Los Alamos National Laboratory (LANL) is managed and operated by Los Alamos National Security, LLC (LANS) for the U.S. Department of Energy’s NNSA and is located in Los Alamos, New Mexico. The Laboratory is one of the largest science and technology institutions in the world and is also the largest employer in Northern New Mexico; with approximately 11,782 total employees, including students and contractor personnel.

**LANL’s Mission:**

Is to develop and apply science and technology to

- Ensure the safety, security, and reliability of the U.S. nuclear deterrent
- Reduce global threats
- Solve other emerging national security challenges.

In addition to supporting the Lab’s core national security mission, the Laboratory works to advance bioscience, chemistry, computer science, earth and environmental sciences, materials, and physics disciplines.

**Los Alamos, the oldest, most complex, and second largest site is working hard to transform into a more efficient site**

- Located 35 miles northwest of Santa Fe, New Mexico
- 36 square miles of DOE-owned property
- More than 2,000 individual facilities
- 47 Technical Areas with 8 million square feet under roof
- Operating costs FY 2010: about $2 billion
Fiscal year 2010 was eventful for the Los Alamos National Laboratory’s Small Business Program Office. The team implemented new innovative initiatives to engage not only small businesses wanting to do business with the Laboratory, but our very own procurement specialists and technical requestors.

Los Alamos National Laboratory purchased nearly $1 billion in goods and services in the 2010 fiscal year ending September 30, 2010. The $925 million in purchases was helped in part by funding from the American Reinvestment and Recovery Act the Laboratory received for environmental remediation and basic research.

The Laboratory also exceeded its goals for purchases made by small businesses in Northern New Mexico, the state and the country. The Laboratory and the Department of Energy/National Nuclear Security Administration annually set targets for the percentage of purchases made by small businesses. In fiscal year 2010, 63 percent of all purchases made by the Laboratory were from small businesses, far exceeding the Lab’s target of 46 percent.

The Laboratory also exceeded its goals for purchases from Small Disadvantaged Businesses, Women-Owned Small Businesses, Historically Underutilized (HUBZone) businesses, Veteran-Owned and Serviced-Disabled Veteran-Owned small businesses.

The Small Business Program Office (SBPO), works with our procurement personnel and program staff, to ensure that small businesses in Northern New Mexico and nationwide have every opportunity to learn about and take advantage of purchasing opportunities at the Laboratory. Many of these small businesses are identified through local and national outreach events such as the Supplier Forum the Laboratory hosted last spring in Espanola (read more about the supplier forum on page 9).

Outreach efforts from the SBPO team have played an instrumental role in communicating to small businesses the various procurement opportunities available, as well as communicating the various small business resources available to help small businesses obtain government awards.

Foremost, we want to make certain that we communicate the various business opportunities to those interested in doing business with the Laboratory. Furthermore, we want to inform our procurement staff about the various qualified small businesses available to provide goods and services to the Lab.
The Small Business Program Annual Report highlights fiscal year 2010 achievements by Los Alamos National Laboratory (LANL) specific to subcontracting opportunities for small businesses, outreach initiatives, and demonstrates overall progress on how LANL procurement dollars spent contributed to small businesses nationwide and in New Mexico.

**Doing Business with LANL**

LANL is dedicated to providing small business advocacy and takes every opportunity to utilize small businesses to meet requirements. LANL recognizes that small businesses are essential in stimulating the economy and has made significant strides in providing contract and subcontract opportunities to small businesses by communicating procurement opportunities through small business forums, training, and other outreach initiatives.

LANL is a staunch believer in purchasing quality products and services required to meet its national security mission. In doing so, the Laboratory partners with companies who encompass quality products and services in a safe and timely manner.

Acquisition Services Management (ASM) Division holds the overall Laboratory charter to maximize small business use, and is the institutional resource available for:

- Assisting in acquisition strategies
- Maximizing small business participation
- Maintaining procurement business requirements.

