Business Members Board of Governors

Strategic Plan: 2026 - 2028

APTA American Public Transportation Association

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ACRONYMS AND KEY TERMS

AI	Artificial Intelligence
APTA	American Public Transportation Association
B2B/B2G	Business-to-Business/Business-to-Government
BMBG	Business Members Board of Governors
Buy America	Federal law requires 100% US content for purchases with federal monies and contains an exception for transit rolling stock, which has to be 70% US content.
Cybersecurity Preparedness	Organizations' ability to prevent, detect, respond to, and recover from cyber threats.
DBE	Disadvantaged Business Enterprise
DEI	Diversity, Equity, and Inclusion
Emerging Leaders	APTA professional development program for emerging leaders.
FTA	Federal Transit Administration
IIJA	Infrastructure Investment and Jobs Act (also known as Bipartisan Infrastructure Law)
Leadership APTA	A professional development program by APTA for mid-career leaders in public transit.
OEM	Original Equipment Manufacturer
Peer Committees (APTA Context)	APTA committees that collaborate with the BMBG
Pre-Procurement Collaboration	Engaging stakeholders before issuing a formal procurement ensures alignment with market capacity.
Public-Private Partnership (P3)	Contractual arrangement between a public or governmental agency and a private entity for the delivery/operation of an infrastructure project, facility, or service.
Risk-Sharing (Procurement Context)	A contracting approach that equitably distributes project risks between agencies and vendors.
SBE	Small Business Enterprise
Strategic Plan	BMBG's vision, mission, priorities, goals, and success measures..
THUD	U.S. House of Representatives Appropriations Subcommittee on Transportation, Housing and Urban Development
USDOT	United States Department of Transportation

SECTION ONE

Executive Summary

As APTA's Business Members Board of Governors (BMBG), we represent more than 850 companies that supply, advise, finance, and help deliver public transportation across the country. We developed this strategic plan to focus and align our work from 2026 through 2028. The plan reflects the priorities and concerns raised by our members through surveys, interviews, and working sessions. It sets the direction for how we will represent business members, advocate for change, and strengthen our collective impact. The plan is organized around four strategic priorities:

1. **Secure and diversify long-term transit funding**

2. **Lead procurement modernization and risk reform**

3. **Champion responsible innovation, AI, and cybersecurity**

4. **Strengthen member value, visibility, and leadership across the business ecosystem**

Our member companies represent a wide range of sectors, including manufacturing, engineering, finance, consulting, and technology. While our roles and services vary, we are united in our commitment to advancing public transportation. This plan supports that work and responds to real constraints such as uncertain funding environments, rigid procurement systems, workforce gaps, and shifting federal support for equity. We built this strategy to confront those issues directly.

Each priority includes a specific goal, measurable outcomes, and clear activities that our committees will lead. We will align our work with available capacity and funding. Each year, committees submit proposals for funding from the BMBG's budget. The BMBG evaluates these proposals based on their alignment with strategic goals and expected impact. This process allows us to stay focused, adapt when needed, and be transparent about where our resources go.

This strategic plan also intends to support and strengthen business member engagement in the BMBG initiatives and meetings by introducing more structured feedback tools, clearer entry points, and a stronger emphasis on elevating all business member voices, especially those that have historically been underrepresented in our leadership. We are also rethinking how we present and communicate our work, including updating the brand and supporting business member outreach and visibility.

This plan is not static. We will use it to guide our decisions, track our progress, and stay accountable to the business members and other stakeholders invested in our work.

Letter from the BMBG Strategic Planning Working Group

June 2025

As the BMBG-appointed Strategic Planning Working Group, we worked closely with APTA business members, committee leads, and staff through an iterative process focused on what matters most to business members across the industry. The stakeholder interviews and survey we conducted to develop this new strategic plan informed us that APTA business members are clear about where they want to go and the kind of leadership they expect from the BMBG. In response, we developed a strategic plan grounded in real input, practical needs, and a shared commitment to progress. The result is a roadmap that clarifies our purpose and focuses on our next steps. It addresses long-standing challenges while remaining realistic about what we can take on. It positions the BMBG to grow its impact, sharpen its value, and deliver stronger outcomes for all members.

We look forward to implementing this strategy and thank everyone who contributed their time, insight, and energy throughout the process.

Respectfully submitted,

2026-2028 BMBG Strategic Planning Working Group

Mike Allegra, Chair
Shannon Bailey
Buddy Coleman
Natalie Cornell
Charlie DiMaggio
Stephanie Finn
Ray Melleady, BMBG Chair
David Carol, APTA COO

Introduction

The American Public Transportation Association (APTA) is a national trade association representing the public transportation industry. Its 1,600 member organizations include bus, rail transit, commuter rail, intercity passenger rail agencies, and more than 850 business organizations involved in planning, design, construction, financing, operations, and supply. The Business Members Board of Governors (BMBG) represents the interests of APTA's business member organizations. Through its committees and initiatives, the BMBG contributes industry expertise to shape policy, support innovation, and strengthen the public transportation business ecosystem.

The BMBG strategic plan details the priorities and strategic focus for APTA's business member organizations for the next 3-5 years. It updates and affirms the BMBG vision, mission, priorities, goals, and success measures, providing the framework for all business member activities and decision-making. The strategic plan is a living document, and the BMBG is committed to continuously planning, managing, monitoring, and improving its programs and initiatives to become the driving force in business creation for the movement of people.

The business members are a critical constituency within the APTA family. The priorities, objectives, and activities detailed in the plan are consistent with APTA's 2026-28 strategic plan, but reflect the unique priorities and challenges facing businesses in the current economic environment.

The BMBG's strategic priorities, goals, and success metrics were developed through extensive outreach and input from business members. The plan reflects input from business member surveys, interviews, and working groups focused on each strategic priority. The BMBG Strategic Planning Working Group guided the strategic planning process, which evaluated and updated the BMBG's vision, mission, strategic priorities, programs and initiatives, processes and procedures, and annual budget allocation.

Davidoff Mission-Driven Business Strategy, LLC, was engaged to facilitate the BMBG strategic planning process. Our team of consultants was:

Dr. John Davidoff, Founder and Chief Mission-Driver
Michelle Roseborough, Senior Consultant
Kajal Joshi, Operations Coordinator
www.DavidoffStrategy.com

About the Business Members Board of Governors (BMBG)

The Business Members Board of Governors (BMBG) directs activities for APTA's business members and develops policy recommendations for APTA's Executive Committee and Board of Directors. Representing all of APTA's business members, the BMBG ensures alignment with APTA's Strategic Plan and focuses on elevating member interests across the industry.

