



# U.S. ABILITYONE COMMISSION

**Policy 51.540**  
**Effective Date: June 30, 2026**

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## **TITLE: AbilityOne Authorized Commercial Distributor Program Requirements**

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### **1. PURPOSE.**

This document prescribes the framework, requirements, and procedures pertaining to the U.S. AbilityOne Commission’s (Commission) authorization of commercial distributors to distribute AbilityOne products to federal agencies and other entities through its Authorized Commercial Distributor Program (CDP).

### **2. APPLICABILITY.**

This policy and related procedures apply to the Commission, its designated central nonprofit agencies (CNAs), AbilityOne participating nonprofit agencies (NPAs), federal contracting activities, and commercial distributors seeking to obtain or maintain authorization to distribute AbilityOne products to federal agencies.

### **3. AUTHORITY.**

- (a) 41 U.S.C. §§ 8501 - 8506, Javits-Wagner-O’Day (JWOD) Act
- (b) 41 CFR Chapter 51-5.2(b), Committee for Purchase From People Who Are Blind or Severely Disabled

### **4. DEFINITIONS AND ACRONYMS.**

Definitions, abbreviations, and acronyms frequently used throughout the Commission’s policy system are provided in Policy 51.102, Definitions of Terms. Terms unique to a specific subject matter are defined in the associated policy and/or procedure.

<b>Term</b>	<b>Definition</b>
AbilityOne Authorized Commercial Distributor	A company (also called distributor) that has been formally authorized individually and/or as part of an authorized buying group by the U.S. AbilityOne Commission to buy and resell AbilityOne products in accordance with Commission Policies 51.540 and 51.541 and Procedure 51.540-01.
Authorization Violation	Action (or lack of required action) by an AbilityOne authorized commercial distributor which the Commission determines does not conform to the requirements of this Policy 51.540 and its Procedure 51.540-01.



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Commercial Item	As defined at FAR 2.101, incorporated by reference.
Essentially the Same (ETS)	As defined in Commission Policy 51.541, Requirement to Purchase Products on the Procurement List Instead of “Essentially the Same” (ETS) Items, dated April 27, 2015; incorporated by reference.
Probation	A status assigned by the Commission during which a violating authorized commercial distributor is subject to a 12-month period of enhanced compliance monitoring based on the criteria established in Commission Policy 51.540.
Violating Distributor	An AbilityOne authorized commercial distributor found by the Commission to have violated Commission Policy 51.540 or Procedure 51.540-01.

#### 5. RESPONSIBILITIES.

- (a) The Commission will:
- i. Facilitate federal agencies’ compliance with the AbilityOne mandatory source requirement at 41 CFR 51-5.2 by authorizing commercial sources to resell Procurement List items and implementing a commercial distributor program;
  - ii. Administer its commercial distribution program equitably and with transparency; to include establishing policies and procedures for the authorization or de-authorization of private sector distributors of AbilityOne products, known as AbilityOne authorized commercial distributors;
  - iii. Determine whether the criteria have been met to deauthorize an AbilityOne authorized commercial distributor and issue authorization and deauthorization letters due to violations of Commission Policy 51.540 or Commission Procedure 51.540-01; and
  - iv. Oversee all participants’ involvement in the AbilityOne Authorized Commercial Distributor Program and take the steps it deems necessary to protect program integrity and ensure regulatory compliance.
- (b) National Industries for the Blind (NIB) shall:
- i. Assist the Commission in its implementation of the AbilityOne CDP, by performing certain functions required by the Commission in accordance with 41 CFR 51-3.2(n), such as operational support for the AbilityOne CDP;
  - ii. Engage and educate AbilityOne authorized distributors regarding compliance, the appropriate AbilityOne product mix, and product information, and provide support as practical to facilitate the sale of AbilityOne items;
  - iii. Serve as the designated contact for distributor product inquiries or resolving

