

IB NEWS

Insider News**WIPP disputes SBA plan**[Mary Worrell](#)*Inside Business - Hampton Roads*

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Women Impacting Public Policy, WIPP, is joining other groups in decrying the U.S. Small Business Administration's proposed ruling for the creation of a women-owned small business contracting program.

The SBA submitted the proposed rule Dec. 20 based on results from a study by the RAND Corp. The study looked at multiple methodologies for calculating which industries are underrepresented by women. The two main methods are by number of contracts awarded and dollars awarded.

The SBA selected the dollar-amount method, which found only four industries underrepresented by women. Those industries were national security and international affairs; coating, engraving, heat treating and allied activities; household and institutional furniture and kitchen cabinet manufacturing; and a category called "other motor vehicle dealers."

WIPP pointed to the discrepancies in the results the SBA used to develop its ruling, using one of its own members as an example. In a statement, WIPP said one of its members is the only woman-owned munitions designer, but according to the new rule, the SBA would determine the munitions industry to be over-represented by women and faces no discrimination.

Along with a statement released Dec. 26, the SBA also released a list of frequently asked questions about the proposed legislation, but that didn't seem to satisfy women's business groups that felt jilted by the proposed ruling.

"This proposed rule demonstrates that women business owners are not important to this administration nor to the political process," said Barbara Kasoff, president of WIPP, in a statement.

WIPP came out against the ruling the following day, saying the proposal would drastically limit the number of governmental contracts awarded to women entrepreneurs by requiring women-owned businesses to show under-representation in thousands of industries and direct discrimination by a government agency to qualify for the protected status.

After the business owner shows under-representation, the procuring agency would then

have to conduct an analysis of its own procurement history to show past discrimination against women-owned small businesses.

The SBA said in a statement it decided to go with the contract dollars method since congressional appropriations and government contracts are awarded in dollars.

Doña Storey, president and owner of Quality Technical Services Inc. in Virginia Beach, is a founding member of WIPP. She currently serves as the organization's national co-chair on procurement in the federal sector.

She's the first to say her business has grown thanks to government contracts, but she was disappointed by the proposed ruling.

"They tried to sneak this in over the holidays as if we were at home baking cookies and not paying attention," Storey said. "We need legislation with teeth that would allow agencies to pull out 5 percent of their budget for women-owned contracts. Let the agencies compete it among those women and if they can't find the women to compete it, move on."

Congress passed a law in 2000 to allow federal contracting officers to award up to 5 percent of all contracts to women-owned businesses. However, women-owned businesses received only 3.4 percent of federal procurement in fiscal year 2006. That was an increase of 0.2 percent from fiscal year 2005.

Storey said she was insulted by the proposed ruling considering how long women-owned businesses have waited for legislation in the contracting arena.

"I remember 15 years ago, I sat in the lobby of the Pentagon and heard a speech about how a woman-owned program was on the way," Storey said. "It's 5 percent. Some people are acting like we'd put Lockheed Martin out of business."

While WIPP is a national, bipartisan policy organization, it has started launching chapters, what it calls "instant impact teams," to raise awareness about the effectiveness of communicating with legislators.

Tammy Owens, minority business development manager for Virginia Beach's economic development department, and Indy Freeman, president and CEO of TeknoLogix, are team leaders for WIPP's Virginia Beach instant impact team set to launch Jan. 15.

Freeman was Owens' first recruit to the area. Freeman opened a second office for her business in Virginia Beach; it is headquartered in McLean. Freeman moved to the area to develop her business in Hampton Roads and is considering moving the company's headquarters here.

The team's first meeting is Jan. 15 from 8:45 a.m. to 1:30 p.m. at the Hilton Garden Inn at the Virginia Beach Town Center.
