



Carroll
International

Unsolicited Proposal



Carroll Woods Inc. DBA Carroll International

Physical Address: 95 Dots Dr. Tabor City NC 28463

Service Disabled Veteran Owned and HUBZone Certified Small Business

Please accept our [Unsolicited Proposal \(FAR 15.6\)](#) The product we are proposing is new to your agency. We request a virtual live presentation time. There are many uses for this product, but the people who find it most valuable are in SUPPLY CHAIN PROCUREMENT. Our goal is to stimulate the government's interest in buying this product to reduce risk in supply chain logistics. The closest near-peer competitor to our product is Dun and Bradstreet. The product below is COTS and is currently being used by 80% of the Fortune 100 companies in the US.

Date of Submission: 5.3.2024

Company Name: Carroll Woods Inc. DBA Carroll International

CAGE: 7HK58

Unique Entity ID: FXBPFAL7E5N2

Address: 95 Dots Lane, Tabor City, NC 28463

Set-Asides: Service-Disabled, Veteran-Owned and HUBZone Certified Small Business

POC: Byron Carroll, President

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Proposal Valid for 180 days

RE: Unsolicited Proposal

To Whom It May Concern:

As the **exclusive federal distributor of RapidRatings'** solutions, Carroll International's mission will be to help the federal government transform enterprise-level systems for monitoring and managing financial risk in a way that will catalyze more proactive risk mitigation action throughout the procurement and finance teams. Through predictive analytics, automation, and world-class service, the RapidRatings solution will help federal organizations manage risk more efficiently, which is consistent in analysis for any supplier while providing accurate early-warning risk indicators to reduce potential business impacts of an impending disruption.

In this proposal, you will find below a summary of the primary areas of opportunity where we believe Carroll International and the RapidRatings solutions can help to improve the federal government's current approach to managing supplier financial risks.

Sincerely,

Byron Carroll, President



Here is a summary of the **CORE BUSINESS ISSUES** that the RapidRatings solution will address:

The government has endured the costs of numerous supplier bankruptcies/financial failures – mostly among private companies – and must protect its global supply chain operations from lost revenue and/or increased costs that often result from the unanticipated financial failure of critical or high-spend suppliers. We can help the government predict, with our proprietary AI software, who is at risk of bankruptcy months and years before any other means. We have predicted 90% of the past several years failures. What comes before the fall: questionable quality, questionable compliance, and a higher chance for missing on time deliveries. [Bankruptcy filings increase across all chapters in Q1/24; Chapter 11 Filing up 43%](#)

! Historical reasons for these issues:

- The government is currently reliant on tools with disparate rating systems depending on business type (public vs. private, domestic vs. international) and typically relies upon third-party payment data as a primary input; this creates unreliable indicators and increased risks during economic downturn.
- Private or small companies are traditionally difficult to effectively monitor for default risk with existing data sources/systems and require quantitative analysis to determine risk threshold.
- Suppliers in poor financial health have a greater likelihood of bankruptcy and poor performance. Studies show that a supplier defined as “high risk” by RapidRatings solutions is 2x more likely to have a poor-quality issue and 2.6x more likely to have a late delivery issue.
- Current systems do not provide actionable early warnings of how financial risks will impact your supply chains, which inhibits category managers/buyers from being able to take effective actions toward risk mitigation.
- Gaining visibility into the financial health of privately held vendors poses a challenge to your organization:
 - Leveraging internal resources to collect and analyze financial statement data from private companies is laborious and impractical.
 - Current ratings tools utilized by your organization create “blind spots” when assessing global suppliers – especially private companies – because of their reliance on disparate data sources, often predicate on payment data.

✓ The capabilities that would resolve this are:

- When performing recurring financial risk monitoring of critical counterparties, your organization must gain operational efficiencies through automation and technology systems that will produce **clear and accurate and indicators of risk** that can be easily consumed across the enterprise, to include finance AND procurement teams.

- When evaluating a private company's financial health, your organization could leverage a trusted third-party data collection service that will produce **reliable analysis of private company financial health** with the same level of accuracy that it would use for evaluating public companies.
- When evaluating the financial strength of your suppliers your organization's sourcing team can use a model where performance is validated annually with published reports and results resulting in a **high accuracy ratio with low false alarm rate** allowing the sourcing team to focus in on mitigation strategies for truly high-risk suppliers.
- When conducting a financial review on a high-risk vendor, Procurement/Audit teams can leverage the Financial Dialogue report to **identify and prioritize the most relevant areas of concern** and corresponding financial questions you should be asking of your counterparties prior to contract award.
- When monitoring the financial health of privately held vendors, your organization can leverage a 3rd party to work directly with suppliers and navigate through the confidential disclosure of the financial data required to perform an assessment.
- As your organization's overall integrated risk management programs mature, API integration capabilities can be deployed allowing stakeholders to engage with RapidRatings data and analytics within a broader cloud-based system such as SAP Ariba. Integration includes link back ability to key reports, increasing the efficiency in which sourcing consultants can access and action key data.