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- discrepancies with pricing, backorders, invoicing, shipping, or product quality. NIB may forward an inquiry or issue to SourceAmerica for resolution when the product is produced by a SourceAmerica agency;
- iv. Provide support to the Commission in distribution functions such as providing training, communication, and technical assistance to AbilityOne authorized commercial distributors and contracting activities;
  - v. Monitor AbilityOne product sales, furnish and/or track information, and make recommendations to the Commission regarding the authorized distributors' compliance with program requirements herein; and
  - vi. Monitor AbilityOne authorized distributors' performance in accordance with the program requirements herein, and address noncompliance.
- (c) NPAs shall:
- i. Report to NIB, with evidence, instances of an AbilityOne authorized commercial distributor's noncompliance pertaining to resale of products on the Procurement List or other Commission policies.
- (d) Contracting activities shall:
- i. Require federal contractors to utilize mandatory sources of supply when furnishing products on the Procurement List to entities of the government and to obtain those products from the AbilityOne authorized sources designated by the Commission, pursuant to FAR 8.005 and FAR 52.208-9, Contractor Use of Government Sources of Supplies and Services, taking appropriate contractual action if contractual requirements to provide AbilityOne products are violated in accordance with 41 CFR 51-5.2(c); and
  - ii. Address concerns related to JWOD Act compliance as identified by the Commission or NIB.
- (e) AbilityOne authorized commercial distributors shall:
- i. Adhere to AbilityOne authorized commercial distributor performance standards listed in the authorization agreement and this policy; and
  - ii. Respond to requests by the Commission or NIB for relevant information related to its authorization and participation in the CDP.

## 6. POLICY.

- (a) **General.** AbilityOne authorized commercial distributors resell mandatory Procurement List products to federal customers, and in doing so, are representatives of the AbilityOne Program. They are expected to meet general standards consistent with FAR 9.104 and to adhere to program requirements.
- i. Prospective distributors must submit an application to NIB. Submission does not guarantee a distributor will be authorized by the Commission.
  - ii. Distributors shall not sell or market AbilityOne products to federal customers until a letter of authorization is received from the Commission.
  - iii. AbilityOne® is a registered trademark of the U.S. AbilityOne Commission. All

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use of the brand and logo, whether in print or electronic format, must be approved by the Commission, the sole owner of this trademark. All use must be consistent with the Commission's guidelines available at:

[http://abilityone.gov/laws,\\_regulations\\_and\\_policy/genpolicy.html](http://abilityone.gov/laws,_regulations_and_policy/genpolicy.html).

- iv. SKILCRAFT® is a registered trademark of NIB. All use of the brand and logo, whether in print or electronic format, must be approved by NIB, the sole owner of this trademark.
  - v. Violations of this policy will be addressed in accordance with U.S. AbilityOne Commission Procedure 51.540-01.
  - vi. All newly authorized commercial distributors must schedule and complete mandatory AbilityOne training, conducted by NIB, within 30 days of authorization. The Commission highly encourages AbilityOne authorized commercial distributors to participate in ongoing training for updates on policies, procedures, and program-related activities.
- (b) **Prohibition on Selling ETS.** AbilityOne authorized commercial distributors shall abide by the AbilityOne exclusivity principle to not to sell commercial products which have been determined to be Essentially the Same (ETS) as AbilityOne products to federal customers on any federal contracts, including existing contracts, including, but not limited to, the General Services Administration (GSA) Schedule and DLA FedMall, e-commerce sites, retail operations on federal facilities, or federal solicitations (See Commission Policy 51.541).
- i. AbilityOne authorized commercial distributors shall not substitute a commercial ETS product when an AbilityOne product is ordered.
  - ii. ETS product blocking applies to all AbilityOne products and must be enforced across all contract vehicles and sales channels available to the federal government. This requirement:
    - a. Applies to all platforms, catalogs, and other purchasing vehicles for the federal government, including but not limited to:
      - 1. GSA Multiple Award Schedules (MAS),
      - 2. DLA FedMall listings, and
      - 3. Distributor e-commerce sites accessed by federal customers.
- (c) **Open Market Procurements.**
- i. AbilityOne authorized commercial distributors must be able to demonstrate how AbilityOne items will be automatically substituted for commercial ETS products, if ordered.
    - a. An automated blocking and substitution function must be operative prior to authorization. This capability must be demonstrated prior to authorization.
    - b. The blocking and substitution system only applies to commercial products that have been determined as ETS to AbilityOne products.
    - c. Upon request by either the Commission or NIB, distributors must demonstrate their blocking and substitution capability. Failure to do so

