

Headquarters U.S. Air Force

Integrity - Service - Excellence

AIR FORCE SMALL & DISADVANTAGED BUSINESS PROGRAM



Joseph G. Diamond

SAF/SB

U.S. AIR FORCE



- **Current Environment**
- **FY04 Quantitative Assessment**
- **Program Highlight**
- **Challenges**
- **Special Emphasis Items**
- **Conclusion**



U.S. AIR FORCE

Current Environment

- **Operational Contingencies and the AEF**
- **PBD 753**
- **FY06 Budget**
- **QDR**
- **BRAC**

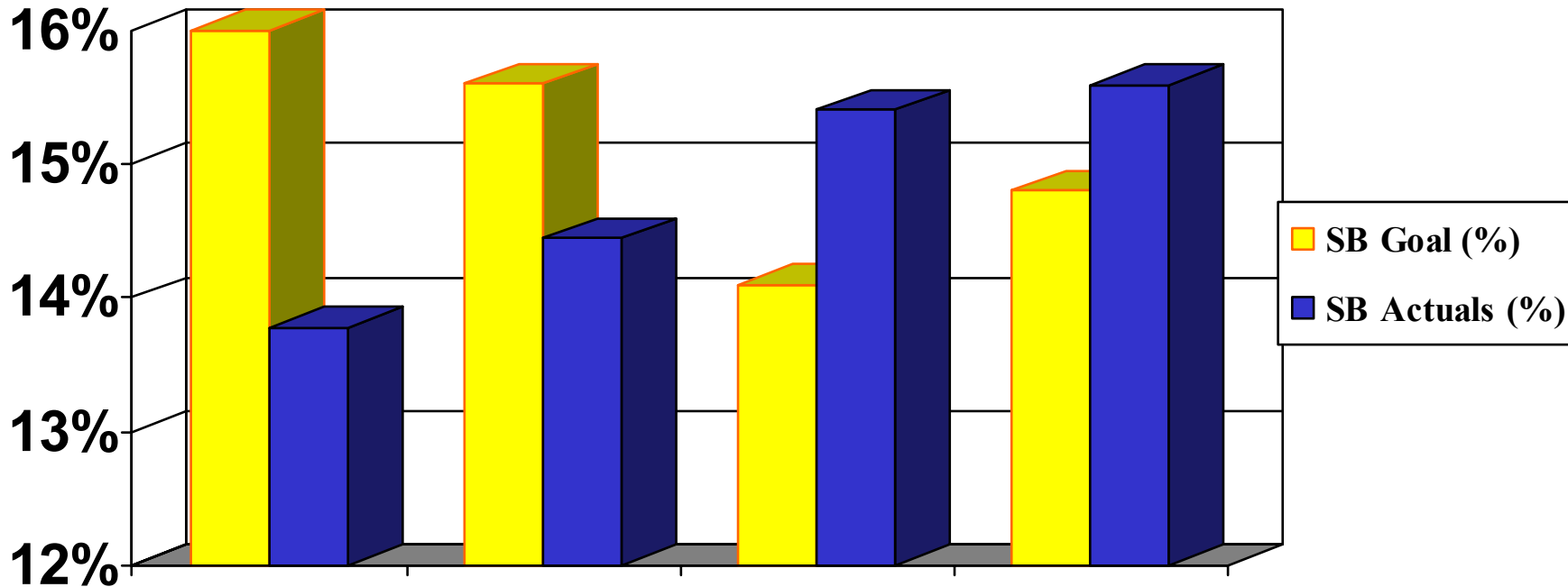
- **Legislation**
- **Enterprise Acquisitions**
- **Strategic Sourcing**
- **Policy Revisions**



SB Goals Vs. Actuals*

Air Force Wide (FY01-04)

