

H-8

96th Congress }
1st Session }

COMMITTEE PRINT

DISCUSSION AND COMMENTS ON THE
MAJOR ISSUES FACING SMALL BUSINESS

A REPORT

OF THE

SELECT COMMITTEE ON SMALL BUSINESS
UNITED STATES SENATE

TO THE DELEGATES

OF THE

WHITE HOUSE CONFERENCE

ON

SMALL BUSINESS



DECEMBER 4, 1979

Printed for the use of the Select Committee on Small Business

U.S. GOVERNMENT PRINTING OFFICE

WASHINGTON : 1979

8-4

SELECT COMMITTEE ON SMALL BUSINESS

GAYLORD NELSON, Wisconsin, *Chairman*

SAM NUNN, Georgia	LOWELL P. WEICKER, Jr., Connecticut
JOHN C. CULVER, Iowa	BOB PACKWOOD, Oregon
WALTER D. HUDDLESTON, Kentucky	ORRIN G. HATCH, Utah
DALE BUMPERS, Arkansas	S. I. HAYAKAWA, California
ROBERT MORGAN, North Carolina	HARRISON H. SCHMITT, New Mexico
JAMES R. SASSER, Tennessee	RUDY BOSCHWITZ, Minnesota
DONALD W. STEWART, Alabama	LARRY PRESSLER, South Dakota
MAX BAUCUS, Montana	
CARL LEVIN, Michigan	

WILLIAM B. CHERKASKY, *Executive Director*

ALAN L. CHVOTKIN, *Legal Counsel*

CAROL BALDWIN, *Professional Staff Member/Editor*

ROBERT J. DOTCHIN, *Minority Staff Director*

(II)

CONTENTS

	Page
Statement of Senators—	
Hayakawa, Hon. S. I., a U.S. Senator from the State of California.....	3
Huddleston, Hon. Walter D., a U.S. Senator from the State of Kentucky.....	1
Nelson, Hon. Gaylord, a U.S. Senator from the State of Wisconsin, and chairman, Senate Small Business Committee.....	4
Stewart, Hon. Donald W., a U.S. Senator from the State of Alabama.....	2
Statement of—	
Abrahamson, Sherman, special assistant to the chief executive officer, Control Data Corp., Arlington, Va.....	25
Cronin, Dan, Ampersand Associates, Boston, Mass.....	11
Daniels, Alfred C. W., H. H. Aerospace Design Co., Civil Air Terminal, Bedford, Mass.....	22
Goodheart, Clyde R., M.D., president, Bio Labs, Inc., Northbrook, Ill.....	13
Green, Sid, Terra Tek, Inc., Salt Lake City, Utah.....	21
Guller, Harold, Essex Cryogenics Industries, St. Louis, Mo.....	18
Lockwood, George, Monterey Abalone Farm, Monterey, Calif.....	9
Springborn, Dr. Robert, president, Springborn Labs, Enfield, Conn.....	24
Stewart, Milton, moderator of panel discussion, Chief Counsel for Advocacy, U.S. Small Business Administration.....	6

APPENDIX

S. 1860, a bill to establish a Federal program to assist innovative small businesses by strengthening the role of such businesses in federally funded research and development and by fostering the formation and growth of such business, 96th Congress, 1st Session, October 4, 1979.....	37
“Small Business & Innovation,” a report of an SBA Office of Advocacy Task Force, Office of the Chief Counsel for Advocacy, U.S. Small Busi- ness Administration, July 1979.....	104
Excerpts from various Subcommittee reports prepared for the Advisory Committee on Industrial Innovation.....	234

HEARING DATE

August 2, 1979: Morning session.....	1
---	---

LETTER OF TRANSMITTAL

ALL MEMBERS,
Committee on Small Business,
U.S. House of Representatives,
Washington, D.C.

DEAR COLLEAGUE: Public Law 94-305 established in SBA the position of Chief Counsel for Advocacy.

The Chief Counsel for Advocacy is not in the SBA chain of command; he is a Presidentially appointed official with Senate confirmation. His mandate is to represent the views of small business and in carrying out this mission he is expected to present and fight for the views of the small business sector of the economy; however, these views will not always be the same as those expressed by the SBA on behalf of the administration. He is much like an attorney representing a client and just as the attorney presents his client's position, the Chief Counsel for Advocacy presents his client's position which is that of the small business community.

In carrying out his duties, he is authorized to prepare and publish such reports as he deems appropriate. He recently released a report by an Office of Advocacy Task Force on "Small Business & Innovation", along with two other previously unpublished reports.

This report, and the reports contained in appendices thereto, contain very thought provoking opinions and proposals. It is being published as a committee print for the information of and consideration by Committee Members and others. It does not necessarily reflect the views of the administration, the Small Business Administration, SBA's Chief Counsel for Advocacy nor this Committee.

With best wishes, I am
Sincerely,

NEAL SMITH, *Chairman.*