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National Association of Women Business Owners

National Council of Negro Women, Inc.

Women Incorporated

National WOMEN'S BUSINESS Council

1998 Annual Report

Including Results of Procurement Research
Conducted in Accordance with P.L. 105-135

National Women's Business Council
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NATIONAL WOMEN'S BUSINESS COUNCIL

The National Women's Business Council, a bi-partisan Federal government advisory panel, was created by Congress in 1988 [Public Law 100-533]. The Council serves as an independent source of advice and counsel to the President, the Congress, and the *Interagency Committee on Women's Business Enterprise*, its public sector counterpart on economic issues of importance to women business owners.

MISSION AND OBJECTIVES

The members of the *National Women's Business Council* are prominent women business owners and leaders of national women's business organizations. The mission of the *Council* is to promote bold initiatives, policies and programs designed to support women's business enterprises at all stages of development both in the public and private sector marketplaces.

The *Council* and the *Interagency Committee* have effectively established a public/private sector partnership to promote an economic environment conducive to business growth and development for women-owned businesses and have focused on four key areas of program and policy development:

A. Expanding public and private market opportunities for women-owned business;
B. Conducting and promoting research and data collection to create a comprehensive profile of the women's business sector and public awareness of this profile;
C. Strengthening the training, technical assistance, mentoring and networking infrastructure that serves the women's business sector; and
D. Expanding and ensuring access to capital and credit resources for women business owners.

REPORTS, PROJECTS AND INITIATIVES

- Formation of the National Coalition of Women's Business Organizations. The Council provides information to and receives input from a coalition of over 200 women's business organizations which represent over one million women business owners;
- *"The Partnership"*, a newsletter jointly produced by the Interagency Committee and the Council, is read by business advocates, business organizations, and entrepreneurial training and technical assistance providers nationwide;
- *Expanding Business Opportunities*, report to the President & Congress releasing the newest Bureau of the Census figures on women's business ownership, January 1996;
- *Changing the Face of the Economy*, a videotape highlighting how Federal programs and initiatives have assisted women business owners, May 1996;
- Co-Host Summit '96, the first women's economic forum which produced the Women's Entrepreneurial Agenda, May 1996;
- *Women Succeed in Business: Success Guide for Women Entrepreneurs*, October 1996;
- *The National Research Agenda for Women's Entrepreneurship*, November 1996;
- *Growing Women's Businesses,* the report of the Access to Capital and Credit Expert Policy Workshop Series, September 1997;
- A statistical study of eleven years of Federal government achievements in awarding contract to women-owned businesses, FY1998 Annual Report issued October 1998;
- Co-Host Summit '98, the second national women's economic forum, October 1998.

November 1998

To the President and Members of Congress:

My colleagues and I are pleased to transmit the 1998 Annual Report of the National Women's Business Council. This report includes important findings from research conducted by the Council on access to Federal and commercial contracting opportunities for women-owned businesses.

As you know, the Council was reauthorized last year and most of the appointees to the Council, including myself, are serving for the first time. We are honored to be given this opportunity to advocate for the interests of the most dynamic and fastest growing segment of our nation's economy. We have much to celebrate about the economic accomplishments of women-owned business, yet we recognize that there is much work to be done to address the capital and business development needs of the nation's 8 million women business owners.

Women mean big business. With the assistance of the Congress, the President and other elected, appointed and corporate-sector leaders, we must build bridges between women entrepreneurs and the public and private sources of capital and contracts. Now is time to begin making the investment in the tools that will assist women to sustain and grow their enterprises.

In addition to the findings of the Council's research, this report describes the activities of the Council from the date we were sworn in by the Vice President in June 1998. We have also included a digest of all the Council's recommendations presented since its inception in 1988. We are pleased to note that many of these recommendations have been adopted through legislative and administrative action. We look forward to working with Congress and the Administration to implement the remaining recommendations as well as the newest offerings pertaining to increasing competitive contracting opportunities for women-owned businesses.

Sincerely,

Kay Koplovitz

Kay Koplovitz
Chair
National Women's Business Council

National WOMEN'S BUSINESS Council

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National WOMEN'S BUSINESS Council

Fiscal Year 1998 Activities of the Council

The National Women's Business Council was reauthorized on December 2, 1997 as part of the Small Business Reauthorization Act of 1997 (Public Law 105-135). Under the leadership of Senate Small Business Committee Chairman Senator Christopher S. (Kit) Bond (R-MO), ranking Democrat Senator John Kerry (D-MA), House Small Business Committee Chairman Jim Talent (R-MO) and ranking Democrat Representative Nydia Velazquez (D-NY), several important changes were made to the composition and responsibilities of the Council.

Originally conceived as a public/private partnership, the Council was reauthorized in 1994 as a panel of prominent women business owners and leaders of national women's business organizations. The public sector representatives became the core of what is now known as the Interagency Committee on Women's Business Enterprise (IAC), the Council's public-sector partners. In 1997, the membership of the Council was expanded from ten to fifteen members fully representing the interests of the nation's 8 million women business owners. Initially nominated by their Congressional Representatives, the new Council members were appointed to serve by the President and the Administrator of the Small Business Administration and were sworn in by Vice President Al Gore in a White House ceremony on June 15, 1998. Brief biographies of the members are included in the appendices of this report.

On June 15, 1998, the new members of the National Women's Business Council attended their first meeting in Washington, D.C. The first session was a joint meeting with the Interagency Committee on Women's Business Enterprise. Interagency Committee Chair Janet Yellen, chief of the White House's Council of Economic Advisors, chaired the meeting. During that meeting, the Committee announced its intention to expedite the signing of several Memorandums of Understanding (MOU) between the Small Business Administration (SBA) and the Federal Departments and Agencies that comprise the Interagency Committee. In her presentation, SBA Administrator Aida Alvarez affirmed her agency's commitment to increasing competitive contracting opportunities for women using these MOUs as a tool. The Department of Transportation pledged to be the first agency to sign an MOU with SBA.

The Council members were briefed by members of the House of Representatives and the United States Senate, including Senate Small Business Committee Chairman Christopher "Kit" Bond (R-MO), Senators Max Cleland (D-GA) and Carl Levin (D-MI), and Representatives Jennifer Dunn (R-WA) and Juanita Millender-McDonald (D-CA). Key staff of the House and Senate Small Business Committees also met with the Council members. Finally, Council members were given an introduction to the mission of and preparations for Summit '98. The Council serves as co-host of the Summit with the Dingman Center for Entrepreneurship at the Robert H. Smith School of Business, University of Maryland – College Park. The Summit, a sequel to the first women's economic forum held at the J.L. Kellogg School of Management, Northwestern University, was convened on October 14 – 16, 1998.

COUNCIL RESEARCH

In addition to expanding the membership of the panel, the 1997 legislation increased the operating budget and directed the Council to conduct various research projects in accordance with its mission. The first project undertaken concerned the Federal government's accomplishment in achieving the statutory 5% Federal procurement goal for women and the effectiveness of efforts to increase contracting opportunities for women. The study and recommendations of the Council are also included in this report.

In addition to the statistical review of FY1987–1997 Federal contracting data, a survey was conducted on behalf of the Council by the National Foundation for Women Business Owners. This telephone survey of 1,000 business owners explored women entrepreneurs' experience in doing or trying to do business with Federal State and Local governments and large corporations. The survey gauges attitudes about doing business in the government and commercial markets and also examines the usage and effectiveness of specific programs designed to increase the likelihood of success such as the mentor-protégé program and women's business certification.

There have been several opportunities for the members to represent the Council at meetings, conferences and forums.

* AIR-FORCE PROGRAM ON PROCUREMENT OUTREACH

The Council has worked closely with the Department of the Air Force to design an outreach program that would match women-owned businesses with actual contracting opportunities. The new Council members were interested in continuing this effort and several members represented the Council at Air Force conferences.

* CONGRESSIONAL WOMEN'S CAUCUS FORUMS

The Council hosted two roundtables with Members of Congress on the issues to be discussed at Summit '98 and the availability of business development resources for women business owners. The first roundtable was held in Greenville, North Carolina, June 22, 1998, with satellite links to four additional sites across the state. Hosted by Congresswoman Eva Clayton (D-NC), the roundtable highlighted Federal and local North Carolina resources. On September 28, 1998, the Council hosted a second roundtable in Farmington, Connecticut. Working with Congresswoman Nancy Johnson (R-CT), it brought together women business owners to explore and discuss relevant business topics. The participants at both roundtables provided valuable input that were shared during the proceedings of Summit '98.

* GOVERNMENT-BUSINESS FORUM ON CAPITAL FORMATION

In September 1998, the Securities and Exchange Commission hosted its seventeenth annual forum on small business capital formation in Chicago, Illinois. The forum offers an opportunity for private sector individuals to express the views and needs of small business so that unnecessary government impediments to capital formation can be examined and eliminated.

* SUMMIT'98, THE WOMEN'S ECONOMIC SUMMIT

In 1996, the Council co-hosted with the J.L. Kellogg Graduate School of management at Northwestern University, SUMMIT '96, the first women's economic forum. At Summit '96, the leaders of 200 women's business organizations met with leading corporations, financial institutions, policy makers and prominent business owners to reach consensus on an 8-point agenda that reflects the ideas and priorities of women entrepreneurs. The Council convened the sequel to this forum, Summit'98, in October 1998. In addition to co-hosting this forum with the Dingman Center for Entrepreneurship at the Robert H. Smith

School of Business, University of Maryland, College Park, several of the Council members led or actively participated in the Summit Core Initiatives -- Financing Business Growth; Leadership and Advocacy; Market Opportunities; and Training. The Council will assume an active role in the organization and implementation of the Summit's 'Master Plan' of recommendations for action to foster the growth of women's businesses.

FUTURE COUNCIL ACTIVITIES

The Council looks forward to presenting the President and Congress with the Summit '98 Master Plan in the spring of 1999. The Council plans to work on implementing the summit initiatives and will continue to assist women in growing their businesses by increasing access to: public and private sector markets; capital and credit; training and information; and raising the visibility of the economic contributions of and the challenges faced by women business owners.

* * *

National WOMEN'S BUSINESS Council

1998 NWBC Recommendations

Increasing access to Government contracting opportunities for women-owned businesses has been a priority of the Council since its inception in 1988. In fact, the Congressional hearings which gave birth to the Council with the passage of HR 5050, identified the need for meaningful change in the Federal procurement contracting system to provide competitive opportunities for women-owned businesses. Since then the Council has made several recommendations which address the challenges and opportunities that women have faced in accessing the Federal marketplace. An inventory of these recommendations can be found in the appendix of this report. Those recommendations that have yet to be implemented and several new proposals are included here for the consideration and endorsement of the Administration and Congress. We request that Congress makes these recommendations and the findings of the Council's research the subject of hearings and legislation during the 106th Congress.

LEGISLATIVE INITIATIVES

Clarify Rules Governing Calculation of 5% Women-Owned Business Goal

Legislation established a 5% government-wide procurement goal for participation by small business concerns owned and controlled by women to be calculated by adding the total value of all prime contract and subcontract awards. This calculation poses a problem, as subcontract dollars are actually a subset of prime contract dollars. Combining prime and subcontract awards to calculate a total goal could involve double counting and, therefore, represent an inaccurate assessment of women-owned business awards. We recommend that Congress clarify the law so that women-owned prime and subcontract awards are calculated and reported separately.

Establish Safeguards That Would Curtail Contract Bundling

The data in this report does not reflect the adverse impact of the recent trend toward consolidating many smaller contracts. This practice is known as "contract bundling" or "contract consolidation" and tends to minimize the ability of small businesses to effectively participate as prime contractors for those requirements. This practice of bundling several Federal requirements, which were historically awarded to small business concerns and 8(a) concerns, are generally viewed as beyond the capability of small business. Accordingly, such requirements are solicited under full and open competitive procedures. The Congress needs to hold hearings and have the General Accounting Office perform audits regarding this bundling practice. Additionally, the small business community and the American taxpayer would benefit by legislation that would limit this onerous practice.

Establish a Coordinated Government-Wide Data Collection Process

Direct the Office of Federal Procurement Policy to establish a uniform, government-wide data collection process to coordinate and setting criteria for the collection of data on prime and subcontract awards to small, small disadvantaged and women-owned business. The Council's research has revealed that there is no coordination of or clear criteria set for the collection of contract award and action data, outside of the Department of Defense. Of greatest concern is the unreliability of the data on subcontract awards. Subcontract data should reflect actual awards rather than projected awards included in a prime contractor's subcontract plan.

Expand the Mentor-Protégé Program

Increase funding for and amend language in the FY1991 National Defense Authorization Act [10 USC 2302 note] so that the Department of Defense may expand the current Mentor-Protégé program to include women-owned small business protégés. In addition, the Department should be directed to establish a specialized business development program built around training, mentoring, business alliances and subcontracting opportunities by a select number of major government prime contractors. The program could be limited to the top five Federal Departments. The Small Business Committees should be encouraged to make funding directly available to both the mentoring and protégé businesses. Finally, funding for this valuable program, which has been the source of controversy each fiscal year, should be secured and the program should be made permanent.

Eligibility of WOB in 8(a) Business Development Program

Include women-owned small business as a 'presumed" group eligible to qualify for 8(a) Business Development Program.

Maintain the Current Micro-Purchase Threshold at $2,500

Raising the micro-purchase threshold above the current level of $2,500 would negatively impact small, small disadvantaged and women-owned businesses. Historically, these contracts were reserved for small businesses. Twenty percent of all awards to small businesses are for contracts valued at $25,000 or less. Increasing the threshold would enable the government to expedite a larger number of purchases but these purchases would not necessarily be from small businesses. The program waived the government of its obligation to provide contracting opportunities to small business when the contract awarded is $2,500 or less. Raising the threshold would mean that small businesses could lose a significant number of contracts and the Federal government would have no way of determining what opportunities were lost to small and women-owned businesses.

Review and Approval of Subcontracting Plans of Less than 5% for WOB

Amend the government-wide Federal Acquisition Regulation (FAR) to require higher-level review and approval of a subcontracting plan required under FAR 19.702(a)(1) or (2) that proposes a subcontracting goal with women-owned small business of less than 5%. These plans must be approved at two levels above the contracting officer. (Similar to the DoD SDB requirement at Defense Federal Acquisition Regulation Supplement (DFARS) at 219.705-4(d)).

Women-Owned Business Government Wide Acquisition Contracts (GWAC)

Develop a limited contracting demonstration program (five years) to require the Federal Executive Departments and Agencies to establish women-owned small business set-aside procedures on contracts with an estimated value of $500,000 or less. These new GWACs would be limited to the four designated industry groups identified under the Small Business Competitiveness Demonstration Program, title 7 of Public Law 100-656.

Amend the Small Business Competitiveness Demonstration Program

Amend PL 100-656, The Small Business Competitiveness Demonstration Program, to require participating Departments and Agencies to establish "Women-owned small business set-aside" procedures for all contract requirements under the four designated industry groups for which the department or agency has suspended "small business set-aside" procedures. The contracting officer would be required to use "women-owned business set-aside" procedures if there is a reasonable expectation that:

1. the estimated award price is greater than the emerging small business reserve but less than $500,000;
2. after accessing PRONet, the contracting officer has a reasonable expectation that two or more responsive and responsible offers would be received from certified women-owned small businesses; and
3. the contract award can be made at a fair market price.

Progress Payments

Establish minimum progress payment rate of 95% for WOB. The progress payment rate should be equal to the progress payment provisions for small disadvantaged businesses. Permit WOB to request progress payments every two weeks. Make progress payments available on contracts with an estimated dollar value of $50,000 or greater.

ADMINISTRATIVE ACTION

Rule of One

Establish a government-wide procurement procedure, similar to an existing Air Force program, which requires contracting officers to solicit a bid from at least one women-owned business for all contracts.

Aggressively Monitor 'Contract Bundling' Decisions

In 1997, Congress passed language included in Public Law 105-135, which directed Federal Departments and Agencies to provide written justification for all bundled contracts. For those acquisitions in which contract bundling is deemed to be justified, the procuring agency should work with the SBA to develop a plan for utilization of small businesses, including but not limited to identifying qualified subcontractors through PRONet and the creation of a program which both encourages and 'brokers' teams of small businesses who together could qualify for a prime contract award.

Centers of Excellence

Replication of Air Force's MID TECH Manufacturing Center of Excellence Program for the purpose of assisting Federal Departments and Agencies in meeting the 5% goal by increasing the capacity of those women-owned businesses who are in 'non-traditional' business, i.e. manufacturing.

HUBZones

Create a government-wide program which markets the HUBZone (Historically Underutilized Business Zone) program to ensure that WOB are aware of Federal contracting opportunities afforded under this new statutory program and methods of accessing these opportunities.

Pre-Prime Award Outreach

Replicate the General Services Administration's Courthouse Pilot Program that involves an aggressive outreach to small businesses in those communities in which courthouses are to be built. As the prime construction contractor is preparing to issue its subcontractor bid requests, GSA presents it with the list of potential subcontractors compiled from its outreach efforts. Federal Agencies, which have completed their acquisition forecasts, may utilize this model program to develop and furnish lists of WOB subcontractors to prospective prime contractors before they have completed its subcontract team.

Past Performance In Subcontracting Plans

Section 8(d) of the Small Business Act now requires all prime contractors, other than small businesses, responding to a negotiated solicitation to submit a subcontracting plan so that the plan can be negotiated concurrently with other parts of the proposed contract. Compliance of the prospective prime contractor with prior subcontracting plans under previous contracts would be considered by the contracting officer in awarding the contract.

Remedial Action Plan

Each agency that fails to meet its 5% goal should be required to implement a remedial action plan expected to bring them into compliance. This remedial plan should consist of methods and programs which agencies may adopt, including those identified in this report.

Accountability of Prime Contractor For Payments to Subcontractors

Promulgate regulations that would require prime contractors to provide, with their invoices, documentation that subcontractors have been paid.

Database Uniformity

Numerous Federal agencies have established databases where businesses can register for the purpose of gaining access to Federal contracts. The difficulty arises in that the systems are rarely linked and that the criteria for each are different. Ideally, these systems should be merged with SBA's PRO-Net but at the very least made compatible.

5% WOB Goal Accountability Measures

Develop job performance appraisal criteria and incorporate as part of the Performance Management Appraisal System (PMAS) which would hold contracting officers and program managers accountable for their Department/Agency's achievement of the 5% WOB goal.

Advanced Payment

Promulgate regulations that would provide select "advanced payment" authority and procedures for WOSB that successfully bid on certain requirements, (e.g., provide contracting officers the authority to provide advanced payment to WOSB on all contracts of $5,000,000 or greater).

Certification Reciprocity

Working with existing women-owned business certification organizations, issue an Executive Order that would establish a national uniform certification standard for Women Business Enterprises (WBE is the accepted name for a certified woman owned business) and request that states and local governments accept that uniform standard in lieu of their many separate certifications.

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National WOMEN'S BUSINESS Council

Statistical Study on Federal Government Contracting: Women-Owned Business

EXECUTIVE SUMMARY

The National Women's Business Council is a bi-partisan, Federal advisory panel created by Congress to be an independent source of advice and counsel on economic issues of importance to women business owners. In 1997, Congress directed the Council to conduct a study on the Federal government's success in doing business with the fastest growing sector of the U.S. economy – women-owned businesses (WOB). Women-owned businesses make a significant contribution to the U.S. economy – nearly 8 million women-owned firm's employ 18.5 million workers and generate nearly $2.3 trillion in revenues. Women-owned businesses' desire to access the Federal marketplace was one of the issues that led to the creation of the National Women's Business Council in 1988 and continues to be an issue of primary importance for the Council today.

The study being reported in this report was conducted in compliance with the statutory directive issued in Public Law 105-135. In addition to the statistical analysis that immediately follows, a survey of 1,000 business owners was conducted on behalf of the Council by the National Foundation for Women Business Owners. This survey explored the characteristics of firms doing business with the Federal government and large corporations. The results of the survey are included in this report.

SUMMARY OF FINDINGS

The study of Federal contract data collected from Fiscal Year (FY) 1987 through FY1997, demonstrates that women-owned businesses (WOB), the fastest growing business segment, have begun to make some headway in winning contracts to provide the goods and services that the Federal government purchases. The aggregate participation of WOB as prime and subcontractors in the Federal procurement market has grown from a total of $3.2 billion in FY1991 to $5.7 billion in FY1997.

Total Federal Prime Contract

	Awards	Actions
FY1987	$170,675,000,000	17,625,540
FY1997	$157,169,000,000	10,765,799

WOB Federal Prime Contract

	Awards	Actions	% of Total
FY1987	$ 1,602,000,000	479,829	0.9%
FY1997	$ 3,345,000,000	446,332	2.1%

Total Federal Subcontract Awards (Based on SBA Estimates)

	Awards	WOB awards	% of Total
FY1991	$ 67,000,000,000	$ 981,000,000	1.4%
FY1997	$ 68,036,000,000	$ 2,343,000,000	3.9%

Total Prime and Subcontract Awards

	Awards	WOB awards	% of Total
FY1991	$246,126,000,000	$ 3,200,000,000	1.3%
FY1997	$225,205,000,000	$ 5,688,000,000	2.5%

The enactment of a 5% goal for the participation of WOB in the Federal procurement market, P.L.103-355 - the "Federal Acquisition Streamlining Act of 1994", is believed to have contributed to these increases, especially in FY1996 and FY1997. This statutory goal has encouraged Federal contractors to reach out more frequently to tap the capabilities of WOB to meet Federal contract requirements.

WOB gains are even more impressive because they came at a time when total Federal dollars for prime contracts decreased from $178 billion in FY 1991 to $157 billion in FY1997, an average annual decrease of $3.5 billion per year. Furthermore, a new streamlining initiative of consolidating many small contracts into very large acquisitions, 'contract bundling', is on the rise and portends a limiting of direct contracting opportunities for small businesses. These trends seem to be at odds with the stated intention of increasing contracting opportunities for women-owned business. It appears that those women-owned businesses, which are ready and able to provide goods and services to the government, will find themselves chasing fewer contracts that are increasingly harder to win.

The growth in Federal contracts to women-owned businesses is not keeping pace with the growth and maturity of the women's business segment. The increase in contract awards to WOB during the last eleven years was actually far less than what we would have expected given the phenomenal growth of women-owned business during that time period. The percent growth in the number of women-owned businesses receiving prime contracts from FY1987-FY1997 (60%) is lower than the percent growth in the number of women-owned businesses (78%) over roughly the same period according to the National

Foundation for Women Business Owners (NFWBO). This suggests that the increase in WOB share of contracts have far less to do with their overall success in accessing Federal contract opportunities than the overall growth and maturity of women-owned firms.

Furthermore, much of the WOB gains were primarily attributed to minority women-owned businesses who had the opportunity to take advantage of several Federal contracting opportunity programs offered only to minority-owned businesses. According to NFWBO, a woman of color owns one in eight of the eight million women-owned businesses in the United States.

