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001. memo	Bob Nash to POTUS re: Weekly Report [partial] (2 pages)	07/29/2000	b(6)

COLLECTION:

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Wednesday, August 2, 2000

2019-0990-S
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
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P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE

WASHINGTON

Date 8-2-00

To: Melanne

From: The Staff Secretary

I've attached the draft write-up on the bill we discussed. The President must sign by Tues., Aug 8.

Adam

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Enrolled Bill S. 1910 - Authority to Acquire the Hunt House for the Women's Rights National Historic Park
Sponsors - Sen. Moynihan (D) New York and 2 cosponsors

Last Day for Action

August 8, 2000 - Tuesday

Purpose

Permits the Secretary of the Interior to acquire title in fee simple to the Hunt House located in Waterloo, New York.

Agency Recommendations

Office of Management and Budget	Approval
Department of the Interior	Approval
Council on Environmental Quality (CEQ)	No objection (Informally)

Discussion

The Women's Rights National Historical Park located in Seneca Falls and Waterloo, New York, was established in 1980 by Public Law 96-607 to commemorate women's struggle for equal rights. P.L. 96-607 restricted the Government from acquiring by fee simple title the Hunt House, the home of Jane Hunt, who hosted a meeting in 1848 at which a decision was made to hold the Nation's first women's rights convention. The Hunts were also active abolitionists and their home was a likely stop in the Underground Railroad.

S. 1910 would authorize the Secretary of the Interior to purchase Hunt House, which is the last remaining site in private ownership within the boundaries of the Women's Rights National Historic Park.

Hunt House was placed on the market in 1999. It was purchased by the National Trust for Historic Preservation and is currently leased to the park for $1 a year. The Trust intends to donate the Hunt House to the National Park Service and open it to the public as part of the park.

Conclusion and Recommendations

We join Interior in recommending the approval of S. 1910, which passed the Senate by unanimous consent and the House by a vote of 404-9.

Jacob J. Lew
Director

Enclosures

LRD: jme 8/1/00

Member FDIC

'00 AUG 2

July 24, 2000

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on the Federal Budget.

It appears that our Federal Budget surpluses continue to grow. Even after the bill was passed, a substantial upward revision of the surplus has been noted. The strong economy we have enjoyed during your administration not only has fueled government revenues but has also pushed far more families into an estate tax liability.

This tax has never been perceived by the public as fair since it taxes assets which have been accumulated by families after paying numerous federal, state and local taxes during their lifetime. It hits especially hard on small businesses and family farmers such as we have in Arkansas. I would like to strongly urge you to reconsider your position and sign this legislation.

Sincerely,

Steven D. Dunn

Steve Dunn
Senior Vice President

8/2/00
Send to Burkhardt?
Yes ✓
No ____

Cal

Member FDIC

July 24, 2000

President Bill Ciinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

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Sincerely,

U. W. Mullins, Jr.
President

Bank of Amity

'00 AUG 2 P3:35

AMITY, ARKANSAS
71921

July 25, 2000

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill, which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on our budget.

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Sincerely,

Diane T. Owens

Diane T. Owens
President

8/2/00
Send to Burkhardt)
Yes ✓
No ______

Cal

Phone (870) 342-5268
Fax (870) 342-9594

. . ..lic Square
P. O. Box 38
Amity, Arkansas 71921

THE SCOTT COUNTY BANK
POST OFFICE BOX 838
WALDRON, ARKANSAS 72958 -0838

'00 AUG 2 AM9:35

KELLEY HUNT
PRESIDENT

July 26, 2000

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on our budget.

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Sincerely,

Kelley B Hunt

Kelley B. Hunt
President

KBH/kc

8/2/00

Send to Burkhardt?

Yes ✓

No ____

cel

DANVILLE STATE BANK
"The Bank Interested In You And Your Community!"
901 Main Street • P.O. Box 609 • Danville, Arkansas 72833
Since 1930
FDIC
Phone (501) 495-2236
FAX (501) 495-4650

Edward J. Taylor
President

July 25, 2000

'00 AUG 2 AM9:36

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill, which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on our budget.

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Sincerely,

Edward J. Taylor

Edward J. Taylor
President

EJT/db

8-2-00

Send to Burkhardt?
Yes ✓
No ____

Community Bank

MEMBER FDIC

July 25, 2000

'00 AUG 2 AM9:36

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on our budget.

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Sincerely,

Christopher M. Wewers

8-2-00

Christopher M. Wewers, CPA
President & COO

Send to Burkhardt?

Yes ✓

No

CMW/ac

Chambers Bancshares, Inc.

P.O. Box 1330 • Danville, Arkansas 72833

Phone (501) 495-4680
FAX (501) 495-4681

July 25, 2000

'00 AUG 2 AM9:36

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D. C. 20500-2000

Dear President Clinton:

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Sincerely,

John Ed Chambers

John Ed Chambers, III
Chairman & Chief Executive Officer

JEC/dm

8-2-00

Send to Burkhardt?

Yes ____

No ____

Cal

FIRSTUNITEDBANK
MEMBER FDIC

July 18, 2000

'00 AUG 2 AM 9:35

The Honorable William Jefferson Clinton
President of the United States
The White House

Dear President Clinton:

The Arkansas State Highway Commission directed the development of a study of northeastern bypass and a Highway 165 overpass of the Union Pacific Railroad main line in Stuttgart. The study was very recently concluded and it has been forwarded to your office. It is identified as Highway 165 Bypass and Railroad Overpass Feasibility Study, Stuttgart, Arkansas.

On May 17, 2000, the Arkansas State Highway Commission approved Minute Order No. 2000102 which authorizes the adoption of the feasibility study for use as a planning guide for scheduling future improvements in the area.

The construction of the bypass and railroad overpass is critical to the economic development of southeastern Arkansas and Arkansas County. It is also critical for the protection and preservation of lives and property in Stuttgart.

The shortage of available funding at the state level raises serious concerns about the timely development of these assets. Your sponsorship and support of the addition of this project to the Transportation Appropriation Bill (HR 4475) and its Senate companion bill (S.2720) is urged and encouraged.

Your assistance in meeting this urgent need is deeply appreciated.

Regards,

Wanda N Hartz

Wanda N Hartz
Director

8-2-00

Send to Burkhardt?
Yes ✓
No ______

Carl

BRINKLEY DIVISION
P.O. BOX 787
BRINKLEY, AR 72021
TEL. (870) 734-1300

CARLISLE DIVISION
P.O. BOX 69
CARLISLE, AR 72024
TEL. (870) 552-7571

DIVISION
ER 908
AR 72160
73-3545

FIRSTUNITEDBANK
MEMBER FDIC

July 18, 2000

'00 AUG 2 [illegible]

The Honorable William Jefferson Clinton
President of the United States
The White House

Dear President Clinton:

The Arkansas State Highway Commission directed the development of a study of northeastern bypass and a Highway 165 overpass of the Union Pacific Railroad main line in Stuttgart. The study was very recently concluded and it has been forwarded to your office. It is identified as Highway 165 Bypass and Railroad Overpass Feasibility Study, Stuttgart, Arkansas.

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Your assistance in meeting this urgent need is deeply appreciated.

Regards,

Jerry J Hoskyn

Jerry J Hoskyn
Director

8-2-00

Send to Burkhardt?

Yes ______

No ______

cmf

WYNNE FIRST

First National Bank of Wynne

Wynne / Cherry Valley / Forrest City

'00 AUG 2 AM9:36

July 25, 2000

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on our budget.

Our budget surpluses are continuing to grow and even after the bill was passed have been revised upward substantially. The strong economy we have enjoyed during your administration not only has fueled government revenues but has also pushed far more families into an estate tax liability.

This tax has never been perceived by the public as fair since it taxes assets which have been accumulated by families <u>after</u> paying numerous federal, state and local taxes during their lifetime. It hits especially hard on small businesses and family farmers such as we have in Arkansas. We would strongly urge you to reconsider your position and sign this legislation.

Cordially,

Board of Directors
The First National Bank of Wynne

Bobby Caldwell

Joseph W. Dugan

John Ed Gregson

Larry Lawson

Stephen B. Meyer

C. B. Moery, Jr.

W. D. Stewart, Jr.

8-2-00

Send to Burkhart?

Yes ______

No ______

The Arkansas Bankers Association

1220 WEST THIRD STREET • LITTLE ROCK, ARKANSAS 72201
PHONE: (501) 376-3741 • FAX: (501) 376-9243
www.arkbankers.org

DON PATTILLO
PRESIDENT

PRESIDENT and CEO
THE FARMERS & MERCHANTS BANK
P.O. DRAWER 947
STUTTGART, AR 72160
(870) 673-6911
dpattillo@cpomail.net

July 20, 2000

President Bill Clinton
1600 Pennsylvania Avenue
Washington, D.C. 20500-2000

Dear President Clinton:

The House and Senate have recently passed a bill which would phase out and ultimately eliminate the Federal Estate Tax. The news media has heavily reported that it is your intention to veto this bill due to its impact on our budget.

Our budget surpluses are continuing to grow and even after the bill was passed have been revised upward substantially. The strong economy we have enjoyed during your administration not only has fueled government revenues but has also pushed far more families into an estate tax liability.

This tax has never been perceived by the public as fair since it taxes assets which have been accumulated by families <u>after</u> paying numerous federal, state and local taxes during their lifetime. It hits especially hard on small businesses and family farmers such as we have in Arkansas. I would like to strongly urge you to reconsider your position and sign this legislation.

Sincerely,

Don Pattillo
President

DP/cda

8-2-00

Send to Burkhardt?

Yes ______

No ______

cmd

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, U.S.A.

OFFICE OF THE PRESIDENT

August 1, 2000

The Honorable William J. Clinton
The President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

OPIC is proposing a deliverable for your August 24th meeting with Mexican President-elect Vicente Fox. OPIC was already going to launch a major new initiative: a lending program for U.S. small businesses wanting to invest in Mexico. We can hold off on the announcement to make it a deliverable. Investments supported by OPIC loans
will generate jobs an … the Administration's
commitment to smal … rk for the future
signing of an OPIC b

8-2-00

Send to NSC for Response

Yes ________

No ________

Carl

cc: Sperling, Podesta

Mexican President-e … U.S.-Mexico economic
relations. This prese … U.S. private sector,
especially small busi … you know, despite the
strong trade ties betw … exico's economic
development, especia

There is a strong dem … rly from businesses
along our Southwest … ncing for U.S.
companies is currentl … situation which OPIC
will help remedy.

OPIC helps American companies expand to developing countries and emerging democracies. The U.S. government has entered into bilateral agreements governing OPIC programs with 145 countries. We help U.S. investment take place in every country in Latin America with the exception of Mexico and Cuba; Cuba for obvious reasons, and Mexico due to the past government's resistance to entering into a bilateral agreement.

---

[1] By statute, OPIC is required to have in place a bilateral agreement with each country in which it offers full-service OPIC programs including political risk insurance. However, OPIC is not required to have a bilateral agreement in place to provide direct loans. Bilateral agreements do not require U.S. Senate ratification, but may require Mexican Congressional approval.

1100 NEW YORK AVE., N. W. · WASHINGTON, D. C. 20527 · FAX (202) 408-9859 · (202) 336-8400

'00 AUG 2 -8:59

OVERSEAS PRIVATE INVESTMENT CORPORATION

WASHINGTON, D.C. 20527, U.S.A.

OFFICE OF THE PRESIDENT

August 1, 2000

The Honorable William J. Clinton
The President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

OPIC is proposing a deliverable for your August 24th meeting with Mexican President-elect Vicente Fox. OPIC was already going to launch a major new initiative: a lending program for U.S. small businesses wanting to invest in Mexico. We can hold off on the announcement to make it a deliverable. Investments supported by OPIC loans will generate jobs and growth in both countries, will demonstrate the Administration's commitment to small business interests and will lay the groundwork for the future signing of an OPIC bilateral agreement.[1]

Mexican President-elect Vicente Fox has called for strengthening U.S.-Mexico economic relations. This presents an unprecedented opportunity to help our U.S. private sector, especially small business, partner up with Mexico businesses. As you know, despite the strong trade ties between both countries, there remains a gap in Mexico's economic development, especially in the region outside of Mexico City.

There is a strong demand for OPIC assistance in Mexico, particularly from businesses along our Southwest border. Adequate long-term commercial financing for U.S. companies is currently not available for investments in Mexico, a situation which OPIC will help remedy.

OPIC helps American companies expand to developing countries and emerging democracies. The U.S. government has entered into bilateral agreements governing OPIC programs with 145 countries. We help U.S. investment take place in every country in Latin America with the exception of Mexico and Cuba; Cuba for obvious reasons, and Mexico due to the past government's resistance to entering into a bilateral agreement.

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1100 NEW YORK AVE., N. W. · WASHINGTON, D. C. 20527 · FAX (202) 408-9859 · (202) 336-8400

Entering into a bilateral agreement with Mexico would allow OPIC to offer the full range of its programs. The new Fox transition team has already reached out to the U.S. Embassy in Mexico City and to OPIC to inquire about OPIC operations in Mexico.