**Socioeconomic Goals and Achievements**

The Laboratory negotiates its socioeconomic goals annually with DOE/NNSA to ensure that a percentage of Laboratory procurements are placed with small and other socioeconomic businesses. The Small Business Program Office (SBPO) tracks procurement performance for the Laboratory and reports its performance semiannually to DOE, NNSA, and SBA. The socioeconomic goals, which are negotiated and established, include these small business socioeconomic categories: Small Disadvantaged Business, Woman-Owned Small Business, Veteran-Owned Small Business, Service-Disabled Veteran-Owned Small Business, and HUBZone Small Business. While goals are not set for 8(a) Small Businesses, the SBPO does track the volume of procurement placed in this category as well.

In the four-plus years that LANS, LLC has managed and operated LANL, procurements to small businesses have increased significantly from 32.8% in fiscal year 2007 to 63% in fiscal year 2010. Listed below are the socioeconomic goals and achievements for fiscal year 2010.

<table>
<thead>
<tr>
<th>Category</th>
<th>Goal (%)</th>
<th>Achievement (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Business</td>
<td>-</td>
<td>37.01</td>
</tr>
<tr>
<td>Small Business</td>
<td>46</td>
<td>62.99</td>
</tr>
<tr>
<td>Small Disadvantaged Business</td>
<td>10</td>
<td>27.76</td>
</tr>
<tr>
<td>Women-Owned Small Business</td>
<td>10</td>
<td>12.67</td>
</tr>
<tr>
<td>HUBZone Small Business</td>
<td>2.5</td>
<td>3.16</td>
</tr>
<tr>
<td>Veteran-Owned Small Business</td>
<td>3</td>
<td>9.05</td>
</tr>
<tr>
<td>Service-Disabled Veteran-Owned Small Business</td>
<td>1.5</td>
<td>2.05</td>
</tr>
<tr>
<td>8(a) Small Business</td>
<td>N/A</td>
<td>11.74</td>
</tr>
</tbody>
</table>
What We Bought

Goods:
23.9% of total spend

IT:
13.4% of total spend

Services:
30.8% of total spend

Construction:
7% of total spend

Engineering:
8% of total spend

Environmental:
16.9% of total spend

FY 2010 Total Spend
$924.9M
**Subcontracting Opportunities**

LANL maintains a strong institutional commitment toward small business subcontracting as formalized in the Prime Contract Appendices E and M. LANL demonstrates this by working together as an institution, and engaging managers to take an active role to increase procurement opportunities.

In keeping with the commitment to increase procurement opportunities, in accordance to Appendix E (Small Business Contracting Plan), LANS, LLC has initiated the following:

- Implemented a small business set-aside strategy to increase the number of competitively awarded contracts to small businesses
- Demonstrated top-level management commitment to small business contracting
- Hosted and attended significant outreach events to increase small business participation in the procurement process
- Demonstrated small business data is in compliance with Small Business Administration (SBA) guidelines and is accurately reported via eSRS
- Established policies and procedures to ensure compliance with the LANS, LLC subcontracting plan and attainment of subcontracting goals
- On-going training for contracting staff in executing small business/socioeconomic procurements.

**LANL Economic impact and accomplishments in Northern New Mexico and statewide**

LANL is proud of its record in assisting small businesses, and offers maximum procurement opportunities to all small businesses, with a particular emphasis on regional firms. It is not by accident that an emphasis over the last several years has focused to a large extent, on Northern New Mexico.

LANL is committed to supporting the local and regional economy of Northern New Mexico. Northern New Mexico encompasses Taos, Santa Fe, Rio Arriba, Sandoval, Mora, San Miguel, and Los Alamos counties and the eight regional Pueblos of Nambe, Ohkay Owingeh, Picuris, Pojoaque, San Ildefonso, Santa Clara, Taos, and Tesuque.

Appendix M of the prime contract with the DOE/NNSA requires LANS, LLC to make a concerted effort to increase the economic diversification of the area so that it is not so dependent on LANL and DOE.

To accomplish this, we:

- Educate and assist small businesses with process and technical skills required to meet Laboratory needs
- Form alliances with small-business organizations to further the growth and quality of local firms
- Educate and assist small business firms in thinking and competing globally.

