



# Los Alamos National Laboratory Small Business News



## Greetings from the Small Business Manager

### INSIDE THIS ISSUE:

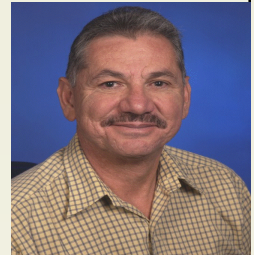
Articles from LANL Daily NewsBulletin	Page 2
Kudos to Procurement Staff	4
Small Business Assistance	5
Subcontractor's Consortium	6
8th Annual DOE Small Business Conference	7
Veteran's Conference	8

Colleagues,

Welcome to Fiscal Year 2008. During Fiscal Year 2007 we had many accomplishments that we are proud of and we look forward to our future accomplishments and conquered obstacles.

In this issue you can read about some of our recent articles published in the LANL Daily NewsBulletin. You will learn about some of our recently attended forums and conferences. Information on small business assistance also is provided for your information. You may also enjoy some gracious comments sent to our LANL contract administrators from appreciative customers.

We look forward to working with you in Fiscal Year 2008. Please contact us with any questions, issues, comments or compliments as we value your input. Happy Holidays and welcome to FY 2008.



## Socioeconomic Goals and Achievements

The table to the right shows the FY07 small business goals as well as the percent accomplished. The procurement dollars for FY07 were \$736M (a decrease of \$186M from FY06) based on the SBA guidelines. This \$736M is used as the denominator to determine the percent achieved in the respective categories and then validated. As you will note, LANL did not meet its goals in five of its "goaled" categories. Some of the things that we are doing to improve our achievements are: forecasting opportunities, conducting a lean six sigma PIP, matchmaking events, increasing small business set asides, looking into contract unbundling and evaluating purchase requisitions including seeking additional sources from our local/regional business associations.

LANL Acquisition Practice 3191 requires that contract administrators contact the Small Business Office for acquisitions greater than \$100,000 that are not set aside for small businesses. Additional sources are also provided by the Small Business Office based on research of Central Contractor Registration (CCR); hence the importance of small businesses registering in CCR and including all socioeconomic certifications.

Category	Goal	FY07 Percent Achieved
Small Business	50%	38.2%
Small Disadvantaged Business	11.0%	9.7%
Women-Owned Small Business	11.0%	6.1%
HUBZone Small Business	3.0%	2.6%
Veteran-Owned Small Business	3.0%	3.3%
Service-Disabled Veteran-Owned Small Business	3%	0.9%
Northern New Mexico	-	47.1%
New Mexico	-	57.1%

## Recent Headlines from the LANL Daily NewsBulletin...



### Lab Co-Hosts Business Forum

*Laboratory promotes business opportunities. Small businesses were able to learn about forecasted opportunities to provide goods and services to the Laboratory by attending the August 10, 2007 event.*

New Mexico Congressman Tom Udall, talks with Acquisition Services Management Division Leader Kevin Chalmers, center, and Joyce Matthews of Subcontracts...Udall was the keynote speaker at the event; he spoke about recent action in Congress pertaining to the Small Business Fairness in Contracting Act, which contains several provisions to assist small businesses. Other recent events sponsored by LANL include: Construction/Environmental Contractor Forum, Four-Accord Pueblo Outreach Meetings, Regional Chambers of Commerce Breakfasts, September A&E Matchmaking Event, October Supplier Forum and an October Safety Basis Matchmaking Event

### ASM Using New Documents for Subcontracts

New documents for Lab construction and environmental remediation subcontracts, and other services were recently implemented by Acquisition Services Management Division (ASM). The new documents more clearly and consistently convey a variety of requirements, such as terms and conditions, statement of work, drawings, environment, safety and health, quality assurance, and security. "The new format makes it easier for subcontractors and Laboratory employees to find information," said Warren Finch of Subcontracts (ASM-SUB). The new documents were presented by LANL at a supplier forum in July 2007.

### Lab Host Mentor-Protégé Signing

The Laboratory issued its first mentor-protégé agreement on August 2, 2007 under the auspice of the DOE Mentor-Protégé Program. The mentor-protégé agreement between Los Alamos National Security, LLC and TSAY Construction and Services LLC is designed to help TSAY improve its ability to compete for contracts across the Department of Energy complex. Ohkay Owingeh, which owns and operates TSAY Construction & Services, will, in addition, initiate a separate agreement with San Ildefonso Pueblo that provides an opportunity to build San Ildefonso's capacity.



Right: Laboratory Director Michael Anastasio watches Ohkay Owingeh Pueblo Governor Earl Salazar sign the mentor-protégé agreement Wednesday at University House. Looking on are James Mountain and Theresa Alvillar-Speake, left, director of the Department of Energy's Office of Economic Impact and Diversity.

