

August 15, 2012

The Honorable Diana DeGette
Member, U.S. House of Representatives
600 Grant Street, Suite 202
Denver, Colorado 80203

Dear Representative DeGette:

The General Services Administration forwarded your inquiry on behalf of Ms. Carol McCallister, owner of Champion Business Services (CBS) in Aurora, Colorado to the U.S. Small Business Administration (SBA) for response.

Based on Ms. McCallister's email communication with your office, she is concerned that she is forced to compete with companies such as GAP Solutions, Inc. (GAPSI), in Reston, Virginia, which she says has over \$22 million in annual revenue. Also, Ms. McCallister asks how a company such as GAPSI can be certified as disadvantaged. As you may know, a company can meet the definition of small business in one industry and not meet it in another industry, as determined by the size standards in the North American Industry Classification System (NAICS). In this case, the size standard in NAICS code 561210, Facilities Support Services, is \$35.5 million, and GAPSI is considered a small business in that code. In the 18 other NAICS codes listed in its Dynamic Small Business Search (DSBS) profile, GAP Solutions is not considered small, which means that it cannot compete for small business set-asides in those industries.

With respect to small disadvantaged business (SDB) status, please be advised that the U.S. Small Business Administration (SBA) no longer certifies SDBs. Accordingly, SDB status is now based on self-certification. However, GAPSI was certified by SBA as an 8(a) firm in 2001, when it was a much smaller company. All 8(a) firms are automatically considered SDBs, and an 8(a) firm normally retains its SDB status for 2 years after the date of its last annual review in the 8(a) Business Development (BD) Program. GAP Solutions graduated from the 8(a) BD Program on July 2, 2010, and its SDB status will expire on September 19, 2012.

I suggest that Ms. McCallister look into the Women-Owned Small Business Federal Contracting Program (WOSB), which was designed for companies like her own. Of the 12 NAICS codes listed in her DSBS profile, ten of them are eligible for set-asides for either women-owned small business (WOSB) or economically disadvantaged WOSB (ED/WOSB). In this environment, CBS would not have to compete against GAPSI and would be more likely to win Federal government contracts. Ms. McCallister can find more information about the WOSB Program at www.sba.gov/WOSB.

Additionally, SBA can counsel Ms. McCallister on the WOSB Program and other strategies for increasing her ability to win Federal contracts. Mr. Jose Martinez, SBA's Procurement Center Representative (PCR) in Denver, Colorado, would be pleased to meet with Ms. McCallister and provide this assistance. I hope that she will take advantage of our offer to assist her. Mr. Martinez contact information is as follows:

Mr. Jose Martinez
Procurement Center Representative
Office of Government Contracting, Area V
U.S. Small Business Administration
721 19th St., Suite 426
Denver, CO 80202-2517
Tel: (303) 844-2607 x 264

We appreciate your support of the SBA and the Colorado small business community. If you and your staff have any additional questions, please contact the SBA Office of Congressional Legislative Affairs at (202) 205-6700).

Sincerely,

Kenneth W. Dodds
Director
Office of Government Contracting