

**Dr. James S. Peery**  
Laboratories Director

P.O. Box 5800  
Albuquerque, NM 87185-0101

P.O. Box 969  
Livermore, CA 94551-0969

Phone: (505) 845-9876  
Fax: (505) 844-1120  
Email: [jspeery@sandia.gov](mailto:jspeery@sandia.gov)

Date: May 26, 2020

To: SNL

Sandia is more committed than ever to subcontracting with small businesses. They contribute to our mission success, promote innovation, and help build local and regional economies challenged by the COVID-19 pandemic. During this global crisis, Sandia should work with small businesses whenever possible.

In FY19 we awarded more than \$735 million in procurements to small businesses, an \$85 million increase over FY18. Our goal is to award 56% of subcontracts to them in FY20 and grow to 60% by FY22. We currently are meeting the FY20 goal.

To achieve our mission, Sandia actively seeks to subcontract with capable small businesses including small disadvantaged, woman-owned, historically underutilized business zones, veteran-owned, and service-disabled veteran-owned. Small companies are responsive, flexible, and competitive, and they make excellent business partners. They are the backbone of the U.S. economy, and their survival is vital during this time of economic instability.

I challenge you to incorporate small businesses into all phases of your acquisition planning and execution. Not only is this mandated by federal law and our prime contract, it is the right thing to do.

We have several initiatives to identify and promote small-business opportunities, and I strongly encourage you to look into them:

- The Small Business Steering Committee includes procurement representatives from each division who assign and monitor their divisions' specific small-business goals. Each also has a subcommittee that develops strategies to increase utilization.
- The Supplier Diversity Team has held a Supplier Forum series in Albuquerque, Livermore, and Carlsbad to allow business owners to meet with supplier-diversity experts, subcontracting professionals, and technical staff. Over the past several years, 1,200 small businesses have attended and learned how to work with the Labs.
- The New Mexico 5% small-business pricing preference offers developing companies a chance to compete and grow. The preference could apply to subcontract awards in research and development, customized equipment, professional services, commercial items, and information technology.

I ask you to join me in doing all you can to support small businesses. Please give them the opportunity to use their skills and innovation to help us achieve mission success.

— James Peery