The objectives of the BMBG are:

- To represent the interests of all business members in developing the policies and direction of APTA.
- To increase business member participation within the association.
- To strengthen communication between public agencies and APTA business members.
- To support APTA in representing the public transportation industry through business member expertise.

The BMBG is elected every two years and brings together leaders from across the business membership. This strategic plan reflects member input and shared priorities, positioning the BMBG to deliver value across the public transportation ecosystem.

Who BMBG Serves

BMBG represents a diverse cross-section of APTA's 850 business member organizations, ranging from small firms to large global enterprises. Our members include:

- **Industry Sectors:** Companies operating in specific technical or service areas such as engineering, manufacturing, finance, technology, cybersecurity, and consulting.
- **Market Reach:** Companies serving local, regional, national, and international transit markets with transit-specific or multimodal interests.
- **Participants:** Members at all levels of engagement, from new entrants to industry leaders.

How BMBG Engages APTA Business Members

BMBG engages APTA business members through:

- **Advocacy & Policy Influence:** Engaging in fly-ins, legislative briefings, and agency discussions.
- **Committee & Governance Leadership:** Participating on BMBG and APTA committees (e.g., Legislative, Procurement, Cyber, Workforce Development).
- **Innovation & Knowledge Sharing:** Leading webinars, authoring white papers, and contributing to industry toolkits.
- **Visibility & Public Engagement:** Participating in panels, publications, and APTA events.
- **Leadership Development:** Supporting mentorship and involvement in Leadership APTA.

What BMBG and the APTA Business Members Influence

BMBG and APTA business members' influence extends across six strategic areas:

- **Transit Funding Policy:** Supporting federal reauthorization and appropriations.
- **Procurement Reform:** Promoting fair, flexible, and modern contracting practices.
- **Technology Integration:** Advancing the use of AI, cybersecurity, and digital tools.
- **Workforce & Equity:** Growing diverse leadership and small business participation.
- **Market Access & Visibility:** Elevating business-to-business and business-to-agency connections.
- **Public-Private Partnerships:** Collaborating across agencies, communities, and industry.

BMBG Committee Structure

The BMBG is led by the Chair and supported by the First Vice Chair, Second Vice Chair, and Immediate Past Chair. It includes 25 elected board members, past BMBG Chairs, and business members currently serving on the APTA Executive Committee. BMBG's strategic goals are achieved through its seven committees, each chaired by a business member. Committee details and procedures are outlined in the BMBG bylaws and on the APTA website.

BMBG Key Stakeholders

BMBG's success relies on collaboration with key stakeholders. Committees track interactions and needs across groups, such as:

- All business members
- APTA's Executive Committee and Board of Directors
- Public transit agencies
- Transit Agency Boards of Directors
- Federal, state, and local government officials
- U.S. Chamber of Commerce
- Current and potential transit customers
- Educational and training institutions
- Other transportation-related associations

Engagement, Equity, and Member Representation

We support equity and small business inclusion across the transit industry. Many of our members are advancing this work through supplier diversity programs, local hiring, and mentorship efforts. At the same time, **we recognize that recent policy changes in Washington, D.C., impact who gets funded, who gets a seat at the table, and how agencies define value**.

As we implement this plan, we will focus on making our processes more transparent and accessible. That includes publishing clearer pathways to join committees, evaluating how leadership roles are filled, and setting internal participation benchmarks. We will also explore creating peer mentorship models and onboarding practices that better support new members. Equity is not a separate track. It will be part of how we execute this strategy.

