

Doing Business with USDA

Programs for Small, Disadvantaged and Women-Owned Businesses

Office of Small and Disadvantaged Business Utilization (OSDBU)

The U.S. Department of Agriculture (USDA) Office of Small and Disadvantaged Business Utilization (OSDBU) was established on June 26, 1979, and tasked with responsibility for fostering the use of small, disadvantaged and women-owned businesses as Federal contractors. OSDBU's goal is to provide as much information, guidance and technical assistance as possible to assist the small business community in increasing its competitiveness through increased participation in USDA's procurement and program activities. Small businesses may contact the OSDBU at the following address:

USDA Office of Small and Disadvantaged Business Utilization
1400 Independence Ave., SW, Room 1566, South Building
Washington, DC 20250
Telephone: (202) 720-7117
Internet Website: <http://www.usda.gov/osdbu>

OSDBU Customer and Outreach Services

- ▶ Guides and advises small business representatives on strategies for marketing to USDA agencies;
- ▶ Updates small business on contracting regulations;
- ▶ Educates small business on how to obtain certifications;
- ▶ Monthly Vendor Outreach Sessions - Refers small businesses to the appropriate USDA procurement activity or Federal department that can use their products and services;
- ▶ Promotes the use of small business and 8 (a) set-asides;
- ▶ Mediates disputes between contractors and the contracting activity to resolve misunderstandings in compliance with Federal Acquisition Regulations and policies; and
- ▶ Publishes, updates and disseminates brochures, fact sheets, and forecasts for USDA's contracting programs.

Procurement Preference Programs

- ▶ **Small Business Set-aside Program** permits competition on certain solicitations among small businesses only.
- ▶ **The Section 8 (a) Program** (started in 1968 under the authority of Section 8(a) of the Small Business Act, as amended) is administered by the Small Business Administration (SBA). The 8(a) Program allows USDA to enter into contracts for supplies and services with SBA, who then subcontracts these requirements to approved socially and economically disadvantaged firms. The purpose of the program is to:

- (1) Foster business ownership by individuals who are socially and economically disadvantaged;

- (2) Promote the competitive viability of these firms by providing contract, financial, technical and management assistance; and
- (3) Expand the amount of Federal dollars spent on purchasing products/ services from small businesses owned by socially and economically disadvantaged individuals. *For eligibility requirements and additional information, contact SBA's Office of Minority Enterprise Development, Division of Program Certification and Eligibility located in your area. Web Page: <http://www.sba.gov/sdb>.*

▶ **Women-Owned Business Enterprise Program (WBE)** is a USDA program enacted to ensure that businesses owned and controlled by women are given an opportunity to compete for contracts.

▶ **Subcontracting Program** requires that Federal contractors (*except small businesses*) with contracts over \$500,000 (*\$1 million for construction*) establish subcontracting plans providing for the maximum utilization of small business concerns.

▶ **The Small Business Competitiveness Program** studies the ability of small businesses to compete successfully in four designated industry groups: 1- Construction, 2- Refuse Systems & Related Services, 3- Architectural & Engineering Services (including surveying & mapping), and, 4- Ship Building & Repair for the purpose of increasing procurements in 10 industry categories lacking small business participation. **USDA's 10 targeted industry categories** are: *Maintenance & Repair/Automated Data Processing (ADP) Equipment, Installation of ADP Equipment, Technology Studies, Other Photo/Mapping/Printing Services, Vocational/Technical Training, Leasing Special Industrial Machinery, Chemical Products, ADP Central Processing Units, Bags and Sacks, & Outerwear (Men's).*

▶ **The SDB Program** applies only to Federal procurement. (All 8(a) firms qualify for SDB certification.) SDB Incentives: (1) **price evaluation adjustment** - qualified SDBs receive an adjustment (*up to 10 percent*) for contracts awarded through full and open competition; (2) **evaluation factor** - prime contractors can receive evaluation credit for using SBA certified small disadvantaged business subcontractors.

▶ **HUBZone Program** is the SBA program for qualified small businesses located in historically underutilized business zones. This program is designed to increase employment opportunities; stimulate capital investment in those areas; and empower communities through creating and sustaining successful small business enterprises. To participate in the **HUBZone Empowerment Contracting Program**, a concern must be determined to be a "qualified HUBZone small business concern." A firm can be found to be a qualified HUBZone concern, if: (1) It is small; (2) It is located in an "historically underutilized business zone" (HUBZone); (3) It is owned and controlled by one or more U.S. Citizens; and (4) At least 35 percent of its employees reside in a HUBZone. Web Page: <http://www.sba.gov/hubzone>.

