



Office Small Business Programs DSCC



Procurement Opportunities For Small Businesses



Agenda



- DLA Background
- DSCC Small Business Program Performance
- Set-aside Programs
- Socio-Economic Program Requirements and Rules
- Protests and Appeals of Small Business Representations
- Help is Available
- Conclusion



DLA's Business



PRODUCTS:

- ✓ Consumable Spare Parts
- ✓ Fuel
- ✓ Energy
- ✓ Food
- ✓ Medical
- ✓ Apparel
- ✓ Construction

5.2M Items
\$30+B in Sales

- 95% of Services' Repair Parts
- 100% of Military Needs for Fuels, Medical & Clothing & Textiles, Construction & Barrier Materiel Met by DLA

SERVICES:

- ✓ Acquisition
- ✓ E-Business
- ✓ Log Info & Document Automation
- ✓ Warehousing & Distribution
- ✓ Reutilization & Disposal
- ✓ National Stockpile

Customers:

- Deployable Units
- Fixed Bases
- Ships at sea
- Allies
- Other Federal Agencies
 - FAA
 - NASA
 - Coast Guard
 - TSA



DLA Supply Centers



DSCC - COLUMBUS
3990 EAST BROAD STREET
COLUMBUS, OH 43213-1152
TEL: (614) 692-3541 or
1-800-262-3272
Web Site: www.dsccl.dla.mil

DSCP - PHILADELPHIA
700 ROBBINS AVENUE
PHILADELPHIA, PA 19111-5092
TEL: (215) 737-2321 or
1-800-831-1110
Web Site: www.dscpl.dla.mil

DSCR - RICHMOND
8000 JEFFERSON DAVIS HWY
RICHMOND, VA 23297-5124
TEL: (804) 279-3287 or
1-800-227-3603
Web Site: www.dscrl.dla.mil

DESC - DEFENSE ENERGY
SUPPORT CENTER
8725 JOHN KINGMAN DRIVE
FT. BELVOIR, VA 22060-6222
TEL: (703) 767-9400 or
(800) 523-2601
Web Site: www.desc.dla.mil



Defense Supply Center Richmond



Aviation Supply Chain

AVIATION

- Engine Components
- Air Frames
- Landing Gear
- Flight Safety Equip
- Propeller Systems

Other Supply Chains

ENVIRONMENTAL

- Re-refined Oil
- Ozone Depleting Substances
- Hazardous Min Program

MAPS

- Maps
 - Charts
 - Graphs
- For all DoD Activities

INDUSTRIAL

- Lathes
- Milling Machines
- Heavy Industrial Machinery

LAND
DETACHMENT

MARITIME
DETACHMENT



Defense Supply Center Philadelphia



Troop Support Lead Center

CLOTHING / TEXTILES

- Combat uniforms/tents
- Body armor/field equip
- Individual chem/bio protective suit
- All Service uniforms

SUBSISTENCE

- Operational Rations (Meals Ready-to-Eat & Group Rations)
- Food Service & Field Feeding Equip
- Dining Facility Support
- Fresh Fruits & Vegetables

MEDICAL

- Diagnostic Imaging Equip
- MRI Equipment
- Surgical & Dental Supplies
- Pharmaceuticals
- Optical Products
- Laboratory Items

CONSTRUCTION & EQUIP

- Facilities Maintenance
- Diving, Safety & Rescue Equip
- Fire & Emergency Services
- Wood Products
- Metals
- Barrier Material

LAND
DETACHMENT

MARITIME
DETACHMENT

AVIATION
DETACHMENT



Defense Supply Center Columbus



Land

- Vehicles Components
- Gun Parts
- Tires
- Transmission Equip
- Water Purification Equip
- Batteries
- Bearings



Maritime

- Valves
- Fluid Handling
- Pipes, Hoses & Fittings
- Pumps
- Motors
- Electronics
- Fiber Optics

