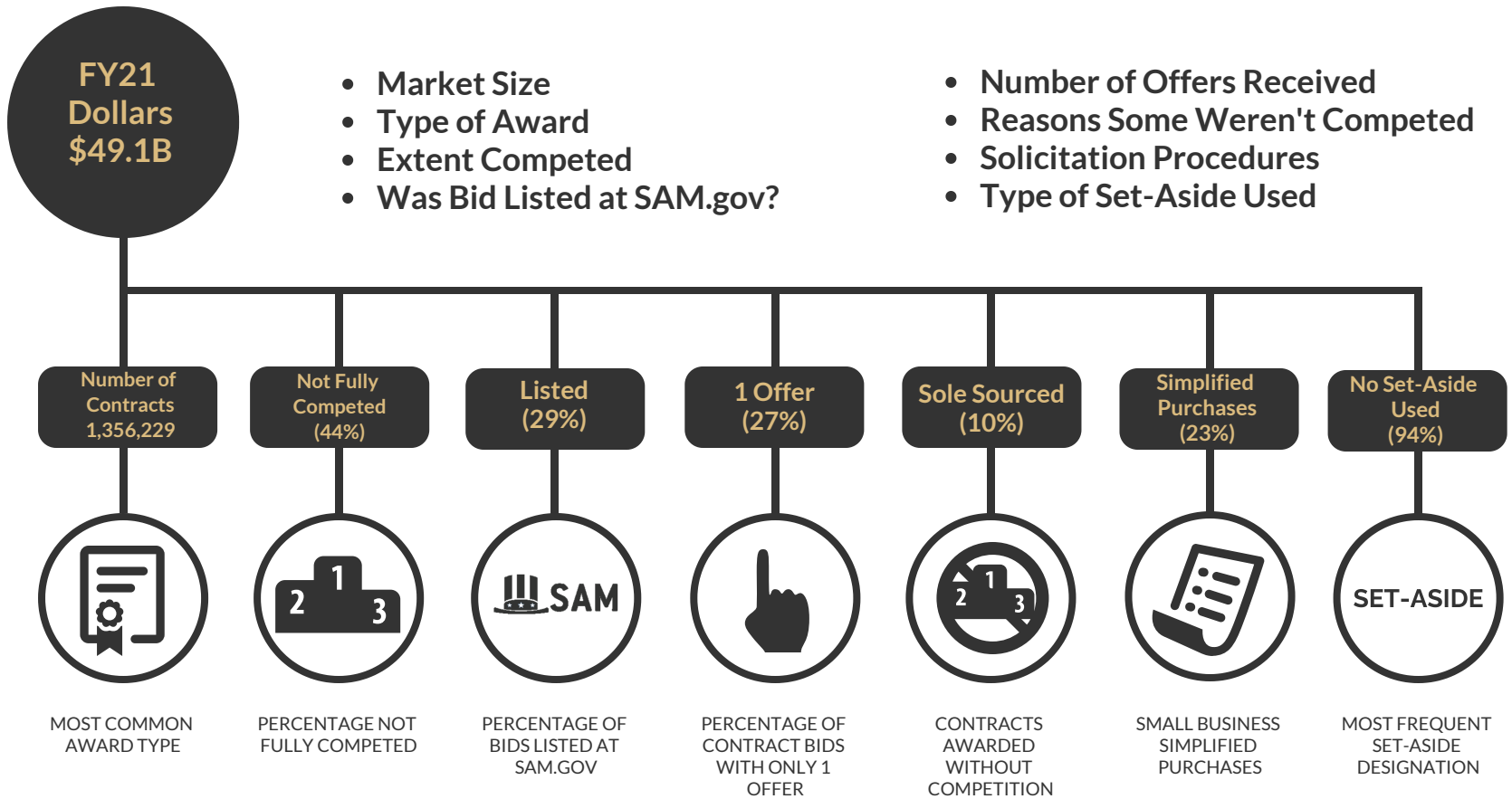


This report provides an in-depth analysis of the key factors influencing the small business federal contracting market in 2021.

