its operations from building sensor and satellite technologies to a broader range of IT support services around the delivery of such products.

"The wider you are able to cast your IT net into more customers the more attractive you become," said Michael Smigocki, senior managing director Rockville-based for Federal Strategies Group LLC. It's a way, he said, to establish a record of "past performance and exposure to additional agencies."

The contract calls for GST to maintain NOAA's archive and distribution system for weather satellite data. It has a value of \$2.8 million for fiscal year 2008, which ends Sept. 30, and could be worth up to

\$200 million over nine years through potential future task orders.

"This will really give GST the credibility for managing large volumes of data for use by government agencies, universities and the private sector," said Global Science Chief Executive Officer Chieh-san Cheng.

Cheng saw the opportunity to break into IT support services in 2004 when NOAA's contract for its archive and distribution system, known as CLASS, was up for re-bid. He leveraged his decade-long relationship with the administration and purchased Fairmont, W.Va.-based TMC Technologies Inc., which had designed the NOAA system and was providing IT support services along with Falls Church-based Computer Sciences Corp. since 2000.

While Cheng views the contract win as a way to prove his company's capabilities, he says that developing relationships within new agencies is vital to his plan to grow the 200-person company to \$70 million in annual revenue by 2012.

Having focused on technology development for NOAA, the National Weather Bureau and NASA, GST reached \$23 million in annual revenue last year. However, the

company's core expertise in environmental data collection and management only contributes about 3 percent to 4 percent of revenue, Cheng said.

To bulk up additional revenue streams GST has hired three new business development executives and opened a new location in Huntsville, Ala. in May. There the company plans to deliver small sensor and data management technologies, including visualization and biometric products, as well as satellite communications and related IT support to the Army and other Department of Defense agencies. GST also plans to continue work with NASA through its Marshall Space Flight Center in that market.

"We are doing just what a small to mid-sized business that is trying to grow should do and that is trying to saturate the market that you are in," Cheng *said*.