AVIATION
DETACHMENT



Defense Supply Center Columbus



- Over 2 million items managed
- Nearly \$3 billion in annual awards
- One of the largest suppliers of weapons system spare parts in the world
- 24,000 Military and Civilian Customers
- 10,000 Suppliers
- Approximately 2,300 Employees
- 6.5M Orders Annually
- Installation opened in 1918



DSCC SMALL BUSINESS GOALS



	FY06 Actuals	FY07 Goals
SMALL BUSINESS	64.9%	62.0%
HUBZone	3.4%	3.0%
SMALL DISADVANTAGED	5.2%	3.9%
WOMAN OWNED	9.3%	8.0%
SERVICE DISABLED	.80%	.50%
8(a) (SDB Subset)	1.7%	.60%

NOTE: Lower Goals reflect loss of Base Contracting dollars



Role of Small Businesses



What Small Businesses bring to the table:

- More flexible, more innovative and often more competitive than large businesses
 - 2/3 of the new jobs in the U.S.
 - 50% non-farm GDP
 - 14 times more patents per employee than large
- Congress recognized the importance of supporting small businesses with the passage of the Small Business Act (15 U.S.C. 631, *et seq.*)



Definition: Small Business Concern



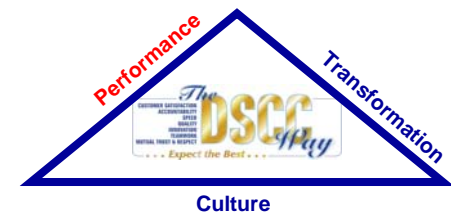
FAR 19.001

A business entity organized for profit, **including its affiliates**, that is independently owned and operated, **not dominant** in the field in which it is bidding on government contracts, and qualified as a small business under the **criteria and size standards** in 13 CFR Part 121

(ref. FAR 19.102 & 19.303)



Small Business Status



What determines whether a business is a Small Business Entity?

- Size standards (numerical definition):
http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_sstd_tablepdf.pdf
- North American Industry Classification System (NAICS) codes:
<http://www.census.gov/epcd/www/naics.html>
- Offeror's representation (now contained in ORCA)
Visit Business Partner Network: <http://www.bpn.gov>



Small Business and Socio-economic Programs



Small Business Act Policy and Purpose



- Promote small businesses: provide contract, financial, technical, & management assistance
- Provide “Maximum practicable opportunities” for:
 - Small business
 - Veteran-owned small business
 - Service-disabled veteran-owned small business
 - HUBZone small business
 - Small disadvantaged business
 - Women-owned small business



The Purpose and Policy for Small Business Set-Asides



FAR 19.201 (a) and 19.501 (a):

To award certain acquisitions exclusively to small business concerns to meet the goal and policy of Government “to provide maximum practicable opportunities in federal acquisitions to small business.”



Small Business Set-Asides



- Total Set-aside
 - “Rule of Two” (reasonable expectation that offers will be obtained from at least two responsible small business concerns that are competitive in terms of market prices, quality and delivery)
 - Automatic Small Business reservation between \$3K and \$100K
- Partial Set-asides (severable into two or more lots and a reasonable expectation of offers from at least one responsible small business concern at a fair market price)



Small Business Set-Asides Non-manufacturer Rule



- Non-manufacturer rule - a contractor under a small business or 8(a) set-aside shall provide its own product or that of a domestic small manufacturer
 - Exception - Large business product
 - Does not exceed \$25,000
 - When using SAP
 - Manufactured in US
 - Waiver - Small, large or foreign product
 - Exceeds \$25,000
 - SBA determines no small businesses are available for the specific product or class of products
 - View list at:
http://www.sba.gov/aboutsba/sbaprograms/gc/programs/gc_waivers_nonmanufacturer.html



Small Business Set-Asides Dollar Thresholds



- \$3,000 or less - May NOT be set-asides
- < \$3,000 to \$25,000
 - Automatic reservation
 - Apply “Rule of Two”
 - *Exception* to non-manufacturer rule applies
- > \$25,000 to \$100,000
 - Automatic Reservation
 - Apply “Rule of Two”
 - If non-manufacturer rule is *waived*, two small businesses must offer the product of different large, small or foreign manufacturers



