

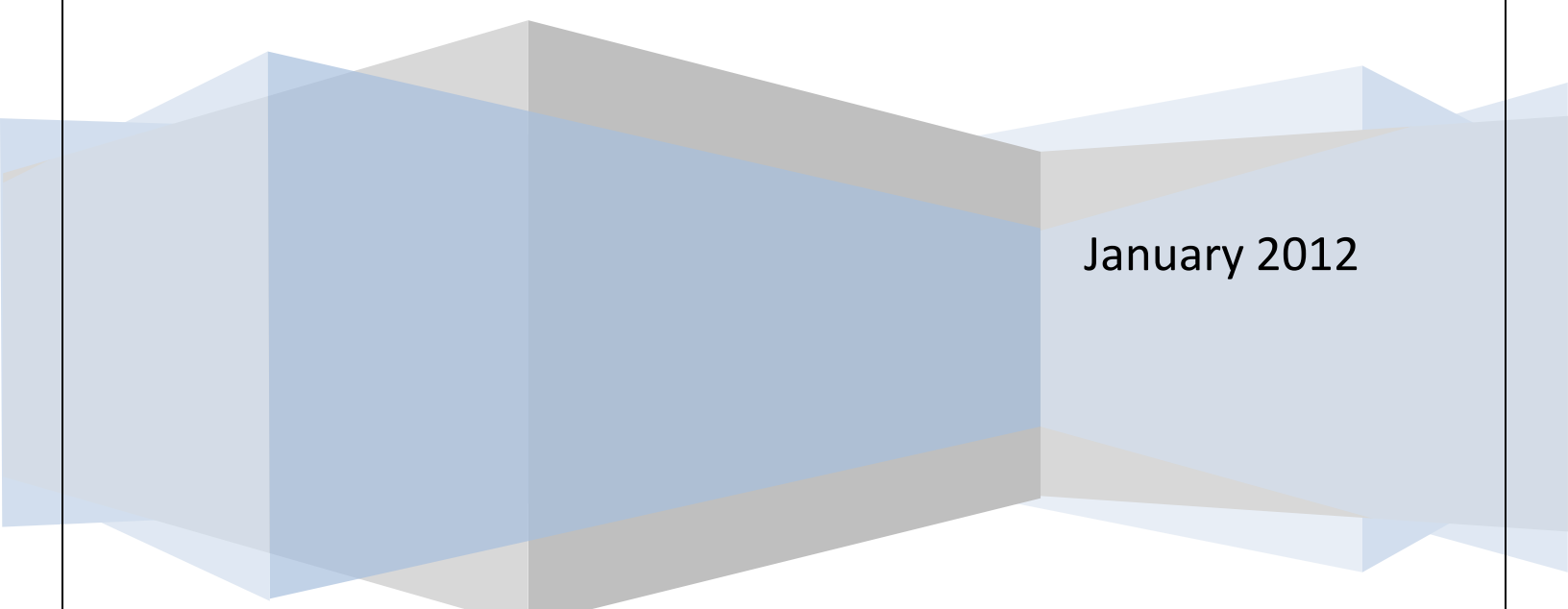
U.S. Small Business Administration

Office of Government Contracting & Business Development

Government Contracting 101

PART 3 – How to Sell to the Government

A Guide for Small Business – Supplemental Workbook



January 2012

Government Contracting 101
PART 3 – How to Sell to the Government



U.S. Small Business Administration

Office of Government Contracting & Business Development

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Guide for Small Business

Welcome to SBA's training program, Government Contracting 101, Part 3.

Office of Government Contracting and Business Development

Jim O'Connor

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Notes:

Introduction

- Designed to help small businesses take advantage of government contracting opportunities
- Part 3 (this module)
 - How to sell to the government
- Parts 1 & 2 (not included in this module)
 - Prime & subcontracting programs, SBA certifications, and WOSB & veterans programs
 - How the government buys



Guide for Small Business

This training module is designed to help small businesses participate in, and take advantage of, government contracting opportunities.

There are three parts to the GC 101 training series. This part, part three, specifically discusses how to sell goods and services to the government.

Parts one and two provide clarity and training around government contracting and certifications programs and how the government buys goods and services.

Notes:

Learning Objectives

1. Understand government contracting programs
2. Know how to sell goods and services to the government
3. Know where to find additional contracting resources



Guide for Small Business

After reviewing this training program you should:

1. Have a better understanding about government contracting programs.
2. Know how to sell goods and services to the government.
3. Know where to find additional contracting resources

Notes:

HOW TO SELL TO THE GOVERNMENT

Selling to the Federal Government

Define products and services
Register in the CCR
Develop a winning CCR profile
Prepare a quality capability statement
Market directly to agencies
Find contract opportunities
Subscribe to bid matching services
Use procurement vehicles
Engage a mentor or partner



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A small business wanting to participate in federal government contract opportunities should engage in several foundational steps.

