



Remarks Prepared for Delivery for

The Honorable Jovita Carranza
Deputy Administrator
U.S. Small Business Administration

Delivered at the

**First Annual
NASA Small Business Symposium and Awards Ceremony**

Washington, D.C.

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Introduction

- Thank you, Glenn [Delgado, associate administrator, NASA's Office of Small Business Programs] for that nice introduction. I'm delighted to be here this afternoon.
- And I thank you for coming today to acknowledge both the achievements of small businesses in securing federal contracts and the very good efforts of NASA to maximize those opportunities.
- Looking out over this impressive crowd, I want to first congratulate NASA's Office of Small Business Programs for organizing and hosting this informative symposium and awards ceremony.
- We at SBA are proud that our valued partner, NASA, has become a leader among federal agencies in promoting contracting with small businesses.
- The Office of Small Business has helped NASA steadily increase its contracting dollars awarded to small business from \$1.8 billion in 2005 to nearly \$2 billion in 2007. In FY 2007, NASA ranked **sixth** in

small business contracting dollars awarded among all federal agencies.

- Moreover, your sub-contracting process – that makes use of Small Business Specialists that review prime contracts and leverages the SBA’s Electronic Subcontracting Reporting system – has been identified as a “best practice” for other federal agencies.
- Part of NASA’s success, I sense, comes from keeping entrepreneurs and small businesses – like the ones here today – informed and “in the loop” by holding events like this on a consistent basis.
- So I am encouraged by the talent, intelligence, and business savvy that I see here. As bright businessmen and women, you serve to advance the scientific mission of the world’s premier space agency.

The Economic Situation

- Before I offer my formal remarks, I would like to offer some observations about what is weighing heavily on our minds and hearts: the disruptions in the financial and credit markets.

- I realize that the instability of the financial markets creates a lot of uncertainty and anxiety out there, especially in the small business community.
- But I am pleased to report today that President Bush and his economic team (including the SBA) – are using every tool available to:
 - bring resolution to the crisis;
 - unclog the pipes of our credit system;
 - restore stability to our markets; and
 - restore confidence in our economy.
- Whether we are talking about:
 - the \$250 billion direct capital injection into banks that was announced last month; or
 - the decision last week to help firms that issue student, auto, and credit card loans; or
 - expanded FDIC insurance; or

- the purchase of commercial paper;
- all the elements of the President's plan are intended to unfreeze our credit markets and get banks lending again, especially to small businesses and consumers.
- Keep in mind that the President's efforts to get the economy back on track will not work overnight. But as they work their way through the financial system, we *will* see results.
- I personally remain bullish about the prospects for economic recovery. I am hopeful because I have seen this great nation tackle and overcome all sorts of more difficult challenges in the past. From the Y-2-K scare, to the bursting of the dot-com bubble, to the 9-11 terror attacks, to corporate scandals, and large natural disasters, we've proven that we can take a hit and keep on growing – it's one of our unique strengths as Americans.

The Promise of Small Business

- Now given the nature of this gathering, I'm really here to focus another great strength of America: the

promise of small business. To get through this economic crisis, we know that small business will play a big part. After all, small businesses:

- Employ half of the private sector workforce and create more than two-thirds of net new jobs;
 - Account for half of the non-farm GDP;
 - Are major drivers of innovation;
 - Account for about 30% of our exports;
 - Are agents of transformation in many disadvantaged communities; and
 - Offer a path to a better life for millions of Americans.
- One way the SBA and NASA keep the promise of small business alive is by working to maximize federal contracting opportunities for small business owners like those here today. You have shown yourselves to be:
 - Flexible and dynamic;

- Focused on customer service; and
- Easier to conduct business with than “big business.”
- But because the process of selling to the large and seemingly impersonal federal government can seem daunting, small businesses often pull out before the game even begins.
- That is where symposiums like this fit in. Today’s gathering includes a “matchmaking” component so that entrepreneurs like you can meet NASA officials and prime contractors.
- I travel across the country to participate in events like this, not only with other federal agencies, but also with business organizations like the Chamber of Commerce and our entrepreneurial development partners who counsel and train existing and nascent entrepreneurs.
- Only last week I was in Laredo, Texas, with representatives of these groups to address a standing-room only group of business owners anxious to learn

more about government procurement and international trade.

- So, I hope each of you takes advantage of the networking opportunities this event offers.
 - Meet the contracting officials.
 - Collect business cards.
 - Make sure you have e-mail addresses and phone numbers so you can follow-up when you get back to the office.

Reaching Government Contracting Targets

- Now as *your* advocate, the SBA works closely with federal agencies, like NASA, to reach federally mandated contracting targets.
- We also establish targets – which vary from agency to agency – based on maximum extent practicable for awarding contracts to “small businesses and the socio-economic subcategories.”

- This means that for those products and services that small businesses are selling, agencies should be maximizing their prime contracting opportunities.
- But in those areas where small businesses are not offering products for prime contracts, agencies should be working with prime contractors to maximize small business subcontracting opportunities. This is the case for much of NASA's contracting endeavors.
- And our efforts are paying off. Last year, small businesses received nearly \$83 billion in prime federal contracts and more than \$60 billion in subcontracts. And we saw substantial progress in the subcategories of small businesses. For example:
 - Among women-owned businesses, we saw an increase of \$1.5 billion; about a 10% increase from the previous year.
 - Among service-disabled veteran owned small businesses, we saw an increase of \$1 billion over the previous year;

- Among Small Disadvantaged Small Businesses, we saw an overall increase of \$2 billion.
- 8(a) firms received nearly \$1 billion more; and
- HUBZone firms got \$1 billion more.
- These numbers are encouraging, and reveal the wealth of opportunities that are standing at the front door of small business owners. At the same time, we at the SBA still have more work to do helping agencies achieve *all* federal procurement goals.
 - That is why we have increased the number, trained, and strategically assigned Procurement Center Representatives (PCRs), who identify prime and subcontracting opportunities for small business.
 - And why we have a government-wide procurement scorecard that provides the public (and small businesses) with transparency into the buying activities of federal agencies and whether or not they have reached their goals.

- Keep in mind that to take advantage of these opportunities, a small business must not only proactively pursue government contracts. It must also be ready to perform on them as well.
 - To help interested businesses, SBA has a helpful on-line tool to help small businesses interested in pursuing federal contracting opportunities.
 - We also encourage small businesses to register in the Central Contracting Registry (CCR) while offering training and counseling that will help them secure those government contracts.
 - Of course, the SBA's District Offices and Entrepreneurial Development partners stand ready and willing to assist you in preparing to become a successful government contractor. You can check out the SBA web site at www.sba.gov and find the resources nearest to you.

Conclusion

- You can see why I'm proud of the many ways NASA, the SBA, and the rest of the federal government helps small businesses – and why I remain optimistic about

the promise of America and the promise of small business.

- As we work our way through this rough patch economically, you have my word that the SBA will work even harder to help small businesses succeed.
- After all, what we are facing is an economic slowdown, not a shutdown. *We're here and open for small business.*
- We're here because we value the role that small business plays in America, a role that is critical now more than ever. As my boss, President George W. Bush recently stated:

"If you own something, you have a vital stake in the future of our country. The more ownership there is in America, the more vitality there is in America, and the more people have a vital stake in the future of this country."

- Thank you again for coming today. I wish you all the best in your endeavors.