Small Business Set-Asides

Dollar Thresholds cont'd



- > \$100,000
 - Apply “rule of two”
 - If non-manufacturer rule **is not** waived, two SBs must offer product from two different SB manufacturers/producers
 - If non-manufacturer rule **is** waived, two SBs can offer product from two different large, small, or foreign manufacturers/producers
 - Waiver of non-manufacturer rule may apply



Recap of the Non-manufacturers Rule



Exception: Small Business Set-aside acquisitions between \$3,000 and \$25,000

- Non-manufacturers may supply any domestically manufactured large or small business product

Waiver: SBA has determined there are no small business manufacturers participating in the Federal marketplace

- Non-manufacturer may supply any product



Partial Set-Asides



FAR 19.502-3

The contracting officer shall set-aside a portion of an acquisition when:

- A Total Set-Aside is not appropriate (19.502-2)
- The requirement is severable in economic lots
- One or more small business concerns are expected to have the technical and productive competency to satisfy the set-aside portion at a fair market price
- The acquisition is not subject SAP



Current SBA Programs with Set-Aside Provisions



- Small Business Set-aside
- Section 8(a) Business Development Set-aside
- HUBZone Set-aside
- Service Disabled Veteran Owned Set-aside (effective May 5, 2004)



SBA Programs Without Set-aside Authorization



- NO Small Disadvantaged Business Set-aside
- NO Veteran Owned Business Set-aside
- NO Women Owned Business Set-aside*



Woman Owned Implementation Coming?



- Small Business Reauthorization Act of 2000
 - (signed 12/21/2000, as part of Public Law 106-554)
 - Section 811(m) Provides for “Restricted Competition” for Woman Owned Small Businesses
 - Regulations implementing the provision have not been written
 - May be a set-aside or a preference



8(a) Business Development Set-asides



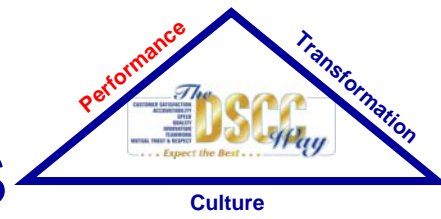
8(a) Program Set Aside Requirements



- Company must be a current 8(a) program participant (only one-9 year term)
- Capabilities must match the requirement
- Award price cannot exceed Government's established "fair market price"
- SBA must accept the requirement for the 8(a) program (over \$100,000 for DoD actions)



8(a) Set Aside Performance Requirements



- The 8(a) contractor must perform certain percentages of work with its own employees
- These percentages and the requirements relating to them are the same as those established for small business set-aside prime contractors (including non-manufacturers)



HUBZone Set-aside Program



HUBZone Program Participation Requirements



- Must be a qualified HUBZone small business concern
 - To become certified by the SBA as a HUBZone small business concern:
 - Principle place of business must be located in a HUBZone
 - 35% of the employees must reside in a HUBZone



HUBZone Set-aside Performance Requirements



- Same as those for small business set asides with the following exceptions
 - The agreement to perform the required percentages of work may be met solely by the qualified HUBZone small business concern or in combination with one or more other qualified HUBZone small business concerns.
 - A qualified HUBZone nonmanufacturer must furnish only end items manufactured or produced by HUBZone small business manufacturers



HUBZone Program



- Special Exceptions & Waivers to the Non-manufacturers Rule:
 - for HUBZone set aside contract actions between \$3,000 and \$25,000, a qualified HUBZone small business concern may supply the end item of any domestic manufacturer, including a large business
 - There is no provision for a waiver to the non-manufacturers rule for HUBZone Set-asides



Service Disabled Veteran Owned Small Business Set-aside Program



SDVOSB Program Participation Requirements



- Must be a domestic small business concern
- Must be owned by a service disabled veteran
 - At least 51% of the business must be owned and controlled by one or more service disabled veterans



