



ASSISTANCE FOR SMALL BUSINESS

How To Become a Navy Contractor

Step 1: Identify your Product or Service

Know the **North American Industry Classification System (NAICS) Code** for your product(s) or service(s). Many government product/service listings and future procurements are identified by NAICS Code (<http://www.census.gov/epcd/www/naics.html>). Make sure you list all the NAICS codes for the supplies and services your company provides. These should be listed on the CCR website, and it is recommended to list them plainly on your line card and capabilities brochures and information sheets that you will be providing to Government POCs, and on your business cards (many companies use the reverse side of the business card). A good idea is to include the definition of the NAICS codes you are listing for quick reference and recognition. At marketing expos, it is recommended that you leave Government contacts with a single-sheet capabilities hand-out, printed in black ink, rather than leave your expensive-to-print full-color brochure.

NOTE: Effective October 1, 2000, Small Business Size Standards for all Federal Government programs will be those that the Small Business Administration (SBA) has established for industries as described in the NAICS. The Size Standards for industries described in Standard Industrial Classification (SIC) Codes no longer apply. The new table of small business size standards based on the NAICS (www.sba.gov/size/NAICS-cover-page.htm) has replaced the table based on SIC Codes.

Step 2: Obtain a Data Universal Numbering System (DUNS) Number, register in the Central Contractor Register (CCR) System, and obtain a Commercial and Government Entity (CAGE) Code

Dun and Bradstreet maintain the *DUNS* company identifier system utilized by both government and corporate officials searching for background information on companies. Enter <http://www.dnb.com/us/> to obtain your DUNS number. **You must be registered in the Central Contractor Register (CCR) to be awarded a contract from the Department of Defense (DOD)** (<http://www.ccr.gov/>). CCR is a database designed to hold information relevant to procurement and financial transactions. While on the CCR web site, check out the **Dynamic Small Business Search** database. **Dynamic Small Business Search** serves as an electronic gateway of procurement information -- for and about small businesses. It is free to prime and subcontractors seeking small business contractors, subcontractors and/or partnership opportunities, as well as to federal and state government agencies seeking Small Business sources for new, active procurements. It is a search

engine used regularly by Government contracting officers, buyers, and contract specialists looking for sources for products and services provided by Small Businesses.

A *Commercial and Government Entity (CAGE) Code* is a five-position code that identifies contractors doing business with the Federal Government, NATO member nations, and other foreign governments. The CAGE Code is used to support a variety of mechanized systems throughout the government and provides for a standardized method of identifying a given facility at a specific location. The code may be used for a Facility Clearance, a Pre-award survey, automated Bidders Lists, identification of Debarred Bidders, fast pay processes, etc. (http://www.dlis.dla.mil/cage_welcome.asp)

The CAGE Code request process is now incorporated in the CCR registration (<http://www.ccr.gov/>). Therefore, upon activation in CCR, your company will be automatically assigned a CAGE Code. Notification of your new CAGE Code is by letter via the US Postal Service. The CAGE notification is sent to the person listed under the "Registrant Name" in the registration documentation. In addition, once your registration is active you may view your CAGE code on the web by searching the active registrations at http://www.dlis.dla.mil/cage_welcome.asp

Step 3: Check the Small Business Administration (SBA) web site and investigate SBA resources and Small Business programs

Visit the Small Business Administration (SBA)'s website at <http://www.sba.gov/> While at the SBA's website, be sure to check out the valuable resources available there related to Small Business, such as: District Offices, Service Corps of Retired Executives (SCORE), Women's Business Centers, Small Business Development Centers, U.S. Export Assistance Centers, and Veterans Business Outreach Centers. Find out if your firm is located in a Historically Underutilized Business Zone (HUBZone) and if so, how to participate in the HUBZone Empowerment Contracting Program. If your business is owned and controlled by a woman, be sure to check out the Office of Women's Business Ownership Entrepreneurial Development page which has links to many services designed to help women to succeed in business.

Step 4: Familiarize yourself with Federal, DOD, and Navy contracting procedures

Be familiar with **Federal Acquisition Regulations (FAR)** (www.arnet.gov/far) and the **Defense Federal Acquisition Regulation Supplement (DFARS)** (<http://farsite.hill.af.mil/>).

Doing Business with DoD (http://www.acq.osd.mil/osbp/doing_business/index.htm) offers an introduction to the broad subject of contracting with agencies within DoD. The web site provides an introduction to DoD contracting principles and practices, and much more.

