

SelfInformed

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How To Sell To UNCLE SAM

By Mollie Neal

The U.S. government purchases \$500 billion worth of goods and services each year and is required to spend at least 23 percent of it with small businesses.

Fortunately, you don't have to build tanks or manufacture parts for fighter jets to enter this market.

Government officials spend their money on everything from office supplies, window washing and pest control to computer repairs and printing services. If you aren't marketing to Uncle Sam, you may be missing out on a big opportunity.

The idea of selling your goods or services to the U.S. government may sound like a daunting task mired in bureaucratic red tape, but it doesn't have to be. By taking a strategic approach, you can acquire government clients whose spending doesn't dry up even when the economy heads south.

Many federal offices have a designated small-business officer.

THINK LOCALLY

Potential government customers are not just officials at air force bases and the Pentagon.

The Internal Revenue Service, Social Security Administration, Postal Service and Department of Veterans Affairs, for example, have offices located throughout the country.

If you look around, you'll probably find a number of government officials working in your vicinity, says Mark Amtower, founding partner of Highland, Md.-based Amtower & Company and author of "Selling to the Government: What it Takes to Compete and Win in the World's Largest Market" (Wiley, 2010).

Open the phone book, find government offices and set aside time to call or visit, advises Amtower.

Many federal offices have a designated small-business officer, and other agencies have people in charge of purchases. When calling or visiting, explain your products or services and ask if it's something workers

could use. Also ask how the agency typically goes about making purchases and find out the best way for you to approach buyers within the office or agency. The process may be quite simple.

If purchasers live locally, they're probably like most people who prefer to spend money with small businesses in their own backyards, says Amtower.

CREATE A LEAVE-BEHIND

Being professional and having a proven track record is important.

Amtower suggests creating a one-page document that says who you are and what you do. List previous clients and include any special certifications, awards and other information that may demonstrate your professionalism and differentiate you from competitors.

By leaving behind your document, prospective clients will know how to find you when they need you. Or at least they'll be able to pass the information along to an appropriate person in the office.

ACCEPT CREDIT CARDS

If you only accept cash or checks, you're out of luck.

Nearly 300,000 civilian and military government employees use the [GSA SmartPay 2](#) credit card for their discretionary purchases of up to \$3,000. And they spent \$18.8 billion with these MasterCard and Visa credit cards in 2010, reports the [GSA](#).

If you have merchant accounts with these credit card companies, then you can accept the SmartPay cards. The transactions don't require any invoices, contracts or red tape between the buyer and seller.

U.S. Army Corp of Engineers staff members, for example, often shop at local retail stores for sandbags, concrete, gloves and other hardware supplies. Some local authorities use SmartPay to simplify transactions such as paying for weekly lawn care, says Amtower.

Placing the SmartPay logo in your storefront window, catalog, brochure, website and any other marketing materials lets buyers know that you're government-friendly.

ATTEND MEETINGS

Tap free and low-cost resources to learn about marketing to the government.

Professionals at [U.S. Small Business Administration](#) offices, [Small Business Development Centers](#) and [Procurement Technical Assistance Centers](#) are happy to help you learn more about doing business with the government.

They often hold meetings and seminars where you can network with government officials and build relationships with prospective customers.

The SBA, for example, funds regional [Business Matchmaking](#) events throughout the year. Much like a speed-dating program, a small-business owner shares information about his or her products and services with government officials for 15 minutes before rotating to a new meeting.

APPLY FOR A \$5,000 NASE GROWTH GRANT™

An [NASE Growth Grant™](#) could be just what your business needs to help you sell your products and services to Uncle Sam.

These \$5,000 grants can be used for marketing, advertising, hiring employees, expanding facilities and to meet other specific business needs.

To be eligible for an NASE grant, you must:

- Be an NASE Member in good standing
- Demonstrate a business need that could be fulfilled by the grant
- Provide a detailed explanation of how you will use the grant proceeds
- Show how the grant will improve your business growth and success
- Offer supporting documentation such as a résumé and business plan

NASE Growth Grants are awarded at the sole discretion of the NASE. Unfortunately, not everyone who applies will receive a grant. Decisions of the selection committee are final and are not subject to appeal. No application feedback will be given.



OBTAIN CERTIFICATIONS

The SBA has special programs to help specific groups secure federal contracts. Becoming certified as a woman-, minority- or veteran-owned business might give you an edge in obtaining contracts among officials who need to meet specific procurement requirements among these groups.

Becoming certified with the [Historically Underutilized Business Zone](#) or the [8\(a\) Business Development](#) programs could also help. A [Woman Owned Small Business Federal Contracting Program](#), known as 8(m), was also launched in February 2011.

