



## SMALL BUSINESS PRIME PROGRAM FACT SHEET



### A Breakthrough Initiative

Metro’s Small Business Prime Program is a breakthrough initiative that paves the way for small businesses to bid and win contracts as prime contractors.

Small Business Prime sets aside applicable contracts – up to \$5 million – for which only Metro certified Small Business Enterprises (SBEs) can compete, opening a direct route to contract opportunities.

### How It Works

The program applies to both federally funded and non-federally funded, competitively negotiated contracts, sealed bids and public works projects, from \$3,000 up to \$5 million, depending on the type of procurement.

Procurements will be set aside for competition among SBEs when and if there is a competitive pool of three or more Metro certified SBE firms available to perform the work, based on their NAICS codes.

If there aren’t three or more qualified SBEs, or if no responsive bid is submitted, then the procurement will be opened up to all firms, regardless of size.

### Three Eligible Contract Categories

Small Business Prime applies to three categories of work:

ACTION TYPE	INFORMAL ACQUISITIONS	FORMAL ACQUISITIONS
APPLIES TO BOTH FEDERALLY (FTA) FUNDED AND NON-FEDERALLY FUNDED ACQUISITIONS		
1. Negotiated Awards <sup>1</sup> for supplies, equipment, materials and services, including architecture and engineering	\$3,000 to \$100,000	\$100,000 to \$3 Million
APPLIES ONLY TO FEDERALLY (FTA) FUNDED ACQUISITIONS		
2. Awards under sealed bid <sup>2</sup> procedures (except Public Works)	\$3,000 to \$100,000	\$100,000 to \$2 Million
APPLIES ONLY TO FEDERALLY (FTA) FUNDED ACQUISITIONS		
3. Public Works <sup>3</sup> projects, generally defined as construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds	\$3,000 to \$100,000	\$100,000 to \$5 Million

<sup>1</sup>NEGOTIATED AWARDS: Negotiated awards involve the evaluation of submitted proposals based on evaluation factors in addition to price. Award can be made with or without negotiation.

<sup>2</sup>SEALED BIDS: Awards are made to the lowest priced, responsive/responsible bidder. No negotiations can take place.

<sup>3</sup>PUBLIC WORKS: Awards for public works contracts may, depending on the enabling statute, be awarded either as a negotiated award or as a sealed bid. Public Works are generally defined as, “Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds.”





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# The Critical Role of NAICS Codes

Metro uses the North American Industry Classification System (NAICS, often pronounced NAKES), to assign codes to each good or service to be procured.

NAICS codes also are used for SBE certification to determine a company's specific area of expertise.

NAICS codes are an important part of Metro's Small Business Prime program, as they are used to match procurements with Metro certified SBEs, to determine if there are three or more small businesses available to perform the work.

**Key NAICS code categories for Metro contracts include:**

ADVERTISING, PUBLIC RELATIONS, MARKETING,  
MARKET RESEARCH

ARCHITECTURAL, ENGINEERING,  
ENVIRONMENTAL SERVICES

AUTOMOTIVE: PARTS, RENTAL, LEASE, SALES SERVICE

BUSES & RAIL: PARTS, SALES, SERVICE, EQUIPMENT

CHEMICALS, SOAP, CLEANING & SUPPLIES

COMMUNICATION EQUIPMENT,  
COMMUNICATION SYSTEMS

COMPUTERS: HARDWARE, SOFTWARE, SALES, LEASING

CONSTRUCTION: SERVICE, SUPPLIES,  
EQUIPMENT, MATERIALS

CONSULTING, MANAGEMENT

ELECTRICAL/ELECTRONIC: SUPPLIES AND SERVICES

EQUIPMENT & SUPPLIES: MISCELLANEOUS

EMPLOYMENT & TRAINING SERVICES

FINANCE, INVESTMENT, INSURANCE & REAL ESTATE

FUEL & LUBRICANTS: EQUIPMENT, SALES, SERVICE

GRAPHIC DESIGN: EQUIPMENT, SALES, SERVICE

MEASURING, ANALYZING, PHOTOGRAPHY,  
CONTROLLING EQUIPMENT

OFFICE EQUIPMENT, OFFICE FURNITURE,  
OFFICE SUPPLIES

PAINT AND RELATED PRODUCTS

PRINTING, PUBLISHING, GRAPHIC SERVICES,  
PRINTING SUPPLIES

MAILING, COURIER, FREIGHT SERVICES

RAIL TRANSPORTATION/EQUIPMENT/TRACK/VEHICLES

SERVICES: MISCELLANEOUS

SHOP SUPPLIES, SHOP EQUIPMENT, RENTAL,  
SALES & SERVICES

UNIFORMS & LAUNDRY SALES & SERVICE

FOOD, ENTERTAINMENT, TRAVEL, LODGING

LEGAL SERVICES

MEDICAL & HEALTH SERVICES, SUPPLIES & FACILITIES

SECURITY & SAFETY SERVICES & EQUIPMENT

PHOTOGRAPHY & AUDIO VIDEO SERVICES & SUPPLIES





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### Benefits for Small Businesses

This program is designed to give you expanded access to contracts in numerous ways, including:

#### > Notification

Only Metro certified SBEs will be notified of informal Small Business Prime opportunities, based on their NAICS codes.

#### > Prime Opportunity

With Small Business Prime, Metro certified SBEs can compete for and win contracts as prime contractors.

#### > Exclusive Competition

Metro certified SBEs will compete only against other small businesses on Small Business Prime contracts, increasing their opportunity to win more contracts because they will not be competing against large firms.

#### > More Resources and Access

Metro certified SBEs can build capacity to take on bigger contracts and grow their businesses.

#### > Direct Connections

Metro certified SBEs will establish relationships directly with administrators and buyers.

#### > More Opportunities

Metro certified SBEs can team with other SBEs in order to successfully pursue large Small Business Prime contracts.

### Tips for Small Business Prime Success

- > Get certified with Metro – for more information, go to [metro.net/connect](http://metro.net/connect)
- > Keep your firm's information updated (names, phone numbers, emails and NAICS codes)
- > To increase your chances of getting a contract, list all NAICS codes for which you qualify
- > Learn and understand the policy for Small Business Prime
- > Respond to opportunity notifications
- > Request debriefings after contracts are awarded, even if you were an unsuccessful bidder
- > Keep abreast of opportunities by attending outreach and networking events and staying connected to contract administrators, program managers and buyers
- > Build your firm's capacity in order to be ready to bid for larger contracts
- > Proactively pursue opportunities to team with other SBEs
- > Be ready for prime time – ensure you are up to date and up to code: certifications, business license, bonding, insurance, pre-qualification, etc.

### Eligibility Requirements

SBEs responding to procurements under Small Business Prime must be SBE certified with Metro in the appropriate NAICS code(s) at the time the bid or proposal is submitted.

SBEs responding to bids and proposals must perform a commercially useful function (CUF) on the contract. This means the SBE firm must carry out at least 30% of the total cost of the contract – actually performing, managing or supervising the work involved with its own work force.

### More Information

#### Metro Connect

[metro.net/connect](http://metro.net/connect)

#### Small Business Prime

[metro.net/connect](http://metro.net/connect)

> Click on “Get Certified”

#### Small Business Prime Solicitations

[metro.net/business](http://metro.net/business)

> Click on “Solicitations”

#### SBE Certification

[metro.net/connect](http://metro.net/connect)

> Click on “Get Certified”

213.922.6200, option 2

[certificationunit@metro.net](mailto:certificationunit@metro.net)

#### NAICS Codes

[census.gov/naics](http://census.gov/naics)