

**Women-Owned Firms  
in Federal Procurement:  
A Comparative Analysis**

**NFWBO**

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Prepared for  
The National Women's Business Council

Prepared by  
The National Foundation  
for Women Business Owners

April, 1999  
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## Table of Contents

|  |    |
|--|----|
| Introduction .....   | 1  |
| Executive Summary .....  | 2  |
| Women-Owned Firms in Federal Procurement .....                           | 5  |
| The Leading Female Federal Contractors .....                             | 6  |
| A Comparative Analysis of Women-Owned Firms in Federal Procurement ..... | 7  |
| <i>Geographic Location</i> .....   | 7  |
| <i>Industry Distribution</i> .....                                       | 10 |
| <i>Other Firm Characteristics</i> .....                                  | 12 |
| Conclusions and Recommendations .....                                    | 16 |
| Summary of Data Sources .....  | 18 |

## Introduction

In its 1998 annual report to Congress, the National Women's Business Council (NWBC) reported on a statistical study it had undertaken concerning women-owned firms in Federal contracting. This analysis showed that the participation of women-owned firms in Federal contracting had grown from \$3.2 billion in fiscal year 1987 to \$5.2 billion in 1997. In FY1997, some 5,722 women-owned businesses were involved in 446,332 prime contract actions amounting to \$3.3 billion. Another \$2.3 billion was awarded to women-owned enterprises in subcontract actions.

During the course of that study, the NWBC obtained some detailed information on many of the individual contract actions performed by women-owned firms in 1997, including the amount of awards, the industry category of the awards, and the location of the businesses. This report is an analysis of that ground-breaking new database. It is hoped that this first-ever, in-depth review of the characteristics of women-owned firms in Federal contracting — and a comparison of those characteristics with those of all women-owned firms — will enable public policy makers, government procurement officials, women business owners themselves, and other interested parties to gain a greater understanding of the tenacious women entrepreneurs who are providing over \$5 billion in products and services to Federal government agencies. This knowledge may be used by public policy makers to develop more effective policies governing Federal procurement, by service providers to develop programs to better reach these women and to encourage other women-owned firms to become involved in selling their products and services to Federal government agencies.

## Executive Summary

In fiscal year 1997, women-owned businesses comprised 8.3% of Federal prime contractors. These businesses were involved in 4.1% of the prime contract actions, and received 2.1% of Federal prime contract awards.



The top 20 women-owned prime Federal contractors received over \$519 million in contract awards in FY1997 — 15% of the awards summarized in the database. The products and services they provided to Federal agencies ranged from building maintenance and data processing to construction and computer-related services, including guidance systems research.



When comparing the distribution of women-owned Federal contractors with the distribution of all women-owned businesses in the U.S., the following states are found to be more likely than average to be home to women-owned Federal contractors: Virginia, Maryland, District of Columbia, Alabama, Alaska, New Mexico, Oregon, Hawaii, and Idaho. Conversely, these states are under-represented in terms of the share of women-owned Federal contractors compared to the distribution of all women-owned firms: New York, Michigan, Illinois, Indiana, Ohio, Pennsylvania, Minnesota, Wisconsin, Texas, Nebraska, Missouri, and Iowa.



Contract dollars are flowing in a geographically disproportionate manner as well. Women-owned federal contractors in the following states were awarded, on average, over \$1 million per firm in fiscal year 1997, well above the \$700,000 average contract award: Pennsylvania, Maryland, Alabama, Oklahoma, District of Columbia, Texas, and Virginia. The states with the

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lowest average awards, receiving less than \$250,000, were: Vermont, Iowa, Rhode Island, Arkansas, Maine, West Virginia, and Washington.



Federal purchases are most likely to be in the areas of durable manufactured goods, engineering/management services or construction. Two-thirds of all awards in FY1997 were made in those three industry categories. Not surprisingly, then, women who were awarded contracts in the industries of construction, durable manufacturing and engineering/management services were those most likely to be engaged in Federal contracting. At the other end of the spectrum, women who provided retail trade and personal services were the least likely to be awarded Federal contracts in FY1997.



Looking at the 'market penetration' of women-owned firms by industry finds that 24% of the Federal prime contract awards in the retail trade industry were made to women-owned firms, as were 12.5% of the personal services contract awards. At the other end of the spectrum, women-owned firms were awarded only 0.5% of the awards in mining, and just 0.6% in durable manufacturing. In just four industries — retail trade (24%), personal services (12.5%), agriculture/forestry (9.5%), and business services (5%) — was the share of contract awards going to women-owned firms significantly higher than the 2.1% average for awards in all industries.



Women-owned firms that are involved in Federal procurement have a similar age profile as all women-owned firms in the U.S. One in five (20%) of Federal contractors had been in business for 20 years or more, as had 19% of all women-owned firms.



