GOVERNMENT CONTRACTS AND SUPPLIER DIVERSITY PROGRAMS

How small businesses win government work and corporate contracts through registrations, certifications and supplier diversity programs.

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AT A GLANCE

- Governments and large companies buy billions of dollars of goods and services every year, and many set aside some contracts for **small businesses**.
- To compete, you usually need to **register** as a vendor, know your **industry codes**, and sometimes hold a **certification**.
- Rules and certification programs **change often**. Always check current eligibility on official websites.

WATCH OUT

Federal, state and local programs have their own eligibility rules, and several have changed in recent years. Some federal programs require owners to be US citizens. Confirm current rules with the agency, or with a free advisor at a Procurement Technical Assistance Center (now called APEX Accelerators) or your local SBDC.

Why it matters

Government and large corporate contracts can bring steady, sizable revenue and strong references. Many small businesses start as **subcontractors** to larger firms before winning contracts directly.

Key steps for US federal contracts

1. **Know your NAICS codes**: industry codes that describe what you sell.
2. **Register in SAM.gov**: the official federal system for vendor registration. Registration is **free**. Be careful of sites that charge for it.
3. **Get a Unique Entity ID (UEI)** during SAM registration.
4. **Check size standards** to confirm you count as "small" in your industry.
5. **Search for opportunities** on official federal contracting sites, and look at past awards in your field.
6. **Start with smaller purchases** and subcontracting.

Certifications that may help

Certification	Who it's for (in general)	Where
Small business set-asides	Businesses under size standards	Federal
HUBZone	Businesses in historically underutilized business zones	Federal (SBA)
Women-owned small business	Businesses owned and controlled by women	Federal (SBA)
Veteran and service-disabled veteran-owned	Businesses owned by veterans	Federal
8(a) Business Development	Certain disadvantaged small businesses	Federal (SBA); eligibility rules have changed and continue to be reviewed
Minority- and women-owned business (MBE/WBE)	Varies	States, cities and private certifying groups
Local and disadvantaged business programs	Varies	Cities, counties, transit and airport authorities

Eligibility, benefits and the programs themselves change. Check each program's official site before applying.

Corporate supplier diversity programs

Many large companies have programs to buy from small, minority-, women-, veteran- or locally owned businesses. They often look for third-party certifications and offer vendor registration portals, mentoring and introductions to buyers. See **G-07 Landing Big Customers and Partners**.

Step by step

1. **Get free help**: APEX Accelerators and SBDCs help with registration, certification and bids.
2. **Register** in SAM.gov and with state and local vendor systems.
3. **Apply for certifications** you qualify for.
4. **Prepare a capability statement**: a one-page summary of what you do, past work, codes and certifications.
5. **Find prime contractors** to subcontract with.
6. **Respond to small opportunities** first and build a track record.

> EXAMPLE
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> **Rosa** registered with her city and county as a small business vendor and earned a state minority-owned business certification. She subcontracted cleaning for a larger facilities company on a county contract, then won her own contract to clean two county libraries. Government work grew to 25% of her revenue, with on-time payments.

Common mistakes

- **Paying for SAM.gov registration.** It's free.
- **Bidding on contracts too large** for your capacity.
- **Ignoring the fine print** on requirements, insurance and reporting.
- **Assuming a certification guarantees contracts.** It opens doors; you still compete.

Your checklist

- ☐ Find your NAICS codes
- ☐ Register free in SAM.gov and local vendor systems
- ☐ Check which certifications you may qualify for
- ☐ Write a one-page capability statement
- ☐ Contact an APEX Accelerator or SBDC advisor
- ☐ Identify 3 prime contractors to approach

Key words, explained

Word	What it means
NAICS code	A code identifying your industry.
SAM.gov	The official US federal vendor registration system.
Set-aside	A contract reserved for certain types of businesses.
Prime contractor	The main contractor that hires subcontractors.
Capability statement	A one-page summary of your business for buyers.

Where to go next

- **G-07 Landing Big Customers and Partners**
- **B-06 Business Insurance Basics**
- **M-06 Cash Flow: Why Profitable Businesses Still Run Out of Money**

IMPORTANT
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