



U.S. Small Business  
Administration



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# Marketing and Selling to the Federal Government



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# Course Objectives

- **Understand SBA's small business government contracting and business development programs**
- **Know how to market your business and identify federal opportunities**
- **Distinguish between Prime and Subcontracting Relationships**
- **Learn about what resources are available to assist you**

# **Government Contracting Suitability**

# 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

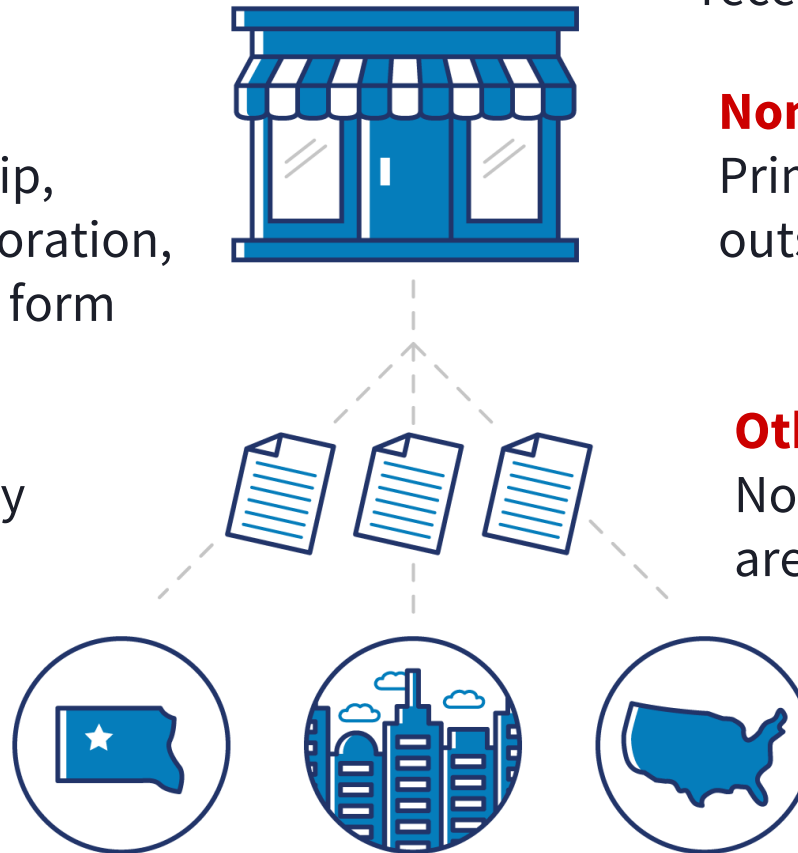
Average number of employees or annual receipts

## 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**

# 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

# How the Government Buys Goods and Services



# Government-Wide Contracting Goals

## COMPETITION TYPES TO WIN GOVERNMENT CONTRACTS

WORLD'S  
**LARGEST**  
BUYER



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

**01**

**Full and Open  
Competition**

**02**

**Small Business  
Set-Asides**

**03**

**Sole Source**

# 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%)**

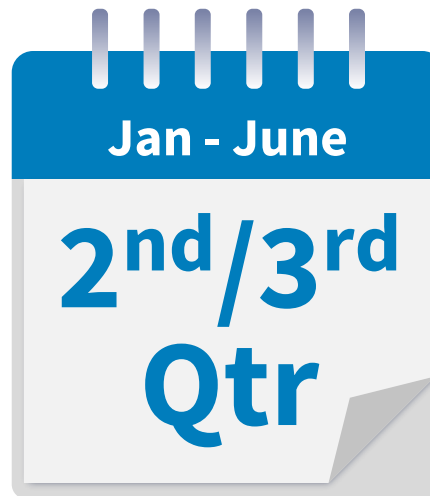


Set-asides are reserved for small business between \$3,500 (Micro-purchase Threshold) to \$250,000 (Simplified Acquisition Threshold)

