



U.S. Small Business  
Administration

1



# Marketing and Selling to the Federal Government

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## Course Objectives

- **Government Contracting Suitability**
- **How the Government Buys Goods and Services?**
- **Marketing Your Business & Identifying Federal Opportunities**
- **Prime and Subcontracting**
- **How the Government Can Help**

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## Government Contracting Suitability

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## 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

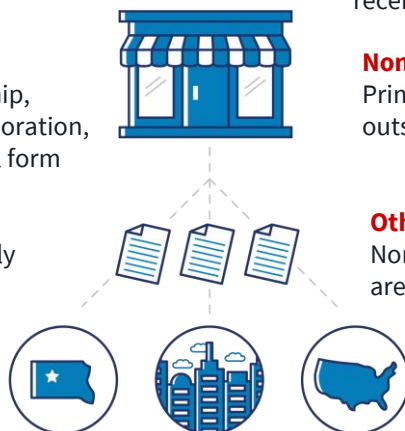
Average number of employees or annual receipts

### Non-Qualified Business

Primary operations outside the U.S.

### Other

Non-profit businesses are not considered



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## 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)



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## Traditional Business Plan Format

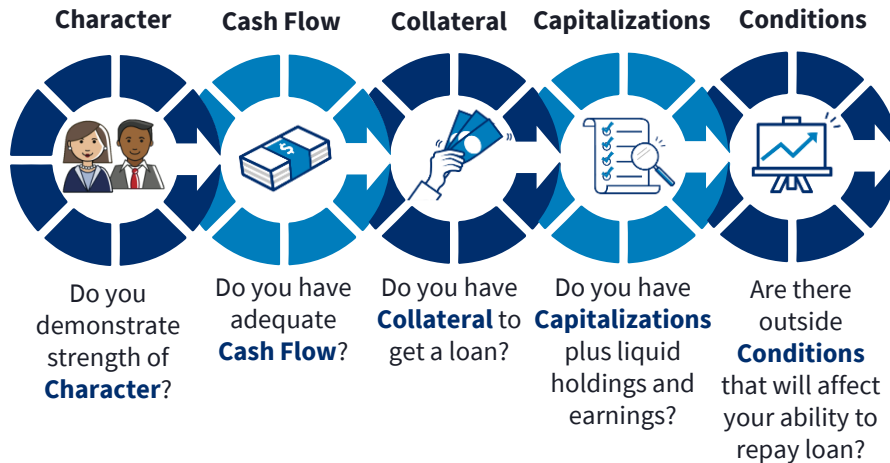


- Company Information & Executive Summary
- Structure
- Market Analysis
- Marketing & Sales
- Service/Product Line
- Financial Projections

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## Do You Have Adequate Cash Flow to Finance a Government Contract?



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## 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



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# How the Government Buys Goods and Services

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## Government-Wide Contracting Goals

### COMPETITION TYPES TO WIN GOVERNMENT CONTRACTS



## Competition Types to Win Government Contracts



### Full & Open

- Level playing field with full visibility
- Any responsible



### Set-Asides

- Rule of Two
- Subcontracting limitations



### Sole Source

- One firm can provide
- Compelling urgency
- International agreement
- National security or public interest
- Authorized or required by law
- Allowed under certain small business contracting and business development programs, such as 8(a)

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

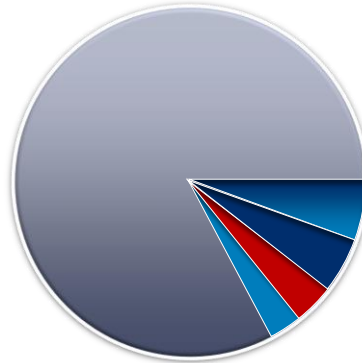
Targeted set-asides and acquisition goals:

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 businesses between \$10,000 (Micro-purchase Threshold) to \$250,000 (Simplified Acquisition Threshold)



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## 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 \$10,000 - \$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.

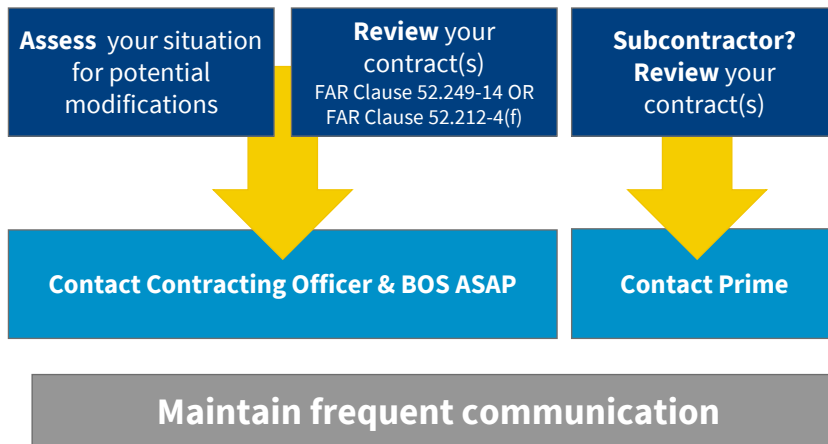
**04 Contract by Negotiation**  
Technical products valued at \$150,000 or more. Negotiation allowed prior to award that considers more than price-related factors



