



SMALL BUSINESS RESERVE PROGRAM

NEW OPPORTUNITIES

The Small Business Reserve Program is committed to the growth and success of small businesses. Small businesses are now able to bid for State contracts without competing with larger, more established companies. There are 22 state agencies, including the Maryland State Lottery, which must award at least 10 percent of their units' total dollar value of goods, supplies, services, maintenance, construction, construction related, architectural service and engineering service contracts to small businesses.

The reserve does not apply to procurements that are subject to existing preferences for Maryland Correctional Enterprises, Blind Industries and Services of Maryland, and sheltered workshops, and to procurements for which this program would represent a violation of federal law.

REGISTRATION REQUIRED

Vendors may register as a small business by accessing the DGS Internet site at www.dgs.maryland.gov and then click on the "Small Business Reserve" button. The site also provides information on the program and answers frequently asked questions. The Small Business Reserve program staff is also available to answer questions at 410-767-4270.

WHAT IS A SMALL BUSINESS?

A small business is a business, other than a broker, that meets the following criteria:

- The business is independently owned and operated; the business is not a subsidiary of another business; and the business is not dominant in its field of operation;
- The **wholesale** operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its more recently completed three fiscal years;*
- The **retail** operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed three fiscal years;*
- The **manufacturing** operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed three fiscal years;*
- The **service** operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its more recently completed three fiscal years;*
- The **construction** operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed three fiscal years.*

* If a business has not existed for three years, the gross sales average is computed for the period of the business's existence. For newly formed businesses, the determination will be based upon employment levels and projected gross sales.

PROGRAM BENEFITS

The overall goal is to increase economic opportunities for small businesses. Only qualified small business may participate in a Small Business Reserve Program procurement. Once a solicitation has been designated for a small business reserve, only bids or proposals from qualified small business will be accepted. Therefore, a business will be in competition only with other qualified small business, guaranteeing that the contract will be awarded to a qualified small business. Small businesses, once registered, will have the ability to update contact information and commodities/services categories in their vendor profile. Purchasing officers from all State agencies will be able to access the vendor profile information.

IMPORTANT NUMBERS

Small Business Reserve
301 W. Preston Street, Suite M-9
Baltimore, MD 21201410-767-4270
www.mdminoritybusiness.com

**Governor's Office of Business Advocacy
and Small Business Assistance**410-767-0545

Governor's Office of Minority Affairs410-767-8232
www.oma.state.md.us

**Maryland Small Business
Development Financing**410-333-4270

eMaryland Marketplace410-767-1492
www.emarylandmarketplace.com

DGS Statewide Toll Free1-800-449-4347