In the process of collecting and analyzing the data for this report, the Council became concerned about the availability and accuracy of the data, collected by the Federal Departments and Agencies, especially the subcontracting data reported by prime contractors. The question was raised whether the data reflects subcontracting goals or, preferably, the breakout of subcontractors that actually did the work. Our survey, which is also included in this report, indicates that women-owned firms that were included as subcontractors in the bids of prime contractors often reported that they never performed the work. If there is to be a greater emphasis on steering small businesses to subcontracting opportunities, greater attention needs to be paid to improving the accuracy of the subcontracting data collected. Requiring prime contractors to submit information on the number of subcontractors were actually employed and the dollars they receive, rather than those they propose to employ, would provide us with a more accurate accounting of actual achievements of the statutory goals.

In order to ensure increased access to competitive contracting opportunities for all women-owned businesses commensurate with their numbers in the marketplace, both legislative and administrative action will be necessary. The report makes several recommendations for such action. The following is a summary of the findings of the report.

FEDERAL AGENCIES MAKE PROGRESS IN MEETING 5% WOB GOAL[1]

In 1994, Congress established a 5% Federal procurement goal for contract dollar awards to women-owned business. In enacting this separate goal, it was the intent of Congress to establish a target that would result in greater opportunities for women to compete for Federal contracts.

Progress has been made.

- In FY1997, the Federal government reported that women-owned businesses received 2.5% of the $225 billion prime and subcontract dollars spent, up from 1.3% in FY1991 when subcontracting data by gender was first collected.

- The percentage of Federal agencies that awarded at least 5% of their prime contract dollars to WOB was 37.9% in FY1997, up from 20.4% in FY1987.

The Departments that account for the most contract dollars [Defense, Energy, NASA, GSA] have never met the 5% goal. The largest purchaser is the Department of Defense which spent $106 billion or 67% of all Federal prime contracts during FY1997. They awarded the most contract dollars to WOB -- $2 billion or 61% of all Federal prime contract dollars going to WOB. The other three large procuring agencies spent a total of $27 billion in prime contracts, and

[1] For the purposes of this report, the 5% goal was arrived at by calculating the value of WOB prime and subcontract awards as a percent of total federal prime

of that $364 million went to WOB. All four account for 70% of all prime contract awards to women-owned business.

AWARDS TO WOB INCREASE

The study indicates that prime and subcontract awards to women-owned businesses (WOB) have steadily increased over the last eleven years, especially for those businesses owned by women of color. WOB have consistently demonstrated the highest percentage growth rates within the small business market, by almost every measure. The value of contract awards to WOB has also increased.

- Prime and subcontract dollar awards to WOB have grown 78%, from $3.2 billion in FY 1991 to $5.7 billion in FY1997, an average annual increase of $415 million.
- The increase in WOB awards is even more impressive because it came at a time when total Federal dollars for prime contracts decreased by 12%, from $178 billion in FY 1991 to $157 billion in FY1997, or an average annual decrease of $3.5 billion per year.
- In FY1997, four out of five prime contract award dollars to WOB were awarded through contracts with a value greater than $25,000.
- Awards to large WOB in FY1997 totaled $165 million or 5.7% of all WOB prime contract awards reported that year. In FY1997, the average contract for large WOB in FY1997 was almost $1 million as compared with $7 thousand, the average prime contract award for all women.

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and subcontract awards.

NUMBERS OF WOB PRIME CONTRACTORS INCREASE

During the eleven-year period of the study, WOB demonstrated notable expansions in their numbers as well as the range of products and services they furnished to the Federal government.

- Since FY1987, the number of WOB doing business with the Federal government has grown by 60%.
- In FY1990, WOB won Federal prime contracts in 483 Standard Industrial Classification (SIC) codes. That number grew to 536 SIC codes in FY1997.
- While an examination of the purchasing categories in any one year does not necessarily indicate a trend, women-owned businesses have been successful in providing goods and services in several specific SIC codes, such as health care, educational services, and transportation, for which the government is making significant purchases.

WOB INCREASE THEIR SHARE OF SUBCONTRACTS

As the government moves toward a reliance on larger or 'bundled' contracts, the greatest opportunity for small businesses may be the subcontracting arena.

- The percentage of Federal subcontract awards to WOB grew from 1.4% in FY1991, when gender data was first collected, to 3.4% in FY1997.
- Marked increases in WOB subcontract awards were noted in FY96 and FY97 suggesting that the enactment of the five-percent goal has had a positive impact on WOB participation.
- The number of Department of Defense reporting prime contractors meeting or exceeding the 5% goal for WOB participation has increased at an annual compounded growth rate of 21.5% since FY1991. The Department of Defense accounts for almost 80 percent of all Federal subcontracting dollars awarded.

SIGNIFICANT GROWTH IN AWARDS TO MINORITY WOB

A woman of color owns one in every eight women-owned businesses. WOB deemed to be owned by socially disadvantaged (SDB) individuals have begun to benefit from contracting programs, which assist socially, and economically disadvantaged business individuals gain access to the Federal market. Businesses owned and controlled by women who are not socially and economically disadvantaged, are not increasing their rate of participation in Federal contracting at the same pace as WOB owned by socially and economically disadvantaged individuals. The more restrained growth rates in Federal contract participation for non-SDB WOB could be attributed to not having access to types of preferential contracting tools and incentives available to SDB.

- The increase in awards to WOB is mostly attributable to those businesses participating in the SDB or 8(a) programs.

- In FY1997 over 50% of WOB awards went to women who were also deemed to be 'small disadvantaged'.

NATIONAL WOMEN'S BUSINESS COUNCIL
STUDY OF FEDERAL PROCUREMENT CONTRACTING
WOMEN-OWNED BUSINESS

In accordance with the Small Business Reauthorization Act of 1997, the National Women's Business Council (Council) has conducted a study on the participation of women-owned businesses in the Federal procurement marketplace. The study is a quantitative analysis of Federal prime contracting and subcontracting awards to women-owned businesses during the last decade using Federal Procurement Data System (FADS) data. In addition, the Council contracted with the National Foundation for Women Business Owners (NFWBO) to conduct a national survey involving 1000 business owners to gauge their experience with and attitudes about doing business with government and corporations.

In fulfillment of its mission to serve as an advisor to the President and Congress on issues of importance to women business owners, the Council is releasing the findings of this research as part of its annual report to Congress. The Council's recommendations for legislative and administrative action are also included in the Council's FY1998 annual report.

SCOPE OF THE FEDERAL PROCUREMENT STUDY

The "National Women's Business Council Federal Procurement Study" was conducted at the direction of Congress according to the requirements established under Public Law 105-135, Section 306. The statute amended 15 United States Code (U.S.C.) 631, by adding a new section 409 entitled "National Women's Business Council Procurement Project." In this statute, Congress directed the Council to conduct a study on the awards of Federal prime contracts and subcontracts to women-owned businesses and to include the following information:

- an analysis of data collected by Federal agencies on contract awards to women-owned businesses;
- a determination of the degree to which individual Federal agencies are in compliance with the 5% women-owned business procurement goal established under Section 7106 of the Federal Acquisition Streamlining Act of 1994 [Public Law 103-355], effective October 1996;
- a determination of the types and amounts of Federal contracts characteristically awarded to women-owned businesses; and
- other relevant information relating to participation of women-owned businesses in Federal procurement

The report on the findings has been divided into four parts, each covering one aspect of Federal contract activity with women-owned businesses.

PART I: Prime Contracts

This section covers data on Federal prime contracting with women-owned businesses over the last eleven years, from FY1987 through FY1997. The prime contracting data, derived from the Federal Procurement Data System (FPDS), used for this study was limited to contract awards to U.S.

businesses. The data set excludes foreign military sales contracts, contracts awarded to educational institutions, the Federal Prison Industries (FPI) program and other non-profit entities.

In addition, the data set does not take into account those contract awards made as part of the Department of Transportation's Disadvantaged Business Enterprise (DBE) program [Public Law 100-17]. This program, which requires that 10% of all state and local public works contracts be awarded to women and minority-owned businesses, is not a direct contracting program of the Department of Transportation. While substantial contracts have been awarded to women through this program, this data was deemed not applicable to this particular study.

This analysis also includes a review of data provided on contracts awarded via the Federal Supply Schedule (FSS) from FY1987 through FY1997. The FSS provides Federal agencies with a wide variety of supplies and some services. The General Services Administration enters into no-guarantee-of-business contracts with commercial firms to provide supplies and services at stated prices for a given period of time. Government agencies then have the option of ordering directly from the contractor using commercial procedures.

Data on contract awards made under the 8(a) and Small and Disadvantaged Business Enterprise (SDB) programs was provided by the Federal Procurement Data System and the Small Business Administration's (SBA) Office of Government Contracting/Minority Enterprise Development. The 8(a) Program is a business development program that provides its certified participants access to a variety of business development services, including the opportunity to receive Federal contracts on a sole-source or limited competition basis.

PART II: Subcontracts

The analysis of the available data on Federal subcontracting with women-owned businesses covers the last seven years from FY1991 - FY1997. Subcontracting data used in the study is primarily based on information provided through the standard form (SF) 295, "Summary Subcontracting Report" system. The Department of Defense (DoD) subcontracting data base was used for the analysis because of its compatibility with the data used in other parts of the study and the observation that DoD subcontract awards represented 77% to 81% of all Federal subcontracts reported. Additional subcontract performance information collected by the Small Business Administration from Federal Departments and Agencies was also referred to in this study where appropriate.

PART III: 5% Goal for Participation in Federal Contracting Opportunities

The study includes an analysis of the achievement of the 5% women-owned business goal that became effective in October 1996. Passage of the separate 5% women's goal was achieved as part of the Federal Acquisition Streamlining Act of 1994 [Public Law 103-355]. According to the U.S. Bureau of the Census, while the number of women-owned businesses had doubled from 1987 to 1992 and the revenues of these companies had nearly tripled, women were still receiving less that 2% of Federal prime contract awards in FY1994. The goal is calculated by assessing the total value of all Federal government prime and subcontract awards for each fiscal year.

PART IV: Purchasing Opportunities

The study identifies those areas of contracting opportunities for women-owned businesses including a look at specific industry and service sectors that have demonstrated significant growth. The study also identifies the areas in which the government is concentrating its spending.

THE FEDERAL CONTRACTING ENVIRONMENT

In the last five years there has been an unprecedented effort by the Administration and Congress to streamline and update the Federal contracting system to make it more efficient and cost effective. Acquisition streamlining and other procurement reforms are focused on increased efficiency designed to allow the government to buy "better, faster, cheaper" the products and services needed to complete the mission. These initiatives tend to focus on short-term internal efficiencies. There is deep concern in the small business community that these new procurement procedures may become serious obstacles to the participation of small business including women-owned small business, in contracting with the Federal government as prime or subcontractors. As our study indicates, there are clear examples in which some of these new streamlined acquisition techniques are producing the feared result - reducing the opportunities for participation by small business concerns, including small business concerns owned and controlled by women and socially and economically disadvantaged individuals. We have highlighted several areas that give us reason for concern. They warrant further analysis in the near future, as data becomes available.

'Contract bundling' is the practice of consolidating two or more contracts for goods or services previously provided or performed under separate smaller contracts. This practice often places the "bundled" contract out of the reach of small business. Contract bundling is on the rise for both Federal and commercial purchases. At the same time that corporations and government have been streamlining the contracting process, overall spending is on the decline. Taken together, these trends are resulting in small business chasing fewer contract dollars that are increasingly inaccessible. [2]

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[2] See ***Bundled Contract Study FY1991 - FY95***, SBA Office of Advocacy Contract # SBA HQ 95C0020, June 1997.

There has been a dramatic shift in what the government buys. The Federal contracting world is not a static environment and, thus, current activity is not necessarily a sound predictor of future behavior. For example, the past eleven fiscal years saw an unprecedented trend towards contracting for services while buying significantly less manufactured items. This shift toward services has provided greater Federal prime contracting opportunities for the small business community. However, another shift may be on the horizon, and the success of any segment of the business community (in percentage terms) is directly tied to what and how the Federal government buys. Over the next few years the DoD, which accounts for most government purchases, will likely shift its contracting mix towards major weapon systems. Major weapons systems have historically provided little opportunity for small business to participate at the prime contracting level.

Court decisions and other efforts to end affirmative action programs for socially and economically disadvantaged individuals have necessitated a review of the programs implemented during the last twenty years to provide opportunities for individuals and classes of individuals who have been denied access to markets. Our analysis shows that women are just beginning to take advantage of these programs and that the trend toward increasing their participation in the process is clearly positive. However, given the factors noted above, the gains made over the last few years should not be overstated. There is still much more effort needed if the 5% WOB Federal procurement goal is to be reached.

THE ANALYSIS OF THE DATA

PART I: Prime Contracts

Chart I (a): Total Federal Prime Contract Awards

Analysis of Contract Dollar Awards FY1987-FY1997

This chart details Federal prime contract information for the eleven-year period from FY1987 through FY1997. Included in this chart are contract dollar awards for all U.S Businesses including: large businesses, small businesses, SDB and WOB. The chart shows that prime contract awards to women-owned businesses have increased even as total contract awards have decreased in the last few years for all other business categories. In FY1987 WOB awards represented only 4.4% of the awards to small business, but by FY1997 WOB awards grew to 8.7% of all prime awards to small business.

Business Category	Compounded Growth
Total U.S. Business	-0.8 Percent
Large Business	-1.2 Percent
Small Business	0.6 Percent
Small Disadvantaged Business	7.4 Percent
Women-owned Business	7.6 Percent

This chart shows that Federal prime contract dollar awards to WOB have experienced the highest compounded growth rate (7.6%) of any business category. Again this performance level is notable in that awards to "all business" had a negative annual compounded growth rate of -0.8%.

Chart I(b): Total Federal Prime Contract Actions

Analysis of Contract Actions FY1987 - FY1997

This chart, which refers to the numbers of contracts rather than the dollar value of the contracts, indicates that total Federal prime contract actions reported through the FPDS have decreased significantly, from 17.6 million in FY1987 to 10.8 million in FY1997, with the greatest decline in actions occurring after FY1995. The implementation beginning at the end of 1995 of the Federal Acquisition Streamlining Act's directives to downsize government, consolidate contracts and encourage the use of credit card purchases under micro-purchase procedures are a few of the reasons for the decline in contract actions. As these "streamlining" initiatives were only implemented in the last few years, there is insufficient data to reach any conclusions about their overall impact on contract awards to small business; however, common sense dictates that there is a cause and effect relationship for the decline in contract actions. For instance, according to FPDS, credit card purchases by government officials accounted for $1.6 billion in FY1995, $2.9 billion in FY1996, and $4.9 billion in FY1997. Information about the gender of ownership as well as the characteristics of the businesses who provided the goods and services purchased by credit card is not collected by FPDS. The loss of data on this increasingly popular method of contracting could be one of the major reasons for the decrease in contract action count.

Chart I(c) Federal Prime Contract Awards Greater than $25,000

Analysis of Contract Awards FY1987 - FY1997

The data for this chart is based on data derived from form SF279 which reports prime contract actions greater than $25,000. Federal prime contract awards, greater than $25,000, increased steadily for women-owned businesses until FY1996. In FY1996 and FY1997, all businesses experienced a decline in prime contract awards greater than $25,000, perhaps as a result of the general decline in government contracting expenditures.

FY1997

Business Category	% Contracts >$25,000	Compounded Growth
Total U.S. Business	91.5 Percent	-0.8 Percent
Large Business	94.9 Percent	-1.3 Percent
Small Business	81.1 Percent	1.2 Percent
Small Disadvantaged	95.4 Percent	7.6 Percent
WOB	81.4 Percent	8.0 Percent

In the subchart above, the column " % Contracts>$25,000" represents the value of total contract awards over $25,000 as a percentage of FY1997 total awards in that category. This chart tells us that the vast majority of dollars, approximately 90%, awarded to U.S. businesses and to each of the five business categories are for contracts greater than $25,000. The data indicates that in FY1997 four out of five prime contract dollars to WOB were awarded in contracts greater than $25,000. This improvement in the size of contract awards to WOB may be inflated due to the fact that Government-wide data pertaining to contracts below $2,500, the so-called Micro-Purchase Threshold have not been collected since FY1996. It has been estimated that these contract opportunities may encompass a majority of the Government's purchasing actions.

Chart I(d) Federal Prime Contract Awards of $25,000 or Less

Analysis of Contract Awards With U.S. Businesses FY1987 - FY1997

The information for this chart is based on data derived from the SF281, "Summary Contract Action Report ($25,000 or Less)." Unlike the steady increase in contract awards to WOB in the over $25,000 category, Federal prime contract awards to WOB of $25,000 or less have exhibited an irregular growth pattern. There was a marked increase in awards to WOB for FY1997. In dollar terms, WOB were awarded $622 million in contract obligations of $25,000 or less

in FY1997, surpassing the dollars obligated to SDB for the first time since FY1987. The chart shows that Federal prime contract awards of $25,000 or less offer the greatest opportunity for small business and WOB relative to all U.S. businesses.

FY1997

Business Category	% Contracts $25,000 or <	Compounded Growth
Total U.S. Business	8.5%	-1.0%
Large Business	5.1%	-0.6%
Small Business	18.9%	-1.3%
Small Disadvantaged	4.6%	3.1%
Women-Owned	18.6%	6.4%

The data on awards $25,000 or less, when viewed in comparison with data on awards over $25,000, indicates a similar compounded growth trend for women-owned business. Both large and small businesses experienced a decline consistent with our review of the data in previous charts. This data also reflects the fact that women are receiving fewer of the larger contracts but that may be because these firms are newer entrants into this market.

Chart I (e): Federal Prime Contract Awards to U.S. Businesses
Analysis of Average Dollars Per Action FY1987 and FY1997

The chart indicates that the average dollar per action for contracts awarded to WOB has more than doubled. However, this number may be artificially inflated because data on $4.9 billion worth of purchases under $2,500 is no longer accessible. In light of the fact that there are a greater number of WOB nationwide than SDB, it is interesting to note that these two business categories are receiving a similar number of contract actions, 466,000 vs. 408,000. Furthermore, contracts awarded to SDB had a higher average dollar value than those awarded to WOB.

One trend to watch is the consolidation of contracts known as "contract bundling." Bundling takes contracting requirements that were previously awarded through separate contracts and rolls them into one large contract. This trend has already begun to take government contracts out of the reach of small business, and the practice is expected to accelerate. It is not clear how this will impact women-owned businesses, since women's businesses span the range of large and small. However, with the vast majority of WOB in the small business category, attention needs to be given to potential negative impacts on average dollar awards.

Chart I (f): Federal Prime Contract Awards Greater Than $25,000

Analysis of Awards to WOB By Program Element FY1987 – FY1997

This chart identifies awards to WOB under certain statutory set-aside or goaling programs targeting small, minority and women-owned businesses. Programs covered in this chart are the Small Business Set Aside (SBSA), the Small Disadvantaged Business (SDB) and 8(a) programs, and the WOB 5% goal.

The SBSA program was established to reserve contracting opportunities for competition exclusively among small firms, when not less than two small firms are available to compete and in a timely manner offer products or services that meet the agency's needs at a fair market price. The 8(a) and SDB programs were created by Congress to increase contracting opportunities for 'socially and economically' disadvantaged business owners. The 5% WOB goal was enacted by Congress to increase competitive contracting opportunities to women-owned businesses.

New information collected since FY1996 on awards to other than small businesses owned by women is included here. Large WOB received $165 million or 5.7% of all WOB contract awards reported for FY1997. The average contract for large WOB in FY1997 was almost $1 million as compared with $7 thousand, the average contract award for all women.

Small Business Set-Aside (SBSA)

In FY1987, WOB received approximately 42.8% of their prime contract dollars under small business set-aside (SBSA) procedures as compared with 24.7% in FY1997. While WOB were increasing their total dollar awards overall from FY1987 to FY1997, SBSA contract awards as a percent of total awards to WOB declined dramatically in the period from FY1988 to FY1991. This appears to be directly linked to the implementation of the Small Business Competitiveness Demonstration Program, Title VII of Public Law 100-656. The Small Business Competitiveness Demonstration Program initially suspended the use of small business set-aside procedures in for four designated industry groups (DIG): construction, non-nuclear ship repair, architectural & engineering services, and trash, refuse and related services. Small business set-aside procedures were only to be reestablished when a Federal department failed to achieve the small business goal of 40% in any DIG. It is probable that implementation of the Small Business Competitiveness Demonstration Program has diminished WOB Federal prime contracting opportunities. This is compounded by the fact that there are no preferences to assist the emerging women's business sector in increasing their access to competitive contracting opportunities.

Small Disadvantaged Business (SDB) Contracting Program

WOB deemed to be owned by socially and economically disadvantaged (SDB) individuals have begun to benefit from both the Small Disadvantaged Business (SDB) Programs, especially the statutory SDB Program operated by the Department of Defense (DoD) and the statutory Minority Small Business and Capital Ownership Development Program, better known as the 8(a) Program, managed by the Small Business Administration. In fact, the data indicates that the increase in awards to WOB is mostly attributable to women-owned businesses participating in the SDB or 8(a) programs. WOB that were identified as SDB or certified as 8(a) received $443 million (34.8%) of the WOB awards in

FY1987. Their share has grown to $1.5 billion (or 52.4%) by FY1997. Total SDB prime contract awards have doubled since FY1987, while contract awards to women-owned SDB more than tripled during that same period.

8(a) Business Development Program

According to SBA, 315 WOB received $370 million (or 9.6% of total 8(a) awards) through the 8(a) program in FY1987. In FY1997 the value of awards had grown three fold to over $1 billion, or 16.9% of total 8(a) prime contracts awarded to WOB. This chart indicates that in recent years, WOB owned by socially and economically disadvantaged individuals have begun to take advantage of the benefits of the 8(a) and SDB programs to increase their share of the Federal prime contract awards. In FY1987, WOB participating in the 8(a) program received $296 million or 23.3% of all WOB contract awards. By FY1997 the amount had tripled to $908 million or 31.6%.

WOB 8(a) Participation (All Dollars in Millions) Data provided by SBA

	FY1987	***FY1997***	***% Change***
8(a) Participants	2,716	6,183	127.7%
WOB 8(a) Participants	315	1,142	262.5%
% of Total	11.6%	18.5%	
Total 8(a) Awards	$3,860	$6,309	63.4%
WOB 8(a) Awards	$ 370	$1,068	188.9%
WOB % of Total	9.6%	16.9%	

Women-Owned Business (WOB)

In FY1997, over 50% of WOB awards went to Small Disadvantaged Business/ Women-Owned Businesses (SDBWOB), including 8(a) WOB, as compared with 34.8% in FY1987. While WOB owned and controlled by non-minority women (NMWOB) contract awards have increased, SDBWOB contract awards have increased at a greater rate. In fact, in FY1992 awards to SDBWOB overtook NMWOB awards in terms of total contract dollars. In FY1987, SDBWOB

received $443 million in awards or 34.8% of all WOB awards. NMWOB awards were almost double that at $829 million or 65.2%. BY FY1997 SDBWOB awards were $1.5 billion or 52.4% of all WOB SB Awards while NMWOB awards were approximately $1.4 billion or 47.6%. While the good news is that contracting programs designed to increase opportunities for small disadvantaged businesses have benefited SDBWOB, NMWOB, who have not been afforded the same opportunities, are not being awarded contracts at the same pace.

