

19.001 Definitions.

As used in this part-

Concern means any business entity organized for profit (even if its ownership is in the hands of a nonprofit entity) with a place of business located in the *United States* or its *outlying areas* and that makes a significant contribution to the U.S. economy through payment of taxes and/or use of American *products*, material and/or labor, etc. "*Concern*" includes but is not limited to an individual, partnership, corporation, joint venture, association, or cooperative. For more information, see 13 CFR 121.105.

Fair market price means a price based on reasonable costs under normal competitive conditions and not on lowest possible cost (see [19.202-6](#)).

Industry means all *concerns* primarily engaged in similar lines of activity, as listed and described in the North American *Industry Classification System* (NAICS) manual.

Similarly situated entity means a first-tier subcontractor, including an independent contractor, that—

(1)Has the same small business program status as that which qualified the prime contractor for the award (*e.g.*, for a small business set-aside contract, any small business *concern*, without regard to socioeconomic status); and

(2)Is considered small for the size standard under the NAICS code the prime contractor assigned to the subcontract.

Parent topic: [Part 19 - Small Business Programs](#)