Important Quotes

"Preston said the problem is more with the way contract data is recorded than it is big companies getting work meant for small businesses."
Interview with (New) SBA Administrator Steve Preston, Chicago Tribune, August 20, 2006

"If agencies are permitted to count contracts as meeting their annual small-business goals even though the contracts are actually being performed by larger business, this creates a disincentive for those agencies to identify other small-business opportunities, and legitimate small business lose out."
Eric M. Thorson, SBA Inspector General, New York Times, July 6, 2006

"We're not saying that the misreporting issue is not important, but you can't say that the information shows that small businesses are losing business to large businesses."
Gary M. Jackson, SBA Assistant Administrator for size standards
New York Times, July 6, 2006

"This year's report contains one new Challenge—Challenge #1—that states that 'Flaws in the procurement process allow large firms to receive small business awards and agencies to receive small business credit for contracts performed by large firms.' "
Peter McClintock, SBA (Then) Acting Inspector General
SBA Office of the Inspector General Report 6-02, FY 2006 Report on the Most Serious Management Challenges Facing the Small Business Administration, October 14, 2005

"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."
Harold Damelin, (Former) SBA Inspector General
SBA Office of the Inspector General Report 5-15
Large Businesses Receive Small Business Awards, February 24, 2005

"Federal agencies are taking credit for awarding small businesses with contracts when, in fact, they were going to large businesses. Opportunities [for small businesses] are dropping, and the federal government has no credible ability to monitor the level of federal contracting dollars going to small businesses."
Rep. Nydia M. Velazquez (D-N.Y.), Federal Computer Week, January 25, 2005

"Unless you're happy with the status quo that hurts small businesses, we need to change the culture at federal agencies and close the loopholes the Bush administration and large firms use to shut small businesses out of the procurement process."
Senator John Kerry, Statement to the Press, January 24, 2005

"We now have hard data, and not just anecdotes, from across federal agencies that shows contracts meant for small businesses were going to larger firms."
Thomas Sullivan, Head of SBA's Office of Advocacy, Sacramento Bee, December 29, 2004

"A lot of the money that you would think is going to truly small businesses isn't."
Larry Makinson, senior fellow at the Center for Public Integrity
Chicago Tribune, October 15, 2004

"The Small Business Administration is the worst enemy to small business this country has ever had. The SBA has essentially repealed the Small Business Act of [1953] for most people because they have enacted a series of policies that force small businesses to compete with some of the biggest companies in the world."
Lloyd Chapman, President – The American Small Business League
Marin Independent Journal, October 9, 2004

"The government has created so many benefits for small businesses that companies have an incentive to try to claim that status as a way of getting business or returns that otherwise would be beyond their reach."
Loren Thompson, PhD and defense expert at The Lexington Institute
Dow Jones Newswires, October 6, 2004

"Over the past few years, the Investigations Division has noted several instances of a particular fraudulent practice: companies that SBA, after sustaining protests against them, had prohibited from representing themselves as small businesses, under a particular SIC code, were continuing to falsely certify themselves as eligible for small business set-aside contracts."
SBA Office of Inspector General Semiannual Report, September 30, 2004

"We stand by our numbers. We're confident that small businesses are being able to take advantage of federal procurement better than ever before."
Evan Keefer, Small Business Administration spokesman, Washington Post, September 30, 2004

"The numbers are inflated, we just don't know the extent."
David Drabkin, senior procurement officer for the General Services Administration.
Associated Press, July 11, 2003

"This transition has led to the apparent diversion of contract dollars intended for small business."
Sue Hensley, SBA Spokeswoman, Associated Press, July 11, 2003

"Even though the GAO found thousands of large companies got small-business contracts in 2001, and even though the SBA has purged about 600 big businesses from its small-business database of 200,000 companies in the past six months, the agency has referred only three companies for further investigation and possible prosecution."
Sue Hensley, SBA Spokeswoman, The Press Democrat, June 23, 2003

"And sometimes companies knowingly misrepresent themselves as small businesses. This is a felony, and there are mechanisms in place to address it. But because of the 'burden of proof' required by law, a relatively few number of cases have been referred [to the SBA Inspector General's office]."
Fred Armendariz, SBA Associate Deputy Administrator for government contracting and business development, Washington Technology, May 26, 2003

"With the latest GAO findings, we will learn that the government didn't just miss the small-business mark, but it missed it by more than we had originally thought since the large business contracts were miscounted -- and misrepresented -- as small ones."
Rep. Nydia M. Velazquez (D-N.Y.), Washington Post, May 8, 2003

"Politicians love to say they want to help small businesses, but how can any politician make that claim with a straight face when contracts that should be going to these hard-working small businesses are being turned into giveaways to large multinational companies?"
Senator John Kerry (D-MA), Marin Independent Journal, December 20, 2002