Chart I(g,h,i,j,k): Federal Prime Contracts by Industry Grouping FY1987, FY1997 Analysis of WOB Awards Greater Than $25,000

The industry categories selected for review are: (1). Research, development, test and evaluation (RDT&E); (2). Construction; (3). Architectural and Engineering (A&E); (4). Manufactured Items; (5). Food Products; (6). All Other Services. According to the U.S. Bureau of the Census, most businesses in the U.S. are service industry businesses. In 1996, according to the National Foundation for Women Business Owners (NFWBO), over half of all women business owners operated service-sector businesses. In the past decade, the Federal Government has significantly increased, by at least $19 billion, prime contract awards for services. These awards account for 38.1% of all FY1997 dollars spent as compared with 23% in FY1987. Concurrently, there was a dramatic reduction, $30 billion, in Federal purchasing of "manufactured items." This shift in procurement is a result of a reduction in defense spending and a downsizing of the Federal workforce necessitating the contracting out of non-core functions which tend to be "service" related.

Of the six industry sectors identified for the purposes of this study, all businesses experienced growth during the eleven-year period in awards greater than $25,000 for construction, food products, and services. The greatest percent growth, over 50%, was for services. Total dollar awards increased for small businesses by 12.4% from FY1987 to FY1997. Declines in small business dollar awards for

construction, A&E, manufacturing and food products, were offset by large increases in RDT&E (80%) and other services (85%). Dollar awards to SDB increased over 100% from FY1987 to FY1997. In fact, SDB awards increased in all six categories, with the largest growth occurring in services (134%), construction (120%) and R&D (110%). Awards to 8(a) companies increased for all categories, except food products, with services receiving the largest awards. The dollar value of contracts more than doubled for construction and services.

WOB

Total WOB prime dollar awards in all six industry sectors more than doubled during the eleven-year period. In some cases (food products and RDT&E), dollar awards more than tripled. Beginning in FY1996, awards to large WOB were segmented. In FY1997, two thirds of all awards to these businesses were for manufactured products. Awards to large WOB accounted for 6% of all awards to WOB in FY1997. While the overall growth rate in dollar awards to WOB seems impressive, achievements are still lower than would be expected given the actual numbers of women-owned businesses in the U.S. economy.

PART II: Subcontracts

An analysis of subcontracting participation by WOB is complicated by the fact that there are several data sources for reportable subcontracting actions within the Federal government. The government-wide information furnished by the Small Business Administration differs, but closely mirrors, data provided by the Department of Defense. The Department of Defense accounts for almost 80% of all Federal subcontracting dollars awarded. For purposes of this study, Department of Defense data was used because: it encompassed the majority of subcontracting dollars, it was compatible with data from the rest of the study

which was furnished by the Federal Procurement Data System, and data for FY1997 was available. However, for comparison, SBA data is provided in the Chart II (d) entitled *Subcontracting Trends Government-Wide* (SBA).

Chart II(a): Department of Defense WOB Subcontract Awards FY1991 - FY1997

FY 1991 was the first year that WOB subcontracting awards were required to be reported and is the first year in which gender data was captured on the SF295 "Summary Subcontract Report." Chart II(a) indicates that subcontract awards to WOB increased in both actual dollars and percentage of total dollars for each fiscal year. WOB subcontract awards increased by $1 billion from FY1991 - FY1997. The percentage of subcontract awards to WOB grew from 1.4% in FY1991 to 3.4% in FY1997. From FY1996 - FY1997, marked increases in WOB subcontract participation were noted suggesting that the statutory five-percent goal for WOB participation has had a positive impact. The goal has motivated buyers among large Federal prime contractors and major subcontractor to seek out WOB suppliers. The statutory goal has also improved the visibility of WOB participation through structured reporting requirements.

Charts II(b,c): Department of Defense WOB Subcontracting Participation

Both charts detail the number of DoD prime contractors that reported subcontract dollars awarded in each fiscal year since 1991. The data demonstrates that the number of reporting prime contractors has increased from 1,662 in FY 1991 to the 2,257 in FY1997. Of note was the increase in the number of reporting prime contractors meeting or exceeding 5% subcontracting awards to WOB. In FY1991 only 234 (or 14.1%) of the reporting prime contractors reported meeting or exceeding 5%, but in FY1997, 751 (33.3%) reported meeting or exceeding 5%.

The chart indicates that reporting prime contractors meeting or exceeding 5% to WOB has increased at an annual compounded growth rate of 21.5%. This chart additionally details the number of reporting prime contractors that made no subcontract awards to WOB in each fiscal year. The percentage of firms has decreased from 34.1% in FY1991 to 22.2% in FY1997.

PART III: Meeting the 5% WOB Goal

Chart III(a): WOB Goal Accomplishment FY1991 – FY1997

In 1994, Congress established, effective October 1996, a 5% government-wide [not agency by agency] procurement goal for contract dollar awards to women-owned business. In enacting this goal, Congress' intent was to establish a target that would result in greater opportunities for women to compete for Federal contracts. The goal was to be calculated by adding the total value of all prime and subcontract awards for each fiscal year. In calling for the calculation of a combined goal, the statute did not address the fact that subcontract awards are a subset of prime contract awards. Adding women-owned business prime and subcontract awards and calculating them as a percentage of total prime and subcontract awards could be construed as double counting. Congress should amend the statute to require that there be separate goals calculated and reported for prime and subcontract awards women-owned business.

This chart details total Federal prime and subcontract awards to U.S. businesses as compared with Federal prime and subcontract awards to WOB from FY1991 and FY1997. The chart indicates that WOB awards have grown from $3.2 billion in FY1991 to $5.7 billion in FY1997. This equates to a $415 million increase each year since FY1991. In percentage terms, total WOB prime and subcontract awards have doubled from 1.3% in FY1991 to 2.5% in FY1997. [See Notes]

The following charts refer to prime contract awards to WOB.

Chart III(b): WOB Prime Contracting Awards FY1987- FY1997
Department/Agency Overview

This chart indicates the number of Federal departments and agencies that made prime contract awards to WOB, as well as those that failed to award contracts to WOB. Most importantly, the chart indicates the percentage of Federal departments and agencies that awarded at least 5% of their prime contract dollars to WOB, 37.9% in FY1997, up from 20.4% in FY1987. Only 2 out of 58 Departments and agencies reported no prime contract awards to WOB in FY1997. The trend of Federal departments and agencies awarding prime contracts to WOB as well as those that have awarded 5 percent or more to WOB is favorable.

Chart III(c): Federal Department/Agency Performance in Meeting 5% Goal
Prime Contracts FY1987 – FY1997

Although the 5% goal has only been a statutory requirement since 1996, many Federal Departments and Agencies have awarded 5% of their prime contracts to WOB since 1987. The greatest number of agencies met that goal in FY1994 with 27 Departments and Agencies exceeding the 5% goal. This compares with 11 in FY1987. While fewer departments and agencies reported meeting or exceeding the 5% goal in FY1997, WOB received more prime contract dollars that year than any other. Of the cabinet-level departments and agencies, Health and Human Services and the Small Business Administration exceeded the goal in 8 of the last eleven years. Other achievements are as follows: Education = 3; Justice = 3; Veterans Affairs = 3; HUD =2; State = 2; SBA = 8; FEMA =2. It is important to note that the departments that account for the most contract dollars [Defense, Energy, NASA, GSA] have never awarded 5 percent of their prime contracts to women. The Department of Defense alone spent $106 billion or 67% of all

Federal prime contracts during FY1997. For that year, Defense spent $2 billion with WOB or 61% of all Federal prime contract dollars going to WOB. The other large procuring agencies [Energy, NASA, GSA] spent a total of $27 billion with $364 million going to WOB. In order to meet the 5% WOB goal, a substantial effort by these agencies will be necessary. Both administrative and legislative initiatives will be required.

PART IV: Contracting Opportunities

Chart IV(a): Standard Industrial Classification(SIC) Code Analysis FY1990-1997
Number of SIC Codes with Contract Awards Greater Than $25,000

This chart demonstrates that women-owned businesses have effectively increased their capabilities to provide the Federal government new products and services. The Federal Government began collecting SIC code information in FY 1990. In FY1990, WOB received Federal prime contracts greater than $25,000 in 483 SIC codes as compared to 861 SIC codes for total U.S. businesses and 811 SIC codes for small businesses. In FY 1997, seven years after the Federal government began collecting SIC information, WOB successfully competed in 536 SIC codes. The data indicates that WOB have effectively expanded into new product and service industries over the past seven years.

	FY1987	***FY 1997***	***% Change***
S B	50,381	50,537	0.3%
SDB	5,134	8,443	64.5%
% of SB	10.2%	16.7%	
WOB	3,586	5,722	59.6%
% of SB	7.1%	11.3%	

The summary chart above provides an analysis of identifiable U.S. businesses that received at least one contract with a value greater than $25,000 during FY1987 and FY1997. The chart indicates WOB are successfully penetrating the Federal marketplace. In FY1987, the summary chart indicates that there were only 3,586 WOB that received at least one prime contract with a value of greater than $25,000. By FY1997, the number of identifiable WOB had grown to 5,722. Over the past 11 years, the number of WOB doing business with the Federal government has grown by 60%.

Chart IV(b): Standard Industrial Classification (SIC) Codes FY1987 - 1997 Highest Participation Rates/Prime Awards

This chart identifies the top twenty SIC codes that over the eleven year study period have demonstrated the greatest rates of growth. This information was included in this study to identify only the current areas of opportunity in Federal prime contracting. While there is no way to tell whether these SIC codes will continue to yield the greatest Federal contract dollars, it may be useful to conduct a further analysis of the success of WOB in winning these types of contracts. The SIC codes with the highest average dollar awards were for health related industries and packaging/manufactured items.

Chart IV(c): Standard Industrial Classification (SIC) Codes FY1987 - 1997 Highest Participation Rates/Prime Awards to WOB

This chart identifies the top twenty SIC codes in which WOB appear to have a high participation rate. As a cautionary note, past performance only indicates historical trends and those trends may not continue in the future. While there is not much overlap between this chart and the previous chart, the greatest opportunities occurred in: packaging; retail; education; transportation and travel; and human resources services. The highest average annual prime contract dollar awards per SIC code were in secretarial, health care, and education services.

Charts IV(d),(e): Federal Supply Schedule Prime Contract Awards FY1987- 97

During the past few years, most Federal departments and agencies have begun to rely more heavily on the Federal Supply Schedule (FSS) when they contract for goods and services. The FSS provides Federal agencies with a wide variety of supplies and services. The General Services Administration (GSA) enters into no-guarantee-of-business contracts with commercial firms to provide supplies and services at stated prices for a given period of time. Government agencies then have the option of ordering directly from the contractor.

Chart IV (d) provides an overview of total FSS contract awards over the period of the study. FSS contract awards have increased from $2.0 billion in FY1987 to $5.8 billion in FY1997. Small business' share of those contracts has more than doubled since FY1987 and the WOB share of the small business dollars has been rising steadily since FY 1992, from $12 million in FY92 to $148 million in FY1997. It should be noted that the dollar value of FSS contract awards to WOB doubled from FY 1996 to FY1997. WOB received 2.5% of total FSS contract awards up from 1.5% in FY 1996. Aggressive outreach efforts by the GSA to introduce small, minority and women-owned businesses to the opportunities available for FSS contractors has certainly made the difference.

Chart IV(e) provides an overview of Federal Supply Schedule (FSS) prime contract awards greater than $25,000 from FY1987 through FY1997 and $25,000 or less from FY1989 though FY1997. Information on contract awards less than $25,000 was not available until FY1989 and WOB and SDB awards under that threshold are not collected at all. No conclusive evidence can be derived from this data except that there has been a steady decline in FSS awards under $25,000 since their peak in FY1992.

National WOMEN'S BUSINESS Council

Survey of Commercial and Government Contracting Practices and Opportunities

EXECUTIVE SUMMARY

Women-owned firms sell products and services to Federal, state and local governments, and to large corporations, yet little is known about the extent of this activity nor of how their activity in these sectors compares with their male counterparts. Further, it is important to learn more about the characteristics of the women-owned firms that are in these markets, what factors have led them to market success, and what challenges they have faced.

These issues and others were explored in some detail in a recent study among a nationally representative sample of women and men business owners. The key findings follow.

- Over four in ten women business owners (42%) sell products or services to government agencies or large corporations. Nearly one-third (30%) sell products or services to large corporations, 21% sell to state or local governments, and 14% sell to the Federal government.[3]

- While 42% of women-owned firms sell in these markets, fully 61% of men-owned firms do so. The market penetration gap is widest in the area of corporate purchasing. Fully 49% of men-owned firms sell products or services to large corporations, compared to 30% of women-owned firms — a 19% gap. The market gap is 13% in state and local government procurement markets, and only 3% in Federal government procurement.

- WBE (women's business enterprise) certification programs have proved helpful to many women in government and large corporation marketplaces. Currently, 31% of women who sell in these markets say they are certified as a woman-owned business. This represents 13% of all women-owned firms.

- Women business owners have less experience than their male counterparts with subcontracting, and for many the experience has been less positive. Twenty-two percent (22%) of women business owners surveyed say they have been a subcontractor under a large contract to a government agency or large corporation, compared to 31% of the men business owners surveyed. Among those who have served as subcontractors, 28% of the women and only 14% of the men say that they never or almost never actually receive work when bidding as a subcontractor.

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[3] These numbers add up to more than 42% because most women-owned firms have multiple customers.

- Women business owners avail themselves of mentor-protégé programs to a much greater extent than do men business owners. Such programs have attracted 12% of the women business owners who are in government or large corporation markets, but only 6% of the men business owners.

- Among those business owners who do not currently sell products or services to government agencies or large corporations, 33% of women and 27% of men business owners state that the availability of a mentor-protégé program would make them more interested in pursuing procurement-purchasing opportunities in those markets.

- When the women and men entrepreneurs who are involved in government procurement or large corporation purchasing are asked about what has contributed to their market success, they point to these important factors: having perseverance; having an administrative framework in place; knowledge of procurement/purchasing procedures; and developing relationships with procurement and purchasing officials are all deemed to be very important to market success.

One factor that neither women nor men business owners currently point to in great numbers — but one that has and will continue to grow in importance to contractors — is having the technology in place to bid and transfer data online.

Currently, only 28% of women business owners and 26% of men business owners say that electronic data interchange (EDI) capability has been an important success factor in the marketplace thus far. This points out a need for educational efforts in this area.

Survey of Business Owners Findings

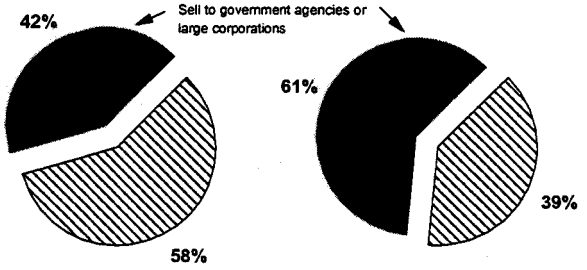
Involvement in Government Procurement/Corporate Purchasing

Women business owners[4] sell their products and services to a variety of customers. Nearly three-quarters (74%) of the women business owners interviewed in this study count individuals as customers, and nearly half (49%) sell to small or medium-sized businesses. Just over four in ten (42%) have some sales to either large corporations[5] or to government agencies.

The women-owned firms that are involved in government procurement or corporate purchasing are likely to be involved in more than one of these markets. Nearly one-third (30%) of women-owned firms sell products or services to large corporations, 21% sell to state or local governments, and 14% sell to the Federal government.

Over 4 in 10 Women-Owned Firms Sell Products or Services to Government Agencies or Large Corporations

Share Much Lower Than Among Men-Owned Firms



Source: 1998 Omnibus survey, (c) 1998 NFWBO

[4] The women business owners interviewed in this research study are so defined by holding the titles of President, CEO, Chair or Owner. No minimum percent of ownership requirement was imposed. Thus, one should not draw direct comparisons of the population surveyed in this study with Federal government procurement data, in which a woman-owned firm is defined as one with >50% ownership by a woman or women.

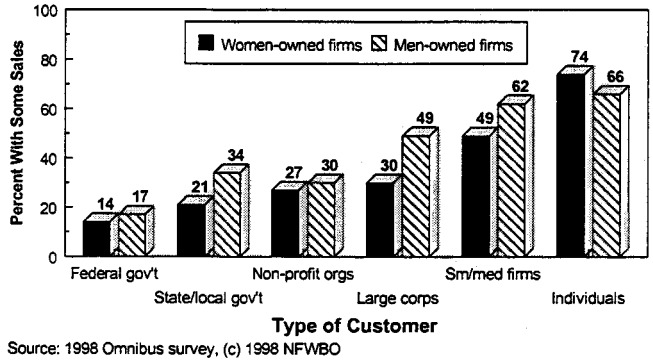
[5] It should be noted that "large corporations" refers to firms with 500 or more employees, and thus encompass many more businesses than just the Fortune 500.

The share of women-owned firms involved in government procurement or corporate purchasing is significantly lower than among men-owned firms. While 42% of women-owned firms sell in these markets, fully 61% of men-owned firms do so. The market penetration gap is widest in the area of corporate purchasing. Fully 49% of men-owned firms sell products or services to large corporations, compared to 30% of women-owned firms—a 19% gap. The market gap is 13% in state and local government procurement markets, and only 3% in Federal government procurement.

Not only does a larger share of male-owned firms sell products and services to large corporations, those sales make up a larger share of their total revenues. One-quarter (25%) of men-owned firms derive 25% or more of their revenues from sales to large corporations, compared to only 15% of women-owned firms.

Largest Access to Markets Gap Seen in Large Corporation Purchasing

Most Businesses, Women- and Men-Owned, Sell to Individuals & Other Smaller Firms

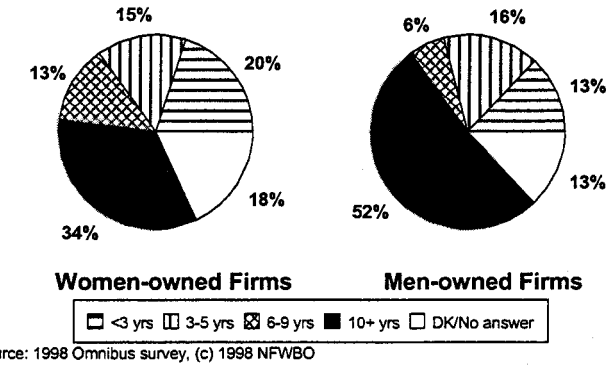


Source: 1998 Omnibus survey, (c) 1998 NFWBO
Note: Numbers add up to >100% due to multiple responses.

The revenues derived from sales to government agencies are similar among women-owned and men-owned firms: 5% and 4% of women- and men-owned firms, respectively, derive 25% or more of their revenues from Federal government procurement and 6% and 5%, respectively, garner 25% or more of their revenues from state or local government procurement.

One reason for the market gaps in these sectors may be that women-owned firms are newer to these markets. Only 34% of women-owned firms have been selling products to government agencies

Women-Owned Firms are Newer to Goverment Procurement and Large Corporation Purchasing

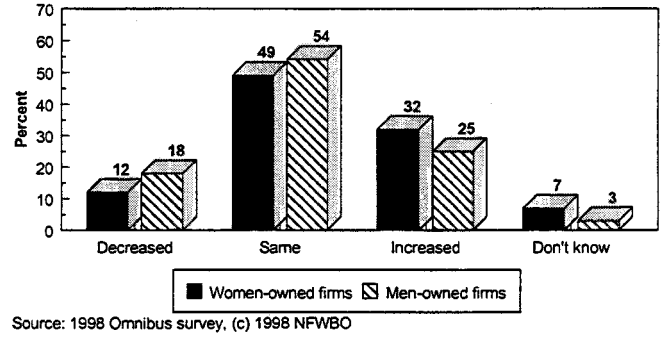


Source: 1998 Omnibus survey, (c) 1998 NFWBO
Note: Includes only firms with some sales in these markets.

There is cause for some optimism with respect to the level of involvement of women-owned firms in these sectors. When the businesses involved in these markets—women- and men-owned—were asked how their sales to government agencies and large corporations had changed over the past two years, a larger share of women than men saw their sales rising. Though a 49% plurality of women business owners said that their sales to these markets were unchanged over the past two years, 32% said they had increased, while only 12% have seen a decline in sales. Among men business owners, 54% say their sales have remained the same, 25% have seen an increase, and 18% have seen a decline in sales to government or large corporate customers.

Among Firms With Gov't/Large Corporation Customers, Sales Rising Faster Among Women-Owned Firms

Change in Business With Government, Large Corporations Over Past Two Years

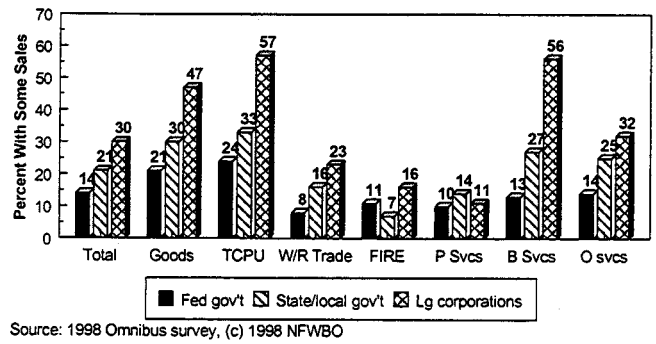


Source: 1998 Omnibus survey, (c) 1998 NFWBO
Note: Includes only those firms with some sales in these markets.

Types of Firms Involved in Procurement/Purchasing

What industries are most likely to be involved in government or large corporation markets? Women-owned businesses that produce goods (such as manufacturing and construction) and those in transportation or communications are among those most likely to be involved. Among women-owned firms in the goods sector, 47% have some large corporate sales, 30% have at least some sales to state or local governments, and 21% sell to the Federal government. Fully 57% of the women-owned firms in the transportation/communications sector have some sales to large corporations, 33% sell to state or local government agencies, and 24% sell to the Federal government.