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## Federal Contractors Impacted by COVID-19

### Unable to fulfill current Federal Contract?



Additional Information: [Acquisition.gov/Coronavirus](https://www.acquisition.gov/Coronavirus)



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## Emergency Contract Clauses

- Check your contract for flexibilities
  - **FAR Clause 52.249-14 – Excusable Delays**
  - Contractor shall not be in default because of any failure to perform if the failure arises from causes beyond the contractor’s control.
  - **FAR Clause 52.212-4(f)**, which provides that the contractor shall be liable for default unless non-performance is caused by an occurrence beyond the reasonable control of the contractor
- Communicate often and effectively with the Contracting Officer
- Put the notification of the issues in writing to the Contracting Officer



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## Federal Contractors Impacted by COVID-19

Government worksite and/or personnel unavailable?

**Contact** Contracting Officer ASAP

**Continue completing tasks** that do not require government guidance

**Continue reaching out** to designated point of contact

**Document** your actions

**Do not make changes without written approval to do so**



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## Federal Contractors Impacted by COVID-19

Subcontractor unable to fulfill current Federal contract?

**Review** contract with Prime ASAP

Subcontract may include **force majeure clause** which provides for excusable delays

**Do not make changes without written approval to do so**



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## 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



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## 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



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# Marketing Your Business & Identifying Federal Opportunities

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## 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

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## Understand Your Customers

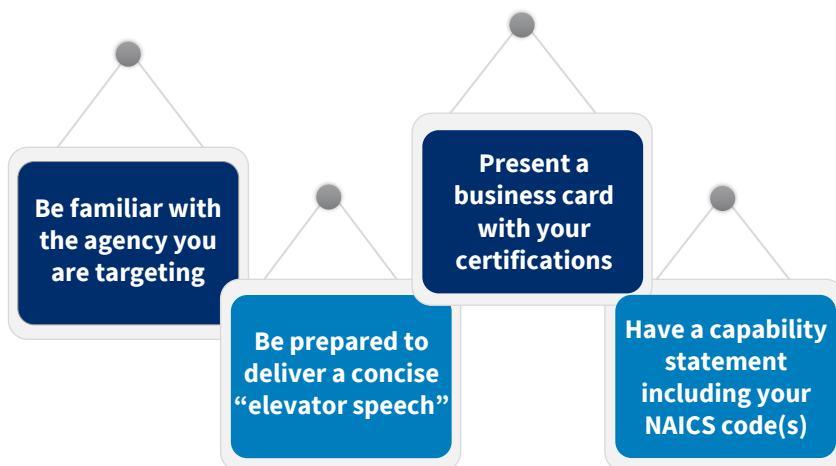


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## Ingredients to Making a Favorable Impression



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## 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



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## 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**

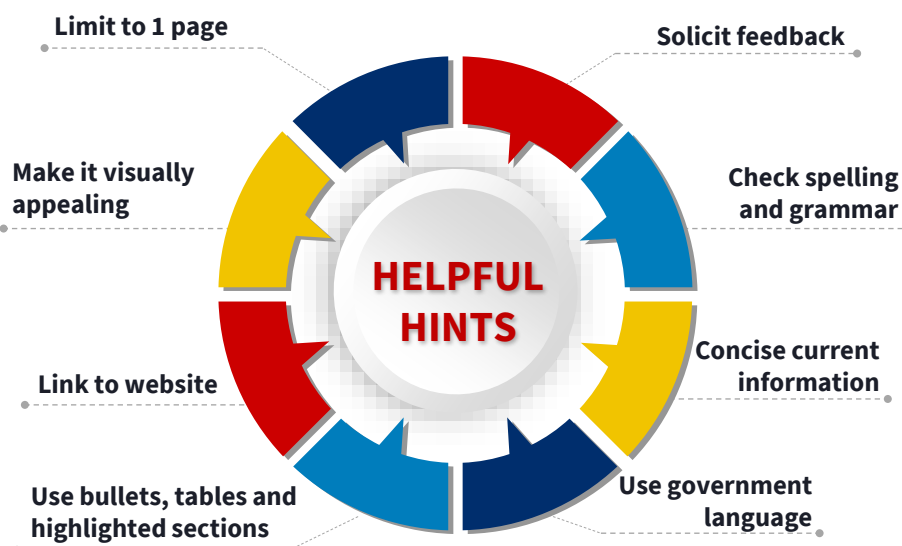
- What sets you apart?
- What is the benefit?
- Socio-economic certifications
- Insurance and bonding capacity