Scope of the RapidRatings Initiative:

The RapidRatings solution brought to you by Carroll International will provide your organization with early and actionable information that will help you proactively manage risk. The ratings are completely independent; we have no contact with the companies we rate for the purposes of influencing their rating, and we are size and location agnostic. We provide a systematic and statistically significant approach to ratings that offers you a quantitative third-party validation of financial health analysis, helping you with decision-making and resource distribution. We also provide you with the ability to benchmark a company against industry data based on a deeper number of industry models, while allowing you to define peer groups to benchmark against. Our approach is proven to be unique, accurate and forward-looking. This is in stark contrast to other risk management solutions that base their scores on aggregated data that may be outdated or based on synthetic/assumptive algorithms.

The RapidRatings solution provides several report formats for your universe of companies that vary in detail and are fully customizable. All ratings are based on a granular and intuitive 0-100-point rating scale. Public and private companies globally are rated on the same basis using the same system and are presented in the same report format. In contrast, our competitors have been unable to provide detailed financial analysis on an apples-to-apples basis, for individual

companies or for global companies. In our subscriptions, we also provide portfolio tools that help you quickly identify the most critical areas in which to focus your time and expertise.

Our subscription includes direct access to our Client Success Team, a team of financial professionals, who will personally address your questions quickly and helpfully.

It is RapidRatings' goal to provide our clients with a cost-effective toolset and service that is more analytically rigorous, predictive and efficiency-enhancing than traditional tools in the marketplace.

We are used by clients for supplier sourcing, strategic insights for contract renegotiation, deep monitoring of at-risk suppliers, business continuity plans, line officer daily work execution, management reporting, and risk management oversight.

Summary of your Subscription Service Offer

Individual Company Reports

FHR Reports	✓
Peer Benchmark Reports	✓
Custom Peer Benchmark Reports	✓
Financial Dialogue	✓

Supplemental Information

Sector Reports	✓
Country Health Reports	✓
Thomson Reuters News Reports	✓
Bankruptcy Feed	✓

Portfolio Reports

Portfolio Risk Reports	✓
Matrix Reports	✓
Ratio Comparison Reports	✓
Supplier Comparison Reports	✓

Web Services

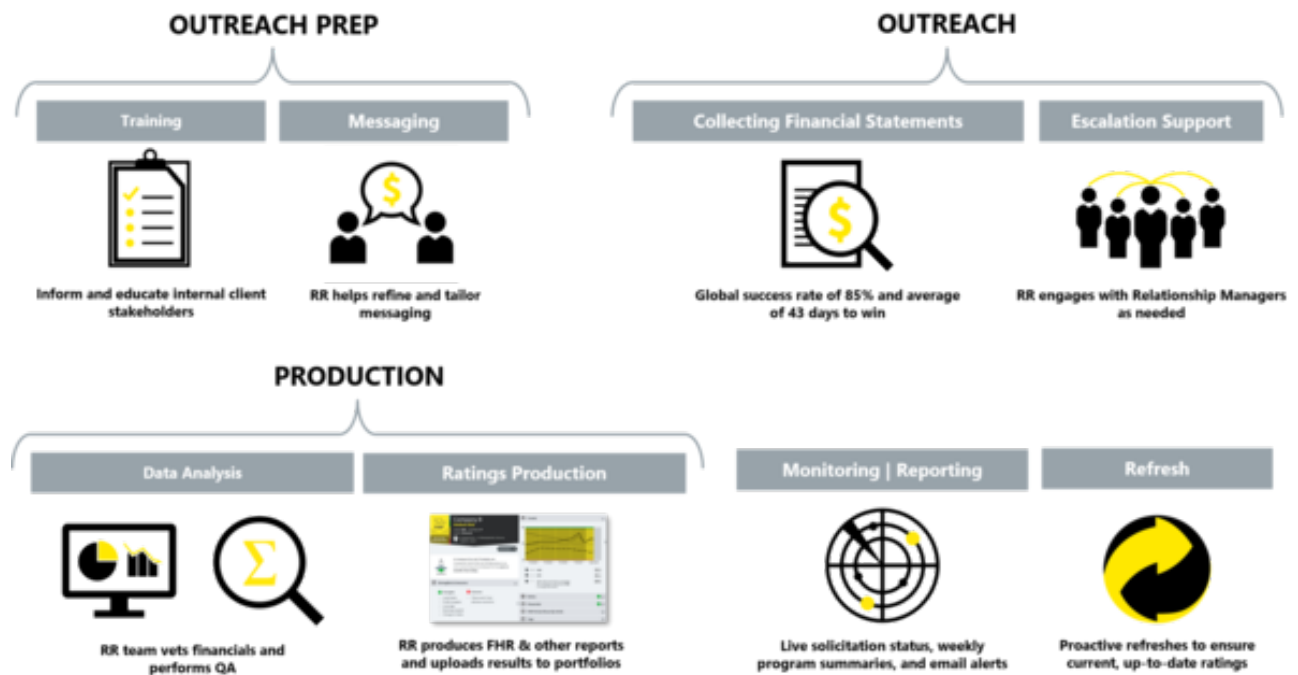
24 X 7 Access	✓
Email Alerts for News	✓
Email Alerts for Ratings Changes	✓
Portfolio Builder Tool	✓
Resource Library	✓
Solicitation Status Report Module	✓

Private Company Network Outreach

We couple our best-in-class financial health analytics with our premier Network Outreach service collecting full source-validated financials directly from your private company suppliers or other third parties.