Under our new loan program, we will be able to lend from $100,000 up to $200 million for project investments in Mexico that have at least 25% U.S. ownership. OPIC only assists investments that (1) do not result in job loss in the U.S.; (2) do no harm to the environment; (3) respect internationally recognized worker rights; (4) are commercially viable private sector projects, and (5) provide positive benefits for the host country.

We can hold off the announcement of our new loan program if you would like to present this announcement on August 24th. I believe that our lending program will mark a significant step toward a bilateral agreement, which would be a major deliverable during President-elect Fox's visit. I look forward to being helpful in any way with respect to your upcoming visit with President-elect Fox.

Sincerely,

George Muñoz

George Muñoz
President and
Chief Executive Officer

Enclosure

Cc: The Honorable Madeleine Albright
The Honorable Aida Alvarez
The Honorable John Podesta
The Honorable Samuel Berger
The Honorable Gene Sperling
The Honorable Kenneth H. MacKay
The Honorable Stuart Eizenstat
The Honorable Richard Fisher
The Honorable Brady Anderson
The Honorable Alan Larson
The Honorable Jeffrey Davidow
The Honorable Peter Romero

OPIC to Offer Financing to U.S. Small Businesses Investing in Mexico

What: OPIC announcement to offer long-term financing to U.S. small businesses investing in Mexico, and to initiate the process of signing a bilateral agreement with the Fox Administration that would enable OPIC to offer all programs in Mexico.

Who: President Clinton would present this deliverable to Mexican President-elect Vicente Fox.

When: August 24th (President-elect Fox's visit to the U. S.)

Where: Press Event at the White House

Why: OPIC provides long-term financing and political risk insurance to American companies investing in 145 developing countries, including all countries in Latin American, except Cuba and Mexico. Offering loans for U.S. investment in Mexico sets the stage for full operation of all of OPIC's programs upon completion of a bilateral agreement with Mexico.

U.S. Small Business Demand for OPIC Programs:

There is a strong demand by U.S. businesses for OPIC assistance in Mexico, particularly from Southwest border states' businesses. OPIC will help fill the commercial void that exists for U.S. business investments in Mexico. In addition, the first logical place for many small businesses to expand is Mexico. OPIC predicts that within thirty days, U.S investment ventures will be identified for the loan program.

Strengthening the U.S.-Mexico Economic Relationship:

President-elect Fox's economic platform relies on increased U.S. investment. Announcing OPIC's small business lending programs in Mexico will immediately signal to the new Mexican government our intention to strengthen U.S.-Mexico economic ties. Investments supported by OPIC loans will generate jobs and growth in both countries, will demonstrate the Administration's commitment to small business interests and will be the first step to signing an OPIC bilateral agreement.

Background Information

Description of Small Business Loan Program:

Our loan program to Mexico will lend from $100,000 up to $200 million for project investments in Mexico that have at least 25% U.S. ownership. OPIC will consider projects in sectors that are not sensitive with respect to environmental and labor issues. These sectors include:

- Service related investments, including tourism, franchise-based consumer and business services.
- Technology, including telecommunications, internet service firms, and value-added providers.
- Distribution, light manufacturing, and environmentally focused enterprises.

OPIC:

OPIC assists U.S. private investments overseas that are in America's economic and strategic interest. By charging user-fees, OPIC operates at no net cost to U.S. taxpayers. OPIC only assists investments that (1) do not result in job loss in the U.S.; (2) do no harm to the environment; (3) respect internationally recognized worker rights; (4) are commercially viable private sector projects; and (5) provide positive benefits for the host country.

History of OPIC and Mexico:

Past Mexican Administrations have been resistant to entering into a bilateral agreement. OPIC recommends signing a bilateral agreement with Mexico to fulfill Fox's promise to Mexico and President Clinton's promise to continue to expand global commerce for U.S. businesses. Entering into a bilateral agreement with Mexico will enable OPIC to operate both our political risk insurance and investment guaranty programs. The new Fox transition team has already reached out to our Mexican Embassy and OPIC to inquire about OPIC operations in Mexico.

Consultations:

OPIC has had recent low-key informal consultations about offering our programs in Mexico with staff from the State Department, Treasury Department, Labor Department, USTR, SBA, Congress, the business community and organized labor. The informal consultation meetings are ongoing and have been generally supportive.

'00 AUG 2 AM9:00

JIMMY CARTER

July 21, 2000

To President Bill Clinton

In order to encourage compliance with the peace agreement that was negotiated between Uganda and Sudan in Nairobi last December, we convened a meeting at The Carter Center this week. Delegations from the two nations were headed by Ali Numeiri, Minister of State for External Relations (Sudan), and Dr. Ruhakana Rugunda, Minister in Charge of the Presidency (Uganda), with Dr. Ben Hoffman, representing The Carter Center, serving as facilitator. Both delegations requested that I inform you of their encouraging progress toward peace.

The negotiators reached agreement on many disputed issues, including:

a) Uganda to act towards cessation of military and other logistical support of the SPLA/M;
b) Both countries to refrain from negative and hostile propaganda campaigns against each other;
c) To facilitate the establishment of an Egyptian-Libyan observation team along the Ugandan/Sudanese border;
d) To convene a follow-up meeting, perhaps in Kampala, between Egypt, Libya, Sudan, Uganda, and The Carter Center;
e) Sudan to provide information on location and numbers of members of the Lord's Resistance Army, and to submit no later than September 15 a specific plan for disarming and disbanding the LRA;
f) Having concluded extensive meetings with LRA leaders, including Joseph Kony, The Carter Center to arrange a meeting between the LRA and Acholi elders and religious leaders. A subsequent meeting will be arranged between the LRA and Ugandan government officials, with Sudan providing logistical support;
g) To marshal efforts by Egypt, Libya, Sudan, Uganda, UNICEF, The Carter Center, and others to locate and return the Aboke girls and other abductees.

Assignments were made for specific persons to be responsible for implementing each of the above points, with Dr. Ben Hoffman to represent The Carter Center.

Everyone recognized the leadership role of IGAD in the Sudanese peace process involving the government and the SPLA/M, and pledged support for this process.

Sincerely,

Jimmy Carter

8-2-00

Send to NSC?

Yes ✓

no ___

BC Sig

cw

The Honorable Bill Clinton
The President of the United States
The White House
Washington, DC 20500-2000

cc: The Honorable Sandy Berger

THE WHITE HOUSE

WASHINGTON

Date 8-2-00

To: Podesta

From: The Staff Secretary

Any comment?

4553
-159

THE WHITE HOUSE

WASHINGTON

August 2, 2000

ACTION

MEMORANDUM FOR THE PRESIDENT

THROUGH: THE EXECUTIVE CLERK

FROM: SAMUEL BERGER
GENE SPERLING
CHARLES M. BRAIN

SUBJECT: Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

Purpose

Transmit to the Senate for advice and consent to accession the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("the Protocol").

Background

The State Department has forwarded for your transmission to the Senate for its advice and consent to accession the Protocol (Tab A) establishing an international trademark registration system. This system is independent of, but in many respects similar to, the Madrid Agreement Concerning the International Registration of Marks ("the Madrid Agreement"), to which the United States is not a party. The Protocol contains significant modifications to the Madrid Agreement. Acceding to the Protocol will facilitate the entry of U.S. industry into foreign markets by simplifying the acquisition of trademark protection abroad and reducing attendant costs. The most controversial aspect of the Protocol is that it permits an intergovernmental organization (such as the European Community (EC)) to become a party to the Protocol and thereby to have an additional vote separate and independent from that of its member States. The United States has consistently opposed such voting arrangements. However, the EC and its member states have affirmed, in a February 2, 2000 letter, that it is their intention to use their

cc: Vice President
Chief of Staff

voting rights in such a way as to ensure that the number of votes cast by the EC and its Member States will not exceed the number of the Member States. The State Department advises that the letter provides sufficient protection for U.S. interests in the unique context of the Protocol to allow them to recommend that the United States should become a party to the Protocol. USTR and the Department of Commerce also recommend that the Protocol be transmitted to the Senate.

Legislation to implement the changes in procedure needed to fulfill the obligations of the Protocol was passed by the House of Representatives and is awaiting action by the Senate.

RECOMMENDATION

That you sign the Transmittal Message to the Senate at Tab A.

Attachments

Tab A Transmittal Message to the Senate
Tab B State Department Report
Tab C EU Council Letter, February 2, 2000
Tab D Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

TO THE SENATE OF THE UNITED STATES:

I transmit herewith, for the advice and consent of the Senate to accession, the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("the Protocol") adopted at Madrid June 27, 1989, which entered into force December 1, 1995. Also transmitted for the information of the Senate are the report of the Department of State with respect to the Protocol and a February 2, 2000, letter from Council of the European Union regarding voting within the Assembly established under the Protocol.

The Protocol will offer several major advantages to U.S. trademark owners. First, registration of trademarks internationally will be possible without obtaining a local agent and without filing an application in each Contracting Party. If the United States accedes to the Protocol, the Protocol will provide a trademark registration filing system that will permit a U.S. trademark owner to file for registration in any number of Contracting Parties by filing a single standardized application in English, and with a single payment in dollars, at the United States Patent and Trademark Office ("PTO"). The PTO will forward the application to the International Bureau of the World Intellectual Property Organization (respectively, "International Bureau" and "WIPO"), which administers the Protocol. Second, under the Protocol, renewal of a trademark registration in each Contracting Party may be made by filing a single request with a single payment. These two advantages should make access to international protection of trademarks more readily available to both large and small U.S. businesses.

Third, the Protocol will facilitate the recording internationally of a change of ownership of a mark with a single filing. U.S. businesses experience difficulties effecting valid assignments of their marks internationally due to burdensome administrative requirements for recordation of an assignment in many countries. These difficulties can hinder the normal transfer of business assets. The Protocol will permit the holder of an international registration to record the assignment of a trademark in all designated Contracting Parties upon the filing of a single request with the International Bureau, accompanied by a single payment. To carry out the provisions of the Protocol, identical implementing legislation, which is supported by the Administration, was passed by the House of Representatives and introduced in the Senate.

Accession to the Protocol is in the best interests of the United States. Therefore, I recommend the Senate give early and favorable consideration to the Protocol and give its advice and consent to accession, subject to the declarations described in the accompanying report of the Department of State.

THE WHITE HOUSE,

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DEPARTMENT OF STATE
WASHINGTON

July 11, 2000

The President:

I have the honor hereby to submit to you, with a view to its transmittal to the Senate for advice and consent to accession, the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Protocol"), adopted at Madrid June 27, 1989, which entered into force December 1, 1995. Also enclosed for the information of the Senate is a February 2, 2000, letter from the Council of the European Union regarding voting within the Assembly established under the Protocol.

The Protocol traces its genesis to the Madrid Agreement Concerning the International Registration of Marks (1891), revised at Brussels (1900), Washington (1911), The Hague (1925), London (1934), Nice (1957) and Stockholm (1967), and amended in 1979 ("Madrid Agreement"), which established an international trademark registration system that is administered by the International Bureau of the World Intellectual Property Organization (respectively, "International Bureau" and "WIPO"). As of May 10, 2000, fifty-two countries are Contracting Parties to the Madrid Agreement. The United States is not a Contracting Party to the Madrid Agreement.

The President,

The White House.

Between 1986 and 1989, the International Bureau convened meetings of governmental experts to develop an international trademark registration system that could gain wide acceptance. These experts conceived of a protocol based upon the Madrid Agreement, but with certain changes to attract a broader adherence. On June 27, 1989, at a Diplomatic Conference held in Madrid, the States party to the Madrid Agreement concluded a Protocol, which was signed by 27 of the 29 States then party to the Madrid Agreement. The Protocol establishes an international trademark registration system that is independent of, but in many respects similar to, that of the Madrid Agreement.

Acceding to the Protocol offers significant advantages to U.S. trademark owners. Registering a trademark internationally will be possible without obtaining a local agent and incurring attendant costs. Registration can be accomplished by filing a single standardized application in English, with a single payment, in dollars, at the United States Patent and Trademark Office ("PTO"). Cost savings to U.S. trademark owners are expected to be substantial.

Background

The United States has never belonged to an international trademark registration system, but has considered it in the past because of the trade advantages such a system would offer. Trademarks, representing the good will of a business and identifying its products and services, are among the most valuable assets of a business. In most countries other than the United States, trademark rights are obtained only by registration. One major obstacle to the international protection of trademarks is the difficulty and cost of obtaining and maintaining a registration in each and every country.

