FY 14 SAME Industry Day Omaha Post

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DIALOUGE

- Team Arrangements
  - Prime & Subcontractor Relationship
  - Partnerships
  - Joint Ventures
  - SBA’s Mentor-Protégé Program
Teaming Arrangements

- Two or more companies form a partnership or joint venture to act as a potential prime contractor.

- 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.

Reference: Far 9.6 Contractor Team Arrangements
Benefits to Small Businesses

- Take advantage of relaxed SBA affiliation rules
- Maximize complementary skills, resources, and capabilities
- Minimize risks
- Develop a direct relationship with DoD
- Fill gaps in past performance
- Eliminate barriers (for example, supporting requirements that are geographically dispersed)
- Increase competitiveness.
Prime & Subcontractor Relationship

- An agreement to work together to pursue a prime contract with the promise to work together in good faith if successful.
- Prime is responsible; owns profits and risk.
- Prime in privity of contract with government.

Reference: CFR 13 121.103(h)
Partnership

- Two or more individuals or concerns who come together to co-own a trade or business for profit.
- No distinction between the business and the owners
- Partnership (members) shared profits and risks
- The partnership (members) in privity of contract with the government

Reference: DOD Guidebook for Facilitating SB Team Arrangements
Joint-Venture

- An association of individuals and/or concerns with interests in any degree or proportion by way of contract, express or implied,
- Consorting to engage in and carry out no more than three specific or limited-purpose business ventures for joint profit over a two year period ("3-2 rule"),
- Combining efforts, property, money, skill, or knowledge
- But not on a continuing or permanent basis for conducting business generally.

Reference: 13 CFR 121.1039h)
Applicable to Section 8(a) Participants only
- May result in a JV with an “Other than Small” concern
- Section 8(a) may joint venture with its protégé to compete on any Federal procurement as a small business.
- Section 8(a) mentor protégé agreement must be reviewed annually by SBA

References: 13 CFR 121.103(h)(iii))
Thank you!