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WIPP AND FLORIDA ENTREPRENEUR CRITICIZES SBA FOR NEW CONTRACTING POLICY

CLEARWATER, FL (January 7, 2008) – Gayle Waldron, President of The Management Edge in Clearwater, FL, and member of the Procurement Council of Women Impacting Public Policy (WIPP), spoke out against a Small Business Administration proposed rule that reduces federal contracts protected status for women-owned businesses. WIPP is the nation’s largest bipartisan women’s business group.

The SBA’s new rule would only extend protected status to women-owned businesses in four out of 2,300 categories listed by the North American Industry Classification System (NAICS): kitchen cabinet manufacturing, engraving, other motor vehicles and intelligence. If enacted, the rule would drastically limit the number of governmental contracts awarded to women entrepreneurs by requiring women-owned businesses to show under-representation in thousands of industries and direct discrimination by a government agency to qualify for protected status.

"This long awaited rule by the SBA is a sham and an insult," said Waldron. "We have waited for over seven years for the implementation of this law, through multiple delays, questionable studies and other administrative contortions designed to delay and confuse the original intention of the law. The 10.4 million women business owners of this country deserve far better."

Barbara Kasoff, President and CEO of WIPP, said, "Although half of all privately held companies have a woman owner, only a mere 3.3 percent of federal contracts are awarded to woman-owned businesses. While Washington was quiet this holiday season, the SBA was working to deliver a lump of coal to women business owners. This proposed rule demonstrates that women business owners are not important to this administration or the political process. It is a drastic step backwards."

Passed by Congress in 2000, Public Law 106-554, was created to allow federal contracting officers to award up to 5 percent of all contracts to women-owned businesses. However, according to the most recent government report, that goal continues to fall short, with women entrepreneurs receiving only 3.3 percent of contracts in 2005. Many of these figures were supported by Rand Corporation study, released in April 2007. The study, conducted at SBA’s request, confirmed that women-owned small businesses are under-represented in 87% of industries.

Further raising the bar of entry for women entrepreneurs in the area of government procurement, the SBA has also proposed that in order for an agency to set aside a new contract under the proposed rule, the procuring agency would have to conduct an appropriate analysis of its own

procurement history to show that there has been discrimination against women-owned small businesses in the past.

“Access to government contracts is imperative for the survival of women-owned businesses. As the figures demonstrate, at the heart of SBA’s proposed change is not the issue of preferred status for women entrepreneurs, it is the question of 10.4 million women-owned small businesses getting their fair share of federal business.” said Kasoff. “Each year, access to government contracts is identified by our member survey as one of the top challenges facing women business owners, and continues to be a high priority for WIPP.”

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About Women Impacting Public Policy (WIPP):

WIPP is a national bi-partisan group comprising over half a million members. The non-profit organization is the public policy voice for 45 national Women in Business groups and is The Voice for Women in Business in Our Nation’s Capital. WIPP strengthens its members’ sphere of influence in the legislative process, creates economic opportunities for members and builds alliances with other small business organizations. Visit www.wipp.org.