# Government Fiscal Year: October - September



**Raising Awareness  
and Building  
Relationships**



**Lead Generation  
Campaigns &  
Response**



**Last Minute Offers  
and Awareness  
Campaigns**

# **Marketing Your Business & Identifying Federal Opportunities**

# 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



# 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

# 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

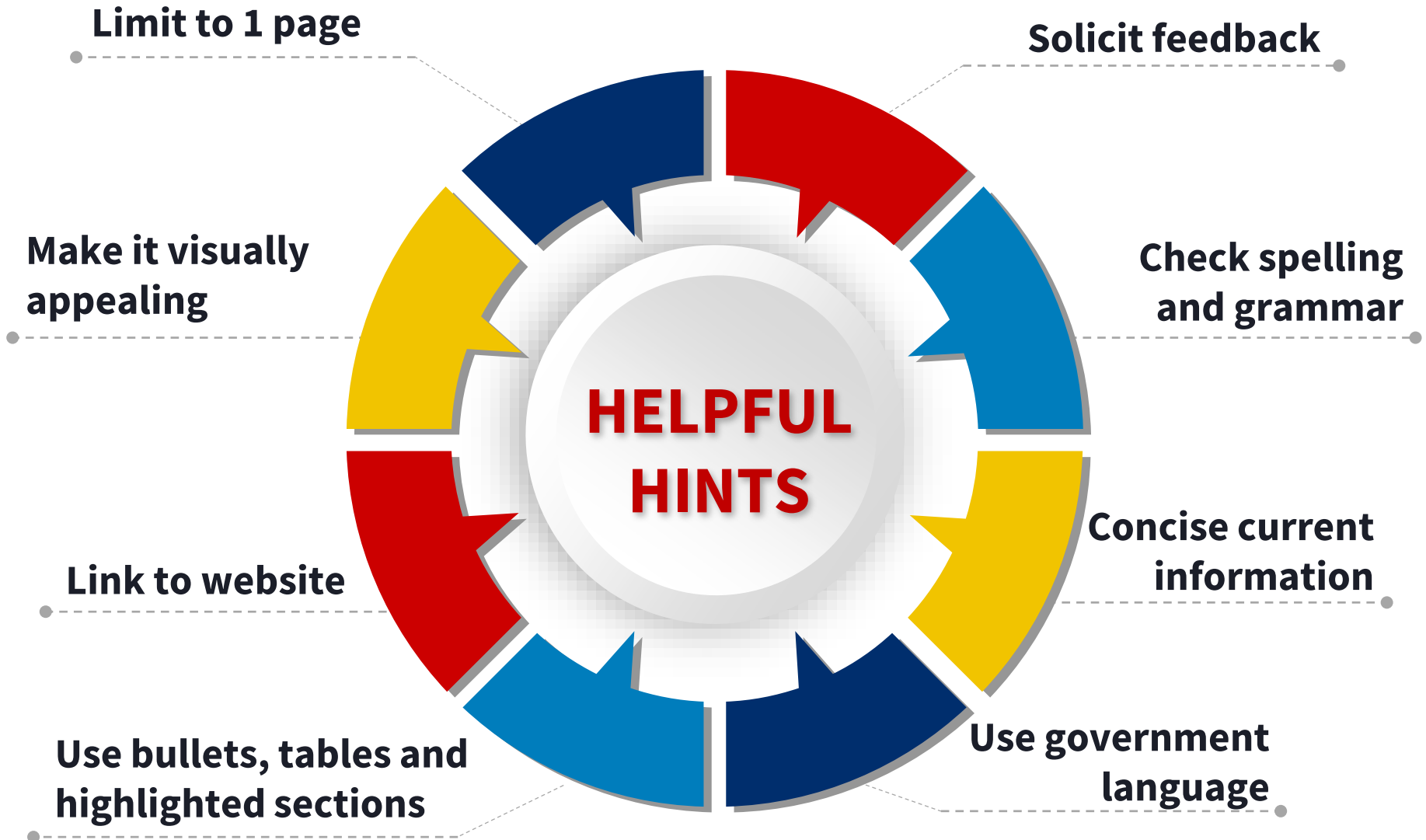
- Show your benefits
- List your past customers
- Types of contracts

## Unique Features

- What sets you apart?
- What is the benefit?
- Socio-economic certifications
- Insurance and bonding capacity