U.S. AIR FORCE



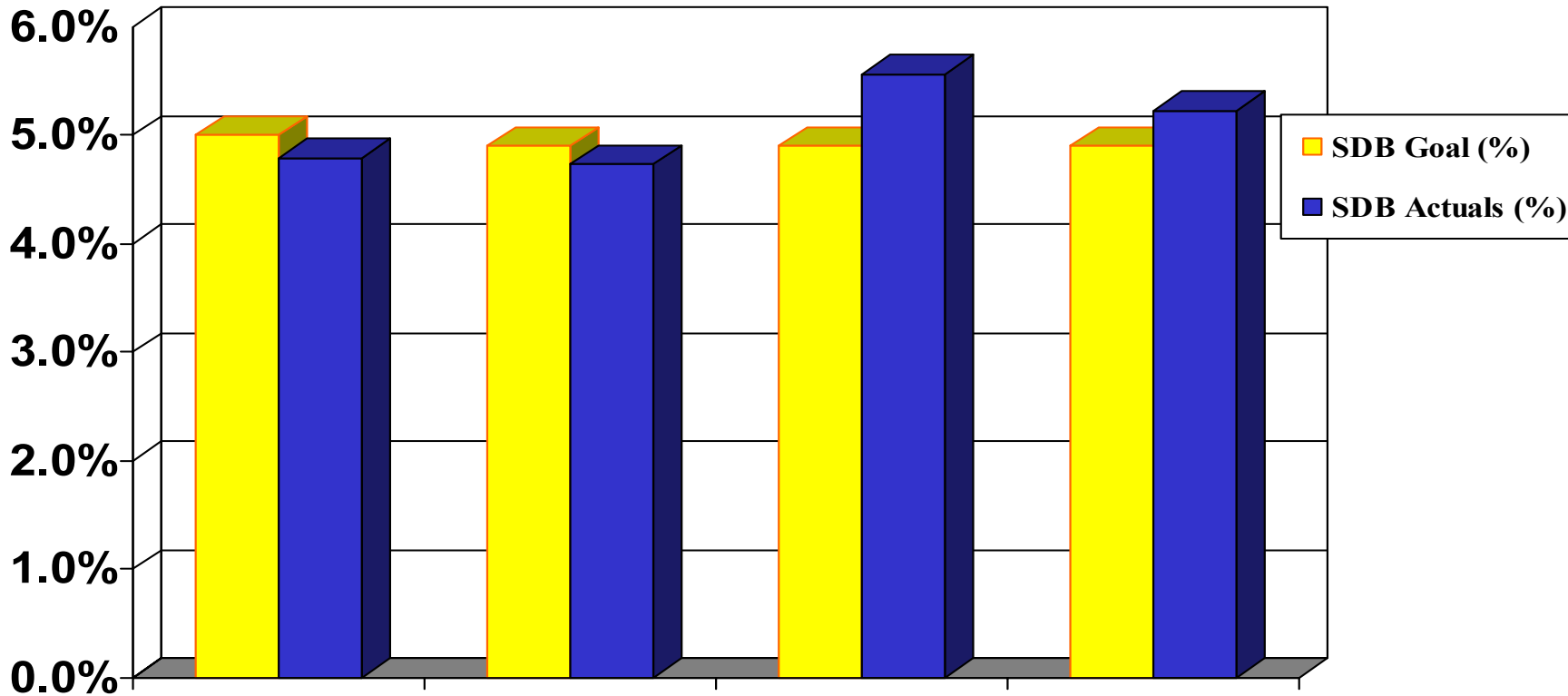
	FY01	FY02	FY03	FY04
Total Base	36,130,947	41,576,425	48,815,572	48,840,658
SB	4,980,452	6,003,022	7,517,598	7,612,805
SB Goal (%)	16.2%	15.6%	14.1%	14.8%
SB Actuals (%)	13.78%	14.44%	15.40%	15.59%

*(Data Sources: J001 for FY 01-04) \$ reported in (\$000s)



SDB Goals Vs. Actuals* Air Force Wide (FY01-04)

