APRIL 13, 2017

The All Small Mentor-Protégé Program List Published by SBA Can Provide Competitive Insight

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Small businesses that have historically participated in the Small Business Administration's (SBA) 8(a) program have long known the benefits of an 8(a) mentor-protégé agreement. The 8(a) protégés got to receive substantial development assistance from and team and joint venture with their mentors free from traditional affiliation considerations. The other types of small businesses were left out in the cold as the mentor-protégé program was previously limited only to 8(a) concerns. Last summer, SBA amended its regulations to let all the small business types in from the cold. Accordingly, all small business concerns including HUBZone, women-owned, and service disabled veteran-owned small businesses can now participate in what's known as the "All Small Mentor-Protégé Program" or ASMPP.

Since opening up the mentor-protégé program to all small businesses, SBA has received a number of applications (that's right, even though all small businesses can participate, the parties still have to submit an application). SBA has published the list of those companies with active ASMPP agreements. As of April 5, 2017, there are 90 such agreements. A few observations from that list:

- The protégés (and their corresponding mentors) operate in a variety of industries, from construction to cybersecurity;
- There are many well-known mentors participating indicating that large businesses are keen to participate so they can have a piece of the pie; and
- There's room for more to participate. While 90 companies is an impressive number for a program that is only months old and there is no doubt a slew of applications working their way through the SBA application process, we're surprised that the list isn't longer, particularly given the relative low risk of participating versus the potential reward.

The published list also serves as a reminder that very little in government contracting can be hidden from the public eye. Companies applying to the program should keep in mind that their arrangement will be made public. This can impact your other relationships, particularly where you might have a teaming agreement or joint venture with another party. There could also be legal repercussions for example where non-competes are involved for an organization or employee. Additionally, your competitors know who you are working with and will examine the relationship to find out if they can use that relationship to trip you up by for example raising organizational conflicts of interest allegations in bid protests. From a capture/business development perspective you should analyze the list to see if your competitors are

listed as a part of the program. If they are you need to take into consideration that if your competitor is a small business you will potentially have to compete with the past performance of the large business mentor behind them in set aside competitions as well as if you are a large business be wary of your large business competitors who are mentors as they may be strategically positioning opportunities to be released under a specific socioeconomic competition.

Analyzing these issues before you submit your application can prevent a lot of headaches down the road. We'll report back on additional observations as the list grows.