

Carla: Good morning, and welcome to today's live SBA web conference. With that, I'll turn the call over to Jan Kaiser. Jan, please go ahead.

Jan: Thank you, Carla. Happy New Year, everyone. We're so pleased you could join us, today, and hope that we can enable you to meet your new fiscal year, 2017, goals, whether to meet and exceed your small business target, become a more informed professional, or get a CLT under your belt for participating in our free, online training series. Next slide. Joyce Johnson, our favorite, and founding, First Wednesday webinar host, is out of the office, and we wish him warm Wednesday webinar wishes. I'm Jan Kaiser, and I work as a Procurement Center Representative in the Office of Government Contracting, in Chicago, Illinois. If you have any questions or suggested future topics about the programming, please contact me at the e-mail address that you see here, sbalearning@sba.gov. I'd be glad to respond to your inquiry or question, or suggestions. Next slide, please.

This is slide 3, and if you have any questions that we don't get to answer today, I would like to let you know that you can contact your PCR, if you have one assigned to you, and if you're not sure who that is, you can contact me, and I'll try to help you locate who your PCR is. We will take questions during the final 10 minutes of the program, and as Carla mentioned, I'll repeat the questions that you typed in in the notes section, and we'll try to get those answered today. If you have any technical problems, the number is listed here, on slide 3. Then, let's see. If we have time, we're going to cover the SBA quick reference slides, at the end of the program, but they are SBA quick reference slides, just for your information. There's extra bonus slides that you get after our presenter presents the topic for today, the Non Manufacturer Rule. For more SBA training, you can visit the SBA Learning Center website, on the SBA.gov website, and the link is provided on this slide, as well. Next slide, please.

This is going to be slide 4 coming up, and these are reminders about what we'd like to provide each month, some topical reminders. This month's reminders are about SBA approving joint ventures for 8A firms only, so you're not going to ask any small businesses who are submitting offers, or when you're putting out a request for proposal. You don't want to ask them to submit their evidence of SBA approval to any of their joint ventures. Also, remember that ISRs and SSRs are due October 30th for the reporting period ending September 30th. [Foreign 00:03:47] 19.705-68, states that, "The contracting officer is responsible for acknowledging receipt of, or rejecting, the ISR and SSR and CFRF." Failure to meet the goals or subcontracting plan is not a valid reason for rejecting the report. ESRS has a contracting officer's guide you can download and your PCR and/or [Osabu 00:04:14] office can assist you with further questions regarding ESRS. To locate the area director for SBA's Office of Government Contracting, which covers where you're located, you want to go to the SBA.gov website and the link is also provided on slide 4, for that information, as well.

Slide 5, please. The Association of Procurement Technical Assistance Centers post the past First Wednesday programming on their website, so we'd like to thank them very much for housing this library of training for us. They also have provided a link on how

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PTAC can partner with federal agencies to learn more about PTAC and where closest one to you is located. See the link on this slide. Slide 6, please. We've provided a list of the planned programs for [SY17 00:05:32] and they also provide some special programming at some point, during the year. We'll send an e-mail notification regarding the date and the plan topics for those of you that have registered to receive e-mail notifications about First Wednesday training. That brings to mind the Air Force ... I know that they went from (I'll give an example of) firstname.lastname@[offet 00:06:02].af.mil. I believe the Air Force went to firstname.lastname@airaf.mil, so if anytime you have a change in your e-mail address, you want to notify us so that we can update your e-mail and make sure that you are getting the notifications about the First Wednesday programming.

Next slide, please. Oh, and just a quick note about slide 6. You don't have to switch back to slide 6, but just so you know, with that calendar, be sure to mark your calendar for the upcoming training sessions. We try to keep them on as the title of our training series suggests. We try to keep it to the First Wednesday, but there's a couple of instances where we provide training on an alternate Wednesday, because of some conflicts in the schedule. How we do the continuous learning point, is to ... This is a self-serve kind of topic. We're on the honor system. The continuous learning point is up to you to go into your training program and apply for your continuous learning point and applying this to your CLP totals. On the next slide, so if you'd go to slide 8, please, we've provided you a blank certificate of training for today.

