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DoD Releases Annual Report on "Procurement From Small and other Business Firms"

Acting Under Secretary of Defense for Acquisition, Technology and Logistics Michael W. Wynne today released the Department of Defense annual report on "Procurement from Small and Other Business Firms" for fiscal 2003.

Prime contract awards during fiscal 2003 to U.S. small business concerns totaled \$42.0 billion, compared with \$33.3 billion for 2002. Defense awards to all U.S. business firms totaled \$187.5 billion during 2003, compared with \$157.1 billion during 2002. Of the \$187.5 billion awarded by the DoD to all U.S. business concerns during 2003, 22.4% of the awards were made to small business concerns, versus 21.2% in fiscal 2002. The increase is attributed to greater small business participation in acquisitions related to ships, services, construction, commercial items, and other major hard goods.

For 2003, large business prime contractors reported subcontracts totaling \$86.5 billion, of which \$32.0 billion or 37.0% was awarded to U.S. small businesses. This compares to fiscal 2002 subcontracts totaling \$75.5 billion, of which \$25.8 billion or 34.1% was awarded to Small Business concerns.

Small businesses significantly contribute to the U.S. defense industrial base through their offerings of innovative technology and quality supplies and services at reasonable prices.