



U.S. Small Business Administration

Government Contracting: How to Get Started

The U.S. Small Business Administration works across all federal agencies to award at least 23 percent of all prime government contracting dollars to small businesses, with specific statutory goals for:

- small disadvantaged businesses (SDB),
- women owned (WOSB),
- service-disabled veteran-owned (SDVOSB), or
- businesses that are located in Historically Underutilized Business Zones (HUBZone).

For more information, visit www.sba.gov/contracting.

The United States government is the largest single purchaser of goods and services in the world, buying everything from armored tanks to paper clips and IT services. Every year, the federal government awards more than \$500 billion in contracts, and a significant share of those contracts are specifically allotted to small businesses. Government contracting can make a big difference to your company's bottom line. If you are considering contracting with the government, the steps outlined in this flier will help you get started.

1. Make Sure Your Business is Financially Sound

It is necessary to make sure that your business is financially prepared for the journey ahead. Even if you are able to obtain a government contract, you will not be receiving all of the money at once. It helps to have a clear plan of how your business will reap the benefits of the contract. Contact the SBA District Office and other resources closest to you at www.sba.gov/sba-direct to get started.

2. Identify your DUNS (Data Universal Numbering System) number

A DUNS number is a unique 9-digit number, specific to your business, used to identify and track millions of businesses. You can request a DUNS number, free of charge, at <http://fedgov.dnb.com/webform>. A DUNS number is necessary to register with the System for Award Management (SAM).

3. Identify your EIN (Employer Identification Number)

An EIN, otherwise known as a federal tax identification number, is generally required of all businesses. For more information, go to www.irs.gov/businesses/small/.

4. Identify your North American Industry Classification System (NAICS) codes

The NAICS codes are used to classify the industries that a particular business occupies. To register your business in SAM, you must supply at least one code. Determine your codes at www.census.gov/eos/www/naics/.



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5. Register with the System for Award Management (SAM)

SAM is an online government-maintained database of companies wanting to do business with the federal government. Agencies search the database for prospective vendors. To win a contract from any federal agency, you will need to be registered in SAM. To register you must provide:

- a. Taxpayer Identification Number (issued by the IRS for your business)
- b. DUNS number
- c. NAICS code
- d. Banking information
- e. Products and services offered – highlight key words
- f. Past performance
- g. Website
- h. E-mail address

TIP: the ability to process credit card payments may open up more opportunities to win government contracts.

When registering a business for federal contracting opportunities, prospective contractors must also complete representations and certifications for small business size and program status on SAM. This ensures that your business will be considered for small business set-asides.

After completing registration, you will be asked to enter your small business profile information at the SBA Supplemental Page. The information will be displayed in the Dynamic Small Business Search (DSBS) engine available at dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm.

Creating a profile in SAM and keeping it current ensures your firm has access to federal contracting opportunities. Entering your small business profile, including your business information and key word description, allows contracting officers, prime contractors, and buyers from state and local governments to learn about your company. Visit www.sam.gov.

6. GSA (General Services Administration) Schedule

GSA uses the GSA Schedule and Federal Supply Schedule to establish long-term, government-wide contracts with commercial firms. Once these contracts are established, the government can order the services and supplies they need directly from the firms by using an online shopping tool. Becoming a GSA Schedule contractor increases your opportunity for contracts across all levels of government. Businesses interested in becoming GSA Schedule contractors should review the information available at www.gsa.gov/schedules.

7. Federal Business Opportunities (FedBizOpps)

FedBizOpps is a completely free service operated by the federal government that announces available business opportunities. FedBizOpps helps you identify the needs of federal agencies and the contracting opportunities that are available. To begin searching for contracting opportunities, go to www.fbo.gov.

8. Marketing Your Business

Registering your business is not enough to obtain a federal contract: ultimately you are responsible for your own success and you will need to market your business to attract attention from federal agencies. Although not required, you may want to obtain a Product Services Code (PSC) and/or a Federal Supply Classification (FSC). These codes can provide additional information about the services and products your business offers. Find your codes at www.aquisition.gov.

TIPS FOR MARKETING YOUR BUSINESS:

- Determine which federal agencies buy your product or service and get to know them.
- Identify the contracting procedures of those agencies and the agency personnel who make buying decisions.
- Focus on opportunities in your niche and prioritize.
- Make contacts—attend small business events and network your business to gain exposure to key agencies. See if your target agencies require you to register in their database in order to do business with them.

For more information about SBA, visit www.sba.gov or contact your local SBA office: www.sba.gov/sba-direct

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