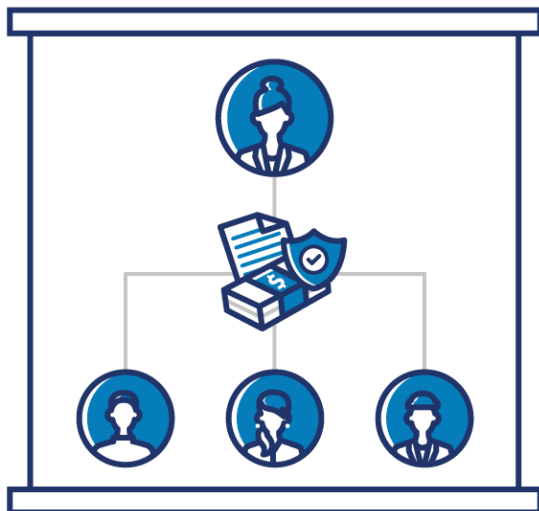


# Tips for Better Capability Statements



# **Prime and Subcontracting**

# 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

# **How the Government Can Help**

# 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



# To Get Started...

dun & bradstreet



**1**

**Obtain a Data  
Universal  
Number System  
(DUNS)  
(866) 705-5711**



**2**

**Register in the  
System for Award  
Management  
(SAM)**



**3**

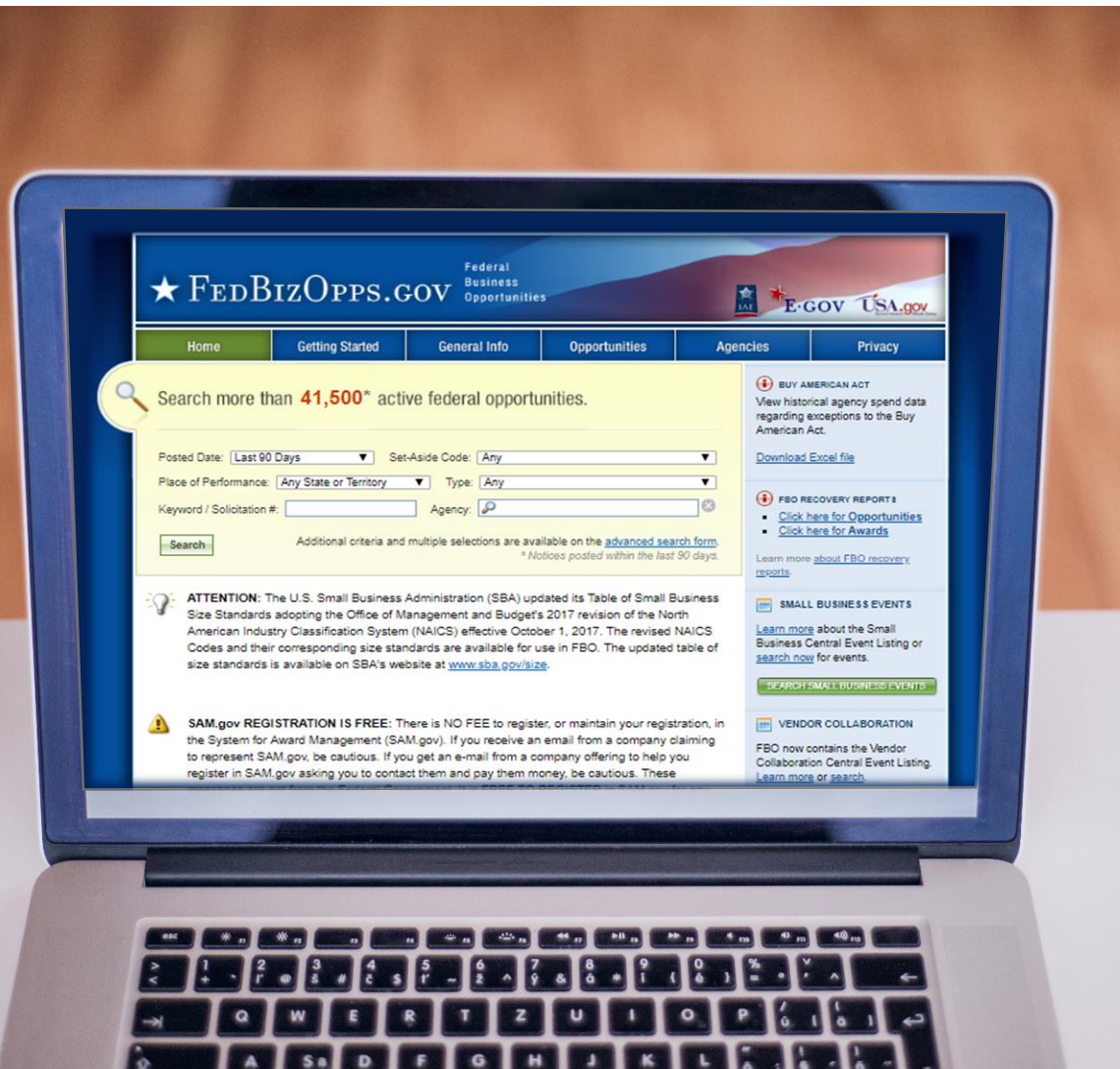
**Obtain a  
Commercial and  
Government  
Entity  
(CAGE) Code**

**[Click Here](#)**

**[Click Here](#)**

**[Click Here](#)**

# Advantages of Registering with FBO.gov



- Basic Search
- Advanced Searches
- Opportunity Searches
- Notices





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# Small Business Federal Government Contracting Certifications

# Set-Aside for Certification Programs and Socio-Economic Categories

Targeted set-asides and acquisition goals:

**Women-Owned Small Businesses  
(5%)**

**Small Disadvantaged Businesses  
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Set-asides are reserved for small business between \$3,500 (Micro-purchase Threshold) to \$250,000 (Simplified Acquisition Threshold)