Although their companies have been in business for a similar period of time, women-owned Federal contractors own much more substantial enterprises than the typical woman-owned firm. The average number of employees in women-owned Federal contractor firms was 52.2, compared to 2.3 among all full-time women-owned firms. The average annual revenues of women-owned Federal contractors were \$5.3 million, compared to under \$300,000 for all full-time women-owned businesses. Thus, women-owned firms that are involved in Federal procurement have, on average, 1,742% higher sales and employ 23 times more employees than the average woman-owned firm.



The economic impact that involvement in Federal procurement may provide is highest for women-owned firms in the finance/insurance/real estate (FIRE) or services sectors. The women-owned businesses that provide those services to the federal government are significantly larger in terms of both employment and sales than women-owned firms in general in those industries. Women-owned Federal prime contractors in FIRE average \$4.5 million in sales and employ 109 people on average, compared to \$387,000 in sales and an average 2 employees for all women-owned firms in the sector. For women-owned firms in services, sales and employment are 6,181% and 4,702% larger, respectively, compared to all women-owned firms in the sector. Even in industries where the impact is lowest (manufacturing and wholesale trade), women-owned firms involved in Federal procurement show 100% to 500% higher sales and employment than the averages for women-owned firms in those industries.



## Women-Owned Firms in Federal Procurement

According to Federal government procurement records, in fiscal year 1997, a total of 68,838 companies were awarded prime contracts — meaning contracts directly between a government agency and that enterprise, not involving an intermediary company or award. These “prime contractors” were involved in a total of 10.8 million separate contract actions amounting to \$157 billion.

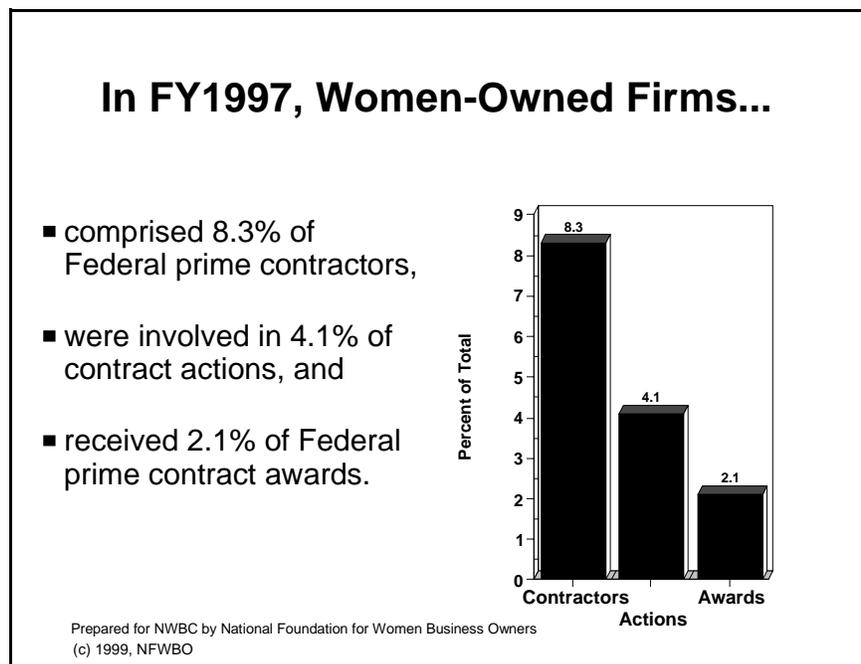
Counted among these companies were 5,722 women-owned firms. These businesses were involved in 446,332 separate contract actions amounting to \$3.3 billion. In fiscal year 1997, women-owned businesses

comprised 8.3% of Federal prime contractors.

These businesses were involved in 4.1% of the prime contract actions, and received 2.1% of Federal prime contract awards.

Who are these women-owned firms? How do the characteristics of these businesses compare with the characteristics of all

8.5 million women-owned businesses in the country? This analysis will answer those questions.



## The Leading Female Federal Contractors

Who are the leading women-owned prime Federal contractors? The top 20 women-owned prime contractors in the NWBC database received over \$519 million in contract awards in FY1997 — 15% of the total awards summarized in the database. The products and services they provided to Federal agencies ranged from building maintenance and data processing to construction and computer-related services, including guidance systems research. Here is a summary of the leading women-owned Federal contractors in fiscal year 1997.

| Top 20 Women-Owned Federal Contractors in FY1997 |       |   |             |                              |
|--|-------|---|-------------|------------------------------|
| Name of Company                                  | State | Nature of Procured Products/Services                    | # of Awards | Total Awards, FY1997 (\$000) |
| I-Net, Inc.*                                     | MD    | info. systems management                                | 41          | \$87,220                     |
| Mevatec Corporation                              | AL    | commercial physical research                            | 12          | 40,720                       |
| Sytel, Inc.                                      | MD    | computer software, programming                          | 13          | 34,281                       |
| Presidio Corporation                             | MD    | computer-related services                               | 16          | 32,556                       |
| Research Analysis and Maintenance                | TX    | computer-related services                               | 4           | 30,452                       |
| Furniture by Thurston, Inc.                      | CA    | draperies, furniture                                    | 7           | 26,696                       |
| R&D Maintenance Services                         | OK    | facilities support services                             | 6           | 24,605                       |
| JW Holding Group & Associates*                   | IN    | food, groceries   | 5           | 23,070                       |
| Alexanders Moving and Storage                    | MD    | warehousing   | 5           | 21,691                       |
| Computer Systems Technology                      | AL    | commercial physical research, computer-related services | 14          | 21,388                       |
| Dynamac Corporation                              | MD    | data processing, business services                      | 9           | 20,129                       |
| Aliron International                             | DC    | health services   | 7           | 19,739                       |
| Pat Mathis Construction Co                       | GA    | construction  | 4           | 19,317                       |
| Business Control Systems                         | TX    | computer programming                                    | 3           | 18,120                       |
| Arist Corporation*                               | VA    | computer, mgmnt services                                | 13          | 17,293                       |