Step 5: Identify the Navy/Marine Corps contracting activity that purchases your product or service and contact the Small Business Specialists on-site

Department of the Navy contracting functions are decentralized. Each Navy/Marine Corps major buying activity purchases supplies and services that support its own mission. Each buying activity has a **Deputy for Small Business and/or Small Business Specialist** assigned to it, and this individual is a source for counsel on small business matters at that particular activity. You can seek out the local Small Business office for the command you want to do business with by contacting the Navy Office of Small Business Programs at <http://www.donhq.navy.mil/OSBP/> The goal of the Navy Office of Small Business Programs is to assist small business entrepreneurs' navigation through the Department's decentralized acquisition program to ensure the Warfighter receives quality products. One major source for business opportunities to investigate is Naval Supply Systems Command (NAVSUP) (<https://www.navsup.navy.mil/navsup>)

Step 6: Identify current and future Navy and Marine Corps procurement opportunities

Visiting the Federal Business Opportunities (FedBizOpps) website on a regular basis (<https://www.fbo.gov/>) will assist you in identifying Department of the Navy, as well as other DOD and Federal Government procurement opportunities. FedBizOpps has been designated as the single source for Federal Government procurement opportunities that exceed \$25,000. All agencies must use FedBizOpps to provide the public with access to notice of procurement actions over \$25,000. For solicitation review purposes, the system displays comprehensive solicitations, including modifications and amendments, to all users. Vendors maintain their own account profile in the system. So, for instance, vendors can track if they have previously indicated interest in a solicitation and help cut down on redundant submissions of interest. Vendors can set up "search agents" to get notices of newly added opportunities that might align with their search criteria. Additionally, they can place notices on their watch list. Notices on the watch list are kept on an easily found list on the system, and any changes to a notice on a watch list are communicated to watch list vendors. To learn more, review the Users Manuals that are readily available on the FBO home page. They will help answer any questions you may have.

If you only want to view Navy solicitations, the FedBizOpps web site is linked to the Department of Navy's Electronic Commerce homepage, NECO website: <https://www.neco.navy.mil> You can find each Navy activity and access the solicitations for just that activity. This simplifies getting information on your local Navy activity's acquisition picture a great deal.

Services requirements (as opposed to products requirements) over \$150,000 are normally obtained via the SEAPORT Enhanced Contracting Portal at <http://www.seaport.navy.mil/default.aspx> To sign up to be a prime contractor on the SeaPort-e marketplace, you must watch for a "rolling admissions" opportunity to come around approximately once per year, then act fast with your proposal submission, on the following website: <http://www.seaport.navy.mil/default.aspx>

This is becoming the Navy's marketplace of choice for services requirements, and it grows by hundreds of new prime contractors with each open season.

In accordance with the SeaPort-e contract, each Multiple Award Contract (MAC) contractor team is required to maintain a dedicated SeaPort web page. Subcontractors who wish to request a teaming relationship should visit the Prime Contractor's SeaPort-e web page. For a list of SeaPort-e Prime Contractors, please visit <https://auction.seaport.navy.mil/Bid/PPContractListing.aspx>

You can view solicitation documents and submit proposals by accessing the portal. However, before you can access the portal, you must have a user ID and password. Upon MAC contract award during "rolling admissions", a **Company e-Business Point of Contact** was established for your company based upon your submitted information. Your company's **e-Business Point of Contact** has the authority to provide user login and password for all members of your prime contractor team, including individuals from your subcontractors. Subcontractors should contact their prime contractor's **e-Business Point of Contact** in order to gain access to SeaPort-e.

The Department of Defense **EMail** is a site where DoD buyers can find and acquire off-the-shelf, finished goods and items from the commercial marketplace. As of May 1, 2006 all office supplies must be bought via the **DoD EMail** web site. Vendors wishing to market their products to the DoD can create an online "store" in this electronic mall for government buyers to browse. <http://www.dscc.dla.mil/programs/email/index.html>

Step 7: Investigate General Services Administration (GSA) contracts

Many Navy and Marine Corps supplies and services are purchased through GSA. GSA offers a variety of products and services to federal agencies. Contact the General Services Administration (GSA) for information on how to join numerous vendors in selling their products and services through a GSA schedule: <http://www.gsa.gov> Under the GSA Schedules Program, GSA establishes long-term government-wide contracts that allow Government customers (buyers) to acquire a vast array of supplies (products) and services directly from commercial suppliers.

Find out how to become a GSA Schedule contractor/vendor:

http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentId=8202&contentType=GSA_OV ERVIEW

Step 8: Investigate other DOD programs

There are several DOD small business programs that may be of interest to you, including the *Indian Incentive Program*, *Mentor-Protégé*, *Small Business Innovation Research*, *Women-Owned Small Business*, *Veteran Owned Small Business*, and the *Historically Black Colleges and Universities/Minority Institutions Program*. Information on these programs, DOD publications, and much more is available for downloading from the **Small Business Administration (SBA)**'s website: <http://www.sba.gov/> and the **Doing Business with DoD** website: (http://www.acq.osd.mil/osbp/doing_business/index.htm)

Step 9: Explore subcontracting opportunities

Regardless of your product or service, it is important not to neglect the very large secondary subcontracting market. All major DOD prime contractors provide a point of contact (Small Business Liaison Officer) within each firm that will welcome subcontracting inquiries. We encourage you to investigate potential opportunities with these firms. Many also have websites that may be useful and we encourage you and them to team with each other. The local Acquisition Department of the command you are interested in can provide a list of all their prime contractors upon request. A very important goal for a Small Business is building up its past performance record. With the demonstration of experience that subcontracts can provide, a Small Business will become more competitive when seeking a contract as a prime contractor. A good record of past performance definitely adds strength to your proposal.