# **8(a) Business Development Program**

# 8(a) Business Development Program

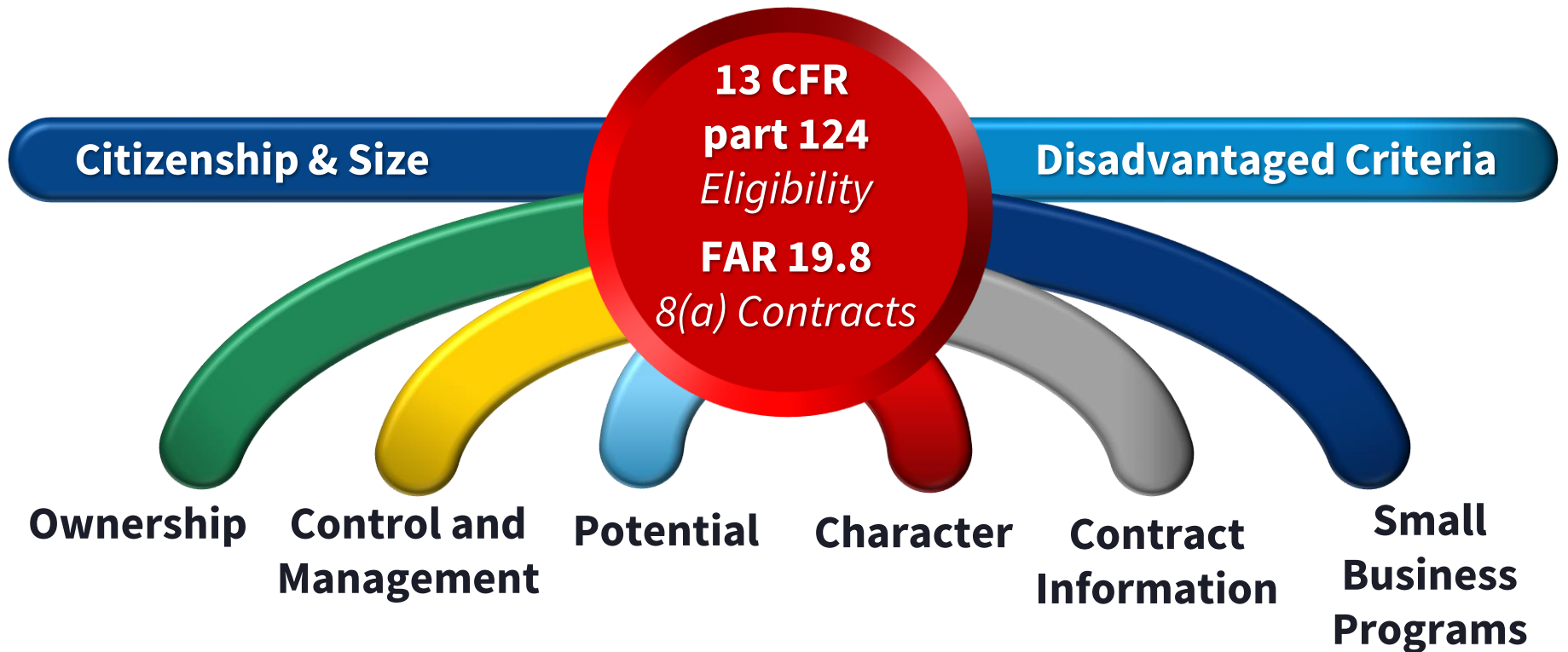


**Access to business development support**

**Build capacity and grow through contracts**

**Nine-year program available once per lifetime**

# Know the Rules for 8(a) Certification



# SBA Requirements for 8(a)

**1**

**Small Business  
Size Standard**

**4**

**Business  
Requirements**

**2**

**Ownership**

**5**

**Character**

**3**

**Control and  
Management**

**6**

**Ineligibility  
Criteria**

# Two-Years In Business

*SBA requires a business to be operating for at least 2 years in order to qualify for the 8(a) program.*

## SBA MAY **WAIVE** THE TWO-YEAR RULE IF:



**Business management experience**

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**Technical expertise**

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**Adequate capital**

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**Successful past performance**

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**Ability to meet requirements**

# Designated Socially Disadvantaged Criteria

## Designated Groups

01

- Black American
- Asian Pacific American
- Hispanic American
- Native American
- Subcontinent Asian American

## Non-Designated Group Criteria

02

- Preponderance of evidence
- Race, ethnicity, gender, physical handicap, long-term environmental issues
- Chronic and substantial
- Negative impact to business advancement



# Economically Disadvantaged Requirements to Qualify



**Personal net worth (assets minus liabilities) less than \$250,000\***

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**Three year average income is \$250,000 or less**

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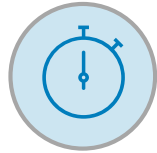


**Fair market value of all assets is \$4 million or less**

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\*Personal net worth excludes equity in business, personal primary residence, funds reinvested in IRA or other legitimate retirement accounts

# 8(a) Business Development Program Benefits



  
**SBA  
Assistance**




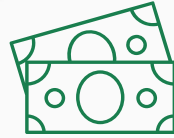
**Mentor-Protégé  
Agreement**



**Effective  
Strategy**



  
**Proven  
ROI**

  
**Joint  
Ventures**

# 8(a) Program Expectations

## *Setting Expectations*

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**Progress measurement**



**Is a business development program**



**Not suited for all firms**



**Limited total dollar value of contracts**

# 8(a) Application Process



## **BEFORE APPLICATION**

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- Register for a DUNS number
- Identify NAICS code(s)
- Register with SAM



## **APPLY FOR CERTIFICATION**

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- Review application guide
- Gather supporting documentation
- Apply online at [certify.SBA.gov](https://certify.SBA.gov)



## **RESOURCES**

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- Access resources on the Knowledge Base
- For assistance, contact [certify.SBA.gov](https://certify.SBA.gov)

# certify.SBA.gov

## SBA Certification Portal

SBA's certification portal where businesses can submit documents to seek SBA certifications

