

LEVERAGING THE BENEFITS OF MINORITY BUSINESS CERTIFICATIONS

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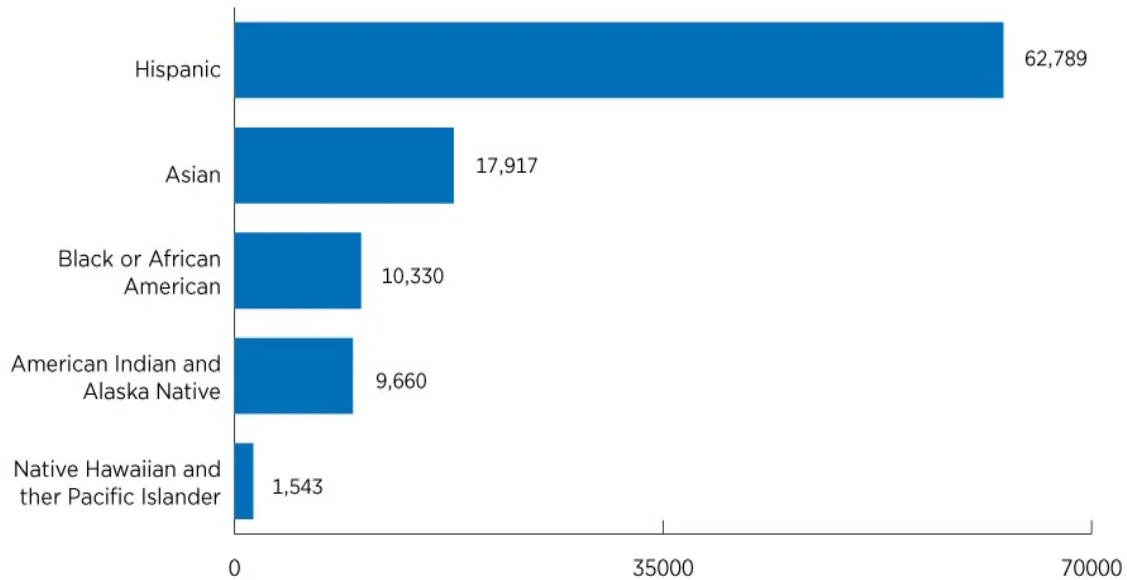
Facts!

- The Federal Government is the largest consumer of goods and services in the world, spending roughly \$600 billion each year.
- In the fiscal year 2021, a total of \$154.2 billion, or **27.2 percent of all contracting dollars, went to small businesses, an \$8 billion increase from the previous fiscal year** (*The SBA's Small Business Procurement Scorecard, 2021*).
- The General Services Administration (GSA) on July 18, 2022, announced steps to advance equity and supplier diversity in federal procurement, so as to **reach the federal Administration's goal of increasing the share of contracts awarded to small disadvantaged businesses by 50% by 2025**.
- A recent survey conducted by Deloitte Global (2021) estimates that over **90% of large corporations are interested in socially responsible purchasing, and over 60% of their procurement offices are now being formally measured by how much they spend with small and diverse suppliers**.
- The Small Business Administration (SBA) works with federal agencies to award **23% of government contract dollars to eligible small businesses** (<https://cdn.advocacy.sba.gov/wp-content/uploads/2020/11/05122043/Small-Business-FAQ-2020.pdf>).
- Businesses that work with certified Minority Business Enterprises (MBEs) may be **eligible to receive certain tax benefits** (<https://www.uschamber.com/co/run/finance/minority-owned-businesses-taxes>).

Facts!

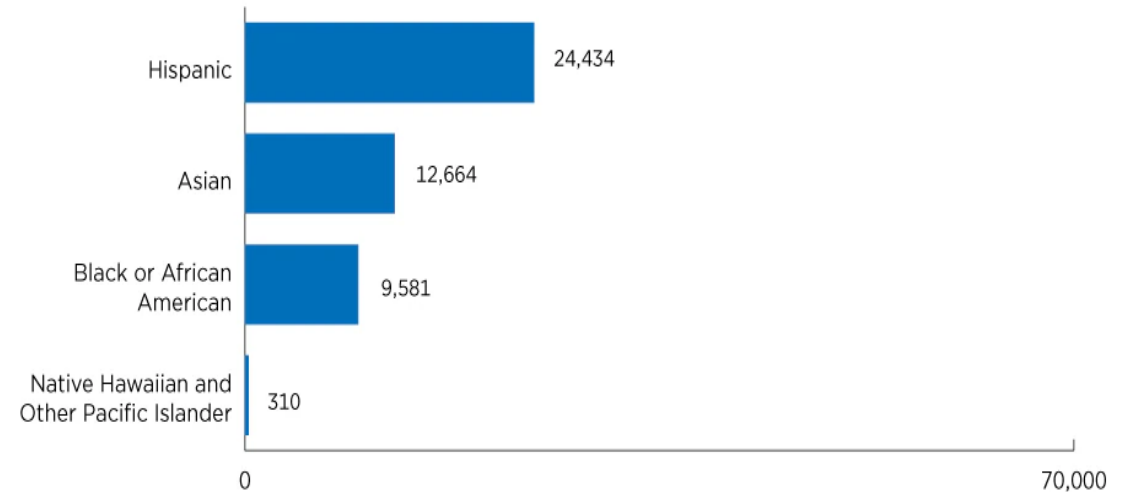
Are you leveraging the benefit of minority business/diverse certification to increase contracting opportunities for your business?

