



Money

Posted 9/16/2003 2:12 AM

More women flex muscles in politics

By Jim Hopkins, USA TODAY

SAN FRANCISCO — As campaign costs skyrocket, more politicians are casting their own votes in favor of female entrepreneurs.



Lurita Doan, CEO of New Technology Management in Reston, Va., and her husband are big GOP backers.

By Tim Dillon, USA TODAY

President Bush is making just one appearance amid the Small Business Administration's 50th anniversary events on Thursday, at a ceremony celebrating women in business. At his side will be one of the USA's most famous female executives, Carly Fiorina, CEO of tech giant Hewlett-Packard.

Other honorees include Lurita Doan, CEO of New Technology Management, a company with \$50 million in annual revenue that she started in 1990. Doan, 45, with husband Doug, pumped nearly \$110,000 into national Republican political coffers since 1999.

Doan belongs to a fast-growing sector courted by politicians. Her company was one of more than 1 million started by women in the 1990s, when the number of such companies grew twice as fast as all others. As those firms prosper, their owners are pouring more money into political campaigns and joining men in trying to shape health care regulation, government contracting and other political cornerstones.



Hewlett-Packard
H-P CEO Carly Fiorina

"It really is a reflection of the emerging power of female executives," says Larry Noble, executive director of the Center for Responsive Politics, a non-partisan group that tracks Federal Election Commission records.

The number of contributions to federal candidates and parties from top female executives soared to 8,014 in the 2001-02 political cycle from just 293 in the 1989-90 cycle, says an analysis for USA TODAY by the center.

The actual figures are likely much higher, because researchers can count only FEC records in which donors included titles, such as CEO. Many donors report only their name and employer's name.

The records show that female entrepreneurs have joined the ranks of the most generous donors at the national level, setting off a battle to nail down their support.

That battle has greater urgency because the new campaign-finance law, which took effect in November, banned unlimited "soft money" donations that political parties got from corporations, labor groups and rich individuals. The law, being challenged before the Supreme Court, makes high-dollar individual contributions more valuable. "No party is willing to write off any group," says Noble.

Rare contributions

Domestic guru Martha Stewart gave \$156,966 to Democrats since 1999. Alice Walton, owner of a horse ranch in Texas and daughter of Wal-Mart's founder, poured \$147,500 into Republican causes since 1999.

But they look like pikers alongside Christine Toretta Olson, CEO of S.W. Jack Drilling, a natural gas explorer in western Pennsylvania. In 1999-2000 alone, Olson, 46, gave \$237,850 to Republican politicians and their party. That was just a slice of the \$750,000 she gave at the national and state levels since 1990, when she took over the company after her father died.

Such six-figure contributions in a single year, banned under the new campaign-finance law, were rare — underscoring their donors' importance. For the 2000 campaigns, which included a presidential election, 122 women gave upward of \$100,000 each — three times as many as for the 1996 elections. The number of men making such donations only doubled during that period.

Overall, women gave \$302.5 million for the 2000 elections — up 72% from 1996. That compares with a 58% increase for men, to \$858.4 million, in the same period. Such growth among women partly explains politicians' heightened interest in female entrepreneurs and their deep pocketbooks.

House Minority Leader Nancy Pelosi, D-Calif., is chasing female donors. And Sen. Hillary Rodham Clinton, D-N.Y., has cultivated a huge national mailing list that relies heavily on women.

Careful marketing

Still, capturing the support of female entrepreneurs requires careful marketing, say experts.

"We believe that women business owners are the critical swing vote that neither party has yet," says Terry Neese, president of Women Impacting Public Policy, a 460,000-member group that seeks to draw businesswomen into politics.

Although male and female business owners often voice the same concerns — tax relief, legal and regulatory reform — some issues resonate more with women:

•**Health care.** Research shows female business owners, more than men, want health insurance for employees and their families, says Neese. Women shoulder a disproportionate share of family responsibilities, says Conni Evans, 38, founder of tech consultant Ancon in Lanham, Md.

"Even if we're running the company, the majority of any kind of care — whether it's kids or our parents — still falls on us, too. That's our second job," she says.

But cost is a challenge, as it is for all small-business owners. Premiums for Ancon's 20 employees jumped 28% this year after a 15% spike last year, cutting into profits. The company expects \$2.5 million in revenue this year.

Overall, premiums for all companies climbed 13.9% this year from 2002. Yet, the increase was higher, 15.5%, among smaller firms — those with fewer than 200 workers, says the Kaiser Family Foundation. Many are owned by women.

That's why Neese's group is pushing for federal legislation that would allow companies to band together to buy employee health insurance at lower, group rates.

•**Government contracts.** Federal law says female-owned firms are supposed to get 5% of the dollar value of federal government contracts. But the share they actually receive is less than 2.5%, Neese says. "If we get our share of the pie, then we'll grow our companies."

Doan's Reston, Va.-based business sells technology that helps secure the USA's borders with Canada and Mexico. It has 233 employees. Almost of all its revenue comes from the Department of Homeland Security.

That government stake is why Doan worries about the increased "bundling" of smaller federal contracts into deals so large — \$1 billion or more — that small companies such as hers can't compete.

Doan volunteers in political campaigns and donates money so she can have a say in the political agenda. "It is part of running a business," she says.

Doan likes Bush. She's volunteered to talk to other African-American businesswomen about reasons to support him.

Two decades ago, politicians rarely asked female entrepreneurs for their support, says Doan. "They would have just gone to the guys."

Now that's changing. "We do have clout," says Doan, "and we have clout with the money we have made."