The icons below provide key data indicators about aspects of this federal market dataset, including:

- Market Size
- Type of Award
- Extent Competed
- Was Bid Listed at SAM.gov?
- Number of Offers Received
- Reasons Some Weren't Competed
- Solicitation Procedures
- Type of Set-Aside Used



MARKET:

Between October 1st 2020 and September 30th, 2021, the federal government awarded \$62.5B in federal contracts to small businesses.

In total, there were 1,938,493 small business awards executed by 153 different federal agencies in FY21.

STRATEGY:

Step 1 - Research Your Market...it all starts here.
Who Buys? | Who Sells? | How Do They Buy? | How Often?

Step 2 - Optimize Federal and Commercial Foundation

Accept Credit Cards | Check Codes | Narrative and Keywords | Google

Step 3 - Create / Update Capabilities Statement

Add Images | Core Competencies | Differentiators | Key Data

Step 4 - Develop Your Marketing Strategy

Engage Effectively | Make a Good 1st Impression | Build Relationships

Step 5 - Schedule Capabilities Briefings

Create Awareness | Sell Your Company | Fill Their Needs

FY21 Small Business Federal Contracts Analysis

Key Indicator #1

The federal government awarded approximately 1.3M federal contracts in 2021, or approximately 3,700 per day.

Overall	Count	Value	Average
SB Federal Contracts, 2021	1,362,229	\$62,524,678,576.50	\$36,051.59

Ah Ha! Moment #1

There were about **121,000** solicitations posted at SAM.gov - or about **331** per day...so, where were all those other contracts posted for bid (if not at SAM.gov)?

FY21 Small Business Federal Contracts Analysis

Key Indicator #2

The most common method the government used to buy from small businesses in 2021 was a Delivery Order - which was used over 61% of the time.

Award/IDV Type	Count	Value	Percentage
BOA	277	\$781,464.48	0.02%
BPA	2319	\$8,322,737.00	0.17%
BPA CALL	271481	\$2,532,980,698.34	19.93%
DEFINITIVE CONTRACT	9965	\$11,749,637,773.40	0.73%
DELIVERY ORDER	841850	\$29,289,308,734.38	61.80%
FSS	732	\$0.00	0.05%
GWAC	11	\$2,750.00	0.00%
IDC	7715	\$165,266,247.46	0.57%
PURCHASE ORDER	227877	\$5,364,225,309.71	16.73%

Ah Ha! #2

Almost 100% of Delivery Orders are not posted for bid at SAM.gov...so how does a small business bid on them?

FY21 Small Business Federal Contracts Analysis

Key Indicator #3

Less than half the small business awards were coded as "Full and Open Competition".

Extent Competed	Count	Value	Percentage
COMPETED UNDER SAP	249242	\$5,120,945,376.28	18.30%
FULL AND OPEN COMPETITION	605108	\$13,219,005,423.39	44.42%
FULL AND OPEN COMPETITION AFTER EXCLUSION OF SOURCES	398747	\$21,840,675,807.26	29.27%
NOT AVAILABLE FOR COMPETITION	49844	\$4,509,107,039.51	3.66%
NOT COMPETED	24843	\$2,766,283,056.31	1.82%
NOT COMPETED UNDER SAP	32706	\$1,636,261,284.25	2.40%
(blank)	1737	\$4,301,018.91	0.13%

Ah Ha! Moment #3

Most federal contractors don't realize there are categories other than "Full and Open Competition".

In fact, more than half the small business contract competitions were restricted in some way.

FY21 Small Business Federal Contracts Analysis

Key Indicator #4

Only 29% of small business contracts were posted for bid at SAM.gov.

Listed for Bid at SAM.gov?	Count	Value	Percentage
NO	482968	\$7,223,245,304.84	35.45%
NOT APPLICABLE	237144	\$10,280,214,870.51	17.41%
YES	402145	\$29,500,177,501.59	29.52%
(blank)	239970	\$2,106,888,037.83	17.62%

Ah Ha! Moment #4

The rules within the Federal Acquisition Regulations specifically spell out when the government can award contracts without posting them at SAM.gov...and there are at least 10 different reasons they can bypass SAM.gov.