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- is considered an Authorization Violation (See Commission Procedure 51.540-01) and will result in automatic one year probation and up to and including rescission of authorization.
- ii. Distributors are required to notify federal buyers when a request for a commercial ETS product is fulfilled with an AbilityOne product.
    - a. Notification shall be made prior to shipment.
    - b. Messaging to the customer shall include: “You have requested a product that has been determined to be essentially the same as an AbilityOne product. Accordingly, your request has been satisfied with an AbilityOne product as required by 41 U.S.C. § 8504 and FAR 8.7, Required Sources of Supply.”
  - iii. Distributors shall elevate disputes regarding ETS designations to NIB in accordance with Commission Policy 51.541. NIB will respond to the distributor to ensure the federal customer’s needs are met in a timely manner.
  - iv. Distributors that have won an award or processed a transaction based on an individual solicitation via a federal or commercial e-commerce site must, upon request, provide proof that the appropriate AbilityOne product was shipped to the federal customer (e.g., delivery order validating purchase of the product from a wholesaler or direct from the manufacturing nonprofit agency). Failure to do so is considered an Authorization Violation (See Commission Procedure 51.540-01).
- (d) **Product Mix.** Distributors are required to make available all AbilityOne products listed on the National Stock Number (NSN) for Distribution List issued by NIB, including those supported by wholesalers and those not currently stocked, if they offer a commercial equivalent to federal customers. Products not stocked by wholesalers must still be made available when accessible from the manufacturing NPA through direct order.
- (e) **Contractual Coverage.** AbilityOne products must be included on the authorized distributor’s appropriate federal contract(s), GSA Schedule and/or DLA FedMall listing, and distributor ecommerce sites with federal customer traffic as applicable.
- i. Prior to authorization, potential distributors must submit their contract [schedule] product listing for ETS review by NIB.
  - ii. Authorized commercial distributors must submit their complete contract(s) product listing every 180 days for review by NIB to ensure compliance with the AbilityOne program polices and requirements.
  - iii. NIB AbilityOne product lists available for commercial distribution are reviewed, updated, and released quarterly by NIB. All authorized commercial distributors must make the appropriate additions and deletions to federal contracts to reflect changes in the AbilityOne product offering on or prior to the effective date of the appropriate product list.
  - iv. Failure to incorporate new products or submit modifications in the appropriate timeframe is out of conformance with AbilityOne requirements and is an automatic authorization violation (See Commission Procedure 51.540-01).