You insert your name where it says insert your name on the slide, and then just go ... When you print it out, just be sure to print out the current slide, and then you'll have your training certificate that you can upload into your training system, if it requires that you provide proof of training. This is the proof of training. Next slide, please. Today's topic, Understanding The Non-Manufacturer Rule, was originally to be presented in last year's schedule. When the program was postponed a number of folks provided comments about needing the training and so we made sure that this was one of the first topics we covered in the 2017 program. John [Haysuka 00:08:36] is the program manager in the Office of Contract Assistance at SBA headquarters, and as such, is a subject matter expert on today's topic, Understanding The Non-Manufacturer Rule. John, take it away.

John: Thank you. Next slide, please. The non-manufacturer rule is applied for many of the small businesses that are participants in our different programs, and today, I'm just going to go over some of the things that I expect when I see a request for a waiver. We'll cover things like key definitions, the current regulation in law, how it's applied, and how we do the waivers. Next slide, please. What is a manufacturer? Well, in most cases, we're looking at the person that puts the product item together, which the federal government is going to buy. It could be ranges from anything from tractors, to hardware supplies, paper, IT equipment, almost anything that normally would be sold in commerce, that the federal government is one of the biggest customers for all of this stuff. Relaying [inaudible 00:10:16] items that are being acquired in all cases. Next slide, please. A non-manufacturer, in our case, is usually a small business. When we say not a broker, brokers have no ... They're like intermediaries. They have no dealing with the

product itself, or the maker of the product.

The non-manufacturer also, for small business, he covers ... if you look at our table of small business [inaudible 00:10:57], sectors 44 and 45, these are just a retailer as a [wholesalers 00:11:02]. The regs say that they need to take possession of the item being sold to the federal government. In a lot of cases, it's a fluid term, mainly because a lot of times, the wholesaler will make an order from the manufacturer for a contract with which he's going to supply the product to the federal government. A lot of times, you can just go directly from the manufacturer to the federal government, but our regulations say that they have to take possession. Now if you look in the last thing on the slide, it's this little supply in product of a small business manufacturer or process of made in the US. This is where the waiver comes into place that I produce, for contracting officers. They will normally come to us and say, "Well, there isn't a small business manufacturer of this product, so that's why we need the waiver."

Next slide, please. Kit Assembler, this is usually assembly of items that are put into a package at which the federal government is buying from the small business. All of the products in that package is usually made by a large business. We see a lot of this one, that comes to the Veteran's Administration, mainly when they buy items for surgical use or in one of their clinics. It could be something that's all put together and what the small business will do is, they'll get this order and then ship it to the different federal agencies that use it. Besides VA, also DLA and some of the military, like the Army, Navy, that have their own medical facilities, so it's usually shipped to them. Again, the item in there is because it's being assembled for delivery, the issue of the manufacturer really does not come into play.

Next slide, please. As I mentioned earlier, retailer or wholesaler, if you look at our table of small sized standards, which I really encourage you to do so, just go through those sections, between ... It starts with 42 and goes all the way up to 48 or 45. When you look at those, those are the types of small businesses that we are looking at when we do this waiver. Right now, the only issue, or one that comes into my mind that's being sort of ... is kind of deliberated, is with regard to software manufacturers. Software in the normal sense, is usually given to codes that deal with the people that maintain them, service them. We do have packages now that small business can get from the manufacturer and sell to the federal government. I won't get into too much of this right now, because I suppose that it's going to be looked at again, this year. Next slide, please.

Carla: Slide 16.

John: Slide 16, no slide 15, it says.

Carla: Slide 15.

John: Yeah. There was a recent amendment made on May 31st of this year, where they adjusted the ... Under the simplified act [inaudible 00:15:44] procedures the old limit was 25,000. Well, they raised it up to 150,000, mainly because of, again, technology and the way the federal government buys items. They felt that the higher number would

make it easier for contracting officers to go ahead and contract with the small business, where [inaudible 00:16:11] this mean supply comes from a large business, but the amount of the award is under that threshold, which kind of speeds up their end with regard to getting the items needed for their [inaudible 00:16:28]. Excuse me. The waivers that I look at come to me because a federal agency applying their market research and due diligence, have discovered that the item that they want to buy is not made by a small business manufacturer. This is where the exception comes. If you look at our regulations in that [inaudible 00:17:09] CFR part 121.406, is a B5, where we actually say that this is when you would request a waiver for that particular item.

