



PORTLAND DISTRICT OFFICE
8(a) Business Development News
November 2002

PRO-Net and CCR to Integrate

The U.S. Small Business Administration (SBA) is taking a big step in simplifying the way small businesses do business with the Federal government by making some changes in how the Procurement Marketing and Access Network (PRO-Net) database operates. SBA has partnered with the U.S. Department of Defense (DOD), Defense e-Business Program Office, to integrate PRO-Net and the



Central Contractor Registration (CCR) system. By doing this, SBA and DOD are helping to advance the President's goal of a single, user-friendly, integrated acquisition environment. **This integration took place on October 31, 2002.**

By Fall 2003, vendor payments for all Federal agencies will be made on the basis of electronic funds transfer (EFT) information contained in CCR. This means that all firms doing business with the Federal government will have to be registered in CCR in order to be paid.

The PRO-Net system will continue to serve as a major marketing development tool for small businesses seeking to do business with the Federal government and prime contractors. It will also continue to be an important marketing research tool for government contracting officers and commercial buyers seeking small business sources. Finally, it will continue to be the authoritative source of certification

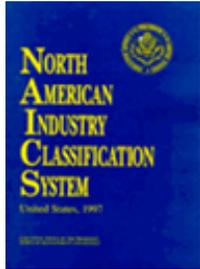
information for 8(a) Business Development and HUBZone Empowerment Contracting Programs, and for Small Disadvantaged Business status.

Through the integration of the two databases, the process is streamlined for firms to automatically register in both PRO-Net and CCR at the same time. **If you are registered in either database, please review and update your records as described below:**

- **To help in matching the PRO-Net and CCR databases, and ensure that this integration happens smoothly, please check your firm's PRO-Net record and be sure that it contains the correct DUNS number. (If your firm has multiple locations, please update DUNS numbers for each location.) This is a critical step.**
- **If your firm is currently registered in the CCR, then you will make all future PRO-Net profile updates to your CCR record.**
- **If your firm is not registered in CCR, then please visit the CCR website at www.CCR.gov to register.**

Your firm needs a DUNS number in order to register in the CCR. If your firm does not have a DUNS number, then contact Dun & Bradstreet, Inc. at (800) 333-0505 to obtain the free nine-digit identification number.

Adoption of NAICS 2002 and Modifications to Small Business Size Standards



Effective October 1, 2002, SBA adopted the Office of Management and Budget's (OMB's) modifications to the North American Industry Classification System (NAICS) into its Table of Small Business Size Standards. The new NAICS codes are referred to as NAICS 2002.

These size standards apply to all SBA programs and to most Federal Government programs where eligibility as a small business is a factor or a consideration.

NAICS 2002 contains a sufficient number of changes that SBA is issuing a new table of size standards that includes the modifications. NAICS 2002 is the same as NAICS 1997 for 16 of the 20 sectors. **Construction and Wholesale Trade are substantially changed, with new industries and all new six-digit NAICS codes.** There are also revisions that modify a number of Retail classifications as well as the organization of the Information Sector.

Specifically, the revisions are as follows:

Construction	Construction remains Sector 23, but three new Sub-sectors replace the current one. The three new Sub-sectors are: Sub-sector 236—Buildings Sub-sector 237—Heavy & Civil Engineering Sub-sector 238—Special Trade Contractors
Wholesale Trade	This sector remains Sector 42, but there are three new Sub-sectors that replace the current two. These new Sub-sectors describe the types of wholesaler and capture more accurately the rapidly growing business-to-business electronic

	markets developing in the U.S. The Sub-sectors are: Sub-sector 423—Merchant Wholesalers, Durable Goods Sub-sector 424—Merchant Wholesalers, Non-durable Goods Sub-sector 425—Wholesale Electronic Markets and Agents
Retail Trade	Department stores and retail industries without physical store locations have additional industry categories.
Information	There are now categories related to important new and emerging industries that better distinguish between book publishers, internet publishers and other publishers.

If you are in an affected industry category, you should do the following:

Determine your current NAICS code and corresponding size standard. Identify critical areas that require updating as a result of the change. These may include, but are not limited to the Procurement Access Network (PRO-Net) at <http://pro-net.sba.gov>, Central Contract Registry (CCR) <http://www.ccr.gov>, the acquisition notification service of Federal Business Opportunities (FEDBIZOPPS) <http://www.fedbizopps.gov>.

Only a few size standards change because of NAICS 2002:

The following industries have new standards: oil and gas pipeline construction, construction site preparation, right of way clearing and line slashing, crane rental, water well drilling, indoor swimming pool construction, anchored earth retention contractors, internet broadcasting, and cleaning buildings during and immediately after construction.

Where you can find information about NAICS 2002:

Information on NAICS 2002 is available on the Bureau of the Census web site, <http://www.census.gov/epcd/naics02/>. It includes useful information, such as the following:

Descriptions of any or all of the NAICS industries;

Correspondence tables among NAICS 2002, NAICS 1997 and 1987 SIC codes;

Keyword search for NAICS codes; and

General information about NAICS 2002

For additional information on NAICS 2002 and size standards, please contact your Business Opportunity Specialist at the Portland District Office or the Office of Size Standards at (202) 205-6618.

New E-Business Contracting Tool Pilot Program

The *SBAExchange* Pilot Program is an electronic purchasing tool designed to facilitate small business e-procurement opportunities and improve the efficiency and accountability of current government procurement processes. It is a streamlined electronic tool that allows agencies to award simplified acquisitions up to \$100,000 (including micro-purchases) and to make purchases and payments electronically with the Governmentwide commercial purchase card. Agencies will be able to use *SBAExchange* to award purchases over \$25,000 that have been posted in Federal Business Opportunities (FedBizOpps), provided the notice states that the award will be made electronically. Additionally, it will help small businesses compete for purchases that are currently being obtained through other contracting methods.

To participate, small businesses must obtain an Internet-based Supplier Web Site from www.SBAExchange.gov. Through the Supplier Web Site a small business will receive-

- A fully hosted, supplier branded, e-commerce website;

- Exposure to federal buying authorities, large federal prime contractors and other large buying officials;
- An electronic catalog;
- A centralized order management system for receiving and processing Internet-based orders from federal, state, local and commercial buying authorities;
- A management system for tracking new business, creating and submitting quotes and;
- Assistance in managing the new site.

SBA plans to kick-off this pilot program nationally on March 30, 2003 when agencies can begin awarding transactions through the system. In order to ensure a successful launch in March, the small business electronic catalog development period opened on October 30, 2002.

The annual cost to participate in the *SBAExchange* Pilot Program is \$1,500. Additionally, a transaction fee of 2 percent will be added to all orders. The first 2,500 small businesses to sign up will receive a \$450.00 discount.

If you are interested in this Pilot Program please visit www.SBAExchange.gov to learn more.

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