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- a. Distributors must be able to demonstrate, upon NIB's or the Commission's request, submission of the necessary contract modification documents to GSA and other federal government entities.
  - b. Issues preventing the incorporation of AbilityOne products into contracts or schedules, including problems with uploads to federal websites, must be communicated to NIB in writing.
  - c. Contract pricing issues for new products should be addressed with the responsible Contracting Officer. Contract pricing issues must be resolved with the Contracting Officer and are not valid reasons for an authorized distributor to forego adding new AbilityOne products to federal contracts.
  - v. Authorized commercial distributors must notify NIB in writing of all future awards of national or regionally scoped federal contracts and/or Blanket Purchase Agreements at the federal department, agency, bureau level or installation level. Failure can result in violation issuance by NIB.
  - vi. Issues preventing the incorporation of AbilityOne products into contracts or schedules, including problems with uploads to federal websites, must be communicated to NIB in writing.
    - a. Failure to incorporate new products or submit modifications in the appropriate timeframe is out of conformance with AbilityOne requirements and is considered an authorization violation (See Commission AbilityOne Procedures 51.540-01).
- (f) **Marketing and Sales.** Authorized commercial distributors shall ensure that their marketing materials, including but not limited to printable/downloadable materials such as government-unique catalogs or flyers, and e-commerce marketplaces that are dedicated to federal customers, do not promote the sale of ETS items to federal customers. Distributors shall promote the availability of AbilityOne products and market them in a manner comparable to non-ETS commercial products in all federal marketing initiatives.
- i. Print catalogs.
    - a. If the distributor publishes a full-line print catalog available to both federal and commercial customers, it is preferred that the AbilityOne items be incorporated throughout. However, a commercial print catalog with an AbilityOne insert is acceptable, with the understanding that any ETS items in the full-line catalog will be identified as ETS and blocked if ordered.
    - b. If the distributor publishes a smaller, government-unique print catalog, all ETS products must be removed. The authorized distributor shall ensure AbilityOne products are included in the catalog.
    - c. All custom print catalogs shall be provided to NIB for review and approval prior to being published, allowing NIB at least two weeks to review catalog proofs.
    - d. Standard wholesaler catalogs do not have to be provided for review; instead, authorized commercial distributors shall indicate which

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wholesaler catalog will be used.

- ii. Electronic catalogs.
  - a. The AbilityOne Program requires that online/downloadable catalogs fully integrate AbilityOne products into all search features where applicable.
  - b. A separate link or login for federal users/AbilityOne products is encouraged.
  - c. Removal of all ETS items is required if the electronic catalog is hosted on a website that is dedicated to federal customers.
  - d. If the electronic catalog is not hosted on a website dedicated to federal customers, but is part of the distributor's commercial electronic catalog, the authorized distributor must still block the sale of commercial ETS products to federal customers.
  - e. To ensure ecommerce sites are compliant, authorized commercial distributors must provide user access to the site with federal customer credentials and communicate site locations or access changes to NIB within two weeks of the change.
- iii. Reporting.
  - a. Authorized commercial distributors must provide sales reports for total AbilityOne sales on a quarterly basis to NIB (quarters ending March 31, June 30, September 30, and December 31) within 30 days of the end of each calendar quarter. The sales report should include the NSN, units sold, and sales (in U.S. dollars) in an Excel format, or as otherwise directed by NIB.
  - b. Authorized commercial distributors shall grant NIB permission to obtain sales data for AbilityOne products from approved wholesalers on a quarterly basis.
  - c. NIB reserves the right to request ad hoc level three sales reports and to mandate inclusion of additional data in contract-specific reports for the purpose of monitoring distributor performance.
  - d. NIB must submit the obtained authorized commercial distributors' quarterly sales described in Section 6(f)iii.a. to the Commission. The report should include a section with each authorized commercial distributor's total dollar value sold and a second section reflecting each NSN with the total quantity sold and dollar value.
  - e. Failure by the authorized commercial distributor to provide timely and accurate reports in the format requested may result in violation.
  - f. NIB shall provide to the Commission reports on a quarterly basis detailing sales by authorized commercial distributor, by NSN, and quarter-over-quarter accumulating results. The report is due to the Commission no later than 45 days after the end of each quarter. Adjustments for any quarter may be reported in the next quarterly report.

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(g) **Storefronts.**

- i. For distributor-run stores at federal facilities, no commercial ETS products may be stocked or sold, and the appropriate AbilityOne products shall be stocked and sold. Store site visits are conducted by NIB personnel to verify adherence to this policy.
- ii. AbilityOne authorized commercial distributors operating brick-and-mortar stores that are open to the public must demonstrate how the store will comply with this policy, including preventing the sale of ETS products to federal customers.