In the late 1960s the United States considered joining the Madrid Agreement, but concluded that it contained provisions disadvantageous to U.S. trademark owners and was unworkable under existing U.S. law. Specifically, the following provisions of the Madrid Agreement were considered undesirable by the United States:

(1) the requirement that the international application be based on an Office of origin registration (given the long pendency of applications in the United States at that time and the requirement for use of a trademark prior to filing, this requirement would have required the U.S. trademark owner to wait beyond a reasonably prudent time before seeking registration internationally under the Madrid Agreement);

(2) the provision called "central attack," which results in the cancellation of the international registration in all Contracting Parties if the Office of origin registration is cancelled in the first five years;

(3) requirement that the application be in the French language;

(4) the provision for a maximum 12-month period within which a Contracting Party could refuse to effect the international registration (at that time,

the normal time period for completing the first examination of an application by the PTO was substantially more than 12 months; thus, the United States could not be sure that all refusals could be raised within the prescribed time period); and

(5) the provision designating low filing and renewal fees for the national office, which were less than the comparable national fees in the United States.

The Protocol establishes a separate international trademark registration system from, and contains significant modifications to, the Madrid Agreement. These modifications address and resolve the concerns that led the United States to reject accession to the Madrid Agreement. Thus, the Protocol provides:

(1) under Article 2(1), an Office of origin application may be the basis of an international application;

(2) if the basis of an international registration is extinguished during its first five years as set out in Article 6, then Article 9<u>quinquies</u> allows the registration to be converted into a national or regional application in a designated Contracting Party and retain its original effective filing date;

(3) the working languages, as set forth in the Common Regulations under the Madrid Agreement Concerning the International Registration of Marks and the Protocol Relating to that Agreement ("Regulations") are English and French; thus, for example, Rule 6(1)(b) specifies that, "[a]ny

international application governed exclusively by the Protocol or governed by both the Agreement and the Protocol shall be in English or French according to what is prescribed by the Office of origin"; in accordance with Rule 6(3)(b), "the recordal in the International Register and the publication in the Gazette of the international registration resulting therefrom . . . shall be in English and French"; Rule 6(4)(a) provides, in turn, that "[t]he translations from English into French or from French into English . . . shall be made by the International Bureau";

(4) under Article 5, a Contracting Party may have up to 18 months to refuse to effect an international registration, and, with appropriate notice, an additional 7 months from the beginning of the opposition period to notify the grounds for opposition (over the past few years, the average time to issue a refusal in the examination of a trademark application at the PTO, has been about 5 months); and

(5) under Article 8, a Contracting Party may charge the equivalent of its national (or, in the case of an intergovernmental organization, regional) filing and renewal fees (renewals are for ten-year periods) diminished only by any savings resulting from the international procedure.

As described in more detail below, the Protocol establishes an international procedure for the *filing* of trademark applications. Adherence will not require the United States to adopt any changes to its substantive trademark laws. Legislation has been introduced, and has already been passed by the House of Representatives, to implement the changes in procedure needed to fulfill the obligations of the Protocol.

The Protocol Process

In the event that the United States accedes to the Protocol and Congress passes the necessary implementing legislation, the Protocol would operate in the United States as follows.

The Protocol will provide a trademark registration filing system that will permit a U.S. trademark owner to file for registration in any number of Contracting Parties by filing a single standardized application, in English, with a single payment in dollars, at the PTO. Pursuant to Article 3, the PTO must review the international application and certify that it is identical to the underlying U.S. application or registration that is claimed as the basis for the international application. If the international application meets that test, the PTO must forward the international application to the International Bureau. After a formalities check, the International Bureau then registers the application as an international registration and forwards the data in the application to the Contracting Parties that applicant has selected. Thus, international registration may be obtained without obtaining a local agent and without filing a national or regional application with each Contracting Party. Equally important, under the Protocol, renewal of all of the extensions of protection may be made by filing a single request with a single payment under Article 7.

1. Filing of an International Application.

Pursuant to Article 2, where the owner of a U.S. trademark application or registration is a national of the United States, or is domiciled, or has a real and effective industrial or commercial establishment, in the United States ("U.S. trademark owner"), that U.S. trademark owner will be able to file with the PTO, which will be considered the Office of origin, an application for international registration along with a request that the international registration be effected in at least one Contracting Party other than the United States. (Pursuant to Article 3*bis*, the international registration may not be effected in the territory of the Contracting Party of the Office of origin. Thus, the trademark owner whose Office of origin is the United States could not obtain protection for its trademark in the United States through the Madrid Protocol system.)

Pursuant to Article 3, the PTO must certify that the particulars in the international application correspond to those in the underlying U.S. application or registration and forward the international application to the International Bureau. Non-U.S trademark owners may obtain protection in the United States by following the same procedure in their respective Offices of origin and, pursuant to Articles 3*bis* and 3*ter*, specifying the United States as a Contracting Party in which they are seeking protection.

2. Issuance of International Registration.

The International Bureau must issue the international registration if all filing requirements are met, and, pursuant to Article 3(4), must publish the mark in its International Gazette, a periodic publication containing all relevant data recorded during the period concerning international registrations. Pursuant to Article 3ter, the International Bureau must forward the request for territorial extension of the international registration to the Contracting Parties specified, either at the time of filing or later, if the applicant requests a territorial extension of its international registration at some time after the international registration is effected.

In accordance with Articles 4 and 5, those Contracting Parties will consider the extension request pursuant to their applicable legislation. Once the extension request is either approved through the examination process, or the applicable time periods set out in Article 5 pass without a refusal or a successful opposition, the extension of the international registration to a particular Contracting Party has legal effect.

Pursuant to Article 6(1), registration of a mark at the International Bureau is effected for ten years, with the possibility of renewal under certain conditions discussed below. Pursuant to Article 4, the effect of such registration shall be the same as if the mark had been deposited directly with the Office of the particular Contracting Party to which the registration is extended.

3. Request for Extension of Protection to the United States by the Foreign Holder of an International Registration.

When the United States receives a request for extension of protection of a mark in an international registration, the PTO must examine the request in the same manner, and pursuant to the same requirements, as a regularly-filed U.S. application. When the examination of the extension request is concluded, and all of the formalities and/or refusals raised in the examination process are settled, the mark will be published for opposition.

If the formalities and/or refusals are not settled between the applicant and the examiner, then the applicant may either abandon its application or institute an appeal to the Trademark Trial and Appeal Board, which is consistent with Article 5's provision that a holder shall have the same remedies in the event of a refusal as would be available if the mark had been directly deposited with the PTO. The Trademark Trial and Appeal Board must determine whether the application should be denied or should be published for opposition. The applicant can appeal its determination to the Court of Appeals for the Federal Circuit or ask for a trial *de novo* in a U.S. District Court. If no opposition is filed or is successful, the Director of the United States Patent and Trademark Office must issue a certificate of extension of protection, which will have the same effect and validity as a U.S. registration on the Principal Register, the official U.S. register of distinctive marks.

The Protocol, pursuant to Article 5, requires the national or regional office considering an extension request to notify the International Bureau of all refusals, which would include examination refusals and the possibility of opposition, as well as the grounds(s) for opposition, within specified time periods. Under Article 5, Contracting Parties that make appropriate declarations (discussed below) may have up to 18 months, from the date of notification of the extension of protection, to state the grounds for refusing an extension of protection from the international registration, and, with appropriate notice, an additional 7 months from the beginning of the opposition period to notify the grounds for opposition. Absent timely refusal, Article 5 requires the national or regional office (the PTO in the case of the United States) to extend protection to the international registration.

The United States may require non-U.S. trademark owners seeking trademark protection in the United States under the Protocol to declare, at the time the extension of protection is requested, that they have a bona fide intention to use the mark in commerce. Rule 7(2) specifies that, "[w]here a Contracting Party requires, as a Contracting Party designated under the Protocol, a declaration of intention to use the mark, it shall notify that requirement to the Director General. Where that Contracting Party requires the declaration to be signed by the applicant himself and to be made on a separate official form annexed to the international application, the notification shall contain a statement to that effect and shall specify the exact wording of the required declaration."

Rule 9, the rule that sets out the permissible requirements for an international application, provides in subsection 9(6)(d) that "[t]he international application shall also contain, where a designation concerns a Contracting Party that has made a notification under Rule 7(2), a declaration of intention to use the mark in the territory of that Contracting Party. . . ."

Consistent with these rules, the Department of State would, at the time of deposit of the instrument of accession, have the United States notify the Director General of its intention to require, from the date of entry into force of the Protocol in the United States, a statement of bona fide intention to use a mark in commerce of all holders of international registrations requesting extensions of protection to the United States.

4. Maintenance of an International Registration and Extensions of Protection.

Pursuant to Article 3*ter*(2), an extension of protection to additional Contracting Parties may be requested at any time during the life of the international registration. Article 7 provides that an international registration is renewable every ten years upon payment of the appropriate fee(s) to the International Bureau. Rule 31(2) of the Regulations specifies that, "[t]he effective date of the renewal shall be the same for all designations contained in the international registration, irrespective of the date on which such designations were recorded in the International Register."

Additionally, for the extension of protection to remain in force in the United States, the proposed legislation to implement the Protocol requires the periodic filing of affidavits of continued use in commerce of the subject mark. Inasmuch as these affidavits are not considered to be part of the renewal process, they are not governed by the restrictions on renewal set out in the Protocol. Indeed, such affidavits of use have long been required by a few of the current Contracting Parties to the Madrid Agreement and, therefore, there was general agreement from the Committee of Experts that such affidavits fell outside of the restrictions of the Protocol and were allowed as a national practice.

5. Cancellation or Limitation of International Registration.

If the national or regional application or registration forming the basis of an international registration is restricted, abandoned, cancelled, or has expired, pursuant to applicable law, and any of these effects occur as a result of an action commenced within five years of the date of international registration, then, pursuant to Article 6(3), the Office of origin must notify the International Bureau. It must, in turn, similarly cancel or limit the international registration. For example, if, during the five years after international registration, some goods or services have been deleted from the identification of goods or services in the national or regional application or registration that forms the basis for the international registration, then pursuant to Article 6(3), those same goods or services must be deleted from the international registration and any extension requests that exist for the international registration. Similarly, if the national or regional application or registration that forms the basis for the international registration has been abandoned, cancelled or has expired, either during the five years after international registration or as a result of an action that commenced during the five-year period, then, pursuant to Articles 6(3) and 6(4), the International Bureau must cancel the international registration and each Contracting Party that has extended protection to that international registration must cancel the attendant extension of protection. Otherwise, if no such restriction, abandonment, cancellation or expiration occurs during the five years after international registration (or as the result of an action begun in the first five years after international registration), then, pursuant to Article 6(2), the international registration becomes independent of its underlying national or regional application or registration.

However, if such a cancellation occurs, Article 9quinquies of the Protocol permits transformation of existing extensions of protection into national (or regional, in the case of intergovernmental organization Contracting Parties) applications in the Contracting Parties in which the international registration had been extended. The holder of the cancelled international registration may file, within three months of the cancellation of the international registration, national or regional applications for the same mark in relation to the cancelled goods or services in each Contracting Party that had extended protection to the international registration. Provided that the applicant complies with the applicable law, each application will obtain, as a filing date, the date of the international registration or, if the extension of protection was sought after international registration occurred, the date of the recordation of the extension of protection for that particular Contracting Party.

6. Recordation of Assignment or Change of Ownership.

Often, U.S. businesses experience difficulties effecting valid assignments of their marks internationally due to the burdensome administrative requirements for recordation of an assignment in many countries. These difficulties can hinder the normal transfer of business assets. Pursuant to Articles 9, 9bis, and 9ter, the Protocol permits the person in whose name an international registration stands to record the assignment of its trademark in all designated Contracting Parties by making a single payment and filing one document, provided that the new holder is entitled to file international applications under the Protocol.

7. Protocol System Not Exclusive of National and Regional Trademark Registration Systems.

Use of the procedures established by the Protocol is optional for applicants. Applicants may continue to file individual trademark applications in each Contracting Party in which they seek trademark protection. In the event that they also file an international registration, Article 4bis deems the international registration to replace the national or regional registration, under certain conditions, but without prejudice to the rights acquired under the national or regional registration. Furthermore, the Protocol in no way diminishes the right of priority and national treatment that applicants are accorded under the Paris Convention for the Protection of Industrial Property (1883), as revised and amended.

The Assembly of the Madrid Union

Article 1 of the Madrid Agreement provides that the countries party to the Agreement "constitute a Special Union for the International registration of marks." Article 1 of the Protocol provides that the Contracting Parties to the Protocol "shall be members of the same Union of which countries party to the Madrid (Stockholm) Agreement are members." Article 10 of the Protocol provides, in turn, that the Contracting Parties to the Protocol are members of the same Assembly as are the Contracting Parties to the Madrid Agreement. Article 10(3)(a) provides that only Contracting Parties to the Madrid Protocol have the right to vote on matters concerning only the Protocol (and, of course, only Contracting Parties to the Madrid Agreement may vote on matters concerning only the Madrid Agreement).

Articles 10 and 13 establish the functions of the Assembly. Under Article 10(2), these are: dealing with all matters concerning implementation of the Protocol; giving directions to the International Bureau concerning preparation for revision conferences; adopting and modifying provisions of the Regulations; and performing such other functions as are appropriate under the Protocol.