Women in Goods, Transportation Sectors Most Likely to Be Involved in Government & Large Firm Procurement

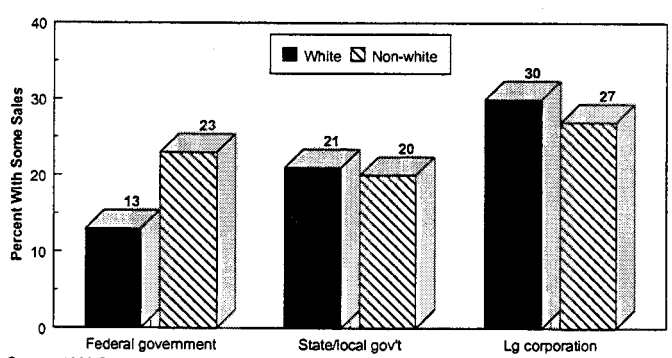


Source: 1998 Omnibus survey, (c) 1998 NFWBO
TCPU=Transportation/Communications/Public Utilities; W/R=Wholesale/Retail
FIRE=Finance/Insurance/Real Estate; P=Personal; B=Business;O=Other

Federal government efforts to include more business owners of color in the procurement process appear to have paid off for minority women-owned firms. Nearly one-quarter (23%) of firms owned by women of color have some sales to the Federal government. This compares to 13% among firms owned by white women business owners. In both the state/local

Women Business Owners of Color More Likely to Be Involved in Federal Government Procurement

No Difference in State/Local Gov't & Corporate Purchasing



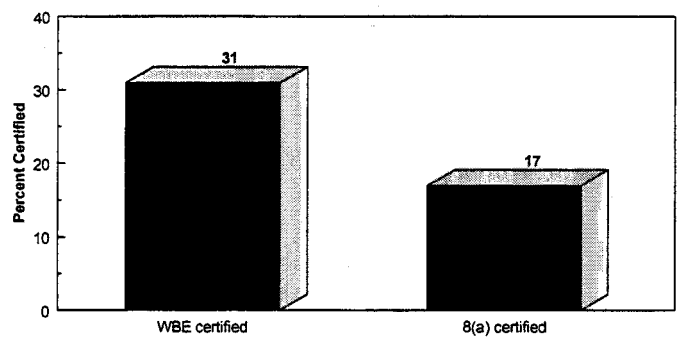
Source: 1998 Omnibus survey, (c) 1998 NFWBO

government and large corporate purchasing markets, the level of involvement among women-owned firms is not significantly different by race.

WBE Certification Programs

Programs which certify that a business is woman-owned have proven helpful for many firms seeking entry into government procurement or large corporation purchasing markets. Currently, 31% of the women-owned firms interviewed who report sales to either government agencies or large corporations (which is 13% of all women-owned firms) say that they are WBE (women's business enterprise) certified.

One-Third of Women-Owned Firms in Government or Large Corporation Markets are WBE Certified



Source: 1998 Omnibus survey, (c) 1998 NFWBO
Note: Includes only those firms with some sales in these markets.

Another 17% of the women-owned firms that are in these markets (9% of all women-owned firms) say they are certified under the U.S. Small Business Administration's 8(a) program. This compares to 13% of the men-owned firms that report sales to government or large corporations (8% of all men-owned firms) who report that they, too, are 8(a) certified.[6]

[6] A note of caution should be attached to the 8(a) findings. Although the share of those who say they are 8(a) certified is significantly higher among non-white business owners than among whites, fully 66% of the women who say they are 8(a) certified are white. Since the 8(a) program is primarily for members of racial minority groups, it is clear that many respondents may be incorrectly identifying themselves as participants in the program.

Women business owners who are WBE certified are moderately positive about the effect of such certification on the sales and growth of their business. Fully 45% say the effect has been positive (12% very positive, 33% somewhat positive), while only 6% say the effect has been negative. However, nearly half (49%) say that certification has had no impact on the sales and growth of their business.

Those women who are currently involved in government and large corporation markets but who are not WBE certified were asked why they have not sought out certification. The most frequently mentioned responses were:

"Did not know/have never heard of the program"	11%
"In a business partnership"	8%
"In business with my husband"	7%
"Don't need certification"	7%
"Don't know how to obtain it"	6%
"Don't have the time"	5%
"Don't feel it is necessary"	5%

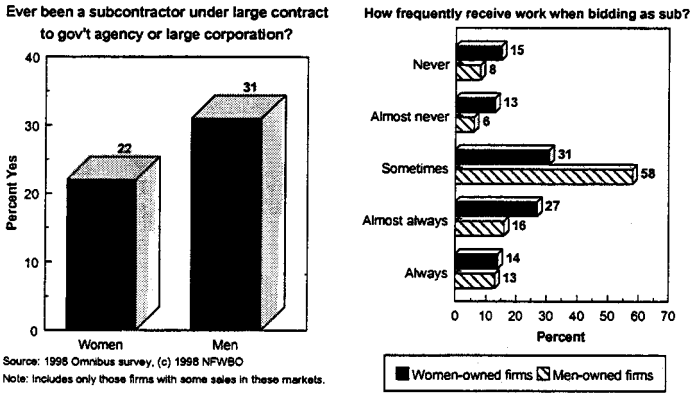
Since the number one reason why women business owners have not sought out WBE certification is that they have never heard of such a program, increased marketing and communications efforts to these women business owners could significantly increase the number of women-owned firms that are WBE certified.

Subcontracting Experiences

Women and men business owners who have some sales in government and large corporation markets were asked about their experiences with subcontracting, that is, supplying goods or services to a prime contractor (typically a much larger company).

Women-owned firms are much less likely to have subcontracting experience than their male counterparts. Only 22% of women-owned businesses have ever been a subcontractor under a larger contract to any government agency or large corporation, compared to 31% of men-owned firms.

Women Less Likely to Be Subcontractors, Less Likely to Receive Work if Bidding as a Sub



In addition, the women business owners who have had experience with subcontracting have had less success in getting work when bidding as a subcontractor than have their male counterparts. Fully 28% of the women-owned firms that have had subcontracting experience say they never or almost never receive work when bidding as a subcontractor—twice the share that men-owned firms report (14%). Another 31% of women-owned firms say they sometimes get work when bidding as a subcontractor, 27% say they almost always get work, and 14% say they always do.

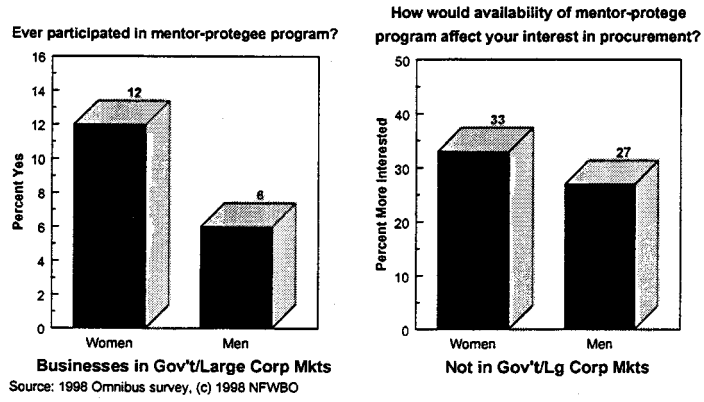
Non-WBE certified firms and minority women-owned firms are the groups hurt most by subcontracting. Fully 33% of non-WBE certified firms, compared to 23% of certified firms, say they never or almost never get work when bidding as a subcontractor. In addition, 36% of non-white women business owners, compared to 26% of white women business owners, say they never or almost never get the subcontracted work they bid on.

Mentor-Protégé Programs

Women business owners avail themselves of mentor-protégé programs to a much greater extent than do men business owners. Such programs, where large companies act as mentors to smaller firms to build knowledge and capacity, have attracted 12% of the women-owned firms that are currently in the government and large company procurement markets, but only 6% of the men-owned businesses.

Minority women-owned firms (20%), women-owned firms with 20 or more employees (18%) and women-owned businesses that have had subcontracting experience (16%) are all those most likely to have participated in a mentor-protégé program.

Mentor-Protege Programs Used More Frequently, Viewed More Positively by Women Business Owners



Source: 1998 Omnibus survey, (c) 1998 NFWBO

Women and men business owners who do not currently sell goods or services to government agencies or large companies were asked if the availability of a mentor-protégé program would have an effect on their interest in entering such markets. Although a majority said it would have no effect, 33% of women business owners say that the availability of such a program would make them more interested in entering those markets (11% much more interested, 22% somewhat more interested). Twenty-seven percent (27%) of men business owners also say that the availability of a mentor-protégé program would make them more interested (15% much more, 12% somewhat more) in government or large company markets.

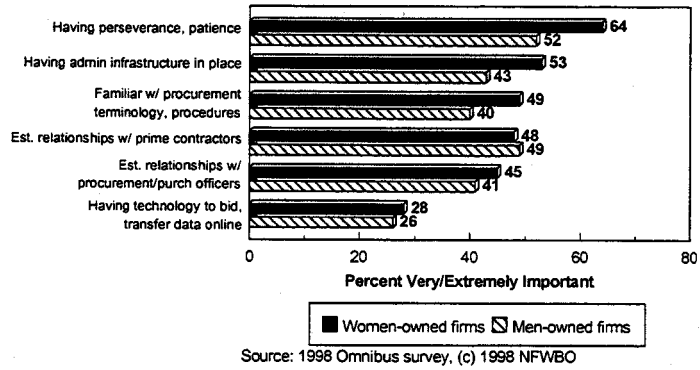
Women with established businesses (20 or more years in business) are among those most interested in taking advantage of a mentor-protégé program as a way to gain a foothold in government or large company markets. Thirty percent (30%) of established women business owners say that such a program would make them much more interested in pursuing procurement opportunities. Also, women in goods-producing sectors (26% much more interested) and non-white women business owners (20% much more interested) would be attracted to such a program.

Strategies for Procurement Market Success

When the women and men business owners who are involved in government or large company markets were asked the importance of several factors to their market success, both women and men business owners agree that "having perseverance and patience" is critically important. Fully 64% of women business owners, and 52% of the men, say that quality is very or extremely important. This factor was the most important of six tested.

Also of great importance to business owners—but more so to women than to men—is having an administrative infrastructure in place to be able to compete successfully, and gaining familiarity with the terminology and procedures of procurement. Fifty-three percent (53%) of women and 43% of men say that an administrative infrastructure is very or extremely important, while 49% of women and 40% of men say that being familiar with procurement terminology is

Perseverance, Knowledge, Relationships Most Important Factors in Succeeding in Gov't/Large Company Markets



Source: 1998 Omnibus survey, (c) 1998 NFWBO
Note: Includes only those firms with some sales in those markets.

very or extremely important. The gender difference on these two factors is indicative of the greater tendency and desire on the part of women business owners to seek out and collect more information, and to prepare more extensively before taking action. The NFWBO has uncovered these characteristics in a number of other research efforts.

Both women and men business owners also agree that greater success in government and large company markets is achieved by establishing relationships with key decision makers. Forty-eight percent (48%) of women business owners, and 49% of men, say that it is very or extremely important to establish relationships with prime contractors, and 45% of women business owners (and 41% of men) say that it is very or extremely important to establish relationships with procurement and purchasing officers.

One factor that most women and men business owners do not currently deem to be very important—but is a consideration that is fast becoming a requirement for market entry—is Internet and EDI (electronic data interchange) capability. Only 28% of women business owners, and 26% of men, say that "having the technology in place to bid and transfer data online" is very or extremely important to success in government or large company markets. Fully 39% of women and 46% of men say that it is not at all important. While technology may not have been very important to their past procurement successes, it is most certainly the case that business dealings in the future will be much more likely to incorporate technology. So, too, businesses that are not yet in these markets will probably need to be "e-commerce capable" to be successful in selling goods or services to government agencies or large corporations in the future. This is clearly an area in which education efforts should be undertaken.

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Study Methodology

The survey was conducted by telephone among a nationally-representative sample of 1,000 business owners 800 women and 200 men randomly selected from Dun & Bradstreet's Dun's Market Identifier database. The interviews were conducted from mid June through mid July, 1998. Decision Insight of Kansas City, Missouri, a woman-owned firm, conducted the interviews. The sampling error for sample sizes of 800 and 200, respectively, are ± 3.5 percent and 7.1 percent at the 95% level of confidence. This means that, 95 times out of 100, survey results will be within the above ranges compared to true population values.

A disproportionate number of larger firms was interviewed to ensure adequate numbers for analysis. The sample was weighted back to proper proportions in the following manner:

SAMPLING AND WEIGHTING FORMULAS FOR SURVEY				
	Number of Actual Interviews		Weighted to Correct Population Proportions	
	Number	Share	Number	Share
Women-Owned Firms				
< 20 employees	509	64%	736	92%
20-99 employees	220	27%	48	6%
100+ employees	72	9%	16	2%
Total	801		800	
Men-Owned Firms				
< 20 employees	127	64%	184	92%
20-99 employees	61	31%	12	6%
100+ employees	12	5%	4	2%
Total	200		200	

Personal and Business Demographics

Most women and men business owners surveyed are between the ages of 35 and 54. A significant majority are married and have children. Forty-two percent (42%) of men business owners and 31% of women business owners have a college degree.

Businesses owned by women are concentrated in the service sector to a larger extent than men-owned firms, though solid majorities of both are in service businesses. Men-owned firms have been in business for a longer period of time (63% for 10+ years, compared to 48% among women-owned firms). Firm size is similar. Eighty-two percent (82%) of women-owned firms and 72% of men-owned firms have fewer than 10 employees, and just 4% of men-owned firms and 2% of women-owned firms have 100 or more employees. A summary of their personal and business characteristics follows.

Personal and Business Demographics		
	Women	Men
Personal Characteristics	%	%
Age		
Less than 35	10	9
35-44	26	32
45-54	36	31
55-64	19	14
65+	7	14
Marital Status		
Married	70	82
Single, never married	13	10
Divorced	7	6
Separated	1	-
Widowed	7	2

Number of Children		
None	19	16
One	15	10
Two	32	39
Three or more	32	35
Average	2.0	2.1
Education		
High school or less	27	25
Some college/2 year degree	41	33
Bachelor's degree	17	24
Some graduate school	4	3
Master's degree, Doctorate or other Graduate degree	10	15
Business Characteristics		
Industry		
Goods-Producing	1	28
Transp., Communications and Public Utilities	2	14
Wholesale and Retail Trade	6	14
Finance, Insurance and Real Estate	19	7
Personal Services	17	7
Business Services	23	7
Other Services	10	22
Other	23	2
	1	
Age of Business		
Less than 5 years	18	26
5-9 years	19	25
10-19 years	34	29
20+ years	29	19
Number of Employees	72	82
< 10	24	16
10-99	4	2
100+		
Number of Cases	200	800

Source: 1998 Omnibus Survey, (c) NFWBO

National WOMEN'S BUSINESS Council

Appendices

National WOMEN'S BUSINESS Council

Statistical Charts

National Women's Business Council 1998

Statistical Charts

PART I: Prime Contracts
Chart 1(a): Total Federal Prime Contract Awards
Analysis of Contract Dollar Awards FY1987-FY1997

Chart I(b): Total Federal Prime Contract Actions
Analysis of Contract Actions FY1987 - FY1997

Chart 1(c): Federal Prime Contract Awards Greater than $25,000
Analysis of Contract Awards FY1987 - FY1997

Chart I(d): Federal Prime Contract Awards of $25,000 or Less
Analysis of Contract Awards With U.S. Businesses FY1987 – FY1997

Chart I(e):Federal Prime Contract Awards to U.S. Businesses
Analysis of Average Dollars Per Action FY1987 and FY1997

Chart I(f): Federal Prime Contract Awards Greater than $25,000
Analysis of Awards to WOB By Program Element FY1987 – FY1997

Charts I(g,h,i,j,k): Federal Prime Contract Awards by Industry Grouping FY1987, FY1997
Analysis of WOB Awards Greater Than $25,000

PART II Subcontracts
Chart II(a): Department of Defense WOB Subcontract Awards FY1991 - FY1997

Charts II(b,c): Department of Defense WOB Subcontracting Participation

Chart II (d) Subcontracting Trends Government-Wide (SBA).

PART III: Meeting the 5% WOB Goal
Chart III(a): WOB Goal Accomplishment FY1991 – FY1997

Chart III(b): WOB Prime Contracting Awards FY1987- FY1997 Department/Agency Overview

Chart III(c): Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts

PART IV: Contracting Opportunities
Chart IV(a): Standard Industrial Classification (SIC) Code Analysis FY1990 – FY1997
Number of SIC Codes with Contract Awards Greater Than $25,000

Chart IV(b): Standard Industrial Classification (SIC) Codes FY1987 – FY1997
Highest Participation Rates/Prime Awards

Chart IV(c): Standard Industrial Classification (SIC) Codes FY1987-FY1997
Highest Participation Rates/ Prime Awards to WOB

Charts IV(d),(e): Federal Supply Schedule Prime Contract Awards FY1987- 1997

TOTAL FEDERAL PRIME CONTRACT AWARDS
Analysis of Contract Dollar Awards FY1987 - FY1997
(Dollars in Millions)

	FY1987	FY1988	FY1989	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997
U.S. Business	$170,675	$167,804	$159,351	$169,057	$178,326	$173,030	$170,918	$169,242	$171,044	$161,546	$157,169
Large Business	$134,643	$132,542	$126,883	$132,629	$138,974	$134,178	$130,702	$129,533	$127,816	$120,846	$118,730
% of Total	78.9%	79.0%	79.6%	78.5%	77.9%	77.5%	76.5%	76.5%	74.7%	74.8%	75.5%
Small Business	$36,031	$35,262	$32,468	$36,427	$39,352	$38,852	$40,216	$39,709	$43,228	$40,700	$38,440
% of Total	21.1%	21.0%	20.4%	21.5%	22.1%	22.5%	23.5%	23.5%	25.3%	25.2%	24.5%
SDB	$5,234	$6,073	$6,094	$6,691	$7,334	$8,786	$10,076	$10,563	$11,858	$11,339	$10,660
% of Total	3.1%	3.6%	3.8%	4.0%	4.1%	5.1%	5.9%	6.2%	6.9%	7.0%	6.8%
% of SB	14.5%	17.2%	18.8%	18.4%	18.6%	22.6%	25.1%	26.6%	27.4%	27.9%	27.7%
WOB	$1,602	$1,770	$1,756	$1,940	$2,219	$2,515	$2,666	$3,032	$3,338	$3,221	$3,345
% of Total	0.9%	1.1%	1.1%	1.1%	1.2%	1.5%	1.6%	1.8%	2.0%	2.0%	2.1%
% of SB	4.4%	5.0%	5.4%	5.3%	5.6%	6.5%	6.6%	7.6%	7.7%	7.9%	8.7%

Growth Rate Analysis		
U.S. Business	=	-0.8%
Large Business	=	-1.2%
Small Business	=	0.6%
SDB	=	7.4%
WOB	=	7.6%

SDB = Small disadvantaged business

WOB = Women owned business

SB = Small business

Total = U.S. business

Chart No. I(a)

Total Federal Prime Contract Actions
Analysis of Contract Actions FY1987 - 1997

	FY1987	FY1988	FY1989	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997
U.S. Business	17,625,540	16,787,202	11,446,319	15,183,226	15,416,946	15,593,792	15,395,663	14,578,677	14,128,740	11,601,753	10,765,799
Large Business	7,734,637	7,340,723	4,580,941	6,015,054	6,200,711	6,612,649	6,389,699	5,986,580	5,651,197	5,234,681	4,340,467
% of Total	43.9%	43.7%	40.0%	39.6%	40.2%	42.4%	41.5%	41.1%	40.0%	45.1%	40.3%
Small Business	9,890,903	9,446,479	6,865,378	9,168,172	9,216,235	8,981,143	9,005,964	8,592,097	8,477,543	6,367,072	6,425,332
% of Total	56.1%	56.3%	60.0%	60.4%	59.8%	57.6%	58.5%	58.9%	60.0%	54.9%	59.7%
SDB	470,928	506,541	350,524	493,413	446,275	496,598	545,061	546,559	595,602	511,613	408,360
% of Total	2.7%	3.0%	3.1%	3.2%	2.9%	3.2%	3.5%	3.7%	4.2%	4.4%	3.8%
% of SB	4.8%	5.4%	5.1%	5.4%	4.8%	5.5%	6.1%	6.4%	7.0%	8.0%	6.4%
WOB	479,829	483,848	425,978	540,697	595,546	643,413	663,594	663,471	670,549	497,363	466,332
% of Total	2.7%	2.9%	3.7%	3.6%	3.9%	4.1%	4.3%	4.6%	4.7%	4.3%	4.3%
% of SB	4.9%	5.1%	6.2%	5.9%	6.5%	7.2%	7.4%	7.7%	7.9%	7.8%	7.3%

Growth Rate Analysis		
U.S. Business	=	-4.8%
Large Business	=	-5.6%
Small Business	=	-4.2%
SDB	=	-1.4%
WOB	=	-0.3%

1. Total, large & small business actions are calculated for SF281 data.
2. Small business actions are actual rather than calculated for SF281 data in FY1997.
3. SF281 data excludes tariff or regulated acquisitions, foreign military sales (FMS), and Federal supply schedule (FSS).
4. SF279 data excludes FMS and FSS contracts.

