



# News Release

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## **Federal Spending with Women-Owned Businesses Increased in FY2003 Contract Dollars Up 21%, Contract Actions Up 119% Over 2002**

**Washington, DC** – The Federal government spent a record-setting \$8.3 billion with women-owned small businesses in fiscal year 2003, accounting for 3% of dollars spent last year. While this 3.0% share is still short of the 5% goal set by the Federal Acquisition Streamlining Act (FASA) of 1994, spending with women-owned small businesses increased faster than did overall spending – up 21.3% from 2002, compared with an overall increase of 17.9%.

This information is part of a new *Issue in Brief* from the National Women's Business Council, "Federal Contracting with Women-Owned Businesses: FY1998 to FY2003." The brief examines the current state of Federal contracting with women-owned small businesses on a government-wide and agency-specific basis, drawing upon information on FY2003 agency goaling achievements as well as data for the previous five years.

In FY2003, \$8.3 billion in Federal procurement dollars was spent with women-owned small businesses out of a total spend of \$277.5 billion. The overall share of dollars spent with women-owned small businesses was 3.0%, up from 2.2% in FY 1998.

"There is much to applaud in these most recent figures. Clearly, efforts to open up Federal procurement opportunities for women-owned small businesses are showing some results," said Marilyn Carlson Nelson, Chairman and CEO of Carlson Companies and Chair of the National Women's Business Council. "While we are seeing progress, we recognize that much more needs to be done. The Council stands by its earlier policy recommendations that call for continued aggressive efforts to increase access for women-owned firms in Federal contracting. Next Spring the Council will release a study of best practices in Federal procurement programs for

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women-owned businesses, and we continue to work closely with Federal Offices of Small and Disadvantaged Business Utilization to increase their connectivity with the women's business community.”

Although progress has been made, and despite continued growth in the number and economic impact of women-owned firms, the 5% goal has never been achieved on a government-wide basis. In 2003, however, 11 of the major Federal agencies met the 5% contracting goal to women-owned small businesses, up from just seven agencies last year. They are: Department of Housing and Urban Development (HUD) (32.8%); Department of Commerce (8.4%); Department of Education (7.7%); Office of Personnel Management (OPM) (7.4%); Department of the Interior (7.3%); Department of the Treasury (6.7%); General Services Administration (6.5%); National Science Foundation (NSF) (5.8%); Department of Homeland Security (5.6%); Department of State (5.2%); and Department of Agriculture (5.2%).

More than 595,000 Federal contract actions were awarded to women-owned small businesses in 2003, out of 11.3 million contract actions in total. The overall share of contract actions awarded to women-owned small businesses was 5.3% in 2003, up from 3.4% in 2002 – accounting for a 119% increase in just one year. Fully 59% of all Federal contract dollars and 46% of all contract actions to women-owned small businesses in FY2003 came from the Department of Defense.

Eighty-three percent (83%) of Federal contract dollars to women-owned small businesses in FY2003 came from seven Federal agencies: Department of Defense; GSA; HUD; Veteran's Affairs; Health and Human Services (HHS); NASA; and the Department of the Interior. Ninety percent (90%) of all Federal contract actions to women-owned small businesses in FY2003 came from just three Federal agencies: Department of Defense; Veteran's Affairs; and GSA.

In FY2003, the average value of Federal contract actions awarded to women-owned small businesses was \$13,910, compared to an average value of \$24,490 for all awarded contract actions.

The complete *Issue in Brief* (along with additional tables) is available at the NWBC's web site, [www.nwbc.gov](http://www.nwbc.gov).

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The National Women's Business Council is a bi-partisan Federal government council created to serve as an independent source of advice and counsel to the President, Congress, and the U.S. Small Business Administration on economic issues of importance to women business owners. Members of the Council are prominent women business owners and leaders of women's business organizations. The National Women's Business Council is committed to conducting research on issues of importance to women business owners and their organizations; to communicating these findings widely; to connecting the women's business community to public policy makers; and to providing programs and platforms for change in order to expand and improve opportunities for women business owners and their enterprises. For more information about the Council, its mission and activities, contact: National Women's Business Council, 409 3<sup>rd</sup> Street, SW, Suite 210, Washington, DC 20024; phone: 202-205-3850; fax: 202-205-6825, e-mail: [nwbc@sba.gov](mailto:nwbc@sba.gov); Web site: [www.nwbc.gov](http://www.nwbc.gov).