Figure 1.
Number of Minority-Owned U.S. Employer Construction Firms: 2020



Source: 2021 Annual Business Survey.

Figure 2.
Number of Minority-Owned U.S. Employer Transportation and Warehousing Firms: 2020



Note: Includes only estimates that were not suppressed.

Source: 2021 Annual Business Survey.

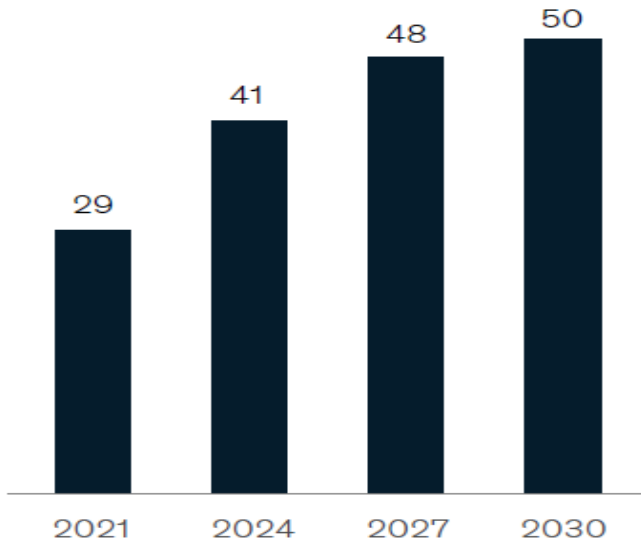
Minorities own more than 8 million firms, and account for nearly \$1.4 trillion in revenues (Minority Business Development Agency)

Facts!

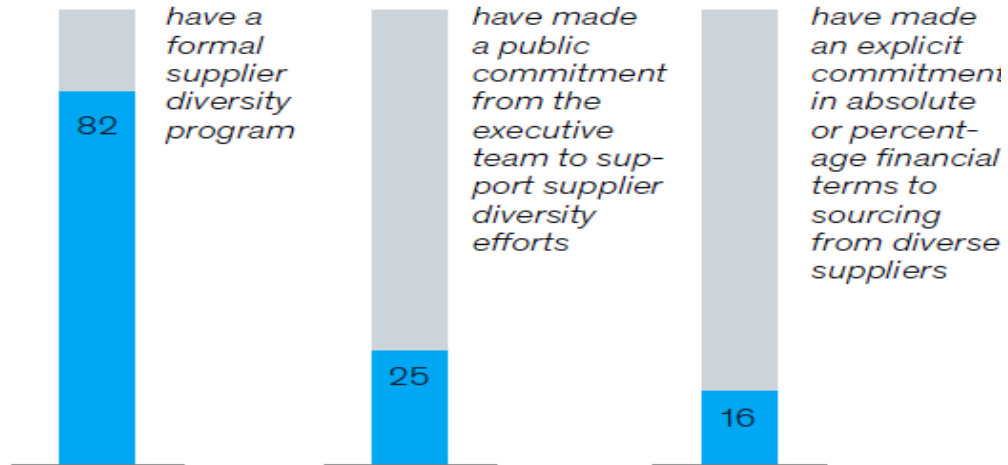
Are you leveraging the benefit of minority business/diverse certification to increase contracting opportunities for your business?

US companies have committed more than \$50 billion to minority- and women-owned businesses over the next ten years.

Fortune 200 US publicly traded companies' spend commitments for supplier diversity,¹ \$ billion



Fortune 200 US publicly traded companies' commitment to supplier diversity,¹ %



Connecticut: Connecticut has a Set-Aside Program with a mandate of 25% of government contracting for small and minority-owned businesses.

What is a Minority Business Enterprise Certification?

