

all civilian procurement actions of \$5,000 and above, from any Federal Department, establishment, or agency engaged in procurement of supplies and services of the United States; and to publicize such notices in the daily publication, U.S. Department of Commerce . . . and the United States Government proposal,

This is designed to give small business an opportunity to bid and participate in procurement programs of the U.S. Government. Is there anything in the AID law or regulations which prevents you from doing this, that is, notifying the Secretary of Commerce? Or is it just the practice of buying from the parent company that prevents you from doing it?

Mr. DWINELL. In the Foreign Assistance Act, there is a provision that participation opportunities under AID financing shall be brought to the attention of small business. We do have in our agency, in the Office of Procurement, a Special Assistant for Small Business, and we take every step that is possible, we believe, to see that the interests of small business are protected and that opportunities are given to small business to participate.

Senator NELSON. Do you have a set-aside provision which applies to domestic small business in competitive bidding to the Federal Government? Is there such a provision?

Mr. DWINELL. There is not a set-aside program for AID-financed procurement by the private foreign importer. I would indicate, Mr. Chairman, that because of congressional interest in increased participation by small business in procurement financed by AID, we have at the present time a study underway in which the Department of Commerce and the Small Business Administration are collaborating with us in trying to determine the feasibility of a set-aside program for AID-financed procurement. That study is now underway.

Senator NELSON. Do you have any examples of small business winning any bids for these programs we are talking about here, supplying drugs to foreign countries?

Mr. DWINELL. Yes, we do; both in pharmaceuticals and in other commodities. I think Mr. Barondes can explain.

Mr. BARONDES. When we get away from the broad spectrum antibiotics, we find a number of small businesses who are successfully getting bids. In the last year, between three-quarters and a million dollars of sales went to what we think are small business.

We find it difficult to get a definition of what small business is. But I think we knocked out all of the big ones we knew about.

Senator NELSON. Could you submit that information for the record?

Mr. BARONDES. Yes.¹

Mr. GORDON. Incidentally, Mr. Chairman, I have gone through the data given to us by AID on AID-financed drugs in 1968 and 1969. I find it very difficult to find the names of more than a couple of small businesses. Is it not true, though, that given the present system of purchasing by subsidiaries from parent companies, that small businesses really do not have much of an opportunity?

How can small businesses participate in this type of program?

Mr. DWINELL. It is fair to say, Mr. Chairman, that the pharma-

¹ See p. 7399.