## Automatic Migration

Pulls business information from SAM.gov

## Online Forms

Forms are completed online. No longer required to upload certain SBA forms



# **HUBZone Certification**

# Historically Underutilized Business Zone (HUBZone) Certification



**Stimulate capital investment**

**Build capacity and grow**

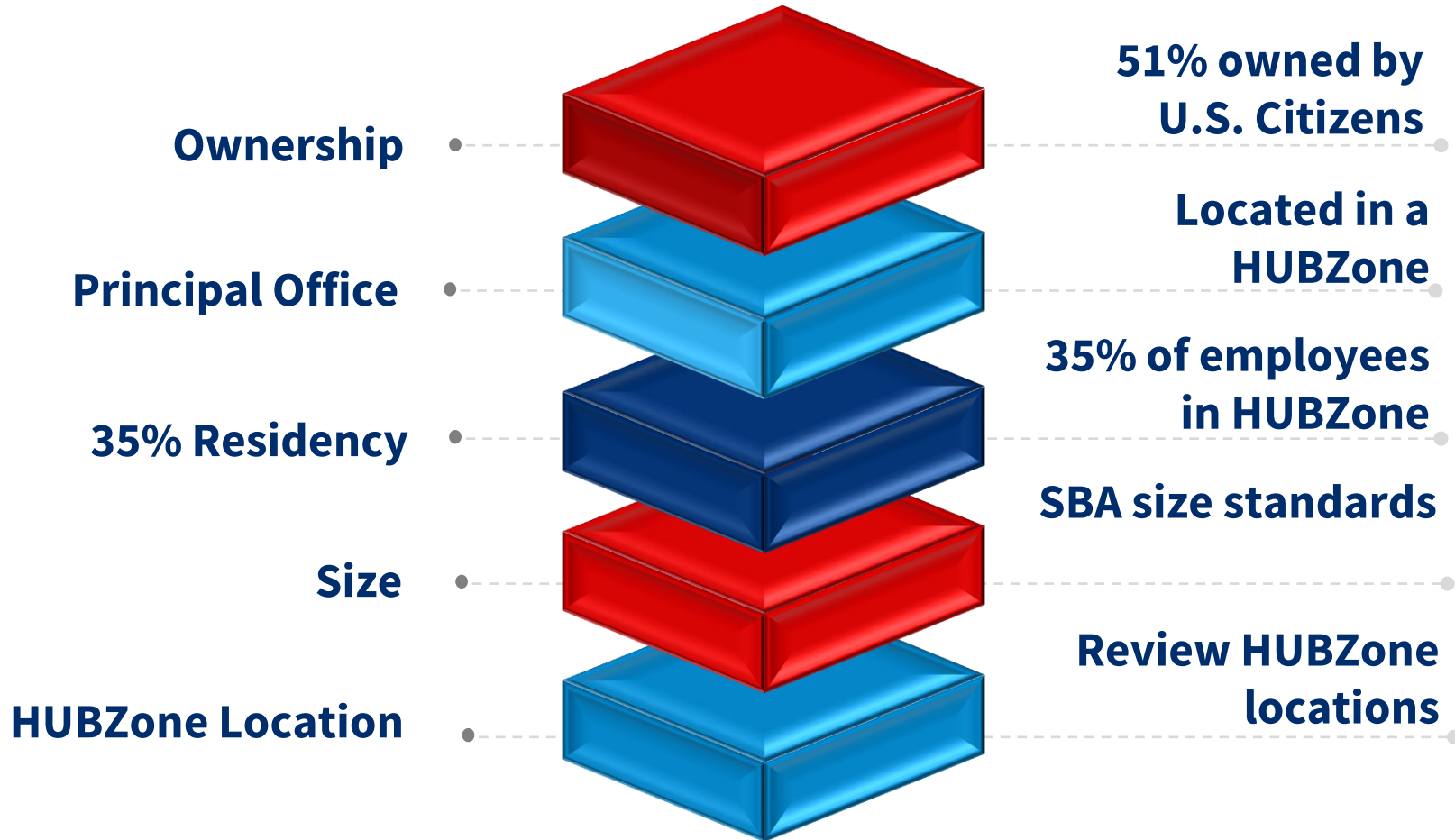
**Access HUBZone set-aside  
contract dollars**

# HUBZone Program Purpose





# HUBZone Eligibility and Requirements



# HUBZone Application Process



## **BEFORE APPLICATION**

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- View the HUBZone Primer
- Register for a DUNS number
- Identify NAICS code(s)
- Register with SAM



## **APPLY FOR CERTIFICATION**

---

- Review application guide
- Gather supporting documentation
- Apply using the General Login System



## **DOCUMENTATION**

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- Verify requested information
- Submit supporting documentation
- Update SAM profile once approved

# Getting the Most Out of Your HUBZone Certification



**Qualify for set-aside or sole source contract awards – increasing prime and subcontracting opportunities**

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**Opportunity to build capacity and grow by establishing Joint Ventures and participating in the All Small Mentor-Protégé Program**

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**Access to training, management and technical assistance programs, guaranteed loans and bonding assistance**