U.S. AIR FORCE



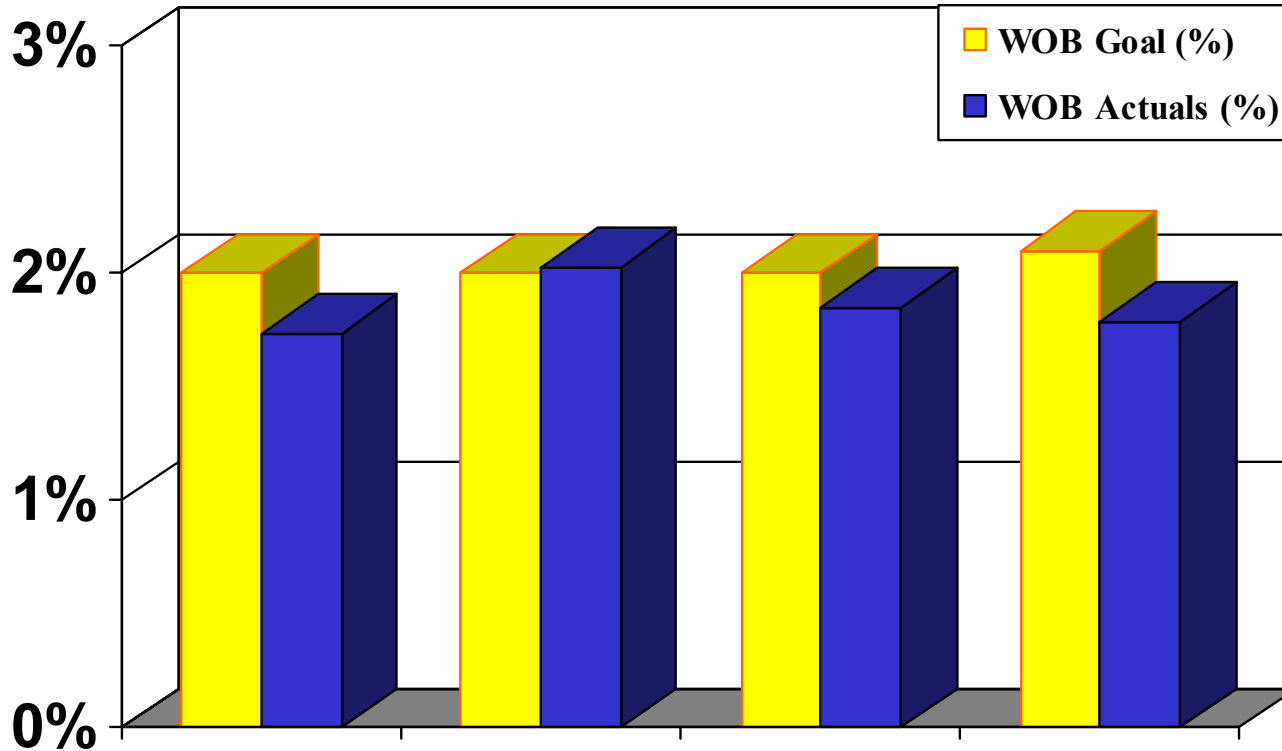
	FY01	FY02	FY03	FY04
Total Base	36,130,947	41,576,425	48,815,572	48,840,658
SDB	1,732,415	1,965,117	2,712,642	2,555,849
SDB Goal (%)	4.9%	4.9%	4.9%	4.9%
SDB Actuals (%)	4.73%	4.73%	5.56%	5.23%

*(Data Sources: J001 for FY 01-04) \$ reported in (\$000s)



WOB Goals Vs. Actuals* Air Force Wide (FY01-04)