These steps include: define products and services; register in the CCR; develop a winning CCR profile; prepare a quality capability statement; market directly to agencies; find contract opportunities; subscribe to bid matching services; use procurement vehicles; and, engage a mentor or partner.

Each of these foundational steps is discussed in the following slides.

Notes:

Define Products and Services

- Government uses the [North American Industry Classification System](#) (NAICS) to identify products and services
- [D-U-N-S numbers](#) are used to identify prospective vendors
- DOD uses [Federal Supply Group and Class](#) (FSG/FSC)



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Government agencies use the North American Industry Classification System, more commonly referred to as a NAICS code, to identify products and services by industry type. A NAICS code, or codes, identifies the products and services a company supplies. The NAICS code is a six digit number that describes a particular product or service a company supplies. A firm can have multiple NAICS codes.

NAICS codes do not uniquely identify the business. The Federal government uses D-U-N-S numbers, provided by Dun & Bradstreet, to identify prospective vendors.

You can find the NAICS codes for your products and services by clicking on the referenced hyperlink. It is also important to note that you can use your NAICS code or codes to conduct online searches at the Websites of numerous federal agencies to learn what they are buying.

To participate in contract opportunities within the Department of Defense (DOD), a firm will also need to know its Federal Supply Group or Class code.

The hyperlinks provided can be used by a firm to identify appropriate NAICS codes, obtain a D-U-N-S number, and identify its appropriate Federal Supply Group. It is important that a firm properly define its products and services.

Notes:

Register in the CCR

- CCR is the primary source for agencies to learn about prospective vendors
- Government maintained database
- A firm must register in the [CCR](#) to participate as a seller in the Federal space



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The Central Contractor Registration, more commonly known as the CCR, is the primary source for agencies to learn about prospective vendors.

The CCR is a government-maintained database of companies wanting to do business with the government. This database is a marketing tool for businesses and a searchable list of prospective vendors for the government.

A firm must register in the CCR to participate as a seller in the federal space. Further, the firm's profile in the CCR must be updated at least once every 12 months – for the profile to stay active.

Notes:

Develop a Winning CCR Profile

- CCR profile is important. Small businesses should:
 - Review the [CCR user's guidebook](#)
 - Access the [CCR site](#) and perform multiple searches as if it was hiring a firm similar to itself
 - Treat its profile as its business resume
 - Get feedback about its CCR profile and update accordingly
 - Updated profile annually or sooner if necessary

FAR 4.11



Guide for Small Business

Your CCR registration is an important marketing tool for your business. You should:

1. Download the free CCR user's guidebook. You must be prepared before you get started;
2. Access the CCR site and perform multiple searches, as if you were looking to hire a firm like yourself. Review profiles of businesses in similar areas of expertise and use them as a guides when developing your own business profile. Learning from the wisdom of others is paramount;
3. You should treat your CCR profile as your business resume. As with any resume, it should be regularly reviewed, updated and strengthened.
4. And finally, get feedback. This is important. When you talk with contracting officers, mentors and other procurement professionals ask them for a candid appraisal of your CCR profile. This information should be used to make necessary adjustments.

Notes:

Prepare a Quality *Capability Statement*

- Prepare a comprehensive *Capability Statement* outlining management, technical and business strengths
- Statement should include:
 - Specific capabilities and skills
 - Past performance history, with specific projects
 - Awards and commendations
 - Resumes of key management
- Seek feedback and refine accordingly
- Should also be included in the Dynamic Small Business Search Database within the CCR



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A business should prepare and maintain a comprehensive Capability Statement that clearly outlines its management, technical and business strengths. This is important. Such a statement should include specific capabilities and skills, past performance history, awards and commendations, and resumes of key management personnel.

As with your CCR profile, you should seek regular feedback on your capability statement and refine and update it accordingly. This is important.

Notes:

Market Directly to Agencies

- Market products directly to federal agencies and large prime contractors (Note: <http://www.osdbu.gov/members.html>)
- Participate in procurement related conferences, activities and matchmaking events
- Take advantage of training / networking opportunities identified on SBA's local district office Websites.



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A firm should understand that there are differences between selling to the government and selling to the private sector.

However, good marketing is key. You should learn what agencies or prime contractors have a need for and then clearly demonstrate – to appropriate agencies or prime contractors -- how your business can fill specific needs and add value.

In addition, you should participate in procurement related conferences, activities and matchmaking events. These activities will help you become known to contract “players” and to be a participant in the procurement arena.

Finally, visit your local SBA district office Website. At that site, by clicking on events – you can learn about training and networking opportunities.

Notes:

Use Procurement Vehicles

- Consolidated purchasing vehicles
- Multiple Award Schedules
 - Learn about [GSA Schedules](#)
 - Learn about [GWACS](#)



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In Part 2 of the Government Contracting 101 series, we learned about consolidated purchasing programs. Under such programs, the Federal government tries to benefit from economies of scale and make it easier for vendors to sell to the government by establishing Multiple Award Schedules.

