

# Naval Facilities Engineering Command “Small Business Programs, Certifications, and Marketing to DOD”

**Ms. Barbara Taylor**  
**Deputy for Small Business, NAVFAC Atlantic**

*6/22/2010*

# SMALL BUSINESS PROGRAMS

# Basis for Small Business Programs



- **SMALL BUSINESS ACT**
  - **Implements Congressional Policy to aid, counsel, assist and protect the interests of small business concerns**
  - **Goal of policy is to ensure that a fair proportion of purchases, contracts, and subcontracts be placed with small businesses**

# “Contracting Programs”



- **8(a) Business Development**
- **Small Disadvantaged Business**
- **HUBZone Empowerment**
- **Woman Owned Small Business**
- **Veteran/Service Disabled Veteran Owned Small Business**
- **HBCU/MI**

# SBA 8(a) Program



- **For socially and economically disadvantaged businesses**
- **Must be a small business (13 CFR 121)**
- **Nine year program – graduation**
- **Must be in business 2 years to apply (waiver)**
- **SBA certification is required**
- **Certified 8(a) is a Small Disadvantaged Business (SDB)**

# SBA 8(a) Program



- **Sole source and competitive requirements may be reserved for 8(a) participants**
  - Sole source <\$3.5M, <\$5.5M for manufacturing
  - Competitive >\$3.5M, >\$5.5M for manufacturing, two or more
- **Can award over these thresholds as sole source to Indian Tribes, Alaskan Native Corporations, or Native Hawaiian organizations**
- **Streamlined acquisition process – no SBA signature required on contract documents, agency given authority to administer the contract, etc. (SBA/DOD Partnership Agreement)**

# Small Disadvantaged Business



- **For socially and economically disadvantaged businesses**
- **Must be a small business (13 CFR 121)**
- **SDB is not always a certified 8(a)**
- **Requires Government-wide statutory goal of 5% for SDB's in prime contracts and 5% for SDB's in subcontracts**
- **Set-asides not applicable**

# The HUBZone Empowerment Contracting Program



- **Community Based:**

- **Employment**

- **Empowerment**

- **Enterprise**

# Purpose of HUBZone Program



- **Provide federal contracting assistance for qualified small business concerns located in historically underutilized business zones to:**
  - **Increase employment opportunities**
  - **Stimulate capital investment in those areas**
  - **Empower communities through economic leveraging and the “multiplier effect”**

# HUBZone Program Qualified Areas



- **Metropolitan Area Census Tracts – 11,600**
  - Qualified Census Tracts that meet test for low income housing tax credit (HUD) (changes with decennial census)
- **Non-metropolitan Counties – 1,200 full counties**
  - Median household income is less than 80% of the non-metropolitan state median household income (Census)
  - Unemployment rate that is not less than 140% of the state-wide or U.S average unemployment rate (BLS) (changes annually)
- **All federally recognized Indian reservations – to include lands meeting definition of Indian Country**
- **BRAC – 5 year period after formal closure**

# HUBZone SBC Requirements



## •FOUR REQUIREMENTS

- Must be a small business
- Concern must be owned and controlled *only* by US citizens
- The *principal office* of the concern must be located in a HUBZone; and
- At least 35% of the concerns employees must reside in a HUBZone

# HUBZone Certification Process



- **On-line application**
- **Processing time – contact the HUBZone Help Desk via email at *HUBZone@sba.gov* or via phone at (202) 205-8885 to get estimate of processing time**
- **SBA decision in writing**
- **All participants added to CCR database with special HUBZone designation**

# Contractual Assistance Procurement Methods



- **Set-aside awards (any \$ amount, two or more)**
- **Sole source awards (<\$3.5M, <\$5.5M for manufacturing, J&A required)**
- **Awards through full and open competition after application of a 10% price evaluation preference**
- **HUBZone price evaluation preference is not applicable for:**
  - **Acquisitions expected to be less than the simplified acquisition threshold**
  - **Where price is not a selection factor (e.g. Architect/Engineer contract)**
  - **Where all fair and reasonable prices are accepted (e.g. multiple award schedule contracts)**

# Woman Owned Small Business



- **Public Law 106-554, Section 811(m) enacted 12/21/00**
- **Authorized “restricted competition” in industries where WOSBs or Economically Disadvantaged WOSBs are underrepresented or substantially underrepresented**
- **Set-aside cannot exceed \$3M (\$5M for manufacturing)**
- **Proposed rule published in federal register on 4 Mar 10; comments due 5 May 10**
- **Rand Study group is identifying industries for WOSB set-asides**

# Veteran/Service Disabled Veteran Owned Small Business



- **Veteran Entrepreneur and Small Business Development Act of 1999 – P.L. 106-50**

- **Established a 3% government wide goal at the prime and subcontracts levels for service disabled veteran owned small business**

- **Established a requirement to include a goal for veteran owned and service disabled veteran owned small businesses in subcontracting plans**

# Veteran/Service Disabled Veteran Owned Small Business



- **38 USC 101(2) – Veteran**

- Means a person who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable

- **38 USC 101(16) – Service Connected (Service Disabled Veteran)**

- Means, with respect to disability or death, that such disability was incurred or aggravated, or that the death resulted from a disability incurred or aggravated, in line of duty in the active military, naval, or air service