SDB = Small disadvantaged business
WOB = Women owned business
SB = Small business
Total = U.S. business

Federal Prime Contract Awards Greater than $25,000
Analysis of Contract Awards FY1987 - FY1997
(Dollars in Millions)

	FY1987	FY1988	FY1989	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997
U.S. Business	$155,918	$151,731	$147,730	$153,909	$162,251	$156,070	$153,774	$152,483	$154,224	$146,588	$143,804
Large Business	$128,181	$125,536	$122,258	$126,650	$132,530	$126,995	$123,604	$122,670	$121,119	$114,105	$112,641
% of Total	82.2%	82.7%	82.8%	82.3%	81.7%	81.4%	80.4%	80.4%	78.5%	77.8%	78.3%
Small Business	$27,737	$26,195	$25,472	$27,259	$29,721	$29,075	$30,170	$29,813	$33,105	$32,482	$31,163
% of Total	17.8%	17.3%	17.2%	17.7%	18.3%	18.6%	19.6%	19.6%	21.5%	22.2%	21.7%
SDB	$4,871	$5,427	$5,787	$6,289	$6,869	$8,294	$9,508	$9,927	$11,172	$10,706	$10,168
% of Total	3.1%	3.6%	3.9%	4.1%	4.2%	5.3%	6.2%	6.5%	7.2%	7.3%	7.1%
% of SB	17.6%	20.7%	22.7%	23.1%	23.1%	28.5%	31.5%	33.3%	33.7%	33.0%	32.6%
WOB	$1,266	$1,346	$1,519	$1,584	$1,831	$2,076	$2,165	$2,572	$2,916	$2,780	$2,723
% of Total	0.8%	0.9%	1.0%	1.0%	1.1%	1.3%	1.4%	1.7%	1.9%	1.9%	1.9%
% of SB	4.6%	5.1%	6.0%	5.8%	6.2%	7.1%	7.2%	8.6%	8.8%	8.6%	8.7%

Growth Rate Analysis		
U.S. Business	=	-0.8%
Large Business	=	-1.3%
Small Business	=	1.2%
SDB	=	7.6%
WOB	=	8.0%

SDB = Small disadvantaged business
WOB = Women owned business
SB = Small business
Total = U.S. business

Chart No. I(c)

Federal Prime Contract Awards of $25,000 or Less
Analysis of Contract Awards With U.S. Businesses FY1987 - FY1997
(Dollars in Millions)

	FY1987	FY1988	FY1989	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997
U.S. Business	$14,756	$16,072	$11,621	$15,147	$16,074	$16,961	$17,144	$16,759	$16,820	$14,958	$13,366
Large Business	$6,462	$7,005	$4,625	$5,979	$6,444	$7,183	$7,098	$6,863	$6,697	$6,740	$6,089
% of Total	43.8%	43.6%	39.8%	39.5%	40.1%	42.4%	41.4%	41.0%	39.8%	45.1%	45.6%
Small Business	$8,294	$9,067	$6,996	$9,168	$9,631	$9,777	$10,046	$9,896	$10,123	$8,218	$7,277
% of Total	56.2%	56.4%	60.2%	60.5%	59.9%	57.6%	58.6%	59.0%	60.2%	54.9%	54.4%
SDB	$363	$646	$308	$402	$465	$491	$568	$635	$686	$633	$492
% of Total	2.5%	4.0%	2.6%	2.7%	2.9%	2.9%	3.3%	3.8%	4.1%	4.2%	3.7%
% of SB	4.4%	7.1%	4.4%	4.4%	4.8%	5.0%	5.7%	6.4%	6.8%	7.7%	6.8%
WOB	$336	$424	$237	$357	$389	$439	$501	$460	$422	$441	$622
% of Total	2.3%	2.6%	2.0%	2.4%	2.4%	2.6%	2.9%	2.7%	2.5%	2.9%	4.7%
% of SB	4.0%	4.7%	3.4%	3.9%	4.0%	4.5%	5.0%	4.6%	4.2%	5.4%	8.5%

Growth Rate Analysis

U.S. Business	=	-1.0%
Large Business	=	-0.6%
Small Business	=	-1.3%
SDB	=	3.1%
WOB	=	6.4%

SDB = Small disadvantaged business

WOB = Women owned business

SB = Small business

Total = U.S. business

Chart No. I(d)

Federal Prime Contract Awards to U.S. Businesses
Analysis of Average Dollars Per Action FY1987 and FY1997
(In Whole Dollar Amounts)

	Fiscal Year 1987			*Fiscal Year 1997*		
	Dollar Awards	Number of Actions	Avg. $ per Action	Dollar Awards	Number of Actions	Avg. $ per Action
All U.S. Business	$170,674,517,000	17,625,540	$9,683	$157,169,295,000	10,765,799	$14,599
Large Business	$134,643,194,000	7,734,637	$17,408	$118,729,553,000	4,340,467	$27,354
% of Total	78.9%	43.9%		75.5%	40.3%	
Small Business	$36,031,323,000	9,890,903	$3,643	$38,439,742,000	6,425,332	$5,983
% of Total	21.1%	56.1%		24.5%	59.7%	
SDB	$5,234,486,000	470,928	$11,115	$10,659,970,000	408,360	$26,104
% of Total	3.1%	2.7%		6.8%	3.8%	
% of Small Bus.	14.5%	4.8%		27.7%	6.4%	
WOB	$1,601,992,000	479,829	$3,339	$3,345,061,000	466,332	$7,173
% of Total	0.9%	2.7%		2.1%	4.3%	
% of Small Bus.	4.4%	4.9%		8.7%	7.3%	

1. Total, large & small business actions are calculated for SF281 (contracts of $25,000 or less).
2. Small business actions are actual rather than calculated for SF281 data in FY1997.
3. Small Business includes type A and B for SF279.
4. SF281 Data excludes Tariff or Regulated acquisitions, FMS, and FSS award data.
5. SF279 data excludes FMS and FSS award data.

Chart No. I(e)

Federal Prime Contract Awards Greater Than $25,000
Analysis of Awards to WOB by Program Element FY1987 - FY1997
(Dollars in Millions)

Program Element	FY1987	FY1988	FY1989	FY1990	FY1991	FY1992	FY1993	FY1994	FY1995	FY1996	FY1997
Total WOB	$1,272	$1,350	$1,524	$1,590	$1,866	$2,088	$2,185	$2,600	$2,965	$2,854	$2,872
SBSA	$545	$535	$460	$423	$400	$464	$482	$530	$635	$667	$709
% of Total	42.8%	39.6%	30.2%	26.6%	21.4%	22.2%	22.1%	20.4%	21.4%	23.4%	24.7%
SDB	$443	$543	$720	$788	$808	$1,132	$1,173	$1,463	$1,569	$1,478	$1,506
% of Total	34.8%	40.2%	47.2%	49.6%	43.3%	54.2%	53.7%	56.3%	52.9%	51.8%	52.4%
8(a)	$296	$368	$381	$456	$591	$720	$771	$971	$1,013	$872	$908
% of Total	23.3%	27.3%	25.0%	28.7%	31.7%	34.5%	35.3%	37.3%	34.2%	30.6%	31.6%
Non-8(a)	$147	$175	$339	$332	$217	$412	$402	$492	$556	$606	$598
% of Total	11.6%	13.0%	22.2%	20.9%	11.6%	19.7%	18.4%	18.9%	18.8%	21.2%	20.8%
NM-WOB	$829	$807	$804	$802	$1,058	$956	$1,012	$1,137	$1,396	$1,376	$1,366
% of Total	65.2%	59.8%	52.8%	50.4%	56.7%	45.8%	46.3%	43.7%	47.1%	48.2%	47.6%

WOB = Women owned business

SBSA = Small business set-asides

SDB = Small disadvantaged business

NM-WOB = Non-minority women owned business

Blocked information refers to women owned business concerns that are also SDB concerns.

Federal Prime Contract Awards by Industry Grouping FY1987
Analysis of WOB Awards Greater Than $25,000 (SF279)
(Dollars in Thousands)

	Total Awards		RDT&E		Construction		A&E	
	Dollars	%	Dollars	%	Dollars	%	Dollars	%
U.S. Business	$155,918,168	100.0	$22,807,404	14.6	$11,873,846	7.6	$3,666,753	2.4
Large Business	$128,181,454	100.0	$20,912,099	16.3	$4,707,908	3.7	$2,898,793	2.3
Small Business	$27,736,714	100.0	$1,895,305	6.8	$7,165,938	25.8	$767,960	2.8
SDB	$4,871,415	100.0	$351,340	7.2	$1,106,675	22.7	$110,258	2.3
8(a)	$3,334,890	100.0	$273,583	8.2	$637,312	19.1	$55,856	1.7
Non-8(a) SDB	$1,536,525	100.0	$77,757	5.1	$469,363	30.5	$54,402	3.5
SBSA	$11,678,389	100.0	$625,330	5.4	$4,993,370	42.8	$228,851	2.0
WOB	$1,266,433	100.0	$75,075	5.9	$277,299	21.9	$13,920	1.1
WOB Small	$1,266,433	100.0	$75,075	5.9	$277,299	21.9	$13,920	1.1
WOB Large								

	Total Awards		Manufactured Items		Food Products		All Other Services	
	Dollars	%	Dollars	%	Dollars	%	Dollars	%
U.S. Business	$155,918,168	100.0	$79,497,637	51.0	$2,263,473	1.5	$35,809,055	23.0
Large Business	$128,181,454	100.0	$69,248,844	54.0	$1,381,065	1.1	$29,032,745	22.6
Small Business	$27,736,714	100.0	$10,248,793	37.0	$882,408	3.2	$6,776,310	24.4
SDB	$4,871,415	100.0	$1,044,420	21.4	$36,571	0.8	$2,222,151	45.6
8(a)	$3,334,890	100.0	$613,955	18.4	$12,667	0.4	$1,741,517	52.2
Non-8(a) SDB	$1,536,525	100.0	$430,465	28.0	$23,904	1.6	$480,634	31.3
SBSA	$11,678,389	100.0	$3,438,816	29.4	$297,249	2.5	$2,094,773	17.9
WOB	$1,266,433	100.0	$368,660	29.1	$9,548	0.8	$521,931	41.2
WOB Small	$1,266,433	100.0	$368,660	29.1	$9,548	0.8	$521,931	41.2
WOB Large								

SDB = Small disadvantaged business

8(a) = Refers to section 8(a) of the Small Business Act.

SBSA = Refers to contract awards made under "small business set-aside" procedures.

WOB = Women owned business

Woman-Owned Businesses, FY87

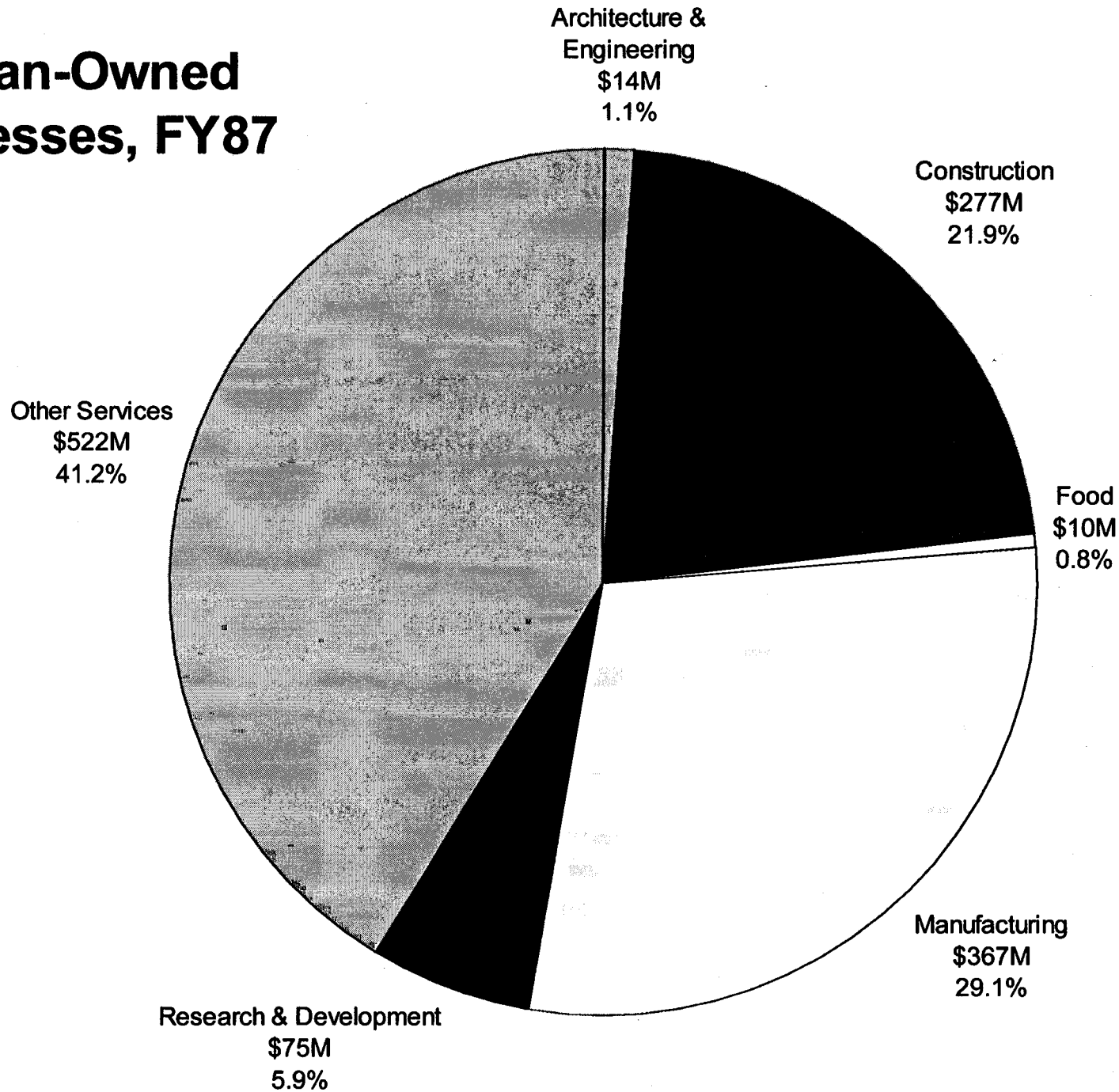

Chart No. I(h)

Federal Prime Contract Awards by Industry Grouping FY1997
Analysis of WOB Awards Greater Than $25,000 (SF279)
(Dollars in Thousands)

	Total Awards		RDT&E		Construction		A&E	
	Dollars	%	Dollars	%	Dollars	%	Dollars	%
U.S. Business	$143,803,612	100.0	$20,880,964	14.5%	$14,146,113	9.8%	$2,461,779	1.7%
Large Business	$112,640,500	100.0	$17,473,326	15.5%	$8,034,987	7.1%	$1,918,077	1.7%
Small Business	$31,163,112	100.0	$3,407,638	10.9%	$6,111,126	19.6%	$543,702	1.7%
SDB	$10,168,119	100.0	$736,115	7.2%	$2,436,681	24.0%	$175,362	1.7%
8(a)	$6,252,634	100.0	$374,454	6.0%	$1,321,464	21.1%	$78,575	1.3%
Non-8(a) SDB	$3,915,485	100.0	$361,661	9.2%	$1,115,217	28.5%	$96,787	2.5%
SBSA	$7,118,397	100.0	$1,584,936	22.3%	$442,982	6.2%	$129,255	1.8%
WOB	$2,723,216	100.0	$246,229	9.0%	$566,631	20.8%	$25,062	0.9%
WOB Small	$2,558,416	100.0	$241,752	9.4%	$508,120	19.9%	$17,013	0.7%
WOB Large	$164,800	100.0	$4,477	2.7%	$58,511	35.5%	$8,049	4.9%

	Total Awards		Manufactured Items		Food Products		All Other Services	
	Dollars	%	Dollars	%	Dollars	%	Dollars	%
U.S. Business	$143,803,612	100.0	$48,741,875	33.9%	$2,730,157	1.9%	$54,842,724	38.1%
Large Business	$112,640,500	100.0	$40,966,639	36.4%	$1,909,273	1.7%	$42,338,198	37.6%
Small Business	$31,163,112	100.0	$7,775,236	25.0%	$820,884	2.6%	$12,504,526	40.1%
SDB	$10,168,119	100.0	$1,562,222	15.4%	$64,339	0.6%	$5,193,400	51.1%
8(a)	$6,252,634	100.0	$850,136	13.6%	$8,287	0.1%	$3,619,718	57.9%
Non-8(a) SDB	$3,915,485	100.0	$712,086	18.2%	$56,052	1.4%	$1,573,682	40.2%
SBSA	$7,118,397	100.0	$1,723,848	24.2%	$195,017	2.7%	$3,042,359	42.7%
WOB	$2,723,216	100.0	$487,945	17.9%	$41,288	1.5%	$1,356,061	49.8%
WOB Small	$2,558,416	100.0	$425,482	16.6%	$41,231	1.6%	$1,324,818	51.8%
WOB Large	$93,763	100.0	$62,463	66.6%	$57	0.1%	$31,243	33.3%

SDB = Small disadvantaged business
8(a) = Refers to section 8(a) of the Small Business Act.
SBSA = Refers to contract awards made under "small business set-aside" procedures.
WOB = Women owned business

Chart No. I(i)

Woman-Owned Businesses, FY97

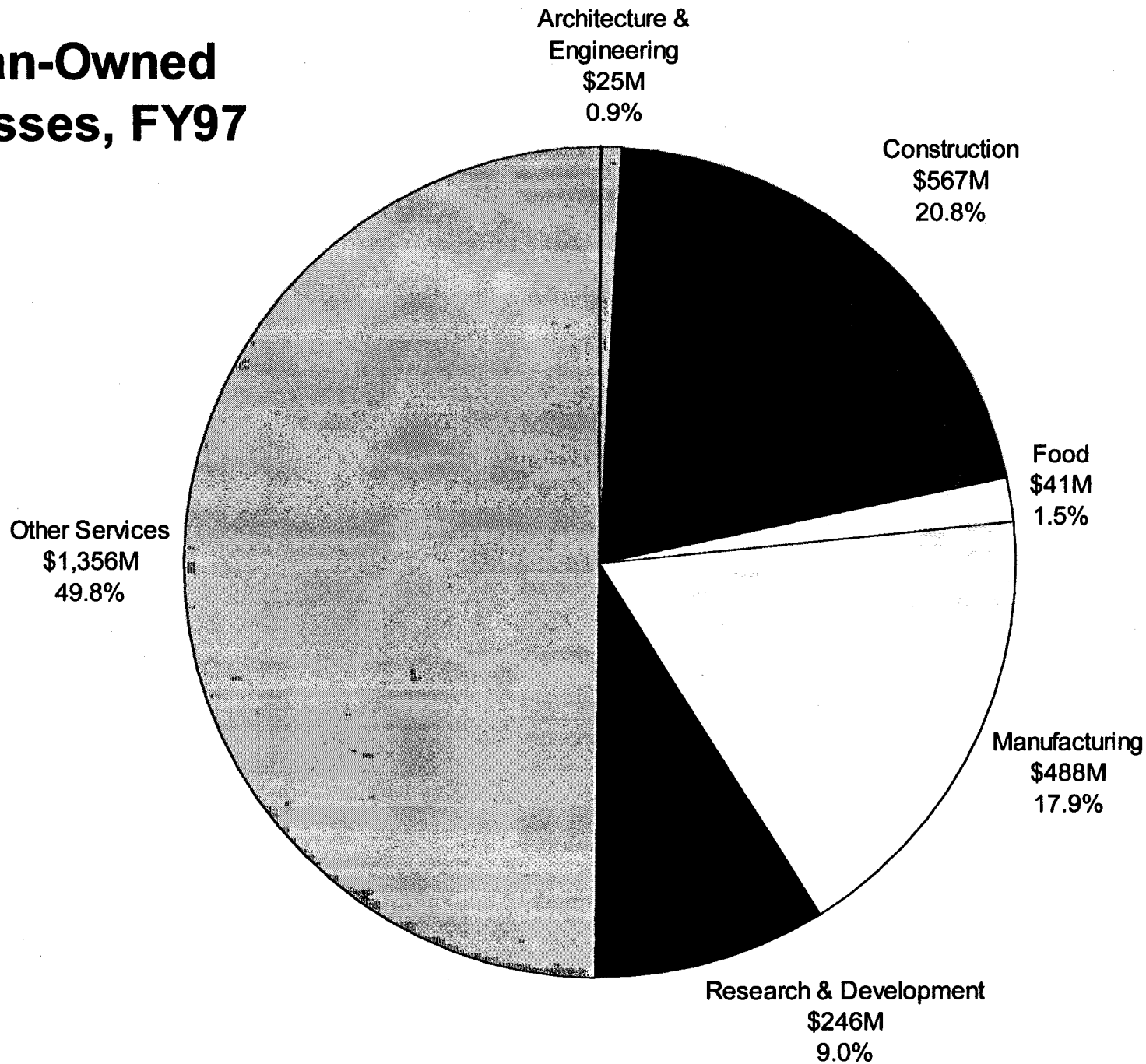

Chart No. I(j)

Federal Prime Contracts By Industry Grouping FY1987 - FY1997
Analysis of Change in WOB Awards Greater Than $25,000 (SF279)
(Dollars in Thousands)

	Total Awards		RDT&E		Construction		A&E	
	Dollars	%	Dollars	%	Dollars	%	Dollars	%
U.S. Business	-$12,114,556	-7.8	-$1,926,440	-8.4	$2,272,267	19.1	-$1,204,974	-32.9
Large Business	-$15,540,954	-12.1	-$3,438,773	-16.4	$3,327,079	70.7	-$980,716	-33.8
Small Business	$3,426,398	12.4	$1,512,333	79.8	-$1,054,812	-14.7	-$224,258	-29.2
SDB	$5,296,704	108.7	$384,775	109.5	$1,330,006	120.2	$65,104	59.0
8(a)	$2,917,744	87.5	$100,871	36.9	$684,152	107.3	$22,719	40.7
Non-8(a) SDB	$2,378,960	154.8	$283,904	365.1	$645,854	137.6	$42,385	77.9
SBSA	-$4,559,992	-39.0	$959,606	153.5	-$4,550,388	-91.1	-$99,596	-43.5
WOB	$1,456,783	115.0	$171,154	228.0	$289,332	104.3	$11,142	80.0
WOB Small	$1,291,983	102.0	$166,677	222.0	$230,821	83.2	$3,093	22.2
WOB Large	$164,800	*	$4,477	*	$58,511	*	$8,049	*

	Total Awards		Manufactured Items		Food Products		All Other Services	
	Dollars	%	Dollars	%	Dollars	%	Dollars	%
U.S. Business	-$12,114,556	-7.8	-$30,755,762	-38.7	$466,684	20.6	$19,033,669	53.2
Large Business	-$15,540,954	-12.1	-$28,282,205	-40.8	$528,208	38.2	$13,305,453	45.8
Small Business	$3,426,398	12.4	-$2,473,557	-24.1	-$61,524	-7.0	$5,728,216	84.5
SDB	$5,296,704	108.7	$517,802	49.6	$27,768	75.9	$2,971,249	133.7
8(a)	$2,917,744	87.5	$236,181	38.5	-$4,380	-34.6	$1,878,201	107.8
Non-8(a) SDB	$2,378,960	154.8	$281,621	65.4	$32,148	134.5	$1,093,048	227.4
SBSA	-$4,559,992	-39.0	-$1,714,968	-49.9	-$102,232	-34.4	$947,586	45.2
WOB	$1,456,783	115.0	$119,285	32.4	$31,740	332.4	$834,130	159.8
WOB Small	$1,291,983	102.0	$56,822	15.4	$31,683	331.8	$802,887	153.8
WOB Large	$164,800	*	$62,463	*	$57	*	$31,243	*

SDB = Small disadvantaged business

8(a) = Refers to section 8(a) of the Small Business Act.

SBSA = Refers to contract awards made under "small business set-aside" procedures.

WOB = Women owned business

Percentage represents the difference between FY1997 less FY1987 divided by FY1987.

*Women owned large business data was not collected or reported prior to FY1996.