(h) **Pricing and Delivery to Federal Customers.** Authorized commercial distributors must adhere to the Commission's guidance for customer pricing and delivery for AbilityOne products.

- i. Authorized commercial distributors may not exceed a markup of 35% above their respective wholesaler pricing plan without a written exception from NIB. Detailed information will be required from distributors in order to receive approval for markups above the Commission's ceiling. If the products are not wholesaler supported, the distributors' markup may not exceed 55% of the Commission's FOB destination price.
  - a. Distributors must provide their markup on sales of AbilityOne products to NIB if requested.
  - b. While authorized commercial distributors may not exceed the markup caps listed above, a federal contract may nevertheless require a lower markup. In those circumstances, the authorized commercial distributor shall adhere to the markup required by its contract.
- ii. NIB reserves the authority to preclude authorized commercial distributors from reselling AbilityOne products at a price below the Fair Market Price (FMP) (free on board (FOB) destination) set by the Commission. Such loss leaders or discounted prices may result in noncompliance with AbilityOne requirements. Products sold below the Commission-set FMP will be subject to a greater degree of review by NIB to ensure that the AbilityOne products are actually being fulfilled. Reviews of distributor pricing, if necessary, will be conducted by NIB and escalated to the Commission as necessary.
- iii. Authorized commercial distributors must offer AbilityOne products to federal customers in a timeframe comparable to that of commercial products offered by the distributor.
- iv. Authorized commercial distributors must offer AbilityOne products on all federal contracts in the unit of issue specified by the Commission (on the Commission price files).
  - a. As long as the official unit of issue remains an option for the customer to order, authorized commercial distributors may choose to break down the unit of issue to also sell in lower units and may also choose to offer bulk quantities.
    1. Breaking bulk of commercial designated ETS products does not

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impact any ETS designations.

- b. Authorized commercial distributors may not limit customers to a minimum order quantity (MOQ) above the standard unit of issue identified by the Commission; this is considered an authorization violation (See Commission Procedure 51.540-01).

- (i) **Ordering/Purchasing.** The AbilityOne Program Terms and Conditions for Ordering, Shipping, Invoicing and Payment (AbilityOne Program Terms and Conditions) in apply to all direct purchases from the manufacturing nonprofit agencies.

- i. Authorized commercial distributors must order AbilityOne products through an approved source of supply authorized by the Commission.
- ii. Authorized commercial distributors must advise the NIB if out-of-stock situations at the wholesale level disrupt the timely fulfillment of AbilityOne products.
- iii. Orders issued directly to the NPAs shall follow the procedures for direct orders outlined in the AbilityOne Program Terms and Conditions.
- iv. NIB publishes origin and destination prices on a quarterly basis. Authorized commercial distributors who order direct can choose to use either origin or destination pricing; however, they may not choose to use a combination of origin and destination prices.
- v. Drop shipment terms and conditions are outlined in the Ordering/Purchasing procedures. Authorized commercial distributors wishing to request drop shipment(s) shall comply with the AbilityOne Program Terms and Conditions.
- vi. For products that are purchased directly from the nonprofit agencies (not through a wholesaler), NIB manages the allocation percentage for the NSNs on the Procurement List that have multiple producing nonprofit agencies. Authorized commercial distributors shall adhere to the allocations by NIB to ensure each order goes to the appropriate NPA.
- vii. If requested by NIB, to ensure equitable allocation is achieved, authorized commercial distributors must provide quarterly reporting on allocation results to NIB within 30 days of the end of the quarter.

- (j) **Limitations of Authorization.**

- i. Non-government sales. The majority of AbilityOne products may be sold to commercial customers, unless they are bound by product license agreements that restrict sales to the federal government only. Restricted items are identified in the quarterly NSNs for Distribution file issued by NIB.
  - a. Selling PL items designated as restricted outside of federal customers is considered an automatic violation and could lead to rescission of authorization.
- ii. Selling to other distributors. The Commission has criteria and standards for AbilityOne Authorized Wholesalers. Authorized commercial distributors who intend to operate as a wholesaler, i.e., selling AbilityOne items to other authorized commercial distributors must be authorized by the Commission to

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do so, unless a Commission-approved teaming agreement is in place.

