



United States Department of Agriculture

BioPreferredSM Business Guide

www.biopreferred.gov



How to use this guide.

This guide lists steps and suggests online resources to help position your business as a BioPreferredSM vendor to the Federal Government or to Government contractors. Some of these suggested steps may or may not apply to your business.

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Photos courtesy United Soybean Board/Soybean Checkoff.
January 2008



Become a BioPreferredSM Business

How To Sell Your Biobased Products to the Federal Government

BioPreferredSM was established by the Farm Security and Rural Investment Act of 2002 (FSRIA) to increase the procurement and use of biobased products by establishing:

1. A procurement preference program for Federal agencies and their contractors, and
2. A labeling program to enable the marketing of biobased products.

Biobased products are defined as commercial or industrial products composed in whole or in significant part of biological products or renewable agricultural materials. USDA designates which biobased products will receive a Federal procurement preference.

Getting new business is an ongoing challenge for every company. To succeed as a biobased-product vendor to the Federal Government, you have to know the best ways to use your resources to target prospective clients.

The U.S. Government is the largest buyer in the world, spending more than \$400 billion annually in products and services with private-sector businesses.

Whether you are a small or large business, manufacturer or vendor, there is a vast market opportunity for you to sell your biobased products to the Federal Government.

The information contained in this guide is intended to provide you with insight to:

- Facilitate access to Federal Government procurement opportunities.
- Enhance your ability to compete at both the prime and subcontract levels.
- Promote knowledge of Government contracting initiatives, making it easier to conduct business with the Federal Government.

For more information about BioPreferredSM visit www.biopreferred.gov.

Contact:

Shana Y. Love

USDA – Departmental Administration
1400 Independence Ave., S.W.

Washington, DC 20250

Shana.Love@usda.gov • 202-205-4008



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Understanding the Federal Government Procurement Process

1. The Federal Government's procurement activities are governed by a standard body of rules known as the **Federal Acquisition Regulations (FAR)**. The most recent procurement rules and regulations can be found at www.arnet.gov. Understanding these rules can help you conduct business more efficiently. In addition to the FAR, agencies may have supplemental regulations. These agency specific supplemental regulations can be found at www.acqnet.gov/agency_supp_regs.cfm.
2. You should also become familiar with the **BioPreferredSM program guidelines** and preferred procurement requirements (including the recent specifications added to the FAR) and register your company and biobased products online. USDA cannot successfully implement this program without your active participation in the designation process.

The guidelines and registration information can be found at the BioPreferred Web site at www.biopreferred.gov.



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Turning Your Business Into a Federal Government Vendor

1. If yours is a new business, you will need to apply for a **Taxpayer Identification Number (TIN)** at www.irs.gov/businesses/small/international/article/0,,id=96696,00.html?portlet=1. The TIN is used by the U.S. Internal Revenue Service to identify a business entity for tax purposes. It is also required for completing many types of forms and registering in databases associated with the Government market.
2. Identify your business by obtaining a **Data Universal Numbering System (DUNS)** number from Dun and Bradstreet (D&B) at www.dnb.com. This unique identifier for your company is used by the Government to identify contractors and their locations. It is required to do business with the Federal Government. There is no charge for a DUNS number by D&B.
3. Classify your product or service by self-coding within the **North American Industry Classification System (NAICS)** at www.census.gov/epcd/www/naics.html. NAICS was developed as the standard for use by Federal statistical agencies in classifying business establishments for the collection, analysis, and publication of statistical data related to the business economy of the United States. Federal agencies use these codes for procurement purposes. Most Government product listings are identified by these codes. Government procurement opportunities are often listed by NAICS codes, making targeted online searches by businesses for potential opportunities a real timesaver.

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Identifying Potential Business Opportunities

4. Determine if your business qualifies as a small business. You can do this by visiting the **Small Business Administration (SBA)** Web site at www.sba.gov/services/contractingopportunities/sizestandardsttopics. Federal agencies are required by law to set aside contracts for small businesses and other socially and economically disadvantaged businesses. Those requirements can be found at www.sba.gov/services/specialaudiences.
5. Register with the **Centralized Contractor Registration (CCR) System** at www.ccr.gov to make your company information available to all Government procurers and contractors. This database is only the first step of your marketing efforts, as there are hundreds of thousands of registrants. This database is a tool for the acquisition community that collects information on the type of business and the goods and services provided. It is used for electronic funds transfer (EFT) information, points of contact, and performance history references. Businesses must be registered in CCR to do business with the Federal Government.

Your biggest procurement challenge most likely will be identifying your best prospects. **A large percent of all Federal Government purchases are through service contracts, and the majority of the biobased products that you sell will not be purchased directly, but through these service contracts.**¹ Fortunately there are several online systems that you may access to identify which agencies have purchased the types of products and services that you sell and how much they spend. You may even find out who your competitors are, if you don't already know. You will want to investigate service contracts that agencies currently have in place to identify those that might benefit from biobased products.

