

3. History

DOD attention to small business commenced in World War II and was continued officially with the passage of the Armed Services Procurement Act (Public Law 413, 80th Cong.) in 1947, now codified in 10 U.S.C. 2301 et seq. The act conveyed to Defense procurement officials the intent of the Congress that small business concerns should receive a fair proportion of Government procurement.

The Small Business Act of 1953 (Public Law 163, 83d Cong., 1st sess.), reenacted in 1958 (Public Law 85-536), established the Small Business Administration and in section 202 set forth national policy as follows:

It is the declared policy of the Congress that the Government should aid, assist, and protect insofar as is possible the interests of small business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small business enterprises, and to maintain and strengthen the overall economy of the Nation.

Section 15 of the Small Business Act of 1958 empowers the Small Business Administration and Government contracting officers to join in set-aside action (wholly or partially) covering procurements by limiting competition to small business firms when such action is deemed in the interest of maintaining or mobilizing the Nation's full productive capacity, or is in the interest of national defense or war programs. Similar set-aside power is vested in DOD procurement offices in 10 U.S.C. 2304(a)(1) and utilized by them for set-aside actions.

4. Level of operations. (See table 1.)

Program: Procurement activities designed to assist small business.
Department or agency, and office or bureau: Department of Defense.

TABLE 1.—Level of operations or performance, fiscal years 1964-65

[(g) Other measures of level or magnitude of performance]

	Fiscal year 1964	Fiscal year 1965
Defense prime contracts to small business firms.....	\$4.8 billion....	\$5.3 billion.
Percentage of defense prime contract awards to small business firms.....	18.0 percent....	20.3 percent.

5. Estimated magnitude of program in 1970

The level and mix of defense procurement in fiscal year 1965 was such that small business was able to compete for and win a larger dollar value and percentage of prime contracts than heretofore. It is expected that the operation of the program in 1970 will continue at the approximate level of fiscal year 1965.

6. Prospective changes in program orientation

- (a) None.
- (b) None.
- (c) Any such changes seem to be offsetting rather than accumulating.

7. Coordination and cooperation

- (i) No projections possible.
- (ii)(a) Coordinate within the Office of the Deputy Assistant Secretary of Defense (I. & L.), and within its Defense Secretariat.