

Small Business contracting undergoing changes, says DoD Small Business Director

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[View full size](#) Andre Gudger, Director of the Department of Defense's Office of Small Business Programs. (Department of Defense Photo)

HUNTSVILLE, Alabama -- Andre Gudger, Director of the Department of Defense's Office of Small Business Programs, told a luncheon audience of more than 300 that changes are under way in DoD Small Business contracting.

Gudger spoke at the annual Missile Defense Small Business Conference Thursday at the Von Braun Center.

Gudger, appointed to the position in March, brings a background of more than 15 years in defense, intelligence, and investment backing. He started Solvern Innovations in 2003, and served as its chairman and chief executive officer until 2009, when the company was acquired by TeleCommunications Systems.

He said major challenges include how to increase small business participation in DoD's acquisition process, as well as streamlining the process.

"We're exploring how we can acquire items faster and at a lower cost," he said, and praised the interest shown by the large turnout for the conference. "The difference is here, with all the connections that can be made here."

Many changes are occurring in DoD's acquisition process, he said. "We will not be doing things in the future the way we have in the past," adding that greater austerity in defense acquisition is replacing "a decade of double-digit growth."

Greater efficiencies, he said, will result from changes in five areas: policies, training, operations, contracting and planning. OSBP is working to reduce the number of policies and eliminate those that are outdated, with the intent to replace them with updated policies that better respond to the current acquisition environment.

Gudger said DoD is providing increased training to program managers, with a requirement that all program managers take at least one class in small business acquisition.

He wants to improve and update operational policies, such as the popular SBIR and Mentor-Protege programs. "We would like to take proven SBIR technologies and move them from months to weeks in execution.," he explained.

He revealed that OSBP is considering a database of market research that would share this information among all military agencies. "We want to reduce barriers to market research in the identification of small business opportunities."

DoD, he said, will step up implementation of the "Rule of Two" under which task and delivery orders issued under multiple award IDIQ contracts over \$100,000 must be awarded to small businesses if at least two qualified small businesses can be identified.

Gudger said DoD is working with military acquisition executives to achieve higher levels of Small Business Plan implementation, required in proposals submitted by large business prime contractors. "Memos have come down from all the services that small business acquisition had better be in the front of your mind,"he said.

Many in the audience applauded Gudger's remarks about DoD's recently issued directive for accelerated payments to small businesses, which can provide payments to small business prime contractors within as little as 20 days from invoice. He predicted that accelerated payments to small businesses will increase by more than 50 percent in the next fiscal year.