# Veteran/Service Disabled Veteran Owned Small Business



- **Veteran Owned Small Business Concern:**

- **Not less than 51% of which is owned by one or more veterans**

- **In the case of publicly owned business, not less than 51% of the stock of which is owned by one or more veterans**

- **Management and daily operations of which are controlled by one or more veterans**

# Veteran/Service Disabled Veteran Owned Small Business



- **Service Disabled Veteran Owned Small Business Concern:**

- Not less than 51% of which is owned by one or more service disabled veterans
- In the case of publicly owned business, not less than 51% of the stock of which is owned by one or more service disabled veterans
- Management and daily operations of which are controlled by one or more service disabled veterans/spouse/or permanent care giver
- 0% - 100% service connected disability as defined in 38 USC 101(16) & documented on DD 214 or equivalent

# Veteran/Service Disabled Veteran Owned Small Business



- **Self certification**
- **Offeror, SBA, or other interested party may protest small business representation – FAR 19.302**
- **Service Disabled Veteran Owned Small Business Set-Aside – FAR 19.14**
- **Sole Source (<\$3M, <\$5.5M for manufacturing and only one SDVOSB can satisfy the requirement) J&A required**
- **Competitive (>\$3M, >\$5.5M for manufacturing and it is likely that two or more SDVOSB's will submit offers)**

# Historically Black Colleges & Universities (HBCU)/Minority Institutions (MI)



- **HBCU is an accredited institution established before 1994 whose principal mission is education of black Americans.**
- **MIs are institutions meeting requirements of Higher Education Act of 1965 and Hispanic-serving institutions defined at 20 USC 1059.**
- **The Secretary of Education must designate HBCUs/MIs. The list can be found at <http://www.ed.gov/about/offices/list/ocr/edlite-minorityinst.html>**

# MARKETING TO DOD

# Marketing to DOD



- **Identify your Product/Service**

- It is essential to know the Federal Supply Class Code (FSC) or Product Service Code (PSC) for your products or services.

- **Identify your North American Industry Classification Codes (NAICS) and determine the size standards applicable for each NAICS**

- **Register your Business**

- Obtain a Data Universal Number System (DUNS) Number

- Obtain a Commercial and Government Entity Code (CAGE)

- Register with Central Contractor Registration (CCR) (linked to Dynamic Small Business Search (DSBS))

- Ensure your information is accurate and kept up-to-date in the Dynamic Small Business Search

- Online Representations and Certifications Application (ORCA) (ensure Reqs and Certs are completed for each NAICS and are updated at a minimum every 365 days)

# Marketing to DOD



- **Identify your Target Market within DOD**

- Develop a Business Plan and Marketing Plan
- Who are your potential customers? Which agencies/activities?
- What are their needs? Challenges? Review websites!
- Know your limits.
- Know your customer regulations/procedures

- **Identify current DOD procurement opportunities**

- Identify current procurement opportunities in your product or service area by checking the electronic version of the Federal Business Opportunities website, which can assist you in identifying DOD, as well as other Federal procurement opportunities.
- Active or archive searches
- Register for Vendor Notification Service

# Marketing to DOD



- **Familiarize yourself with DOD contracting procedures**
  - **Be familiar with Federal Acquisition Regulations (FAR), the Defense Federal Acquisition Regulation Supplement (DFARS), and Department and Agency contracting procedures as appropriate**
- **Seek additional assistance as needed**
  - **Small Business Administration**
  - **Small Business Development Centers**
  - **Procurement Technical Assistance Centers (PTACS)**
  - **Service Corps of Retired Executives**
  - **Small Business Program Offices**
  - **Small Business Liaison Officers (SBLO)**

# Marketing to DOD



- **Explore Subcontracting Opportunities**

- Regardless of your product or service, it is important that you do not neglect DOD's very large secondary market, Subcontracting Opportunities with DOD Prime Contractors

- **Investigate DOD Small Business Programs**

- DOD Mentor-Protégé Program

- Small Business Innovative Research Program (SBIR)

- HBCU/MI

- Information on these and other programs is available on the DOD Office of Small Business Programs (OSBP) website at [http://www.acq.osd.mil/osbp/doing\\_business/index.htm](http://www.acq.osd.mil/osbp/doing_business/index.htm). There is also information available on the Navy's OSBP website at <http://www.sellingtonavy.org> and at NAVFAC's Small Business webpage at <https://smallbusiness.navfac.navy.mil>

# Marketing to DOD



- **Market your firm well!**
  - After you have identified your customers, researched their requirements, and familiarized yourself with DOD procurement regulations and strategies, it is time to market your product or service.
  
- **In Person Presentations.**
  - Have three marketing “presentations ready at all times:
    - \* “Elevator speech” (Have business card available w/pertinent company information)
    - \* One page capability sheet
    - \* Full capability presentation
  
- **Email Marketing**
  - Send to the right customer.
  - Be brief
  - Stand out from the crowd!
  - How can the customer benefit from doing business with you?

# Small Business Programs, Certifications, and Marketing to DOD



**QUESTIONS?**