

SMALL BUSINESS SIZE STANDARDS BY NAICS INDUSTRY

NAICS codes	NAICS U.S. industry title	Size standards in millions of dollars	Size standards in number of employees
*	*	*	*
Subsector 541—Professional, Scientific and Technical Services			
*	*	*	*
541519	Other Computer Related Services	\$21.0	
EXCEPT ...	Information Technology Value Added Resellers ¹⁸		¹⁸ 150

* * * * *

■ 3. In § 121.201, add footnote 18 at the end of the footnote section, under the table to read as follows:

Footnotes

* * * * *

18. NAICS code 541519—An Information Technology Value Added Reseller provides a total solution to information technology acquisitions by providing multi-vendor hardware and software along with significant services. Significant value added services consist of, but are not limited to, configuration consulting and design, systems integration, installation of multi-vendor computer equipment, customization of hardware or software, training, product technical support, maintenance, and end user support. For purposes of Government procurement, an information technology procurement classified under this industry category must consist of at least 15% and not more than 50% of value added services as measured by the total price less the cost of information technology hardware, computer software, and profit. If the contract consists of less than 15% of value added services, then it must be classified under a NAICS manufacturing industry. If the contract consists of more than 50% of value added services, then it must be classified under the NAICS industry that best describes the predominate service of the procurement. To qualify as an Information Technology Value Added Reseller for purposes of SBA assistance, other than for Government procurement, a concern must be primarily engaged in providing information technology equipment and computer software and provide value added services which account for at least 15% of its receipts but not more than 50% of its receipts.

Dated: September 24, 2003.

Hector V. Barreto,
Administrator

[FR Doc. 03-31795 Filed 12-24-03; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

13 CFR Part 121

RIN 3245-AE78

Small Business Size Standards;
Testing Laboratories

AGENCY: U.S. Small Business Administration (SBA).

ACTION: Final rule.

SUMMARY: The U.S. Small Business Administration (SBA) is adopting the proposed increase to the size standard for the Testing Laboratories industry (North American Industry Classification System (NAICS) code 541380) from \$6 million to \$10 million in average annual receipts. This action will better define the size of businesses in this industry that the SBA believes should be eligible for Federal small business assistance programs.

DATES: This rule is effective January 28, 2004.

FOR FURTHER INFORMATION CONTACT: Robert N. Ray, Office of Size Standards, at (202) 205-6618 or sizestandards@sba.gov.

SUPPLEMENTARY INFORMATION: On April 9, 2002, the SBA issued a proposed rule in the **Federal Register** (67 FR 17020) to increase the size standard for the Testing Laboratories industry (NAICS 541380) from \$6 million to \$10 million in average annual receipts (available at <http://www.sba.gov/size/indexwhatsnew.html>). The SBA proposed this size standard after receiving requests from testing laboratories to review the \$6 million size standard for that industry in light of upgraded capacities and skills that Federal agencies have recently required among contractors that specialize in environmental and radiochemical testing. The requesting testing laboratories claimed that these minimum requirements have raised the

costs of doing business in this industry, and reduced the pool of eligible small testing laboratories capable of satisfying these requirements. If this trend persists, they maintain, Federal agencies could be hampered in using Government preference programs designed to assist small testing laboratories.

Based on these concerns, the SBA conducted a review of this industry's size standard. In addition to reviewing patterns of Federal procurement in this industry, the SBA evaluated data on the industry structure. This review involved comparisons of average firm size, the size distribution of firms, measures of start-up costs and the degree of concentration of activity among very large firms in the industry. Based on its review of each evaluation factor, and the amount of participation of small testing laboratories in Federal Government procurement, the SBA concluded that the data supported a size standard in this industry of \$10 million in average annual receipts. (For more detailed information on the reasons for proposing a \$10 million size standard see the April 9, 2002, (67 FR 17020) proposed rule.) After careful consideration of the comments received on the proposed rule, the SBA has decided to adopt the proposed size standard of \$10 million.

Discussion of Comments on the Proposed Rule

The SBA received 35 comments on the proposed rule after extending the comment period through September 30, 2002 (67 FR 56966, September 6, 2002). Of the 35 commentators, 21 supported the proposed increase, while 14 opposed it. Below is a summary of the major issues raised by the comments and the SBA's response.