| Top 20 Women-Owned Federal Contractors in FY1997 |       |                                       |             |                              |
|--|-------|---------------------------------------|-------------|------------------------------|
| Name of Company                                  | State | Nature of Procured Products/Services  | # of Awards | Total Awards, FY1997 (\$000) |
| Infopro, Inc                                     | MD    | computer-related services             | 6           | 17,026                       |
| LB&B Associates, Inc.                            | MD    | testing, electronics, data processing | 25          | 17,017                       |
| Choice Construction Co, Inc.                     | OH    | street, utility construction          | 6           | 16,798                       |
| Fuentez Systems Concepts                         | SC    | engineering services                  | 4           | 15,849                       |
| Advanced Management Technology                   | DC    | engineering, management services      | 4           | 15,187                       |

\* No longer woman-owned, but was in FY1997.

It should be noted that the database provided by Eagle Eye Publishers, like any other large database, has its shortcomings. When verifying the top businesses in the database, it was discovered that three are no longer woman-owned. In addition, four of those called had never been woman-owned (and are thus not listed above), and seven could not be reached by telephone (phone disconnected or no answer). Nonetheless, the vast majority of those called for verification are now, and were in 1997, independently operated, women-owned businesses.

## A Comparative Analysis of Women-Owned Firms in Federal Procurement

### *Geographic Location*

Women-owned firms involved in Federal procurement, like all women-owned firms, are located in every state in the country. However, women-owned firms involved in Federal procurement have a much different geographic distribution than the total population of women-owned firms.

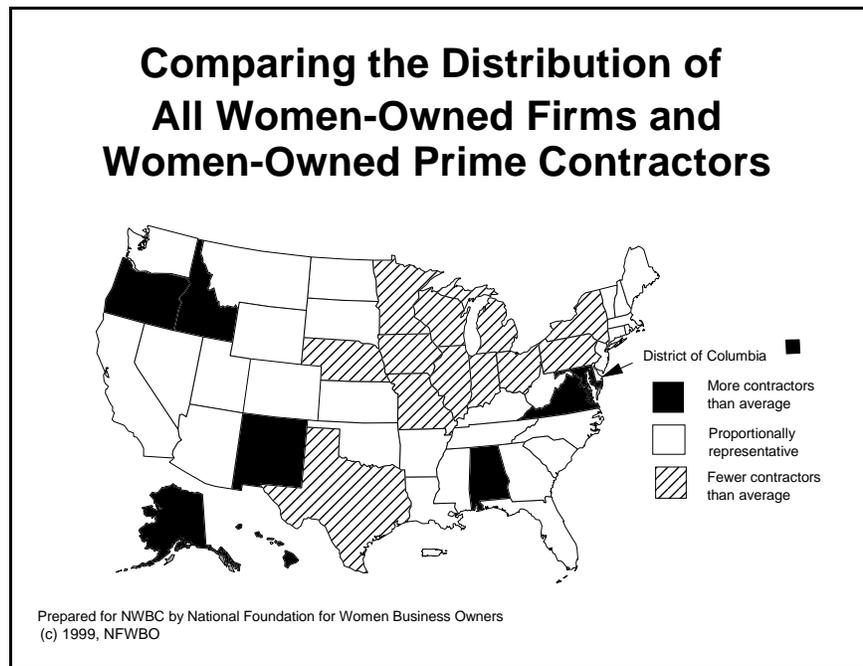
Overall, half of women-owned businesses are located in the nine most populous states: California, Texas, New York, Florida, Illinois, Ohio, Pennsylvania, Michigan, and New Jersey. Yet, half of the women-owned prime Federal contractors listed in the NWBC database are located in these eight states: California, Virginia, Maryland, Texas, Florida, New York, Georgia,

and Illinois.<sup>1</sup> Comparing the distribution of women-owned Federal contractors with the distribution of all women-owned businesses in the U.S. finds that the following states are more likely than average to be home to women-owned Federal contractors:

- Virginia
- Maryland
- District of Columbia
- Alabama
- Alaska
- New Mexico
- Oregon
- Hawaii
- Idaho

Conversely, these states are under-represented in terms of the share of women-owned Federal contractors compared to the distribution of all women-owned firms:

- New York
- Michigan
- Illinois
- Indiana
- Ohio
- Pennsylvania
- Minnesota
- Wisconsin
- Texas
- Nebraska
- Missouri
- Iowa



Not only are some states home to a greater share of women-owned Federal contractors than average, contract dollars are flowing in a disproportionate manner as well. The chart below

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<sup>1</sup> It is important to note that the geographic distribution of Federal contractors refers their headquarters' locations, not the states in which they won awards or performed services.



owned firms in the Midwest, especially the Great Lakes states, are located in the region most apt to have missed out on Federal government procurement opportunities in FY1997.