SECTION TWO

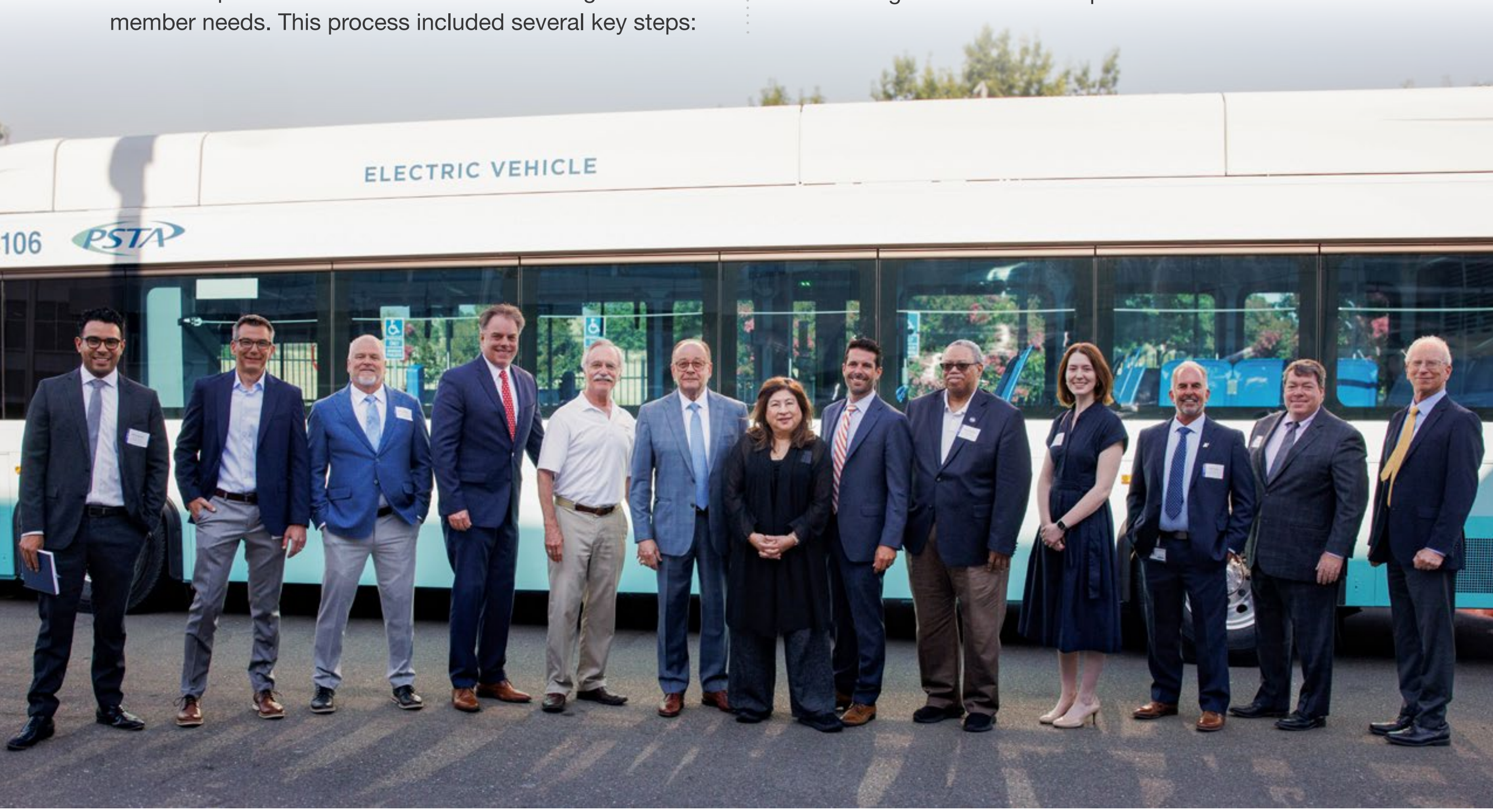
Environmental Scan

The environmental scan provides a comprehensive overview of the external trends, challenges, and opportunities shaping the landscape in which public transportation operates. As the industry navigates rapid technological innovation, shifting workforce dynamics, evolving funding mechanisms, and increasing demands for equity and sustainability, the environmental scan identifies critical factors that may impact business members' roles and strategies. By understanding these forces, the BMBG can align its strategic priorities to better support its members, influence policy, and drive industry transformation in a dynamic and interconnected environment.

Context and Development of the Environmental Scan

The environmental scan informed the development of the BMBG's 2026–2028 Strategic Plan, an inclusive and collaborative process to ensure relevance and alignment with member needs. This process included several key steps:

- **Stakeholder Engagement:** The BMBG engaged extensively with its business members through a series of in-depth interviews and surveys. These engagements provided firsthand insights into the challenges, priorities, and opportunities facing the business community within the public transportation sector.
- **Committee and Leadership Consultation:** Input was also solicited from APTA leadership and relevant BMBG committees to ensure that the environmental scan reflected both industry-wide perspectives and the operational realities that guide business members' success.
- **Data Integration:** The analysis integrated quantitative and qualitative data from the stakeholder interviews and surveys, as well as relevant industry reports and policy documents. This comprehensive approach allowed the BMBG to capture the multifaceted trends affecting the transit marketplace.



- **Analytical Framework:** The environmental scan was structured using a PEST analysis (Political, Economic, Social, and Technological factors) and a SWOT assessment (Strengths, Weaknesses, Opportunities, and Threats). These frameworks provided a structured way to synthesize the collected insights and position the BMBG's strategic priorities within a clear external and internal context.

Through this collaborative process, the environmental scan serves as a foundational component of the Strategic Plan, ensuring that the BMBG's actions are grounded in a thorough understanding of the complex landscape that shapes its members' success. The full results are included in Appendix 1.

Environmental Scan Commentary: Anticipating Challenges Ahead

The PEST and SWOT inform the identification of the business members' strategic priorities and guide their collective action. These are summarized below. By acknowledging these risks, the strategic plan remains grounded, adaptable, and capable of delivering value to every business member. Each challenge fuels the commitment to resilience, innovation, and leadership in an ever-changing transit landscape.

Key Challenges Facing the Industry

Federal Funding Volatility and Political Instability
The uncertain reauthorization of programs such as the Infrastructure Investment and Jobs Act (IIJA), increasing political scrutiny of transit investments, and rollback of DEI/climate-focused funding could undermine long-term planning and impact the underlying health of the public transportation industry and the business members that support it. This makes the BMBG's role in shaping bipartisan, business-aligned messaging more critical than ever.

Procurement Inflexibility and Reform Resistance
Outdated procurement practices remain a core barrier to competition, innovation, and financial stability across the business supply pipeline. Even with strong internal consensus for reform, public agencies may be slow or unwilling to adopt changes, particularly if proposals are perceived as misaligned with regulatory mandates such as Buy America. The BMBG must balance advocacy with diplomacy to ensure strong and positive agency relationships.

Workforce Shortages and Pipeline Fragility
Aging workforces, weak succession planning, and strong competition for new employees limit sector resilience. Business Members may struggle to mobilize a rapid, large-scale workforce development without stronger partnerships or funding alignment.

Technological Disruption Without Readiness
While AI and cybersecurity are strategic opportunities, the pace of technological change risks outstripping the BMBG's current internal capacity to provide education, tools, or policy guidance, and the ability of business members to utilize these new tools.

Economic Pressures on Small Businesses
Inflation, tariffs, and delayed payment cycles continue to squeeze small and mid-sized firms. Small business members may disengage without targeted visibility, mentorship, and policy support, undermining inclusion goals and weakening the BMBG's credibility as a convener for the full industry ecosystem.

Declining Public and Political Support for Equity
Rollbacks in DEI (Diversity, Equity, and Inclusion) and DBE (Disadvantaged Business Enterprise) mandates at the federal level undermine the opportunities available to small businesses, making it harder to advocate for inclusive procurement and leadership practices. A shifting political climate and lack of shared language may challenge the BMBG's ability to maintain industry momentum on equity.

Shifts in Transit Usage and Market Relevance
Changing ridership patterns post-pandemic, such as reduced commuter traffic and shifting service demands, pose long-term questions about where transit investment should go and how the BMBG positions itself within those conversations. These shifts are further shaped by disruptive technologies and externalities beyond the direct control of the public transportation sector, including the expansion of ridesharing (e.g., Uber), microtransit solutions, and passenger information systems (PIS). Without adaptability, strategic goals could miss the mark and risk misalignment with the broader transit landscape.

SECTION THREE

APTA BMBG Strategic Plan: BMBG Vision & Mission

VISION

To advance a vibrant and competitive transit marketplace.

MISSION

Creating and sustaining business opportunities.

Situational Summary & Three-Year Strategic Plan "North Star"

The Strategic Plan North Star defines the overarching goal for this three-year period. It connects the strategic priorities to the BMBG's long-term vision and clarifies what progress should look like by 2028.

Situational Summary

The public transportation sector is under pressure. Federal funding remains uncertain. Procurement systems are slow to respond to changing economic conditions. Workforce capacity is stretched. Business members are being asked to deliver innovation, absorb risk, and meet agency needs in a policy environment that is shifting away from long-standing equity and inclusion commitments. The context is changing, and so is the role business members are expected to play.

