



Exceptional service in the national interest

James S. Peery, Ph. D.
Laboratories Director

August 29, 2023

Colleagues,

With our world facing new threats, uncertainties and rapid change, Sandia is as committed as ever to subcontracting with small businesses. They contribute to our mission success, promote innovation and help build local and regional economies. Small businesses are critical to addressing national security challenges and disruptions in the global supply chain.

Sandia actively seeks to subcontract with capable small businesses including disadvantaged, woman-owned, historically underutilized business zones, veteran-owned and service-disabled veteran-owned. They are excellent business partners – responsive, flexible and competitive. Small companies are the backbone of the U.S. economy and their survival is vital to the country.

Sandia has teamed with small businesses consistently the past year and received three honors from the DOE Office of Small & Disadvantaged Business Utilization. We awarded a record \$1.1 billion in subcontracts to small, diverse businesses in FY22, up \$125 million from the previous year. Our FY22 goal was 60% of subcontracts to small businesses, and we achieved 66.38%. We currently are exceeding our FY23 goal of 60.5%.

We have several initiatives to identify and promote small business opportunities and I strongly encourage you to investigate and support them:

- Five protégés are being mentored by Sandia in a partnership program designed to help small businesses develop and build solid foundations to better compete for federal and industry opportunities. More than 127 Sandia mentors across all 11 divisions help with these efforts.
- More than 140 small business representatives have attended national in-person forums hosted by the Supplier Diversity team that promote Sandia opportunities and show how to provide goods and services to the Labs.
- The New Mexico Small Business 5% Pricing Preference helps local suppliers compete with out-of-state small and large companies for Sandia subcontracts. We also introduced a 10% pricing preference that helps HUBZone small businesses compete against large companies.

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- Sandia partners with entities across Albuquerque that support small business, including the Albuquerque Hispano Chamber of Commerce, the African American Greater Albuquerque Chamber of Commerce, the Minority Business Development Agency Business Center/New Mexico and the City of Albuquerque's Central Purchasing.
- Subcommittees of our Small Business Steering Committee develop strategies to increase utilization. The committee has representatives from each division who monitor their specific small-business goals.
- Our Supplier Diversity team offers yearly Small Business Forums in the Livermore, California, area in partnership with other DOE laboratories and local Procurement Technical Assistance Centers to help small and diverse businesses work with Sandia.

The Supplier Diversity team is happy to help. You can reach them at supplier@sandia.gov.

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, but it is the right thing to do for our economy and mission success.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Peery', with a long horizontal flourish extending to the right.

James S. Peery, Ph.D.
Laboratories Director