**Industry Distribution**

Not only are women-owned firms located in certain states more likely to have been involved in Federal contracting, so, too, were women-owned firms in certain industries.<sup>2</sup> Two-thirds of

prime Federal contract purchases in FY1997 were for durable products, engineering/ management services, or construction.

It is thus not surprising to find that, when comparing the distribution of all women-owned businesses by industry with the distribution of women-owned Federal contractors in the NWBC database, women who

won awards in

construction, durable manufacturing and engineering/management services were those most likely to be engaged in Federal contracting. At the other end of the spectrum, women who provided retail trade and personal services to agencies were the least likely to be engaged in Federal procurement in FY1997.

When looking at the distribution of the level of Federal contract awards by industry, though, it is the women-owned firms who provided retail trade services and non-durable manufactured products that received the largest awards in FY1997 (see chart on page 11). One hundred and

**Prime Contractors Most Likely to be in Construction, Durable Manufacturing**

| Industry              | All Women-Owned Firms* | Prime Contractors | Difference |
|-----------------------|------------------------|-------------------|------------|
| Agriculture/Forestry  | 1.40%                  | 2.3%              | 0.90       |
| Mining                | 0.63                   | 0.3               | -0.33      |
| Construction          | 3.12                   | 21.0              | 17.88      |
| Non-Dur Manufacturing | 1.56                   | 3.5               | 1.94       |
| Durable Manufacturing | 1.03                   | 17.7              | 16.67      |
| TCPU                  | 2.40                   | 3.6               | 1.20       |
| Wholesale Trade       | 2.62                   | 4.4               | 1.78       |
| Retail Trade          | 18.57                  | 0.9               | -17.67     |
| FIRE                  | 10.24                  | 1.8               | -8.44      |
| Business Services     | 13.59                  | 13.3              | -0.29      |
| Personal Services     | 11.12                  | 0.6               | -10.60     |
| Health services       | 5.52                   | 8.5               | 2.98       |
| Educational services  | 2.22                   | 1.2               | -1.02      |
| Social services       | 7.25                   | 1.4               | -5.85      |
| Engineering/Mgmt svcs | 6.75                   | 12.8              | 6.05       |
| All other             | 11.94                  | 6.6               | -5.34      |
| TOTAL                 | 100%                   | 100%              |            |

Prepared for NWBC by National Foundation for Women Business Owners \*1992 US Census data, no C Corps. included.  
 (c) 1999, NFWBO; Note: TCPU=Transportation, Communications, Pub. Utilities, FIRE=Finance, Insurance, Real Estate

<sup>2</sup> Note that with respect to procurement, industry refers to the type of services performed, not necessarily the primary SIC code of the business.

seventy-six (176) women-owned firms in non-durable manufacturing won a total of \$322 million in Federal contract awards in FY1997, for an average of \$1.8 million per firm. Forty-seven (47) women-owned retail trade businesses listed in the NWBC database won just under \$137 million in Federal contracts, for an average of \$2.9 million per firm.

### Retail Trade, N-D Manufacturing, Engin/Mgmt Services Receive Largest Average Awards

| Industry                  | # Companies  | Total Amount         | Avg. Amount      | Above/Below Avg. |
|---------------------------|--------------|----------------------|------------------|------------------|
| Agriculture/Forestry      | 112          | \$29,037,000         | \$259,260        | --               |
| Mining                    | 13           | 10,672,000           | 820,920          | +                |
| Construction              | 1,045        | 572,942,000          | 548,270          | 0                |
| Non-Durable Manufacturing | 176          | 322,344,000          | 1,831,500        | ++               |
| Durable Manufacturing     | 881          | 360,089,000          | 408,730          | -                |
| TCPU                      | 180          | 135,844,000          | 754,690          | 0                |
| Wholesale Trade           | 218          | 178,674,000          | 819,610          | +                |
| Retail Trade              | 47           | 136,675,000          | 2,907,980        | ++               |
| FIRE                      | 90           | 31,874,000           | 354,160          | --               |
| Business Services         | 663          | 604,451,000          | 911,690          | +                |
| Personal Services         | 31           | 12,157,000           | 392,160          | --               |
| Health Services           | 424          | 96,147,000           | 226,760          | --               |
| Educational Services      | 58           | 16,336,000           | 281,660          | --               |
| Social Services           | 69           | 9,462,000            | 137,160          | --               |
| Engineering/Mgmt svcs     | 635          | 859,698,000          | 1,353,860        | ++               |
| All other                 | 317          | 123,953,000          | 379,061          | --               |
| <b>TOTAL</b>              | <b>4,969</b> | <b>\$3.5 Billion</b> | <b>\$704,439</b> |                  |

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 (c) 1999, NFWBO; Note: TCPU=Transportation, Communications, Pub. Utilities, FIRE=Finance, Insurance, Real Estate

The lowest amounts awarded to women-owned businesses went to firms in the social services, personal services, and educational services industries. The 158 women-owned firms in the NWBC database that were in these industries were awarded \$38 million — just 1% of the dollars awarded in FY1997.