# **Woman-Owned Small Business (WOSB) Certification**

# Women-Owned Small Business (WOSB) Program

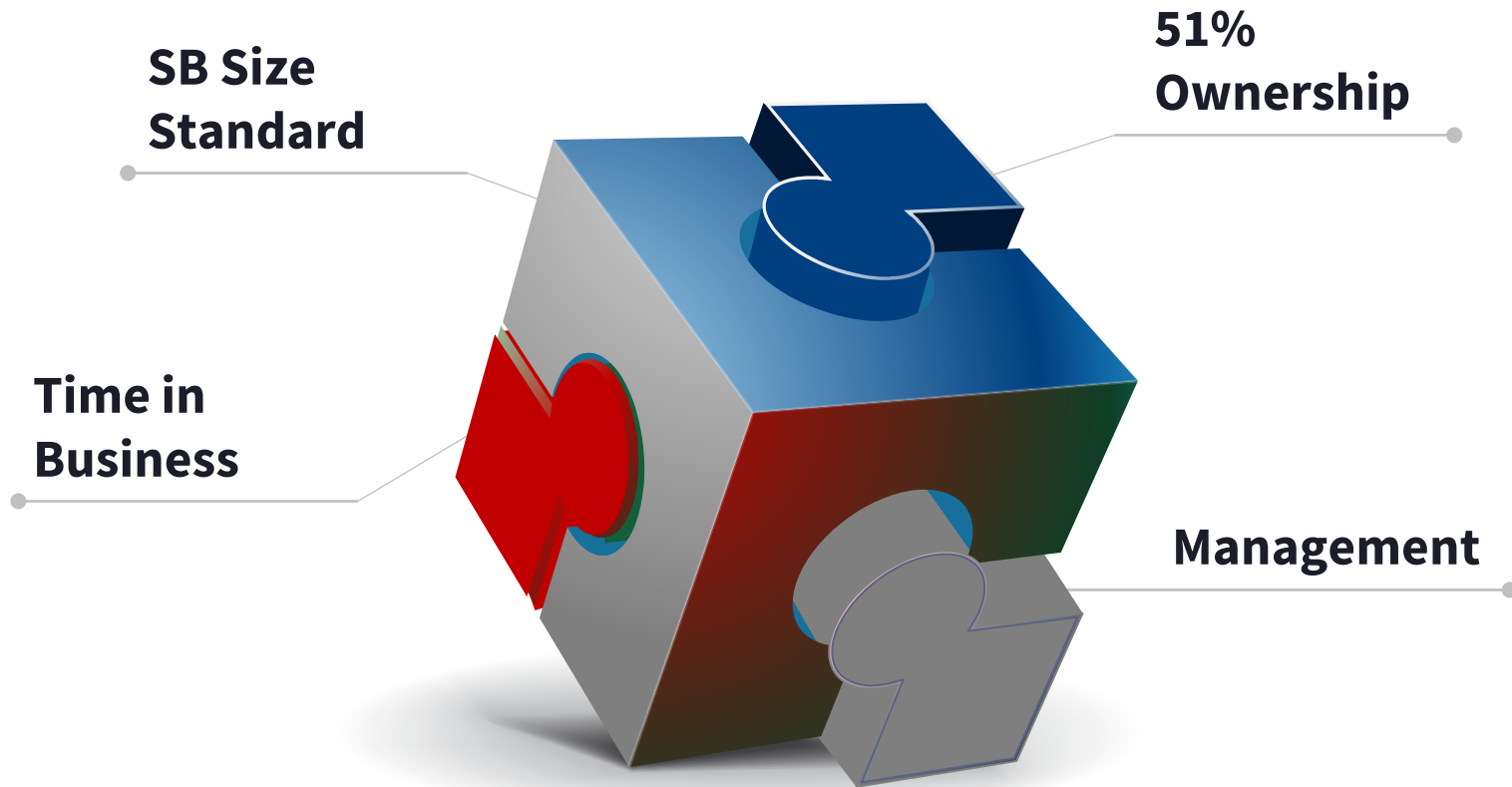


**Take advantage of annual prime contracting goals**

**Build capacity and grow**

**Access set-asides for WOSB and EDWOSB**

# Eligibility Requirements for WOSBs



# Economically Disadvantaged Requirements to Qualify EDWOSB



**Personal net worth (assets minus liabilities) less than \$750,000**

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**Three year average income is \$350,000 or less**

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**Fair market value of all assets is \$6 million or less**

# WOSB Eligibility Process



- Register in SAM
- Update [certify.SBA.gov](https://certify.sba.gov)
- Represent status
- Provide documentation



# certify.SBA.gov

## SBA Certification Portal

SBA's certification portal where businesses can submit documents to seek SBA certifications

## Automatic Migration

Pulls business information from SAM.gov

## Online Forms

Forms are completed online. No longer required to upload certain SBA forms



# Getting the Most Out of the WOSB Program



**Qualify for set-aside or sole source contract awards – increasing prime and subcontracting opportunities**

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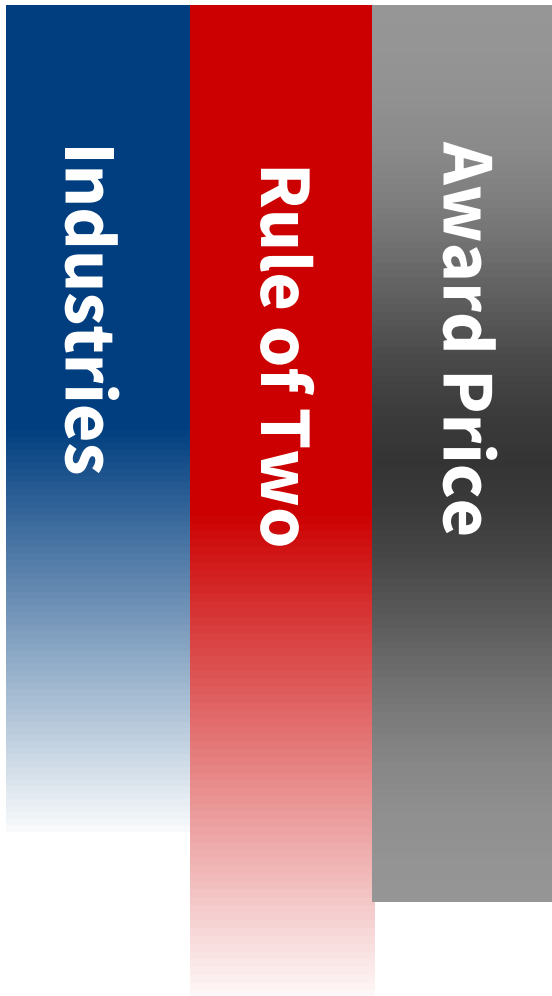
**Opportunity to build capacity and grow by establishing Joint Ventures and participating in the All Small Mentor-Protégé Program**

