

U.S. Small Business Administration

The Facts About . . .

The Very Small Business Set-Aside Program for Federal Government Contracts

The U.S. Small Business Administration's Very Small Business Set-Aside Pilot Program was created to ensure that small businesses get their fair share of government contracts and subcontracts.

The program, an extension of the SBA's Small Business Set-Aside Program, is administered by the SBA as a pilot to increase opportunities for very small businesses. Procurement requirements estimated to be between \$2,500 and \$50,000 must be reserved for eligible VSB concerns in designated pilot SBA districts.

The program is designed for businesses with fewer than 15 employees and less than \$1 million in average annual receipts. The pilot program is limited to geographic areas served by 10 specifically designated SBA district offices throughout the country.

How Does the VSB Program Work?

Under the Very Small Business Set-Aside Pilot Program, federal government agencies which have requirements for goods or services ranging between \$2,500 and \$50,000 must first try to have very small businesses fulfill the contracts. Federal government small contracts add up to big business — \$5.2 billion worth in fiscal 1997.

All types of contracts authorized under the Federal Acquisition Regulation will be available under the VSB pilot program, which runs through Sept. 30, 2000.

The VSB Set-Aside Pilot Program requires that federal procurement contracts between \$2,500 and \$50,000 must be reserved for very small businesses if:

- the sales contract (for products or services) will be performed in one of the 10 geographical areas included in the pilot program, and
- there is a reasonable expectation of obtaining two or more competitive bids from responsible very small businesses headquartered in the same geographic area.

How Can Your Business Participate?

- The first step, which is simple and free, is to register your business on PRO-Net®, the SBA's source list of small business suppliers, at: www.pronet.sba.gov.

PRO-Net® will guide you through simple forms that provide purchasers with information on the capabilities of your business and the types of goods or services you provide. Your business's profile will also reach those state and local government purchasers using PRO-Net® databases to fill their orders. Prime contractors to the federal government seeking small business contractors, subcontractors or small business partnerships also use Pro-Net®. The PRO-Net® database is free to all small businesses seeking federal, state or private contracts.

Another advantage to registering is that PRO-Net® provides an electronic link to the Commerce Business Daily, federal agency World Wide Web home pages and other sources of procurement opportunities, information, assistance and training for your business.

- The second step is to ensure that your e-mail address and World Wide Web site, if you have them, are listed so that government buyers can easily contact you with solicitations for your goods or services.
- In the third step, your business should consider allowing government purchasers to pay for your goods or services with credit cards.
- The last step is to market your business to federal agencies in need of your products or services. The SBA District Office and our SBA representatives at federal procurement centers throughout the country can help you identify federal purchasing agencies in your area.

Are There Other Requirements for Participation?

There are no other formal requirements for the VSB program, except to respond to federal agency procurement solicitations if you desire to compete for a particular contract. Your firm will self-certify its VSB status as part of your oral or written offer to the government.

Where Can I go for More Information?

Visit the Very Small Business Web site at: www.sba.gov/gc/

Where Is the Program Available?

The designated SBA offices and the geographic areas they serve are:

- Albuquerque, NM: New Mexico.
- Boston, MA: Massachusetts.
- Columbus, OH: Adams, Allen, Ashland, Athens, Auglaize, Belmont, Brown, Butler, Champaign, Clark, Clermont, Clinton, Coshocton, Crawford, Darke, Delaware, Fairfield, Fayette, Franklin, Gallia, Greene, Guernsey, Hamilton, Hancock, Hardin, Highland, Hocking, Holmes, Jackson, Knox, Lawrence, Licking, Logan, Madison, Marion, Meigs, Mercer, Miami, Monroe, Montgomery, Morgan, Morrow, Muskingum, Noble, Paulding, Perry, Pickaway, Pike, Preble, Putnam, Richland, Ross, Scioto, Shelby, Union, Van Wert, Vinton, Warren, Washington, and Wyandot counties.
- Detroit, MI: Michigan.
- El Paso, TX: Brewster, Culberson, El Paso, Hudspeth, Jeff Davis, Pecos, Presidio, Reeves, and Terrell counties.
- Los Angeles, CA: Los Angeles, Santa Barbara, and Ventura counties.
- Louisville, KY: Kentucky.
- New Orleans, LA: Louisiana.
- Philadelphia, PA: Adams, Berks, Bradford, Bucks, Carbon, Chester, Clinton, Columbia, Cumberland, Dauphin, Delaware, Franklin, Fulton, Huntington, Juniata, Lackawanna, Lancaster, Lebanon, Lehigh, Luzerne, Lycoming, Mifflin, Monroe, Montgomery, Montour, Northampton, Northumberland, Philadelphia, Perry, Pike, Potter, Schuylkill, Snyder, Sullivan, Susquehanna, Tioga, Union, Wayne, Wyoming, and York counties; and the state of Delaware.
- Santa Ana, CA: Orange, Riverside, and San Bernadino counties.

For More Information

SBA offices are located in all 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands and Guam. For the office nearest you, look under "U.S. Government" in your telephone directory, or contact:

- SBA Answer Desk: 1-800 U ASK SBA
- Fax: 202-205-7064
- TDD: 704-344-6640
- Your rights to regulatory fairness:
1-888-REG-FAIR
- OnLine Electronic Bulletin Board
(modem and computer required)
1-800-697-4636 (limited access)
1-900-463-4636 (full access)
202-401-9600 (Washington, D.C., metro area)
- Internet
Home page: www.sba.gov
Gopher: <gopher.sba.gov>
Telnet: <telnet.sba.gov>
U.S. Business Advisor: www.business.gov

SBA Affiliates

Inquire at your local SBA office for the location nearest you.

- BICs — Business Information Centers
- TBICs — Tribal Business Information Centers
- OSCs — One Stop Capital Shops
- SCORE — Service Corps of Retired Executives
- SBDCs — Small Business Development Centers

- USEACs — U.S. Export Assistance Centers
- WBCs — Women's Business Centers

SBA Publications

- Resource Directory for Small Business Management — a listing of low-cost business management publications and videotapes
- The Facts About ... SBA Publications — a listing of free SBA publications

Did you know that in fiscal 1998 the SBA —

- maintained a guaranteed loan portfolio of more than \$40 billion in loans to 491,000 small businesses that otherwise would not have had such access to capital?
- backed more than 47,100 loans totaling \$10.8 billion to America's small businesses?
- made a record 3,456 investments worth \$3.24 billion through its venture capital program?
- provided more than 30,000 loans totaling over \$728 million to disaster victims for residential, personal-property and business losses?
- extended management and technical assistance to nearly 830,000 small businesses through its 12,400 Service Corps of Retired Executives volunteers and 1,000 small business development center locations?
- helped 6,000 small disadvantaged businesses obtain \$5.9 billion in federal contracts?

Did you know that America's 23 million small businesses —

- employ more than 50 percent of the private workforce?
- generate more than half of the nation's gross domestic product?
- are the principal source of new jobs?

All of the SBA's programs and services are provided to the public on a nondiscriminatory basis.

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