



SECRETARY OF DEFENSE
1000 DEFENSE PENTAGON
WASHINGTON, DC 20301-1000

AUG 24 2011

**MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
DIRECTORS OF THE DEFENSE AGENCIES
DIRECTORS OF THE DOD FIELD ACTIVITIES**

SUBJECT: Increasing Small Business Contracting Opportunities in FY 2011

Dynamic small businesses play a central role in strengthening the Department of Defense industrial base and improving our acquisition outcomes. Small businesses not only lead the Nation in innovation, they are also proven drivers of competition and incubators for business growth. Increasing small business contracting opportunities is a priority of mine, and also of President Obama, who has said, "If we want to keep America moving forward, we need to keep investing in our small businesses."

With only six weeks left in this fiscal year, we are falling short of meeting our Department-wide small business contracting goal of 22.3 percent. I therefore urge you and everyone in your organization who is involved in the acquisition process to review all planned acquisitions for the remainder of the year to identify opportunities for increased contracting with small businesses. The Under Secretary of Defense for Acquisition, Technology and Logistics will issue more detailed guidance on specific tools you can use to increase small business contracting performance.

Thank you for your attention to this important matter. I look forward to working with you to meet the Department's small business goals.

A handwritten signature in black ink, appearing to be "John M. McHugh", written in a cursive style.

cc:
USD(AT&L)