Earlier, it was pointed out that just 2.1% of Federal prime contracts were awarded to women-owned

### Women-Owned Firms Garner Largest Share of Awards in Retail Trade, Smallest in Mining, Durable Manufacturing

| Industry                  | All Firms            | Women-Owned          | % Share Women-Owned |
|---------------------------|----------------------|----------------------|---------------------|
| Agriculture/Forestry      | \$304,729,000        | \$29,037,000         | 9.5%                |
| Mining                    | 2,009,413,000        | 10,672,000           | 0.5                 |
| Construction              | 15,167,231,000       | 572,942,000          | 3.8                 |
| Non-Durable Manufacturing | 8,840,382,000        | 322,344,000          | 3.6                 |
| Durable Manufacturing     | 63,807,396,000       | 360,089,000          | 0.6                 |
| TCPU                      | 10,660,533,000       | 135,844,000          | 1.3                 |
| Wholesale Trade           | 4,193,158,000        | 178,674,000          | 4.3                 |
| Retail Trade              | 569,805,000          | 136,675,000          | 24.0                |
| FIRE                      | 2,231,148,000        | 31,874,000           | 1.4                 |
| Business Services         | 12,028,566,000       | 604,451,000          | 5.0                 |
| Personal Services         | 97,426,000           | 12,157,000           | 12.5                |
| Health Services           | 3,588,700,000        | 96,147,000           | 2.7                 |
| Educational Services      | 1,679,049,000        | 16,336,000           | 1.0                 |
| Social Services           | 465,671,000          | 9,462,000            | 2.0                 |
| Engineering/Mgmt svcs     | 45,510,841,000       | 859,698,000          | 1.9                 |
| All other                 | 7,793,087,000        | 123,953,000          | 1.6                 |
| <b>TOTAL</b>              | <b>\$157 Billion</b> | <b>\$3.5 Billion</b> | <b>2.1%</b>         |

Prepared for NWBC by National Foundation for Women Business Owners  
 (c) 1999, NFWBO; Note: TCPU=Transportation, Communications, Pub. Utilities, FIRE=Finance, Insurance, Real Estate

firms. What about the share of awards to women-owned firms by industry? An industry analysis of all Federal prime contract awards with those awarded to women-owned firms shows that 24% of the Federal prime contract awards in the retail trade industry were made to women-owned firms, as were 12.5% of the personal services contract awards. (See chart on page 11.) At the other end of the spectrum, women-owned firms were awarded only 0.5% of the awards in mining, and just 0.6% in durable manufacturing. In just four industries — retail trade (24%), personal services (12.5%), agriculture/forestry (9.5%), and business services (5%) — was the share of contract awards going to women-owned firms significantly higher than the 2.1% average for awards in all industries.

### *Other Firm Characteristics*

Additional information received from a Duns number<sup>3</sup> matching of the NWBC database allows further analysis of three additional demographic characteristics — the age of the business, annual revenues, and total employment. Again, the distribution of these characteristics among women-owned Federal contractors is compared with the distribution among all women-owned firms.<sup>4</sup>

Age of Firm: Women-owned firms that are involved in Federal procurement have a similar age profile as all women-owned firms in the U.S. Among the firms in the NWBC database, 14% had been in business for less than five years, 28% for five to nine years, 38% had been in business for 10 to 19 years, and 20% were in business for 20 years or more. When looking at all commercially active women-owned businesses<sup>5</sup>, a similar 19% have been in business for 20 or more years, though a larger 26% have been in business for less than five years.