The BMBG developed this strategic plan to respond to that moment with focus. The plan identifies where we can lead and where we need to improve our operations. We are not trying to address every problem in the system. We are focused on the areas that matter most to business members and to the future of the marketplace: funding, procurement, innovation, and engagement. Our role is to create and sustain business opportunities, and this plan outlines how we will do that over the next three years.

The strategy also sharpens how we allocate resources, track progress, and engage members across sectors and company sizes. It provides the structure to move with purpose, make decisions, and adapt as needed. It reflects what members told us and what the moment requires.

Three-Year Strategic Plan "North Star"

The BMBG advances a vibrant and competitive transit marketplace by ensuring that business members are essential partners in shaping the future of public transportation. We influence policy, modernize procurement and innovation practices, and expand access to opportunity across the industry. Our role is to create and sustain meaningful business opportunities by connecting public and private sector priorities, advocating for forward-looking investment, and supporting an inclusive and resilient supply chain.

By 2028, the BMBG is expected to be positioned as APTA's business growth engine. This plan focuses on four priorities: funding, procurement reform, innovation, and member engagement, which directly support our mission to create and sustain business opportunities. Over the next three years, we will strengthen how members engage, expand our visibility across the transit ecosystem, and drive results that reflect the full diversity and expertise of our membership. This plan gives us the structure and direction to deliver on that commitment.

Our Mission

Creating and sustaining business opportunities is the core of BMBG's work. It guides how we show up in the industry, how we engage our members, and how we build relationships across the public and private sectors. This mission drives our strategic priorities and shapes the decisions we make to support a strong, diverse, and future-ready transit marketplace.

Strategic Priority #1: Secure and Diversify Long-Term Transit Funding

Context

A vibrant and responsive national transit system requires sufficient long-term, reliable funding to meet current operational and future capital requirements, achieve state-of-good-repair, and accommodate future growth. An increase in federal funding, through long-term funding authorization and annual appropriations, is critical to maintaining transit agencies' financial health and mission.

Priority #1

The BMBG will continue to partner with transit agencies on national advocacy efforts for stable, multi-source transit funding. This will leverage the strengths of large and small business members to emphasize bipartisan messaging and the economic benefits of investing in public transportation, both locally and nationally.

Three-Year Goal Statement

Position the BMBG as the leading advocate for stable, multi-source transit funding by leveraging its business member network to influence federal policy, advance appropriations, and highlight the economic impact of transit investment. Priority 1 Milestone Objectives and Activities in Appendix 2

Three-Year Goals

- **Advocate for the Most Favorable Funding in the Next Reauthorization Bill**
  Ensure long-term funding aligns with business priorities and supports industry growth.
- **Advance Annual Federal Funding Appropriations**
  Secure strong appropriations to sustain transit agency operations and investment.
- **Embed Business Priorities into Legislative Processes**
  Represent member interests in reauthorization negotiations and appropriations cycles.
- **Develop Impact Demonstration Tools**
  Equip members with resources that showcase the economic and community benefits of transit businesses.

Overarching Success Measures

BMBG strengthens its position as a critical partner in transit funding advocacy by empowering members to engage in impactful lobbying and highlighting the economic contributions of the transit industry. Success is demonstrated by:

- Increased member participation in advocacy activities, including Capitol Hill meetings and local engagements
- Measurable influence on reauthorization legislation and appropriations outcomes
- Broader awareness of business contributions to community economic vitality
- Improved alignment between business member priorities and federal funding policies

Note

To support readability, full details for each strategic priority are included in Appendix 2. This appendix provides expanded descriptions of the milestone objectives and key activities that guide implementation.

Strategic Priority #2: Lead Procurement Modernization and Risk Reform

Context

Public transportation requires a competitive and financially sustainable supply chain for all that transit agencies procure, from rolling stock to technology to daily supplies. Many of today's companies that supply transit face difficult financial pressures from pandemic disruptions, inflation, and tariffs. These challenges are amplified through outdated contract terms that inappropriately shift most of the risk to the suppliers. This has reduced competition for transit agency procurements, resulting in financial instability across the supply chain.

Priority #2

The BMBG will advocate for procurement reform that promotes inclusive models, faster timelines, risk-sharing practices, and pre-procurement collaboration to unlock innovation and enable greater participation by small businesses, ultimately creating a healthy and stable supply chain. We will recommend reforms to outdated procurement and risk allocation practices that limit innovation and small business participation.

Three-Year Goal Statement

Position the BMBG as the leading business voice and partner in modernizing public transportation procurement practices that foster equitable risk-sharing, inclusive participation, and sustainable growth across the transit supply chain. Proactively address external cost pressures such as tariffs on steel, aluminum, and transit components, to ensure that procurement frameworks remain fair, competitive, and adaptable to evolving market conditions. Priority 2 Milestone Objectives and Activities in Appendix 2

Three-Year Goals

- **Champion Risk-Sharing Contract Terms**
  Develop, in coordination with transit agencies and APTA's Procurement and Supply Chain Committee (PSCC), updated Terms and Conditions (Ts&Cs) in various contract types, including vehicles, services, and construction that allocate risk to the parties best positioned to manage it.

- **Foster Pre-Procurement Collaboration**
  Educate procurement and engineering teams on the benefits of pre-procurement discussions that accelerate innovation.

- **Accelerate Vendor Payments**
  Partner with agencies to implement processes that ensure faster payments to vendors, especially small businesses. This issue was particularly noted with original equipment manufacturers (OEMs) and bus manufacturers, who face cash flow challenges due to delayed milestone payments.

- **Defend and Strengthen SBE/DBE Programs**
  Protect and expand opportunities for Small Business Enterprises (SBEs) and Disadvantaged Business Enterprises (DBEs) across the sector.

- **Promote Price Indices in Contracts**
  Equip agency procurement teams with the tools to use indices that hedge inflation/tariff costs and stabilize supply chains.

- **Advance Performance-Based Specifications**
  Transition the industry from prescriptive technical requirements to performance-based specifications that drive innovation.

Overarching Success Measures

The BMBG strengthens its role as a trusted partner in procurement reform, ensuring that transit agencies and business members benefit from equitable, efficient, and innovative procurement practices. Success is measured by:

- Increased adoption of risk-sharing contract terms across key transit procurements
- Expanded participation of Small Business Enterprises (SBEs) and Disadvantaged Business Enterprises (DBEs) in competitive bidding
- Improved timeliness of vendor payments and reduced barriers to participation
- Greater collaboration between procurement teams and vendors, resulting in more innovative solutions

Strategic Priority #3: Champion Responsible Innovation, AI, and Cybersecurity

Context

Harnessing the benefits of new technologies and innovative practices is critical to improving the efficiency of transit agency operations and managing costs. Artificial Intelligence, in particular, holds immense promise for enhancing how transit agencies serve the public and the effectiveness of public funding.