FY21 Small Business Federal Contracts Analysis

Key Indicator #5

27% of the time, the federal government only received one offer before awarding a small business contract.

Number of Offers Received	Count	Value	Percentage
1 Offer	399608	\$17,379,707,324.87	27.18%
2 Offers	245735	\$6,750,956,795.96	16.71%
3 Offers	196295	\$7,408,497,417.90	13.35%
4 Offers	142614	\$5,486,764,923.21	9.70%
5 Offers	95770	\$3,474,075,948.61	6.51%
6 Offers	35514	\$2,195,151,580.21	2.42%
7 Offers	22827	\$1,623,504,486.99	1.55%
8 Offers	22339	\$1,594,062,524.29	1.52%
9 Offers	15001	\$854,457,131.40	1.02%
10+ Offers	294542	\$17,577,194,199.95	20.03%

Ah Ha! Moment #5

When you start to consider the other statistics you've heard (*how many opportunities have restricted competition, how many are not posted for bid at sam.gov*), it starts to make sense that such a high percentage of the time the government only received one offer.

FY21 Small Business Federal Contracts Analysis

Key Indicator #6 17 justifications the government can cite to award "Sole Source" with no competition - which were used for over 175,000 awards (10%).

Reasons for Other than Full and Open Competition	Count	Value	Percentage
AUTHORIZED BY STATUTE (FAR 6.302-5(A)(2)(I))	79,709	\$5,201,099,798.21	4.11%
AUTHORIZED RESALE (FAR 6.302-5(A)(2)(II))	13	\$678,726.50	0.00%
BRAND NAME DESCRIPTION (FAR 6.302-1(C))	1,170	\$117,894,977.14	0.06%
FOLLOW-ON CONTRACT (FAR 6.302-1(A)(2)(II/III))	259	\$78,094,641.29	0.01%
INTERNATIONAL AGREEMENT (FAR 6.302-4)	106	\$192,356,378.00	0.01%
LESS THAN OR EQUAL TO THE MICRO-PURCHASE THRESHOLD	2,524	\$9,616,909.17	0.13%
MOBILIZATION, ESSENTIAL R&D (FAR 6.302-3)	1,125	\$444,180,518.98	0.06%
NATIONAL SECURITY (FAR 6.302-6)	361	\$133,749,063.48	0.02%
ONLY ONE SOURCE-OTHER (FAR 6.302-1 OTHER)	37,118	\$2,530,085,936.75	1.91%
PATENT OR DATA RIGHTS (FAR 6.302-1(B)(2))	119	\$4,528,475.33	0.01%
PUBLIC INTEREST (FAR 6.302-7)	9	\$980,376.38	0.00%
SAP NON-COMPETITION (FAR 13)	49,382	\$1,059,920,544.81	2.55%
STANDARDIZATION (FAR 6.302-1(B)(4))	22	\$1,132,150.03	0.00%
UNIQUE SOURCE (FAR 6.302-1(B)(1))	929	\$282,446,120.06	0.05%
UNSOLICITED RESEARCH PROPOSAL (FAR 6.302-1(A)(2)(I))	8	\$1,951,494.29	0.00%
URGENCY (FAR 6.302-2)	2,226	\$846,097,613.59	0.11%
UTILITIES (FAR 6.302-1(B)(3))	83	\$24,137,249.43	0.00%
(blank)	1,763,328	\$51,595,723,789.31	90.96%

Ah Ha! Moment #6 The better you understand these exceptions, the more strategically you'll be able to approach the market.

FY21 Small Business Federal Contracts Analysis

Key Indicator #7

Even though the most common Solicitation Procedure was Negotiated Proposal / Quote at 43%, Simplified Acquisitions (at 23%) are a much better way for a new or small business to break in with a new federal customer. They are lower risk, lower competition and lower complexity.

