

## Key Steps to Federal Procurement Success

Getting new business is an ongoing challenge for every small company. To succeed, you have to know the best way to use your limited resources to target your best prospects. If you choose to market and sell to the federal government and its prime contractors, it is essential to understand (1) how purchasing decisions are made and (2) how to navigate the government's resources, opportunities, rules and regulations. Since the federal government spends more than \$350 billion on goods and services, you may decide that it's worth the effort!

Perhaps the biggest procurement challenge facing most small businesses is identifying their best prospects within governments and corporations. The federal government has hundreds of agencies, administrations and bureaus – and it might not be obvious which of them has a need for your products or services.

### **Know Your Market.**

Do your homework to identify your best government prospects. Start by visiting the FedBizOpps site <http://www.fedbizopps.gov> to find out which agencies have purchased the types of products and services you sell and how much they spend. Also, contact your U.S. Representative whose staff might be able to identify specific opportunities or agencies.

### **Research Targeted Agency Budgets to determine:**

- What are the budget levels – are they the same, more or less than the previous fiscal year?
- What does the federal agency purchase that is similar to a product or service you can provide?
- Does the federal agency purchase a similar product year-round or seasonally?
- Do most contracts go to large companies? If so, who are the large prime contractors?

### **Find Out "How" the Agency Contracts. Approaches Include:**

- Purchase Orders/Blanket Purchase Agreements
- Indefinite Delivery/Indefinite Quantity
- Credit Cards (If you anticipate making individual sales under \$10,000.00 make sure you are set up to accept the government credit card)
- GSA (General Services Administration) Federal Supply Schedules
- Best Value
- Unsolicited Proposals

### **Know Where to Get Practical Help.**

- Procurement Technical Assistance Centers (PTACs) <http://www.aptac-us.org>
- Small Business Development Centers (SBDCs) <http://www.asbdc-us.org>
- Small Business Administration (SBA) <http://www.sba.gov>
- Agency Office of Small and Disadvantaged Business Utilization (OSDBU) <http://www.osdbu.gov> which lists major federal agencies and can direct you to their Small Business Specialist at your *local* federal agency.

These resources can help you find opportunities, avoid pitfalls and guide you through the mechanics of the procurement process. They can also help you interpret rules and regulations from the Federal Acquisition Regulations (FAR) that govern federal procurement. Small

Business Specialists at the federal level, as well as Small Business Liaison Officer's (SBLOs) and their counterparts are the advocates for small businesses working with major contractors.

### Take Care of the Basics.

- Obtain a Data Universal Numbering System (DUNS) from DUN & Bradstreet <http://www.dnb.com>. You will need this number to register in the Central Contractor Registration (CCR) database.
- Determine the best NAICS (North American Industrial Classification System) <http://www.census.gov/eos/www/naics> codes for your industry. The NAICS codes are the key to researching opportunities, award history, competitive awards...and more.

### Register Everywhere You Can.

You *must* register your business with the Central Contractor Registration (CCR) <http://www.ccr.gov> database after you receive your DUNS number in order to do business with the federal government. The database was created to capture vital company information for award and payment purposes. As you come across other resources and sites that encourage registration...do it!

### Determine if You Qualify for Special Procurement Programs for Small Businesses

The Small Business Act 15(g) (1) establishes contracting goals to ensure that small as well as economically and socially disadvantaged companies have the opportunity to do business with the government. Federal agencies (and often prime contractors) have to abide by these goals which are negotiated annually with the SBA. Visit the SBA site to determine if you fit in any of the small business categories (Woman-Owned, HUBZone, Veteran-Owned, Service Disabled Veteran-Owned or 8(a)).

### Develop Personal Relationships.

*Network! Network! Network!* Knowing the right people is important when you are dealing with a bureaucracy. Each federal agency's Small Business Specialist can point you to new opportunities, troubleshoot problems for you, and help you make sure you are in the right place at the right time in order to take advantage of opportunities as they arise. They are the key resources to the industry. The Small Business Specialist can often provide access to the Contracting Officer. Also, look for opportunities to form partnerships and sub-contracting relationships with prime contractors.

### Start Small.

Seek out contract opportunities where you know you can perform well. A track record of excellent performance can lead to progressively larger awards and even more business. Large contracts are rarely awarded to businesses with no track record. Failing to perform well may become a barrier to future government business. Subcontracting with a federal prime contractor is another avenue to pursue <http://www.sba.gov>.