U.S. AIR FORCE



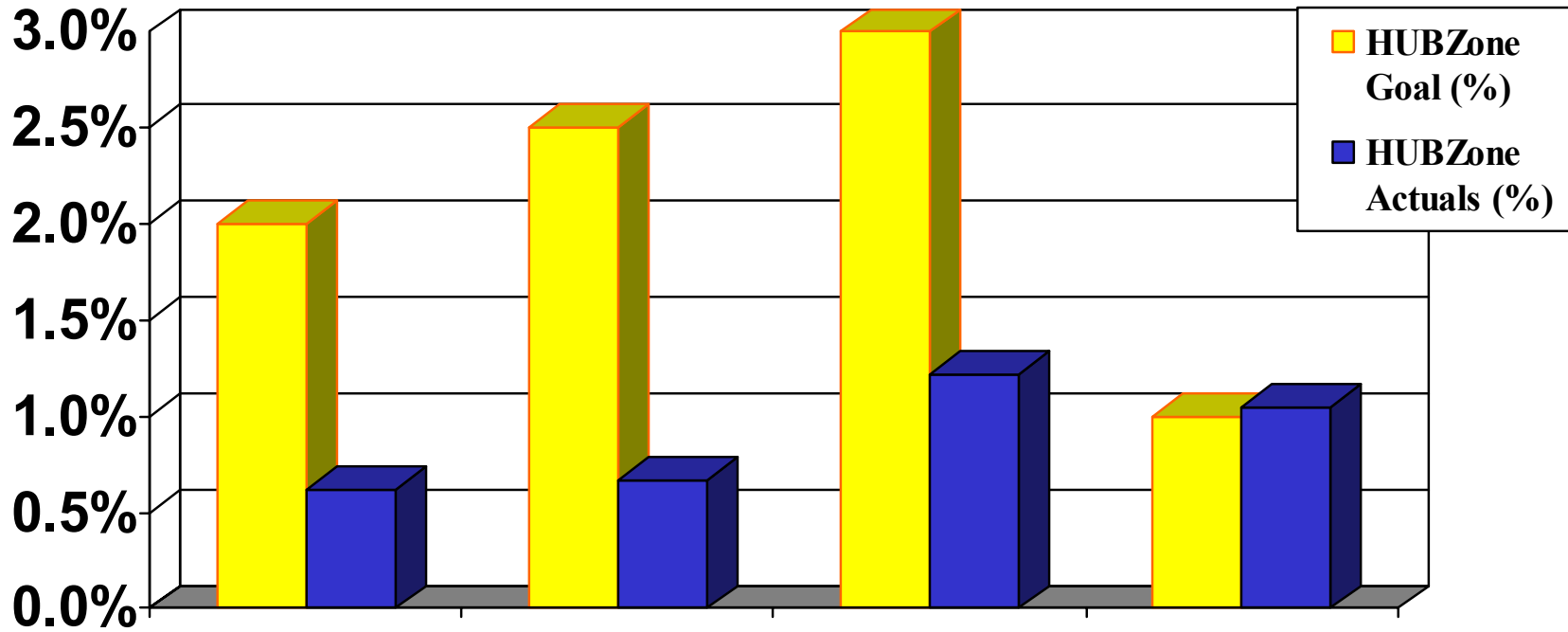
	FY01	FY02	FY03	FY04
Total Base	36,130,947	41,576,425	48,815,572	48,840,658
WOB	626,769	843,865	901,676	875,755
WOB Goal (%)	2.0%	2.0%	2.0%	2.1%
WOB Actuals (%)	1.73%	2.03%	1.85%	1.79%

*(Data Sources: J001 for FY 01-04) \$ reported (\$000s)



U.S. AIR FORCE

HUBZone Goals Vs. Actuals* Air Force Wide (FY01-04)



