

**NOTICE OF TOTAL SMALL BUSINESS SET-ASIDE (9-98)**

(a) Definition. "Small business concern," as used in this clause, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the size standards in paragraph (b) below.

(b) Size Standards. (1) Nonmanufacturers. If this is a solicitation for offers to furnish supplies, a concern that submits an offer in its own name, but which proposes to furnish supplies that it did not itself manufacture, is deemed to be a small business when (i) its "number of employees," as defined in 13 CFR 121.407, does not exceed 500 persons; and (ii) it complies with paragraph (d)(1) below.

(2) Manufacturers and Providers of Services. If this is a solicitation for offers (i) to furnish supplies, and the offeror is the manufacturer, or (ii) for services, the offeror is deemed to be a small business when it complies with paragraph (d)(2) or (d)(3) below, as applicable, and when (checked block applies):

its "number of employees," as defined in 13 CFR 121.407, does not exceed \_\_\_\_\_ persons.

its "annual receipts," as defined in 13 CFR 121.402, do not exceed \$ \_\_\_\_\_.

The product classification used for determining the size standard in this paragraph (b) was:

Standard Industrial Classification (SIC) Code \_\_\_\_\_,

Title: \_\_\_\_\_

\_\_\_\_\_.

(c) General. Offers are solicited only from small business concerns. Offers received from concerns that are not small business concerns will be rejected. Any award resulting from this solicitation will be made to a small business concern.

(d) Agreements. (1) A small business concern submitting an offer in its own name agrees to furnish, in performing the subcontract, only end items manufactured or produced by small business concerns in the United States. The term "United States" includes its territories and possessions, the Commonwealth of Puerto Rico, the trust territory of the Pacific Islands, and the District of Columbia. If the total amount of this subcontract does not exceed \$25,000, a small business concern may furnish the product of any domestic firm. This paragraph does not apply in connection with construction or service subcontracts.

(2) If the subcontract is for services, by submission of an offer the offeror agrees that at least 50 percent of the cost of subcontract performance incurred for personnel shall be expended for employees of the offeror.

(3) If the subcontract is for supplies (other than a subcontract with a nonmanufacturer of such supplies), by submission of an offer the offeror agrees to perform work for at least 50 percent of the cost of manufacturing the supplies, not including the cost of materials.

(4) When the acquisition is for a product in a class for which the Small Business Administration has determined that there are no small business manufacturers or processors in the Federal market in accordance with FAR 19.502-2(c), delete paragraph (d)(1).