



US Army Corps  
of Engineers  
Omaha District



# "Getting the job done



## "SBA and market research"

Wednesday, June 03,  
2009





US Army Corps  
of Engineers  
Omaha District



## U.S. Small Business Administration role

- ❖ SBA supports small business in marketing and marketing research of federal agencies
- ❖ Refers to Procurement Technical Assistance Centers: <http://www.dla.mil/db/procurem.htm>
- ❖ Reviews market research and resulting strategies of federal agencies and provides concurrence in behalf of the SBA



US Army Corps  
of Engineers  
Omaha District



## Why Small Business

It is the law:

FAR 19.201(a) “It is the policy of the Government to provide maximum practicable opportunities in its acquisitions to small business.....”



**US Army Corps  
of Engineers**  
Omaha District



## Service-disabled veteran-owned business and small business in general





US Army Corps  
of Engineers  
Omaha District



## Marketing your small business: Capability statement

- ❖ **Capabilities:** Type of work you can do.
- ❖ **Facilities and Equipment:** List all facilities, equipment and resources used to manufacture the products or provide the service.
- ❖ **Expertise:** A brief summary of your expertise and key staff expertise.
- ❖ **Codes:** List your NAICS codes
- ❖ **Certifications:** Give your special business status and GSA number if you have one.
- ❖ **Customers:** Provide a list of at least three or four of your key customers



US Army Corps  
of Engineers  
Omaha District



## Marketing your business

- ❖ Target market: Agencies within a geographic area in which you can make a profit
  
- ❖ Understand how the system works
- ❖ Understand the regulations
  
- ❖ Consider being a subcontractor
  
- ❖ Keep CCR up-to-date
  
- ❖ Attend meetings and network
  
- ❖ Respond to sources sought



US Army Corps  
of Engineers  
Omaha District



## FAR 2 Definition of a SDVOSB

“Service-disabled veteran-owned small business concern”—

(1) Means a small business concern—

- (i) Not less than 51 percent of which is owned by one or more service-disabled veterans.... and
- (ii) The management and daily business operations of which are controlled by one or more service- disabled veterans....

(2) Service-disabled veteran means a veteran, as defined in [38 U.S.C. 101\(2\)](#), with a disability that is service-connected, as defined in [38 U.S.C. 101\(16\)](#).

SBA: <http://www.sba.gov/VETS/>

VA: [www.vetbiz.gov](http://www.vetbiz.gov)



US Army Corps  
of Engineers  
Omaha District



## FAR 2 Affiliates

“Affiliates” means associated business concerns or individuals if, directly or indirectly—

- ❖ (1) Either one controls or can control the other; or
- ❖ (2) A third party controls or can control both.



US Army Corps  
of Engineers  
Omaha District



You can only subcontract so much. FAR clause 52.219-14

<b>Services</b> Provide 50% of personnel costs	<b>Supplies</b> Provide 50% of cost of manufacturing, excluding materials
<b>General Construction</b> Perform 15% of cost of contract with own employees, excluding materials	<b>Special Trade Construction</b> Perform 25% of cost of contract with own employees, excluding materials

SBA Certificate of Competency: 13CFR §125.5



US Army Corps  
of Engineers  
Omaha District



## SDVOSB joint venture eligibility

1. JV consists of small firms only
2. JV subcontracts within the limitations on subcontracting
3. SDVOSB managing partner
4. SDVOSB receives at least 51% of profits
5. Submit JV agreement to contacting officer
6. Not approved by the SBA

13 CFR § 125.15(b)



**US Army Corps  
of Engineers**  
Omaha District



## FAR 19.307 Protesting a firm's status as a service-disabled veteran-owned small business concern.

- ❖ Submitted by SBA, contracting officer or interested party
- ❖ All protests must be in writing and must state all specific grounds for the protest
- ❖ Timely
- ❖ Forwarded to SBA



**US Army Corps  
of Engineers**  
Omaha District



## Federal agencies and SBA



US Army Corps  
of Engineers  
Omaha District



## Conducting market research

Agencies must-

- ❖ Ensure that legitimate needs are identified
- ❖ Conduct market research appropriate to the circumstances
- ❖ Use the results of Market Research
- ❖ Comply with FAR 19.10



US Army Corps  
of Engineers  
Omaha District



## Market research

- ❖ Conduct with small business in mind
- ❖ Make the research “small business friendly”
- ❖ Do not use to justify a pre-existing strategy
- ❖ Educate customers



US Army Corps  
of Engineers  
Omaha District



What is the rule of two?

FAR 19.502-2(b).

The contracting officer shall set aside any acquisition over \$100,000 for small business participation when there is a reasonable expectation that:

- (1) offers will be obtained from at least two responsible small business concerns.... and
- (2) award will be made at fair market prices.



US Army Corps  
of Engineers  
Omaha District



## How SBA fits

13 CFR 13 125.2 (b)

....Small Business Administration procurement center representatives are responsible for reviewing all acquisitions not set-aside for small businesses....

To determine whether a set-aside is appropriate and....

To identify alternative strategies to maximize the participation of small businesses in the procurement.



US Army Corps  
of Engineers  
Omaha District



## How SBA fits

19.402 Small Business Administration procurement center representatives.

(a)(1) The SBA may assign one or more procurement center representatives....

To any contracting activity or contract administration office....

To carry out SBA policies and programs.



US Army Corps  
of Engineers  
Omaha District



## How SBA fits

19.402 Small Business Administration procurement center representatives.

(2) If a SBA procurement center representative is not assigned to the procuring activity or contract administration office... See <http://www.sba.gov/GC/pcr.html> for the location of the SBA office servicing the activity.

(b) Upon their request.... contracting officers shall give SBA procurement center representatives..... access to all reasonably obtainable contract information that is directly pertinent to their official duties.



US Army Corps  
of Engineers  
Omaha District



## SBA looks at:

- ❖ Project value and industry code
- ❖ History of the acquisition
- ❖ Market research and the rule of two
- ❖ Justification of current strategy
- ❖ Comment on subcontracting



**US Army Corps  
of Engineers**  
Omaha District



## How SBA fits

### 19.505 Rejecting Small Business Administration recommendations.

- ❖ SBA may appeal a contracting officer's rejection of its recommendations



US Army Corps  
of Engineers  
Omaha District



# "Getting the job done



## "SBA and market research"

Wednesday, June 03,  
2009





**US Army Corps  
of Engineers**  
Omaha District



Dwight A. Johnson  
SBA Office of Government Contracting, Omaha  
Procurement Center Representative  
Iowa, Nebraska, North Dakota, South Dakota  
[Dwight.Johnson@sba.gov](mailto:Dwight.Johnson@sba.gov)  
(402) 221-7206