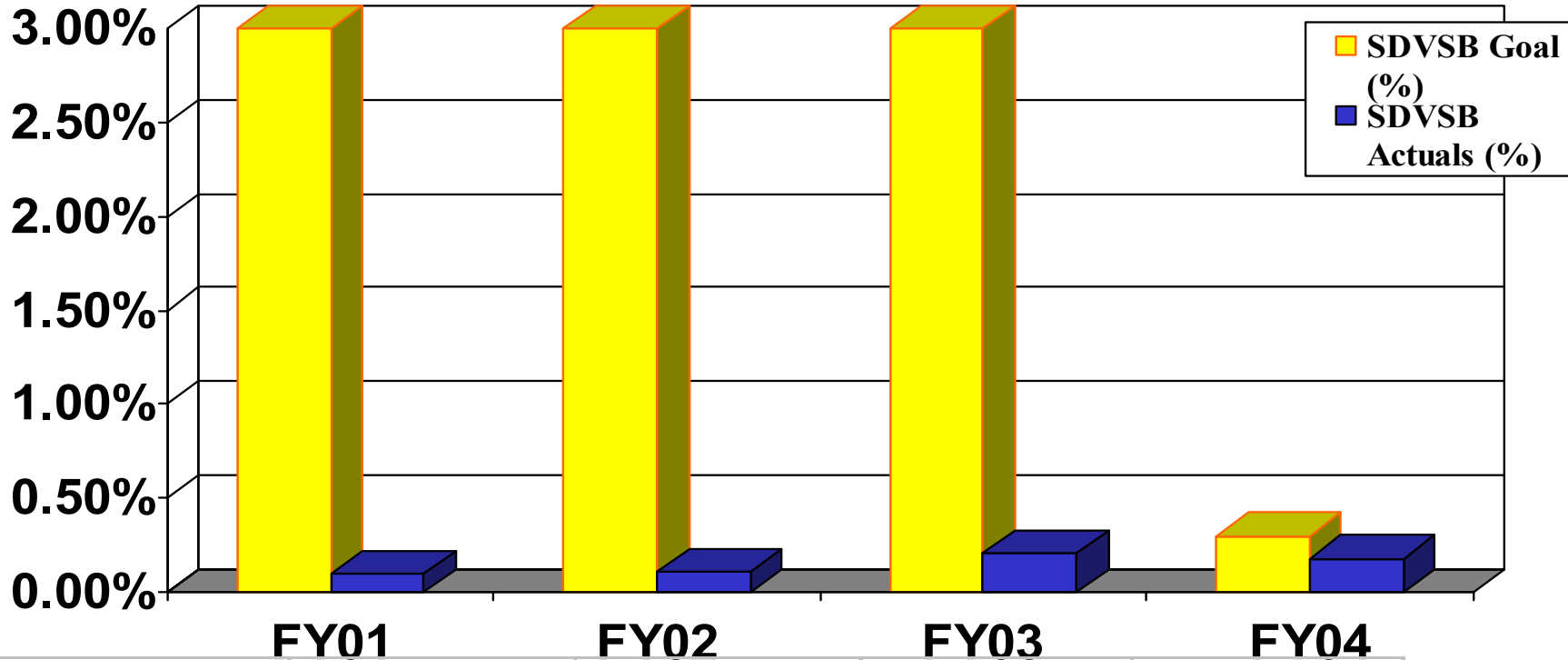
	FY01	FY02	FY03	FY04
Total Base	36,130,947	41,576,425	48,815,572	48,840,658
HUBZone	223,958	279,680	595,212	514,289
HUBZone Goal (%)	2.0%	2.5%	3.0%	1.00%
HUBZone Ach (%)	0.62%	0.67%	1.22%	1.05%

*(Data Sources: J001 for FY 01-04) \$ reported (\$000s)



SDVSB Goal Vs. Actual* Air Force Wide (FY01-04)

U.S. AIR FORCE



	FY01	FY02	FY03	FY04
Total Base	36,130,947	41,576,425	48,815,572	48,840,658
SDVSB	36,722	46,748	94,707	87,687
SDVSB Goal (%)	3.0%	3.0%	3.0%	0.3%
SDVSB Ach (%)	0.10%	0.11%	0.19%	0.18%