- ***A Minority Business Enterprise (MBE) is a business that's majority-owned by a United States citizen from a recognized minority group.*** According to the frameworks of U.S. business law, a ***minority-owned business can be owned by African Americans, Asian Americans, Hispanic Americans, and Native Americans.***
- ***MBE certification is a process of gaining official government recognition that a business is majority-owned by someone from a racial minority group.***
- According to the **National Conference of State Legislatures**, at least 38 states, Washington D.C., and Puerto Rico have state-level MBE programs.

Types of Minority/Diverse Business Certifications

Federal Certifications	State Supported Certifications	Corporate Certifications
<ul style="list-style-type: none"> • Small Business Administration (SBA) 8a Business Development Program. • Disadvantaged Business Enterprise (DBE) – (Federal and State Certification) • Airport Concession Disadvantaged Business Enterprise certification (ACDBE) • General Service Administration (GSA) Schedule • Women Owned Small Business Enterprise (WOSB) • Economically Disadvantaged Business Enterprise (EDWOSB) • HUBZone Certification • Veteran Owned Small Business (VOSB) • Service Disabled Veteran Owned Business (SDVOSB) 	<ul style="list-style-type: none"> • DBE – Disadvantaged Business Enterprise • MBE – Minority Business Enterprise • WBE – Women Business Enterprise • MBE WBE – Minority Women Business Enterprise • DOBE – Disability Owned Business Enterprise • SBE – Small Business Enterprise • VOSB/SDVOSB – Veteran Owned/Service Disabled Veteran Owned Small Business 	<ul style="list-style-type: none"> • WBE – Women’s Business Enterprise Certification – Women’s Business Enterprise National Council (WBENC) • MBE – Minority Business Enterprise Certification – National Minority Supplier Development Council (NMSDC) • LGBTBE -LGBT Business Enterprise Certification – National LGBT Chamber of Commerce

Why Become a Certified Business?

Being certified makes you look better in the eyes of the Government & Corporate. Certification provides your small business with a nationally-recognized and highly-respected status that makes your company stand out against marketplace competition for elite and distinguished clients.

1. Access to Government & Corporate Grants and Contracts

- Set-aside programs and sole-source contracts.
- Grants and loans for MBEs

2. Increased Business Partnership Opportunities

- Supplier diversity program
- Incentivizes investment and partnership

3. Training and Technical Guidance

- 8(a) Mentor-Protege program
- NMSDC offers certified MBEs various programs and services that help with professional development

4. Networking Opportunities

- Get listed in supplier databases
- SBA Emerging Leaders Initiative
- NMSDC Conference

How to Become a Certified Minority Business?

There are multiple ways to get an MBE certification.

The most common programs include:

- The National Minority Supplier Development Council (NMSDC)
- The Small Business Administration (SBA)
- State and local programs

There's some overlap between each of these options, but it's a good idea to understand the differences to get the most benefit for your business.

How to Become a Certified Minority Business?

Certification Agencies	Type of Certifications	Timeframe	Cost	Authority	
Women Business Council-Southwest	Women Business Enterprise (WBE); Women-Owned Small Business (WOSB); State of Texas HUB	60 to 90 Days	Processing fee based on revenue amount submitted on the application	Private Sector	
Dallas/Fort Worth Minority Development Council	Minority Business Enterprise (MBE); State of Texas (HUB); Small Business Enterprise (SBE)	60 to 90 Days	\$270 for annual membership		
North Central Texas Regional Certification Agency (NCTRCA)	Airport Concessionaire Disadvantage Enterprise (ACDBE); Disadvantage Business Enterprise (DBE); Minority Business Enterprise (MBE); Women-Owned Business Enterprise (WOBE)	30 to 90 Days	None	Regional Governments	
Historical Underutilized Business (HUB) State Agency	State of Texas HUB	Up to 90 Days	None for Certification \$70 Annual Fee for CMBL registration	State Governments	
Texas Unified Certification Program (TUCP)	Disadvantaged Business Enterprise (DBE)	30 to 90 Days	None		
TxDoT Civil Right Division	Small Business Enterprise (SBE)	90 Days from receipt of the completed Application	None		
8(a) Business Development Program	8(a)	90 to 120 Days	None	Small Business Administration (SBA)	Federal Government
HUBZone Empowerment Contracting Program	HUBZone	90 Days	None		

About Marcus Ambe Consulting

***Mission:** We support the advancement of inclusive procurement (supplier diversity) to strengthen the competitive position of corporate and Government while creating economic opportunities for diverse suppliers and small businesses.*

Our Procurement & Contracting Solutions for Small Businesses include:

- Small Business Certification Assistance
- Inclusive Procurement (Supplier Diversity)
- Government Contracting Support (Federal, State & Local)
- Grant Writing Support

Thank You!

For more information, contact Dr Marcus Ambe

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Appointments: <https://marcusambe.com/connect/>

