

In Washington, D.C., we are working initially with a large business concern. In this particular case, the large concern in conjunction with a local civic organization is setting up a Local Development Corporation. The Corporation will provide operating capital for a newly formed small business firm to which SBA will subcontract for military requirements.

For the initial production item, we are taking contracts from the Defense Supply Agency for wooden pallets and boxes. These will be sub-contracted to the small manufacturer and will provide a production base from which this business can be launched successfully. Eventually, the firm plans to expand into electronic assembly work. At least 60 hard-core unemployed will be brought into the training program during the initial phase of this operation.

The Labor Department has agreed to a 12-week training program and the Economic Development Administration will provide assistance for necessary management and technical advice.

SBA seeks to assure full opportunity for small logging and milling concerns to bid on Federal timber sales. To do this, SBA and the appropriate Federal sales agency set aside certain timber sales for bidding by small concerns only. Since the inception of this program in 1959, SBA-sponsored set-asides have averaged almost \$6 million annually. It is expected that set-asides will be \$14 million annually by FY 1969.

SBA also has programs to assist small firms in purchasing surplus Government property; to promote the interests of small business in the purchase of stockpile items; and to encourage the Department of Commerce to keep in mind the interests of small business when preparing regulations governing the allocation of critical materials.

In Summary.—The major SBA procurement assistance events during the past year involved:

- Re-establishment of the Agency's "procurement set-aside" program.

- Expansion of the sub-contracting program to gain more Government business for the small producers.

- Increased activity in the Certificate of Competency program.

- Activation of the 8(a) procurement program in furtherance of the President's Test Cities effort to provide more jobs for the hard-core unemployed.

- Re-staffing of the procurement centers with SBA representatives to assure continued attention to the *small business potential* by the procurement officers.

SECTION VIII—IMPROVING MANAGEMENT AND EFFICIENCY OF SMALL BUSINESS

(a) *Business Management Assistance.*—Our Office of Management Assistance conducts a number of programs designed to assist businessmen in their day-to-day operations. This Office—

- Publishes factual pamphlets and booklets covering the whole spectrum of small business operation;

- Provides counseling services through its own network of Management Assistance officers in 73 cities;

- Offers Counseling at Local Levels Program which brings the services of SBA counselors to about 500 cities per quarter;

- Makes arrangements with educational institutions to provide both day and evening training sessions in business subjects for established businessmen as well as potential entrepreneurs;

- Manages a cadre of 3,210 retired executives (Service Corps of Retired Executives) who volunteer to provide their expertise to small business free of charge.

During Fiscal 1967, 3,400,000 copies encompassing 500 different business subjects were distributed. Our publications are written by distinguished authorities in the business field, either as a public service or for a modest fee. Interest in our publications is continually growing.

The overwhelming majority of all publications distributed was a direct result of specific requests from individuals, corporations, governmental institutions, State governments, foreign governments, and banks. Many police departments have recently requested volume amounts of publications dealing with crime prevention measures which small businesses located in ghetto areas may be able to take.

During 1967, the Agency set up more than 2,000 business education courses, workshops, seminars, or conferences. This training varies from a course meeting one night a week for 8 to 10 weeks; a one-day workshop for prospective business