Department of Defense WOB Subcontract Awards FY1991 - FY1997

(Dollars in Millions)

Fiscal Year	U.S. Bus. Awards	SB Awards	% of Total	WOB Awards	% of Total	% of SB
1997	$54,429	$22,523	41.4	$1,875	3.4	8.3
1996	$47,353	$19,794	41.8	$1,551	3.3	7.8
1995	$45,032	$19,160	42.5	$1,233	2.7	6.4
1994	$45,364	$17,365	38.3	$1,021	2.3	5.9
1993	$44,947	$16,879	37.6	$938	2.1	5.6
1992	$47,318	$18,165	38.4	$808	1.7	4.4
1991	$57,053	$19,413	34.0	$807	1.4	4.2

SB = Small business

WOB = Women owned business

Chart No. II(a)

Department of Defense
Women Owned Business (WOB) Subcontracting Participation
(Dollars in Millions)

Fiscal Year	1991	1992	1993	1994	1995	1996	1997
Reporting Entities	1,662	1,705	1,789	1,907	2,038	2,109	2,257
Total Business	$57,053	$47,318	$44,947	$45,364	$45,032	$47,353	$54,429
Large Business	$37,640	$29,153	$28,068	$27,999	$25,872	$27,560	$31,906
% of Total	66.0%	61.6%	62.4%	61.7%	57.5%	58.2%	58.6%
Small Business	$19,413	$18,165	$16,879	$17,365	$19,160	$19,794	$22,523
% of Total	34.0%	38.4%	37.6%	38.3%	42.5%	41.8%	41.4%
Male Owned SE	$18,606	$17,357	$15,942	$16,344	$17,927	$18,243	$20,649
% of Total	32.6%	36.7%	35.5%	36.0%	39.8%	38.5%	37.9%
WOB	$807	$808	$938	$1,021	$1,233	$1,551	$1,875
% of Total	1.4%	1.7%	2.1%	2.3%	2.7%	3.3%	3.4%
% of SB	4.2%	4.4%	5.6%	5.9%	6.4%	7.8%	8.3%

Average Annual Rate of Growth

Total Business	=	-0.8%
Large Business (LB)	=	-2.7%
Small Business (SB)	=	2.5%
Male Owned Small Business	=	1.8%
Women-Owned Business (WOB)	=	15.1%

Chart No. II(b)

Department of Defense
Women Owned Business (WOB) Subcontracting Participation

Fiscal Year	1991	1992	1993	1994	1995	1996	1997
Reporting Entities	1,662	1,705	1,789	1,907	2,038	2,109	2,257
WOB Subcontract Awards => 5%	234	301	359	431	550	631	751
% of Total	14.1%	17.7%	20.1%	22.6%	27.0%	29.9%	33.3%
Subcontracting Zero Dollars to WOBs	566	441	445	454	495	473	501
% of Total	34.1%	25.9%	24.9%	23.8%	24.3%	22.4%	22.2%

Average Annual Rate of Growth		
Number of Reporting Entities:	=	5.2%
WOB Subcontract Awards => 5%:	=	21.5%
Subcontracting Zero Dollars to WOBs:	=	-2.0%

* WOB = Women owned business.

Chart No. II(c)

SUBCONTRACTING TRENDS
GOVERNMENT-WIDE [1]
(Dollars in Billions)

Fiscal Year	Total Awards	Small Business		Small Disadvantaged Business		Women-Owned Small Business	
		Dollars	Percent	Dollars	Percent	Dollars	Percent
1985	$63.8	$24.0	37.6%	$1.4	2.2%		
1986	61.9	24.3	39.3%	1.5	2.4%		
1987	63.3	25.9	41.0%	1.5	2.4%		
1988	69.9	27.0	38.7%	1.7	2.4%		
1989	70.0	27.2	38.9%	2.0	2.9%		
1990	68.8	27.3	39.6%	2.4	3.6%		
1991	67.8	23.3	34.3%	2.2	3.2%	$981.2[2]	1.4%
1992	58.7	22.3	38.1%	2.5	4.3%	1.1	1.8%
1993	55.8	20.8	37.3%	2.8	4.9%	1.4	2.4%
1994	57.5	22.0	38.3%	3.2	5.5%	1.5	2.5%
1995	56.9	23.8	41.9%	3.8	6.6%	1.7	3.0%
1996	61.2	25.3	41.4%	4.1	6.7%	2.1	3.5%

[1] All data here was extracted from SBA's annual reports to the President (formerly to the Congress) on the achievements under the Procurement Preference Goaling Program.
[2] In Millions

Chart No. II(d)

Women-Owned Business Goal Accomplishment FY1991 - FY1997
(Dollars in Millions)

Fiscal Year	Total Prime Awards	Total Sub Awards	Total Combined	WOB Prime	WOB Sub.	WOB Combined	% of Total
1997	$157,169	$68,036 *	$225,205	$3,345	$2,343 *	$5,688	2.5%
1996	$161,546	$61,200	$227,746	$3,221	$2,142	$5,363	2.4%
1995	$171,044	$56,900	$227,944	$3,338	$1,699	$5,037	2.2%
1994	$169,242	$57,500	$226,742	$3,032	$1,453	$4,485	2.0%
1993	$170,918	$55,800	$226,718	$2,666	$1,363	$4,029	1.8%
1992	$173,030	$58,700	$231,730	$2,515	$1,069	$3,584	1.5%
1991	$178,326	$67,800	$246,126	$2,219	$981	$3,200	1.3%

WOB = Women owned business

*FY 1997 Subcontracting Performance Estimates

Goal Accomplishment was calculated using a total of WOB prime contract and subcontract awards as a percentage of total government wide prime contract and subcontract awards based on SBA estimates.

** Statutory 5% WOB goal did not become effective until FY97

Chart No. III(a)

Women-Owned Business (WOB) Prime Contracting Awards FY1987 - FY1997
Department/Agency Overview

Fiscal Year	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Total Reporting Depts./Agencies	54	51	55	57	57	59	58	60	60	58	58
No. With Awards to WOB	38	38	47	50	52	52	53	53	54	51	56
% of Total	70.4	74.5	85.5	87.7	91.2	88.1	91.4	88.3	90.0	87.9	96.6
No. With $0 Awards to WOB	16	13	8	7	5	7	5	7	6	7	2
% of Total	29.6	25.5	14.5	12.3	8.8	11.9	8.6	11.7	10.0	12.1	3.4
No. With WOB % > or = to 5%	11	11	17	14	21	19	18	27	23	23	22
% of Total	20.4	21.6	30.9	24.6	36.8	32.2	31.0	45.0	38.3	39.7	37.9

WOB = Women-Owned Business

Chart No. III(b)

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

Fiscal Year	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Action											
U.S. Business Awards	2,687	2,298	633	3,825	1,224	2,204	3,804	10,147			
Women-Owned Business Awards	10	258	1	16	76	63	95	45			
Percent	0.4%	11.2%	0.2%	0.4%	6.2%	2.9%	2.5%	0.4%	0.0%	0.0%	0.0%
Administrative Conference of the U.S.											
U.S. Business Awards	51		417	231	464	348	269	27	130		
Women-Owned Business Awards			34	21	1	11	0	0	0		
Percent	0.0%	0.0%	8.2%	9.1%	0.2%	3.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Advisory Committee on Federal Pay											
U.S. Business Awards					2,526	576	4,489	368	662	335	257
Women-Owned Business Awards					113	95	82	3	10	0	32
Percent	0.0%	0.0%	0.0%	0.0%	4.5%	16.5%	1.8%	0.8%	1.5%	0.0%	12.5%
Agency for International Development											
U.S. Business Awards	259,803	341,307	220,134	275,863	359,217	369,283	541,032	425,207	576,550	326,477	21,239
Women-Owned Business Awards	6,571	5,741	7,004	12,421	20,436	12,254	9,735	17,337	32,306	34,354	151
Percent	2.5%	1.7%	3.2%	4.5%	5.7%	3.3%	1.8%	4.1%	5.6%	10.5%	0.7%
Arms Control and Disarmament Agency											
U.S. Business Awards	1,034	1,688	1,953	1,502	3,618	4,827	4,425	4,994	5,372	4,360	3,751
Women-Owned Business Awards			2	14	78	20	37	54	74	302	162
Percent	0.0%	0.0%	0.1%	0.9%	2.2%	0.4%	0.8%	1.1%	1.4%	6.9%	4.3%
Board for International Broadcasting											
U.S. Business Awards	30	110	220	23	195	61			101		
Women-Owned Business Awards			0	0	20	25			21		
Percent	0.0%	0.0%	0.0%	0.0%	10.3%	41.0%	0.0%	0.0%	20.8%	0.0%	0.0%
Commission on Civil Rights											
U.S. Business Awards			196	256	150	342	431	326	639	281	230
Women-Owned Business Awards			36	18	19	43	45	67	18	30	27
Percent	0.0%	0.0%	18.4%	7.0%	12.7%	12.6%	10.4%	20.6%	2.8%	10.7%	11.7%
Commodity Futures Trading Commission											
U.S. Business Awards	4,799	5,493	5,742	9,986	9,425	8,821	8,844	8,490	9,363	11,551	8,496
Women-Owned Business Awards			81	385	403	252	231	281	681	3,547	664
Percent	0.0%	0.0%	1.4%	3.9%	4.3%	2.9%	2.6%	3.3%	7.3%	30.7%	7.8%
Consumer Product Safety Commission											
U.S. Business Awards	2,043	1,278	3,014	2,823	3,046	3,847	4,742	4,893	2,732	1,940	2,643
Women-Owned Business Awards	237	267	375	403	436	742	917	1,624	206	414	215
Percent	11.6%	20.9%	12.4%	14.3%	14.3%	19.3%	19.3%	33.2%	7.5%	21.3%	8.1%
Corporation for National and Community S											
U.S. Business Awards								772	11,836	4,778	3,666
Women-Owned Business Awards								772	383	94	164
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	3.2%	2.0%	4.5%

Chart No. III(c)

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

Department of Agriculture											
U.S. Business Awards	1,658,625	2,291,791	2,152,127	2,993,563	3,050,279	3,383,946	3,642,314	3,416,139	2,823,318	2,727,731	2,415,648
Women-Owned Business Awards	35,550	52,849	63,487	71,486	86,037	93,052	87,197	127,862	91,178	87,875	80,664
Percent	2.1%	2.3%	2.9%	2.4%	2.8%	2.7%	2.4%	3.7%	3.2%	3.2%	3.3%
Department of Commerce											
U.S. Business Awards	342,473	375,251	462,378	482,725	595,763	675,313	728,561	816,008	1,063,961	829,825	742,947
Women-Owned Business Awards	15,577	14,605	20,637	19,094	21,065	21,204	32,961	29,035	47,073	50,565	47,748
Percent	4.5%	3.9%	4.5%	4.0%	3.5%	3.1%	4.5%	3.6%	4.4%	6.1%	6.4%
Department of Defense											
U.S. Business Awards	125,123,357	119,200,351	121,205,789	123,311,160	125,534,621	117,333,595	115,868,773	112,484,144	110,840,261	109,104,305	106,173,548
Women-Owned Business Awards	876,077	908,186	1,167,355	1,208,956	1,272,359	1,449,926	1,504,934	1,596,748	1,637,048	1,747,663	1,949,478
Percent	0.7%	0.8%	1.0%	1.0%	1.0%	1.2%	1.3%	1.4%	1.5%	1.6%	1.8%
Department of Education											
U.S. Business Awards	81,958	72,945	89,964	117,702	133,359	132,631	153,167	211,889	269,384	302,619	370,008
Women-Owned Business Awards	474	2,019	3,564	7,799	8,401	7,972	6,774	7,341	8,433	5,643	6,765
Percent	0.6%	2.8%	4.0%	6.6%	6.3%	6.0%	4.4%	3.5%	3.1%	1.9%	1.8%
Department of Energy											
U.S. Business Awards	10,205,510	10,382,960	11,126,878	13,095,033	13,788,582	13,823,682	13,197,420	13,111,086	12,545,445	11,633,565	10,856,993
Women-Owned Business Awards	34,515	32,306	40,366	57,518	69,904	81,259	77,995	83,551	77,452	42,104	35,986
Percent	0.3%	0.3%	0.4%	0.4%	0.5%	0.6%	0.6%	0.6%	0.6%	0.4%	0.3%
Department of Health and Human Services											
U.S. Business Awards	473,747	504,730	1,076,144	1,204,882	1,656,741	1,655,651	1,965,903	1,350,024	2,258,134	1,711,567	1,839,460
Women-Owned Business Awards	32,347	37,969	54,300	57,912	148,952	92,381	113,711	58,444	170,001	120,054	144,662
Percent	6.8%	7.5%	5.0%	4.8%	9.0%	5.6%	5.8%	4.3%	7.5%	7.0%	7.9%
Department of Housing and Urban Dev'ment											
U.S. Business Awards	83,781	116,120	87,951	113,684	171,018	195,235	225,301	190,656	218,300	241,292	217,663
Women-Owned Business Awards	656	3,166	6,434	3,929	6,263	4,338	5,691	5,645	5,728	23,851	3,323
Percent	0.8%	2.7%	7.3%	3.5%	3.7%	2.2%	2.5%	3.0%	2.6%	9.9%	1.5%
Department of Justice											
U.S. Business Awards	656,180	533,859	1,131,604	1,298,412	1,977,921	1,794,393	1,907,703	2,452,874	2,353,988	2,397,341	2,583,614
Women-Owned Business Awards	6,609	36,191	41,233	36,669	93,849	115,990	58,113	221,534	135,852	71,084	55,504
Percent	1.0%	6.8%	3.6%	2.8%	4.7%	6.5%	3.0%	9.0%	5.8%	3.0%	2.1%
Department of Labor											
U.S. Business Awards	425,101	397,762	471,228	503,426	525,282	603,550	621,908	666,423	699,088	735,977	683,574
Women-Owned Business Awards	10,007	6,691	6,307	22,384	12,185	16,272	28,795	17,360	24,021	17,741	10,965
Percent	2.4%	1.7%	1.3%	4.4%	2.3%	2.7%	4.6%	2.6%	3.4%	2.4%	1.6%
Department of State											
U.S. Business Awards	275,511	379,319	410,245	472,118	538,586	605,855	612,294	546,557	608,613	638,085	535,375
Women-Owned Business Awards	3,002	5,997	12,760	19,082	21,817	18,817	21,596	36,450	39,369	29,243	25,058
Percent	1.1%	1.6%	3.1%	4.0%	4.1%	3.1%	3.5%	6.7%	6.5%	4.6%	4.7%

Chart No. III(c)

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

Department of the Interior											
U.S. Business Awards	799,472	957,402	1,454,540	1,245,208	1,391,752	1,653,285	1,724,032	1,988,710	1,803,609	1,054,937	1,022,918
Women-Owned Business Awards	12,519	26,452	35,163	47,223	57,726	76,201	82,124	95,426	103,675	55,694	52,399
Percent	1.6%	2.8%	2.4%	3.8%	4.1%	4.6%	4.8%	4.8%	5.7%	5.3%	5.1%
Department of the Treasury											
U.S. Business Awards	574,060	853,728	1,251,145	1,395,294	1,519,079	1,649,727	1,858,564	1,880,983	1,857,418	1,776,375	1,790,068
Women-Owned Business Awards	15,891	16,911	22,821	38,953	35,796	52,085	72,922	67,702	75,632	65,963	76,838
Percent	2.8%	2.0%	1.8%	2.8%	2.4%	3.2%	3.9%	3.6%	4.1%	3.7%	4.3%
Department of Transportation											
U.S. Business Awards	1,825,558	2,040,263	2,125,687	3,230,144	3,935,076	5,443,600	6,052,387	6,061,720	6,569,176	5,191,127	3,637,505
Women-Owned Business Awards	65,707	56,516	91,886	126,909	104,460	154,833	192,140	185,942	210,492	141,754	156,957
Percent	3.6%	2.8%	4.3%	3.9%	2.7%	2.8%	3.2%	3.1%	3.2%	2.7%	4.3%
Department of Veterans Affairs											
U.S. Business Awards	1,850,980	1,839,923	2,347,640	2,117,143	2,346,673	3,772,224	3,005,275	2,633,236	3,213,476	2,812,164	2,900,309
Women-Owned Business Awards	28,603	28,889	47,592	54,649	64,076	81,694	93,089	130,268	211,956	198,483	211,370
Percent	1.5%	1.6%	2.0%	2.6%	2.7%	2.2%	3.1%	4.9%	6.6%	7.1%	7.3%
Environmental Protection Agency											
U.S. Business Awards	974,832	1,013,375	916,223	1,059,927	1,202,372	1,351,237	1,062,490	1,235,736	1,088,250	1,089,055	928,582
Women-Owned Business Awards	13,030	13,388	11,492	14,670	17,798	17,030	18,043	17,080	25,594	23,808	20,137
Percent	1.3%	1.3%	1.3%	1.4%	1.5%	1.3%	1.7%	1.4%	2.4%	2.2%	2.2%
Equal Employment Opportunity Commission											
U.S. Business Awards	6,809	7,556	7,601	8,422	10,101	9,480	9,953	6,236	5,972	5,369	6,820
Women-Owned Business Awards	714	233	213	173	793	1,233	748	734	391	572	613
Percent	10.5%	3.1%	2.8%	2.1%	7.9%	13.0%	7.5%	11.8%	6.5%	10.7%	9.0%
Executive Office of the President											
U.S. Business Awards	6,572	7,024	12,406	15,453	17,543	16,723	17,597	20,991	16,679	18,105	24,417
Women-Owned Business Awards	26	28	221	76	279	438	497	896	533	792	583
Percent	0.4%	0.4%	1.8%	0.5%	1.6%	2.6%	2.8%	4.3%	3.2%	4.4%	2.4%
Federal Communications Commission											
U.S. Business Awards	4,290	3,807	2,321	2,825		2,460	1,219	94	3,931	2,444	3,352
Women-Owned Business Awards			0	0		18	55		72	118	113
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	4.5%	0.0%	1.8%	4.8%	3.4%
Federal Election Commission											
U.S. Business Awards	1,045	585	1,384	752	1,056	1,808	2,262	2,065	2,298	2,860	3,034
Women-Owned Business Awards			188	28	184	221	125	158	157	95	132
Percent	0.0%	0.0%	13.6%	3.7%	17.4%	12.2%	5.5%	7.7%	6.8%	3.3%	4.4%
Federal Emergency Management Agency											
U.S. Business Awards	201,088	203,950	202,860	202,843	171,906	207,283	245,881	217,210	242,508	184,872	237,693
Women-Owned Business Awards	272	1,385	4,123	8,078	3,054	11,808	8,844	20,303	11,444	2,847	6,899
Percent	0.1%	0.7%	2.0%	4.0%	1.8%	5.7%	3.6%	9.3%	4.7%	1.5%	2.9%

Chart No. III(c)

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

Federal Labor Relations Authority											
U.S. Business Awards	171	69	514	668	576	1,092	1,217	250	497	351	267
Women-Owned Business Awards			62	28	58	10	2	42	21	3	33
Percent	0.0%	0.0%	12.1%	4.2%	10.1%	0.9%	0.2%	16.8%	4.2%	0.9%	12.4%
Federal Maritime Commission											
U.S. Business Awards	258	100	823	155	1,074	1,124	786	2,176	959	224	402
Women-Owned Business Awards			0	65	11	16	9	70	37	10	36
Percent	0.0%	0.0%	0.0%	41.9%	1.0%	1.4%	1.1%	3.2%	3.9%	4.5%	9.0%
Federal Mediation and Conciliation Servi											
U.S. Business Awards	108			428	155	1,072	1,829	859	1,519	1,924	2,952
Women-Owned Business Awards				9	0	0	0	0	0	0	0
Percent	0.0%	0.0%	0.0%	2.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Federal Mine Safety and Health Review Co											
U.S. Business Awards			0	35	42	97	647	488	554	1,030	122
Women-Owned Business Awards			0	0	0	0	0	0	0	0	0
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Federal Trade Commission											
U.S. Business Awards	2,507	1,369	4,115	3,837	4,106	6,341	6,645	6,628	8,171	5,823	6,471
Women-Owned Business Awards	753	223	358	121	521	605	481	155	643	160	653
Percent	30.0%	16.3%	8.7%	3.2%	12.7%	9.5%	7.2%	2.3%	7.9%	2.7%	10.1%
General Services Administration											
U.S. Business Awards	1,448,828	1,899,456	2,636,170	2,802,701	5,369,504	5,702,799	5,253,800	7,416,948	6,167,174	5,780,618	6,726,560
Women-Owned Business Awards	40,540	18,875	31,002	36,293	69,564	95,982	99,666	133,537	143,395	227,646	157,117
Percent	2.8%	1.0%	1.2%	1.3%	1.3%	1.7%	1.9%	1.8%	2.3%	3.9%	2.3%
International Trade Commission											
U.S. Business Awards	1,116	853	1,511	1,611	1,808	2,507	2,893	2,014	1,624	871	1,608
Women-Owned Business Awards			0	40	65	89	6	13	15	54	46
Percent	0.0%	0.0%	0.0%	2.5%	3.6%	3.6%	0.2%	0.6%	0.9%	6.2%	2.9%
Interstate Commerce Commission											
U.S. Business Awards	907	2,114	1,034	1,201	581	1,250	946	1,249	847	467	
Women-Owned Business Awards	19	20	2	2	12	31	13	65	18	0	
Percent	2.1%	0.9%	0.2%	0.2%	2.1%	2.5%	1.4%	5.2%	2.1%	0.0%	0.0%
Merit Systems Protection Board											
U.S. Business Awards	154		1,185	891	1,867	840	928	868	983	1,294	911
Women-Owned Business Awards			126	152	220	156	172	273	247	328	182
Percent	0.0%	0.0%	10.6%	17.1%	11.8%	18.6%	18.5%	31.5%	25.1%	25.3%	20.0%
National Aeronautics and Space Admin.											
U.S. Business Awards	6,320,521	7,322,676	8,493,534	9,987,433	10,327,266	10,637,673	10,441,032	9,854,403	10,120,639	9,633,264	9,521,719
Women-Owned Business Awards	50,921	65,682	65,650	67,439	72,398	75,276	113,721	128,143	179,265	165,590	171,087
Percent	0.8%	0.9%	0.8%	0.7%	0.7%	0.7%	1.1%	1.3%	1.8%	1.7%	1.8%

Chart No. III(c)

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

National Archives and Records Administra											
U.S. Business Awards	4,205	7,038	9,921	8,454	9,795	21,296	24,312	23,094	18,805	7,149	4,708
Women-Owned Business Awards	292	160	108	317	769	1,248	2,543	2,764	1,024	1,872	764
Percent	6.9%	2.3%	1.1%	3.7%	7.9%	5.9%	10.5%	12.0%	5.4%	26.2%	16.2%
National Capital Planning Commission											
U.S. Business Awards			25	36	25	88	141	269		480	597
Women-Owned Business Awards			6		3	16	30	16		9	1
Percent	0.0%	0.0%	24.0%	0.0%	12.0%	18.2%	21.3%	5.9%	0.0%	1.9%	0.2%
National Foundation on Arts/humanities											
U.S. Business Awards	778	383	2,074	1,537	1,701	2,248	3,267	2,774	2,213	3,256	2,273
Women-Owned Business Awards		66	370	553	255	417	717	691	530	325	559
Percent	0.0%	17.2%	17.8%	36.0%	15.0%	18.5%	21.9%	24.9%	23.9%	10.0%	24.6%
National Labor Relations Board											
U.S. Business Awards	1,395	1,940	2,016	3,064	4,339	8,871	7,768	6,288	6,148	3,867	3,345
Women-Owned Business Awards	114	186	447	698	2,011	4,687	407	601	649	752	393
Percent	8.2%	9.6%	22.2%	22.8%	46.3%	52.8%	5.2%	9.6%	10.6%	19.4%	11.7%
National Mediation Board											
U.S. Business Awards	1,720	1,896	1,925	1,898	1,653	1,537	1,777	1,689	1,999	1,476	1,466
Women-Owned Business Awards	90	51	41	30	61	71	55	73	19	0	4
Percent	5.2%	2.7%	2.1%	1.6%	3.7%	4.6%	3.1%	4.3%	1.0%	0.0%	0.3%
National Science Foundation											
U.S. Business Awards	43,676	47,851	26,419	31,471	22,792	36,755	31,884	17,656	37,804	16,828	41,132
Women-Owned Business Awards	2,437	3,781	3,536	2,407	2,866	2,463	2,328	1,034	3,261	389	3,090
Percent	5.6%	7.9%	13.4%	7.6%	12.6%	6.7%	7.3%	5.9%	8.6%	2.3%	7.5%
National Transportation Safety Board											
U.S. Business Awards	727	959	302		861	503			800	200	3,741
Women-Owned Business Awards			51		30	16			0	0	51
Percent	0.0%	0.0%	16.9%	0.0%	3.5%	3.2%	0.0%	0.0%	0.0%	0.0%	1.4%
Nuclear Regulatory Commission											
U.S. Business Awards	42,731	44,000	46,075	43,722	50,031	47,513	33,784	27,211	72,322	68,911	54,413
Women-Owned Business Awards	605	1,262	1,285	1,934	2,483	780	1,032	1,763	1,734	9,254	6,839
Percent	1.4%	2.9%	2.8%	4.4%	5.0%	1.6%	3.1%	6.5%	2.4%	13.4%	12.6%
Occupational Safety & Health Review Comm											
U.S. Business Awards	21	16	119	343	138	286	317	176	377	261	357
Women-Owned Business Awards			0	26	3	0	38	22	66	45	24
Percent	0.0%	0.0%	0.0%	7.6%	2.2%	0.0%	12.0%	12.5%	17.5%	17.2%	6.7%
Office of Personnel Management											
U.S. Business Awards	21	16	119	343	138	286	317	176	377	261	357
Women-Owned Business Awards			0	26	3	0	38	22	66	45	24
Percent	0.0%	0.0%	0.0%	7.6%	2.2%	0.0%	12.0%	12.5%	17.5%	17.2%	6.7%

