

SBA pulls sales, employee data from Web site

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The [Small Business Administration](#) has removed company-specific revenue and employee figures from a public database.

The online Central Contractor Registry is a searchable database of information on companies that qualify for federal small business awards. Company files contain contact information, a description of the business and other details, and -- until Dec. 12 -- a firm's three-year average annual revenue and number of employees.

Now, in place of the revenue and employee numbers, the Web site offers the message: "A firm's actual revenues and number of employees are not releasable under the Freedom Of Information Act."

The SBA says it is considering whether to keep the information off line.

"SBA has recently received a number of complaints from small businesses that this information is confidential and proprietary and should not be released," says Mike Stamler director of SBA's press office. "They argue that information on the number of their employees and revenue was given to the government involuntarily and under a pledge of confidence. Several procurement authorities also questioned this practice.

"Therefore, in response to these objections SBA removed this information from the Web site, while it considers the legal and procurement issues involved. We hope to resolve them shortly and will publicly advise interested parties of the agency's decision. This doesn't mean SBA will cease using this information for verification purposes; it will simply not be publicly available."

The American Small Business League says the government removed employee and revenue from the site to avert increased scrutiny over contracting practices. The trade association advocates policies that benefit small businesses.

Federal agencies are supposed to award 23 percent of the value of direct contracts to small businesses, but private research companies have found that much of the small business contracts actually go to companies that outgrew the size limits or acquired small business contracts through acquisition.

"This is another attempt by the government to keep Congress, the public, and the media from being able to prove that the Pentagon, the General Services Administration, and other federal agencies have completely falsified their small business numbers for several years," says the group's president Lloyd Chapman in a statement.

The SBA recently issued new rules that agencies won't receive credit toward the goal for awards delivered through long-term small business contracts to companies that no longer qualify as small.

Companies will have to recertify their size status every five years and any time renewal options are exercised on the contracts. If the contract holder no longer meets size standards, the agency can't count awards toward the goals. Small contractors also now have to notify the government within 30 days if they are no longer a small business because of an acquisition or merger.

The American Small Business League says it plans to file a Freedom of Information Act request to make the revenue and employee information in the federal small business database public again.