

## **Obama Small Business Forum Will Ignore Number One SBA Challenge, According to the American Small Business League**

PETALUMA--([BUSINESS WIRE](#))-- The following is a statement by the American Small Business League:

The Obama Administration will hold a Small Business Forum today, Nov. 18, 2009, with Treasury Secretary Timothy Geithner and Small Business Administration (SBA) Administrator Karen Mills. While many subjects will be covered, the American Small Business League (ASBL) predicts the one subject not discussed will be the diversion of federal small business contracts to corporate giants.

Every year since 2006, including the current fiscal year, the SBA Office of Inspector General (OIG) has listed the number-one management challenge facing the SBA as, "Procurement flaws allow large firms to obtain small business awards and agencies to count contracts performed by large firms towards their small business goals." (<http://bit.ly/4nmRkt>)

In 2005, the SBA OIG released Report 5-15, which stated, "One of the most important challenges facing the Small Business Administration and the entire Federal government today is that large businesses are receiving small business procurement awards and agencies are receiving credit for these awards." (<http://www.asbl.com/documents/05-15.pdf>)

President Obama recognized the gravity of the situation in February of 2008 when he released the statement, "It is time to end the diversion of federal small business contracts to corporate giants." (<http://bit.ly/4fRrGg>)

Since 2003, more than 15 federal investigations have found that billions of dollars in federal small business contracts have been diverted to Fortune 500 firms in the U.S. and some of the largest firms in Europe and Asia. (<http://www.asbl.com/documentlibrary.html>)

In the most recent data released by the Obama Administration, Textron, a Fortune 500 firm with more than 43,000 employees, was the top recipient of federal small business contracts getting over \$775 million. Other firms such as Lockheed Martin, Boeing, Raytheon, Northrop Grumman, British Aerospace (BAE), Rolls-Royce, French giant Thales Communications, Ssangyong Corporation headquartered in Seoul, South Korea and Finmeccanica SpA which is located in Italy with 73,000 employees, were included in the Obama Administration's small business contracting data. (<http://bit.ly/W0EB1>)

The ASBL estimates that since President Obama took office, over \$100 billion in federal small business contracts have been diverted to corporate giants around the world. The ASBL helped draft H.R. 2568, the Fairness and Transparency in Contracting Act, which if passed, will immediately stop the flow of small business contracts to corporate giants.

"If President Obama were really sincere about helping small businesses, then he would immediately stop the flow of federal small business contracts to Fortune 500 firms," ASBL President Lloyd Chapman said.

Please click here to watch a short clip about the ASBL's concerns regarding the Obama Administration's small business conference: [http://www.youtube.com/watch?v=7JvT7Btd\\_9s](http://www.youtube.com/watch?v=7JvT7Btd_9s)

Source: American Small Business League