In addition, as is a common practice in multilateral intellectual property treaties that include provisions for an assembly to facilitate treaty implementation, certain provisions of the Treaty may be amended by a super-majority of the Assembly, without the need for a revision conference (see, e.g., Paris Convention for the Protection of Industrial Property of March 20, 1883, as revised and amended (Stockholm, July 14, 1967)(Article 17); Patent Cooperation Treaty of June 19, 1970, as amended and modified (Article 61); Strasbourg Agreement Concerning the International Patent Classification of March 24, 1971, as amended (Article 11); Berne Convention for the Protection of Literary and Artistic Works Paris Act of July 24, 1971, as amended (Article 26); and Budapest Treaty on the International Recognition of the Deposit of Microorganisms for the Purposes of Patent Procedure of April 28, 1977, as amended (Article 14)). Under Article 13(1), proposals for the amendment of Articles 10 (Assembly), 11 (International Bureau), 12 (Finances), and 13 (Amendment of Certain Articles of the Protocol) may be initiated by a Contracting Party or by the Director General of WIPO.

According to Article 13(2), adoption of any amendment to Article 11, 12, or 13 requires a three-fourths majority of the votes cast at the Assembly at which it is addressed. In addition, under Article 13(2), any amendment to Article 10 or Article 13(2) itself, requires a four-fifths majority of the votes cast at the Assembly.

In each case, in accordance with Article 13(3), amendments adopted by the requisite super-majority of the Assembly enter into force for all Contracting Parties to the Protocol one month after written notifications of acceptance, effected in accordance with their respective constitutional processes, have been received by the Director General from three-fourths of those States and intergovernmental organizations that, at the time the amendment was adopted, were members of the Assembly and had the right to vote on the amendment. The large size of the super-majorities and the requirement that notifications of acceptance be effected in accordance with constitutional processes combine to provide substantial assurance that the amendment process will be used sparingly and in a manner that will not disserve U.S. interests.

From the perspective of the United States, the most controversial aspect of the Protocol has been the voting provision contained in Article 10(3)(a), which provides that "[e]ach Contracting Party shall have one vote in the Assembly." Since, in accordance with Article 14, not only States but also intergovernmental organizations may become Contracting Parties, this provision has the effect of allowing an intergovernmental organization (such as the European Community ("EC")) to have an additional vote separate and independent from that of its member States if it were to become a Contracting Party to the Protocol. The United States has consistently opposed such voting as an unwarranted expansion of the voting power of intergovernmental organizations and their member States -

and a correspondingly unwarranted dilution of U.S. voting power.

The United States harbored significant concerns that the Protocol would establish an unfavorable precedent and that comparable voting provisions would be adopted in other treaties, to the detriment of U.S. interests. In the aftermath of the negotiations that led to the Protocol, in the field of intellectual property alone, the European Union ("EU") proposed concurrent voting for the EC and its Member States in the negotiating texts of numerous proposed treaties. During the negotiation of the Trademark Law Treaty, EU insistence on an independent vote forced negotiators to accept a compromise arrangement whereby all provisions relating to voting were dropped from the agreement - a development that significantly constrains the ability of the parties to effect necessary revisions.

The United States was an observer, not a participant, in the negotiations leading to the Protocol. More than a decade has passed since that negotiation was concluded. Throughout this period, the United States has forcefully and successfully opposed every attempt by the European Union to include comparable voting provisions in other treaties. Last year, in the context of negotiations for the Hague Agreement Concerning the International Deposit of Industrial Designs, the EU and its Member States did not press for an independent vote for intergovernmental organizations such as the EC. That marked a watershed because in prior years the EU had repeatedly described the Hague Agreement context as involving concurrent competence analogous to that in the Protocol and warranting analogous voting provisions. We are now satisfied that the United States opposition to such voting provisions has been heard and that the Protocol cannot be considered a paradigm for voting provisions in multilateral treaties.

While certainly desirable, revising Article 10(3)(a) of the Protocol is not a feasible prospect at this juncture. However, the United States, the EC (which, like the United States, is not yet a Contracting Party to the Protocol), and its Member States have been able to reach an accommodation regarding the voting issue.

At the request of the United States, the EC and its Member States have affirmed, in a February 2, 2000, letter from Margarida Figueiredo, Chairwoman of the Permanent Representatives Committee on behalf of the Council of the European Union, their commitment to a consensus-based decision process within the Assembly of the Madrid Union. They have also indicated that, in the event that a vote is called for, they will endeavor to conduct consultations with the United States and, where appropriate, with other like-minded participants. The February 2 letter also affirms that, where these consultations do not lead to a common position among the United States, the EC, and its Member States on the subject put to a vote, it is the intention of the EC and its Member States to use their voting rights in such a way as to ensure that the number of votes cast by the EC and its Member States does not exceed the number of the EC's Member States.

Consensus-based decision making has long been used in the Assembly of the Madrid Union. Indeed, we understand that no issue has been put to a vote since the early 1970s. Accordingly, we have concluded that, although the unilateral statement of intent reflected in the Council of the European Union's February 2, 2000, letter is not an ideal resolution of the voting issue and is certainly not an acceptable model for future agreements, it does provide sufficient protection for U.S. interests in the unique context of the Protocol to allow me to recommend that the United States now become a Contracting Party.

Functions of the International Bureau

Article 11 deals with the duties of the International Bureau of WIPO as they relate to the Protocol. The International Bureau maintains the International Register; makes preparations for the conferences of revision of the Protocol; is authorized to consult with intergovernmental and international non-governmental organizations concerning preparations for such conferences of revision; and carries out any other tasks assigned to it in relation to the Protocol. Pursuant to Article 11(2)(c), the Director General and his designees take part, without the right to vote, in discussions at any conferences of revision. As noted above, this Article can be amended by a three-fourths majority of the Madrid Assembly members that are Contracting Parties to the Protocol.

Finances

Article 12 provides that, as far as Contracting Parties to the Protocol are concerned, the finances of the Union shall be governed by the same provisions as those in the Madrid Agreement, except that the Protocol provides an alternative for the collection of national or regional fees rather than the complementary and supplementary fees (and the resulting fee-sharing arrangement) set out in the Agreement. As noted above, this Article, which concerns only the finances of the Union and its budget for administering the Madrid Agreement and the Protocol, can be amended by a three-fourths majority of the Madrid Assembly members that are Contracting Parties to the Protocol. (In contrast, Article 8, which concerns fees for international application and registration, cannot be amended by the Assembly.)

The finances of the Madrid Union include a working capital fund (established by Article 12(6) of the Madrid Agreement, which applies to Contracting Parties to the Protocol by virtue of Article 12 of the Protocol). Article 12(6)(a) of the Madrid Agreement specifies that this fund shall be constituted by a single payment made by each country of the Union, and permits the Assembly to increase the fund if it becomes insufficient. However, Article 12(6)(d) further authorizes the Assembly to suspend the application of the payment provision, so long as the Assembly authorizes use of the reserve fund of the Union as a working capital fund. Such a suspension has, in fact, been in place for over 20 years. The working capital fund was constituted at the level of 2,000,000 Swiss francs in 1979 by a transfer of funds from the reserve fund of the Madrid Union. Accordingly, no payment into the working capital fund has been requested of any Contracting Party that has become a member of the Madrid

Union since 1979. A senior WIPO official has advised that it is not now envisaged that any such payments would be required in the future pursuant to Article 12(6) of the Madrid Agreement or Article 12 of the Protocol.

The PTO expects to incur some relatively modest initial costs (e.g., to modify forms and update computer programs) to enable it to process applications under the Protocol. However, every request for an extension of protection will be charged the same fee as is charged for a regular U.S. trademark application. That fee should cover the cost of processing the Protocol application. Moreover, the PTO already accepts electronic filing of applications over the Internet. Thus, much of the Protocol process (e.g., relaying international applications and requests for extensions to the International Bureau and reviewing similar requests for extensions of protection in the United States) could be run with a variation of the current electronic system.

Participation by Intergovernmental Organizations

Article 1 of the Protocol provides that Contracting Parties to the Protocol may be either "Contracting States" or "Contracting Organizations." Under Article 14, each Contracting State must be a party to the Paris Convention for the Protection of Industrial Property of March 20, 1883, as revised and amended. The same article authorizes an intergovernmental organization to become a Contracting Party to the Protocol if: (1) at least one of the member States of the organization is a party to the Paris Convention; and, (2) the organization has a regional

Office for the purposes of registering marks with effect in the territory of the organization and that this regional Office is not operating as a common Office to replace one or more of the national Offices of its member States.

Such conditions for an intergovernmental organization to become a Contracting Party are somewhat unusual in that they do not contain the traditional requirements that the organization be duly authorized to become a party and that it submit a declaration of its competency vis-à-vis its member States with respect to matters covered by the Protocol. Nevertheless, given the Article's requirement for a regional Office, coupled with actual experience under the Protocol to date, as described below, these conditions for intergovernmental organization participation in the Protocol appear to be an acceptable substitute to the more traditional standards.

To date, no intergovernmental organization has yet become a party to the Protocol, and the only one that appears likely to do so in the near future is the EC. The EC has a trademark office, independent of that of its Member States, which processes requests under the EC's applicable trademark law. Thus, Member States of the EC and the EC itself each have separate competence to examine a trademark application according to the laws and regulations in its own legal system. This concurrent competence has been in place for some time in Europe, is well defined, and is not causing problems in the trademark area. The Protocol does not create or alter this system of competence for trademark registration in Europe. It merely facilitates the ability of U.S. trademark owners to obtain trademark protection under the systems of each Contracting Party. Accordingly, the United States would welcome the EC's participation in the Protocol.

Since the Protocol's negotiation in 1989, moreover, there has been no prospect of any other intergovernmental organization membership that would pose concerns for the United States. With the benefit of this experience, we are satisfied that, given the Protocol's procedural nature and the fact that membership is open only to intergovernmental organizations that actually have a regional Office for the purposes of registering marks in effect in the territory of the organization, Article 14's description of the conditions for an "intergovernmental organization" to become a Contracting Party need not preclude or delay our becoming a Contracting Party to the Protocol.

In accordance with Article 14(4), the Protocol entered into force on December 1, 1995, three months after the requisite number of instruments of ratification had been deposited. The language of Article 14(4) would have permitted an intergovernmental organization and its member States to be counted separately toward bringing the Protocol into force, and thus was objectionable to the United States as an unwarranted expansion of the power of intergovernmental organizations and their member States without basis in international law. U.S. concerns about this language have been resolved satisfactorily because: (1) the Protocol entered into force solely on the basis of instruments deposited by States, without participation of intergovernmental organizations; and (2) the language has not become a precedent and has not recurred in subsequently negotiated treaties.

Industry Support for Accession by the United States

Accession by the United States to the Protocol has been endorsed in principle by the Section of Patent, Trademark and Copyright Law of the American Bar Association; the International Trademark Association; and the Trademark, Trade Identity and Unfair Competition Committee of the American Intellectual Property Law Association. These endorsements contain the caveat that the United States should accede to the Protocol only if non-U.S. trademark owners seeking trademark protection in the United States under the Protocol are required to declare, at the time the extension of protection is requested, that they have a bona fide intention to use the mark "in commerce," as that term is defined in Section 45 of the Trademark Act, as amended, 15 U.S.C. 1127. As described above, the Protocol does not prohibit such a requirement by the United States, and the Regulations specifically contemplate it.

Industry support for U.S. accession has increased as the number of Contracting Parties to the Protocol has grown, which has enhanced the economic benefits of U.S. participation - and has increased the disadvantages of non-participation. Japan's recent accession to the Protocol, in March 2000, is illustrative.

Currently, the pendency from application filing to the registration of a trademark in Japan is several years.

However, as a Contracting Party to the Protocol, Japan must process, and register, requests under the Protocol for extension of protection within the Protocol's strict time limits. As a result, those filers who cannot use the Protocol will be in the unfortunate position of waiting years for a registration in Japan, while applicants under the Protocol will receive consideration and registration within 18 months (barring the filing of an opposition).

Comparable situations may arise regarding other Contracting Parties. U.S. industry is keenly aware of the increasing importance of the Protocol and has expressed concerns that U.S. trademark owners seeking international protection may be seriously, and increasingly, disadvantaged unless and until the United States becomes a Contracting Party.

Implementing Legislation

To carry out the provisions of the Protocol, identical implementing legislation has been introduced in both the House of Representatives (where it has been passed) and the Senate. To ensure that our domestic laws conform with our expanded international obligations, the United States would not deposit its instrument of accession to the Protocol until enactment of all necessary implementing legislation and until after a period of time sufficient to allow the PTO to promulgate implementing regulations and to complete the necessary administrative changes.

Declarations to Accompany U.S. Accession

As noted above, the Protocol contemplates that Contracting Parties may make declarations with respect to certain Protocol articles. The Department of State recommends that U.S. accession to the Protocol be accompanied by three declarations, pursuant to Protocol Articles 5(2)(b), 5(2)(c), and 8(7)(a), respectively, as described below.

