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The Honorable Nick LaLota Chairman, Subcommittee on Contracting and Infrastructure U.S. House of Representatives Washington, D.C. 20515

The Honorable Gil Cisneros Ranking Member, Subcommittee on Contracting and Infrastructure U.S. House of Representatives Washington, D.C. 20515

Dear Chairman LaLota and Ranking Member Cisneros,

On behalf of Government Acquisitions, Inc., a small business IT contractor that has faithfully supported U.S. federal government customers for 36 years, I am writing to you today to address a concerning viewpoint regarding the role and value of small business IT Value-Added Resellers (VARs). It has recently been suggested that small business IT VARs represent an increase in cost to government customers. We firmly believe this perspective is fundamentally mistaken and wish to highlight the considerable value we bring to both government customers and the Original Equipment Manufacturers (OEMs) and Independent Software Vendors (ISVs) that serve the federal government.

Small businesses are undeniably the backbone of the U.S. economy, and in the realm of federal IT procurement, small business IT VARs play a critical and often underestimated role. Our value proposition is multifaceted:

Firstly, unlike single OEMs or ISVs, we do not represent a solitary product line. Our expertise lies in representing numerous manufacturers and working closely with government customers to determine the optimal combination of technologies to solve their specific challenges. While an OEM's or ISV's sales and technical teams are inherently incentivized to promote their own offerings exclusively, the IT VAR serves as a neutral, trusted guide. We consider the customer's existing technology investments and their overarching objectives, ensuring they acquire the most effective and integrated solution, not just a single vendor's product.

Secondly, modern IT solutions are incredibly complex and rarely addressed by a single technology. This is particularly true for emerging fields such as Artificial Intelligence (AI), where solutions frequently necessitate the integration of dozens of disparate technologies into a cohesive, functional system. No single OEM or ISV possesses the capacity or incentive to integrate a competitor's product. This intricate work of orchestrating and integrating diverse technologies is precisely the indispensable role of the small business IT VAR.

Furthermore, to survive and thrive in a competitive landscape, small business IT VARs like Government Acquisitions, Inc. have had to master the art of delivering extreme value. For our customers, this translates into tangible benefits such as streamlined operations and more effective mission delivery through automation and AI. For many years, we have engaged with customers to implement solutions that automate redundant processes, empowering knowledge workers to focus on higher-value tasks and critical mission objectives.

Small business IT VARs also act as a vital "force multiplier" for OEMs and ISVs. It is simply not feasible for these larger entities to staff the vast sales and engineering talent required to effectively engage with the entire U.S. federal government. If VARs were to disappear, OEMs and ISVs would face a substantial increase in their operational costs, needing to hire thousands of additional personnel. This approach would also be highly inefficient, as each individual hired by an OEM or ISV would represent only that single company. In contrast, VAR personnel can be leveraged across multiple technologies, providing a far more cost-effective and efficient go-to-market strategy for the industry.

It has also been suggested to simply have the OEMs and ISVs subcontract the delivery and installation of their systems to the small business IT VARs. While certainly possible in some instances where there is a single vendor solution, in the broader context, this approach fails to consider all of the points described above regarding the VAR's unique role as a neutral guide and integrator. Additionally, large business OEMs and ISVs are not the most reliable place to put the interests of small businesses. That, in our opinion, is exclusively the role of the federal government.

Government Acquisitions, Inc. has numerous documented instances where our guidance has led customers away from OEM-centric solutions they were initially considering, coaching them toward significantly more effective and tailored alternatives. In doing so, we have saved federal customers millions of dollars, not only in the initial acquisition but also in long-term support and maintenance costs.

Finally, while the U.S. federal government must diligently seek avenues for cost savings and operational streamlining, it is crucial to remember that it is not intended to be run solely as a business. The government bears a fundamental responsibility to foster growth and investment in the small businesses that are the true engines of the U.S. economy. Nowhere is this more critical than in driving technology innovation. This is precisely the role that the small business IT VAR fills—bridging the gap between cutting-edge technology and government mission needs, while simultaneously supporting economic vitality.

We urge you to consider the profound and multifaceted value that small business IT VARs contribute to the federal IT ecosystem. We are not a cost burden; rather, we are an essential component that drives efficiency, innovation, and significant cost savings for the government, while simultaneously bolstering the broader technology industry and the American economy.

Thank you for your time and consideration of this vital matter.

Sincerely,

Government Acquisitions, Inc.