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IT'S YOUR BUSINESS
feminism at work

Women's chamber sues SBA

**USWCC claims feds' lax enforcement costs
women business owners billions**

by Elizabeth Noll

Most people believe the federal government is a bastion of red tape and impressively ineffective bureaucrats. Most people would not be surprised to find that the White House hadn't yet met its own standards for awarding contracts to women-owned businesses. Still, many people would raise an eyebrow to hear a top official promise that his agency isn't planning to enforce the law that requires the feds to do so.



Margot Dorfman, CEO of the U.S. Women's Chamber of Commerce, said she was in a September meeting with Hector Barreto, head of the Small Business Administration, when Barreto said the current administration had no intention of implementing Public Law 106-554, known as the Women's Procurement Program. Congress passed the law in 1999 as part of the SBA reauthorization. It requires the federal government to award five percent of its contracts to women-owned businesses in industries where women are historically underrepresented. In fiscal year 2003, only 2.98 percent of federal contracts went to women-owned firms, although women-owned firms make up about 30 percent of U.S. businesses.

For Dorfman and Terry Williams, president of the USWCC, Barreto's statement was simply the last straw. "The delay of implementation has been unreasonable," Dorfman explained. "We've been working through the process for a couple years."

So they decided to sue to force the SBA to quit stalling. "They say the study is holding it up—they need to identify the industries [in which women] are underrepresented," said Dorfman. "But the study had already been done. They did the study, they had the draft regulations and then they pulled it. Now they've said, 'We're going to do a study on the study to find out what the study should be.' Once they finish that, then they have to do the study and how long is that going to take?"

Jennifer Foley, press secretary of the SBA, refuted Dorfman's report of Barreto's statement. "That is absolutely and categorically false. The administrator never said that, nor would he ever say that."

Foley added that the USWCC lawsuit was baseless and that the group was only suing to get the media's attention.

Dorfman stood by the USWCC's claim. "Take a look at this length of time. [The Women's Procurement Program] has been unreasonably delayed: it's been four years. That is unreasonable, especially when the disabled veterans' set-aside can be done in six months."

"In our complaint we've asked for the law to be implemented in three months," she added.

Each year that the law isn't implemented, women lose money, Dorfman explained. In 2003, women-owned firms forfeited almost \$6 billion in contracts. "At this rate it'll take us 25 years to achieve five percent," she said.

Dorfman has called the five percent goal "pitiful"; Foley says it's "adequate."

Giving women-owned businesses a voice

The USWCC, founded in 2001, has 150,000 members. Dorfman and Williams were living in Phoenix and publishing the Arizona Women's News when they saw the need for a regional organization to aid business and professional women.

"When we did the reporting, we saw most women's groups weren't dealing with the hard issues, like how to make payroll in the down economy," said Dorfman. They formed the Women's Chamber of Commerce in Arizona in July 2001, and the response was overwhelming.

"Folks started asking to join," recalled Dorfman. "Messages from women and men were clogging the switchboard, and I said, 'I guess we're going to Washington.'"

The USWCC is a nonprofit trade organization with the right to lobby; their mission is to provide financial education and political assistance for business and professional women. "Social security will affect women dramatically. Pay equity, economic development, access to capital: those are the kinds of issues we look at," explained Dorfman.

Dianne Holte, president/CEO and owner of Holte Contracting, an excavation company, says she thinks the USWCC is on the right track. A member of the USWCC through the Association of Women Contractors in

Minnesota, Holte said she typically doesn't get worked up about unfair treatment or discrimination. "If I make a scene about it, I get named a troublemaker," she said. "You have to learn when it's appropriate to do something and when it's appropriate to stomp your boots and move on."

This time, Holte said, it's appropriate to do something.

"When they talk about 30 to 40 percent of businesses being women-owned and we're getting 2.9 percent of federal contracts, there's something wrong here. Does there need to be something to level the playing field? I think so. The numbers don't lie. If we're only getting 2.9 percent, why is that, if not for prejudice? We just want to get a fair share. We have to get together and make some noise."

Which is exactly what Dorfman intends to do. In addition to making headlines with the Chamber's lawsuit, she hopes to galvanize women and force political parties to take notice. "We're educating women about what the issues are, not just what the rhetoric is," she added.

This article can be found at - <http://www.womenspress.com/newspaper/2004/2020bus1.html>