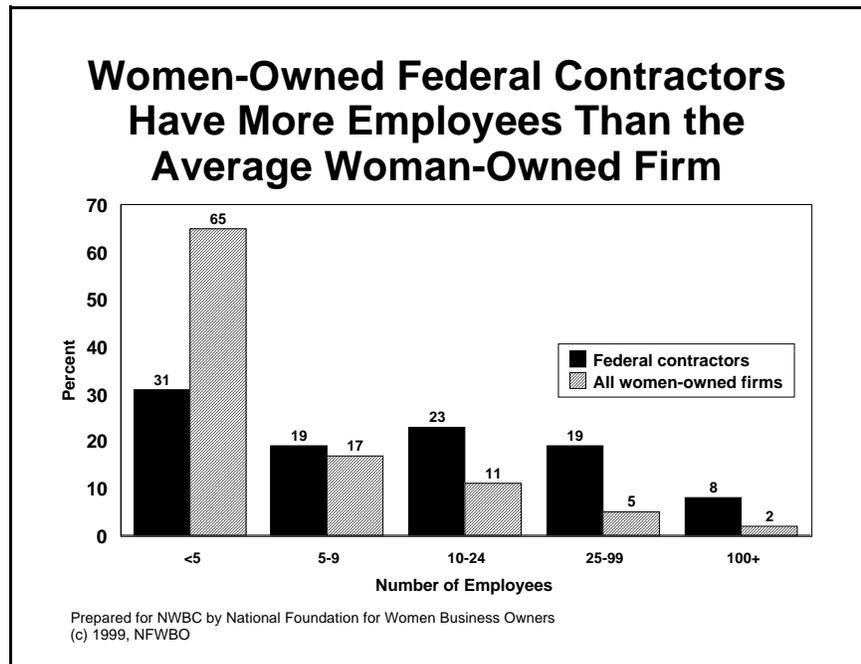
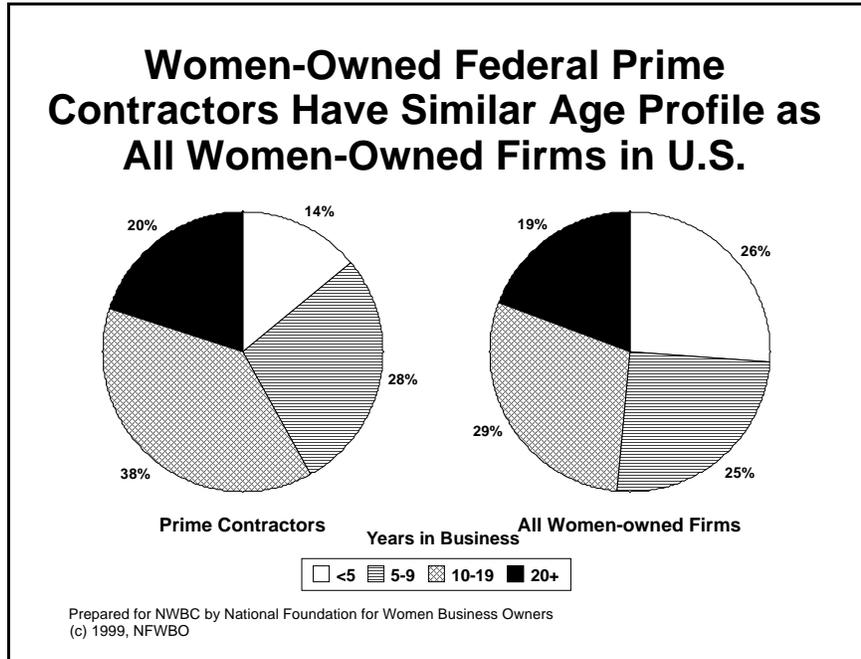
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<sup>3</sup> A Duns number is a unique business identification code developed by Dun & Bradstreet. It is used both in business and government.

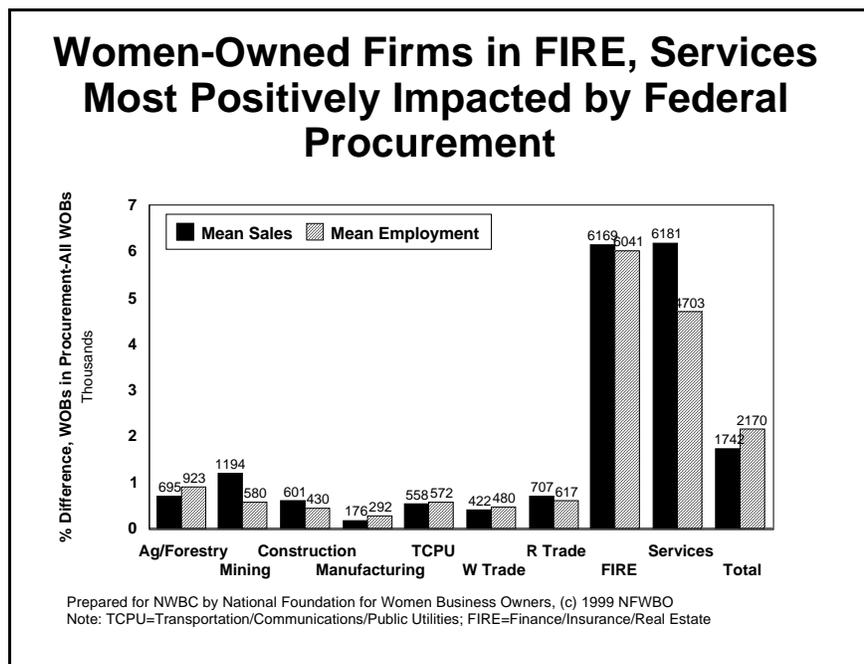
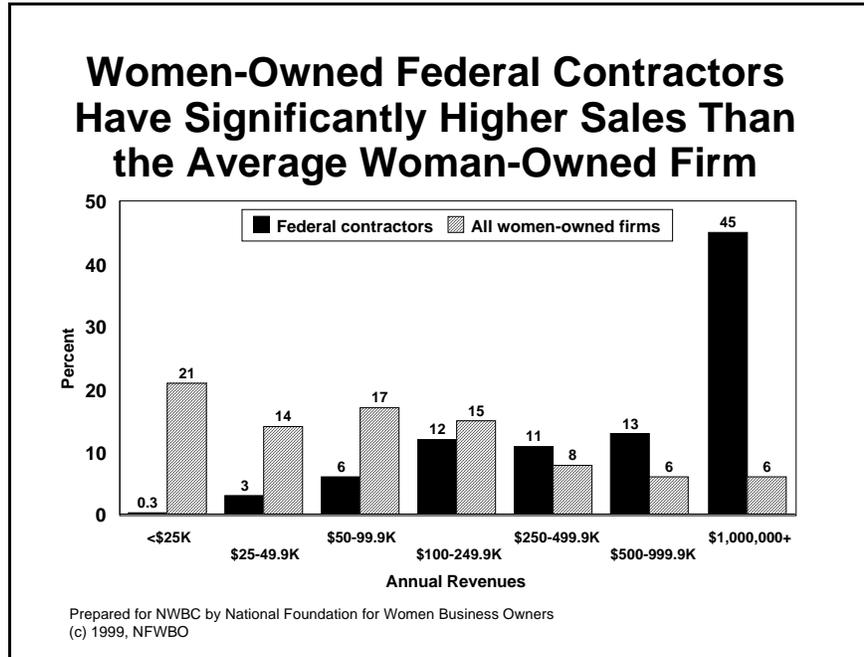
<sup>4</sup> The latter is derived from a nationally-representative survey which was conducted by NFWBO in the summer of 1998 among 800 women business owners.