The first declaration, authorized under Article 5(2)(b), permits the extension of the time period within which the United States must notify the International Bureau of its refusal to extend protection to an international registration. Article 5(2)(a) requires the PTO to notify its refusal to extend protection to a mark in an international registration, along with a statement of all grounds for the refusal, before the expiry of one year from the date on which the notification of the extension request was sent to the PTO by the International Bureau. Article 5(2)(b) provides, however, that the Article 5(2)(a) time limit of one year may be extended, by a Contracting Party's declaration, to 18 months. The PTO has ascertained that a declaration is necessary to ensure that sufficient time exists for the request for extension of protection to be examined in the PTO and, in the majority of cases, published for opposition.

Accordingly, the Department of State recommends that the following declaration be included in the U.S. instrument of accession:

"Pursuant to Article 5(2)(b) of the Protocol, the United States declares that, for international registrations made under this Protocol, the time limit referred to in subparagraph (a) of Article 5(2) is replaced by 18 months."

The second declaration, authorized under Article 5(2)(c), concerns the possibility of a refusal of protection with respect to any given international registration, as a result of third party opposition to the granting of protection. If a declaration is made under Article 5(2)(c), the PTO may notify the International Bureau, before the expiry of the 18-month time limit for refusal, of the possibility that an opposition may be filed beyond this time limit and a subsequent refusal may then be notified by the PTO to the International Bureau after the expiry of the 18-month time limit. However, Article 5(2)(c) requires such a refusal to be notified within a time limit of not more than seven months from the date on which the opposition period begins. (If the opposition period expires before this seven-month time limit, the notification must be made within one month from the expiry of the opposition period.) The PTO has ascertained that a declaration is necessary to ensure that sufficient time exists for a mark that is the subject of a request for extension of protection to be published and for a third party to exercise its right to oppose and specify the grounds for opposition.

Accordingly, the Department of State recommends that the following declaration be included in the U.S. instrument of accession:

"Pursuant to Article 5(2)(c) of the Protocol, the United States declares that, when a refusal of protection may result from an opposition to the granting of protection, such refusal may be notified to the International Bureau after the expiry of the 18-month time limit."

The third declaration, authorized under Article 8(7)(a), concerns the fees to which the United States is entitled in connection with an extension of protection of an international registration. Article 8(1) of the Protocol permits the PTO, when it is the Office of origin, to fix and collect fees in connection with the filing of an international application or renewal of an international registration.

Article 8(2) through (6) provides for a system of collection and distribution of the international fees for registration and renewal of a mark with the International Bureau according to a formula, which would divide revenues equitably among Contracting Parties. The Article 8(2) through (6) formula essentially reproduces the system of fees that exists in the Madrid Agreement so that a Contracting Party that elects to be a member of both the Agreement and the Protocol will be able to adopt the same fee arrangement for both. However, Article 8(7)(a) permits any Contracting Party to receive, instead, in connection with each international registration for which an extension of protection is requested, and in connection with the renewal of any such international registration, individual fees that do not exceed the national or regional application filing fee and registration renewal fee, respectively, in effect at the time of declaration.

Article 8(7)(a) requires that, in arriving at the appropriate fee amounts, the national fee be diminished by the savings, if any, resulting from the international procedure. The PTO does not anticipate any savings as a result of the Protocol's international procedure. The PTO has ascertained that a declaration is necessary to ensure that the PTO receives sufficient fees to support the costs associated with its obligations under the Protocol.

Accordingly, the Department of State recommends that the following declaration be included in the U.S. instrument of accession:

> "Pursuant to Article 8(7)(a) of the Protocol, the United States declares that, in connection with each international registration in which it is mentioned under Article 3ter of the Protocol, and in connection with each renewal of any such international registration, the United States chooses to receive, instead of a share in revenue produced by the supplementary and complementary fees, an individual fee the amount of which shall be the current application or renewal fee that the United States Patent and Trademark Office charges at that time to a domestic applicant or registrant of such a mark."

Conclusion

The Protocol is of direct and immediate importance to the United States. It will facilitate the entry of U.S. industry into foreign markets by simplifying the acquisition of trademark protection abroad and reducing attendant costs. As described above, it will accomplish this by allowing a U.S. trademark owner to file for registration or renewal with any number of Contracting Parties through a single form filed with the PTO, accompanied by a single payment, and without the need to retain local agents or file individual applications in each Contracting Party in which protection is sought. The Department of Commerce and the Office of the United States Trade Representative join the Department of State in requesting that the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks be transmitted to the Senate for its advice and consent to accession as soon as possible, subject to the declarations previously described.

Respectfully submitted,

Alan Larson

COUNCIL OF
THE EUROPEAN UNION

Brussels, **02 -02- 2000**

Mr Alan. P. LARSON
Under-Secretary for Economic and Business Affairs
United States Mission to the European Union
Boulevard du Regent, 40
1000 – BRUSSELS

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Sir,

On 20 November 1997 Ambassador A. Vernon Weaver wrote to Ambassador Kasel proposing an understanding between the United States and the European Community and its Member States concerning the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Madrid Protocol").

I am pleased to inform you that the Council of the European Union and the Representatives of the Governments of the Member States meeting within the Council have approved the following Statement of Intent:

"The European Community and its Member States affirm their commitment to a consensus-based decision process within the Assembly of the Madrid Union. However, if a vote is called for, the European Community and its Member States will endeavour to conduct prior consultations with the United States of America and, where appropriate, with other like-minded participants.

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Where these consultations do not lead to a common position among the European Community, its Member States and the United States on the subject put to a vote, it is the intention of the European Community and its Member States to use their voting rights in such a way as to ensure that the number of votes cast by the European Community and its Member States does not exceed the number of the European Community's Member States."

Yours faithfully,

Margarida FIGUEIREDO
Chairwoman of the Permanent Representatives Committee

Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

Adopted at Madrid on June 27, 1989

Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks

List of the Articles of the Protocol

Article 1

Membership in the Madrid Union

The States party to this Protocol (hereinafter referred to as "the Contracting States"), even where they are not party to the Madrid Agreement Concerning the International Registration of Marks as revised at Stockholm in 1967 and as amended in 1979 (hereinafter referred to as "the Madrid (Stockholm) Agreement"), and the organizations referred to in Article 14(1)*(b)* which are party to this Protocol (hereinafter referred to as "the Contracting Organizations") shall be members of the same Union of which countries party to the Madrid (Stockholm) Agreement are members. Any reference in this Protocol to "Contracting Parties" shall be construed as a reference to both Contracting States and Contracting Organizations.

Article 2

Securing Protection through International Registration

(1) Where an application for the registration of a mark has been filed with the Office of a Contracting Party, or where a mark has been registered in the register of the Office of a Contracting Party, the person in whose name that application (hereinafter referred to as "the basic application") or that registration (hereinafter referred to as "the basic registration") stands may, subject to the provisions of this Protocol, secure protection for his mark in the territory of the Contracting Parties, by obtaining the registration of that mark in the register of the International Bureau of the World Intellectual Property Organization (hereinafter referred to as "the international registration," "the International Register," "the International Bureau" and "the Organization," respectively), provided that,

(i) where the basic application has been filed with the Office of a Contracting State or where the basic registration has been made by such an Office, the person in whose name that application or registration stands is a national of that Contracting State, or is domiciled, or has a real and effective industrial or commercial establishment, in the said Contracting State,

(ii) where the basic application has been filed with the Office of a Contracting Organization or where the basic registration has been made by such an Office, the person in whose name that application or registration stands is a national of a State member of that Contracting Organization, or is domiciled, or has a real and effective industrial or commercial establishment, in the territory of the said Contracting Organization.

(2) The application for international registration (hereinafter referred to as "the international application") shall be filed with the International Bureau through the intermediary of the Office

with which the basic application was filed or by which the basic registration was made (hereinafter referred to as "the Office of origin"), as the case may be.

(3) Any reference in this Protocol to an "Office" or an "Office of a Contracting Party" shall be construed as a reference to the office that is in charge, on behalf of a Contracting Party, of the registration of marks, and any reference in this Protocol to "marks" shall be construed as a reference to trademarks and service marks.

(4) For the purposes of this Protocol, "territory of a Contracting Party" means, where the Contracting Party is a State, the territory of that State and, where the Contracting Party is an intergovernmental organization, the territory in which the constituting treaty of that intergovernmental organization applies.

Article 3

International Application

(1) Every international application under this Protocol shall be presented on the form prescribed by the Regulations. The Office of origin shall certify that the particulars appearing in the international application correspond to the particulars appearing, at the time of the certification, in the basic application or basic registration, as the case may be. Furthermore, the said Office shall indicate,

(i) in the case of a basic application, the date and number of that application,

(ii) in the case of a basic registration, the date and number of that registration as well as the date and number of the application from which the basic registration resulted.

The Office of origin shall also indicate the date of the international application.

(2) The applicant must indicate the goods and services in respect of which protection of the mark is claimed and also, if possible, the corresponding class or classes according to the classification established by the Nice Agreement Concerning the International Classification of Goods and Services for the Purposes of the Registration of Marks. If the applicant does not give such indication, the International Bureau shall classify the goods and services in the appropriate classes of the said classification. The indication of classes given by the applicant shall be subject to control by the International Bureau, which shall exercise the said control in association with the Office of origin. In the event of disagreement between the said Office and the International Bureau, the opinion of the latter shall prevail.

(3) If the applicant claims color as a distinctive feature of his mark, he shall be required

(i) to state the fact, and to file with his international application a notice specifying the color or the combination of colors claimed;

(ii) to append to his international application copies in color of the said mark, which shall be attached to the notifications given by the International Bureau; the number of such copies shall be fixed by the Regulations.

(4) The International Bureau shall register immediately the marks filed in accordance with Article 2. The international registration shall bear the date on which the international application was received in the Office of origin, provided that the international application has been received by the International Bureau within a period of two months from that date. If the international application has not been received within that period, the international registration shall bear the date on which the said international application was received by the International Bureau. The International Bureau shall notify the international registration without delay to the Offices concerned. Marks registered in the International Register shall be published in a periodical gazette issued by the International Bureau, on the basis of the particulars contained in the international application.

(5) With a view to the publicity to be given to marks registered in the International Register, each Office shall receive from the International Bureau a number of copies of the said gazette free of charge and a number of copies at a reduced price, under the conditions fixed by the Assembly referred to in Article 10 (hereinafter referred to as "the Assembly"). Such publicity shall be deemed to be sufficient for the purposes of all the Contracting Parties, and no other publicity may be required of the holder of the international registration.

Article 3bis

Territorial Effect

The protection resulting from the international registration shall extend to any Contracting Party only at the request of the person who files the international application or who is the holder of the international registration. However, no such request can be made with respect to the Contracting Party whose Office is the Office of origin.

Article 3ter

Request for "Territorial Extension"

(1) Any request for extension of the protection resulting from the international registration to any Contracting Party shall be specially mentioned in the international application.

(2) A request for territorial extension may also be made subsequently to the international registration. Any such request shall be presented on the form prescribed by the Regulations. It shall

be immediately recorded by the International Bureau, which shall notify such recordal without delay to the Office or Offices concerned. Such recordal shall be published in the periodical gazette of the International Bureau. Such territorial extension shall be effective from the date on which it has been recorded in the International Register; it shall cease to be valid on the expiry of the international registration to which it relates.

Article 4

Effects of International Registration

(1)*(a)* From the date of the registration or recordal effected in accordance with the provisions of Articles 3 and 3ter, the protection of the mark in each of the Contracting Parties concerned shall be the same as if the mark had been deposited direct with the Office of that Contracting Party. If no refusal has been notified to the International Bureau in accordance with Article 5(1) and (2) or if a refusal notified in accordance with the said Article has been withdrawn subsequently, the protection of the mark in the Contracting Party concerned shall, as from the said date, be the same as if the mark had been registered by the Office of that Contracting Party.

(b) The indication of classes of goods and services provided for in Article 3 shall not bind the Contracting Parties with regard to the determination of the scope of the protection of the mark.

(2) Every international registration shall enjoy the right of priority provided for by Article 4 of the Paris Convention for the Protection of Industrial Property, without it being necessary to comply with the formalities prescribed in Section D of that Article.

Article 4bis

Replacement of a National or Regional Registration by an International Registration

(1) Where a mark that is the subject of a national or regional registration in the Office of a Contracting Party is also the subject of an international registration and both registrations stand in the name of the same person, the international registration is deemed to replace the national or regional registration, without prejudice to any rights acquired by virtue of the latter, provided that

(i) the protection resulting from the international registration extends to the said Contracting Party under Article 3ter(1) or (2),

(ii) all the goods and services listed in the national or regional registration are also listed in the international registration in respect of the said Contracting Party,

(iii) such extension takes effect after the date of the national or regional registration.

(2) The Office referred to in paragraph (1) shall, upon request, be required to take note in its register of the international registration.

Article 5

Refusal and Invalidation of Effects of International Registration in Respect of Certain Contracting Parties

(1) Where the applicable legislation so authorizes, any Office of a Contracting Party which has been notified by the International Bureau of an extension to that Contracting Party, under Article $3^{ter}(1)$ or (2), of the protection resulting from the international registration shall have the right to declare in a notification of refusal that protection cannot be granted in the said Contracting Party to the mark which is the subject of such extension. Any such refusal can be based only on the grounds which would apply, under the Paris Convention for the Protection of Industrial Property, in the case of a mark deposited direct with the Office which notifies the refusal. However, protection may not be refused, even partially, by reason only that the applicable legislation would permit registration only in a limited number of classes or for a limited number of goods or services.

