

# How to do Business with the Federal Government



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# Policy Statement

- It is the policy of the United States, as stated in the Small Business Act, that “all” small businesses have the maximum practicable opportunity to participate in providing goods and services to the government.

# SBA Legislation

To ensure that small businesses get their fair share, SBA:

- negotiates annual procurement goals with each federal agency;
- reviews each agency's results; and
- is responsible for ensuring that the statutory government-wide goals are met.

# Government Wide Statutory Goals

- Small business - 23 % of prime contracts
- SDB - 5 % of prime & subcontracts
- WOSB - 5 % of prime & subcontracts
- HUBZone - 3 % of prime
- SDVOSB - 3 % of prime & subcontracts

# Getting Started - Basic Questions

1. Which government agencies buy my products and services?
2. How do I get in touch with them?
3. How do I market them?

# Getting Started - Basic Answers

## Answer to Question #1 (who buys what I sell)

- The federal government spends billions annually on products & services ranging from paperclips to complex space vehicles
- As a whole, the federal government is made up of agencies and each agency is broken down into various components:
  - Bureaus, field units or districts.
- In most cases these entities are decentralized in their buying activities, with each having its own mission, budget, contracting shop, and small business specialist.

# Getting Started - Basic Answers

Answer to Question #1 who (in Commerce) buys what I sell)

- *Information Technology and telecommunications; (Every Commerce Bureau buys it!)*
- *Professional, scientific, and technical services; (All bureaus)*
- *Construction Services; (NOAA and NIST)*
- *Ship parts, airplane parts or vehicle parts; (By the way, NOAA has a fleet of scientific research vessels and aircraft. NOAA also charters ships with crew to conduct scientific research.)*
- **Tip:!! Review agency Web Sites & Publications!**
  - Forecast of Procurement/Contracting Opportunities
  - Subcontracting Directory
  - "How to" publications (if the agency has one)

# Getting Started - Basic Answers

## Answer to Question #2 - Getting in Touch

- Check out these websites:
  - [http://www.fedmine.us/reports/fedmine\\_Sales\\_naics541512\\_1209940701.html](http://www.fedmine.us/reports/fedmine_Sales_naics541512_1209940701.html)
    - Identify which agency or bureau buys your product or service (hint: know your NAICS code)
  - [www.fedbizopps.gov](http://www.fedbizopps.gov) - Register - get notices of government requirements for your NAICS code

# Getting Started - Basic Answers

## Answer to Question #2 - Getting in Touch

### More websites:

- [www.fedbid.com](http://www.fedbid.com) - Register - Compete on-line for government requirements in your NAICS code
- [www.mbda.gov](http://www.mbda.gov) - Register - Phoenix Database to get free contract referrals.

# Getting Started - Basic Answers

## Question #2 - Keeping in Touch - More websites:

- [ccr.gov](http://ccr.gov) - Register on Dynamic Small Business Search. SBA's Pro-Net database is combined with DoD's Central Contractor Registration database, a popular database used by Contracting Officers. Register to be paid.
- [sba.gov/subnet](http://sba.gov/subnet) - Prime Contractors post subcontracting opportunities here.
- [mbda.gov](http://mbda.gov) - Commerce Minority Business Development Administration provides small businesses counseling and technical assistance comparable to SBA's Business Development Centers, DoD's PTACs
- [vetbiz.gov](http://vetbiz.gov) (VA's website for VOSB and SDVOSB). VA's Center for Veterans Enterprise.

# Getting Started - Basic Answers

## Answer to Question #3 - How do I market them?

- One of the most effective approaches to marketing is to meet with the bureau Small Business Specialists (SBS).
  - The Commerce SBS are located in our acquisition offices and they work closely with the contracting officers.
- Participate in:
  - Targeted Outreach Activities
  - Local Conferences/Trade Shows
- Focus on 3-5 agencies & allow 18-24 months for relationship building.

# Getting Started - Basic Answers

Answer to Question #3 - How do I market them?

Tip: Know Your Selected Agencies!

- Remember, the government is decentralized. Most agencies consist of numerous buying activities. (Example: Department of Commerce has 12 bureaus (13 if you count Departmental Management which is CFO/ASA organization); Justice has 9 bureaus; Treasury has 10 bureaus; DOT has 10 bureaus.
- Commerce has 5 acquisition offices;
  - NIST, NOAA, OS, PTO, and Census. NOAA has delegated procurement authority to its program offices up to \$25,000.
- Learn what each targeted agency bureau does, can do, and how they spend their money!

# Getting Started - Basic Answers

## Answer to Question #3 - How do I market them?

- Department of Commerce Vendor Outreach Sessions: go to [www.COMMERCE.gov](http://www.COMMERCE.gov), then type on "Outreach" or "Business Fairs" in the Search Box.
- DOC individual Bureau/Agency Vendor Outreach Sessions: [www.USPTO.gov](http://www.USPTO.gov), [www.NIST.gov](http://www.NIST.gov) or [www.NOAA.gov](http://www.NOAA.gov) & click or search on Outreach Activities.
- Minority Business Development Agency: [www.MBDA.gov](http://www.MBDA.gov) for Counseling Sessions, online training and outreach programs.