Also, all of these waivers that we produce for federal agencies are usually limited to small business and the other small business programs that we administer, here, so that they can meet the program goals with regard to contracting with the various small business, and yet a program [inaudible 00:18:05] women, veterans, disabled veterans, a hub zone, 8A. It's depending on what they want to do with it. Next slide, please. As you can see from the slide, that the small business has to have less than 500 employees, which has been, pretty much, standard for quite some time, now. The thing with regard to the waiver is that when I get it, the agencies will identify the product service code, for which is the general area where the item would be described. Sometimes, I'll have to take a look, but mainly because it may not be the correct code, mainly due to the description.

I have a reference book with regard to codes, and items being procured. It's called the North American Industry [Classification 00:19:31] System Code, and the one I have, currently, is I think, a 2002. That helps me just determine whether it's in a correct code section. We always want to do that, because if we ever get audited here, we have to explain ourselves, if we go outside the particular code. I particularly don't like to do that. See here ... Could you go to the next slide, please? This is a kind of important, especially for a Contracting Officer, is that as to whether we're talking about a class waiver or individual waiver. Class waivers, although the regulations do show procedure with regard to how you can obtain one, a lot of this is really handled by OMB. They will look. Class waivers, they don't like the agencies just trying to do one for a particular item. They want to do a complete survey, with the regard to code sections and product service codes. It's very hard to obtain just for 1 item.

That's why I get all of the next one, which is the individual waivers, because it's something that can be accomplished relatively quickly. We usually don't take too long, here, to go through them, mainly because it end up to be something rather routine.

Jan: John?

John: Yes?

Jan: Just real quickly, briefly, why would a person be wanting to ask for a waiver? In the big picture, because we had a question about the big picture. Before we continue on, I just want folks to understand what the non-manufacturer rule is. Why would you be asking for a waiver?

John: Well, with regard for I guess the general reason we'll ask, is that the Contracting Officer cannot find a small business manufacturer of the particular item. Going outside that, he will ... A lot of times, he's tied to a brand name item, something that is generally assumed it's not made by a small business. A good example is like a Dell computer. Again, the class waiver, there is a publication that you can get. I think it's ... I'm not sure which agency it is, but I know the current ... In fact, if you need one, just let me know. I can just e-mail it to you, but the latest one is January 1st of 2015. What it comprises of, is that any ICS code, a product service code, and a description of the items that are included in this particular class. A lot of times, when I do get a request from the federal agency, I'll take a look at that, the code, and any ICS code, enterprise service code, and if I see it in there, I'll just e-mail them back and just say, "Look, you don't need a individual waiver for this particular item."

Now, with regard to the individual waivers, again, I do check that any ICS [comprised 00:23:37] service code ... Like I said, in most cases, it's a brand name item, or maybe it's a item that's produced by a number of different, large manufacturers. In that particular instance, mainly because I know that you [inaudible 00:23:55] [resort 00:23:56] to scour the internet to look for small business maker of that particular item. I know we're not going to find it, so I'll just go ahead and issue the waiver for that particular item. Next slide, please.

Carla: Slide 18.

John: Slide 18. Again, I think I've explained this one pretty clearly, with regard to class waivers. Class waivers, again, as you can see, it's just a category of items, so we're not talking about just 1 thing. I guess a good example is, a lot of it ... I know if I seen it in the list, it's office supplies, like paper, pens, pencils, and stuff like that. I'd probably, if I see it in that case, I [best 00:24:54] will e-mail the [inaudible 00:24:56] back and say just, "You know, you don't need a waiver, here." Next slide, please, slide 19. The individual waivers can come in. I normally see them in 2 different requests. One of them is just by solicitation of [inaudible 00:25:22]. Oftentimes, I'll see a PR or sometimes a CLINS off of a solicitation. Again, these are usually just a one time request that applies, limited to the solicitation number or the PR, or the CLINS. Being that it's so specific, it's something that normally, I'll just go ahead and process. It shouldn't be issue. I know some of you may have questions with regard to whether it could be considered continuous.

The only instance that I know of is when the federal agency's buying something that it's like a reoccurring purchases. A good example of, that I see, is for the BLA buying fresh fruits and vegetables for its commissaries across the country. It's usually done by region. I know that they're going to be buying a lot of it over a specific period of time. Next slide, please, slide 20. What you see there, 121.406 is the rule with regard to waivers. The 121.1202 ... Actually it's 1201 through 1204, is how it's done. The website, that's the general SBA website. Actually, the best way to do it is you can take this down, too. If you have a question with regard to a waiver, just send it to nmrwaivers@sba.gov and either myself or somebody here in government contracting will pick it up and address the question that you have. I guess the next ... basis for granting the [individual waiver

00:27:56], I think that I've explained that before. Again, what [we've 00:28:00] looking is that there are no small business manufacturers of products. That's why the waiver's being requested.