- iii. The Commission reserves the right to dissolve the authorization with a distributor within the first year. After the first year, the relationship may be dissolved by the Commission if the authorized distributor fails to adhere to the criteria outlined in this policy and compliance procedures.
- (k) **Performance.** Authorized distributor performance is measured by an NIB-administered program that considers compliance with the policy and procedural requirements herein as well as sales of AbilityOne products compared to total government sales.
- i. NIB will evaluate the AbilityOne authorized distributors' compliance with the requirements in this policy, including, but not limited to, AbilityOne product exclusivity (ETS); product mix; contract coverage; marketing, and sales; storefronts; pricing and delivery to federal customers; ordering and purchasing terms and conditions; limitations of the AbilityOne authorization; and minimum annual AbilityOne sales. Authorized commercial distributors are strongly encouraged to schedule annual reviews with NIB to discuss performance.
  - ii. Authorized commercial distributors must maintain annual sales of AbilityOne products totaling a minimum of \$25,000.<sup>1</sup> Upon authorization, the initial annual period for measuring minimum sales will commence after the first two full standard quarters.
  - iii. Authorization violations or other noncompliance will be addressed in accordance with U.S. AbilityOne Commission Procedure 51.540-01. The Commission may consider and weigh the severity of a particular violation or nonconformance. Noncompliance will result in actions by the Commission up to and including de-authorization or sale.

## 7. PROCEDURES.

- (a) Distributors seeking authorization to sell AbilityOne products must submit an application to NIB.
- (b) NIB will review the application and determine whether the distributor meets the Commission's minimum requirements for authorization.
- (c) Upon determining that a distributor's application is acceptable, NIB will send the distributor a Distributor Agreement that must be completed, signed and returned.
- (d) The Commission will issue an authorization letter upon return of an acceptable Distributor Agreement.
- (e) NIB will conduct a catalog review at the time of application and 45 days after authorization. Following the first 45 days, distributors will provide their catalogs to NIB every 180 days, for any distributor that publishes its own catalog(s) for government sales [not applicable to use of authorized wholesaler catalogs]. Catalog-producing distributors shall provide an electronic file containing the following information, where applicable. Distributor should advise NIB if any of the fields below are not applicable (e.g., if there

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<sup>1</sup> Effective October 1, 2026.

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is no current catalog page number or wholesaler’s SKU.)

- i. Catalog Publisher SKU
  - ii. Description
  - iii. Long Description
  - iv. Unit of Issue
  - v. Current Catalog Page Number
  - vi. 12-digit UPC Code
  - vii. Product Category
  - viii. Manufacturer SKU or MPN
  - ix. Manufacturer Name
  - x. Manufacturer Code
  - xi. Essendant SKU/Order No.
  - xii. S.P. Richards SKU/Product No. 13-digit EAN or 14-digit GTI
- (f) Each AbilityOne authorized commercial distributor must certify that its automated blocking and substitution function is operative within 45 days of authorization, or within 45 days after initial contract effective date.
- (g) Each AbilityOne authorized commercial distributor must provide NIB with their government sales website URL and provide NIB with a log-in with federal customer credentials.
- (h) Noncompliance with this policy by AbilityOne authorized commercial distributors will be addressed in accordance with U.S. AbilityOne Commission Procedure 51.540-01.

**8. EXCEPTIONS.**

No exceptions to this policy or related procedures are permitted without written approval from the Executive Director.

**9. SUPERSESSION.**

This policy supersedes Commission Policy 51.540 which was effective March 10, 2026.



**KIMBERLY  
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APPROVED: \_\_\_\_\_ Date: \_\_\_\_\_

Kimberly M. Zeich  
Executive Director