Chart No. III(c)

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

Peace Corps											
U.S. Business Awards	7,291	10,545	9,031	7,393	7,612	7,135	13,847	15,021	7,115	7,531	10,300
Women-Owned Business Awards	640	1,022	1,358	991	1,391	1,473	1,917	1,578	1,458	241	389
Percent	8.8%	9.7%	15.0%	13.4%	18.3%	20.6%	13.8%	10.5%	20.5%	3.2%	3.8%
Pennsylvania Avenue Development Corporat											
U.S. Business Awards	2,962	1,817	1,758	1,004	1,405	817	726	459	594		
Women-Owned Business Awards	175	194	0	3	0	0	0	0	0		
Percent	5.9%	10.7%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Railroad Retirement Board											
U.S. Business Awards	7,566	2,418	7,214	4,948	10,707	9,983	7,137	5,111	7,134	7,059	5,811
Women-Owned Business Awards	47		0	0	0	0	93	0	0	0	28
Percent	0.6%	0.0%	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%	0.0%	0.0%	0.5%
Securities and Exchange Commission											
U.S. Business Awards	4,277	7,945	15,670	24,063	13,676	31,748	19,677	28,459	25,789	27,356	20,074
Women-Owned Business Awards			0	0	0	0	0	0	579	456	100
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.2%	1.7%	0.5%
Selective Service System											
U.S. Business Awards	455	265	154	1,283	1,346	1,122	1,027	1,119	863	982	886
Women-Owned Business Awards			13	65	133	44	113	119	79	115	69
Percent	0.0%	0.0%	8.4%	5.1%	9.9%	3.9%	11.0%	10.6%	9.2%	11.7%	7.8%
Small Business Administration											
U.S. Business Awards	18,030	13,785	20,783	16,584	16,350	45,278	25,784	21,446	21,399	23,748	20,967
Women-Owned Business Awards	1,385	1,121	1,796	2,001	2,541	2,237	901	1,314	1,042	3,996	4,540
Percent	7.7%	8.1%	8.6%	12.1%	15.5%	4.9%	3.5%	6.1%	4.9%	16.8%	21.7%
Smithsonian Institution											
U.S. Business Awards	34,831	32,471	50,598	382,745	60,616	75,781	64,469	67,435	121,315	126,241	61,612
Women-Owned Business Awards	418	526	743	3,721	3,648	1,834	2,613	6,815	8,351	9,463	7,103
Percent	1.2%	1.6%	1.5%	1.0%	6.0%	2.4%	4.1%	10.1%	6.9%	7.5%	11.5%
Social Security Administration											
U.S. Business Awards				1		925	1,158	1,168	270,733	450,442	319,301
Women-Owned Business Awards							164	351	11,478	11,737	15,428
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	14.2%	30.1%	4.2%	2.6%	4.8%
Tennessee Valley Authority											
U.S. Business Awards	2,038,822	628,951	1,142,630	2,459,409	3,289,590	1,533,677	1,305,362	1,809,493	4,871,181	2,405,111	3,196,311
Women-Owned Business Awards	8,513	1,962	8,293	10,122	9,266	7,464	12,563	15,792	59,575	52,333	84,732
Percent	0.4%	0.3%	0.7%	0.4%	0.3%	0.5%	1.0%	0.9%	1.2%	2.2%	2.7%
U. S. Trade & Development Agency											
U.S. Business Awards							2,238	2,387	3,240	5,153	3,101
Women-Owned Business Awards							249	212	332	181	125
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.1%	8.9%	10.2%	3.5%	4.0%

Federal Department/Agency Performance in Meeting 5% Goal / Prime Contracts
(Dollars in Thousands)

United States Holocaust Memorial Museum											
U.S. Business Awards											2,054
Women-Owned Business Awards											102
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.0%
United States Information Agency											
U.S. Business Awards	44,824	103,222	88,455	86,391	94,164	65,162	112,507	81,749	91,229	74,477	50,451
Women-Owned Business Awards	986	647	2,513	2,201	1,764	1,977	3,028	4,246	3,998	4,875	2,479
Percent	2.2%	0.6%	2.8%	2.5%	1.9%	3.0%	2.7%	5.2%	4.4%	6.5%	4.9%
United States Soldiers' and Airmen's Hom											
U.S. Business Awards								5320	7971	12447	8851
Women-Owned Business Awards								621	355	268	310
Percent	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.7%	4.5%	2.2%	3.5%
Totals											
U.S. Business Awards	155,870,298	151,667,030	159,332,598	169,038,874	178,241,493	172,947,793	170,839,262	169,152,388	170,963,569	161,478,439	157,086,930
Women-Owned Business Awards	1,266,329	1,345,825	1,755,435	1,938,110	2,216,656	2,507,169	2,660,395	3,022,994	3,328,037	3,214,837	3,343,917
Percent	0.8%	0.9%	1.1%	1.1%	1.2%	1.4%	1.6%	1.8%	1.9%	2.0%	2.1%

Chart No. III(c)

Standard Industrial Classification (SIC) Code Analysis FY1990 - FY1997
Number of SIC Codes w/Contract Awards Greater Than $25,000

Business Type	FY1990	FY1997	Change	Percent Change
Total U.S. Business	861	871	10	1.2%
Small Business	811	835	24	3.0%
Percent of Total	94.2%	95.9%	1.7%	1.8%
WOB	483	536	53	11.0%
Percent of Total	56.1%	61.5%	5.4%	9.7%
Percent of SB	59.6%	64.2%	4.6%	7.8%

WOB = Women-Owned Business

SB = Small Business

Standard Industrial Classification (SIC) Codes FY1987 - FY1997
Highest Participation Rates/Prime Awards
(Dollars in Thousands)

	SIC Code	Name	Annual Average Total Awards	Estimated 11 Year Growth Rate
1	1222	BITUMINOUS COAL-UNDERGROUND	$410,436	67.0%
2	2086	BOTTLED AND CANNED SOFT DRINKS	$249,632	50.1%
3	2531	PUBLIC BUILDING & RELATED FURNITURE	$11,856	22.1%
4	2621	PAPER MILLS	$76,304	22.6%
5	2679	CONVERTED PAPER PRODUCTS, NEC	$12,294	27.9%
6	3676	ELECTRONIC RESISTORS	$16,597	36.3%
7	3799	TRANSPORTATION EQUIPMENT, NEC.	$30,138	23.4%
8	4213	TRUCKING, EXCEPT LOCAL	$13,718	38.8%
9	4449	WATER TRANSPORTATION OF FREIGHT, N	$20,589	50.1%
10	5051	METALS SERVICE CENTERS AND OFFICES	$58,613	33.7%
11	5111	PRINTING AND WRITING PAPER	$22,688	47.2%
12	5122	DRUGS, PROPRIETARIES, AND SUNDRIES	$111,162	51.0%
13	5149	GROCERIES AND RELATED PRODUCTS, NE	$47,575	26.6%
14	5153	GRAIN AND FIELD BEANS	$90,014	32.3%
15	5734	COMPUTER AND SOFTWARE STORES	$11,683	30.2%
16	6515	MOBILE HOME SITE OPERATORS	$199,813	84.1%
17	7319	ADVERTISING, NEC	$13,672	45.3%
18	8011	OFFICES & CLINICS OF MEDICAL DOCTORS	$466,308	21.8%
19	8099	HEALTH AND ALLIED SERVICES, NEC	$369,299	43.1%
20	8361	RESIDENTIAL CARE	$85,330	24.3%

Chart No. IV(b)

Standard Industrial Classification (SIC) Codes FY1987 - FY1997
Highest Participation Rates/Prime Awards to WOB
(Dollars in Thousands)

	SIC Code	Name	Annual Average Total Awards	Annual Avg. WOB Awards	WOB Avg. Percentage Participation
1	2339	WOMEN'S AND MISSES' OUTERWEAR, NEC	$4,855	$915	18.8%
2	2421	SAWMILLS AND PLANNING MILLS, GENERAL	$3,720	$776	20.9%
3	2652	SETUP PAPERBOARD BOXES	$281	$191	68.0%
4	2653	CORRUGATED AND SOLID FIBER BOXES	$17,050	$3,137	18.4%
5	2782	BLANKBOOKS AND LOOSELEAF BINDERS	$3,070	$972	31.7%
6	4213	TRUCKING, EXCEPT LOCAL	$13,718	$2,612	19.0%
7	4729	PASSENGER TRANSPORTATION ARRANGEMEN	$1,093	$369	33.7%
8	5947	GIFT, NOVELTY, AND SOUVENIR SHOPS	$753	$735	97.6%
9	7338	SECRETARIAL & COURT REPORTING	$18,821	$5,924	31.5%
10	7361	EMPLOYMENT AGENCIES	$4,121	$1,350	32.8%
11	7922	THEATRICAL PRODUCERS AND SERVICES	$537	$257	47.8%
12	7991	PHYSICAL FITNESS FACILITIES	$1,600	$278	17.4%
13	8021	OFFICES & CLINICS OF DENTISTS	$6,829	$2,473	36.2%
14	8049	OFFICES OF HEALTH PRACTITIONERS, NEC	$28,479	$7,896	27.7%
15	8211	ELEMENTARY AND SECONDARY SCHOOLS	$8,216	$4,112	50.0%
16	8231	LIBRARIES	$16,658	$2,952	17.7%
17	8243	DATA PROCESSING SCHOOLS	$3,617	$715	19.8%
18	8743	PUBLIC RELATIONS SERVICES	$15,897	$2,892	18.2%
19	9224	FIRE PROTECTION	$1,063	$200	18.9%
20	9531	HOUSING PROGRAMS	$674	$243	36.0%

Chart No. IV(c)

Federal Supply Schedule Prime Contract Awards FY1987 - FY1997
(Dollars in Millions)

Fiscal Year	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Total Business	$2,041	$1,759	$4,233	$4,264	$4,699	$4,975	$4,667	$4,506	$5,192	$5,096	$5,834
Large Business	$1,732	$1,473	$3,033	$2,870	$3,116	$3,283	$3,007	$2,842	$3,324	$3,227	$3,693
% of Total	84.9%	83.7%	71.7%	67.3%	66.3%	66.0%	64.4%	63.1%	64.0%	63.3%	63.3%
Small Business	$309	$286	$1,200	$1,394	$1,583	$1,693	$1,660	$1,664	$1,868	$1,869	$2,141
% of Total	15.1%	16.3%	28.3%	32.7%	33.7%	34.0%	35.6%	36.9%	36.0%	36.7%	36.7%
SDB	$15	$9	$3	$5	$9	$11	$16	$28	$90	$121	$181
% of Total	0.7%	0.5%	0.1%	0.1%	0.2%	0.2%	0.3%	0.6%	1.7%	2.4%	3.1%
SBSA	$28	$16	$12	$13	$21	$25	$19	$18	$25	$18	$10
% of Total	1.4%	0.9%	0.3%	0.3%	0.4%	0.5%	0.4%	0.4%	0.5%	0.4%	0.2%
WOB	$5	$4	$5	$6	$35	$12	$20	$28	$49	$75	$148
% of Total	0.3%	0.2%	0.1%	0.1%	0.7%	0.2%	0.4%	0.6%	0.9%	1.5%	2.5%
% of SB	1.7%	1.3%	0.4%	0.4%	2.2%	0.7%	1.2%	1.7%	2.6%	4.0%	6.9%

SDB = Small disadvantaged business

SBSA = Small business set-aside

WOB = Women owned business

SB = Small business

Federal Supply Schedule (FSS) Prime Contract Awards of Greater Than $25,000
(Dollars in Millions)

Fiscal Year	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Total Busines	$2,041	$1,759	$1,644	$1,306	$1,547	$1,787	$1,558	$1,693	$2,325	$2,758	$3,763
Large Busines	$1,732	$1,473	$1,363	$1,000	$1,148	$1,340	$1,123	$1,217	$1,620	$1,841	$2,427
% of Total	84.9	83.7	82.9	76.6	74.2	75.0	72.1	71.9	69.7	66.7	64.5
Small Busines	$309	$286	$281	$305	$399	$447	$434	$476	$705	$917	$1,335
% of Total	15.1	16.3	17.1	23.4	25.8	25.0	27.9	28.1	30.3	33.3	35.5
SDB	$15	$9	$3	$5	$9	$11	$16	$28	$90	$121	181.38
% of Total	0.7	0.5	0.2	0.4	0.6	0.6	1.0	1.7	3.9	4.4	4.8
WOB	$5	$4	$5	$6	$35	$12	$20	$28	$49	$75	$148
% of Total	0.3	0.2	0.3	0.5	2.3	0.7	1.3	1.7	2.1	2.7	3.9
% of SB	1.7	1.3	1.7	2.0	8.7	2.7	4.6	5.9	7.0	8.2	11.1

Federal Supply Schedule (FSS) Prime Contract Awards of $25,000 or Less
(Dollars in Millions)

Fiscal Year	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997
Total Bus.	*	*	$2,589	$2,958	$3,152	$3,188	$3,110	$2,813	$2,867	$2,338	$2,072
Large Bus.	*	*	$1,671	$1,869	$1,968	$1,943	$1,884	$1,626	$1,704	$1,386	$1,266
% of Total			64.5	63.2	62.4	60.9	60.6	57.8	59.4	59.3	61.1
Small Bus.	*	*	$918	$1,089	$1,184	$1,246	$1,226	$1,188	$1,163	$952	$806
% of Total			35.5	36.8	37.6	39.1	39.4	42.2	40.6	40.7	38.9

* Information not available

WOB and SDB contract award data is not collected on FSS contracts less than $25,000.

SDB = Small disadvantaged business

SBSA = Small business set-aside

WOB = Women owned business

SB = Small business

National
WOMEN'S
BUSINESS
Council

Notes

Notes

5% Women-owned business goal

In 1994, Congress passed the Federal Acquisition Streamlining Act (FASA) which established a 5% Federal Government contracting goal for women-owned businesses. According to the law, "the Government-wide goals for participation by small business concerns owned by women shall be established at not less than 5 percent of the combined total value of all prime contracts and subcontracts awarded for each fiscal year." The combined prime contract and subcontract goal took effect in 1996. We have identified three methods of calculating this goal and are requesting Congressional action to stipulate that the federal goal achievements for prime and subcontracts should be reported separately.

For the purposes of this report, the 5% goal was arrived at by calculating the value of annual WOB prime and subcontract awards as a percent of total federal prime and subcontract awards. The Council has reservations about this formula because it allows for the double counting of award dollars. Subcontract awards are actually a subset of prime contract awards. We also believe that the goal calculation preferred by the Office of Federal Procurement Policy (OFPP) is also flawed. OFPP arrives at the goal by calculating the value of annual WOB prime and subcontract awards as a percent of total federal prime awards. When the WOB subcontract and prime contract total is calculated as a percentage of total prime contract awards, the FY1997 achievement is 3.6%. We believe that a more accurate calculation and reporting of goal achievements would be to separate prime and subcontract awards. In FY1997, women received 2.1% of all prime awards and 3.5% of all subcontract awards.

8(a) Business Development Program

The 8(a) BD program assists eligible small disadvantaged business to increase their competitiveness through business development. Generally, a business meets the basic requirements for admission to the 8(a) BD program if it is a small business which is unconditionally owned and controlled by one or more socially and economically disadvantaged individuals who are of good character and citizens of the United States, and which demonstrates potential for success.

Contract Bundling

'Contract bundling' is the practice of consolidating two or more contracts for goods or services previously provided or performed under separate smaller contracts.

Federal Supply Service (FSS) Schedule

The FSS provides Federal agencies with a wide variety of supplies and some services. The General Services Administration enters into no-guarantee-of-business contracts with commercial firms to provide supplies and services at stated prices for a given period of time. Government agencies then have the option of ordering directly from the contractor on a streamlined procedure.

Small Business Set Asides

A small business set-aside reserves an acquisition exclusively for participation by small business firms. To quality as a small business, a firm must meet the size standard specified in the solicitation. The Federal Acquisition Regulation requires that a contracting officer set aside an acquisition when there is a reasonable expectation that offers will be received from at least two responsible small business concerns and that award will be made at fair market prices.

Small Disadvantaged Business

The definition of a small disadvantaged business (SDB) is similar to the definition for an 8(a) firm. An SDB certified firm must be unconditionally owned and controlled by one or more socially and economically disadvantaged individuals who are of good character and citizens of the United States. SDB determination is made by the Office of Small Disadvantaged Business Certification & Eligibility at the U. S. Small Business Administration. SDB's are afforded some specific preferences when bidding on government contracts.

National WOMEN'S BUSINESS Council

NWBC Recommendations 1990-1997

National Women's Business Council 1998

National WOMEN'S BUSINESS Council

NWBC Recommendations 1990-1997

The National Women's Business Council (NWBC) was created to be an advisor to the President, Congress and Interagency Committee on Women's Business Enterprise on policy issues of importance to women business owners. In order to fulfill its statutory obligation, the NWBC has made annual recommendations to the President and Congress that address the challenges faced by women business owners in such areas as access to markets, business development education and sources of capital and credit. Each year the Council has made recommendations regarding legislative, regulatory and administrative action that would increase access and opportunities for women business owners.

Following is a review of Council recommendations made since 1990. Immediately following each recommendation is the year(s) the recommendation was made and a report on any action taken.

ACCESS TO CAPITAL AND CREDIT

- Ensure that the SBA uses its loan programs to help collateralize loans with partial guarantees in a Pooled Bond Financing program. This concept pools small loans into one large bond which can be sold in the secondary market, offering the borrower long-term low interest loans.1990 **[Legislation to address a secondary market instrument for small business loans is introduced each year without action.]**

- Encourage Congress to change the provisions of the Community Reinvestment Act (CRA) to target loans to women and minority owned businesses. 1990 **[CRA liberalized in 1996 allowing greater credit for lenders who target small business.]**

- Encourage Congress to develop tax incentives to encourage bank depositors with surplus cash to lend funds to women-owned businesses. 1990

- Advise banking regulators to revise the FIRREA regulations to provide preferential risk weighting for those portfolio loans provided to women-owned businesses.1992

- Encourage Congress to enact legislation to facilitate the creation of a secondary market for business loans with consideration for enhanced guarantees on loans to women-owned businesses.1992

- Create a small business investment company (SBIC) which targets investment to women-owned businesses. 1993 **[In 1998, SBA licensed the first two women-led and women-focused investment funds.]**

- Expand data collection requirements for banks to include gender, race and income information. 1993 **[Regulation B prohibits banks from collecting loan information specifying race and gender. Currently a request for comments has been issued requesting interest in allowing lenders to collect such data.]**

- Create new instruments to be sold in secondary markets to secure small business loans. 1993, 1994

- Classify women-owned businesses as economically targeted investments (ETIs) and include this sector in the Department of Labor's ETI clearinghouse. 1994 **[Department of Labor funded a project in 1994 to create a directory of ETIs which would include appropriate investments in women's business development concerns but Congress eliminated funding for this project.]**

- Review investment practices in the SBIC and SSBIC programs to determine the level of investments made to women-owned firms. 1994 **[SBA's SBIC program now collecting gender data.]**

- Collaborate with the Federal Reserve and other public and private financial institutions to identify and promote innovative financing mechanisms to provide women-owned businesses the capital they need for growth. 1995 **[Held 10 Access to Capital Expert Policy Workshops in 1997.]**

RECOMMENDATIONS OF NWBC'S 1997 ACCESS TO CAPITAL AND CREDIT REPORT:

"Growing Women's Businesses"

- Develop a small business master plan, 1997
- Create incentives to encourage small business investments, 1997
- Link lending and learning, 1997
- Recognize service-based businesses, 1997
- Redefine work to value self-employment, 1997

Individual Workshop Recommendations:

Atlanta - Credit Worthiness: The Impact of Credit Scoring

- Require the disclosure of the specific "formula" used in a financial institution's credit scoring model.
- Employ Federal guaranteed loan programs only for loans not likely to be approved through credit scoring.

Boston - The Angel Connection

- Develop a partnership with state government, private industry and philanthropic, business and entrepreneurial institutions, led by the Small Business Administration, that uses existing resources and new technologies to build a national network of entrepreneurs and investors.
- Provide tax incentives for equity investments for "patient" investors in women-owned businesses.

Buffalo - Financing for New Economic Realities

- Create a working partnership amongst Federal, state and local governments; financial regulatory agencies; financial institutions; business advocacy and development organizations to recommend policy, educate small business owners, develop mechanisms to increase capital and credit, and provide technical assistance for women-business owners wishing to grow their businesses.
- Expand the state's capital program to provide a pool of capital to cover the collateral requirements of small business loans.

Dallas - Financing for Growth: The Service Sector

- Develop a partnership with state government, private industry, business, financial and entrepreneurial institutions, led by SBA, to foster and develop policies supporting growing enterprises.

Denver - Priming the Asset Pump

- Create a public-private sector partnership to establish an "equity pool" to facilitate investments in the $50,000 to $500,000 level in women-owned, small business.

Fargo - Building Assets

- Establish an entity to coordinate a network of "one stop shops" to provide credit and technical assistance to women in rural communities.

Kansas City - Financing Home-Based Businesses

- Clarify the definition of home-based business, creating a new class of commercial enterprise, in order to differentiate these businesses from the more inclusive category of small business.
- Create a new preferred lending category for banks who lend to very small businesses.
- Expand the Federal microenterprise development pilot to provide programs specifically for home-based businesses.
- Incorporate lifelong business and economic education programs into school curricula at the earliest grade levels.

