RESOURCES FOR SMALL BUSINESSES IN GOVERNMENT CONTRACTING

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Fun Facts

- In 2019, the government spent $____________________
- Less than ____% of U.S. businesses do business with the U.S. Government.
- The Government *signs* over __________ contracts a year.
- What % of federal contracts are awarded to small and medium sized business. ______________
- Contracts between $10,000 and $250,000 in value are reserved for ______________.
- Government procures services ranging from ______________ to ______________.
Are You a Small Business?

Size Standards
Determined by NAICS industry codes

Business Type
Sole proprietorship, partnership, corporation, or any other legal form

Location
Operates primarily within the U.S.

Size Restrictions
Average number of employees or annual receipts

Non-Qualified Business
Primary operations outside the U.S.

Other
Non-profit businesses are not considered
Traditional Business Plan Format

- Company Information & Executive Summary
- Structure
- Market Analysis
- Marketing & Sales
- Service/Product Line
- Financial Projections
Do You Have Adequate Cash Flow to Finance a Government Contract?

- **Character**
  - Do you demonstrate strength of Character?

- **Cash Flow**
  - Do you have adequate Cash Flow to repay a loan?

- **Collateral**
  - Do you have Collateral to offer lenders?

- **Capitalizations**
  - Do you have Capitalizations plus liquid holdings and earnings?

- **Conditions**
  - Are there outside Conditions that will affect ability to repay loan?
Do you have Professionals that can support you?

- Banker
- Accountant
- Insurance Agent
- Attorney
- Marketing Support
- Contracts Manager/Support
- Coach/Mentor
- Board of Advisors?
Is Your Business Ready?

Does the Government...
Buy what you sell

Do you have...
Federal contracting experience
Cash, inventory, working capital

Are you capable...
Of fulfilling a government contract

Do you know...
Where to find contracting opportunities
Set-Aside for Certification Programs and Socio-Economic Categories

Targeted set-asides and acquisition goals:

- Women-Owned Small Businesses (5%)
- Small Disadvantaged Businesses (including 8(a) certified) (5%)
- HUBZone Businesses (3%)
- Service-Disabled Veteran-Owned Small Businesses (3%)

Set-asides are reserved for small business between $3,500 (Micro-purchase Threshold) to $250,000 (Simplified Acquisition Threshold)
Primary Methods of Contracting

01 Micro-purchases
Not requiring competitive bids and paid for by Government Purchase Card/Credit Card

02 Simplified Acquisition Process
Purchases $3,500 - $250,000

03 Sealed Bidding
Used when government has a need for services/supplies that is clear, specific and complete. NO negotiation prior to award.

04 Contract by Negotiation
Technical products valued at $150,000 or more. Negotiation allowed prior to award that considers more than price-related factors
Government-Wide Contracting Goals

COMPETITION TYPES TO WIN GOVERNMENT CONTRACTS

01 Full and Open Competition

02 Small Business Set-Asides

03 Sole Source

WORLD’S LARGEST BUYER

- $500,000 billion/year
- 23% federal contract dollars are intended for small businesses
Types of Contracts

**Indefinite Delivery, Indefinite Quantity**
- Definite quantity and requirement contracts
- Indefinite Delivery, Indefinite Quantity Contract (IDIQ)

**Time, Materials & Labor**
- Acquiring supplies/services based on direct labor hours at a fixed hourly rate

**Incentive**
- Supplies/services acquired at lower costs

**Fixed Price**
- Economic price
- Incentive contract

**Cost Reimbursement**
- Payment of allowed incurred cost
Agreements

01 Basic Order Agreement (BOA)
- Not a contract
- Expedites contracting for uncertain requirements

02 Blanket Purchase Agreement (BPA)
- Method of filling anticipated repetitive needs for supplies and services
General Services Administration (GSA) Schedule

Consider becoming a GSA Schedule Contractor

- Requires prequalification
- Gets your company on the schedule
- Benefits the customer
- Allows you to market your schedule
- Accesses preferred vendor lists
Research Your Market

Know what agencies buy your **products and services**

Find your **niche**, competition is fierce

Understand areas of **government spending**

Know your **competition** and their contracts
Understand Your Customers

- INFLUENCERS
- SMALL BUSINESS SPECIALIST
- SBA POINT OF CONTACT
- BUYERS
- END USER
How to Prepare for the Real World of Marketing to the Government of Prime Contractors

• You can never NETWORK enough – Attend Professional Organizations such as Women in Defense, Huntsville Association of Small Businesses in Advanced Technologies, National Defense Industry Association and many others...

• Know when events are happening - https://www.hasbat.org/HNO_Calendar

• Attend Government Contracting Training through resources such as The Catalyst, SBDC, NCMA, PMI, NCMS and many others...

• Carefully create a Business Development Strategy – Identify your Capabilities, Find Your Niche, Create Your Capabilities Briefing

• Research Companies that perform similar capabilities in order to Potentially team with them, or Government Agencies that use your services; DO YOUR HOMEWORK! Google them – find out new opportunities they have been awarded, look on their website at news for updates an information how YOUR COMPANY can provide services to them; find opportunities that you bring to them to look at so they know you are not just looking for handout; look up the person you are meeting on Linked In to get to know them, Prepare to WOW Them! Follow up!

• Contacts Lead to CONTRACTS!
Ingredients to Making a Favorable Impression

Be familiar with the agency you are targeting

Be prepared to deliver a concise “elevator speech”

Present a business card with your certifications

Have a capability statement including your NAICS code(s)
What is a Capability Statement?