Slide 21, please. Next slide. There is no form with regard to these requests for waivers, but when you do, I would just do it in a letter and be sure to identify the solicitation number, the item that's being procured, and the ICS code, which fits the item being procured, and if you have a product service code, that will be helpful, too. Also, we need to know whether you've done some due diligence with regard to market research and the dynamics of small business [searches 00:28:59], as well, also, the dollar amount of the items being procured. In most cases, especially in really, really highly technically described items, give us an idea of whether ... if it's a brand name limitation on it, for whatever reason, will let us know that, too. If you can include all that, and if I don't get all of it, I'll certainly e-mail you back and ask for them. If you can keep that in mind, that'll be helpful.

Next slide, please. The items I want to focus, the statements of [work 00:30:04], a lot of times, when we do get a waiver request, we kind of don't have an idea of how the item is going to be used, so sometimes, it's helpful because it makes it easy for us to understand why the waiver is being requested. Next slide, please. If you look at this one, here, they show single solicitation or single request. Again, the individual waivers are limited to that. Again, like I said, I had indicated earlier, with regard to CLINS, NSN, and sins. We're just looking at 1 item, so that's why I get quite busy after a while, then when I get another request, because it's not unusual for a different office from a federal agency will have the same request that another office, in another area. Again, it's just for 1 item, 1 purchase, or 1 buy. Next slide, please. What you see there is the current place to send the waiver request. I do keep a log, and also I keep a copy of all waivers that I produce, here, and send out to the [fiduciary 00:32:03].

It helps me speed up their request, because I have something to fall back on. If I see something that is kind of like a reoccurring reoccurring [inaudible 00:32:17] district office or regional office for the same federal agency, so it helps to be a little [dizzy 00:32:23] along much quicker. NMR waivers at SBA.gov, that's ... I would say that would be the better way to contact me. I can tell you right now, we just moved into a new place, here, and our voice mail system is not working, so if you're lucky you'll catch me on the phone, but the better way to do it is to send it to this waivers, and I will call you myself to see if I can address the question that you may have. Next slide, please. Oh, I think Jan, this is yours, quick references.

Jan: Yes, and I just wanted to ...

John: If I can interrupt just one second, here. With regard to government [inaudible 00:33:21] area offices, if you go to www.sba.gov/slides, and on that menu, you'll see tables of small business slides, and if you pull that table up, at the very end of that document, has a current listing of all of the current government contracting area offices, with phone numbers and addresses and everything. That's another place where you can look at it, if you have a question. Go ahead.

Jan: I'm trying to talk to Carla, because I'd like to let her know that my connection went out and so I've lost the questions. I don't know if either Valerie or Carla can see the questions that came in.

Valerie: I can see the questions, Jan. This is Valerie.

Jan: Thank you, Val. I can only see the last few questions that came in and all the rest of them disappeared. If you could go with those, I'd appreciate it.

Valerie: Are we doing questions, now?

John: Yeah, sure, sure.

Valerie: The first one, John, is what's a fluid term, a broker or a manufacturer?

John: A broker is, I would say, an intermediary between a wholesaler and a manufacturer. He's the guy that goes out and looks for clients. Now, the clients are not the federal agency. The clients are the wholesaler, small business, and the manufacturer. It has nothing to do with the waiver process that we do, here, okay?

Valerie: Okay.

John: The manufacturer is of course, the guy, or the firm, or the business, that actually makes an item that's being sold to the federal government.

Valerie: The next question is, because we're getting a lot in, what happens when GSA assigns the retail trade [Nacscs 00:35:48] to something?

John: Well, if it's something that's outside the sector 44 or 45, that's on our table, then I would have to probably call that agency and ask them what it is and go through my resource list and see what would apply, because I've done it before. A lot of times, I've done it for software, so it does occur.

Valerie: This one relates to software and it says is the waiver required for delivery orders for software equipment ordered off the NASA Soup Contract, for example? Those groups were awarded based on [Nakes 00:36:38] 541519, IT value added resellers. Wanted to get clarification because NASA's Soup has stated they are grandfathered, but each order placed is technically ... This thing keeps on moving, I'm sorry. Let me get the rest of that. Is technically a new order ..

