October 8, 2021

Subject: NAICS Code Information for Suppliers

Dear Valued Northrop Grumman Supplier:

The purpose of this notice is to provide information and guidance regarding the application of NAICS codes to Northrop Grumman procurements.

Background

- Suppliers are required to identify the NAICS Codes that correspond to the products and services they are qualified to offer to customers
- Suppliers may have multiple NAICS codes, depending on the variety of products and services offered
- For distributors, applicable NAICS codes may include NAICS codes that fall under Sectors 42 – Wholesale Trade, and 44 – 45, Retail Trade of the NAICS code list
- NAICS codes have corresponding size standards assigned by the U.S. Small Business Administration
- A size standard can be employee-based or revenue-based, and consists of the maximum number of employees or maximum amount of average revenue allowed for a concern to qualify as a small business
- Suppliers may qualify as a Small Business in some NAICS codes and as a Large Business in other NAICS codes

Statutory Requirement

- In accordance with FAR 52.219-9(e)(7), contractors are required to assign a NAICS Code and corresponding size standard to all solicitations
What Does This Mean for Current or Potential Northrop Grumman Suppliers?

Going forward, potential bidders will receive solicitations (written or verbal) that identify the NAICS code and corresponding size standard assigned to the solicitation.

While multiple items may be contained in a solicitation, only one NAICS code and corresponding size standard is assigned per solicitation describing the principal purpose of the subcontract.

When contractors assign a NAICS code to a solicitation, the NAICS code describes WHAT is being purchased, not WHAT TYPE of business the offeror is.

Subcontractors are not required to certify that they are a manufacturer – only that they qualify as small or large for that NAICS code based on the corresponding size standard.

The assignment of a manufacturing NAICS code does not mean that only manufacturers can submit an offer.

Potential bidders are required to certify that they are small or large for the NAICS code assigned to a solicitation based on the corresponding Size Standard for that NAICS code, and that their response is current, accurate and complete as of the date of their offer.

Summary

Subcontractors seeking more information may access the following websites:

https://www.census.gov

Table of size standards (sba.gov)