



SMALL BUSINESS QUARTERLY NEWS REVIEW

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UPCOMING SB EVENTS & TOPICS!!!

- DoD Small Business Conference - May 2004, Orlando, Fla.
- Society of American Military Engineers (SAME) & The Infrastructure Security Partnership (TISP), Renaissance Grand Hotel, November 7-10, 2004, St. Louis, Missouri
- USACE Small Business Conference, November 2004, Arlington, Virginia
- Rock Island Small Business Conference (TBD)
- Memphis District Small Business Conference (TBD)
- Small Business 1st Annual Awards, September 2004, (Additional information provided in next quarterly edition)
- **Next Quarters Headline Topic - "Acquisition Planning and Strategies"**



WELCOME! ST. LOUIS DISTRICT

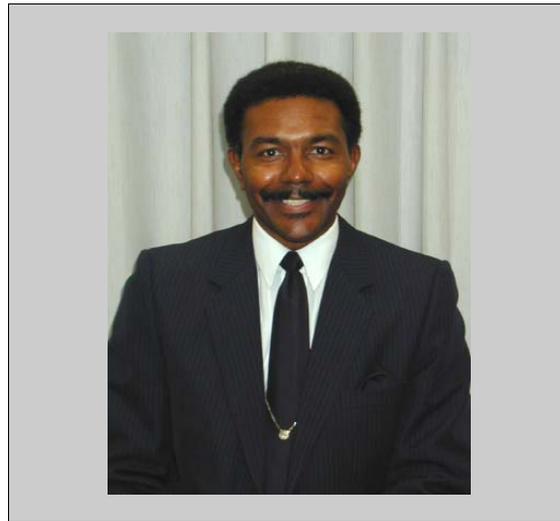
To my co-workers, my name is Glenn L. Chatman, Deputy for Small Business for the Corps of Engineers, St. Louis District. This is the inaugural edition of the "Small Business Quarterly News Review" newsletter.

The purpose of this newsletter is to inform the District on current and future events relative to Small Business issues that occur within and outside the District and from a Small Business viewpoint.

My philosophy on Small Business is simplistic in nature but is indeed based on the belief that Small Business is the backbone of the economy and is the framework that our country was founded upon.

From the early days of migratory settlers bartering with Native Americans and throughout the electronic age of acquisition, the true form of small business is and shall remain in its purist form an exchange of goods and services throughout our land.

Small Businesses have been major contributors in the development of the worlds infrastructure and is a stabilizing influence in every culture throughout the lands. It has been through the



Glenn L. Chatman, Deputy for Small Business

hard work and dedication of the "Mom and Pop" shops that continues to lead the way in the economical development within our communities and cities.

My overarching goal is to increase the awareness and importance of

the functionality of our Small Business Program as it interrelates to the goals and initiatives within the St. Louis District. The Small Business Program is not my program but is the unduly responsibility of every District employee to ensure its long term success.

Through a collective and unified effort, the St. Louis District's Small Business program can be a model program within the Corps of Engineers.

Essays!

SMALL AND DISADVANTAGED BUSINESS UTILIZATION SPECIALIST (SADBUS) FROM AFAR

<u>SADBUS Predecessors</u>	
Joseph Bischer	1974 - 1989
Terry Laws	1989 - 1994
Kerry Powell	1994 - 1998
Brenda Wynne-George	1998 - 2000
Glenn L. Chatman	2000 - Present



The SADBUS is an authorized position that is certified by a written "Certificate of Appointment" letter from HQUSACE, Washington DC and as defined by regulatory guidance mandated in AFARS 19.201, EFARS 19.201 and DOD Directive 4205.1.

"To all of my predecessors: my heartfelt thanks to each of you who toiled many hours and days to ensure that the District's Small Business Program remained viable over the years and hopefully this success will continue".



COMMANDER'S PERSPECTIVE



**Archie Ringgenberg,
(Contracting Officer &
Deanne Chambers, Contract
Specialist)**

“As a Contracting Officer, it is a privilege to assist the small business community, by compliance with the Federal Acquisition Regulations and small business initiatives. The Small Business programs offer opportunities that fuel the entire economy. Small businesses create more jobs than large firms, have a larger financial impact on communities than large firms, and offer skilled and unskilled labor workforce.