Step 10: Seek additional assistance as needed in the Navy and DOD marketplace

Procurement Technical Assistance Centers (PTACs) (www.dla.mil/db/procurem.htm) are located in most states and partially funded by DoD to provide small business concerns with comprehensive information on how to do business with the Department of Defense. They provide training and counseling on marketing strategies, business development, small business programs, financial and contracting issues, and procurement regulations at minimal or no cost.

Government-Wide Commercial Purchase Card (GCPC) Program - The Government-Wide Commercial Purchase Card (GCPC) Program provides Government-wide commercial credit cards for the purpose of procuring and paying for purchases made for official Government requirements. The program eliminates the bidding and contracting process and allows quick and direct purchase by the end user by the use of the credit card. Cardholders are authorized to make purchases up to \$3,000 for off-the-shelf products and certain services. The Purchase Card Program Manager at each naval Command may be contacted for additional information about the Purchase Card Program and about small business buys valued up to \$100K.

Exchange System - If your company is engaged in retail activities, visit Navy Exchange System website (www.navy-nex.com) and the Marine Corps Exchange website (<http://www.usmc-mccs.org/shopping/>) The exchanges are retail operations that provide quality products and a variety of services to the men and women of the Armed Forces, retirees, reservists, and their families. Investigate a business partnership!

Online Procurement Assistance can be found at the Procurement Reference Library at <http://ec.msfc.nasa.gov/msfc/procref.html>

Neither the Deputy for Small Business nor a Small Business Specialist can get you a purchase order or a contract. You must get them **yourself**, by being proactive and by concentrating on building up your company's capabilities as fast as possible. Beyond the all-important capabilities of your company, get expert guidance on how to read solicitations and how to write effective proposals. Visit **FedBizOpps**, **NECO**, and **SeaPort-e** websites regularly, search for solicitations in your areas of expertise and products/services, and

prepare and send in effective cost quotes and, for large-dollar-value solicitations, send in an effective technical, past performance and cost proposal package. Investigate the advantages and support services that the Government may offer your small business by contacting the local office of the Small Business Administration (SBA). There are many free services and training opportunities at the SBA Office in your area. The SBA is in a strong position to possibly help your business get a contract. If your Small Business is in the 8(a) category (a business development program), the SBA may **work for you, through** the Deputy for Small Business and/or the Small Business Specialist at the Navy command you are interested in supporting, and directly help you get a sole source contract award to jump start your new business.

Remember, the Department of the Navy seeks high-quality solutions for its requirements in a timely and cost effective manner. Outstanding “past performance” is one of your company’s most valuable assets. The Navy is looking for innovation, creativity, agility, new efficiencies, and cost savings. The Navy is not just good at what it does, it is the best in the world, and it plans to keep it that way. So the Navy needs the best contractors in the world to help it accomplish its mission. Let me put it in terms you can really understand as a Small Business owner. Bottom line is that the most capable companies that also offer a fair and reasonable price are the ones that eventually win contract awards. This is imperative to successfully competing for a contract, but even to get a sole source award, your company must be capable first and foremost, and offer a fair and reasonable price. Obviously, building up your company’s capabilities as quickly as you can in your areas of specialization needs to be a very high-priority goal of every Small Business! And tailoring and targeting your company’s capabilities for competition for future solicitations is a good idea. Here’s a challenge to you and your company. What new technologies and new efficiencies do you have that the Navy could use? What can you do to help us improve what we do and how we do it? Tell us what your company can do to help your Navy help our country.

Do your research and market your firm well. After you have identified your customers, researched their requirements, and familiarized yourself with Department of Navy and DOD procurement regulations and strategies, it is time to market your product or service. The first presentation of your company’s capabilities should be to the Deputy for Small Business or to the Small Business Specialist at the Navy and Marine Corps activities **that buy your products or services.** Emailing line cards and capabilities statements is the best way to get started. The Deputy for Small Business or the Small Business Specialist ***may*** be able to provide you additional points of contact for marketing the customer, as well as pertinent information regarding long-range acquisition forecasts. They may also agree to a face-to-face meeting with your company representative to learn more about your company. However, individual Navy commands may operate differently when it comes to marketing, so expect variation and plan to go with the local flow.

To make suggestions about this handout, contact Tom Winans, Deputy for Small Business, Combined Port Hueneme Division/Corona Division, Naval Surface Warfare Center. (805) 228-0372

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