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## Tips for Better Capability Statements



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## Proactive Self-Marketing



Identify federal **buyers** and get to know them



Identify the agency contracting **procedures** and those who make buying decisions



Focus on areas in your **niche** and prioritize



Make **contacts** through small business events and network your business

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## 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

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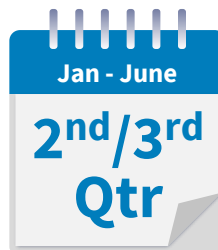
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## Write a Government Marketing Plan

### Government Fiscal Year: October - September



Raising Awareness  
and Building  
Relationships



Lead Generation  
Campaigns &  
Response



Last Minute Offers  
and Awareness  
Campaigns

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## How to Find Decision Makers



**Call and Make an Appointment**



**Network and Contact a Small Business Specialist**



**Submit an Invitation to Bid**



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## Speak the Government's Language



**Rework your message**

**Ask questions**

**List contract vehicles**

**Stress contracting expertise**

**Proof your message**



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# Prime and Subcontracting

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## 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

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## How the Government Can Help

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## To Get Started...

dun & bradstreet

**SAM**  
SYSTEM FOR AWARD MANAGEMENT



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## Disaster Registry

- Register for disaster response contracts via [www.sam.gov](http://www.sam.gov). Contracting officers are required to search the registry for contractors that can provide disaster or emergency relief services.
  - <https://www.acquisition.gov/disaster-response-registry>
- FAR Subpart 4.1104 Disaster Response Registry.

Contracting officers shall consult the Disaster Response Registry via <https://www.sam.gov>, Search Records, Advanced Search, Disaster Response Registry Search when contracting for debris removal, distribution of supplies, reconstruction, and other disaster or emergency relief activities inside the United States and outlying areas. (See 26.205).

HOME SEARCH RECORDS DATA ACCESS CHECK STATUS ABOUT HELP

**Search Records**

**Search Tips to Get Started:**

- Looking for entity registration records or entity exclusion records in SAM? Use **Quick Search** if you know an entity's Business Name, DUNS Number or CAGE Code. Use **Advanced Search** to structure your search using multiple categories and criteria.
- Are you a Federal government employee? Create a SAM user account with your government e-mail address and log into SAM before searching to see FOUO information and registrants who chose to opt out of the public search.
- Conducting small business-focused research? In addition to what is contained in SAM, small businesses can provide the Small Business Administration (SBA) supplemental information about themselves. Use the SBA's [Dynamic Small Business Search](#) to conduct further market research.
- Trying to find a contractor participating in the Disaster Response Registry? Use the **Disaster Response Registry Search** to locate contractors willing to provide debris removal, distribution of supplies, reconstruction, and other disaster or emergency relief services in the event of a national disaster.

**Choose Quick Search or Advanced Search**

**QUICK SEARCH:**

Enter your specific search term  
(Example of search term includes the entity's name, etc.)

DUNS Number Search:

CAGE Code Search:

**ADVANCED SEARCH:**  
Use specific criteria in multiple categories to structure your search.

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## Disaster Contracting Opportunities

- Maintain current SAM profile
- **Opt-in** to SAM's Disaster Response Registry  
**Not sure if you have opted-in?**
  1. Review the **Assertions** portion of your SAM profile;
  2. If Disaster Response Registry is not activated, **edit your profile** and **opt-in** within the Assertions section;
  3. *Will need to go through the entire SAM registration to access this capability;*
  4. Be sure to follow all the steps until told to **submit** your registration.



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## 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

- [Contract Opportunities on Beta.SAM.gov](#)
- [Contract Data on Beta.SAM.gov](#)
- [System for Award Management](#)
- [Dynamic Small Business Search System](#)
- [Subcontracting Networking System \(SubNet\)](#)



### Other Resources

- [USASpending](#)
- [GSA Subcontracting Directory](#)
- [DoD Prime Contracting Directory](#)



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## 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

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## Disaster Contracting Opportunities

### FEMA National Business Emergency Operations Center:

- [FEMA COVID-19 Response-How to Help](#)
- FEMA procures its transportation needs through the [FEMA Tender of Service Program](#)

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## Disaster Contracting Opportunities