▶ **Veterans Entrepreneurship and Small Business Development Act of 1999** expanded existing and new assistance programs for veterans who own or operate small businesses. Under the program, veteran-owned and service-disabled veteran-owned businesses must be afforded maximum practical opportunity to participate in the performance of contracts and subcontracts awarded by Federal agencies; subcontracting plans must include a goal for

Bringing Rural America Venture Opportunities - BRAVO

veteran-owned small businesses; and not less than 3 percent of the total value of all prime contract and subcontract awards for each fiscal year must be awarded to veteran-owned small businesses. Information on this program is available on the Small Business Administration (SBA) website at <http://www.sba.gov>.

- ▶ The **Bringing Rural America Venture Opportunities (BRAVO)** program is an initiative of USDA that establishes and utilizes partnerships of rural communities, Indian tribes, small businesses, private corporations, educational institutions and government organizations to bring jobs and contracting opportunities to rural areas to people on the other side of the "Digital Divide." BRAVO is designed to advance the economic prosperity of entire rural communities, through assisting tribal and other rural small businesses to build competitive enterprises.

BRAVO builds practical business-driven teaming relationships, matching tribal and other categories of rural small businesses with large, experienced, Federal Information Technology (IT) contractors, in mentor-protege relationships. BRAVO's first mentor teams were built between tribal clients and corporations, since IT work is suitable for performance in remote areas. As the program continues to develop, additional business areas, i.e., food processing, business and financial service areas and other requirements will become available for participation.

Capacity Builders:

- ▶ These pairs utilize USDA and other Federal contract vehicles as well as prime and subcontracting opportunities.
- ▶ Contracting with Federal agencies, presents a fertile business opportunity.
- ▶ Federal agencies may award non-competitive sole source procurements with no maximum contract award thresholds to Alaskan Native and tribally-owned 8 (a) firms.
- ▶ BRAVO seeks to utilize the incentives and advantages of Historically Underutilized Business Zones (HUBZones) and Empowerment Zone (EZ) programs, as well as other USDA and SBA programs.
- ▶ BRAVO mentors work with small rural businesses to provide the technical training and support they need, preparing them to engage effectively in Federal contracting.

For additional information about BRAVO, contact: telephone - (202) 690-3837; Fax - (202) 720-3001; E-mail - joe.ware@usda.gov; or visit BRAVO's web page: at <http://www.usda.gov/osdbu>.

Small Business Innovation Research

The **Small Business Innovation Research (SBIR)** program backs high-quality Research and Development (R&D) proposals (agriculturally related topics) that could potentially result in significant public benefit. Program objectives:

(1) strengthen opportunities for small businesses to participate in meeting Federal research and development needs; (2) encourage participation of minority and disadvantaged small business firms in technological innovation efforts; and (3) expand role of small businesses in contributing innovation. The types of research projects awarded under this program include, but are not limited to:

- ▶ Forests and related resources,
- ▶ Animal and plant production and protection,
- ▶ Rural and community development,
- ▶ Aquaculture, and
- ▶ Food science and nutrition

USDA's SBIR program is administered by the Cooperative State Research, Education and Extension Service (CSREES). For additional information please visit the SBIR website: <http://www.reeusda.gov/sbir/> or contact:

Dr. Charles F. Cleland, Director, SBIR Program
CSREES/USDA, STOP 2243,
1400 Independence Ave. SW,
Washington, D.C. 20250-2243,
Telephone (202)-401-4002
Facsimile (202)-401-6070
E mail: ccleland@reeusda.gov

Business and Industrial Loan Program

The USDA Rural Development (RD) mission area administers the **Business Loan Industrial (B&I) Loan Guarantee program** to improve, develop, guarantee and finance business, industry and employment; proactively attempting to improve the economic climate in rural communities. Please contact: RD Office (202) 692-0200 or the USDA OSDBU (202) 720-7117. Specific Information is available on RD's Web Site http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm.

Issued by:
USDA Office of Procurement & Property Management (www.usda.gov/procurement/) and
USDA Office of Small & Disadvantaged Business Utilization (www.usda.gov/osdbu)



The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 14th and Independence Avenue, SW, Washington, DC 20250-9410 or call 202-720-5964 (voice or TDD). USDA is an equal opportunity provider and employer.



PA-1613
Stock No. AD-1130
Revised: September 2001