John: Well, the thing about software is that if they're classifying in the 501519 sector, then probably the non-manufacturer will win the [ply 00:37:13] and the reason why I'm saying that is because there probably are, I guess, going to require maintenance and service, a lot of it. The software is going to have to be customized for that particular federal agency. The software that I'm talking about is what we call prepackaged or software, where it comes off the shelf from a store. There's no technical assistance

attached to it. In fact, I just got a request from state department. I told them, I said, "You know, if it's not going to involve any kind of technical maintenance or service thing," then I usually give them ...

There's another NEICS code that I try to get them to reference from. See I can pull that up, here, a second. The one that I usually tell them is 234614. It's called software and other prerecorded compact disc, tape, and recorded through producing. That's what we call the stuff that's packaged. Onto the non-manufacturer, it will fit. We have a lot of small businesses that are basically ... They work with the large companies, the producers, to market it to the federal agencies.

Valerie: Next question, is the non-manufacturer rule only applicable to under manufacturer [Nacs 00:39:12] codes?

John: I would say the general answer I'll give is yes. The wholesaler, retailer, small business is selling something that's manufactured by a large business, it would only be limited to those sections, with regard to actually, companies that make the product.

Valerie: Where can I find a list of all the waivers that apply, that have been issued?

John: ... here. Well, we don't have a library like that, that we could just offer, mainly because it's not something that's pretty ... that we could standardize, mainly because of the items we procure can vary greatly.

Valerie: John, on the SBA website, do we not still have a listing of under the non-manufacturing rule, the waivers?

John: Not that I'm aware of.

Valerie: We will look into that. The next question is how does the non-manufacturer rule affect limitations of subcontracting?

John: When you're talking about limitation of the contract, you're talking about services. The non-manufacturer rule has nothing to do with services.

Valerie: Let's see. On slide 22, there was a ... It says statement of work is required on contracts expected to exceed a total estimated value of \$500. Will salient characteristics be accepted in lieu of the statement of work?

John: It gives a general description, but that can relate to the waiver. I would say yeah, it's okay.

Valerie: If a non-manufacturer is a retailer with the size standards of 7.5, but I'm buying a supply with a size standard of 1,000, and if we've got different ... I'm sorry, this ... Every time we get a question, the question that I'm reading goes away and I have to find it, again.

John: Oh.

Valerie: Let me go back up. Excuse me, everyone. We're getting more and more, so every time we get one, it ...

Jan: I'll ask. I got a question. One of the questions that I got was ... and, I've got the same issue. Does not apply to full and open ... Does that mean a small business can disregard the size limitations of let's say 500 employees normally enforced under the NMR ... It's proposing of the non-manufacturer.

John: Yeah, if it's outside where the federal agency doesn't really care where it gets the item from, it wouldn't apply. The small business still can compete for it, but they don't have to worry about getting a waiver from us.

Valerie: Let's see if I can find your question, again John. We're getting a lot of people that are coming back with the same kind of questions. If a non-manufacturer's a retailer with the size standards of 7.5, but I'm buying a supply with a size standard of 1,000, how does the vendor demonstrate their size is less than 500 employees in Sam?

John: Well yeah, the Sam [servicing agent 00:43:58] is a self servicing agent, so I would assume that he would be subject to the 500 or else employees under the non-manufacturer rule, so I would assume if he has less than 500 employees, and he can defend that, than he certainly can't use the waiver process to supply the item to the federal government using the non-manufacturer rule.

Valerie: Is it reasonable to interpret the most recent rule making to suggest that small businesses will be able to supply the products of large manufacturers under small business set aside actions valued between 3 and 150,000?

John: Yeah.

Valerie: That was a definite answer, right there.

John: Yeah, because again, the presumption here is that when ... because of the self-certification requirement for small business, if the agent of the firm is asserting that it is small, based on that criteria, then until proven otherwise, they're assumed to be small.

Valerie: I have a service disabled Vet who services power washers that the federal government buys. There is no small business manufacturer for that size power washer. When the bid is opened, only a large business can bid. How would my small business qualify as a qualified bidder, using the non-manufacturer rule?