(2)*(a)* Any Office wishing to exercise such right shall notify its refusal to the International Bureau, together with a statement of all grounds, within the period prescribed by the law applicable to that Office and at the latest, subject to subparagraphs *(b)* and *(c)*, before the expiry of one year from the date on which the notification of the extension referred to in paragraph (1) has been sent to that Office by the International Bureau.

(b) Notwithstanding subparagraph *(a)*, any Contracting Party may declare that, for international registrations made under this Protocol, the time limit of one year referred to in subparagraph *(a)* is replaced by 18 months.

(c) Such declaration may also specify that, when a refusal of protection may result from an opposition to the granting of protection, such refusal may be notified by the Office of the said Contracting Party to the International Bureau after the expiry of the 18-month time limit. Such an Office may, with respect to any given international registration, notify a refusal of protection after the expiry of the 18-month time limit, but only if

(i) it has, before the expiry of the 18-month time limit, informed the International Bureau of the possibility that oppositions may be filed after the expiry of the 18-month time limit, and

(ii) the notification of the refusal based on an opposition is made within a time limit of not more than seven months from the date on which the opposition period begins; if the opposition period expires before this time limit of seven months, the notification must be made within a time limit of one month from the expiry of the opposition period.

(d) Any declaration under subparagraphs *(b)* or *(c)* may be made in the instruments referred to in Article 14(2), and the effective date of the declaration shall be the same as the date of entry into force of this Protocol with respect to the State or intergovernmental organization having made the declaration. Any such declaration may also be made later, in which case the declaration shall have effect three months after its receipt by the Director General of the Organization (hereinafter referred to as "the Director General"), or at any later date indicated in the declaration, in respect of any international registration whose date is the same as or is later than the effective date of the declaration.

(e) Upon the expiry of a period of ten years from the entry into force of this Protocol, the Assembly shall examine the operation of the system established by subparagraphs *(a)* to *(d)*. Thereafter, the provisions of the said subparagraphs may be modified by a unanimous decision of the Assembly.

(3) The International Bureau shall, without delay, transmit one of the copies of the notification of refusal to the holder of the international registration. The said holder shall have the same remedies as if the mark had been deposited by him direct with the Office which has notified its refusal. Where the International Bureau has received information under paragraph (2)*(c)*(i), it shall, without delay, transmit the said information to the holder of the international registration.

(4) The grounds for refusing a mark shall be communicated by the International Bureau to any interested party who may so request.

(5) Any Office which has not notified, with respect to a given international registration, any provisional or final refusal to the International Bureau in accordance with paragraphs (1) and (2) shall, with respect to that international registration, lose the benefit of the right provided for in paragraph (1).

(6) Invalidation, by the competent authorities of a Contracting Party, of the effects, in the territory of that Contracting Party, of an international registration may not be pronounced without the holder of such international registration having, in good time, been afforded the opportunity of defending his rights. Invalidation shall be notified to the International Bureau.

Article 5bis

Documentary Evidence of Legitimacy of Use of Certain Elements of the Mark

Documentary evidence of the legitimacy of the use of certain elements incorporated in a mark, such as armorial bearings, escutcheons, portraits, honorary distinctions, titles, trade names, names of persons other than the name of the applicant, or other like inscriptions, which might be required by the Offices of the Contracting Parties shall be exempt from any legalization as well as from any certification other than that of the Office of origin.

Article 5ter

Copies of Entries in International Register; Searches for Anticipations; Extracts from International Register

(1) The International Bureau shall issue to any person applying therefor, upon the payment of a fee fixed by the Regulations, a copy of the entries in the International Register concerning a specific mark.

(2) The International Bureau may also, upon payment, undertake searches for anticipations among marks that are the subject of international registrations.

(3) Extracts from the International Register requested with a view to their production in one of the Contracting Parties shall be exempt from any legalization.

Article 6

Period of Validity of International Registration; Dependence and Independence of International Registration

(1) Registration of a mark at the International Bureau is effected for ten years, with the possibility of renewal under the conditions specified in Article 7.

(2) Upon expiry of a period of five years from the date of the international registration, such registration shall become independent of the basic application or the registration resulting therefrom, or of the basic registration, as the case may be, subject to the following provisions.

(3) The protection resulting from the international registration, whether or not it has been the subject of a transfer, may no longer

be invoked if, before the expiry of five years from the date of the international registration, the basic application or the registration resulting therefrom, or the basic registration, as the case may be, has been withdrawn, has lapsed, has been renounced or has been the subject of a final decision of rejection, revocation, cancellation or invalidation, in respect of all or some of the goods and services listed in the international registration. The same applies if

(i) an appeal against a decision refusing the effects of the basic application,

(ii) an action requesting the withdrawal of the basic application or the revocation, cancellation or invalidation of the registration resulting from the basic application or of the basic registration, or

(iii) an opposition to the basic application

results, after the expiry of the five-year period, in a final decision of rejection, revocation, cancellation or invalidation, or ordering the withdrawal, of the basic application, or the registration resulting therefrom, or the basic registration, as the case may be, provided that such appeal, action or opposition had begun before the expiry of the said period. The same also applies if the basic application is withdrawn, or the registration resulting from the basic application or the basic registration is renounced, after the expiry of the five-year period, provided that, at the time of the withdrawal or renunciation, the said application or registration was the subject of a proceeding referred to in item (i), (ii) or (iii) and that such proceeding had begun before the expiry of the said period.

(4) The Office of origin shall, as prescribed in the Regulations, notify the International Bureau of the facts and decisions relevant under paragraph (3), and the International Bureau shall, as prescribed in the Regulations, notify the interested parties and effect any publication accordingly. The Office of origin shall, where applicable, request the International Bureau to cancel, to the extent applicable, the international registration, and the International Bureau shall proceed accordingly.

Article 7

Renewal of International Registration

(1) Any international registration may be renewed for a period of ten years from the expiry of the preceding period, by the mere payment of the basic fee and, subject to Article 8(7), of the supplementary and complementary fees provided for in Article 8(2).

(2) Renewal may not bring about any change in the international registration in its latest form.

(3) Six months before the expiry of the term of protection, the

International Bureau shall, by sending an unofficial notice, remind the holder of the international registration and his representative, if any, of the exact date of expiry.

(4) Subject to the payment of a surcharge fixed by the Regulations, a period of grace of six months shall be allowed for renewal of the international registration.

Article 8

Fees for International Application and Registration

(1) The Office of origin may fix, at its own discretion, and collect, for its own benefit, a fee which it may require from the applicant for international registration or from the holder of the international registration in connection with the filing of the international application or the renewal of the international registration.

(2) Registration of a mark at the International Bureau shall be subject to the advance payment of an international fee which shall, subject to the provisions of paragraph (7)*(a)*, include,

(i) a basic fee;

(ii) a supplementary fee for each class of the International Classification, beyond three, into which the goods or services to which the mark is applied will fall;

(iii) a complementary fee for any request for extension of protection under Article 3^{ter}.

(3) However, the supplementary fee specified in paragraph (2)(ii) may, without prejudice to the date of the international registration, be paid within the period fixed by the Regulations if the number of classes of goods or services has been fixed or disputed by the International Bureau. If, upon expiry of the said period, the supplementary fee has not been paid or the list of goods or services has not been reduced to the required extent by the applicant, the international application shall be deemed to have been abandoned.

(4) The annual product of the various receipts from international registration, with the exception of the receipts derived from the fees mentioned in paragraph (2)(ii) and (iii), shall be divided equally among the Contracting Parties by the International Bureau, after deduction of the expenses and charges necessitated by the implementation of this Protocol.

(5) The amounts derived from the supplementary fees provided for in paragraph (2)(ii) shall be divided, at the expiry of each year, among the interested Contracting Parties in proportion to the number of marks for which protection has been applied for in each of them during that year, this number being multiplied, in the case of Contracting Parties which make an examination, by a coefficient which shall be determined by the Regulations.

(6) The amounts derived from the complementary fees provided for in paragraph (2)(iii) shall be divided according to the same rules as those provided for in paragraph (5).

(7)*(a)* Any Contracting Party may declare that, in connection with each international registration in which it is mentioned under Article 3ter, and in connection with the renewal of any such international registration, it wants to receive, instead of a share in the revenue produced by the supplementary and complementary fees, a fee (hereinafter referred to as "the individual fee") whose amount shall be indicated in the declaration, and can be changed in further declarations, but may not be higher than the equivalent of the amount which the said Contracting Party's Office would be entitled to receive from an applicant for a ten-year registration, or from the holder of a registration for a ten-year renewal of that registration, of the mark in the register of the said Office, the said amount being diminished by the savings resulting from the international procedure. Where such an individual fee is payable,

(i) no supplementary fees referred to in paragraph (2)(ii) shall be payable if only Contracting Parties which have made a declaration under this subparagraph are mentioned under Article 3ter, and

(ii) no complementary fee referred to in paragraph (2)(iii) shall be payable in respect of any Contracting Party which has made a declaration under this subparagraph.

(b) Any declaration under subparagraph *(a)* may be made in the instruments referred to in Article 14(2), and the effective date of the declaration shall be the same as the date of entry into force of this Protocol with respect to the State or intergovernmental organization having made the declaration. Any such declaration may also be made later, in which case the declaration shall have effect three months after its receipt by the Director General, or at any later date indicated in the declaration, in respect of any international registration whose date is the same as or is later than the effective date of the declaration.

Article 9

Recordal of Change in the Ownership of an International Registration

At the request of the person in whose name the international registration stands, or at the request of an interested Office made *ex officio* or at the request of an interested person, the International Bureau shall record in the International Register any change in the ownership of that registration, in respect of all or some of the Contracting Parties in whose territories the said registration has effect and in respect of all or some of the goods and services listed in the registration, provided that the new holder is a person who, under Article 2(1), is entitled to file international applications.

Article 9bis

Recordal of Certain Matters Concerning an International Registration

The International Bureau shall record in the International Register

(i) any change in the name or address of the holder of the international registration,

(ii) the appointment of a representative of the holder of the international registration and any other relevant fact concerning such representative,

(iii) any limitation, in respect of all or some of the Contracting Parties, of the goods and services listed in the international registration,

(iv) any renunciation, cancellation or invalidation of the international registration in respect of all or some of the Contracting Parties,

(v) any other relevant fact, identified in the Regulations, concerning the rights in a mark that is the subject of an international registration.

Article 9ter

Fees for Certain Recordals

Any recordal under Article 9 or under Article 9bis may be subject to the payment of a fee.

Article 9quater

Common Office of Several Contracting States

(1) If several Contracting States agree to effect the unification of their domestic legislations on marks, they may notify the Director General

(i) that a common Office shall be substituted for the national Office of each of them, and

(ii) that the whole of their respective territories shall be deemed to be a single State for the purposes of the application of all or part of the provisions preceding this Article as well as the provisions of Articles 9quinquies and 9sexies.

(2) Such notification shall not take effect until three months after the date of the communication thereof by the Director General to the other Contracting Parties.

Article $9^{quinquies}$

Transformation of an International Registration into National or Regional Applications

Where, in the event that the international registration is cancelled at the request of the Office of origin under Article 6(4), in respect of all or some of the goods and services listed in the said registration, the person who was the holder of the international registration files an application for the registration of the same mark with the Office of any of the Contracting Parties in the territory of which the international registration had effect, that application shall be treated as if it had been filed on the date of the international registration according to Article 3(4) or on the date of recordal of the territorial extension according to Article 3^{ter}(2) and, if the international registration enjoyed priority, shall enjoy the same priority, provided that

(i) such application is filed within three months from the date on which the international registration was cancelled,

(ii) the goods and services listed in the application are in fact covered by the list of goods and services contained in the international registration in respect of the Contracting Party concerned, and

(iii) such application complies with all the requirements of the applicable law, including the requirements concerning fees.

Article 9^{sexies}

Safeguard of the Madrid (Stockholm) Agreement

(1) Where, with regard to a given international application or a given international registration, the Office of origin is the Office of a State that is party to both this Protocol and the Madrid (Stockholm) Agreement, the provisions of this Protocol shall have no effect in the territory of any other State that is also party to both this Protocol and the Madrid (Stockholm) Agreement.

(2) The Assembly may, by a three-fourths majority, repeal paragraph (1), or restrict the scope of paragraph (1), after the expiry of a period of ten years from the entry into force of this Protocol, but not before the expiry of a period of five years from the date on which the majority of the countries party to the Madrid (Stockholm) Agreement have become party to this Protocol. In the vote of the Assembly, only those States which are party to both the said Agreement and this Protocol shall have the right to participate.

Article 10

Assembly

(1)*(a)* The Contracting Parties shall be members of the same Assembly as the countries party to the Madrid (Stockholm) Agreement.

