

## Uncovering the Government's Hidden Treasure

by [Bill Gormley](#) **BLGR** on 01-19-2010 01:11 PM

I'm going to start off this post saying something that may make you want to click away. I'd like to ask you to fight that instinct. Stick with me, and I'll explain why.

Here goes: "Small Business Set-Asides".

Are you still with me?

So often, when someone starts talking about small-business set-asides, half the audience either tunes out or leaves the room. Medium and large companies assume they are shut out of this "special" deal the government has worked out for small businesses.

I'm here to tell you this is not the case. Socioeconomic set-aside programs are an opportunity for all companies. In fact, these programs may actually be the most lucrative hidden treasure the government has to offer – for all businesses, large and small. The goal of socioeconomic programs in government contracting is to direct the outlay of taxpayer dollars toward the growth and development of new services and products for the government in the small business sector.

There are a range of these socioeconomic programs focused on certain categories of business:

- Small
- Small disadvantaged
  - Section 8(a)
  - Women-owned
  - Veteran-owned
- Service-Disabled Veteran-Owned
- HUBZone (Historically Underutilized Business Zone)
  - Alaska- or Hawaii-Native Owned

You can get a description of most of these from the Small Business Administration (SBA) on a page within their website called [Classifying Your Business](#).

### The Small-Business Advantage

The federal government has a goal of awarding twenty-three percent of its contracts to companies that fit into one or more of these categories. The government is serious about this goal. There are even particular Special Item Numbers (SINs) within the GSA Schedules Program that are designated as small-business set-aside SINs.

Let's say you're a small business that provides advertising and marketing services. If you're on the GSA Schedule – specifically Schedule 541 (Advertising and Integrated Marketing Solutions, or AIMS) – you'll find that several SINs within Schedule 541 are small-business set-asides:

- 541-3 for Web-based marketing services
- 541-4D for Conference, Events, and Trade-Show Planning Services
- 541-4E for Commercial Photography Services

- 541-4F for Commercial Art and Graphic Design Services.

Other schedules have similar set-aside SINs, from Temporary Services to Scientific Equipment and Services to Financial And Business Solutions (FABS). Even where SINs are not set-aside under the GSA Schedule, agencies can give preference to small business concerns at the task-order level.

The challenge for many small businesses – and the opportunity for medium and large businesses – is that many small and/or disadvantaged businesses cannot do the job without help. The reality is many of these companies do not have the structure, the staff, or the technology to support some of the contracts that have been set aside for them.

In some cases, help from mid-sized or large businesses is necessary for them to secure the contract in the first place. In fact, if not for small-large business partnerships, neither company would be eligible to win that contract.

### **The All-Business Advantage**

Let me give you some examples.

Can you think of a small business that makes desktop or laptop computers, for example? I can't. But small resellers can take products from large OEMs and wrap services around them and qualify for small-business contract awards.

In the building, building supply and real-estate markets, there are a good number of contracts set aside for specific socioeconomic businesses. So, many small property management companies will team with large builders to secure government contracts neither would otherwise qualify for.

I can think of any number of other industries where this type of teaming is par for the course, from financial and business solutions to food services to office supplies to furniture to professional staffing. If you're a business of ANY size in almost ANY industry, socioeconomic set-asides are an opportunity for you.

### **Where to Find Partners**

There's a good chance that you know who your competitors are. When it comes to winning government business, your competitor may become your partner – especially, if you have different sized businesses.

But if you'd like to bid for a set-aside contract and you don't know where to turn – to find a company that fits the socioeconomic requirements and can take the lead, or to find a larger company to augment your in-house capabilities – the government offers several options.

For small businesses that may be looking to subcontract on larger contracts, GSA offers a [Subcontracting Directory](#). This provides a comprehensive listing of companies that have subcontracting plans and/or goals. Companies are listed by region; each listing has the

company's name, address, and product or service as well as the name and phone number of the small-business contact there. This is a great tool. I highly recommend it.

For *any size* company looking for a partner *of any size*, your best bet is the [GSA eLibrary](#). This is a comprehensive listing of all suppliers that have GSA Schedule contracts, and what they sell.

The key here is that – particularly for large businesses – you can search specifically for companies of a particular socioeconomic status. You can search by contract number, Schedule number, technology or service type, and much more. So, if there is an RFP coming up for a set-aside contract, you can search here for an ideal-fit partner.

### Conclusion

I'm not advocating that large businesses take small-business dollars. On the contrary; I'm advocating cooperation – and the business smarts to take advantage of opportunities when they present themselves.

If you're a map reader looking for a hidden treasure, you cannot actually get that treasure without the help of someone who can provide the transportation and the tools to get there and uncover the prize. In fact, none of the participants would be able to retrieve the treasure on their own.

Socioeconomic Programs are an opportunity for everyone – not just small businesses. They're the government's hidden treasure.

### Additional Resources

[Small Business Certification: Benefits & Requirements](#)

[What is a Small Business? – What You Need to Know and Why](#)

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