<sup>5</sup> The 1998 NFWBO survey used names from Dun & Bradstreet's Dun's Market Identifier file as the sampling frame. These businesses in this file are likely to be full-time, commercially active firms.

Employment: Women-owned firms involved in Federal procurement are likely to employ more workers than the average woman-owned firm. Over one-quarter (27%) of women-owned Federal contractors have 25 or more employees, compared to 7% of all women-owned firms. And, while one-third (31%) of Federal contractors have fewer than 5 employees, fully two-thirds (65%) of all women-owned firms are found in this size category. Average employment among the women-owned Federal contractors in the NWBC database was 52.2. Among all women-owned firms in the NFWBO comparative sample, it was 12.5, and among all U.S. women-owned firms, average employment is 2.3 employees per firm.



Revenues: Even more striking than the difference in employment is the difference in revenues between women-owned Federal contractors and all women-owned firms. The median revenues of the average woman-owned firm are just under \$300,000<sup>6</sup>; among all women-owned Federal contractors in the NWBC database, median revenue was \$5.3 million. Just 6% of women-owned firms in the NFWBO sample of all women-owned firms had revenues in excess of \$1 million, compared to 45% of the women-owned Federal contractors in the NWBC database. Conversely, 35% of all women-owned firms had revenues of less than \$50,000, compared to just 3% of the women-owned Federal contractors.



<sup>6</sup> Based on NFWBO estimates using data from the U.S. Bureau of the Census.

The economic impact that involvement in Federal procurement may provide is highest for women-owned firms in the finance/insurance/real estate (FIRE) or services sectors. The women-owned businesses that provide those services to the federal government are significantly larger in terms of both employment and sales than women-owned firms in general. (See table on next page for detailed information by industry.) Women-owned Federal prime contractors in FIRE average \$4.5 million in sales and employ 109 people on average, compared to \$387,000 in sales and an average 2 employees for all women-owned firms in the sector. For women-owned firms in services, sales and employment are 6,181% and 4,702% larger, respectively, compared to all women-owned firms in services. Even in industries where the impact is lowest (manufacturing and wholesale trade), women-owned firms involved in Federal procurement show 100% to 500% higher sales and employment than the averages for women-owned firms in those industries.

| <b>Comparison of Mean Sales and Employment by Industry:<br/>All Women-Owned Firms and Those Engaged in Federal Procurement</b> |                              |                                  |                     |                        |                                  |                     |
|--|------------------------------|----------------------------------|---------------------|------------------------|----------------------------------|---------------------|
| <b>Industry</b>  | <b>Mean Revenues (\$000)</b> |                                  |                     | <b>Mean Employment</b> |                                  |                     |
|  | <b>All WOBs</b>              | <b>Prime Federal Contractors</b> | <b>% Difference</b> | <b>All WOBs</b>        | <b>Prime Federal Contractors</b> | <b>% Difference</b> |
| Agriculture/Forestry   | \$102                        | \$813                            | 695%                | 1.4                    | 14.0                             | 923%                |
| Mining   | 386                          | 4,990                            | 1,194               | 2.0                    | 13.6                             | 580                 |
| Construction   | 402                          | 2,823                            | 601                 | 3.3                    | 17.2                             | 430                 |
| Manufacturing  | 2,222                        | 6,122                            | 176                 | 13.2                   | 51.8                             | 292                 |
| TCPU   | 651                          | 4,289                            | 558                 | 6.3                    | 42.4                             | 572                 |
| Wholesale Trade  | 1,584                        | 8,264                            | 422                 | 5.1                    | 29.4                             | 480                 |
| Retail Trade   | 253                          | 2,044                            | 707                 | 2.7                    | 19.4                             | 617                 |
| FIRE   | 387                          | 24,259                           | 6,169               | 1.8                    | 109.3                            | 6,041               |
| Services   | 72                           | 4,507                            | 6,181               | 1.4                    | 66.8                             | 4,703               |
| ALL INDUSTRIES   | 288                          | 5,300                            | 1,742               | 2.3                    | 52.2                             | 2,170               |