Contract opportunities exist for any size firm, and the Small Business Administration arena exists to protect a share of contract opportunities for the small firms. The federal government provides various acquisition opportunities, helping hand to new individual, partnerships, and corporations as they start on the business path.”



**Richard Siemons,
Engineering**

“Small Business plays a vital role in the success of the District’s Engineering program”



Col C. Kevin Williams

We, in the St. Louis District, are avid supporters of the Small Business Program and are committed to its goals and objectives.

Our job is simple; provide small businesses an opportunity to do business with the United States Army Corps of Engineers. Increasing the pool of qualified small businesses brings more capability to this District and value to our ultimate stakeholder, the taxpayer.

The keys to the success of the program are awareness and training. Doing business with the Federal Government has changed for the better. We want to share the information and new techniques required to participate.



Working together with our small business counterparts and industry, our future looks bright as we serve this great nation.

Essays!

FROM THE DEPUTY COMMANDER

Small businesses are the heart of the world’s economy and has been the backbone of economic growth since the turn of the century.

Statistics show that nearly two thirds of all new businesses are small business entities and employ half of all private-sector workers.

Our jobs within the Corps of Engineers and our Small Business Program is to ensure that Small Businesses have an equal opportunity to partner with us and share in the development of our projects within the District.

Teaming and working with Small Businesses is a major part of our organization’s success.



Major Joseph Tyron

DEPUTY DISTRICT ENGINEER, PLANNING PROGRAMS & PROJECT MANAGEMENT

The Corps of Engineers has been a champion of the small business entrepreneur.

The majority of our program requirements are provided by small businesses as prime contractors or subcontractors. The dedication and performance of these small businesses have been excellent.



Mr. Joe Kellett

Working with small businesses has been a winning situation for the Corps of Engineers. Because of these past successes, we anticipate an even greater partnership with the small business community.





WHAT IS SMALL BUSINESS?

The Small Business Act established the Small Business Administration to protect the interest of small businesses and to help ensure that a fair and representative share of government contracts are placed with small businesses.

The law defines a small business concern as "one that is independently owned and operated, is organized for profit, and which is not dominant in its field of operation".

Depending on the industry, size standard eligibility is based on the average number of employees for the preceding twelve months or on sales volume averaged over a three-year

period. SBA has established a size standard for most industries in the economy. The most common size standards are as follows:

- 500 employees most manufacturing and mining industries
- 100 employees for all wholesale trade industries
- \$6 million for most retail and service industries
- \$28.5 million for most general & heavy construction industries
- \$12 million for all special trade contractors
- \$0.75 million for most



"90% of the business sector are small businesses"

agricultural industries
Size standards have been established for types of industry under the North American Industry Classification Systems (NAICS).

continued below

Personal Message From Small Business Administration (SBA)

Hugh Wright, Assistant District Director 8(a) Business Development U.S. Small Business Administration (SBA), St. Louis District Office:

"Since its inception in 1953, SBA has had a clear mission to serve the small business sector of the economy. It is the statutory mission of SBA to aid, counsel, assist, and protect the interests of small businesses to help maintain and strengthen the Nation's economy, consistent with the Small Business Act. To that end, SBA has the responsibility to represent the small business community to insure that the economy provides an environment in which small business can succeed. As an advocate for small business, the Agency is committed to achieving the goals and objectives of supporting the financing, management and technical assistance needs of small businesses throughout the business growth cycle. The St. Louis District Office supports the on-going effort of the Corps of Engineers to increase opportunities to the small business community."

NAICS REPLACES SIC

What is NAICS? NAICS (pronounced "nakes") is the North American Industry Classification System (NAICS) that replaced the U.S. Standard Industrial Classification (SIC) effective October, 2000. SBA's size standards define whether a business entity is small and, thus, eligible for

Government programs and preferences reserved for "small business" concerns. It provides a better way to classify individual businesses.