1. Purpose
   • Proof of Qualification
   • Introduction

2. Marketing
   • Door Opener
   • Captivate Customers

3. What Is It
   • Business Resume
   • Relationship Builder

4. How to Use It
   • Prime or Teaming Opportunities
   • Part of a Sources Sought or Request for Information Response
Tips for Better Capability Statements

- Limit to 1 page
- Solicit feedback
- Make it visually appealing
- Check spelling and grammar
- Link to website
- Concise current information
- Use bullets, tables and highlighted sections
- Use government language
Core Elements of a Capability Statement

Title
• Include firm’s logo
• Other branding elements

Corporate Data
• Office locations and contact information

Company Data
• Financial stability/capacity
• Number of employees/teams
• DUNS, CAGE, NAICS
• GSA Schedule

Past Performance
• Show your benefits
• List your past customers
• Types of contracts

Unique Features
• What sets you apart?
• What is the benefit?
• Socio-economic certifications
• Insurance and bonding capacity
Speak the Government’s Language

- Rework your message
- Ask questions
- List contract vehicles
- Stress contracting expertise
- Proof your message
Write a Government Marketing Plan

Government Fiscal Year: October - September

1st Qtr: Raising Awareness and Building Relationships
2nd/3rd Qtr: Lead Generation Campaigns & Response
4th Qtr: Last Minute Offers and Awareness Campaigns
How to Find Decision Makers

Call and Make an Appointment

Network and Contact a Small Business Specialist

Submit an Invitation to Bid
Keys to a Successful Meeting

01 Request a Meeting
  • Do your homework
  • Give specific reasons for meeting

02 Conduct Pre-Meeting Research
  • Keep track of past, current and future opportunities

03 Post Meeting
  • If you made promises at meeting, keep them!
  • Write a thank you note
  • Ask them to share information
Prime and Subcontractor Relationship

**DEFINITIONS**

**Prime Contractor:**
A person who has entered into a prime contract with the U.S.

**Subcontractor:**
A person or business that is awarded a subcontract to provide supplies or services necessary in the performance of another’s contract.

- Prime controls relationship
- Prime and subcontractor need to work as a cohesive, high-performance team
- Planning and communication leads to more successful contract
Consider Subcontracting

**Build Capacity**
- Land a Contract

**Work with a Prime**
- Teaming Agreement
- Joint Venture
- Mentor Protégé

**Enhance Past Performance**
- Gain Experience
- Expand Opportunities
To Get Started...

1. Obtain a Data Universal Number System (DUNS) (866) 705-5711
   [Click Here]

2. Register in the System for Award Management (SAM)
   [Click Here]

3. Obtain a Commercial and Government Entity (CAGE) Code
   [Click Here]
Do You Know Your NAICS Codes and Size Standards for Your Industry?

NAICS codes define establishments and are used for administrative, contracting, and tax purposes.

SBA size standards using NAICS as their basis apply to all Federal government programs, including procurement.

Visit the United States Census Bureau NAICS website to identify your NAICS code(s).
https://beta.sam.gov/
Procurement Assistance

SBA Resources
• Business Opportunity Specialist
• Procurement Center Representative

Procurement Technical Assistance Centers
• Government contract assistance
• Consulting and workshops
• Information and resources

Marketing Resources
• FedBizOpps
• Federal Procurement Data System
• System for Award Management
• Dynamic Small Business Search System
• Subcontracting Networking System (SubNet)

Other Resources
• USASpending
• GSA Subcontracting Directory
• DoD Prime Contracting Directory
Dynamic Small Business Search (DSBS)

http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm
Capabilities Narrative

What you do: We are a property preservation, maintenance and rehab company.

Who you do it for: We service distressed properties from eviction to resell.

How you do it:
- Field Inspections
- Securing property
- Removing waste and abandon belongings
- Winterizing property.
Federal Procurement Data System

Steps:
- Log-in (Register if it’s your first time)
- Go to “ezSearch”
- Enter search item
- “Advanced Search” to add additional search criteria
- Additional types of reports -
Federal Procurement Data System (FPDS)
Narrow your selection down to 4-5 targeted agencies.
USASpending.gov
What contracts have been awarded in the past?

Data
- State
- County
- Congressional District

What
- Awards to companies
- Agencies
- Pricing
## Top 5 Agencies

<table>
<thead>
<tr>
<th>Agency Name</th>
<th>Eligible Dollars</th>
<th>Small Business</th>
<th>Socio Economic</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Goal %</td>
<td>Actual %</td>
</tr>
<tr>
<td>DOD</td>
<td>$272.3B</td>
<td>22%</td>
<td>22.54% ($61.4B)</td>
</tr>
<tr>
<td>DOE</td>
<td>$26.9B</td>
<td>10.20%</td>
<td>5.28% ($1.4B)</td>
</tr>
<tr>
<td>VA</td>
<td>$26.1B</td>
<td>28.50%</td>
<td>29.34% ($7.6B)</td>
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<tr>
<td>HHS</td>
<td>$24.4B</td>
<td>22.75%</td>
<td>22.32% ($5.5B)</td>
</tr>
<tr>
<td>HS</td>
<td>16.7B</td>
<td>35.50%</td>
<td>34.27% ($5.7B)</td>
</tr>
</tbody>
</table>
Get to Work and Submit Your Bid

1. Find a Promising Opportunity
   - Evaluate pricing
   - Demonstrate past performance
   - Target agency’s needs and goals

2. Submit your Bid and Wait
   - Submit bid
   - Wait for response
   - Prepare for oral presentation (if needed)

3. Request a Debrief
   - Understand why you won/lost
   - Evaluate marketing and bidding strategy
   - Look for strengths and weaknesses
Networking is Key! Activity
Questions
Contact Information

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