Priority #3

Business members will lead by developing and integrating emerging technologies with transit agencies and others, helping to develop and support ongoing work related to shared standards, toolkits, and governance frameworks. The BMBG will serve as a trusted convener on digital innovation and cybersecurity preparedness, fostering collaboration across the public and private sectors. Through this work, the BMBG will help ensure that both business members and agency partners can effectively adopt AI and digital tools while mitigating cybersecurity risks.

Three-Year Goal Statement

Establish the BMBG as the trusted industry leader and convener for digital transformation, AI integration, and cybersecurity preparedness in the transit sector, equipping members with the knowledge, tools, and frameworks needed to drive sustainable innovation. Priority 3 Milestone Objectives and Activities in Appendix 2

Three-Year Goals

- **Disseminate Innovation & Cybersecurity Resources**
  Develop and share comprehensive toolkits, best practices, and standards to guide responsible tech adoption.

- **Position the BMBG as a Resource for Innovation Across APTA**
  Engage actively in APTA committees and foster partnerships that strengthen digital transformation efforts.

- **Provide High-Impact Training and Technical Assistance**
  Deliver hands-on support, webinars, and workshops to build capacity across business members.

- **Influence Public and Industry Policy on Responsible Tech Use**
  Advocate for ethical, effective AI and cybersecurity practices that enhance transit agency performance.

- **Launch a Technology Radar Function**
  Identify, analyze, and promote emerging technologies relevant to transit, including AI, cybersecurity, and automation. Provide business members with actionable insights to anticipate, adapt to, and capitalize on technological shifts in the industry.

- **Elevate Cybersecurity Readiness**
  Equip members to navigate cybersecurity threats through training, standards, and risk management resources.

- **Develop AI Best Practices**
  Create guidelines and case studies to foster collaboration and effective AI integration with transit agencies.

Overarching Success Measures

The BMBG positions its members as industry leaders in responsible innovation by providing them with the resources, training, and visibility needed to adopt emerging technologies, mitigate cybersecurity risks, and shape a future-ready transit landscape. Success is measured by:

- Increased deployment of member-driven digital solutions across transit agencies
- Elevated demand for member expertise in AI, cybersecurity, and digital transformation
- Greater participation of BMBG members in APTA innovation committees and sector leadership

Strategic Priority #4: Strengthen Member Value, Visibility, and Leadership Across The Business Ecosystem

Context

APTA's business members play a critical and essential role in the success of public transportation and APTA's effectiveness in representing our industry. The BMBG and its multiple committees serve as the voice for the broad spectrum of APTA business members. Our ability to represent business members requires an engaged business community that fully leverages the services, programs, and tools created by APTA and empowers the BMBG to speak and act on their behalf.

Priority #4

The BMBG will solidify its role as a business growth platform by clarifying its identity, enhancing member engagement, and advancing equity, workforce development, and strategic partnerships, particularly for small and diverse businesses. Through a refreshed brand, targeted support, and leadership development, the BMBG will position members for long-term impact and visibility across the transit sector.

Three-Year Goal Statement

Establish the BMBG as the essential business growth platform within APTA, empowering members to build their identities, elevate their visibility, and drive sustained leadership across the transit sector. Priority 4 Milestone Objectives and Activities in Appendix 2

Three-Year Goals

- **Define and Communicate a Strong Business Member Identity**
  Elevate the BMBG's value proposition through consistent messaging and branding. Establish a unified brand, naming, and message framework that is modern, representative, and externally credible.

- **Develop a Structured Engagement Infrastructure**
  Implement regular feedback loops, outreach strategies, and member engagement tiers to strengthen participation.

- **Modernize Communications and Branding**
  Clarify the BMBG's narrative and expand its visibility with public agency partners and federal officials.

- **Amplify the BMBG's Role as the Collective Voice**
  Ensure all business members are represented through structured engagement and advocacy.

- **Leverage Business Member Expertise**
  Strengthen APTA's influence by showcasing member innovations and partnerships.

- **Enhance Supply Chain Stability**
  Expand opportunities and visibility for small, new, and diverse businesses across the sector.

- **Develop and Promote Future Leaders**
  Build leadership capacity through mentoring, training, and strategic partnerships. Create more equitable on-ramps into the BMBG leadership and mentorship pathways for emerging professionals.

Overarching Success Measures

The BMBG positions itself as the premier platform for member growth and engagement, achieving measurable increases in membership participation, visibility, and influence within the transit industry. Success is demonstrated by:

- Growth in membership and retention, particularly among small and diverse businesses

- Regular use of structured feedback tools (surveys, roundtables, feedback council, etc.)

- Increased engagement across small, new, and underrepresented members

- Broader awareness and recognition of the BMBG's brand and member impact

- Higher levels of engagement in the BMBG programs, events, and leadership opportunities

- Expanded business-to-business (B2B) and business-to-government (B2G) connections and partnerships
- Increased member satisfaction with visibility, support, and representation
- Clearer entry points and progression paths for all members

Budget and Resource Prioritization

The BMBG manages the Business Members Activity Fund, which is paid through voluntary business member contributions. The funds are used to support the priorities outlined in this strategic plan. These funds are not pre-allocated. Instead, the various business member committees propose activities and submit resource requests to the BMBG Board for consideration and approval. The Board evaluates proposals based on alignment with strategic priorities, urgency, potential impact, and capacity to deliver.

This process allows for flexibility but also requires clarity. Committees are required to submit clear work plans, anticipated outcomes, and budget justifications to support their requests. Committees are required to update the BMBG on the progress of the work plan at each of the four annual BMBG meetings. This process is summarized in the table below:

Activity	Business Members Annual Meeting (January)	Legislative Conference (Spring)	Rail/Mobility Conference (Spring)	TRANSform (September)
Approve Committee Funding Requests	✓			
Interim Update Work Plan Progress		✓	✓	
Complete Work Plan & Report Outcomes				✓
Identify Next Year's Objectives				✓

CONCLUSION

The BMBG stands united in our commitment to a vibrant, competitive, and sustainable transit marketplace. Grounded in our mission to advance public transportation by creating and sustaining business opportunities, we recognize that every business member, regardless of size, contributes to shaping the industry's path forward.