John: Well, this is between that small business and the federal agency that's wanting to buy this stuff. If the SDBOSVC said, "Look, we have besides myself, there's a number of other businesses that can provide this product and we would like to have you set us up for that program, applying the non-manufacturer rule," and it's up to them to agree to it, or not. That's one area where we cut ourself off. We don't get into the negotiation process with regard to whether ... Again, I think that the [inaudible 00:46:31] applying some

market research and due diligence should investigate this and if the guy, the small business is correct, than they should amend its solicitation and say, "We're going to set aside of a small business."

Valerie: Need to understand if the statement, "Products of different concerns," means different manufacturers, which would mean the acquisition cannot be set aside if I'm utilizing a brand name justification.

John: I'm going to have to digest that one, here.

Valerie: Would you like me to repeat it?

John: Yeah, please.

Valerie: Does the statement, "Products of different concerns," mean different manufacturers, which would mean the acquisition cannot be set aside if I'm utilizing a brand name justification?

John: That sounds awfully confusing. You said item, and he's talking about brand name. Looking at it, if I see brand name, I'm assuming it's only 1 item, not a item of different manufacturers, or talking about more than 1 item.

Jan: I've got a question from somebody and it has to do with ... and, it's a good question. They were asking how long does it take to process a class waiver?

John: Because it requires a publication in a federal register, I guess the standard or reasonable time is about 60 days, but I've seen others before I just started doing this, that have in our files, where it ran over a year, mainly because when the thing was published, the item being asked to ... items be put in a class, affective agencies in different ways. Some of them are opposed to it, because 1 or 2 of the items that fit the list would be something that they could obtain waivers for, quicker, if it was just left to be individual waivers. I would probably say the individual waivers is done quicker and in many cases, it's done without to much [inaudible 00:49:16]. The class waivers, sometimes can bring up some controversy with regard to putting a whole bunch of items under 1 code, and [wading 00:49:26] them.

Jan: For the individual waiver, what kind of timeframe should folks allow in their plan of action and [inaudible 00:49:35]?

John: Well, Shawn Crane and [inaudible 00:49:41], they monitor this too, so if it gets within the 10 to 15 day period, I usually hear from them. I try to get them out within like ... I guess within the 5 days after I receive them. The only thing that would hold it up is if HYR can have some kind of program out of the office where ... Because they have the authority to sign the letters. I don't.

Jan: We have a question about kit assemblers, John. Because, what about custom packs for surgical items only on large businesses? These have been previously awarded 100% to a

service disabled Vet as a kit assembler. Would the re-procurement require an individual waiver or a class waiver?

John: The re-procurement, probably an individual waiver. Re-procurement means there's a different contract number attached to it. Like I had indicated earlier, the waivers are just for 1 solicitation, so if they're going to re-procure then they going to have to make another request.

Valerie: Jan, are you able to see the questions?

Jan: Let's see. There was a question about whether or not the non-manufacturer rule applies to 8A contractors.

John: This is where we get feeds from the Federal Federation. What they do is, they go onto Sam and they type in the NEISC code and see how many firms show up. If there's more than 2 ... They're going to [compete at 00:51:41] more than 2, but if it's 1 and they decide they want to go through their 1, than they can do that, too, as a sole source. I've seen those come in, too.

Jan: Let's see. I'm not pausing, because there aren't questions, just pausing because we're trying to keep our screens still enough to be able to read the question before the question disappears.

Valerie: I've got one.

Jan: Okay, go ahead.

Valerie: [inaudible 00:52:13] the non-manufacturer earlier in the presentation saved the non-manufacturer applies to small business set aside on supply contracts ordered BTAs over 150,000. Is it correct to say, then, that for set asides under 150, the non-manufacturer rule does not apply?

John: Well yeah, you don't have to make a request for a waiver out of that one, right.

Valerie: It's the contracting officer, not the small business, that requests the waiver, correct?

John: Yes. That's correct, yep.

Jan: That's a good question.

Valerie: Do you have another one, Jan?

Jan: Yeah, I've got another question. Does the non-manufacturer rule apply only above 25,000?

John: Well the 25 is the old rule. The new is the 150, so if it's over 150, then yeah, they need to make a request for it.

Jan: A couple of people have brought up that they can locate the class waivers on the SBA.gov website. Did you provide? I can't remember. Was that Lincoln ...