### U.S. Army Corps of Engineers

#### Business With Us

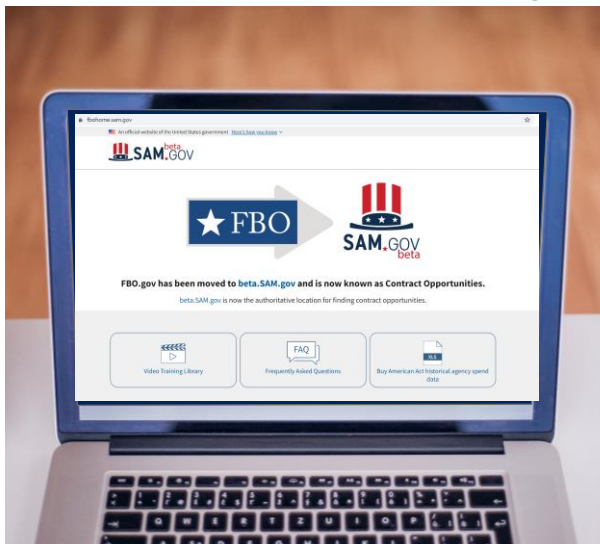
See alerts for current disaster response efforts & other information on how small businesses can do business with USACE.



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## Advantages of Registering with Contract Opportunities (beta.SAM.gov)



- Basic Search
- Advanced Searches
- Opportunity Searches
- Notices
- Old FBO



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## 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

# Woman-Owned Small Business (WOSB) & Economically Disadvantaged Woman-Owned Small Business (EDWOSB) Certification

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## Women-Owned Small Business (WOSB) Program

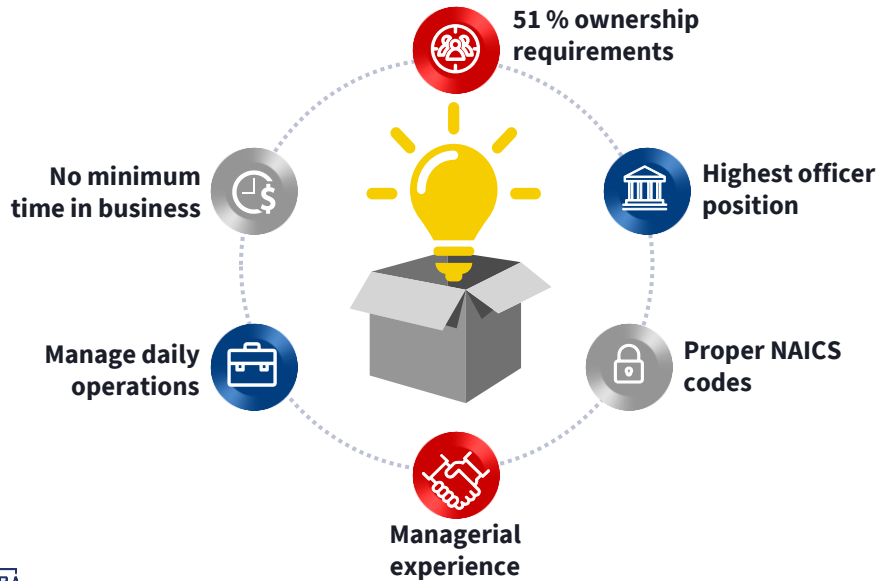


- Take advantage of annual prime contracting goals
- Build capacity and grow
- Access set-asides for WOSB and EDWOSB

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## Is the WOSB Certification Appropriate for You?



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## Economically Disadvantaged Requirements to Qualify for EDWOSB



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



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



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

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## WOSB Eligibility Process



- Register in [SAM.gov](https://sam.gov)
- Visit [beta.certify.SBA.gov](https://beta.certify.SBA.gov)
- SBA certification required after October 15, 2020 for WOSB/EDWOSB set asides

WOSB **READY**



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## beta.certify.SBA.gov

On the **homepage**, you can:

- ✓ Access checklists that provide guidance prior to applying
- ✓ Verify eligibility
- ✓ Find answers to questions regarding your firm's ability to participate in a program
- ✓ Request information from SBA by submitting the Help form
- ✓ Create an account and proceed with your application

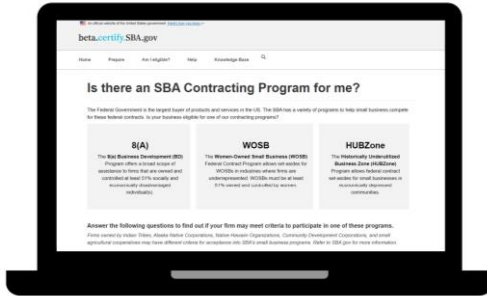


WOSB **READY**



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# beta.certify.SBA.gov



## Are you eligible?

Here you will find:

- ✓ Criteria needed to qualify for the program
- ✓ Interactive links to questionnaires that will help evaluate your firm's preliminary eligibility

# beta.certify.SBA.gov



## Prepare to apply

Here you will find:

- ✓ Checklists to guide you through the process
- ✓ Information on the documents you will need as you begin

## IMPORTANT DATES:

As of October 15, 2020, businesses will have to be certified either through SBA's new, free online certification process or through an approved Third-Party Certifier (TPC), at a cost.