Photo Credit: Leroy N. Sanchez

## Event Gives Small Businesses a Boost

Story featured in  
July 13, 2007 LANL  
Daily News Bulletin  
Written by Erika L.  
Martinez

Investing purchasing power into small, local businesses is a top priority under the Los Alamos National Security, LLC management and operations contract. Los Alamos's Assurance Operations Office (ASM-AO) made an effort to make the Lab more aware of small business purchasing, by handing out balloons with a friendly reminder logo: "Make a Big Deal of Small Business." The balloons were handed out to employees in Acquisition Services Management (ASM) Division who make purchases for Laboratory organizations.

"The small business goals that LANS proposed are very aggressive and we are trying to spread awareness throughout the Lab," Dennis Roybal of the Small Business Program said. "Purchasing from small business not only is in the prime contract, but it's the right thing to do."

Through July 2007, the Laboratory purchased \$451.1 million in goods and services. Of that amount, \$210.8 million (46.7 percent) was from Northern New Mexico businesses. Total small business purchases through May are \$159.1 million, said Roybal.

"Therefore, it is essential that we all work together to increase the procurement dollars going to small businesses," he said.

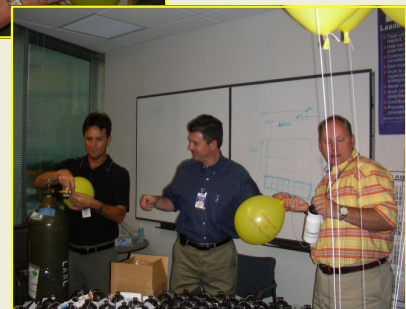
Roybal believes that purchasing from small businesses could benefit the Lab in terms of offering more flexibility, better customer service, more innovation, and sometimes better prices.



Dennis Roybal, left, Andrea Martinez-Lucero and Moe Zamora of the Small Business Office, meet with Matthew Martinez from Networx Inc. at Roybal's office. Inset: yellow balloons the Small Business Program Office handed out to Laboratory buyers urging them to "Make a Big Deal of Small Business."

Photo Credit: LeRoy N. Sanchez

"If the door is opened up to these small businesses, I believe they can provide just as good or better services," Roybal said.



Above: ASM Managers arrive at 6:00 a.m. to get balloons ready for the event

## KUDOS TO OUR PROCUREMENT STAFF

-  **Roxanne Calvert, ASM-PURCHASING (ASM-PUR)** received a special “thank you” for dropping everything to help the Business Systems Integration Group meet its commitment for the LANSCE Facility Director's Assessment kick-off. Their customers, Contractor Assurance Office (CAO), and the LANSCE facility expressed their appreciation of her support.
-  **Jolene Vigil, ASM-SUB**, received the following email of appreciation from a customer: “Jolene, I just finished reviewing the complete contract documents you provided and wanted to thank you for a job well done! Although this is not a very big or complex project, it is important to our customers. I realize you were not provided the appropriate amount of time to assemble the contract documents, but you did so without complaint or hesitation. We will work with our customers to help ensure proper planning and allotment of time in the future. I can only hope that the other procurement specialists understand and embrace the new Proforma as well as you apparently have.”
-  **Mark Padilla, ASM-PUR**, was recognized with a Los Alamos Awards Program (LAAP) Award from Project Management Division for his excellent efforts in facilitating a critical acquisition.
-  Upon notification of an award placed for the winterization of a LANL owned generator, **Israel “Izzy” Manzanares, ASM-PUR**, received an e-mail of appreciation from Luan “Louise” Walker of, Gas Transfer Systems Engineering for the Clear Weapons Stockpile, “Izzy, can't thank you enough for how quick and thorough you've been. This is great news.”
-  Dolores “Dee” Sherlock of Industrial Hygiene and Safety submitted an e-mail of appreciation to **Julie Romero, ASM-PUR**, for her efforts in awarding a purchase order for two training classes. This particular requirement required a quick turnaround in order to meet their programmatic needs. Ms. Sherlock was very appreciative of Ms. Romero’s excellent customer service.
-  **Mark Padilla and Chris Fresquez, ASM-PUR**, received special thanks from Deborah Lucero, of Weapons Component Manufacturing, for their roles in expediting of the purchase of Electron Beam Free Form Fabrication services. Ms. Lucero stated that these services will provide vital support for their program and she was extremely appreciative of their efforts.
-  The following email of appreciation: **Kathy Smith, ASM-SUBCONTRACTS (ASM-SUB)**, received: “I just wanted to let you know what a wonderful help and team player Kathy Smith is. We have two possibly three projects that we are working on and she has been right with it. She has attended the meetings with my customers. This piece is extremely important so that the contractors understand what is expected of them. She explained the Exhibit F (E,S&H requirements) to our customers in a manner they could understand (without raising their costs). Looking at these documents initially they appear overwhelming, Kathy took Exhibit F and clarified all that was needed to have a happy work provider. She has gone above and beyond; while I was asked to do a presentation on the Exhibit F document I believe she was the only person on the hill that had a proper presentation identifying items needed and required. This helped tremendously as I did not have time or the insight as to what is to take place in the future.
-  The following email of appreciation: **Terri Villareal, ASM-SUB**, received: “Terri, We want to thank you for your hard work and professionalism. We are now on track to fulfill our programmatic goals. Your efforts have greatly supported our program and we truly appreciate your efforts. Kind Regards, Damon Burnett.”
-  Nikki Gaedecke of Central Training sent an email of appreciation for **Natalia Herrera's, ASM-SUB**, customer focused attitude in looking for a solution to a short fused procurement requirement.