If your business fits into any of these categories, you may be eligible for valuable no-bid contracts. Local SBA officials can advise you on your potential eligibility and help you gain proper certifications.



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RENT MAILING LISTS

Contact a list broker for lists of SmartPay cardholders or purchasing agents. These lists typically cost around \$100 for 1,000 names.

A few agencies even put these contacts on their websites, such as [NASA's list of SmartPay cardholders](#).

Targeted mailing lists are beneficial for promotional direct mail and postcard efforts. Remember to include SmartPay logos, GSA certification numbers and other items that demonstrate your ability to do business with the government.

REGISTER YOUR BUSINESS ONLINE

Registering your business on government sites used by purchasers is a good way to raise your hand and be noticed.

Sites such as [Central Contractor Registration](#) and the [GSA Schedule](#) are excellent starting places.

You can also begin proactively looking for contract bidding opportunities at sites such as:

- [Fed Biz Opps](#)
- [USASpending.gov](#)
- [Acquisition Central](#)

REAPING THE REWARDS OF MARKETING TO UNCLE SAM

Kris Duffy, owner of Fort Hill, S.C.-based Venture Media, and her husband, Jim, a producer and director, have been serving government clients for more than 20 years.

They regularly check sites like [Fed Biz Opps](#) and conduct searches by business category for bidding opportunities. The couple generates 85 to 90 percent of their annual revenue producing training videos, public service announcements and other projects for government clients such as the Navy, National Park Service and the Department of Transportation.

“We love working with the government,” says Jim. “There are a lot of advantages. Even with a down economy we haven’t seen a dip in our business. We always get paid and typically receive the money within 35 days of submitting an invoice.”

Neil Gordon, owner of Chestnut Ridge, N.Y.-based Decorating With Fabric, has generated more than \$250,000 selling his custom drapes and blinds for offices, residential halls and theatres to government clients at West Point and Fort Hamilton.

The key to his success has been a strategic approach.

Gordon develops contacts and relationships by networking and meeting purchasers at facility manager conferences and other events. He builds credibility as an industry expert and stays top of mind with these prospects by sending them regular email newsletters and regularly updating a blog. He also shares prospect names with an owner of a furniture rental business who markets to government buyers.

Accepting the SmartPay card is “a deal maker,” says Gordon, and he equates his GSA certification to having the Good Housekeeping Seal. It not only helps him land government contracts, but also gives him more credibility with his commercial clients, he says.

“I am a big believer of multiple streams of income, even if you are in a specialty niche business such as mine,” says Gordon. “Years ago I only worked with high-end residential clients. If I hadn’t changed my business model the past few years [as the market dried up] I would probably be out of business. It’s also a refreshing change to break into a new market.”

Author Amtower offers this advice for small-business owners trying to break into the government market.

“It’s not a quick hit. Like entering any new market, it takes time, energy and resources, but can be well worth your efforts.” ■

Mollie Neal is a New York-based freelance writer who has enjoyed working on various writing projects for government officials at the USPS.



Don't Let Departing Employees Get Away With The Goods

By Mindy Charski

Think of all the critical information your home-based business generates: intellectual property, sensitive customer data, financial reports, and that incredible marketing campaign you're launching next quarter.

Now think of those assets leaving with a departing employee and the potential scenarios that could result. Gives you the shivers, right?

Sure, it's comforting to think your staffers wouldn't take what privacy analyst Mike Spinney of the Ponemon Institute calls "parting gifts" when they leave your workplace, but it may also be naïve.

A 2009 study from that research firm found that 59 percent of respondents kept company data after leaving their employer. Among the most popular methods of sneaking out information: taking hard copy files, downloading onto a CD, DVD or USB memory stick, and sending documents as email attachments.

Fortunately here are five steps you can take—even with limited resources—to

help reduce the risk of data theft before and after an employee leaves.

1. Secure Your Network

"It's essential to understand [information technology] security is an ongoing process," says Mike Shafer, owner of Shafer Consulting, an IT consultancy in Pittsburg, Pa., that often works with small businesses.

Many measures that protect data from outside threats do the same for internal ones. For instance, you should:

- Back up data regularly
- Disable USB ports except for printers
- Maintain a firewall
- Use encryption software as well as anti-virus and anti-spyware software

2. Control Entry To Files

"People can't steal or damage what they can't access," Shafer says.

Allow employees to view only the company data they need to do their jobs.

"While yes, [salespeople] do know the customers they call on, they don't need to see the entire customer list," Shafer says.

3. Set Expectations About Data

Create a written, enforceable policy that delineates proprietary information that must stay put from resources that employees are allowed to take with them.