---



**Access to training, management and technical assistance programs, guaranteed loans and bonding assistance**

# WOSB and EDWOSB Set-Aside Contracts



## Industry

### WOSB

NAICS code assigned to contract is in an industry where WOSBs are **substantially underrepresented**

### EDWOSB

NAICS code assigned to contract is in an industry where WOSBs are **underrepresented**

## Rule of Two

Contracting officer has reasonable expectation that 2 or more WOSBs will submit an offer

## Award Price

Contract must be awarded at fair market price

# WOSB and EDWOSB Sole-Source Contracts

1



## Eligible NAICS Code

WOSB and EDWOSB  
eligible NAICS code

2



## Fair and Reasonable Price

Awarded at a fair and  
reasonable price

3



## Contract Value

\$6.5M for  
manufacturing or \$4M  
for all others

4



## Sole Source

Only (1) WOSB/EDWOSB  
that can perform

# Other Programs

*Service-Disabled Veteran-Owned Small Business*

*All Small Mentor-Protégé Program*

*Joint Ventures*

# Service-Disabled Veteran-Owned Small Business Program (SDVOSB)

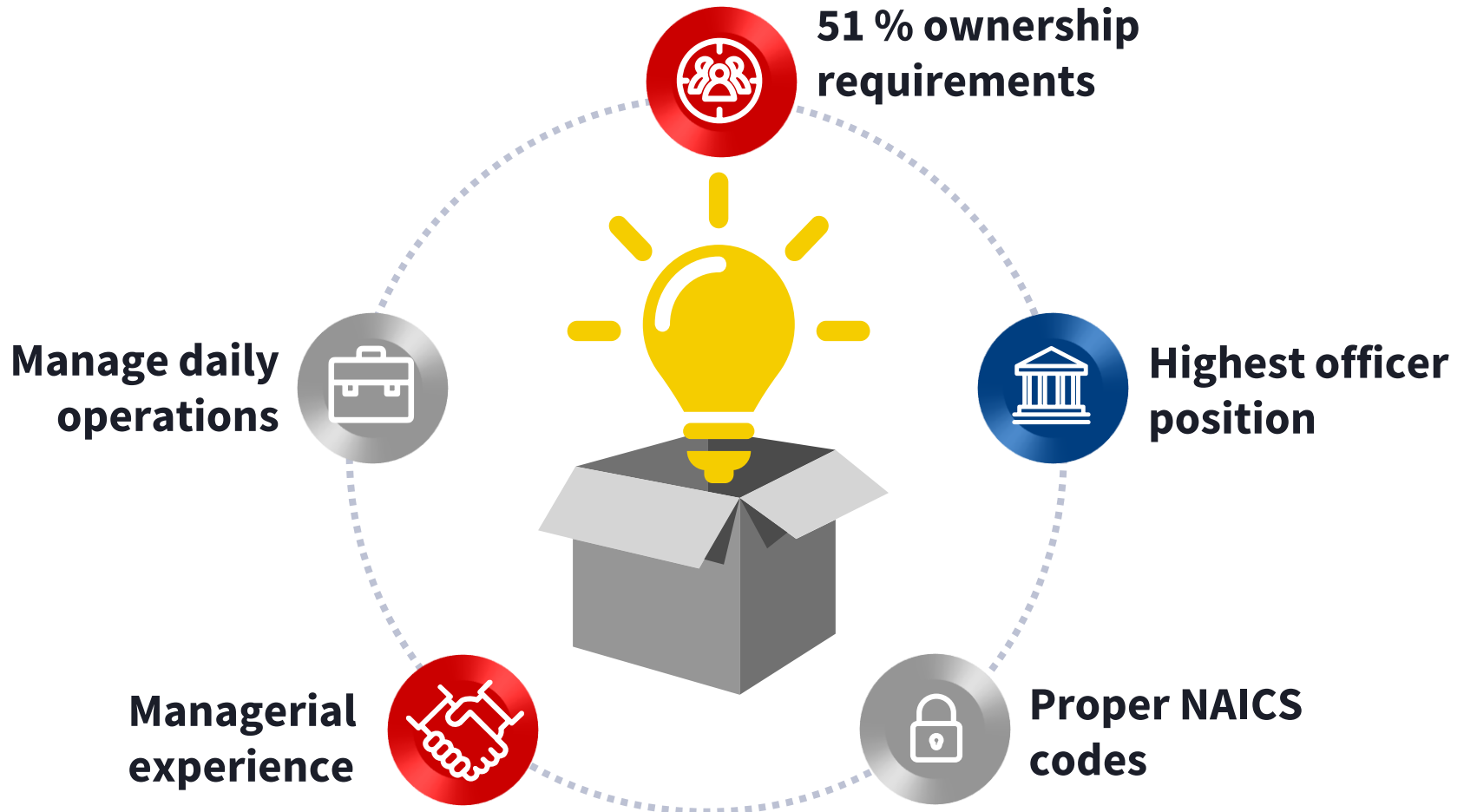


**Qualify for set-aside opportunities**

**Build capacity and grow**

**Establish joint ventures**

# Is the SDVOSB Certification Appropriate for You?



# Getting the Most Out of the SDVOSB Program



**Enables firms to qualify for set-aside or sole source contract awards – helping agencies to meet their SDVOSB goals**

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**Facilitates development opportunities and increases growth potential by establishing Joint Ventures or a Mentor-Protégé agreement**

