



Numbers Tell a Story

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By Ann Sullivan

At WIPP's annual conference, the National Women's Business Council (NWBC) started a conversation among the women's business groups about the number of women businesses in the U.S. and how the numbers are used. The project is called "Collective Voices." Numbers tell a story. In the case of women business owners, it paints a story of their revenues, their employees and their economic impact.

Doesn't the federal government have these numbers at its fingertips? Well, yes, if you like to believe old statistics. The last numbers the government collected on business owners was the 2007 Census. That was before a big event – the recession. It seems to me that revenue numbers, number of employees and even numbers of businesses would be drastically different in 2012 than in 2007. The implication for policy makers is that they are basing their decisions on old data. And government decisions are very numbers driven.

This is why we need the NWBC. They are a government advisory group. Their numbers on women's businesses are the ones that the women's business community uses as well as elected officials. So, we need their numbers to be right. The newest study on women business owners was not conducted by the federal government, but commissioned by American Express Open and authored by Julie Weeks, President of Womanable in 2012. Her statistics, based on an analysis of the 2007 Census data shows the following: *The growth in the number of women-owned firms continues at rates exceeding the national average, that women continue to diversify into all industries, and growth pains occur at the 5-9 employee and \$250K-\$499K revenue ranges. Women-owned firms are now estimated to number just over 8.1 million, generating nearly \$1.3 trillion in revenues and employing 7.7 million workers.*

Contrast that with the government's 2007 numbers, which show that there are there are 7.8 million women-owned businesses in the United States. Women-owned firms make up 28.7% of all nonfarm businesses across the country and generate \$1.2 trillion in total receipts. A full 88.3% of these firms are non-employer firms. The remaining 11.7% of the firms have paid employees, employing a total of 7.6 million people across the country with a payroll of \$217.6 billion. These employer firms have average receipts of \$1.1 million.

Amy Millman, President of Springboard Enterprises, raises the point that women led companies who have venture backing are not counted at all because venture backed firms do not have 51% ownership even though they are led by a woman and would push the economic impact numbers upward because these firms are high growth.

For those of us who work with Capitol Hill and the White House on policy issues concerning women owned businesses, numbers are key to the investment we are asking them to make. Access to capital is an investment as is providing training and business assistance through Women's Business Centers and the PRIME program. An investment in women owned businesses is making changes to the Women Owned Small Business procurement program to allow as many women as possible to be successful federal contractors. An investment means

keeping the Microloan program and making sure government backed loans by the SBA are successfully lending to women business owners.

These investments are difficult to fight for if our numbers are old. New numbers will give advocates such as WIPP, direction. New numbers would be instructive with respect to the effect of tax reform on women owned businesses. The House and Senate Small Business Committees would be better positioned to advocate on our behalf if they had the correct numbers.

Advocacy is based on facts. Without numbers, we are just expressing opinions. It is my hope that this vital project by NWBC is concluded expeditiously. Women business owners can't wait.