With our vision and mission as our guideposts, we embrace our strategic priorities as essential pathways to meaningful impact. By securing long-term funding, modernizing procurement, championing innovation, and strengthening member value, we uphold the trust our members place in the BMBG.

This plan reflects both the challenges we face and the opportunities we embrace. We are committed to advancing the transit industry with clarity, purpose, and determination, ensuring that every business member is positioned to thrive in a dynamic and evolving environment.

APPENDIX 1

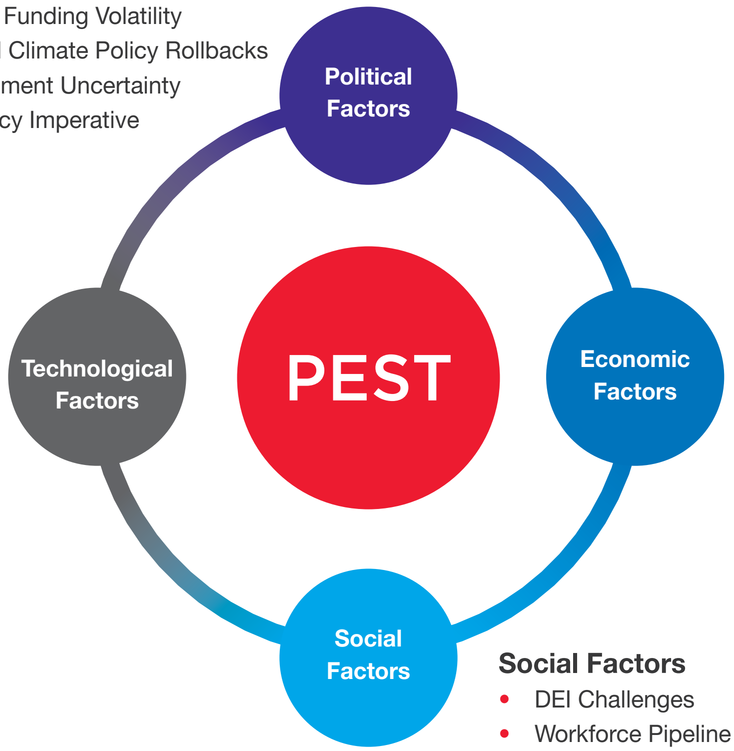
BMBG PEST Analysis

Political, Economic, Social & Technological Trends

The PEST analysis examines the Political, Economic, Social, and Technological factors influencing the public transportation industry, providing strategic insight for the BMBG and Business Members as they chart a forward-looking path.

Political Factors

- Federal Funding Volatility
- DEI and Climate Policy Rollbacks
- Procurement Uncertainty
- Advocacy Imperative



Technological Factors

- AI Acceleration
- Cybersecurity Demands
- Digital Infrastructure Gaps

Economic Factors

- Inflation and Cost Escalation
- Tariff Impacts
- Funding Instability
- Small Business Vulnerability

Social Factors

- DEI Challenges
- Workforce Pipeline Pressures
- Community Expectations

Political Factors

Key Takeaway:

The political environment is marked by uncertain federal funding, procedural delays, and evolving regulatory shifts, introducing strategic instability across the transit sector.

- **Federal Funding Volatility:** Shifting priorities and debates around the Infrastructure Investment and Jobs Act (IIJA) and Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations risk stalling or rescinding critical funding streams. This threatens long-term investments in transit and manufacturing.
- **DEI and Climate Policy Rollbacks:** New executive orders are rolling back DEI benchmarks and climate-related program criteria, impacting local hiring, procurement eligibility, and project viability.
- **Procurement Uncertainty:** The reinterpretation of Buy America provisions and impoundment mechanisms under the Impoundment Control Act of 1974, the main legal mechanism allowing the President to seek to delay or permanently cancel federal funding once enacted by Congress, may delay or derail modernization projects.

- Advocacy Imperative: The BMBG's role in aligning business members, agencies, and policymakers is essential to safeguard funding pipelines and project timelines.

Economic Factors

Key Takeaway:

Persistent inflation, supply chain challenges, and rigid procurement practices are straining manufacturers and transit agencies, impacting financial health and project delivery. At the same time, increased federal funding signals renewed support for transit investment.

- **Strengthened Federal Commitments Enhance Industry Stability:** On May 30, 2025, President Donald Trump released the Fiscal Year 2026 Budget request, proposing $21.2 billion for public transit (an increase of $310 million) and $16.5 billion for passenger and freight rail (an increase of $314 million) when combined with Infrastructure Investment and Jobs Act (IIJA) appropriations. This significant commitment underscores the Administration's recognition of public transportation as a critical driver of economic growth, job creation, and market connectivity. It also highlights an opportunity for the BMBG to advocate for sustained and equitable funding streams that support domestic manufacturers, suppliers, and the entire transit supply chain.
- **Inflation and Cost Escalation:** Rising production costs, especially for labor and materials, squeeze margins and erode profitability, particularly under fixed-price contracts with no escalation clauses.
- **Tariff Impacts:** The recent increase in tariffs on steel and aluminum imports, from 25% to 50% of the import value, as announced by the President on June 3, 2025, and effective June 4, 2025, exacerbates procurement costs and threatens domestic supplier competitiveness. Additionally, tariffs of approximately 25% on buses, rail components, and other transit technologies continue to inflate project costs and potentially create delays to critical modernization efforts.
- **Funding Instability:** Delays in federal reauthorization cycles create uncertainty for capital investments, workforce expansion, and innovation initiatives.
- **Small Business Vulnerability:** Payment delays, risk-heavy contract terms, and limited access to milestone payments are undermining smaller firms, which are critical partners in the transit supply chain.

Social Factors

Key Takeaway:

Demographic shifts, evolving workforce expectations, and reduced federal support for equity are reshaping industry priorities and community trust.

- **DEI Challenges:** The rollback of federal DEI mandates threatens to widen disparities in workforce and supplier diversity.
- **Workforce Pipeline Pressures:** An aging workforce and the need for specialized skills (e.g., zero-emission vehicle maintenance) underscore the urgency for training partnerships and recruitment strategies.
- **Community Expectations:** Riders and communities are demanding equitable service delivery and economic benefits, and transit agencies and business members alike must adapt to these expectations.
- **BMBG's Role:** The BMBG has an opportunity to model inclusive practices, support generational workforce transitions, and champion community-focused narratives.

Technological Factors

Key Takeaway:

The rapid pace of AI and digital transformation is outpacing readiness, creating risks and opportunities in cybersecurity, procurement, and workforce integration.