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**More prime and subcontracting opportunities through registration at Vetbiz.gov**



# All Small Mentor-Protégé Program (ASMPP)

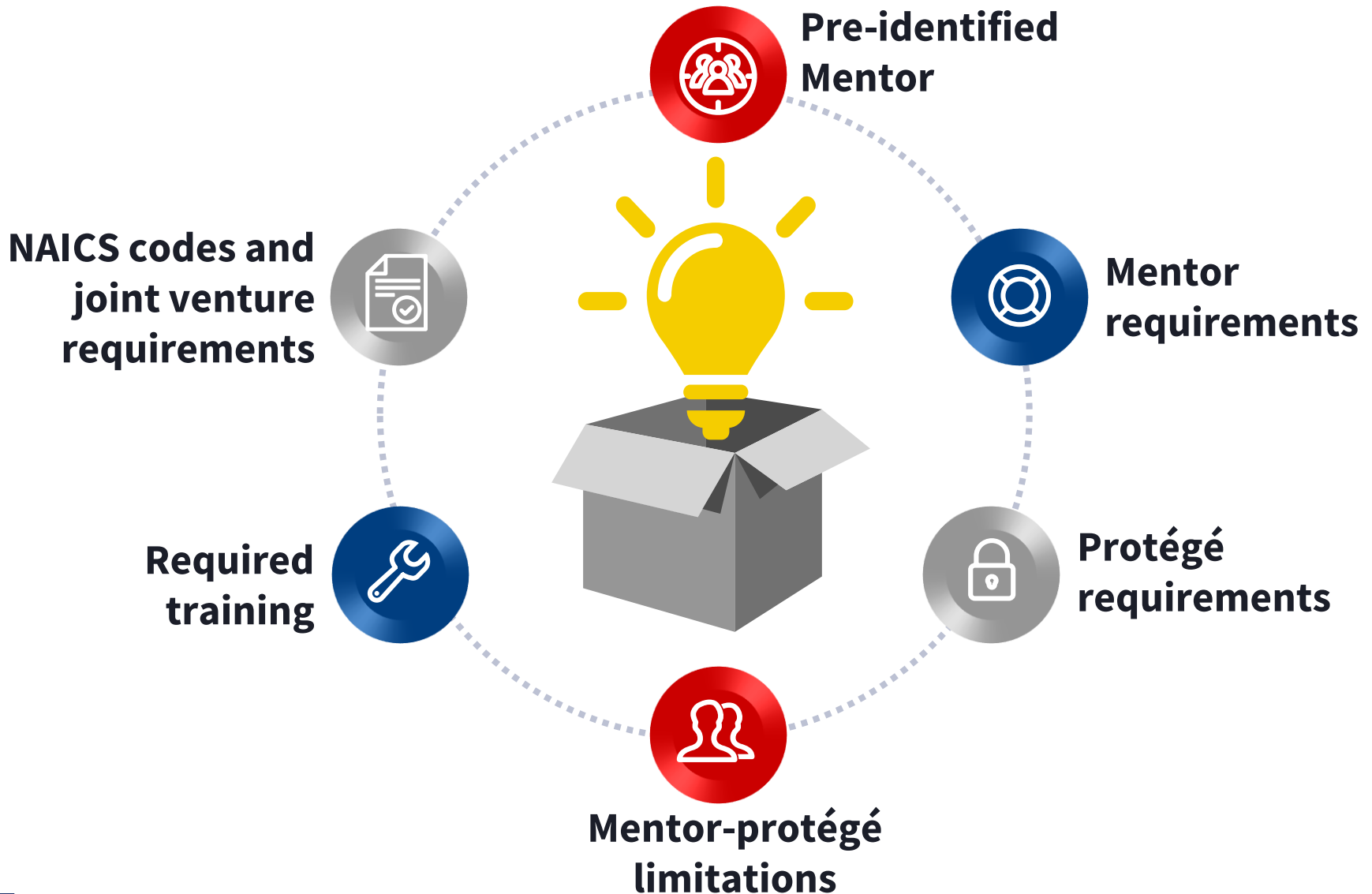


**Access business development assistance**

**Build capacity and grow**

**Establish joint ventures**

# Is the All Small Mentor-Protégé Program Appropriate for You?



# Getting the Most Out of the All Small Mentor-Protégé Program



**Enables firms to form joint venture–  
helping agencies compete for government  
contracts**

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**Facilitates development opportunities,  
training, assistance and additional  
financial support**

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**Creates the opportunity to increase  
networks for future business growth**

# Eligibility Requirements for Joint Ventures