**Great Job!**

Thinking about starting your own business? There are many resources available such as SCORE, Small Business BuZ Gate, courses to start businesses, etc. The Small Business Administration (SBA) and its resources can provide assistance with regard to loans and business management skills. If you already have your own business, the SBA can help manage and expand your business, obtain government contracts, and provide guidance. SBA assistance is available

24 hours a day at [www.sba.gov](http://www.sba.gov). Local offices are also available and a listing is available on the website. A Women-Owned Small Business Certification will be available in the near future and many resources are available. Women entrepreneurs are changing the face of America's economy and the SBA provides several useful programs and services. There are approximately 100 Women Business Centers (WBC) across the country that

provide training, technical assistance, counseling and mentoring. Details can be found at: [www.wesst.org](http://www.wesst.org). Five offices are located here in New Mexico!



**Choosing Your Business Structure**



Wondering what business structure will work best for you? There are several organizational structures for a business and one is usually chosen for personnel situations and liability and tax reasons. If you're uncertain where to start, contact the SBA and they will point you in the right direction. The most common structures are sole proprietorships, general and limited partnerships, C and S corporations and limited liability companies. A briefing of several business structures is provided for your information.

**Sole Proprietorship:** One person operating a business as an individual. Profits are taxed as income to the owner personally. This rate is usually lower than the corporate tax rate. The owner has complete control of the business but faces unlimited liability for its debts. There is very little government regulation and reporting.

**General Partnership:** A partnership exists when two or more persons join together in the operation and management of a business. There is

relatively little regulation and is fairly easy to establish. A formal partnership is recommended and under a general partnership each partner is liable for all debts of the business. Profits are taxed as income to the partners based on their ownership percentage.

**Limited Partnership:** This is established by an agreement between two or more individuals. The two types of partners are general and limited.

- A general partner has greater control in some aspects of the partnership. They have no limits on the dividends they can receive from profit so they incur unlimited liability.
- Limited partners can only receive a share of profits based on the prorated amount on their investment, and the liability is also limited in proportion to their investment.

**C Corporation:** A "C" Corporation is a legal entity made up of persons who have received a charter legally recognizing the corporation as a separate entity having its own rights, privileges, and liabilities, apart from those of the individuals forming the corporation. It is the most complex and is comprised of shareholders, directors,

officers. The corporation can own assets, borrow money and perform business functions without directly involving the owners. Corporations are subject to more government regulation and have the advantage of limited liability but not total protection from lawsuits.

**Subchapter "S" Corporation:** This is a special section of the Internal Revenue Code which permits a corporation to be taxed as a partnership or sole proprietorship, with profits taxed at the individual, rather than the corporate rate.

**LLCs and LLPs:** The limited liability company is a popular business form. It combines selected corporate and partnership characteristics while still maintaining status as a legal entity distinct from its owners. As a separate entity it can acquire assets, incur liabilities and conduct business. It limits liability for the owners, LLC owners risk only their investment, not personal assets. The limited liability partnership is similar to the LLC, but it is aimed at professional organizations.



The economic development grant pool is one of several initiatives developed by the Consortium of Major LANL Subcontractors. The Consortium is made up of more than ten LANL subcontractors who collaborate on economic development activities throughout Northern New Mexico. The Economic Development Grant Pool provides the Consortium with a mechanism by which the Subcontractors can collectively make high-impact cash contributions to the region's economic development.

LANL's subcontractor's consortium awarded \$97,500 in grants for economic development programs. The awarded grants benefited youth entrepreneurship and regional development programs serving Northern New Mexico communities.