Subcontracting and Teaming

Since many of the biobased-products that will be used by the Federal Government will be purchased as part of service contracts (e.g., janitorial, construction, etc.), "subcontracting" or "teaming" with Federal Government "prime contractors" will provide the most significant opportunities compared to directly contracting with the Federal Government. Federal Government contractors must meet the same requirements for the purchase and use of biobased products as the agencies themselves.

1. Unfortunately, there is **no single point of entry for subcontracting opportunities**. Prime contractors may post subcontracting opportunities on SBA's SUB-Net at web.sba.gov/subnet or on www.FedBizOpps.gov. Additionally, some prime contractors search the CCR when seeking subcontractors.

Most Federal agencies maintain subcontracting directories that are usually published annually and are generally available on their Web sites. The purpose of the subcontracting directories is to provide businesses with information about prime contractors which could lead to potential subcontracting opportunities. USDA's Subcontracting Directory is located at www.usda.gov/da/smallbus/subcontracting.htm. The U.S. Department of Defense (DOD) Subcontracting Directory is located at www.acq.osd.mil/osbp/doing_business.



¹ In FY 2007, USDA's service contracts exceeded 50% of all awarded actions.



Do not expect information in the directories to be biobased-product specific. Locate contract opportunities that potentially could include biobased products and contact major contractors directly to discuss or propose the use of biobased products.

2. **AbilityOne** (formally the Javits-Wagner-O'Day (JWOD) Program) is a mandatory source for selected products and services. This is a unique Federal procurement program that generates employment and training opportunities for people who are blind or have other severe disabilities. Teaming with AbilityOne could provide opportunities to generate employment and to support both the Ability One and BioPreferred procurement programs. For more information on Ability One visit www.abilityone.gov/jwod.

Procurement Search Engines

Review these procurement search engines as you develop your marketing strategy to identify your potential market.

1. Each Federal agency maintains an **Annual Procurement Forecast** which can be found at www.acqnet.gov/comp/procurement_forecasts. Review the procurement forecasts to determine upcoming contracts that may benefit from the addition of biobased products. For contracts that have already been awarded, you may still contact the incumbent contractor and suggest the benefits of incorporating your products in this or future proposals. The USDA forecast has been updated to identify potential contract opportunities with biobased product requirements.
2. **FedBizOpps** is the single required Government point-of-entry for Federal Government procurement opportunities over \$25,000. Federal solicitations are published online to allow businesses to search, monitor, and retrieve potential business opportunities. If the typical sale of your product is more than \$25,000, or if your products typically are included in service contracts (e.g., janitorial,

construction, etc.) of more than \$25,000, you may want to familiarize yourself with this Web site. If the typical sale of your product is less than \$25,000, or if your products are typically included in service contracts (e.g., janitorial, construction, etc.) of less than \$25,000, you may want to familiarize yourself with individual procurement offices that purchase these types of products. For more information on FedBiz Opps visit www.fedbizopps.gov.

Federal Catalogs and Schedules

Consider marketing your products or services through Governmentwide purchasing vehicles. These contracts are used by multiple agencies to procure common products and services. Federal agencies often use pre-approved contracts to buy commonly used products and services. These opportunities usually are not announced in FedBizOpps, but are competed among qualified vendors with current GSA contracts. You should carefully assess your individual situation and goals, the application process, commitments, and minimum sales requirements before using these vehicles.

1. Information on the **General Services Administration's (GSA) Federal Supply Service (FSS) Schedule Contracts** and **Governmentwide Acquisition Contracts (GWACs)** can be found at www.gsa.gov. Click "Getting on Schedule."
2. Information on the **DOD Electronic Mail (Emall)** can be found at emall6.prod.dodonline.net/main/welcome_to_DOD_EMALL.jsp. Click on "Supplier's Corner."



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Marketing Your Products

1. **Be prepared to do business the way the Federal Government does it.** This means understanding the FAR and being prepared to conduct electronic commerce.
2. **Understand the BioPreferredSM program and register your qualifying products in the online catalog.** Make sure that you have done your homework on the program and are prepared to explain the procurement preference for your products and the benefits of your products. For more information on the program visit www.biopreferred.gov.
3. **Get help from the experts.**

Small Business Administration (SBA)

If your business qualifies as a small business, contact the closest SBA office for help. SBA offices have small business experts that can help small businesses identify procurement opportunities both locally and nationally. More information about SBA can be found at www.sba.gov.

Federal Office of Small and Disadvantaged Business Utilization Directors Interagency Council (OSDBU Council)

Contact the OSDBU Council to obtain expert advice and assistance regarding doing business with the Federal Government. More information about the OSDBU Council can be found at www.osdbu.gov.

Procurement Technical Assistance Centers (PTAC)

These centers provide local resources that support businesses interested in selling to DoD and other Federal agencies. More information about PTAC can be found at www.dla.mil/db/procurem.htm.