(b) Each Contracting Party shall be represented in that Assembly by one delegate, who may be assisted by alternate delegates, advisors, and experts.

(c) The expenses of each delegation shall be borne by the Contracting Party which has appointed it, except for the travel expenses and the subsistence allowance of one delegate for each Contracting Party, which shall be paid from the funds of the Union.

(2) The Assembly shall, in addition to the functions which it has under the Madrid (Stockholm) Agreement, also

(i) deal with all matters concerning the implementation of this Protocol;

(ii) give directions to the International Bureau concerning the preparation for conferences of revision of this Protocol, due account being taken of any comments made by those countries of the Union which are not party to this Protocol;

(iii) adopt and modify the provisions of the Regulations concerning the implementation of this Protocol;

(iv) perform such other functions as are appropriate under this Protocol.

(3)*(a)* Each Contracting Party shall have one vote in the Assembly. On matters concerning only countries that are party to the Madrid (Stockholm) Agreement, Contracting Parties that are not party to the said Agreement shall not have the right to vote, whereas, on matters concerning only Contracting Parties, only the latter shall have the right to vote.

(b) One-half of the members of the Assembly which have the right to vote on a given matter shall constitute the quorum for the purposes of the vote on that matter.

(c) Notwithstanding the provisions of subparagraph *(b)*, if, in any session, the number of the members of the Assembly having the right to vote on a given matter which are represented is less than one-half but equal to or more than one-third of the members of the Assembly having the right to vote on that matter, the Assembly may make decisions but, with the exception of decisions concerning its own procedure, all such decisions shall take effect only if the conditions set forth hereinafter are fulfilled. The International Bureau shall communicate the said decisions to the

members of the Assembly having the right to vote on the said matter which were not represented and shall invite them to express in writing their vote or abstention within a period of three months from the date of the communication. If, at the expiry of this period, the number of such members having thus expressed their vote or abstention attains the number of the members which was lacking for attaining the quorum in the session itself, such decisions shall take effect provided that at the same time the required majority still obtains.

(d) Subject to the provisions of Articles 5(2)*(e)*, 9*sexies*(2), 12 and 13(2), the decisions of the Assembly shall require two-thirds of the votes cast.

(e) Abstentions shall not be considered as votes.

(f) A delegate may represent, and vote in the name of, one member of the Assembly only.

(4) In addition to meeting in ordinary sessions and extraordinary sessions as provided for by the Madrid (Stockholm) Agreement, the Assembly shall meet in extraordinary session upon convocation by the Director General, at the request of one-fourth of the members of the Assembly having the right to vote on the matters proposed to be included in the agenda of the session. The agenda of such an extraordinary session shall be prepared by the Director General.

Article 11

International Bureau

(1) International registration and related duties, as well as all other administrative tasks, under or concerning this Protocol, shall be performed by the International Bureau.

(2)*(a)* The International Bureau shall, in accordance with the directions of the Assembly, make the preparations for the conferences of revision of this Protocol.

(b) The International Bureau may consult with intergovernmental and international non-governmental organizations concerning preparations for such conferences of revision.

(c) The Director General and persons designated by him shall take part, without the right to vote, in the discussions at such conferences of revision.

(3) The International Bureau shall carry out any other tasks assigned to it in relation to this Protocol.

Article 12

Finances

As far as Contracting Parties are concerned, the finances of the Union shall be governed by the same provisions as those contained in Article 12 of the Madrid (Stockholm) Agreement, provided that any reference to Article 8 of the said Agreement shall be deemed to be a reference to Article 8 of this Protocol. Furthermore, for the purposes of Article 12(6)*(b)* of the said Agreement, Contracting Organizations shall, subject to a unanimous decision to the contrary by the Assembly, be considered to belong to contribution class I (one) under the Paris Convention for the Protection of Industrial Property.

Article 13

Amendment of Certain Articles of the Protocol

(1) Proposals for the amendment of Articles 10, 11, 12, and the present Article, may be initiated by any Contracting Party, or by the Director General. Such proposals shall be communicated by the Director General to the Contracting Parties at least six months in advance of their consideration by the Assembly.

(2) Amendments to the Articles referred to in paragraph (1) shall be adopted by the Assembly. Adoption shall require three-fourths of the votes cast, provided that any amendment to Article 10, and to the present paragraph, shall require four-fifths of the votes cast.

(3) Any amendment to the Articles referred to in paragraph (1) shall enter into force one month after written notifications of acceptance, effected in accordance with their respective constitutional processes, have been received by the Director General from three-fourths of those States and intergovernmental organizations which, at the time the amendment was adopted, were members of the Assembly and had the right to vote on the amendment. Any amendment to the said Articles thus accepted shall bind all the States and intergovernmental organizations which are Contracting Parties at the time the amendment enters into force, or which become Contracting Parties at a subsequent date.

Article 14

Becoming Party to the Protocol; Entry into Force

(1)*(a)* Any State that is a party to the Paris Convention for the Protection of Industrial Property may become party to this Protocol.

(b) Furthermore, any intergovernmental organization may also become party to this Protocol where the following conditions are fulfilled:

(i) at least one of the member States of that organization is a party to the Paris Convention for the Protection of Industrial Property;

(ii) that organization has a regional Office for the purposes of registering marks with effect in the territory of the organization, provided that such Office is not the subject of a notification under Article 9^{quater}.

(2) Any State or organization referred to in paragraph (1) may sign this Protocol. Any such State or organization may, if it has signed this Protocol, deposit an instrument of ratification, acceptance or approval of this Protocol or, if it has not signed this Protocol, deposit an instrument of accession to this Protocol.

(3) The instruments referred to in paragraph (2) shall be deposited with the Director General.

(4)*(a)* This Protocol shall enter into force three months after four instruments of ratification, acceptance, approval or accession have been deposited, provided that at least one of those instruments has been deposited by a country party to the Madrid (Stockholm) Agreement and at least one other of those instruments has been deposited by a State not party to the Madrid (Stockholm) Agreement or by any of the organizations referred to in paragraph (1)*(b)*.

(b) with respect to any other State or organization referred to in paragraph (1), this Protocol shall enter into force three months after the date on which its ratification, acceptance, approval or accession has been notified by the Director General.

(5) Any State or organization referred to in paragraph (1) may, when depositing its instrument of ratification, acceptance or approval of, or accession to, this Protocol, declare that the protection resulting from any international registration effected under this Protocol before the date of entry into force of this Protocol with respect to it cannot be extended to it.

Article 15

Denunciation

(1) This Protocol shall remain in force without limitation as to time.

(2) Any Contracting Party may denounce this Protocol by notification addressed to the Director General.

(3) Denunciation shall take effect one year after the day on which the Director General has received the notification.

(4) The right of denunciation provided for by this Article shall not be exercised by any Contracting Party before the expiry of five years from the date upon which this Protocol entered into force with respect to that Contracting Party.

(5)*(a)* Where a mark is the subject of an international registration having effect in the denouncing State or intergovernmental organization at the date on which the denunciation becomes effective, the holder of such registration may file an application for the registration of the same mark with the Office of the denouncing State or intergovernmental organization, which shall be treated as if it had been filed on the date of the international registration according to Article 3(4) or on the date of recordal of the territorial extension according to Article $3^{ter}(2)$ and, if the international registration enjoyed priority, enjoy the same priority, provided that

(i) such application is filed within two years from the date on which the denunciation became effective,

(ii) the goods and services listed in the application are in fact covered by the list of goods and services contained in the international registration in respect of the denouncing State or intergovernmental organization, and

(iii) such application complies with all the requirements of the applicable law, including the requirements concerning fees.

(b) The provisions of subparagraph *(a)* shall also apply in respect of any mark that is the subject of an international registration having effect in Contracting Parties other than the denouncing State or intergovernmental organization at the date on which denunciation becomes effective and whose holder, because of the denunciation, is no longer entitled to file international applications under Article 2(1).

Article 16

Signature; Languages; Depositary Functions

(1)*(a)* This Protocol shall be signed in a single copy in the English, French and Spanish languages, and shall be deposited with the Director General when it ceases to be open for signature at Madrid. The texts in the three languages shall be equally authentic.

(b) Official texts of this Protocol shall be established by the Director General, after consultation with the interested governments and organizations, in the Arabic, Chinese, German, Italian, Japanese, Portuguese and Russian languages, and in such other languages as the Assembly may designate.

(2) This Protocol shall remain open for signature at Madrid until December 31, 1989.

(3) The Director General shall transmit two copies, certified by the Government of Spain, of the signed texts of this Protocol to all States and intergovernmental organizations that may become party to this Protocol.

(4) The Director General shall register this Protocol with the Secretariat of the United Nations.

(5) The Director General shall notify all States and international organizations that may become or are party to this Protocol of signatures, deposits of instruments of ratification, acceptance, approval or accession, the entry into force of this Protocol and any amendment thereto, any notification of denunciation and any declaration provided for in this Protocol.

Je, soussigné, certifie que le texte qui précède est une copie conforme du Protocole relatif à l'Arrangement de Madrid concernant l'enregistrement international des marques adopté à Madrid le 27 juin 1989.

I hereby certify that the foregoing text is a true copy of the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks adopted at Madrid on June 27, 1989.

Certifico que el texto que precede es copia auténtica del Protocolo concerniente al Arreglo de Madrid relativo al Registro Internacional de Marcas adoptado en Madrid el 27 de junio de 1989.

Javier Jiménez-Ugarte

- MINISTERIO DE ASUNTOS EXTERIORES - Secretaría General Técnica

Javier Jiménez-Ugarte

Secrétaire général technique
Ministère des affaires étrangères

le 15 décembre 1989

Technical Secretary General
Ministry of Foreign Affairs

December 15, 1989

Secretario General Técnico
Ministerio de Asuntos Exteriores

15 de diciembre de 1989

TO THE SENATE OF THE UNITED STATES:

I transmit herewith, for the advice and consent of the Senate to accession, the Protocol Relating to the Madrid Agreement Concerning the International Registration of Marks ("Protocol") adopted at Madrid June 27, 1989, which entered into force December 1, 1995. Also transmitted for the information of the Senate are the report of the Department of State with respect to the Protocol and a February 2, 2000, letter from the Council of the European Union regarding voting within the Assembly established under the Protocol.

The Protocol will offer several major advantages to U.S. trademark owners. First, trademark registration internationally will be possible without obtaining a local agent and without filing an application in each Contracting Party. In the event that the United States accedes to the Protocol, the Protocol will provide a trademark registration filing system that will permit a U.S. trademark owner to file for registration in any number of Contracting Parties by filing a single standardized application, in English, with a single payment, in dollars, at the United States Patent and Trademark Office ("PTO"). The PTO will forward the application to the International Bureau of the World Intellectual Property Organization (respectively, "International Bureau" and "WIPO"), which administers the

Protocol. Second, under the Protocol, renewal of a trademark registration in each Contracting Party may be made by filing a single request with a single payment. These two advantages should make access to international protection of trademarks more readily available to both large and small U.S. businesses.

Third, the Protocol will facilitate the recording internationally of a change of ownership of a mark with a single filing. U.S. businesses experience difficulties effecting valid assignments of their marks internationally due to burdensome administrative requirements for recordation of an assignment in many countries. These difficulties can hinder the normal transfer of business assets. The Protocol will permit the holder of an international registration to record the assignment of a trademark in all designated Contracting Parties upon the filing of a single request with the International Bureau, accompanied by a single payment. To carry out the provisions of the Protocol, identical implementing legislation, which is supported by the Administration, has been introduced in both the House of Representatives (where it has been passed) and the Senate. Accession to the Protocol is in the best interests of the United States. I recommend, therefore, that the Senate give early and favorable consideration to the Protocol and give its advice and consent to accession, subject to the declarations described in the accompanying report of the Department of State.

THE WHITE HOUSE,

Alan Larson

[redacted]

Believe it or not, we'll miss Bill as president

By DAVID NYHAN

Is it too late to ask if we can't just bring back Bill? Is there a Third Term Caucus I can join?

Because any guy who can act as ringmaster for the unveiling of the human genone miracle, see in the near-distance the elimination of the federal deficit, take his presidential sledgehammer to rocketing prescription costs for the elderly and make peace in the Mideast, Ireland and between the two Koreas, then that fellow has a knack for the job.

I am aware that whole pine forests have been slain, whole networks dedicated (I'm talking Fox TV and the Boss Fox, Rupert Murdoch), and whole industries focused (is talk radio an industry or just audio wrestling?) on the idea that Clinton is a vile fellow who deserves to be impeached, jailed, flogged, exiled and forced to pay $20 million in legal fees by working as a counterman at McDonald's.

But even his enemies in Congress and The Wall Street Journal's executive suite are befuddled by the ease with which Battlin' Bill flits from triumph to triumph, surfing along on the great economic tidal wave that characterizes his two terms.

I have said that I don't want a father figure in my president. I want a fair-minded president, a tough-minded president, and above all I want a well-minded president, as in smart. The job is a crusher. Pressures are volcanic. Any chink in a personal or moral armor, the lava comes rushing in, and they're cooked. They all fail. They're all flawed. What's vital is how they come back. Can they take a shot, right on the snoot? And get up for the next round?