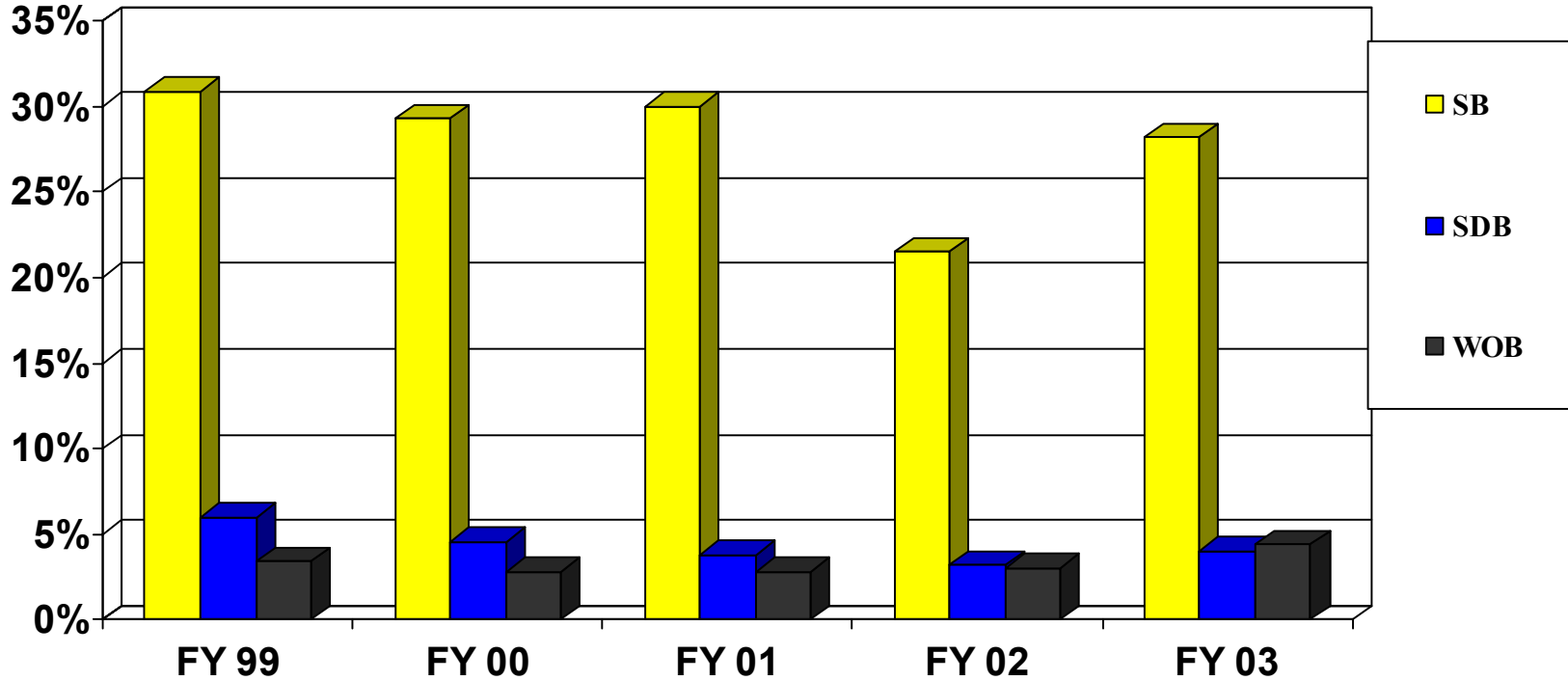
*(Data Source: J001 for FY 01-04) \$ reported (\$000s)



Subcontracting Trends*

FY99-03

U.S. AIR FORCE



	FY99		FY00		FY01		FY02		FY03	
Sub \$ Base	8,006		10,595		12,359		19,246		18,770	
SB	2,470	30.9%	3,100	29.3%	3,704	30.0%	4,138	21.5%	5,633	30.0%
SDB	482	6.0%	491	4.6%	469	3.8%	608	3.2%	726	3.9%
WOB	275	3.4%	296	2.8%	349	2.8%	573	3.0%	765	4.1%

Subcontracting Dollars Only \$ reported in (\$000s)

Source: Selected AF Major Prime's SF295s Assume AF is 55% of Primes Business



U.S. AIR FORCE

Mentor Protégé

Section 831 of Pub. L. 101-510

- **Highly Competitive Selection**
- **Continuous Administration (Program Reviews)**
- **Average Job Growth 20% (325 jobs FY04)**
- **Average Revenue Growth 17% (\$26M FY04)**
- **Return on Investment (ROI) 21: 1 (FY04)**
- **AF Wins 4 of 10 Nunn-Perry Awards FY04**



U.S. AIR FORCE

Challenges

- **Procurement Transformation**
- **Requirements Consolidation**
- **HUBZone & Service Disabled Veteran-Owned Small Business Awards**
- **Program Image**



Special Emphasis Items

U.S. AIR FORCE

- **Keep Leadership Involved**
- **Early Acq Strategy Engagement**
- **Thorough Market Research**
- **Business Case Analysis**
- **Consistent Subcontracting Strategy**



U.S. AIR FORCE

Conclusion

**WE ARE COMMITTED TO DELIVERING THE BEST
PRODUCTS AND SERVICES TO SUPPORT OUR
WARFIGHTING CAPABILITY**

STRENGTHENING THE DEFENSE INDUSTRIAL BASE

**CONTRIBUTING TO OUR ECONOMIC GROWTH AND
DEVELOPMENT**