4. Shut The Gates

Promptly change passwords, cut off email accounts, block remote access, and seal off any other way an ex-employee could access company documents.

5. Inspect At The Exits

Do a physical check of anything you allow staffers to retain, including paper documents and company-issued devices like laptops and smartphones, Spinney says.

"Too often the departing employee gets a free pass from the former employer because, in a very small business, there may be a sense of discomfort in asking the individual to undergo such a process, unless the circumstances are acrimonious," Spinney says.

"But that's a mistake."

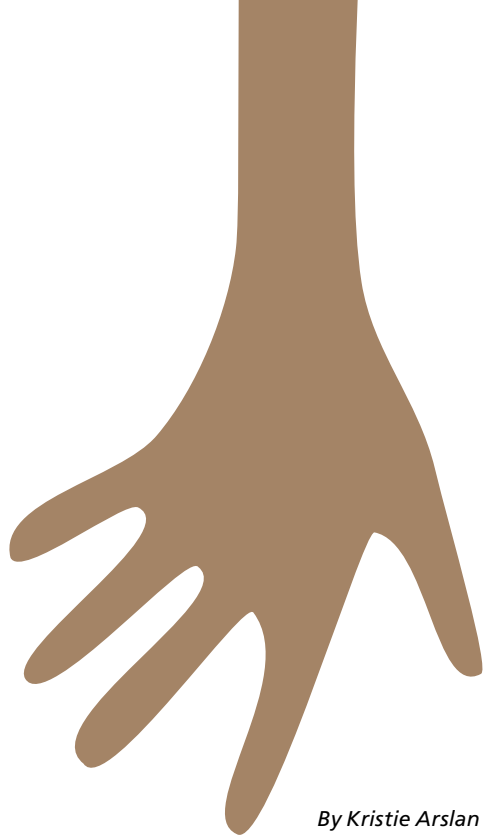
Better to check now than be sorry later. ■

As a freelancer who works alone, internal data theft is one business challenge that writer **Mindy Charski** doesn't have to worry about.

The NASE Can Help

Use these NASE resources to help manage your home-based business:

- **Legal Club of America** for free and discounted legal services—included in the NASE's Gold Package
- **More articles** about starting and running your home business
- **Ask The Experts** for one-on-one guidance about legal issues, marketing, human resources and more from the NASE professionals



Business Owners Get Helping Hands

By Kristie Arslan



We designed the Startup Kit to answer the specific needs of people who want to launch their own small business.

When it comes to small-business creation, the Obama administration is finally on the same page as the NASE.

For 30 years, the NASE's mission has been to help business owners manage and grow this country's smallest companies. And earlier this year the White House launched **Startup America**, an initiative to accelerate high-growth entrepreneurship in the U.S.

We're happy to see the administration's new business-creation initiative because it complements our own new resource: the **NASE Startup Kit**.

We designed the Startup Kit to answer the specific needs of people who want to launch their own small business and those just starting out. When we asked entrepreneurs to tell us what they need to start a business in this economy, we heard a variety of responses. But one response stood above all the others.

Time and time again, people said that they need to know what steps to take to turn a part-time hobby or passion into a full-time, money-making endeavor. They also said that they want to get their answers from experts they can trust. And they want to find all the information in one easy-to-use place.

That's exactly what our new Startup Kit provides. It's a comprehensive, one-stop resource to help anyone who's considering self-employment. It's also a perfect fit for self-employed micro-business owners who are just starting out and find themselves faced with mounting questions.

Packed inside the NASE Startup Kit, you'll find tons of interactive information, how-to guides, expert advice and more. The NASE Startup Kit answers questions like:

- **How do I begin to think like a business owner?** Business owners have to learn to juggle many tasks simultaneously, like handling the bookkeeping, marketing and keeping an eye on the competition, to name a few.
- **What are the legalities of operating a business?** Find out what forms and other paperwork are needed to maintain a legitimate business and when it might be necessary to hire a professional to help.
- **What tax responsibilities do I need to know about?** With a corporate job, the employer handles all of this for the employee. As a self-employed business owner, it is important to stay on top of things like estimated taxes, self-employment taxes, state and local sales taxes, and more.

The Startup Kit also includes links to in-depth articles, an interactive checklist and other business how-tos, including:

- Choosing the right business structure
- How to properly fund your business
- Developing good financial habits
- Understanding the importance of marketing
- Learning how to protect yourself and your business

Visit NASE.org and click on Business Learning Center and then click **In-Depth Guides** to learn more about the new kit. And don't forget to check out the White House's **Startup America** initiative. ■

Kristie L. Arslan is the President and CEO of the NASE and provides critical insight to policymakers on issues affecting our nation's self-employed. You can contact Arslan at advocacy@NASE.org.