

5 Basic Steps to bidding on a Government Contract

By Debi Einmo (www.dontbid.com)

Below is the opening paragraph of the SBA's pamphlet entitled "Opening Doors to Federal Contracting."

"Looking for new markets for your small businesses' goods or services? Consider selling to the federal government. The U.S. government is the world's largest buyer of goods and services — from spacecraft and advanced scientific research to paper clips and landscaping services."

The SBA has designed programs that attempt to simplify the prime contracting process for small businesses, but the process is by no means simple. Many would-be providers in this system become frustrated with the red tape, long lead times and cash requirements. While the SBA has created programs to simplify the process, even small businesses are required to follow the FAR....but who has time to learn it? If you wish to venture on your own, we have provided some basic advice on how to step into the government contracting arena.

"Military and civilian purchases total more than \$425 billion in 2007. And federal agencies are required to establish contracting

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goals, with at least 23 percent of all government spending targeted to small business. The U.S. Small Business Administration has programs and services aimed at leveling the playing field so that small businesses obtain a fair share of government contracts.”.... For the entire pamphlet visit: [Small Business Administration - Contract Opportunities](#)

Below are the 5 general steps that must be taken in order to bid on a government contract. This includes those designated as Small Business Set Aside, HUB Zone Qualifiers, Disabled Veterans, and Women & Disadvantaged Minorities.

1. Preparation

The federal procurement process is not an easy river to navigate. However, like any business or game, there are rules.....and you need to learn the rules. The first rulebook is called the Federal Acquisition Regulation (FAR). A thick book with small print, it is a great reference book as you become more educated on the processes. Seminars offered by Attorneys or Accountants who specialize in Government

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Contracting may your best place to start. Why? Because unless you have a legal or contract background, reading the FAR without preparation is much like reading the yellow pages of a phone book....there's lots of great information, but you need to know where to look.

A visit to the Small Business Administration's website, www.sba.gov, would be well worth the effort. The SBA offers a 30 minute online seminar on contracting which covers general concepts and basic information and it's a great place to start.

2. Obtain a CCR profile

To bid on government contracts, you need to register with the [Central Contractor Registry](#) (CCR). To register, you prepare a profile of your business explaining what it is you offer and what makes you unique. This "elevator pitch" needs to sell you in a short amount of time, so make it snappy (and be sure to mention your Website.) However before you attempt to register, you'll need prepare for this

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as well and have these documents available for entry into the system:

- a. Business Name, Address and Summary:
While the first two are obvious, you need to create your business before attempting to register with the CCR, however you must also create what we like to call your “elevator speech”.....a 90 second commercial about why your company is great.
- b. IRS Employer Identification Number – Also called an EIN. You can apply to the IRS for this when you setup your company. While the IRS will permit you to use your own social security number for a business, the CCR system will not.
- c. Duns Number – Also called a DBN. This is a unique business indentifying number for business rating reporting, credit processes, bonding, etc. Again, required by the CCR registration process. Here’s where you can

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request one:

http://www.dnb.com/US/duns_update/

3. Locate the contracting opportunities

For many small businesses this has always been the biggest hurdle to increasing sales...in both government contracting and in private selling...finding the opportunities. There are many ways to find these in all the governmental arenas: local, state and federal. You will need to know not only the opportunities available, but the process involved in applying for the work.

- Local: Contacting your location SBA office is a good first step, as they may have listings available for local government work, or you may contact local agencies directly. Some of these may have websites where opportunities are listed, or an email alert service available.
- State: Varying state-by-state, some states are setup very similar to the federal government, whereas others function more like a bureau. Again, check

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with the local SBA office or contact the agency directly. Just know that each agency may have a different designated path for entering the bidding process.

- Federal: While quite cumbersome in the beginning there is an online listing available called Federal Business Opportunities or Fed Biz Ops for short (www.fbo.gov). Most of the federal agencies list their opportunities for both small business set aside and regular work on this website. Another option is to visit the Small Business Administration website or consider attending a "Business Matchmaking" event. Business Matchmaking is a United States Small Business Administration program that is sort of like speed dating; it is a place where small business can have quick get-to-know-you meetings with government and corporate procurement officers.

4. If possible, pick an underdog-niche

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Government agencies are required to meet various small business procurement goals. For instance, an agency may be looking to contract with a minority-owned business to help it meet its federally-mandated goals. Note, however, that any small business can bid on government contracts, but the ones below are given a special leg-up. They are:

- Women-owned businesses: A woman-owned business is one that is owned and controlled 51% or more by a woman or women.
- A small disadvantaged business: A small disadvantaged business is one that is 51% or more owned, controlled and operated by a person who is socially and economically disadvantaged. African Americans, Hispanic Americans, Asian Pacific Americans, Subcontinent Asian Americans, and Native Americans are presumed to meet this standard. Other entrepreneurs can qualify by showing, via a "preponderance of the evidence," that they are disadvantaged.

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- A veteran-owned business: This is a business that is owned 51% by a veteran.
- A service-disabled veteran-owned business: This business is owned 51% by one or more service-disabled veterans. The Veterans Administration confirms the disability.

If you fit into any of the niches above you may have an easier time of landing a contract, once you have successfully navigated through the processes and paperwork.

5. Market Yourself and Sell, Sell, Sell

In the end, it is still business we are talking about. The steps above will get you in front of the right government contact with a possible contract, but then it is up to you to create rapport, explain why your business is both better and different, and get them excited about what you have to offer, or, in other words, sell, sell, sell.

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If selling directly to the government becomes too cumbersome or expensive, we suggest you think about subcontracting to larger companies who already have or are likely to win a contract. Articles are also available on this topic via our website: www.einmomarketing.com

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