The LANL Community Programs Office offers assistance to New Mexico small businesses via the New Mexico Small Business Assistance Program & Northern New Mexico Connect.

The New Mexico Small Business Assistance (NMSBA) Program offers at no cost to New Mexico small businesses facing a technical challenge, assistance from lab scientists or engineers from Los Alamos and Sandia national laboratories on projects that require testing and design consultation. Small businesses located in Bernalillo County can receive up to $10,000 in technical assistance per year, while businesses in a New Mexico rural county can receive up to $20,000.

Northern New Mexico Connect is a collection of coaching, networking, research, and technical assistance, that helps businesses reach the next level of success, and creates an entrepreneurial culture in Northern New Mexico. For more information on these programs, contact community@lanl.gov or call (505) 667-4391.
### Los Alamos National Laboratory Fiscal Year 2010 Economic Impact

<table>
<thead>
<tr>
<th>Category</th>
<th>$'s Spent Nationwide</th>
<th>$'s Spent New Mexico</th>
<th>$'s Spent Northern New Mexico</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Business (other than small business)</td>
<td>$357,074,161</td>
<td>$129,669,809</td>
<td>$96,615,728</td>
</tr>
<tr>
<td>Small Business (SB)</td>
<td>$568,233,057</td>
<td>$353,911,216</td>
<td>$254,894,747</td>
</tr>
<tr>
<td>Small Disadvantaged Business (SDB)</td>
<td>$250,400,634</td>
<td>$192,603,807</td>
<td>$118,411,503</td>
</tr>
<tr>
<td>Women-Owned Small Business (WOSB)</td>
<td>$114,276,782</td>
<td>$102,422,621</td>
<td>$51,218,017</td>
</tr>
<tr>
<td>HUBZone Small Business (HUBZone)</td>
<td>$28,510,385</td>
<td>$25,831,153</td>
<td>$17,633,716</td>
</tr>
<tr>
<td>Veteran-Owned Small Business (VOSB)</td>
<td>$81,617,883</td>
<td>$64,886,312</td>
<td>$63,365,139</td>
</tr>
<tr>
<td>Service-Disable Veteran-Owned Small Business (SDVOSB)</td>
<td>$18,522,027</td>
<td>$16,240,624</td>
<td>$15,685,229</td>
</tr>
<tr>
<td>8(a) Small Business</td>
<td>$105,887,273</td>
<td>$94,199,091</td>
<td>$79,985,439</td>
</tr>
</tbody>
</table>
* Coded as Small Business only                      | $223,982,542         | $109,191,625         | $81,212,452                 |

Note: “Coded as Small Business only” means no other socioeconomic category other than SB was used by the supplier to represent their business status.
LANL Small Business Subcontracting Program

When the Laboratory awards subcontracts to large business exceeding $550,000 ($1 million for construction), these major large business subcontractors must submit small business subcontracting plans. The plans propose goals for the various socioeconomic categories so that they are consistent with LANL's Subcontracting Plan (Appendix E of the Prime Contract). These plans are reviewed by a procurement specialist along with LANL's Small Business Program Office and negotiated appropriately based on the scope of work and the percentage to be subcontracted out. Although the Laboratory cannot use second tier dollars as part of achieving its small business goals under the prime contract, the second tier procurement awards impact the economy locally, regionally and nationally. For instance, at the end of fiscal year 2010, $45.8 million in procurement dollars were expended or awarded to small businesses by the Laboratory's major subcontractors with subcontracting plans. The Small Business Program Office (SBPO) is very assertive in pushing for goals that are commensurate with the complex scopes of work by researching and identifying qualified small businesses on major acquisitions. SBPO also assists large businesses in identifying small businesses for lower tier subcontracting opportunities.