LANL subcontractors who provided the funding for this year's grant pool awards were KSL, Oracle, Burns & Roe, Guident Technologies, and C/P/E Environmental Services.

Grants were distributed as follows:

- \$5,000-Taos Community Foundation: The funds will be used as a loan guarantee so the Taos Middle School's youth entrepreneurship venture can borrow money to buy new equipment for its printing enterprise.
- \$5,000-Movimento: The funds will be used to support the operation of the youth agricultural effort which includes value-added food production and sales.
- \$2,500-Los Alamos Commerce and Development Corporation: The funds will be used to support expansion of the LACDC's summer youth entrepreneurship program into Rio Arriba County.
- \$22,000-Santa Fe Farmer's Market Institute: The funds will be used for the Construction of the Market's RailYard Building.
- \$23,000-Luciente: The funds will support the collaborative marketing and business operations strategies of the El Rito, Abiquiu and Pedernal studio tours.
- \$15,000-Taos Community Foundation: The funds will support the operations of Taos Entrepreneur Network.
- \$20,000-Espanola Valley Fiber Arts Center: The funds will be used toward the Center's building renovation.
- \$5,000-ACCION New Mexico: The funds will be used to support the micro-lender's outreach in Northern New Mexico.

## 8th Annual DOE Small Business Conference



Left to right: Clay Sell, Melissa Deavers-Rivera, Betty Jacques, Rick Lamb of Frank's Supply and Theresa Speake



Clay Sell, John Santoru of Holman's and Theresa Speake



Clay Sell, Donn Wiese of Tsay Corporation and Theresa Speake

The DOE Small Business Conference was held June 26-28, 2007, in Washington D.C. The conference provided an opportunity for prominent business and government leaders to discuss ways for small businesses to better access DOE procurement opportunities. Small businesses were allowed to showcase their products or services and participate in a Matchmaking forum.

Four New Mexico small businesses were recognized at the 8th Annual DOE Conference in Washington D.C. The small business contractor of the year was awarded to Frank's Supply of Albuquerque. The 8(a) SDB small business prime contractor of the year was awarded to Tsay Construction Services Corporation of Ohkay Owingeh Pueblo. The small business construction firm of the year was awarded to TEF Construction Inc. of Albuquerque. The small business technology firm of the year was awarded to Holman's Inc. of Albuquerque. North Wind Inc. was awarded the Mentor-Protégé team award as the protégé. North Wind is headquartered in Idaho Falls, Idaho but has offices in Los Alamos and Las Cruces.



Clay Sell, Sylvia Medina of North Wind and Theresa Speake

The nominators for Tsay Corporation, Holman's and Frank's Supply were Jim Palmer, Alison Stransky and Feliz Vigil, all contract administrators in Los Alamos's Acquisition Services Management Division.

The 9th Annual DOE Small Business Conference will be held in San Antonio, TX during June 23-26, 2008. Highlights of the conference will include:

- Information Sessions and Panels with leading industry and government experts
- A business expo with over 200 exhibitors, including DOE's largest contractors and government procurement officials
- Networking Opportunities with public and private sector decision makers.

**On behalf of the Small Business Team, we look forward to seeing you there!!**



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OUR MISSION: It's the Laboratory's Small Business Program Team's mission to provide small business advocacy and promote utilization that strengthens the capacity, capability, and competency of businesses to assist the Laboratory in fulfilling its goal of protecting the nation.



Please visit our website, it is a valuable guide for suppliers interested in doing business with the Laboratory. Some of the information includes the Laboratory's small business policy, steps for doing business with the Laboratory, a link to the Procurement Organization, and several other small business resources.

### Service Disabled and Veteran-Owned Small Businesses: Contacts for Contracts Conference

The State of NM Service Disabled and Veteran-Owned Small Business conference was held at the Albuquerque Marriott Hotel on August 30-31, 2007. The conference provided several speakers, including the key note speaker, Steven Preston, administrator of the U.S. Small Business Administration. Attendees were able to hear forecasted opportunities from federal, state and local agencies and prime contractors. Attendees were able to participate in workshops and learn about Veteran's benefits and services, SBA certifications, federal contracting basics, facilitating teaming agreements, New Mexico

procurement code, small business resources and VA certifications and contracting. The Matchmaking event provided the attendees an opportunity to network and make new contacts.

There were 298 attendees and the feedback received was very positive. One individual stated, " I liked everything about the conference. I doubt anything could be done better." Another individual said, " My impression is that everyone left with more opportunities for new business than they imagined. I know that is true for us. I will be busy following up next week!"



SBA Administrator Preston addresses Veteran Conference Attendees