



FOR IMMEDIATE RELEASE

Whitney Kazragis
Public Affairs Manager
wkazragis@gtscoalition.com
(706) 799-1806

Government Technology & Services Coalition Releases Survey on Impacts of Cuts on Mission Critical Markets

Washington, D.C. – June 27, 2013 – The Government Technology & Services Coalition (GTSC), the leading organization for small and mid-sized companies in homeland and national security, today released its survey on the impacts of government spending cuts on the homeland and national security missions. GTSC surveyed 224 respondents about actual and planned impacts to the contracting community engaged in mission-critical activities and found:

- Nearly seventy-five percent of respondents are preparing for sequestration
- Companies are preparing by reducing their marketing budgets (29.8%), laying off staff (26.7%), reducing public relations budgets (22.7%), cutting services (19.6%), leaving the Federal market (18.7%) and bringing services in-house (15.6%)
- “Other” preparations include reducing salary and benefits, raising prices, decreasing recruiting and moving into commercial markets
- Almost thirty percent of respondents – for the most part emerging and small companies - think they *may not* or *definitely will not* survive sequestration
- Fifty-four percent of respondents believe sequestration will materially impact the ability of their federal clients to conduct their stated missions
- Respondents believe the long-term effects include: weakening of national security and preparedness, uncertainty about the federal market, loss of skills and experience in vital missions, and increased efficiency
- Respondents believe the short-term effects include: uncertainty, distraction from the mission, loss of jobs and decreased morale

“This survey shows that the risk of sequestration and budget cuts is two-fold: you have a number of companies that may not survive and you have numerous mission critical agencies that are at risk as well,” said Kristina Tanasichuk, CEO of GTSC. “Now more than ever we need the government and industry working together to assure mission success to find convergence points where we can make strategic cuts and still protect the nation.”

GTSC plans to survey members of the community annually to track and understand the changes to our homeland and national security mission and impacts to the contractor community. The survey was conducted in the late spring. The full survey can be found at www.GTSCoalition.com

-###-

GTSC is a nonprofit, non-partisan association of companies that create, develop and implement solutions for the federal homeland and national security sector. Our mission is two-fold: first, to provide exceptional advocacy, capacity building, partnership opportunities and marketing in the Federal security space for small and mid-sized companies. Second, to support and assist our government partners achieve their critical missions with the highest integrity; best and most innovative technologies; and results-based, quality products and services to prevent, protect against, mitigate, respond to and recover from any terrorist attack or natural disaster.