### LANL Major Subcontractor’s Achievements by Socioeconomic Categories

<table>
<thead>
<tr>
<th>Socioeconomic Categories</th>
<th>$Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business (SB)</td>
<td>$45.8M</td>
</tr>
<tr>
<td>Small Disadvantaged Business (SDB)</td>
<td>$14.0M</td>
</tr>
<tr>
<td>Women-Owned Small Business (WOSB)</td>
<td>$5.0M</td>
</tr>
<tr>
<td>HUBZone Small Business (HUBZONE)</td>
<td>$1.7M</td>
</tr>
<tr>
<td>Veteran-Owned Small Business (VOSB)</td>
<td>$8.0M</td>
</tr>
<tr>
<td>Service-Disabled Veteran-Owned (SDVOSB)</td>
<td>$0.2M</td>
</tr>
</tbody>
</table>

Small Businesses Benefit from LANL ARRA Projects

Los Alamos National Laboratory is conducting three projects and installing water monitoring wells with funding from the American Reinvestment and Recovery Act. The projects deal with cleaning up areas used during the Manhattan Project and Cold War eras, as well as ensuring compliance with the New Mexico Consent Order.

The New Mexico Consent Order is an agreement between the Department of Energy, the Laboratory, and the state of New Mexico that sets enforceable milestones for cleanup by 2015. The work is estimated to cost approximately $212 million. The work consists of removal of hazardous or radioactive materials, demolishing more than 170,000 square feet of buildings, installing more than 15 new water monitoring wells, monitoring for chemical and radioactive contamination, working with Los Alamos County to coordinate emergency response training, and shipment of hazardous or radioactive waste to out-of-state facilities. When the cleanup is complete, between six and nine acres will be available for land transfer.

### LANL ARRA Breakdown

<table>
<thead>
<tr>
<th></th>
<th>$147,319,521</th>
</tr>
</thead>
<tbody>
<tr>
<td>Large Business</td>
<td>$123,456,789</td>
</tr>
<tr>
<td>Small Business</td>
<td>$23,987,654</td>
</tr>
</tbody>
</table>

Thus far, the Laboratory has spent $147,319,152 with the majority of work going to small businesses.
LANL reaches out to local communities, and small businesses at supplier forum

LANL sponsored a successful supplier forum at the Ohkay Owingeh Conference Center in Espanola, New Mexico. The half-day forum included networking opportunities and breakout sessions led by Laboratory staff members, as well as presentations by representatives of the U.S. Small Business Administration, the New Mexico Procurement Technical Assistance Center, and the New Mexico Small Business Technical Assistance Program.

The forum was designed to inform small business owners of resources available to them and, more important, to hear from small businesses on what SBPO can do to help them be more successful at the Laboratory. In the breakout sessions, business owners could meet Laboratory acquisition managers and give a two-minute briefing on their company, and/or share ideas about what the Laboratory can do to help them be more successful in doing business.

This was an excellent opportunity for small business owners to learn a little more about Laboratory procurement operations and, at the same time, market their company to Laboratory procurement staff. Additionally, small businesses were able to network with large businesses that may be interested in developing teaming relationships.

Other participating agencies in the forum included the American Indian Chamber of Commerce of New Mexico, the Energy Technology and Environmental Business Association, New Mexico 8(a) and Minority Business Association, Sandia National Laboratories, the federal Small Business Administration, Northern New Mexico Supplier Alliance, the state Veterans Business Resource Center, New Mexico Loan Fund, and SCORE.

Small Business nominees successful in receiving Small Business Award

TSAY Construction & Services, LLC was named HUBZone Small Business of the Year. TSAY was nominated by LANL. This award was presented to Donn Wiese, general manager of TSAY Construction & Services, LLC at the 11th DOE annual Small Business Conference & Expo in Atlanta, Georgia in May 2010. Tevet, LLC was also nominated by LANL and received the Service Disabled Veteran Owned Small Business award.