- **AI Acceleration:** While AI can boost efficiency and predict maintenance, barriers include outdated procurement language and limited technical capacity in agencies.
- **Cybersecurity Demands:** Cyber threats are increasing, with Department of Homeland Security requirements adding compliance complexity that many contractors, especially small firms, struggle to meet.
- **Digital Infrastructure Gaps:** The BMBG's current platforms are underutilized and fragmented, limiting member engagement and data-driven strategy.
- **Opportunity for Leadership:** By curating resources, toolkits, and governance frameworks, the BMBG can bridge the technology readiness gap and support members in navigating compliance and innovation.

BMBG SWOT Assessment

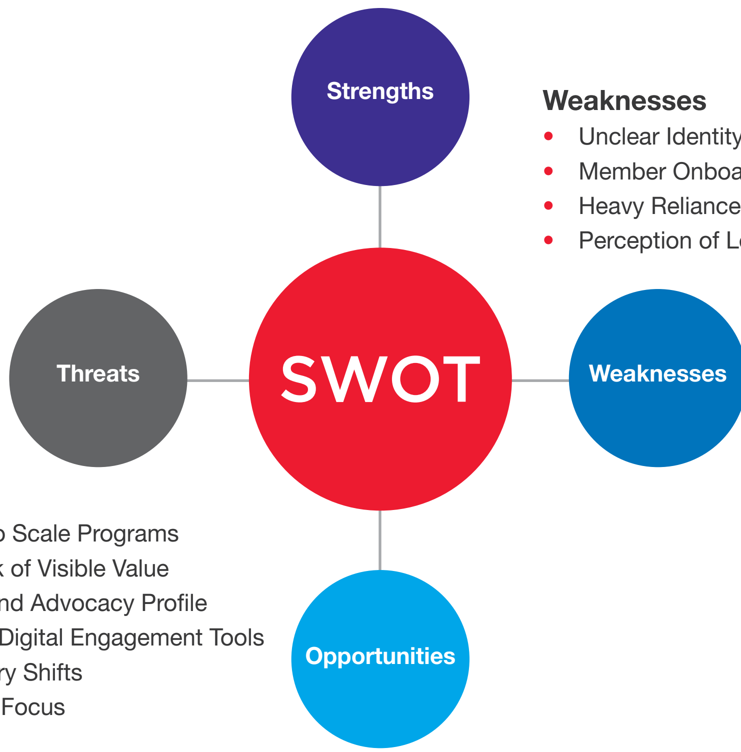
The SWOT assessment provides a structured evaluation of the BMBG's internal strengths and weaknesses and external opportunities and threats. This assessment informs strategic decision-making and helps the BMBG respond proactively to industry shifts and member needs.

Strengths

- Credibility as a Business Covener
- Access to Strategic Advocacy Channels
- Committee Infrastructure with Subject Expertise
- Industry Representation Across Size and Type
- Strong Informal Networking Value
- Credibility Due to Longevity and Legacy

Weaknesses

- Unclear Identity and Messaging
- Member Onboarding and Leadership Pathways
- Heavy Reliance on Dues Revenue
- Perception of Legacy Culture



Threats

- Limited Internal Capacity to Scale Programs
- Member Attrition from Lack of Visible Value
- Limited External Visibility and Advocacy Profile
- Slow Adoption of Member Digital Engagement Tools
- Political Risk and Regulatory Shifts
- Fragmentation in Strategic Focus

Opportunities

- Lead Procurement Reform Nationally
- Elevate Role in Workforce Pipeline Development
- Develop AI and Cybersecurity Readiness Tools
- Strengthen Small Business Development and Access
- Brand Refresh and Visibility Campaigns
- New Revenue Streams and Programs
- Data-Driven Member Engagement Strategy

APPENDIX 2

BMBG Strategic Priorities (Milestones and Activities)

PRIORITY 1

Secure and Diversify Long-Term Transit Funding: The BMBG will continue to partner with transit agencies on national advocacy efforts for stable, multi-source transit funding. This will leverage the strengths of large and small business members to emphasize bipartisan messaging and the economic benefits of investing in public transportation, both locally and nationally.

Milestone Objectives	Activities
1.1 Implement a Focused Advocacy Program	• Support APTA's advocacy strategy to shape and advance the new long-term transportation reauthorization. • Engage members in federal funding cycles (appropriations) • Encourage and coordinate contacts with Senators and Representatives, tracking the number of companies engaged and contacts made
1.2 Execute Business Member Fly-Ins	• Organize Capitol Hill visits for business members • Facilitate local market tours with Senators and Representatives
1.3 Develop Impact Demonstration Tools	• Support continued mapping exercise with APTA Government Affairs to align business members with key congressional districts • Create targeted briefings that showcase the economic and community impact of transit businesses (e.g., two per year) • Develop materials for members to use in monthly education calls and independent advocacy efforts
Responsible Teams/Committees	
Key Responsible Committee	Legislative Committee
Supporting Committees	Procurement Committee Small Business Committee Business Development Committee Budget Committee APTA Staff and Subcommittees, as appropriate

BMBG Strategic Priorities (Milestones and Activities)

PRIORITY 2

Lead Procurement Modernization and Risk Reform: The BMBG will advocate for procurement reform that promotes inclusive models, faster timelines, risk-sharing practices, and pre-procurement collaboration to unlock innovation and enable greater participation by small businesses, ultimately creating a healthy and stable supply chain. The BMBG will recommend reforming outdated procurement and risk allocation practices that limit innovation and small business participation.

