

## THE DEPUTY SECRETARY OF HEALTH AND HUMAN SERVICES WASHINGTON, D.C. 20201

SEP 3 0 2003

## MEMORANDUM FOR THE HEADS OF CONTRACTING ACTIVITIES

SUBJECT: Market Research Policy, 03-01

The Market Research Policy highlights the importance of conducting market research as part of the acquisition strategy before we place orders or award contracts for supplies and services. It emphasizes the value of market research in expanding opportunities for the small business community. We recognize the tremendous discretion a Contracting Officer has in determining how they will fulfill the Department's requirements. Market research enables us to learn about new entrants into the Federal marketplace that offer innovative solutions and exciting alternatives.

The President's Small Business Agenda calls on everyone involved in the acquisition process to increase opportunities for the small business vendor. New companies help us diversify and expand our vendor base, which is critical to the success of the Small Business Program, as well as, the success of our Department.

The policy outlines numerous techniques for conducting market research and promotes the use of pre-solicitation notices to determine the viability of small businesses to meet our requirements. Market research must be used in a manner that adequately balances mission needs with successful small business participation.

As the current fiscal year comes to a close, I ask you to renew your efforts to support the small business community. As you are aware, meeting and or exceeding each small business goal is a part of your performance plan. I know that I can count on you to support the active use of market research as part of our overall acquisition strategy.

If you have any questions concerning this matter, please contact Ms. Debbie Ridgely, OSDBU Director, at 202-690-7235.

Claude A. Allen