These schedules are often referred to as procurement vehicles. Two examples of this type of contracting include General Services Administration (GSA) Schedules and Government Wide Acquisition Contracts or (GWACs). Under the GSA Schedule, GSA negotiates prices and terms with prospective vendors and enters into an agreement with those vendors. Under the agreement, participating government agencies can purchase products and services from a schedule of prospective vendors, according to prices and terms already agreed to by the vendors.

Procurement vehicles can be valuable tools for small businesses to gain access to contract opportunities.

Notes:

Find Contract Opportunities

- Federal government lists contract opportunities online at www.fbo.gov
- Learn more about FBO: [Demonstration Videos](#) & [FAQs](#)



Guide for Small Business

It is impossible for a small business to sell its products or services to the government, if it doesn't know which agencies are buying, what their needs are and when they need it.

To market or advertise contract opportunities to the public, the federal government operates a robust, online service called Federal Business Opportunities, but more commonly known as FBO or FedBizOpps. This single entry, government-wide Website profiles available business opportunities and is one of the most powerful tools available to help you become successful in government contracting. The online tool identifies contract opportunities over \$25,000.00.

Firms can also view past awarded contracts in the FBO – which may help you with preparing future proposals or bids.

The FBO is a very powerful tool. It is important that your business understands how to fully use all aspects of this tool. The referenced hyperlinks are very helpful.

Notes:

Find Subcontract Opportunities

- Subcontracting or teaming can be profitable
- Performing as a subcontractor can prepare you to be a prime contractor in the future
- SBA maintains a database of subcontracting opportunities. This searchable database is called [SUB-Net](#)



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An alternative to seeking prime contracts is to explore subcontracting opportunities.

Subcontracting with a prime contractor can be a profitable experience as well as a growth opportunity for a business. If, after assessing the capabilities and capacity of your business, you concludes that you are not ready to bid competitively for prime contracts, you should consider opportunities available through subcontracting.

To help small businesses find opportunities, SBA maintains, SUB-Net, a searchable database of available subcontract opportunities.

Notes:

Subscribe to *Bid-Matching* Services

- Some companies subscribe to bid-matching services
- Provide contract leads that match a client's qualifications
- PTAC's offer free bid-matching services

(Note: <http://www.dla.mil/SmallBusiness/Pages/ptap.aspx>)



Guide for Small Business

To help find contract opportunities, some companies subscribe to bid-matching services. Such services provide leads on prospective contract opportunities that match a business's qualifications. Such services do much of the work associated with finding contract opportunities, but the business still has to prepare the bid and win the contract.

A small business can subscribe to a free bid-matching service through its local Procurement Technical Assistance Center. Other bid-matching services are also available.

Notes:

Engage a Mentor or Partner

- A firm can waste a lot of time and expend unnecessary resources if it doesn't understand how to play in the federal contracting arena
- Knowledge is everything
- Find a mentor or contracting coach
- Create partnerships or form joint ventures



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If there is one message that is consistent throughout this presentation – it is -- knowledge is everything. A business can waste a lot of time and expend unnecessary resources if it doesn't understand how to play in the federal contracting arena.

Knowledge is power. Engage a mentor or contracting coach to help guide you through the challenging aspects of trying to win federal contracts.

Also, and this is important, consider creating partnerships or forming joint ventures with seasoned large or small firms. Such partnerships can be excellent vehicles to participate in government contracts.

Notes:

RESOURCES & TOOLS

Resources & Tools

- Federal Acquisition Regulations
 - <https://www.acquisition.gov/far>
- Acquisition Central
 - <https://www.acquisition.gov/>
- FAR Part 19 – Small Business Programs
 - <http://www.acquisition.gov/far>
- Code of Federal Regulations (13CFR)
 - <http://www.gpoaccess.gov/cfr/index.html>
- Federal Business Opportunities
 - <http://www.fbo.gov>
- SBA-Government Contracting
 - <http://www.sba.gov/aboutsba/sbaprograms/gc/index.html>



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Information is power. Numerous resources are available to help you better understand government contracting programs.

Notes:

Resources & Tools

- Online Representations & Certification Application (ORCA)
 - <https://orca.bpn.gov>
- Agency Supplemental Regulations
 - https://www.acquisition.gov/agency_supp_regs.asp
- Find your local:
 - [SBA district office](#)
 - [Procurement Technical Assistance Center \(PTAC\)](#)
 - [SCORE chapter](#)
 - [Small Business Development Center](#)
 - [Women's Business Center](#)



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Learn from these resources and use them as tools.

Notes:

Conclusion

- Thank you for participating in Part 3, of the Government Contracting 101 training series
- Review Parts 1 and 2
 - Government Contracting and SBA Certification Programs
 - How the Government Buys

Thank you...



Guide for Small Business

Thank you for participating in Part 3, of the GC 101 training program. Much information was covered and we hope it was helpful.

Please also review parts 1 and 2, which provide clarity and training around government contracting and SBA's certification programs, and, how the government buys goods and services.

Thank you.

Notes: