Marketing and Selling to the Federal Government
Course Objectives

• Government Contracting Suitability
• How the Government Buys Goods and Services?
• Marketing Your Business & Identifying Federal Opportunities
• Prime and Subcontracting
• How the Government Can Help
YOUR NAME

NAME OF COMPANY

YEARS IN BUSINESS

LOCAL, STATE OR GOV’T CONTRACTS?
Government Contracting Suitability
Are You a Small Business?

Size Standards
Determined by NAICS industry codes

Size Restrictions
Average number of employees or annual receipts

Business Type
Sole proprietorship, partnership, corporation, or any other legal form

Non-Qualified Business
Primary operations outside the U.S.

Location
Operates primarily within the U.S.

Other
Non-profit businesses are not considered
Do You Know Your NAICS Codes and Size Standards for Your Industry?

NAICS codes define establishments and are used for administrative, contracting, and tax purposes.

SBA size standards using NAICS as their basis apply to all Federal government programs, including procurement.

Visit the United States Census Bureau NAICS website to identify your NAICS code(s).
Traditional Business Plan Format

- Company Information & Executive Summary
- Structure
- Market Analysis
- Marketing & Sales
- Service/Product Line
- Financial Projections
Do You Have Adequate Cash Flow to Finance a Government Contract?

- **Character**: Do you demonstrate strength of Character?
- **Cash Flow**: Do you have adequate Cash Flow to repay a loan?
- **Collateral**: Do you have Collateral to offer lenders?
- **Capitalizations**: Do you have Capitalizations plus liquid holdings and earnings?
- **Conditions**: Are there outside Conditions that will affect ability to repay loan?
Is Your Business Ready?

Does the Government…
Buy what you sell

Do you have…
Federal contracting experience
Cash, inventory, working capital

Are you capable…
Of fulfilling a government contract

Do you know…
Where to find contracting opportunities
How the Government Buys Goods and Services
Government-Wide Contracting Goals

COMPETITION TYPES TO WIN GOVERNMENT CONTRACTS

01 Full and Open Competition

02 Small Business Set-Asides

03 Sole Source

WORLD’S LARGEST BUYER

- $500,000 billion/year
- 23% federal contract dollars are intended for small businesses

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Competition Types to Win Government Contracts

**Full & Open**
- Level playing field with full visibility
- Any responsible

**Set-Asides**
- Rule of Two
- Subcontracting limitations

**Sole Source**
- One firm can provide
- Compelling urgency
- International agreement
- National security or public interest
- Authorized or required by law
- Allowed under certain small business contracting and business development programs, such as 8(a)
Set-Aside for Certification Programs and Socio-Economic Categories

Targeted set-asides and acquisition goals:

- Women-Owned Small Businesses (5%)
- Small Disadvantaged Businesses (including 8(a) certified) (5%)
- HUBZone Businesses (3%)
- Service-Disabled Veteran-Owned Small Businesses (3%)

Set-asides are reserved for small business between $3,500 (Micro-purchase Threshold) to $250,000 (Simplified Acquisition Threshold)
Primary Methods of Contracting

01 Micro-purchases
Not requiring competitive bids and paid for by Government Purchase Card/Credit Card

02 Simplified Acquisition Process
Purchases $3,500 - $250,000

03 Sealed Bidding
Used when government has a need for services/supplies that is clear, specific and complete. NO negotiation prior to award.

04 Contract by Negotiation
Technical products valued at $150,000 or more. Negotiation allowed prior to award that considers more than price-related factors
Types of Contracts

Indefinite Delivery, Indefinite Quantity
- Definite quantity and requirement contracts
- Indefinite Delivery, Indefinite Quantity Contract (IDIQ)

Time, Materials & Labor
- Acquiring supplies/services based on direct labor hours at a fixed hourly rate

Incentive
- Supplies/services acquired at lower costs

Fixed Price
- Economic price
- Incentive contract

Cost Reimbursement
- Payment of allowed incurred cost
Agreements

01 Basic Order Agreement (BOA)
- Not a contract
- Expedites contracting for uncertain requirements

02 Blanket Purchase Agreement (BPA)
- Method of filling anticipated repetitive needs for supplies and services
Marketing Your Business & Identifying Federal Opportunities
Research Your Market

Know what agencies buy your **products and services**

Find your **niche**, competition is fierce

Understand areas of **government spending**

Know your **competition** and their contracts
Understand Your Customers

- INFLUENCERS
- SMALL BUSINESS SPECIALIST
- SBA POINT OF CONTACT
- BUYERS
- END USER
Ingredients to Making a Favorable Impression

- Be familiar with the agency you are targeting
- Be prepared to deliver a concise “elevator speech”
- Present a business card with your certifications
- Have a capability statement including your NAICS code(s)
What is a Capability Statement?