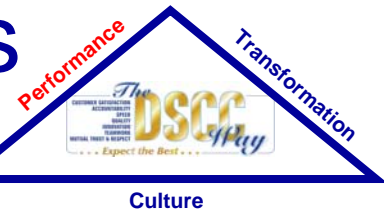
SDVOSB Set Aside Performance Requirements



- Same as those for small business set asides with the following exceptions:
 - The agreement to perform the required percentages of work may be met solely by the SDVOSB or in combination with one or more other service disabled veteran owned small business concerns



SDVOSB: Non-manufacturers Rule Exceptions & Waivers



- Exception: SDVOSB Set-aside acquisitions between \$3,000 and \$25,000
 - Non-manufacturers may supply the product of any domestic large or small business
- Waiver: SBA has determined there are no SB Manufacturers participating in the Federal marketplace
 - On a SDVOSB set-aside acquisition a non-manufacturer may supply any product



Protests & Appeals of Small Business Representations



Protest and Appeals



- **Protesting a Small Business Representation**
 - May be filed by an offeror, the SBA, or another interested party to the contracting officer
 - Must relate to a specific procurement
 - Must include specific grounds and facts
 - Must be timely to effect the specific procurement
 - Received in writing within 5 business days of bid opening or notice of apparent successful offeror
 - Formal determination will be made by SBA GC Area Director



Protest and Appeals



- **Protesting HUBZone small business status**
 - May be filed by an offeror, the SBA, or the contracting officer
 - Must relate to a specific procurement
 - Must include specific grounds and facts
 - Must be timely to effect the specific procurement
 - Received in writing within 5 business days of bid opening or notice of apparent successful offeror
 - Formal determination will be made by SBA AA for the HUBZone Program



Protest and Appeals



- **Protesting SDVOSB status**
 - May be filed by an offeror, the SBA, or the contracting officer
 - Must relate to a specific procurement
 - Must include specific grounds and facts
 - Must be timely to effect the specific procurement
 - Received in writing within 5 business days of bid opening or notice of apparent successful offeror
 - Formal determination will be made by SBA AA for Government Contracting



Protest and Appeals



- Appeals may be made by
 - The party whose protest has been denied
 - The concern adversely affected by the protest
 - The contracting officer
- SB Size and SDVO status appeals are made to SBA's Office of Hearings & Appeals
- HUBZone status appeals are made to the SBA's ADA of GC & 8(a) BD



SBA's Key Internet Addresses



- SBA's Home Page:
www.sba.gov
- Government Contracting:
www.sba.gov/GC
- 8(a) Business Development
www.sba.gov/8abd
- HUBZone:
www.sba.gov/hubzone



Where Do I Go For More
Help and Information on
Doing Business with DLA?



Procurement Technical Assistance Centers (PTACs)



What are PTACs???

Government funded local resources providing assistance in marketing your products and services to Federal, state and local governments

PTAC Goals:

- Help small businesses be competitive
- Explain complexities of Government procurement
- Encourage economic development through job retention and creation
- Build strong contractors through targeted training and one-on-one assistance

<http://www.dla.mil/db/procurem.htm>



DSCC Office of Small Business Programs



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Eleanor Holland eleanor.holland@dla.mil	Director	614-692-3541
Will Chavez william.chavez@dla.mil	Small Disadvantaged Business and SBA 8(a)	614-692-1288
Vikki Hawthorne vikki.hawthorne@dla.mil	Supplier Outreach and Woman Owned	614-692-4864
Rebecca Parks rebecca.parks@dla.mil	HUBZone	614-692-3510
Tom Pfenning thomas.pfenning@dla.mil	JWOD Workshops (Blind & Severely Handicapped)	614-692-1494
Dwight deWeaver dwight.deweaver@dla.mil	Service Disabled Veteran Owned	614-692-7935
Charles Miller charles.miller@dla.mil	Supplier Capability Briefings	614-692-7624



Conclusion



**PLEASE VISIT THE
SMALL BUSINESS BOOTH
ALONG THE DSCC CORRIDOR**