RapidRatings will work directly with the private companies you identify to collect their financial statements and provide valuable insight into their financial health through the creation of an FHR® rating and associated reports. The private company data that we collect is only used exclusively with **your organization**. We do not share private company data, or any data that we generate on your behalf, with our other clients or with other companies. We have built a significant amount of information security infrastructure and processes meant to guarantee confidentiality and protect your information.

RapidRatings' unique financial health evaluation process, coupled with tried and proven methodology and workflow, has resulted in successful engagements with **tens of thousands of private companies in over a hundred countries**. We employ our significant expertise to overcome the legal, cultural, and logistical challenges that arise when collecting and validating significant quantities of financial information from companies around the world.



Subscription Service & Proposal Estimated Price One (1) Year Contract (discounting at 24,36,48, and 60 month agreements)

SDVOSB or HUBZONE Sole Source Contract Preferred

1) <u>PLATFORM ACCESS</u>	Regional Coverage	Standard Coverage	Full Coverage	Enterprise Coverage
<i>Primary Users</i>	2	4	6	8
<i>Secondary Users</i>	50	100	250	500+
Annual Subscription Fees	<u>\$82,500</u>	<u>\$165,000</u>	<u>\$275,000</u>	<u>\$434,500</u>
<i>Public Company FHRs</i>	Unlimited	Unlimited	Unlimited	Unlimited
<i>HealthMark</i>	+\$33,000	Included	Included	Included
<i>API Services</i>	+\$27,500	+\$27,500	Included	Included
<i>FHR Network</i>	+\$22,000	+\$22,000	+\$22,000	Included

2) GOVERNMENT RATINGS SERVICE OPTIONS

<i>FHR Network Outreach Volume</i>	500	1000	2000	
Unit Cost	\$44	\$412.50	\$385	
Annual Program Fees	<u>\$220,000</u>	<u>\$412,500</u>	<u>\$770,000</u>	
<i>FHR Data Entry (self-service portal)</i>	\$150	\$100	\$100	

3) PROFESSIONAL SERVICES *(Invoiced Separately and One-Time after initial 90 Days)*

<p><u>Program Implementation</u></p> <ul style="list-style-type: none"> • Program Design & Best Practices • User Operational Training • Ongoing Support & Program Maintenance • Quarterly QBRs • Advanced Methodology (Spend Analysis) • FHR Rating Reviews • Consultative Client Services • <i>FHR Network Member-Paid (add on)</i> 	<p>\$11,000 per NG Business Sector</p> <p>\$44,000 for 4x NG BUs</p>	
<p><u>Integration</u></p> <ul style="list-style-type: none"> • Single Sign-On • API Integration (SAP Ariba ++) 	<p>\$5,500 setup fee for each service</p>	



Who is Carroll International?

We help the best solution providers do business with the government.

- Heavily vetted since 2016 by GD-MS, SBA for Hub Zone, and VA for SDVOSB
- A+ in our Rapid Ratings forensic accounting screening for the past 3 years
- In 2020, our largest customer was the VA. Next DoD. 80+Prime Contracts
- Our worldwide Corp. HQ is based in N.C. w/ Offices around the US
- NIST 800-171 with a Score of 110 | Working toward CMMC III
- GD-MS Supplier of the Year award for 2020
- Corning Optical Fiber Co. Top 10 Partners of the year for 2020
- American Red Cross recognized for outstanding service in 2021
- Former Protégé relationship of General Dynamics Mission Systems (2013-2023)
- 2021 Nunn Perry Award winner DoD
- Heavily vetted by GD-MS for the Mentor- Protégé Program, SBA for HUBZone, and VA for SDVOSB
- A+ in our Rapid Ratings forensic accounting screening for the past 3 year
- Largest federal customers are the VA. and DoD. 120+Prime Contracts Completed

[Link to USA Spending for our Past Performance](#)

[Link to Carroll's RapidRating Report](#)

[Link To A YouTube Video On This Product](#)

On behalf of the Carroll International team, we greatly appreciate all of your time thus far and for your consideration of our solution. We hope to have the opportunity to move forward with a long-term, mutually beneficial relationship with your organization.

Thank you!

With Respect,

Byron Carroll, President

Byron Carroll

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