John: Yeah, if you go to the www.sba.gov/slides, there is, on the menu there, you'll see class waivers, and you can bring it up there, too, that way, too. Like I said, the latest one is January 1st, of 2015.

Jan: When you're looking at that list of waivers, you have to match the description of your product, or products, with the PSC code that matches to the procurement, as well as the PSC code that's on the waiver list, correct?

John: Yeah, well you have to understand that the descriptions that you see on their list are, I can tell you for the most part, very general. If you think your item that you're trying to procure is in the general area of the [inaudible 00:54:20] which the description that you're reading, then I think you're pretty safe to say that you could say that the class waiver applies to that particular item.

Jan: I have another one. It says just to clarify, if the requirement is over 150K and there is no small business manufacturer, we need to do a small business coordination requesting approval for unrestricted solicitation, so we won't need a waiver. Is that correct?

John: Well, there's a lot of conditions.

Jan: Let me put this down, here. If the requirement is over 150,000, there's no small business manufacturer, should we, as contracting officers, request approval for an unrestricted solicitation so we won't need to ask for a waiver?

John: They could certainly do that, yes, but I would recommend that the Contracting Officer do both a market research and a dynamics small business search, because if it puts it out as an open solicitation, unrestricted, and a small business discovers it and said, "Well hey, we offer that stuff. Why are you saying SI for small business?" That could be a problem for that contracting officer.

Jan: I think you've answered this one, John, but we will ask it, again. When will the Far be modified to reflect the increase in the threshold from 25,000 to 150?

John: My guess is that to look for it the first of next year, January, February.

Jan: Yeah, that's up to the Far Council.

John: Yeah, they're the ones in control of the amendments. I know periodically, I used to go through these conferences. The Far Council usually has a seminar where they update all the changes made to the Far every year. I haven't gone to one in quite a while, now, but I know they still do it. I know that the SBA's a favorite topic when it comes to procurement, mainly because the Congress always sets goals with regard to set asides for small business and federal agencies always like to meet them because it improves

their PR and the fact that they're not ignoring small business. This particular year, the thing that election year, might be more important than usual.

Valerie: Jan, I have a question for you, as a PCR. On the GSA, or Soup, can you set aside for small business?

Jan: Sure you can, yes. You want to coordinate with your small business office because you might want to look at another socioeconomic category, but general small business, yes, for sure. I had a question that I had gotten, and it's about the list that's on the SBA site for the waivers, because the list is ... When will that be updated?

John: Well, we just completed going over all of the codes on a size table, just recently like May, I think is when we finished it. According to Job Zack, it's supposed to be done every 5 years, so I think we just ended the 5th year, so I think we're going to start all over again. The updates may be in process, right now. You may be seeing more publication with regard to change. I can tell you this, though. The last one was very comprehensive and it's all reflected on the commercial business activity, and unless there's some dramatic changes made, I don't see too many changes, regarding size standards for most of the NAICS codes.

Jan: Well John, I think we've come to the end of the program. I really appreciate the time that you took to put the presentation together, and address questions with us, after the presentation. Everyone should mark November 2nd down on their calendars, because we're going to be talking about Market Research using SPDS and the Dynamic Small Business Search Feature that is SBA's tool for locating small businesses. With that, John thanks again very much. Valerie, thanks for coming to my rescue when my computer went wacky, and Carla, thanks so much for being our facilitator with AT&T™ today.

John: Thank you, Carla. We appreciate your [crosstalk 01:00:16].

Carla: You are all welcome. Thank you all for joining us, today. This concludes our event, and you may now disconnect.

John: Thank you. Bye-bye.

Carla: Jan, real quick there is a question about where is their certificate slide. John, I just wanted you to know, you could stay on the line, John, as for our program talk.

Jan: The one with the slides, let me just flip to that slide number. It's slide number 8, is the certificate. Sorry, you know when I was having difficulty, I could see questions coming in to me, but it stopped responding. I couldn't respond to questions that were addressed to me.

Valerie: Jan, so we are having participants asking can they get a copy of the slides. You did put out the PowerPoint to everybody, didn't you?

Jan: Yes, I did. You know what? Sometimes, if someone forwards them from their e-mail and

they're not one of the people that signed up to receive e-mails, they might've been forwarded the e-mail but they didn't get forwarded the slides, so all they have to do is e-mail me at sbalearning.gov.

Valerie: All right, I hope you all got that. Thank you all for joining. Talk to you next month.