



# *News Release*

## **PRESS OFFICE**

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### **National Academy of Sciences Confirms SBA's Concerns Regarding Study of Underrepresentation of Women-Owned Businesses in Federal Contracting**

**WASHINGTON** – The National Academy of Sciences today released an independent report finding that a draft study prepared for purposes of implementing a preferential federal contracting program for women-owned small businesses is seriously flawed and should be revised in accordance with the report's recommendations.

The U.S. Small Business Administration commissioned the analysis of the draft study to ensure that the draft study's methodology would withstand judicial scrutiny under current court precedent.

The distinguished panel of university professors unanimously concluded that:

the disparity ratio estimates from the SBA Office of Federal Contract Assistance for Women Business Owners preliminary study (completed in late 2002) are not adequate to identify industries in which women-owned small businesses are underrepresented (or substantially underrepresented) in federal prime contracting.

The report also concluded that the draft study's "estimates should not be used to designate industries in which to permit the use of preferential contracting programs for women-owned small businesses" and recommended that the SBA utilize more recent data and fully documented methods.

"We're very pleased to have received this report from the prestigious National Academy of Sciences and we thank them for their assistance," said Allegra McCullough, associate deputy administrator for Government Contracting and Business Development at SBA. "The SBA is currently reviewing the report's recommendations and is committed to ensure that women-owned small businesses have all the possible opportunities for federal contracting."

The National Academy of Sciences, founded in 1863 with a mandate to advise the federal government on scientific and technical matters, is a private, nonprofit, self-perpetuating society of distinguished scholars dedicated to the furtherance of science and technology for the benefit of the public welfare.

Persons interested in obtaining the full report, conclusion and recommendations may visit <http://www.nap.edu/books/0309096111/html/>.

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