Note: TCPU=Transportation/Communications/Public Utilities, FIRE=Finance/Insurance/Real Estate

## Conclusions and Recommendations

Women-owned businesses are making an important contribution to Federal government agencies, providing over \$5 billion in products and services through prime contracts and subcontracts in fiscal year 1997. We have learned in this analysis that women-owned Federal contractors:

- are more likely than average to reside in the Washington DC area or in Alabama, Alaska, Hawaii, Idaho, New Mexico, or Oregon; and much less likely than the average woman-owned firm to be located in the Midwest, New York or Texas;
- are more likely than average to be providing construction, durable manufacturing or engineering/management services, and much less likely than average to be providing retail trade or personal services;
- are receiving the largest share of Federal prime contract awards for retail trade and personal services contracts, but less than 1% share of mining and durable manufacturing awards; and
- own larger, more substantial businesses as defined by employment and revenues. Within every industry sector, women-owned prime contractors employ from 3 to 50 times more people than the average woman-owned enterprise, and generate from 175% to nearly 6,200% more revenues.

What this analysis does not tell us, however, is how these women entered the Federal procurement arena, what barriers they encountered along the way, what their plans, goals and expectations are, and what advice they would give to others who might be considering a similar path. Such information would be very valuable to procurement program officers, policy makers, business educators and assistance providers, and women business owners themselves.

## **National Foundation for Women Business Owners**

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The detailed information obtained by the National Women's Business Council from Eagle Eye Publishers is a valuable resource, and an excellent research database. The National Foundation for Women Business Owners therefore recommends that NWBC consider utilizing this unique database to conduct further research among the women-owned firms identified as Federal government contractors.

If qualitative focus groups are considered, NFWBO would recommend holding them in two or more locations. The first location should be suburban Washington, DC, most probably in Montgomery or Prince Georges County, Maryland. Fully 17% of the NWBC database (832 businesses) are firms located in either Maryland, Virginia or the District of Columbia.

Since firms in and around the Washington Beltway are likely to provide a much different range of products and services than women-owned contractors located in other regions of the country, we would recommend holding at least one other focus group discussion in another location. The prime candidates for additional groups would be: California (13% of database), Texas (6%), or Florida (6%). Further discussions and analysis would be required to choose a metropolitan area with a large enough concentration of contractors for focus group recruiting.

Another research option would be a quantitative research study. However, issues and topics are likely to be uncovered in focus group discussions, since little is currently known about the women who are leading enterprises involved in Federal procurement. Therefore, it is recommended that focus groups be held prior to the development of a quantitative research study.

## Summary of Data Sources

The data on women-owned firms in Federal contracting were obtained by the National Women's Business Council from Eagle Eye Publishers, Inc. The information provided by Eagle Eye to the NWBC included company name, location, industry (SIC code) of procurement action, Duns number, description of type of contract action, and total dollars awarded in FY1997. A total of 9,581 contract actions involving 4,969 businesses identified as women-owned were included in the database. NFWBO would like to acknowledge the assistance of Eagle Eye, particularly Paul Murphy, in providing additional data and information during the course of this analysis.

Initial analysis of the data provided by Eagle Eye found that the database included 4,946 businesses with valid Duns numbers. Three-quarters (78%) of the business records included address information, and only 32% included telephone numbers. To supplement the information provided by Eagle Eye — both for the geographic analysis contained in this report and for possible future research activities — the NFWBO sent the Duns numbers contained in the NWBC database to Dun & Bradstreet for enhanced information. This information included not only complete address and contact information, but the number of employees in the business, total company revenues, and the year the business was started.

The information obtained on women-owned firms in Federal procurement was compared to all women-owned firms using three data sources: 1) data from the U.S. Bureau of the Census (the 1992 Survey of Women-Owned Business Enterprises, used for detailed industry comparison in chart on page 10); 2) NFWBO estimates based on Census Bureau statistics (1996 Facts on Women-Owned Businesses: State Trends), published in 1996 and updated in 1997 (used for geographic and all other industry comparisons); and 3) survey data copyrighted to the NFWBO from a nationally-representative survey of full-time commercially active women-owned firms conducted in 1998 (used for demographic comparisons).