

IBM to help small businesses compete for contracts

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(AP) -- Tech giant IBM Corp. is trying to help small businesses get supply contracts with blue chip companies in a variety of industries.

It's an idea that combines a \$10 million grant from [IBM](#) with the notion that [small businesses](#) are the main source of [new jobs](#) and therefore [economic growth](#).

The company said Tuesday it will set up a website at supplier-connection.net early next year with a single, standard application for small companies to bid on contracts at AT&T Inc., Citigroup Inc., Bank of America Corp., Pfizer Inc. and UPS Inc. That means small businesses won't have to invest the time and money in preparing multiple bids.

In part, the effort is a public relations gambit at a time of high unemployment. Citigroup and Bank of America are among the financial institutions that have caught blame for the 2008 banking crises that helped plunge the country into recession.

And the effort offers no guarantee that small companies will actually win contracts - only that they will have an easier time applying.

But IBM says the program, called "Supplier Connection," will at least have the potential to help more small businesses grab some of the roughly \$150 billion in contracts that these six companies award every year. Those deals include a variety of work, such as marketing, food supply, human resources and construction. And IBM said it expects to

add more big companies to the list as the program continues.

The company cited a report from the New York-based think tank Center for an Urban Future, which found small businesses are able to grow revenue significantly by winning contracts with big firms.

"Most of the small businesses we interviewed more than doubled their revenues and added a significant number of jobs since first becoming a supplier to a large company," the center's director, Jonathan Bowles, said in a statement.

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