Why is NAICS better? **Relevancy.** NAICS identifies more industries that contribute to the economy; over 350 new industries and 9 new service indus-

try sectors.

Comparability. NAICS was developed to produce more comparable data.

Consistency. Businesses that use similar production processes are grouped together.

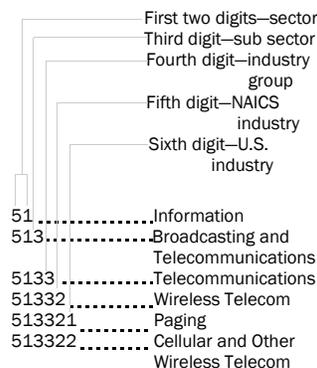
Adaptability. NAICS will be reviewed every 5 years to keep up with the changing economy.

NAICS—SMALL BUSINESS & CONTRACTING

Every requirement that is a solicited action must be identified using the NAICS numbering system for product/service classification.

NAICS is the first-ever North American industry classification system. The system was developed by the U.S., Canada and Mexico to provide comparable statistics across the three countries.

Examples of NAICS Numbering System





USACE-CEMVS-DB 1st Edition

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*Champion's of Your Heartland's
 Water Resources*



{This newsletter is an unofficial publication authorized under the provisions of AR 360-1. It is published quarterly by the Small Business Office, US Army Corps of Engineers, St. Louis District. Views and opinions expressed in this newsletter are not necessarily those of the Department of the Army.}

(If you hear or see news that may be applicable to the Corps Small Business Program - contact the Deputy for Small Business)

FY 04 8(a) Construction Projects (Potential)

<u>PM</u>	<u>Description</u>	<u>\$Dollars</u>	<u>P/S to CT</u>
Debbie Roush	Sand Flank Levee & Cahokia Inlet	\$500K	August 04
	East St. Louis CSO/Belleville	\$800K	August 04
Brian Kleber	North Berm Relief Wells	\$500K	August 04
Jim Zerega	Bois Brule 71 Relief Wells	\$2.4M	August 04
Michele Kniep	Salt River	\$250K	February 04
Deanne Strauser	Hubble Creek	\$250K	August 04

Currently, there are very few construction projects in the Small Business 8(a) program for FY04. The bulk of dollar obligations will come from the construction of "Relief Wells" that are scheduled for the later part of August 2004. The remainder of the projects are along various creeks and rivers that includes clearing, grubbing, rock, dirt moving and tree planting along the boundaries of the construction sites.

CURRENT FY04 SB FLOORS/GOALS

<u>Prime Contract Award:</u>	<u>FY 03</u>	<u>FY03 Ending</u>	<u>FY04</u>
Small Business	43.8%	46.6%	40.4%
Small Disadvantaged Business	18.0%	15.5%	16.0%
Women-Owned Small Business	6.5%	4.7%	5.6%
HUBZone Small Business *	3.0%	3.9%	3.0%
Service-Disabled Veteran-Owned	3.0%	0%	0%
HBCU/MI*	12.9%	0%	18.2%

Subcontract Awards:

Small Business	57.2%	57.2%
Small Disadvantaged Business	8.9%	10.0%
Women-Owned Small Business	8.1%	10.0%
HUBZone Small Business	3.0%	3.0%
Service Disabled Veteran-Owned	3.0%	3.0%

*Historically Underutilized Business Zone Small Business

*Historically Black College and Minority Interest

FY03 was a very difficult year for meeting USACE HQ small business floor goals. Each year HQ assign percentage goals or target floors that each District are to meet (as a minimum) in terms of contract obligated dollars to various categories within the small business arena. Current percentages (FY04) are based on performance within the small business categories for the prior two years within each respective area...e.g. FY04 goals based on FY02 performance.



We were fortunate to make our targets in Small Business and in the HUBZone Small Business categories. Funding restrictions for FY04 will make it more difficult to achieve our goals for the current year.

All large business entities are required to submit a "Subcontracting Plan" for all contract awards exceeding \$500K. Floor requirements for this area increased in two of the five reportable categories.

End