

Programs help small guys get piece of action

Big players still get lion's share, but agencies also look for locals



COURTESY OF FOUR WINDS MECHANICAL From left, Four Winds employee Adrian Nelson, owner Lynn Armijo and employee Brandon Harmon work at a Bureau of Reclamation site in Yuma, Ariz. Armijo turned to federal contract work after she inherited the Albuquerque company from her father.

JOURNAL STAFF REPORT

Most of the \$8.2 billion awarded by the federal government to companies in New Mexico goes to huge firms doing work for the national laboratories and the Defense Department.

However, federal agencies are required to allot at least 23 percent of their budgets to small businesses - an amount the government surpassed during fiscal 2017 by awarding \$2.1 billion to small New Mexico companies.

Among the various programs the government offers for minority or disadvantaged business owners, the biggest one in New Mexico was veteran-owned enterprises. Those types

of businesses drew \$190 million worth of federal contracts.

The one program that fell short of federal goals was the Hubzone set-aside for businesses in under-served areas, such as Indian reservations and certain areas south of Central, for example.

John Garcia, director of the Small Business Administration's New Mexico office, said he planned to do more outreach in hopes of increasing the number of business owners that take advantage of that program.

Here are some other facts about federal business spending in the state:

Sandia National Laboratories awarded \$267 million to small New Mexico businesses during the 2017 fiscal year. Its spending on small businesses - in New Mexico and elsewhere - totaled 53 percent of all goods and services it contracted. Preliminary figures for fiscal 2018 show the lab has managed to boost that figure to 60 percent, said Paul Sedillo, Sandia's small business program manager.

Los Alamos National Laboratory awarded \$262 million to small businesses.

Sandia announced this year a 5 percent pricing preference for qualified New Mexico companies on subcontract awards worth \$150,000 to \$5 million.

The general rule of thumb is that for every \$1 million awarded for federal grants, 10 jobs are created.