

## **Measures to Facilitate Teaming Arrangements**

A significant way to increase contract opportunities for Women-Owned Small Businesses (WOSBs) is through teaming arrangements and subcontracting relationships. Teaming arrangements are desirable from a federal and industry standpoint because they enable the companies involved to complement each other's unique capabilities and offer the government the best combination of performance, cost, and delivery for the product being acquired. WOSB teaming agreements may include large businesses or other small businesses. There may be size issues involved when small businesses enter teaming agreements. It is recommended that a small business contemplating a teaming agreement consult with an attorney that specializes in that area before the business enters into any such arrangement.

### **What is a Teaming Arrangement?**

The Federal Acquisition Regulation (FAR) Subpart 9.6, Contractor Team Arrangements, describes contractor team arrangements as follows: "Two or more companies form a partnership or joint venture to act as a potential prime contractor"; or "A potential prime contractor agrees with one or more other companies to have them act as its subcontractors under a specified Government contract or acquisition program."

### **What is a Major Difference Between a Partnership and a Joint Venture?**

A partnership is a voluntary association of two or more individuals to carry on a business for profit, usually on a permanent basis. A limited partnership provides for limited liability of one or more of the partners. A joint venture, by contrast, consists of two or more companies combining their resources to form a new company, as a separate entity from the existing companies, for the purpose of performing a contract. Once the contract is completed, the joint venture is dissolved along with the new company that was formed to perform the contract.

### **What Does The Teaming Process Involve?**

To establish teaming arrangements, small businesses or large and small businesses combine their resources to bid on major procurements. The companies may combine their financial capabilities, managerial and technical skills, personnel, business facilities and/or equipment to become a successful bidder on a contract. A review of the proposed documents by an attorney knowledgeable about teaming agreements is highly recommended.

Teaming with another company involves finding the right partner. In addition to combining your products and services with your partner's products and services, it is recommended that you research your potential partner's financial condition. Check the credit history of the company, working capital, past performance and current teaming

relationships. You must also know your partner's economic viability and identify your firm's strengths, weaknesses, and future goals.

Participants in teaming and subcontracting agreements should be knowledgeable about the standard terms and conditions of the agreement. Questions regarding claims, the small business size status of the participants, regulations, federal policy, state laws, legislation, reimbursement, payment, licenses, responsibility and obligation should be addressed before entering into the teaming agreement. As a result, consulting with an attorney and reviewing relevant legal documents and possible areas of concern or dispute can be of assistance before entering into teaming and subcontracting arrangements. This may help to identify the problems and solutions that teaming and subcontracting arrangements present.

### **What Benefits Can I Expect From Teaming Arrangements?**

For WOSBs, teaming with a prime contractor has many benefits, including the opportunity to: (1) increase annual profits; (2) work on large government procurements; (3) increase working capital; (4) gain experience with a diverse workforce; (5) expand and/or diversify products; (6) network to develop strong business relationships; (7) realize advancements in management and technical skills; and (8) increase contract awards.

### **Where Can I Find Federal Teaming Arrangements?**

One of the frequently used web sites to search for teaming arrangements is the Federal Business Opportunities (FedBizOpps) web site. It is the government's single point of entry for Federal government procurement opportunities over \$25,000. Small businesses seeking federal procurements can search, monitor and retrieve opportunities solicited by the entire Federal government. The web address for FedBizOpps is [www.fedbizopps.gov](http://www.fedbizopps.gov).

The Small Business Administration's (SBA) SUB-Net is another site where small businesses can search for procurement opportunities, including teaming arrangements. Prime contractors post solicitations on the SUB-Net site. Solicitations are reviewed by SBA personnel for accuracy as to the figures stated. Accurate solicitations are activated by SBA personnel and the prime contractor is given a password to post additional solicitations. The web address for SUB-Net is <http://web.sba.gov/subnet/>. Small businesses are also potential teaming partners. They are listed in SBA's PRO-Net, which is a free on-line data base. This may be accessed through the Department of Defense's Central Contractor Registry (CCR) at [www.ccr.gov](http://www.ccr.gov), by scrolling down to SBA's PRO-Net logo, or by going directly to [www.pro-net.sba.gov](http://www.pro-net.sba.gov).

The Office of Small and Disadvantaged Business Utilization (OSDBU) in each federal agency has information about how to market your company to find teaming arrangements. You may connect to each of the OSDBU offices through several web sites, including the WomenBiz.gov site located at <http://www.womenbiz.gov>, the

Department of the Treasury at <http://www.ustreas.gov/sba/>, and the Department of Commerce at <http://www.osec.doc.gov/osdbu/>.

Most of the OSDBU offices' web sites list contact names and telephone numbers. You can contact one of the small business specialists in the OSDBU office to discuss your company's teaming needs. The small business specialist will be able to assist you with information about what types of procurements are available for your products or services now and in the future.

The Air Force Small Business Virtual Teaming Center is an ideal resource to facilitate the teaming of small businesses for contracts. Using this site, you will be able to network with other small businesses, team your resources, and compete for Air Force contracts. Additional information is available through <http://www.selltoairforce.org/selling/teaming.htm>.

### **Where Can I Find Corporate Teaming Arrangements?**

Corporations seek federal contracting opportunities with small businesses through their Small Business Programs also called Supplier Diversity Programs. By contacting the supplier diversity offices, WOSBs can network and develop business relationships that can result in procurement opportunities. A number of the large prime contractors include small business contact information and resources on their web sites under "Supplier Diversity Program" or "Small Business Program."

An important networking resource is a publication entitled "Purchasing People in Major Corporations". The publication provides information about major U.S. corporations and lists names, phone numbers, e-mails, and the addresses of corporate diversity supplier program offices. It is updated and issued annually by Diversity Information Resources, Inc. (DIR). See [www.diversityinforesources.com](http://www.diversityinforesources.com) for order information.