Solicitation Procedures	Count	Value	Percentage
ALTERNATIVE SOURCES	259	\$102,538,908.48	0.01%
ARCHITECT-ENGINEER FAR 6.102	1,610	\$416,016,860.66	0.08%
BASIC RESEARCH	185	\$143,917,314.22	0.01%
NEGOTIATED PROPOSAL/QUOTE	824,994	\$18,038,044,939.00	42.56%
ONLY ONE SOURCE	104,940	\$8,094,896,025.43	5.41%
SEALED BID	2,914	\$3,233,926,441.20	0.15%
SIMPLIFIED ACQUISITION	451,942	\$9,025,146,635.30	23.31%
SUBJECT TO MULTIPLE AWARD FAIR OPPORTUNITY	548,803	\$23,199,086,415.75	28.31%
TWO STEP	280	\$266,719,999.82	0.01%
(blank)	2,564	\$4,381,222.89	0.13%

Ah Ha! Moment #7

Simplified Acquisitions are automatically set-aside for small businesses. Also, many don't have the same past performance requirements as larger projects in SAM.gov. On top of that, the CO can get a quote from you directly without posting at SAM.gov.

FY21 Small Business Federal Contracts Analysis

Key Indicator #8

Over 94% of small business awards had no set-aside associated with the contract.

Type of Set-Aside Used	Count	Value	Percentage
8(A) SOLE SOURCE	5,156	\$2,732,878,544.46	0.27%
8A COMPETED	1,468	\$439,892,395.58	0.08%
BUY INDIAN	190	\$12,179,304.87	0.01%
ECONOMICALLY DISADVANTAGED WOMEN OWNED SMALL BUSINESS	47	\$15,764,571.94	0.00%
ECONOMICALLY DISADVANTAGED WOMEN OWNED SMALL BUSINESS SOLE SOURCE	18	\$2,861,968.10	0.00%
HUBZONE SET-ASIDE	1,344	\$473,510,979.62	0.07%
HUBZONE SOLE SOURCE	90	\$30,211,447.56	0.00%
INDIAN ECONOMIC ENTERPRISE	23	\$9,278,605.35	0.00%
INDIAN SMALL BUSINESS ECONOMIC ENTERPRISE	671	\$48,549,239.60	0.03%
NO SET ASIDE USED.	369,024	\$10,728,292,124.54	19.04%
SDVOSB SOLE SOURCE	647	\$192,551,261.34	0.03%
SERVICE DISABLED VETERAN OWNED SMALL BUSINESS SET-ASIDE	10,150	\$3,610,959,490.71	0.52%
SMALL BUSINESS SET ASIDE - PARTIAL	1,555	\$579,193,931.96	0.08%
SMALL BUSINESS SET ASIDE - TOTAL	90,451	\$10,014,209,572.77	4.67%
VETERAN SET ASIDE	96	\$24,031,734.06	0.00%
VETERAN SOLE SOURCE	15	\$2,503,660.84	0.00%
WOMEN OWNED SMALL BUSINESS	1,967	\$181,069,573.51	0.10%
WOMEN OWNED SMALL BUSINESS SOLE SOURCE	126	\$20,557,227.84	0.01%
(blank)	1,455,454	\$33,406,182,941.85	75.08%

Ah Ha! Moment #8

Before you invest significant time and money pursuing a certain small business certification, do your market research to determine its viability in helping you achieve success in the federal market.

FY21 Small Business Federal Contracts Analysis

Key Indicator #9

Only 2% of federal purchases were executed as Federal Supply Schedule (FSS) / GSA Schedule purchases.

Row Labels	Count of Dollars Obligated	Sum of Dollars Obligated2	
BOA	1596	\$407,220,928.28	0.12%
BPA	273054	\$2,569,769,104.03	20.04%
FSS	31250	\$2,224,717,182.36	2.29%
GWAC	11237	\$3,433,308,905.48	0.82%
IDC	816639	\$24,098,425,875.58	59.95%
(blank)	228452	\$16,377,083,719.04	16.77%

Ah Ha! Moment #8

Just as with small business certifications, you should research how the government buys the products and/or services you sell before you invest significant time and money in an asset such as a GSA Schedule.