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Report Identifies Underlying Factors Influencing The Small Business Economy In 2001-2002 Latest Update In New Series Sets Stage For 2003 Analysis

WASHINGTON, D.C. – A new report released today by the Office of Advocacy of the U.S. Small Business Administration identifies the underlying factors influencing the United State's small business economy in 2001-2002. The report is the latest in the new Small Business Economy series from the Office of Advocacy. It sets the stage for the upcoming 2003 analysis, which will be issued in the early fall.

"The U.S. economy, and particularly small business, faced trying times in 2001-2002," said Dr. Chad Moutray, Chief Economist for the Office of Advocacy. "In 2000 the late nineties' artificial high-tech bubble burst, and the economy tumbled into recession by early 2001. The shocks continued with the terrorist attack and corporate scandals. But, our economy showed its resilience as many economic indicators picked up in 2002."

The Small Business Economy: A Report to the President is a new series of annual reports on small business and its importance to the overall economy. The current edition focuses on the impact that the information revolution has on small business. It notes that "small business and technology are tied together" and that "the level of technology in the marketplace, and changes in technologies used, affect small businesses through barriers to entry and economies of scale."

The current edition of *The Small Business Economy: A Report to the President* presents an in-depth analysis of patterns in small business financing and of federal small business procurement spending. The report also contains a wealth of small business data in a series of detailed tables.

The Office of Advocacy, the "small business watchdog" of the government, examines the role and status of small business in the economy and independently represents the views of small business to federal agencies, Congress, and the President. It is the source for small business statistics presented in user-friendly formats and it funds research into small business issues.

For more information, visit the Office of Advocacy website at www.sba.gov/advo.

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Created by Congress in 1976, the Office of Advocacy of the U.S. Small Business Administration (SBA) is an independent voice for small business within the federal government. Appointed by the President and confirmed by the U.S. Senate, the Chief Counsel for Advocacy directs the office. The Chief Counsel advances the views, concerns, and interests of small business before Congress, the White House, federal agencies, federal courts, and state policy makers. Economic research, policy analyses, and small business outreach help identify issues of concern. Regional Advocates and an office in Washington, DC, support the Chief Counsel's efforts. For more information on the Office of Advocacy, visit www.sba.gov/advo, or call (202) 205-6533.