Bill Valdez, left, acting director of the Office of Economic Impact and Diversity, U.S. Department of Energy presents Donn Wiese, right, with DOE HUBZone Small Business of the Year Award.
Business Networking Forum provided environmental teaming opportunities

Close to 100 businesses attended the Lab’s networking forum at the Cities of Gold conference center in Pojoaque last August. Lab environmental managers unveiled the strategy aimed at completing LANL’s cleanup and remediation work by 2015. It’s a strategy that will be worth up to $1 billion to businesses awarded these contracts. 2015 is the deadline for LANL remediation and cleanup under a 2005 agreement with the state of New Mexico. “We’re going to need these contracts to help get us to 2015,” LANL’s Gordon Dover of Environmental Programs told the crowd. “We’re going to rely on you folks to give us good, innovative solutions.” The room was filled with companies specializing in excavation, demolition, environmental remediation, and radioactive waste management. Nearly 50 representatives signed up for a “speed dating” session, where businesses have up to three minutes to describe their company and the services they provide. Speed dating helps small businesses find partners to compete for contracts.

Hundreds attended Lab sponsored construction forum

Los Alamos National Laboratory sponsored a Construction Forum in Española last summer, to communicate to the community the planned construction projects and potential economic opportunities at the Laboratory. A number of construction projects over several years are scheduled on Pajarito Road, including legacy cleanup initiatives, waste treatment facilities, enhanced security infrastructure for the Lab’s plutonium facility, and the building of a replacement laboratory for chemistry and metallurgy sciences. Pajarito Road is an access-controlled road on LANL property between Los Alamos and White Rock. Los Alamos Deputy Laboratory Director Isaac “Ike” Richardson said LANL hosted the meeting to give the public and other interested parties first-hand knowledge about the projects.

“We are anticipating over the course of about a decade, up to a thousand new jobs mostly in construction crafts. Almost all will be hired through subcontractors,” said Richardson.

“LANL is committed to providing a level playing field for employment and economic development opportunities,” Richardson said, adding that construction projects at LANL are subject to funding that must be approved by Congress. “Nothing is certain until Congress acts and the President signs a bill,” he said.

LANL gold sponsor at 11th annual Department of Energy (DOE) Small Business Conference & Expo

The 11th annual DOE Small Business Conference & Expo was held in Atlanta, Georgia last May. LANL was one of the Gold Sponsors of the event and was instrumental in marketing to small businesses to attend the event. These conferences are invaluable to participants because of the multiple alliances formed between small businesses and government agencies, prime contractors, and large or medium size businesses. Networking is the key component of these conferences. Business opportunities are communicated during events such as the “matchmaking sessions,” the expo, and the training breakout sessions. Another key component is the recognition of small business award recipients. LANL nominated five companies and two received awards; TSAY Construction & Services, LLC and Tevet, LLC.
2010 New Mexico Small Business Week Awards celebration a success

The U.S. Small Business Administration (SBA) New Mexico District Office, the New Mexico Small Business Development Center Network and the New Mexico Department of Veterans’ Services hosted a conference in June. It offered attendees an opportunity to attend different training sessions, a Business Expo, and an awards ceremony to honor the New Mexico Small Business Week Award Winners. The event provided small business owners, with an opportunity to network and meet one-on-one with lending representatives, buyers and contracting officers from federal agencies and prime contractors. Los Alamos National Laboratory was a sponsor of this event and also submitted five award nominations.

J. Roy Miller received Service Excellence & Innovation Center Award

At the 2010 Small Business Awards Celebration held at the Hotel Albuquerque in Albuquerque, New Mexico, Mr. J. Roy Miller, director of the New Mexico Small Business Development Center, was awarded the SBDC Service Excellence & Innovation Center Award. Miller has been instrumental in promoting and supporting the creation of new businesses in New Mexico since 1996. Based on the many accomplishments and achievements of Miller, LANL Small Business Manager Dennis Roybal nominated Miller for the U.S. Small Business Administration’s 2010 Small Business Development Center Service Excellence & Innovation Center Award.

"Small business owners add to the vitality of our economy and are the driving force of America’s economy, it is our duty to recognize those high achievers that contribute to this nation’s competitive edge," said Roybal. Roy shares in the commitment of keeping America as the best place to do business and that the small business sector is one of its great strengths.
Contracting with small businesses is crucial to the Laboratory, as well as to the economic recovery of the nation. The Laboratory will continue to seek out qualified small businesses that can contribute to its success at the local, regional, and national level.