



Small Business Builder: Where to Look

How Savvy Small and Minority Suppliers Get the Business

Fourth in a Series

By Mary Campbell

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From training seminars to truck parts, large companies are buying products and services from small and minority businesses. And they're doing it in a big way.

SBC Communications □ parent company of telecommunication industry leaders such as Southwestern Bell, Ameritech, Pacific Bell and Cingular Wireless □ spent more than \$3 billion (over 20 percent of its procurement budget) with "diversity suppliers" last year. ("Diversity" can refer to small enterprises in general, as well as those with minority, disabled or female owners.)

Why Diversify?

SBC and its ilk aren't merely being good corporate citizens. Using a variety of entrepreneurial suppliers can be both necessary and profitable, for several reasons:

Downsized and out. Formerly, vertically integrated companies manufactured every product component and ran their own cafeterias, print shops and training programs. Today's big organizations outsource many non-"core" activities.

Bright ideas. By continually refreshing their supplier base, corporations benefit from entrepreneurial innovation, competitive pricing and small-firm flexibility.

The big picture. Well-managed supplier-diversity practices can improve not only corporate morale but the health of the U.S. economy. And supplier-diversity practices make sense in view of population-growth trends and immigration patterns. Minorities are expected to comprise a third of the population by 2010, and more than half by 2050, according to the U.S. Global Change Research Information Office.

Where to Look

Here are some tips for hooking up with potential partners:

Observe the honor system. Supplier-diversity efforts get noticed. Organizations and periodicals (such as the Women's Business Enterprise National Council and Working Woman and Hispanic magazines) publish lists of the best companies to work with. SBC has won many such accolades. So has Daimler-Chrysler, recently named corporation of the year by the National Minority Supplier Development Council.

Register to win. NMSDC, WBENC and other organizations offer registration (usually free) for online supplier databases. American Express cardholders can use its online RFQ (request-for-quote) service, offered in partnership with SmallBusinessDepot, BuyerZone, and Onvia. You can sign up separately for

any of the three, although only SmallBusinessDepot's free service targets small sellers and large corporate and government buyers.

Meet and mingle. Seek out company- and industry-hosted events such as the May 2-3 Delta Air Lines Supplier Diversity Procurement Exchange in New York and the communications industry's SUPERCOMM sessions for minority-, woman- and disabled-veteran-owned enterprises June 4 in Atlanta.

Call, write, or e-mail. You'll probably have little trouble finding supplier-diversity contact information for the largest companies. Web pages for NBC, Intel, Apple, AT&T, Bell Atlantic and dozens of other corporations lead you right to their supplier-diversity doorsteps. You'll often find relevant names, e-mail addresses, and phone numbers; online certification and registration forms; lists of products and services sought; and tips on being selected.

How to Stand Out

Corporate purchasing budgets add up to staggering amounts, but so does the entrepreneurial competition for those dollars. There are some 25 million small businesses in the United States, with innovative new companies entering the market every day.

Arm yourself with information expertise and an advocate. The Minority Business Development Agency is one of many organizations specializing in helping minority suppliers. Don't overlook the Small Business Administration and its partner Small Business Development Centers and Service Corps of Retired Executives offices. If your business is established but struggling, consider a private consultant.

An editor since the age of 6, when she returned a love letter with corrections marked in red, Mary Campbell founded Zero Gravity in 1984 to provide writing, editing and marketing services. Small Business Builder is published on Wednesdays.

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