Milestone Objectives	Activities
2.1 Champion Risk-Sharing Contract Terms	• Use the APTA standards creation process to develop consensus General Ts&Cs • Review and align the Bus White Paper changes for consistency • Partner with the Light Rail Procurement Working Group to finalize Ts&Cs • Recommend Small Business Enterprise (SBE) and Disadvantaged Business Enterprise (DBE)-friendly terms to encourage broader participation • Monitor Buy America changes and its impact on supply chain resilience
2.2 Foster Pre-Procurement Collaboration	• Identify model procurements that demonstrate improved outcomes (e.g., bidder participation, pricing) through pre-procurement collaboration • Develop a technology roadmap to manage rapidly evolving categories (e.g., AI, cybersecurity) • Publish a white paper on the benefits of pre-procurement collaboration
2.3 Accelerate Vendor Payments	• Implement processes allowing vendors to resubmit invoices for non-disputed charges • Establish payment ceilings for Disadvantaged Business Enterprises (DBEs) when prime payments are delayed • Develop best practices for change orders, purchase orders, invoicing, and approvals • Conduct training programs to standardize procurement reviews and invoice approvals
2.4 Defend and Strengthen SBE/DBE Programs	• Advocate for the continued use of Disadvantaged Business Enterprises (DBEs), even when not required • Provide testimony at the local and federal levels on the value of Small Business Enterprises (SBEs) and Disadvantaged Business Enterprises (DBEs) programs • Participate in outreach events and mentorship opportunities • Maintain active dialogue with Small Business Enterprise (SBE) and Disadvantaged Business Enterprise (DBE) communities to identify needs and provide support

(PRIORITY 2 continued)

Milestone Objectives	Activities
2.5 Promote Price Indices in Contracts	• Deliver webinars for CEOs, Boards, procurement officials, legal teams, and risk managers on indices usage • Engage transit agency leadership to support index adoption and Board education • Host sessions at the Transit Board Members', Legal Affairs, and Risk Management Committee meetings
2.6 Advance Performance-Based Specifications	• Develop and share the pros and cons of performance-based specifications compared to prescriptive technical requirements • Produce a white paper to guide agencies and business members in adopting performance-based approaches

Responsible Teams/Committees	
Key Responsible Committee	Procurement Committee
Supporting Committees	Procurement and Supply Chain Committee Small Business Committee Strategic Planning Committee Standards Development Oversight Council APTA Staff and Subcommittees, as appropriate

BMBG Strategic Priorities (Milestones and Activities)

PRIORITY 3

Champion Responsible Innovation, AI, and Cybersecurity: Business members will lead by developing and integrating emerging technologies with transit agencies and others, helping to develop and support ongoing work related to shared standards, toolkits, and governance frameworks. The BMBG will serve as a trusted convener on digital innovation and cybersecurity preparedness, fostering collaboration across the public and private sectors. Through this work, the BMBG will help ensure that both business members and agency partners can effectively adopt AI and digital tools while mitigating cybersecurity risks.

Milestone Objectives	Activities
3.1 Disseminate Innovation and Cybersecurity Resources	• Create and maintain a public-facing AI toolkit and resource library (e.g., TRB (Transportation Research Board), AI Coalition, compliance models) • Partner with Research & Technology and Cybersecurity Committees to ensure quality and relevance • Organize an annual showcase of innovative tools contributed by members
3.2 Serve as a Resource for Innovation Across APTA	• Ensure business members actively contribute to and lead APTA committees on innovation • Highlight member innovations through APTA communications and convenings
3.3 Provide High-Impact Training and Technical Assistance	• Offer regular webinars and workshops on AI, cybersecurity, and digital transformation • Develop peer-led training initiatives to share best practices
3.4 Influence Public and Industry Policy on Responsible Tech Use	• Host at least one policy roundtable per year at a BMBG meeting focused on tech and cybersecurity • Develop policy briefs to inform APTA and industry discussions
3.5 Launch a Technology Radar Function	• Sponsor quarterly webinars introducing emerging companies with transit relevance • Conduct ongoing technology scans to identify promising innovations
3.6 Elevate Cybersecurity Readiness	• Support the formalization of cybersecurity as a core discipline within the BMBG • Develop a shared incident response framework for members

(PRIORITY 3 continued)

Milestone Objectives	Activities
3.7 Develop AI Best Practices	• Publish working documents outlining AI collaboration protocols and success models • Establish a data-sharing and use-case repository to support industry-wide adoption

Responsible Teams/Committees	
Key Responsible Committee	Cyber and New Technologies Committee
Supporting Committees	Strategic Planning Committee (SPC) Research & Technology Committee APTA Staff and Subcommittees, as appropriate

BMBG Strategic Priorities (Milestones and Activities)

PRIORITY 4

Strengthen Member Value, Visibility, and Leadership Across the Business Ecosystem:
The BMBG will solidify its role as a business growth platform by clarifying its identity, enhancing member engagement, and advancing equity, workforce development, and strategic partnerships, particularly for small and diverse businesses. Through a refreshed brand, targeted support, and leadership development, the BMBG will position members for long-term impact and visibility across the transit sector.

Milestone Objectives	Activities
4.1 Define and Communicate a Strong Business Member Identity	• Launch a refreshed BMBG brand identity and explore potential renaming options (e.g. APTA Business Council) • Launch a digital platform introducing the BMBG's strategic plan, mission, and value proposition • Develop a unified brand narrative and messaging playbook • Create a digital onboarding toolkit and host quarterly orientation sessions • Establish an integrated communications process that highlights member impact and opportunities • Build and disseminate a comprehensive Business Members Handbook • Clarify and promote the BMBG's role as the official voice of APTA business members
4.2 Build Member Engagement Infrastructure	• Launch a quarterly business member pulse survey • Establish a standing member feedback council • Pilot rotating regional meetups or virtual roundtables • Create engagement tiers and reactivation strategies that apply to all members, not just inactive ones
4.3 Expand External Visibility and Influence	• Develop a communications strategy to improve external visibility with agencies and on Capitol Hill. • Use the strategic plan as a branding tool through a two-page companion summary • Coordinate with the APTA Programs and Communications team to amplify member presence
4.4 Amplify the BMBG's Role as the Collective Voice of Business Members	• Conduct targeted outreach and feedback loops to ensure inclusive representation • Develop mechanisms to elevate member concerns and insights into APTA policy discussions • Regularly feature member perspectives in BMBG and APTA communications and advocacy efforts

(PRIORITY 4 continued)

Milestone Objectives	Activities
4.5 Leverage Business Member Expertise	• Increase business member participation in federal fly-ins and legislative briefings • Facilitate direct connections between members and transit agency leaders • Track and share member outcomes, including increased revenue and growth
4.6 Enhance Supply Chain Stability	• Highlight procurement opportunities and barriers for small and emerging businesses • Support new business categories and geographies through outreach and mentorship • Advocate for inclusive practices and policies that increase the number of qualified bidders and suppliers
4.7 Develop and Promote Future Leaders	• Promote participation in Emerging Leaders and Leadership APTA programs • Establish mentorship pathways for early-career professionals within the BMBG and sponsorship structures across business member committees • Track participation in leadership pipelines across firm size, geography, and sector • Track and share student member growth and engagement

Responsible Teams/Committees	
Key Responsible Committee	Business Development and Membership Committee
Supporting Committees	Strategic Planning Committee Small Business Committee Workforce Development Subcommittees APTA Staff & Communications Team

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