1. **Purpose**
   - Proof of Qualification
   - Introduction

2. **Marketing**
   - Door Opener
   - Captivate Customers

3. **What Is It**
   - Business Resume
   - Relationship Builder

4. **How to Use It**
   - Prime or Teaming Opportunities
   - Part of a Sources Sought or Request for Information Response
Core Elements of a Capability Statement

**Title**
- Include firm’s logo
- Other branding elements

**Corporate Data**
- Office locations and contact information

**Company Data**
- Financial stability/capacity
- Number of employees/teams
- DUNS, CAGE, NAICS
- GSA Schedule

**Past Performance**
- Show your benefits
- List your past customers
- Types of contracts

**Unique Features**
- What sets you apart?
- What is the benefit?
- Socio-economic certifications
- Insurance and bonding capacity
Tips for Better Capability Statements

- Limit to 1 page
- Solicit feedback
- Make it visually appealing
- Check spelling and grammar
- Link to website
- Concise current information
- Use bullets, tables and highlighted sections
- Use government language
Keys to a Successful Meeting

01 Request a Meeting
   • Do your homework
   • Give specific reasons for meeting

02 Conduct Pre-Meeting Research
   • Keep track of past, current and future opportunities

03 Post Meeting
   • If you made promises at meeting, keep them!
   • Write a thank you note
   • Ask them to share information
Write a Government Marketing Plan

Government Fiscal Year: October - September

Oct - Dec 1st Qtr
Raising Awareness and Building Relationships

Jan - June 2nd/3rd Qtr
Lead Generation Campaigns & Response

July - Sept 4th Qtr
Last Minute Offers and Awareness Campaigns
Speak the Government’s Language

- Rework your message
- Ask questions
- List contract vehicles
- Stress contracting expertise
- Proof your message
How to Find Decision Makers

Call and Make an Appointment

Network and Contact a Small Business Specialist

Submit an Invitation to Bid
Prime and Subcontracting
Prime and Subcontractor Relationship

**DEFINITIONS**

**Prime Contractor:**
A person who has entered into a prime contract with the U.S.

**Subcontractor:**
A person or business that is awarded a subcontract to provide supplies or services necessary in the performance of another’s contract.

- Prime controls relationship
- Prime and subcontractor need to work as a cohesive, high-performance team
- Planning and communication leads to more successful contract
Consider Subcontracting

Build Capacity
• Land a Contract

Work with a Prime
• Teaming Agreement
• Joint Venture
• Mentor Protégé

Enhance Past Performance
• Gain Experience
• Expand Opportunities
How the Government Can Help
Procurement Assistance

SBA Resources
• Business Opportunity Specialist
• Procurement Center Representative

Procurement Technical Assistance Centers
• Government contract assistance
• Consulting and workshops
• Information and resources

Marketing Resources
• FedBizOpps
• Federal Procurement Data System
• System for Award Management
• Dynamic Small Business Search System
• Subcontracting Networking System (SubNet)

Other Resources
• USASpending
• GSA Subcontracting Directory
• DoD Prime Contracting Directory
Consider becoming a GSA Schedule Contractor

- Requires prequalification
- Gets your company on the schedule
- Benefits the customer
- Allows you to market your schedule
- Accesses preferred vendor lists
To Get Started…

1. Obtain a Data Universal Number System (DUNS) (866) 705-5711
   Click Here

2. Register in the System for Award Management (SAM)
   Click Here

3. Obtain a Commercial and Government Entity (CAGE) Code
   Click Here
Advantages of Registering with FBO.gov

- Basic Search
- Advanced Searches
- Opportunity Searches
- Notices
Get to Work and Submit Your Bid

1. Find a Promising Opportunity
   - Evaluate pricing
   - Demonstrate past performance
   - Target agency’s needs and goals

2. Submit your Bid and Wait
   - Submit bid
   - Wait for response
   - Prepare for oral presentation (if needed)

3. Request a Debrief
   - Understand why you won/lost
   - Evaluate marketing and bidding strategy
   - Look for strengths and weaknesses
# Where To Go for Help

## District Office & Local Resources

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<thead>
<tr>
<th>Resource</th>
<th>Phone</th>
<th>Website</th>
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<tr>
<td>SBA EL PASO DISTRICT OFFICE</td>
<td>915-834-4600</td>
<td><a href="https://www.sba.gov/offices/district/tx/el-paso">https://www.sba.gov/offices/district/tx/el-paso</a></td>
</tr>
<tr>
<td>SMALL BUSINESS DEVELOPMENT CENTER</td>
<td>915-831-7743</td>
<td><a href="https://elpasosbdc.net">https://elpasosbdc.net</a></td>
</tr>
<tr>
<td>SERVICE CORPS OF RETIRED EXECUTIVES</td>
<td>915-538-2489</td>
<td><a href="https://elpaso.score.org/">https://elpaso.score.org/</a></td>
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</tbody>
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