- For more information on certification through approved TPCs, visit [www.sba.gov/wosbready](http://www.sba.gov/wosbready).
- Beta.Certify.SBA.gov

WOSB **READY**



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## WOSB Program Changes

- After October 15, 2020:
  - Program applicants will submit via Beta.Certify.sba.gov
  - After submission and an application is deemed sufficient, SBA must notify the applicant within 15 days if the application is complete for processing.
  - SBA has 90 days to process a complete application
  - WOSB Program Analyst will complete review of the application entirely within the new certification system.
  - WOSB Program will issue a formal letter of approval or decline
  - A declined applicant may reapply after 90 days if it has corrected the initial defect. There is no formal appeal process for applications.



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## Third-Party Certifiers (TPC)

- After October 15, 2020 third party certificates will provide demonstration of evidence for the certification process.
- Current SBA Approved TPCs:
  - [El Paso Hispanic Chamber of Commerce](#)
  - [National Women Business Owners Corporation](#)
  - [US Women's Chamber of Commerce](#)
  - [Women's Business Enterprise National Council](#)



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## Other Program Changes

- Other Certifications:
  - Individuals certified by the U.S. Department of Veterans Affairs Center for Verification and Evaluation may submit their most recent certification along with documentation showing they are owned and controlled by one or more women to receive WOSB/EDWOSB certification.
  - Current 8(a) firms may submit their most recent annual review letter, or their program acceptance letter for firms in their first year. 8(a) certification satisfies the qualification for EDWOSB.
- Effective July 15, 2020 updated and aligned 8(a) and EDWOSB standards for economic disadvantage
  - Funds invested in an Individual Retirement Account (IRA) or other official retirement account will not be considered in determining the individual's net worth.



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## Getting the Most Out of the WOSB Program



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



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



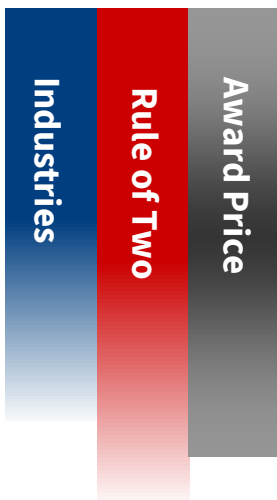
Access to training, management and technical assistance programs, guaranteed loans and bonding assistance



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## 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



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## 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**

\$7M for manufacturing or \$4.5M for all others

**4**



### **Sole Source**

Only (1) WOSB/EDWOSB that can perform



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## Getting the Most Out of the WOSB/EDWOSB Program



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



**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**



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# 8(a) Business Development Program

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## 8(a) Business Development Program



Access to business development support

Build capacity and grow through contracts

Nine-year program available once per lifetime

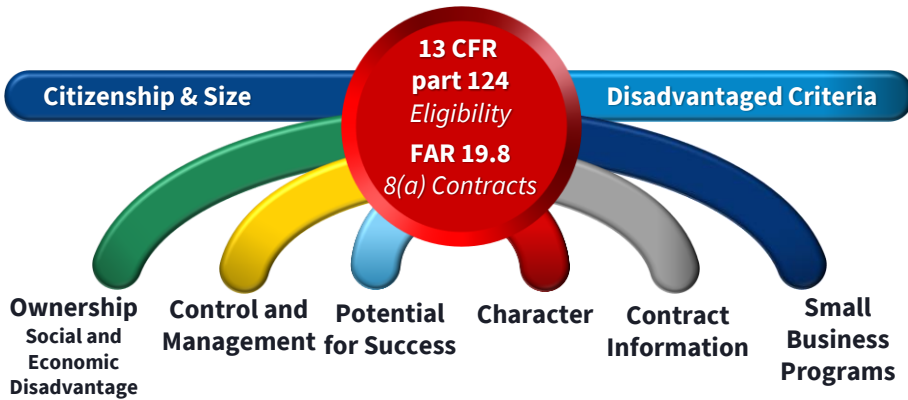
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## Know the Rules for 8(a) Certification



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## 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**
- Technical expertise**
- Adequate capital**
- Successful past performance**
- Ability to meet requirements**

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## 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

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## Economically Disadvantaged Requirements to Qualify



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



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



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

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

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## SBA Requirements for 8(a)

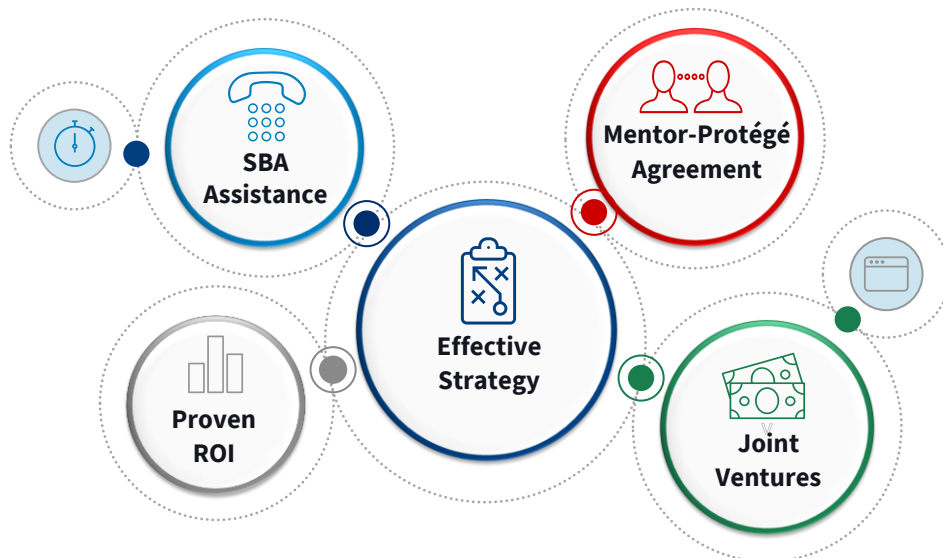
- 1 Small Business Size Standard
- 2 Ownership
- 3 Control and Management
- 4 Other 8(a) Eligibility Requirements
- 5 Character
- 6 Ineligibility Criteria

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## 8(a) Business Development Program Benefits



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## 8(a) Program Expectations

### *Setting Expectations*

- Progress measurement
- Is a business development program
- Not suited for all firms
- Limited total dollar value of contracts

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## Participation and Continued Eligibility

### Participation Starts at Date of Approval



#### To maintain eligibility:

- Submit 8(a) annual update on time
- Inform SBA of all material and business changes (prior approval required)
- Maintain SAM and DSBS profiles

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## 8(a) Application Process



### BEFORE APPLICATION

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



### APPLY FOR CERTIFICATION

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



### RESOURCES

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

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## 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



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## Business Development Assistance Available to Program Participants

### Orientation

8(a) orientation upon approval into the program

### Referrals and Training

Resource Partner referrals

### Marketing

Invitations to 8(a) business development events and other marketing assistance

### Surety Bonds

Increased contract value eligibility and assistance



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## Getting the Most Out of Your 8(a) Certification



Qualify for set-aside or sole source contract awards – helping agencies achieve success

Sole source contract value threshold: \$7.5M for manufacturing ; \$4.5M for all others



Opportunity to build capacity and grow by establishing Joint Ventures and participating in the SBA's Mentor-Protégé Program



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



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# Service-Disabled Veteran Owned Small Business

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



Qualify for set-aside opportunities

Build capacity and grow

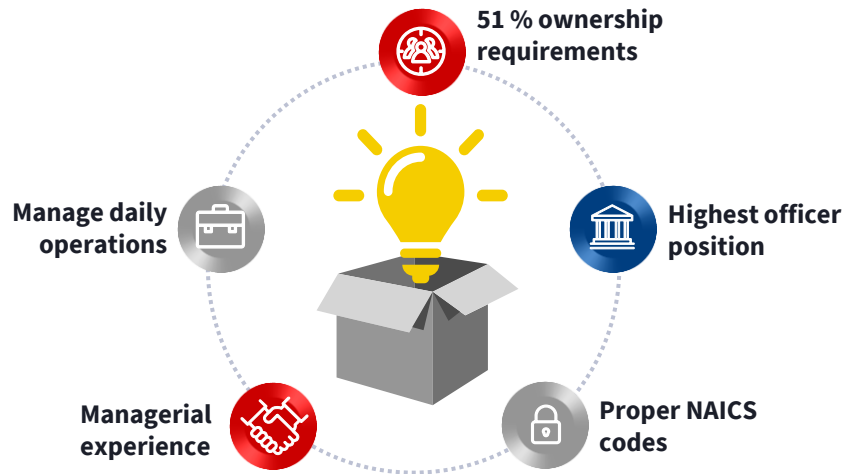
Establish joint ventures

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## Is the SDVOSB Certification Appropriate for You?



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## 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



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



More prime and subcontracting opportunities through registration at [Vetbiz.va.gov](http://Vetbiz.va.gov)

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# SBA Mentor-Protégé Program

## Joint Ventures

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### SBA Mentor-Protégé Program



Access business development assistance

Build capacity and grow

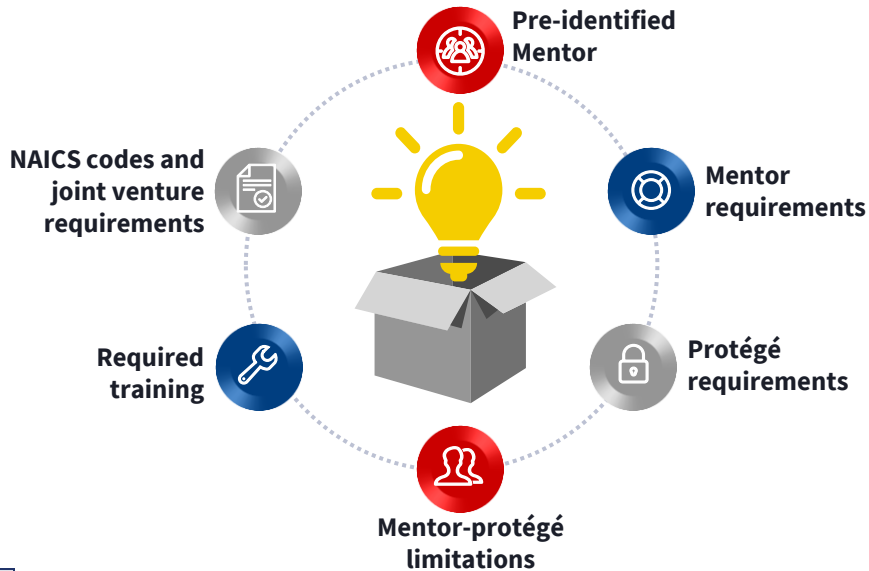
Establish joint ventures

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## Is the SBA Mentor-Protégé Program Appropriate for You?



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## Getting the Most Out of the SBA Mentor-Protégé Program



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



Facilitates development opportunities, training, assistance and additional financial support



Creates the opportunity to increase networks for future business growth



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# Eligibility Requirements for Joint Ventures



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# HUBZone Certification

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## Historically Underutilized Business Zone (HUBZone) Certification



Stimulate capital investment

Build capacity and grow

Access HUBZone set-aside contract dollars



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## HUBZone Program Purpose

What is a HUBZone?

Historically Underutilized Business Zone

EMPLOYMENT OPPORTUNITIES

HUBZone

CAPITAL INVESTMENT

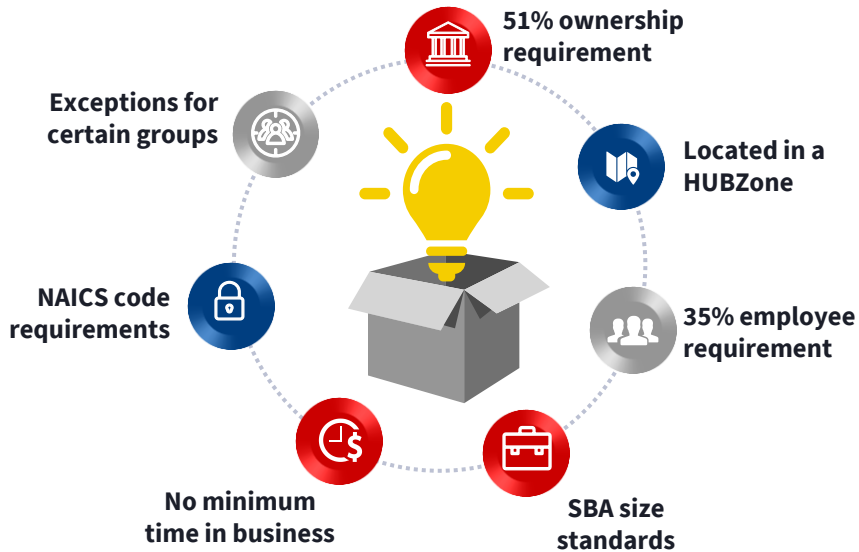
ECONOMIC LEVERAGE



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## Is the HUBZone Certification Appropriate for You?

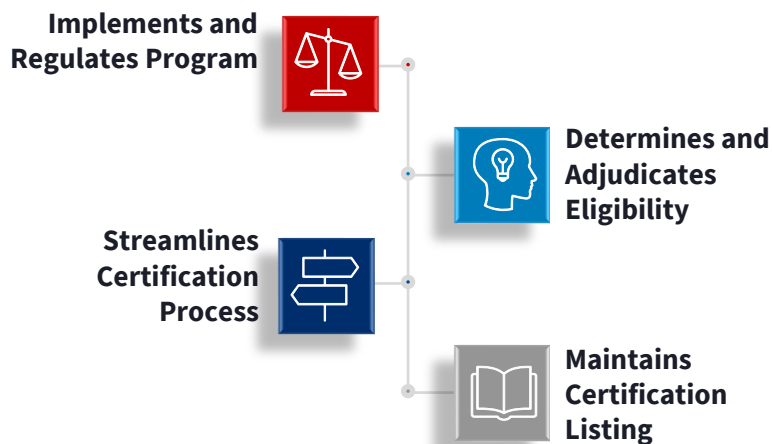


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## SBA HUBZone Responsibilities

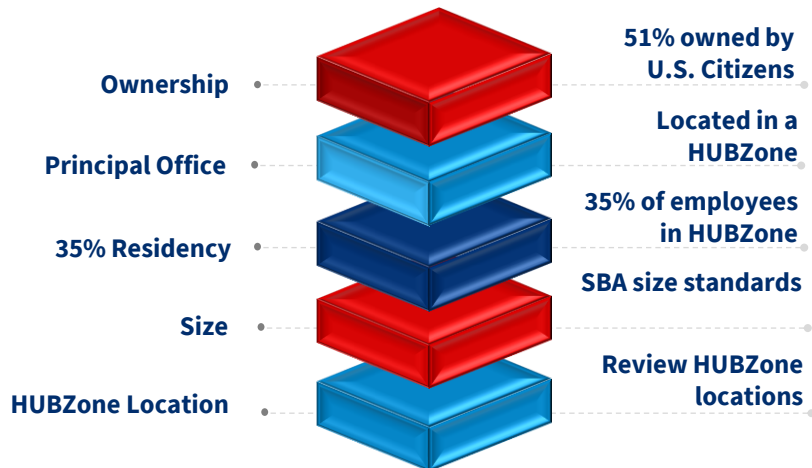


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## HUBZone Eligibility and Requirements



## HUBZone Help

**For support with government contracting and growing your business** visit one of SBA's resource partners (SCORE, SBDCs, WBC, VBOC, and PTAC): <https://www.sba.gov/local-assistance>

**For support with your HUBZone application:**

- **Visit** the HUBZone website: [sba.gov/hubzone](https://sba.gov/hubzone)
- **View** location eligibility: [maps.certify.sba.gov/hubzone/maps](https://maps.certify.sba.gov/hubzone/maps)
- **Email** our Help Desk with specific questions: [hubzone@sba.gov](mailto:hubzone@sba.gov)
- **Call** our HUBZone staff via our weekly conference call  
Every Thursday at 2pm ET: 202-765-1264; Access code: 63068189#
- **Access** [application FAQs and document requirement checklists](#) by organizational structure

## HUBZone Application Process



### BEFORE APPLICATION

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



### APPLY FOR CERTIFICATION

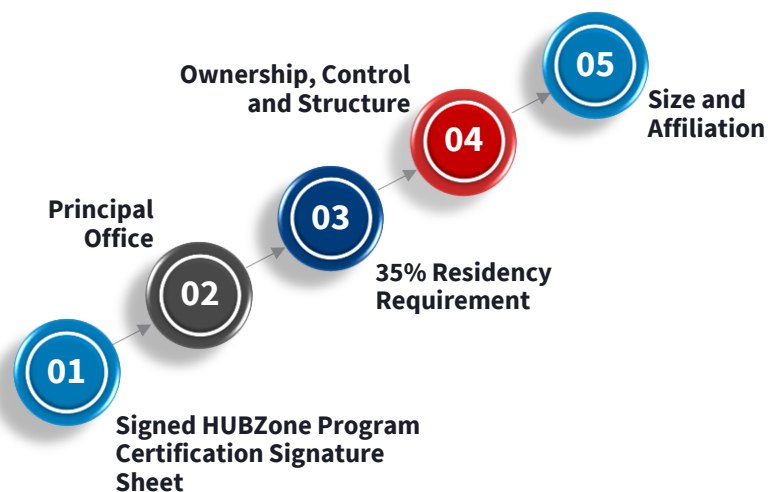
- Review application guide
- Gather supporting documentation
- Apply using the General Login System



### DOCUMENTATION

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

## Supporting Documentation Requirements



## HUBZone Site Visits and Re-certification



- Participate in site visits
- Meet HUBZone criteria
- Maintain SBA standards
- Recertify every 3 years



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## Getting the Most Out of Your HUBZone Certification



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



**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**



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# SBA Resource Partners

Local organizations, partially funded by the SBA to provide free or low-cost business counseling & training