# Getting Started - Basic Answers

Answer to Question #3 - How do I market them?

- U.S. Department of Agriculture Vendor Outreach Program - [www.usda.gov/osdbu/](http://www.usda.gov/osdbu/)
- U.S. Department of Labor Procurement Power Page [www.dol.gov/osbp/regs/procurement.htm](http://www.dol.gov/osbp/regs/procurement.htm)
- U.S. Department of Health & Human Services [www.hhs.gov/osdbu](http://www.hhs.gov/osdbu)

# Getting Started - Basic Answers

Answer to Question #3 - How do I market them?

- Department of Veterans Affairs  
[www.va.gov/osdbu](http://www.va.gov/osdbu)
- U.S. Department of Housing and Urban Development  
[www.hud.gov/offices/osdbu/index.cfm](http://www.hud.gov/offices/osdbu/index.cfm)

# Getting Started - Basic Answers

Answer to Question #3 - How do I market them?

Develop a Marketing Plan/Strategy

- Subcontracts
- Prime Contracts
- Teaming/Joint Ventures
- Mentor Protégé Agreements
- Pre-existing Contract Vehicles

# Top 10 Federal Small Business Contracting Agencies

FY 2007 Agency	Total (thousands of dollars)	Small business (thousands of dollars)	Small business (share percent)	Share rank
Department of Housing and Urban Development	880,999	560,456	63.6	1
Department of the Interior	2,684,950	1,594,490	59.4	2
Department of Agriculture	4,603,949	2,509,215	54.5	3
Smithsonian Institution	201,334	103,896	51.6	4
Department of Transportation	1,485,258	755,742	50.9	5
Department of Commerce	2,160,395	993,918	46.0	6
Nuclear Regulatory Commission	159,304	68,580	43.0	7
Department of State	2,147,046	902,596	42.0	8
Environmental Protection Agency	1,452,849	601,718	41.4	9
Department of Homeland Security	10,703,911	3,832,163	35.8	10

# Getting Started

## Key Sources of Assistance

- **SBA - Locate your local SBA Office**  
(<http://www.sba.gov/>)
- **PTAC - Procurement Technical Assistance Center**  
(<http://www.sellingtothegovernment.net>)
- **OSDBU - Office of Small & Disadvantaged Business Utilization** ([www.osdbu.gov](http://www.osdbu.gov))
- **SBDC - Small Business Development Center**  
(<http://www.sba.gov/sbdc/>)

# Basic Information

There are two types of contracting opportunities:

- **Prime Contracting** - you hold the contract
- **Subcontracting** - a larger company holds the contract and you get to work on a piece of it

## Basic Information (continued)

After consideration of required sources (read FAR Part 8), the contracting officer has 2 choices:

1. use a pre-existing contract (FSS, GWAC, Department-wide contract)
2. use open market procedures

## Basic Information (continued)

### Key Tip:

If what you provide is listed on a *GSA FSS*, then get on the schedule!

Why? because it is a faster method of buying

Research, find out what pre-existing vehicles are used by the agencies you have targeted and most importantly, let agencies know what contract vehicles you have available to them.

## Basic Information (continued)

\$ amounts & methods of procurement you should know about:

- Up to \$3,000 - Micropurchase (credit card)
- \$3,001-\$100,000 - Simplified Acquisition Procedures (SAP)
- Over \$100,000 - Formal Contracting Procedures

Note: under commercial items test - \$5,000,000 can be considered SAP

# Small Business Procurement Programs

- 8(a) Program set-aside
- HUBZone Program set-aside
- SDVOSB Program set-aside
- Traditional Small Business set-aside
- Full & Open competition tools
  - SDB
  - Subcontracting
  - Mentor-Protégé Program
  - HUBZone Price Evaluation Preference (10%)

# Small Business Procurement Programs

Currently, there is no way to limit the competition to:

- **WOSB**
- **SDB** (*We target SDB through the 8(a) Program*)
- **VOSB.**

**Therefore, marketing is critical!**

# The “Model” Small Business Firm

Working in the federal marketplace understands:

- Core competencies
- Marketing and relationship building
- Schedules/Multiple award contracts
- Open Market procurement (FEDBIZOPPS)
- Prime contracting
- Subcontracting

# The “Model” Small Business Firm

Equipped to do business with the Government:

- Accepts the government purchase card (Visa or Mastercard)
- Has good marketing materials
- Has a niche (What's yours?)
- Has resources (people, equipment)
- Is web savvy
- Is registered in Government pre-existing databases (CCR/Pro-Net, Fedbizopps)

# In Summary

## What Really Works...

- Relationships
- Networking
- Multiple Contracting Vehicles
- Continuous Marketing
- Being Prepared
- Get Involved
- Past Performance
- Share Information
- Patience
- Persistence

# Hot Tip!

## Learn the Acronyms and Buzzwords!

- What does This Mean?
  - "I got together with the COTR (Pronounced "Co-Tar") and put together a JOFOC (Pronounced "Joe-Fock") for the C.O. – She used it to justify a FAR Part 8 limited competition under a GSA Sched 70 GWAC (Pronounced "GeeWac"), and I won!"

*Home work always comes before success in the dictionary & Small Business Procurement!*