

## **Small Businesses Interested in Department of Defense Business Opportunities**

### **Federal Government Business Opportunities**

The U.S. federal government is the world's largest consumer, with global spending reaching over \$500 billion per year and the Department of Defense (DOD) tied with Social Security and Medicare as the major spending tickets. The DOD market is one that mature firms in Collier County, such as Parker-Hannifin and Cobham PLC, are capitalizing on.

Every year, the federal government purchases roughly \$400 billion in goods and services from the private sector. If the government determines that small businesses are available and able to perform the work or provide products being procured by the government, those opportunities are "set-aside" exclusively for small businesses.

These set-asides, which level the playing field between large and small businesses and spur economic development, represent 23 percent of spending and are allotted as "set-asides" to provide certain small businesses with access to a potential public procurement market of \$115 billion.

The U.S. Army Material Command Supporting Program's Executive Office For Simulation, Training & Instrumentation (PEO STRI) spends \$2.5 billion annually (out of a \$80 billion Department of Defense training budget) to develop, acquire and sustain simulation, training, testing and modeling solutions to achieve Army readiness.

The PEO STRI has contacted Collier County to find entrepreneurs who qualify for set-asides and can provide PEO STRI with suitable goods and services. The county Office of Business & Economic Development urges businesses to learn more about set-asides by attending monthly PEO STRI events in Orlando. The meetings are geared to helping businesses learn about opportunities, decide if they want to make a proposal and improve proposals.

### **What products or services are PEO STRI interested in?**

- Live training systems
- Virtual training systems
- Constructive simulation
- Instrumentation, targets and threat simulators
- Air and command tactical trainers
- Special operations forces training systems
- Medical simulation
- Combat training instrumentation systems
- Ground combat tactical trainers

### **What types of businesses are targeted?**

The PEO STRI has prioritized set-asides to promote small businesses, minority businesses and disadvantaged businesses, as follows:

- **Small Business:** The US Small Business Administration (SBA) has established two widely used size standards:

- 500 employees for most manufacturing and mining industries; and
  - \$7.5 million in average annual receipts for many non manufacturing industries.
  - However, there are several exceptions. For the size standard applicable to any North American Industry Classification System (NAICS) code, see the SBA's Small Business Size Regulations, [13 CFR §121.201](#), or the [Table of Small Business Size Standards](#):  
[www.sba.gov/sites/default/files/files/Size\\_Standards\\_Table.pdf](http://www.sba.gov/sites/default/files/files/Size_Standards_Table.pdf).
- **Disadvantaged Business Enterprises (DBE)**: DBEs are for-profit small businesses that socially and economically disadvantaged persons own, with at least a 51 percent interest while also controlling management and daily business operations. African Americans, Hispanics, Native Americans, Asian-Pacific and Subcontinent Asian Americans and women are presumed to be socially and economically disadvantaged. Others also can qualify as socially and economically disadvantaged on a case-by-case basis.
  - **The Minority Business Enterprise (MBE)**: The MBE program applies to all state agencies and is administered by the state Department of Management Service's Office of Supplier Diversity (OSD). The MBE program certifies small businesses domiciled in Florida. The business must be at least 51 percent owned by a Florida resident who is a minority whose management and daily operations are controlled by a minority person(s). The firm must employ 200 or fewer employees and have a business net worth of not more than \$5 million.

### **How can you participate?**

If you're a small business, minority business or disadvantaged business as defined above, contact the Collier County Office of Business & Economic Development for:

1. tips to access these PEO STRI business opportunities;
2. information about attending Procurement Administrative Lead Time (PALT) Industry Day meetings at PEO-STRI's Orlando campus on Oct. 18 and Nov. 8. The meetings, held at 3039 Technology Parkway Conference Room 321, are question-and-answer sessions that offer opportunities to understand the defense contract training and simulations products and services market.

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