New Orleans - Empowering Women for Entrepreneurship

- Create a revolving community/microenterprise loan fund to provide microcredit and technical assistance to welfare recipients engaged in self-employment.
- Integrate strategies for self-employment and microenterprise development into Federal and state employment, training and economic development programs.
- Reevaluate current welfare policies and proposed reform policies, including time limitations on welfare receipt, for their effectiveness as income supplements for poor women working toward self-employment.

San Francisco - Equity Matters

- Establish targeted tax or regulatory incentives to stimulate equity capital investment in women-led businesses.
- Increase the familiarity with and attractiveness of women-led firms to venture capital markets through a private sector effort.

Seattle - Growing Globally

- Develop a comprehensive marketing plan for the Federal government's Export Assistance Center program and the SBA's Export Technical Assistance Program.
- Develop new export financing and assistance programs targeting the needs of service-based businesses.

LEADERSHIP, ADVOCACY and RESEARCH

- Revitalize the Interagency Committee on Women's Business Enterprise with the appointment of key high-level Federal agency officials.1990 **[Interagency Committee created by statute in 1994.]**

- Secure a centralized clearinghouse for information on women-owned businesses for the purposes of facilitating market research, media access, and

- procurement opportunities and review data collection processes.1990 **[National Foundation for Women Business Owners (NFWBO) created in private sector to address the need for research and statistical analysis.]**

- SBA, in collaboration with Dun & Bradstreet, should conduct a statistically reliable survey of up to 2 million of the top businesses owned by women to find out about their financing, marketing, management experience and needs. 1990 **[NFWBO conducted this study and continues to provide follow up research.]**

- Market existing government programs more effectively so that they are accessible and useful to women entrepreneurs. 1990 **[Interagency Committee has assumed the responsibility for reinventing outreach and marketing programs.]**

- Promote changes to the education system and educational curricula that support entrepreneurship.1991

- Encourage Congress to examine all Federal agency programs to ensure fairer access to capital and procurement for women starting and expanding their own businesses. 1991 **[Government-wide review of Federal agency programs which provide economic, business development and other support for women owned businesses conducted in 1995, report issued in 1996.]**

- Encourage Congress to accept a single definition of women-owned businesses for all Federal usage, including usage of that definition for purposes of data collection in the Census. 1991 **[Congress requested OFPP to conduct review of definitions and certifications for women, minority and small businesses government-wide. Report issued to Congress in 1996.]**

- Create a standard definition of "woman-owned" business for use in the Federal government.1992 **[Legislation passed in 1994, which created definition for Federal procurement purposes.]**

- Require annual data collection on the growth trends of women-owned businesses.1993 **[Census conducted 1994 survey of women owned employer firms to complement the 1992 and 1997 business surveys.]**

- Encourage state and local collection of statistics on women-owned businesses. 1994

- Improve the quality of national economic statistics on women-owned businesses throughout the Federal government. 1994

- Encourage public/private partnerships to address data collection and research on women business owners and establish a national research agenda that identifies the contributions women-owned businesses make to the economy and the obstacles they face.1994 **[NWBC held National Research Agenda on Women's Entrepreneurship in 1995. Report issued in 1996.]**

- Perform a comprehensive economic analysis of the 1992 U.S. Census data. 1995

- Submit to the President and Congress a review of successful public-private sector partnerships fostering women-owned businesses. 1995 **[Resource Guide for Women Entrepreneurs produced by NWBC and IACWBE in 1996.]**

- Publish regular issues of the Partnership newsletter to cement the channels of communication among women business owners and Federal and state government officials. 1995 **[6 issues of partnership newsletter produced, circulation 18,000.]**

- Facilitate the online access of women-owned businesses to procurement, policy and financial information on the Internet. 1995 **[Women's Online Business Center launched in 1998. Each agency of IACWBE has included women's business development outreach information on their web sites.]**

- Sponsor a national outreach effort for women-owned businesses' advocacy organizations to promote outreach and spotlight successes. 1995 **[NWBC hosted Summit'96 which brought together women leaders to create a national economic agenda and is planning Summit'98 to be held October 14-16.]**

ACCESS TO MARKETS

- Simplify procedures related to procurement for women.1990 **[Congress passed the Federal Acquisition Simplification Act in 1994 to simplify and streamline the procurement system.]**

- Encourage Congress to develop initiatives which provide contract financing for minorities and women with the government contracts to be utilized as collateral. 1990

- Encourage Congress to explore incentives, such as tax advantages, to ensure that government contractors include women-owned contractors.1990

- Support legislation to set a women's goal to mandate that all Federal agencies set prime contracting and subcontracting goals and/or request an executive order for increasing public and private procurement opportunities for women owned firms.1990, 1991, 1992, 1993 **[Legislation passed in 1994 to create 5% women's procurement goal.]**

- Encourage Congress to expand the current Department of Defense section 1207 set-aside authority or the Department of Transportation's Disadvantaged Business Enterprise goals to the civilian agencies with respect to prime and subcontracts for women-owned businesses. 1992

- Establish a targeted outreach/contract awards initiative that targets women contractors. 1993 **[In 1997, the Air Force initiated the first targeted outreach program for women-owned manufacturing firms.]**

- Adopt a uniform definition of "woman-owned business" for Federal procurement purposes. 1993

RECOMMENDATIONS OF SUMMIT'96

- Create innovative approaches to financing businesses. 1996
- Encourage investment in entrepreneurial training. 1996
- Promote opportunities/alliances in the global marketplace. 1996
- Increase competitive market opportunities. 1996
- Build technological capacity. 1996
- Promote best practices inside and outside the corporation. 1996
- Construct a foundation of economic literacy for young women. 1996
- Redefine work - create infrastructure that supports the self-employed. 1996

DETAILED SUMMIT'96 RECOMMENDATIONS:

Financing – Effective Approaches to Funding

Identify and fill the gaps in financing available to women-owned and service businesses and create new products (debt, equity, or debt/equity combination products) that will increase access to capital for women entrepreneurs such as:

- Establish secondary markets for the sale of collateralized pools of loans to minority and women-led businesses.
- Encourage the creation of a pilot equity pool to provide capital for start-up and growing businesses using a scoring system similar to those used by banks. We expect the financing instrument to be preferred stock or a mezzanine loan with rights of redemption and minimum return requirements.
- Increase the supply of mezzanine capital for loans from $750,000 to $5 million to established businesses with demonstrated cash flow, specifically targeting pension fund dollars and creating a third asset class.
- Educate and encourage pension funds to increase significantly investments in early stage, mezzanine and later stage/buyouts of minority and women-led businesses.
- Increase the number of banks offering commercial credit to minority and women-led businesses and encourage the revision of Regulation B to require performance evaluation relative to minority and women-led businesses.
- Educate women business owners on their financing options (debt, equity and mezzanine), referrals to technical assistance and sources of capital, and market it widely, especially by linking Internet Web sites.
- Encourage the creation of credit enhancement programs such as risk-sharing and collateral pools in support of minority and women-led nontraditional credits.
- Enhance venture capital funding networks (individuals and institutions) to create a more efficient venture capital marketplace. Increase the amount of institutional and individual venture capital to finance women-owned businesses through better information exchange and more formal investor networking.

Best Practices Inside the Corporation

In recognition that widespread socially responsible business practices contribute greatly to women's economic well-being, all SUMMIT '96 participants commit to educate themselves about the different sets of best practices, performance measures and standards on corporate responsibility and, within one year, have their corporation or women's business organization adopt a formal set of performance measures or standards appropriate for them. Further, ask all

SUMMIT '96 participants commit to encourage their business organizations to schedule programs on these performance measures or standards at their regular conferences, asking participants at these conferences to educate themselves about these sets of performance measures or standards and to set a deadline for themselves to get the appropriate standards adopted by their corporations or organizations.

Best Practices Outside the Corporation

Ask all SUMMIT '96 participants to educate themselves about the different sets of measurement systems on corporate responsibility and, within one year, have their corporation or women's business organization adopt a formal set of standards appropriate for them. Further, ask all SUMMIT '96 participants to encourage their business organizations to schedule programs on these standards at their regular conferences, asking participants at these conferences to educate themselves about these measurement systems and to set a deadline for themselves to get the appropriate measurements adopted by their corporations or organizations.

Technology

Establish a national Women's Business Technology Consortium to develop and pilot mechanisms that will enable women entrepreneurs to use technologies to grow and expand their businesses. The Consortium's focus will include:

- Education and training for women business owners at varying levels of technological awareness, including online tutorials and distance learning.
- Online access to information/resources relevant to business ownership, including international trade.

- Identification and promotion of community access to hardware, software, and Internet resources. Linkage to other organizations to promote technology education for girls and young women, such as the American Association of University Women.

The consortium will be under the guidance of the Small Business Administration's Office of Women's Business Ownership and will include representatives of the National Women's Business Council, technology and international trade experts, associations for women in business, and corporate stakeholders.

Young Women/Entrepreneurial Experience

To serve the economic empowerment and economic education of girls and young women. Identify and promote successful demonstration projects and develop collaborative delivery systems. Introduce appropriate curricula into the schools and develop programs to train classroom teachers in their integration. Support policies that recognize the value of single gender programs for young people.

Redefining Work: "Work and Self Employment"

Using models developed in the United States and internationally, including pilot projects developed in the Department of Labor and the Department of Health and Human Services, craft language that would expand the definition of work in the context of the new economy and ensure that language is incorporated into laws/regulations and corporate policies to encourage self-employment.

- Mobilize the business community to continue to strengthen its support for specific programs or initiatives targeted to women who need training and financing for their businesses, including leveraging existing programs for the best use of limited resources.

- Encourage the business community to support self-employment programs as an option for displaced employees.

Educational/Training Investments

The creation of a trade association representing women's business assistance centers (presently numbering over 100) whose purpose is to strengthen, and accelerate the growth of, women-owned businesses nationally. The primary objectives of the trade association would be to:

- Link public and private partners with the emerging women business owner's market.
- Research and disseminate best practices among member educators and trainers.
- Raise national funding which would then be disseminated to the local level.
- Highlight the impact of these programs on job creation and economic growth.
- Advocate on behalf of women's business assistance centers within the public policy arena.
- Foster the creation of new centers in under-served areas.

Increasing Competitive Opportunities (Procurement)

Form an integrated team to distill buyer/seller best practices, define the operative processes and identify potential process improvements, which could be used short-term. Team members will include women business owners, majority-owned corporations, Federal purchasing agents, women's business advocacy organizations, and women's procurement and certification program executives. This team should explore such existing initiatives as: the rule of one; mentor-protégé; use of electronic commerce; controlled second-tier; and various forms of strategic alliances.

Global Market Opportunities

Develop an online database for women entrepreneurs addressing access to information technology global organizational "best practices", codes of conduct and quality of life indicators from around the world that can be utilized to implement more effective women's economic development programs in the United States and marry them to community development initiatives.

National WOMEN'S BUSINESS Council

NWBC Member Biographies

National Women's Business Council 1998

National WOMEN'S BUSINESS Council

CHAIR

Kay Koplovitz

Founder

USA Networks

Kay Koplovitz is the founder of USA Networks in New York City and has served as its Chairman and Chief Executive Officer since it premiered in 1977 as television's first advertiser-supported basic cable network. Koplovitz was the first female network president in television history, hers was the first network in cable television, and she was the first to negotiate cable rights with the NHL, NBA and Major League Baseball. Under her direction, USA Networks has developed into the largest provider of original programming among basic cable networks. In 1992, Koplovitz launched the Sci-Fi Channel which has become one of the industry's fastest growing networks and now operates channels in Latin America, Europe, Brazil and Southern Africa. Honored repeatedly throughout her career for her entrepreneurial spirit and industry accomplishments, Koplovitz also created the Erase the Hate public affairs initiative, an Emmy Award-winning platform which the United States Senate recently honored by designating April 30 National Erase the Hate and Eliminate Racism Day. Koplovitz was selected by President Bill Clinton to serve as the Chair of the National Women's Business Council.

THE INDIVIDUALS

Dr. Sandra Christenson

President

Heartland Paper Company

Dr. Sandra Christenson is President of Heartland Paper Company in Sioux Falls, South Dakota. Heartland Paper Company is a family owned wholesaler of printing paper, packaging supplies, food service disposables, maintenance supplies, dilution control systems and janitorial equipment. First founded in 1908, Christenson assumed the presidency of Heartland Paper Company, a family owned business, in 1989. Born and raised in Sioux Falls, Christenson has been a prominent member of the South Dakota business community for 20 years. She has also been an active member of her industry and community serving on the advisory boards of the National School Supply Association, the National Paper Trades Association, the United Way and South Dakotans for the Arts.

Michelle Esswein

President

Unique Design Products

Michelle Esswein is President of Unique Design Products in St. Louis, Missouri. Unique Design Products is a full-service marketing, promotion and consulting company. Esswein represents the growing movement in America of entrepreneurs starting home-based businesses. She is the host of a one-hour weekly radio call-in program that profiles different companies each week and offers expert advice on issues of interest to small and mid-sized companies. Esswein was awarded the 1997 SBA Young Entrepreneur – Special Recognition Award. She is a board member of the Regional Commerce and Growth Association and serves on the boards of numerous community and business organizations.

Aurora Flores

President and Creative Director

Aurora Communications

Aurora Flores is President and Creative Director of Aurora Communications in New York City, New York. Aurora Communications showcases ethnic issues and interests through both mainstream and ethnic media outlets. In Aurora Communications' eleven year history, Flores has had numerous successes including publicizing and promoting the growth of Hispanic-owned and mainstream businesses. Her clients include more than Hispanic-owned businesses -- the Hispanic Chamber of Commerce and Fortune 500 companies such as McDonald's and Kraft Foods. Flores is a well-published journalist with 5,000 articles featured in such publications as the New York Times, New York Daily News, Village Voice, Nuestro Magazine and Ms. Magazine. Long active in community activities, Flores currently serves as an executive board member of the Latino Coalition for Fair Media, the YMCA and the SBA's National Advisory Council.

Antoinette Ford

President and CEO

Telspan International, Inc.

Antoinette Ford is President and CEO of Telspan International, Inc. based in Landover, Maryland and Deer Park, New York. Telspan International is in the business of providing electronic products and services to the transportation industry, primarily passenger rail. Ford founded the company in 1986 and has since seen her company's major product placed in the New York transportation museum as an example of an intelligent transportation system application. Ford serves on the Maryland Department of Business and Economic Development Advisory Committee and the Intelligent Transportation Society of America Board of Directors. Ms. Ford credits the strength of her company to the diversity of its workforce.

Millie Hernandez-Becker

President and CEO

Westchester Air, Inc.

Millie Hernandez-Becker is President and CEO of Westchester Air, Inc. in White Plains, NY. Westchester Air is an FAA air charter company. Her career in the airline industry has spanned almost twenty years beginning with her role in the start up of a new air carrier, New York Air. Hernandez-Becker has appeared before Congressional committees as a witness on issues affecting women business owners. She serves as a member of the National Business Aircraft Association, the National Air Transportation Association and the Westchester County Hispanic Chamber of Commerce. In 1995, she received the New York State Puerto Rican/Hispanic Task Force's Businesswomen of the Year Award in and was presented a Certificate of Merit by New York Governor George Pataki.

Joanna Lau

President

LAU Technologies

Joanna Lau is President of LAU Technologies in Littleton, Massachusetts. LAU Technologies is a full-service technology company offering engineering, manufacturing, software development and systems integration services to military and commercial customers. Her operations and strategic skills have been credited with increasing sales of the company from $7 million to $70 million in 7 years and earned her the National Turnaround Entrepreneur of the year award sponsored by Inc. Magazine and Ernst & Young LLP. Born in Hong Kong, Lau immigrated to the United States in 1976. Her professional experiences range from commercial to military system design and manufacturing operations. She founded her company in 1990 and after eight years of operation, LAU Technologies employs approximately over 200 people and earned the Contractor Excellence Award from the U.S. Army for its dedication and hard work during Operation Desert Storm. Lau herself has received numerous business awards recognizing her success including the 1993 First Annual Leadership Award to Women in Business from the New England Council and the 1997 Boston Chamber of Commerce Pinnacle Award for Achievement in business. Lau is a member of the Board of Directors of Concord-Assabet Family and Adolescent Services, the Kennedy Library Foundation, and the Massachusetts Taxpayers Foundation, among others. She is also a member of the International Women's Forum, the Committee of 200 and the Young President's Organization.

Sharon Madison Polk

CEO

Madison Madison International, Inc.

Sharon Madison Polk, CEO of Madison Madison International, Inc.(MMI) an engineering, architectural and planning firm, is a third generation president of this family-owned business founded in 1947 by her grandfather. She joined the business in 1978 and held several positions until becoming President in 1987 and sole stockholder in 1988. Its affiliate, M2 International, a program and construction management firm headed by Polk, currently manages over 3 billion dollars of construction programs. Headquartered in Detroit, Michigan, both companies have offices in Cleveland, Ohio and St. Louis, Missouri. Polk has been identified as one of the "Top Ten to Watch" and highlighted as one of the most successful "African Americans in the Construction Industry." She was a delegate to the White House Conference on Small Business and received Michigan's Top 25 Women Business Owners of Distinction Awards in 1994 and 1996. Polk serves on the boards of the Detroit Economic Growth Corporation and the Henry Ford Hospital Detroit Campus, among others. She is a member of the Greater Detroit Chamber of Commerce, the Conference of Minority Transportation Officials, the American Public Transit Association, and a graduate of Leadership Detroit.

Carolyn Stradley

President and Founder

C&S Paving

Carolyn Stradley is President and Founder of C&S Paving in Marietta, Georgia. As both U.S. Senators from Georgia have stated Stradley "personifies the American dream of success and entrepreneurship." She began her business twenty years ago with a pick-up truck and rented tools because she "could make more money doing a man's job." Today, she runs one of Georgia's most successful construction companies and won the contract to pave the Olympic running track for the 1996 Centennial Olympics held in Atlanta. Stradley has been the recipient of numerous honors including the City of Hope's prestigious "Spirit of Life" Award for her support of breast cancer research. Her other awards include Entrepreneur of the Year, by Ernst & Young/Merrill Lynch/Inc. Magazine; and Avon's Women of Enterprise. A nationally recognized motivational speaker, Stradley co-chaired Transportation 2000 for the state of Georgia and was instrumental in founding the Georgia Women's Business Initiative which serves as a resource to women entrepreneurs in her home state. She is an active member and past President of Women Construction Owners and Executives.

ORGANIZATIONS

Agnes Noonan

Designee

ASSOCIATION OF WOMEN'S BUSINESS CENTERS

The Association of Women's Business Centers (AWBC) represents the interests of the over 100 non-profit women's business assistance centers throughout the United States. Its mission is to develop and strengthen women's business centers and foster the growth and success of women business owners. The AWBC focuses on 4 key activities: advocacy, development of funding sources, facilitation of information exchange, and research. AWBC will be represented by Agnes Noonan, Executive Director of the Women's Economic Self-Sufficiency Team (WESST Corp) a women's business center headquartered in Albuquerque, New Mexico.

Gail Shaffer

Executive Director

BUSINESS AND PROFESSIONAL WOMEN/USA

Founded in 1919, Business and Professional Women/USA (BPW/USA) is the oldest national organization representing businesswomen and women entrepreneurs. For nearly 80 years, BPW/USA has worked to ensure that women have the opportunity to compete in the marketplace and make their contribution to the economy. With over 70,000 members from all fifty states, the District of Columbia, Puerto Rico and the Virgin Islands – a third of whom are business owners – BPW/USA monitors policy at the federal, state and local levels of government which affects business women. For over 20 years, BPW has been the leading sponsor of National Business Women's Week designated every year during the third full week of October. BPW's foundation, founded in 1956, collects, conducts and analyzes research on issues affecting women in the workforce while providing financial assistance for women to further their education. Their scholarship fund has awarded more than $5 million in scholarships and fellowships to nearly 8,000 women nationwide. BPW/USA's Executive Director, Gail Shaffer, is the representative on the Council.

Elisa Sanchez

Executive Director

MANA, A National Latina Organization

MANA is a national pan Latina membership organization dedicated to improving the economic lives of all Latinas and their families, as well as creating community leaders with a commitment to challenging barriers and creating opportunities. This dynamic national network, headquartered in Washington, D.C., represents the interests of the almost 400,000 businesses owned by Latinas, employing over 650,000 workers and generating $67.3 billion in sales. In the last decade the growth in firms owned by Latinas has increased by over 200%. MANA's President and CEO, Elisa Sanchez is the representative on the Council.

Phyllis Hill Slater

Immediate Past President

NATIONAL ASSOCIATION OF WOMEN BUSINESS OWNERS (NAWBO)

The National Association of Women Business Owners (NAWBO) with its 7,500 members, 76 chapters and international affiliate, Les Femmes Chefs d'Entreprises Mondiales, with members in 33 countries, propels women entrepreneurs into economic, social, and political spheres of power worldwide. Its mission is to strengthen the wealth-creating capacity of its members and promote economic development; create innovative and effective changes in the business culture; build strategic alliances, coalitions and affiliations; and transform public policy and influence opinion makers. NAWBO and its members have been active participants in local, state and federal advocacy initiatives on behalf of small business including the 1982, 1986 and 1995 White House Conferences on Small Business. NAWBO's affiliate organizations are, the National Foundation for Women Business Owners which has been recognized as the premier source of information and research on women business owners and their enterprises worldwide, and the National Women Business Owners Corporation a national organization which pioneers initiatives to enhance competition by women business owners for corporate and government contracts. Phyllis Hill Slater, NAWBO's Immediate Past President and President of Hill Slater Inc., is the representative on the Council.

Dr. Jane Smith

President and CEO

NATIONAL COUNCIL OF NEGRO WOMEN, INC. (NCNW)

The National Council of Negro Women is a well-respected national women's advocacy organization with 34 national affiliates and 250 community-based sections with an outreach to over 4 million women. The NCNW has been at the forefront of promoting women in business since its inception in 1935. The NCNW conducts workshops and has developed training programs for minority women to foster successful business ownership. The NCNW fulfills its mission through research, advocacy, national and community based services and programs. The NCNW's President and CEO, Dr. Jane Elaine Smith is the representative on the Council.

Lindsey Johnson Suddarth

CEO

WOMEN INCORPORATED

Women Incorporated (WI) is a national nonprofit membership organization whose goal is to improve the business environment for women. WI aggregates the enormous power of women business owners and turns it into market share. One of WI's most unique tools is the National Financial Network, designed to improve women business owners' access to capital whether they operate from the spare room or the board room. WI has expanded its reach and advocacy on behalf of its members through alliances with women's organizations in every state and through collaborative relationships with major corporate and business entities interested in supporting women's business enterprises. Lindsey Johnson Suddarth, CEO of WI, is the representative on the Council.

National WOMEN'S BUSINESS Council

Acknowledgments

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The National Foundation for Women Business Owners has been the number one source for research and information on women business owners. Their support of the work of the Council and the information in the survey that they provided for this report are invaluable.

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