His envious enemies call Clinton "Slick Willie." "He's the best liar I've ever seen," confided a Republican presidential candidate — in a tone that conveyed a certain ego-envy.

I still think of Bill as the rube who rode into town on the back of the turnip truck, and found he was just as smart as the rich kids in the city. He reads more books in a week, I'll wager, than George W. Bush reads in a year.

Clinton has total recall, a photographic memory, for faces, books, intellectual arguments and festering political saddle sores. Or a babe.

Clinton

Or a well-heeled contributor aching to be asked for an opinion on some weighty issue other than moolah.

William Jefferson Clinton learned a lot of lessons on the way up. But learning how to schmooze the rich and powerful was not the least of them. The boy can charm the birds out of the oleander bush. Talk a dog off a meat wagon. Once he locks on to the retinas of a rich man or a comely woman, something clicks on. His prey hears the opening strains of "I only have eyes, for yoooo, dearrrr." Then it's curtains. Where do I sign?

If you are satisfied with George Dubbaya's fumbling rationale for his execution of 130-odd fellow humans, then get ready for more. I'm not talking about whether you're for or against the death penalty — Clinton executed Ricky Lee Rector, Al Gore said he's pro-capital punishment, and Gov. George Ryan is the gutsiest pol in the land for halting executions in Illinois till the innocent are weeded out of the queue. But when it comes to explaining complicated issues with lots of ramifications to people in language they can understand, I fear for the Bush boy.

I understand he has raised $90 million in cash with not-inconsiderable energy and a certain winsome cowboy charm. I don't know if I'm ready for four years of fractured syntax and mangled script-reading.

Everybody knows Gore is no Clinton. But he's had eight years of watching the master up close. Which makes him a president with a lot lower learning curve. But nobody looks at Gore and sees Clinton, unless you're a Republican campaign contributor. Or your name is Trent Lott.

I have covered every president since Lyndon Johnson, put questions to every one since Richard Nixon (the worst by a landslide) and I think most Americans are a little too dewy-eyed about candidates. Get real, voters; Santa Claus is not coming down the chimney at 1600 Pennsylvania Avenue.

My notion is that the presidency is a job, and we hire someone to do that job, and their human frailities and mistakes must be counterbalanced by substantial strengths, virtues and talent.

The pervasive and invasive news/infotainment biz strips our leaders of distance, majesty and the remoteness that conveys power. TV puts them right in our face, and overexposure turns them into objects of ridicule.

I just have a feeling that a year from now, Clinton's approval ratings will be higher out of office than they are now. And many Americans will be singing, perhaps under their breath, "Come back to the White House, Billy Cee, Billy Cee."

DAVID NYHAN writes for the Boston Globe.

Pers file

cc Sid B
Taylor B
Carville
Begala

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Personal File
Blumenthal
Branch
Carville
Begala
Podesta

'00 JUL 26 PM 5:55

8-2-00

THE WHITE HOUSE

WASHINGTON

July 26, 2000

RECOMMENDED TELEPHONE CALL

7/30
Good talk
w Sen our staffs
are working well together
on this
wants no far
far right no far left
Trustees
[initials]

TO: Senator Pete Domenici (R-NM)

DATE: As soon as possible

RECOMMENDED BY: Chuck Brain CMB

PURPOSE: To return a call to Senator Pete Domenici regarding S. 1892, a bill to authorize the acquisition of the Valles Caldera (Baca Ranch).

BACKGROUND: On Tuesday you signed S. 1892, a bill to authorize the acquisition of the Valles Caldera (Baca Ranch). The bill, co-sponsored by Senators Bingaman (D-NM) and Domenici (R-NM), calls for the property to be managed by seven Presidential-appointed Trustees.

Senator Domenici is calling to speak with you about who should be appointed as the Trustees. The Senator is very eager to get appropriate Trustees appointed quickly. The Act calls for the seven trustees to be appointed by you within 90 days of signing the bill. Five of the seven must be from New Mexico and each of the seven seats is tied to a certain expertise. For example, one seat must be filled by a livestock expert, one by someone with cultural and historical knowledge of the area, and one by a wildlife expert.

The Act calls for the Administration to consult with the New Mexico delegation. Staff from the delegation have already met and plan to make recommendations to CEQ by August 4th. Personnel will consult with the congressional delegation, in addition to the Federal Agency that oversees the acquisition, regarding suitable candidates.

Recommended Telephone Call
to Sen. Pete Domenici
re S. 1892
(Baca Ranch acquisition)

copied
Brain
Podesta

I'm sorry that I missed you at the signing ceremony. I am thrilled that we got this done -- Baca Ranch is a precious and irreplaceable gift that we have given to our children.

- I want to thank you for all of your hard work, we wouldn't have been able to get this done without your support and assistance.
- I agree with you that we need to get the Trustees named as quickly as possible and that we must ensure that the Trustees recognize the importance of this purchase and act in the public trust.
- I can assure you that we want to work with you and the rest of the New Mexico delegation to ensure that we name the best Trustees we can find. We acted in the common good to get the bill enacted and now we should continue to act in that common spirit to get qualified Trustees named.

CONTACT PERSON: AND TELEPHONE NUMBER(S):	Senator Pete Domenici w:202-224-7090 (until 7PM), Meredith Culbertson, Scheduler h: 202-546-4973
DATE OF SUBMISSION:	July 26, 2000

8-2-00

THE WHITE HOUSE

WASHINGTON

July 31, 2000

MEMORANDUM TO THE PRESIDENT

FROM: STEPHANIE STREETT SS
JULIE EDDY

SUBJECT: MIAMI

You will be playing golf at the Biltmore Hotel Coral Gables on Tuesday morning. We are currently holding a tee time between 9:30 – 11:00am. Please choose approximately what time you would like to tee off, so that, we gave have your golf partners arrive at the appropriate time.

What time would you like to play golf?

9:30am_______ 10:00am_______

10:30am________ 11:00am ✓

Below are golf partner options that have been provided by Minyon Moore via the DNC. Please know that Gene Prescott of the Biltmore does not play golf and Terry did not have partner suggestions for this day. Please choose two from below leaving one as the alternate.

Who would you like to play golf with?

Gary Pajic - Pajic and Pajic Law Firm ✓

Bob Farmer – Hi Tech Investor _______

Neil Roth – Immediate Past President of Florida Trial Lawyers Association _______

Chutkorge ✓

Cont…

copied
Streett
Eddy
Podesta

8-2-00

Page 2, Miami, July 31, 2000

There are fifteen individuals who Minyon Moore and the DNC have ask that you consider doing a photo op with at the Biltmore Hotel prior to departing for golf. These people are co-chairs of the upcoming Vice Presidential DNC Gala to be held in September.

Would you like to do the photo op prior to departing for golf?

Yes ✓

No ______

Mr. President,

My name is Richard Bernstein. I support your courage on the estate tax give away. As a financial planner for over 30 years and a multi millionaire, no issue epitomizes this difference between your vision for America and the Republican vision, then this Bill which enables mega wealthy individuals to avoid their obligation to this Country, thereby creating a stratified class structure. The America where people could succeed on their merits will be replaced by succeeding on their nobility.

Please veto the bill. Too much money is at stake here no matter what the revenue stream has historically shown.

→ Gene

Sugl - Answer - ~~Gene~~ Pls do urgently

BC

copied Sperling Podesta Burkhardt (original for reply)

8-2-00

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Richest [illegible]

MONDAY, JULY 31, 2000 WSJ.com 75 CENTS

News —

World-Wide

THE GOP CONVENTION OPENS today with poll numbers breaking Bush's way. [illegible]

[illegible] President Chavez won a [illegible]. The populist [illegible] constitutional changes [illegible]. Article on Page A14

[illegible] Palestinians met in [illegible] after the Camp [illegible] next week he will [illegible] in Israel [illegible] Shimon Peres [illegible] president today.

[illegible] investigators say [illegible] may have [illegible] fuel tank and en[illegible] accident near Paris that [illegible] appear to have had such [illegible] Article on Page A17

Putin promised leading busi[illegible] meeting Friday that he [illegible] Soviet privatizations [illegible] oligarchs. But he [illegible] prosecutions against [illegible] Article on Page A19)

[illegible]mori accused the opposition [illegible] own Congress during ri[illegible] killed six in a bank blaze. [illegible] raised security forces for a [illegible] protests against his assum[illegible] after a disputed May vote.

[illegible]nowe will seize 3,000 white-owned [illegible] ately and resettle them with [illegible]icks, state TV said. A white farm[illegible] and the top opposition party have [illegible] general strike starting Wednesday.

[illegible]rth and South Korea agreed to reopen [illegible]aison offices and reconnect a rail [illegible]ss the DMZ. In another sign of eas[illegible]ation, Pyongyang's foreign minister [illegible]iting Cambodia. (Article on Page A19)

Japan's Mori government took a fresh [illegible]w as the top financial regulator quit after [illegible]mitting he took $1.8 million in fees from a [illegible]ink. It was the second recent embarrass[illegible]ent for the premier. (Article on Page A17)

China's WTO bid is hobbled by its efforts [illegible] keep Taiwan off international bodies that [illegible]ive trappings of independence. Separately, Beijing sentenced ex-top lawmaker Cheng Kejie to death for graft. (Article on Page A19)

Expanded Japanese whaling may lead the U.S. to seek trade sanctions, the White House said. Tokyo uses a scientific exemption to continue the hunting, which is generally banned by treaty. (Article on Page A10)

Colombian rebels attacked a police barracks in a southern mountain town, and officials fear dozens may have died. The action may be the bloodiest by the top rebel group since the U.S. approved more aid to Bogota.

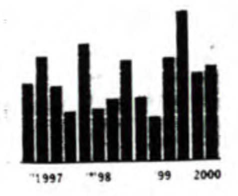
Serb strongman Milosevic called Yugoslav elections Sept. 24. Opposition disunity may aid his chances. Separately, Montenegro said it won't field athletes for Yugoslav Olympic teams after the Games in Sydney.

India invited representatives of Hizbul Mujahideen, a militant Kashmiri separatist group, to peace talks after the group last week declared a cease-fire. The move cut tensions greatly after 11 years of fighting.

Basque separatists were blamed for the [illegible] socialist politi[illegible]

Gross Domestic Product

Real GDP increased at an annual rate of [illegible] in the second quarter; in the first quarter, real GDP increased 4.8%



Source: Commerce Department

Ural Is a Motorcycle A Lot of People Love For Its Imperfections

Russian Knockoff of a BMW, 'Unspoiled by Progress,' Gets the Fredda Cole Test

By GREGORY L. WHITE
Staff Reporter of THE WALL STREET JOURNAL

STOW, Mass. – Fredda Cole doesn't look like a speed demon, but astride her Ural Tourist motorcycle, the software specialist dreams of another identity: World Land Speed Record holder.

If all goes as planned, the 4-foot-6-inch 53-year-old will streak across the Bonneville Salt Flats in Utah in October, piloting a Ural, complete with sidecar, into the record books. That may not be quite as impressive as it sounds, because about all it will take to set the record for her class of motorcycle is to get the bike moving in the right direction.

Breaking Down

But for these Russian vehicles, whose design hasn't changed much since World War II, just getting started can be a feat. With a top speed of about 65 miles per hour (going downhill, in a good wind), Urals are known mostly for breaking down.

While Harley-Davidson has nothing to fear, the U.S. has become the biggest market for Urals outside Russia, with just over 1,000 sold last year. They also are popular in Germany, Japan and the United Kingdom ("unspoiled by progress" is how their British distributor describes them). Wherever they're sold – one with a sidecar retails for about $8,000 in the U.S. – Urals seem to inspire fanatic loyalty among owners.

"Ural is unusual because its owners are devoted to the brand in spite of its

Fredda Cole and Her Ural

technical problems," says Vadim Tryapichkin, general director of the Russian factory where the contraptions are made. "We think our motorcycles have a soul."

The product's legendary unreliability forms the basis of the Uralites' bond, since owners are continually looking for advice on how to fix whatever has just gone wrong. Ms. Cole is a celebrity in the small Ural underworld in the U.S. because she has put nearly 50,000 kilometers – or 31,000 miles – on her [illegible]

The Outlook

For Now, the Web Trumps the Fed

WASHINGTON

Interest rates are rising. The stock market is slumping. The expansion is well into its 10th year. It's a classic recipe for an economic slowdown.

Yet as Friday's jolting growth report shows, this millennial boom is now being driven by an unusually powerful engine: corporate America's insatiable appetite for high technology. Nearly a third of the increase in gross domestic product in the April-to-June period came from business spending on information-processing gear and software – even though those products make up just a 20th of the economy's total output.

While the expansion itself is old, the Internet-driven phase still is in its infancy. Corporations are scrambling, for example, to reap the efficiency gains from business-to-business e-commerce networks that barely existed just six months ago. High-tech investment soared at a [illegible] annualized pace in the first half of this year. In contrast, total business investment has been increasing by a solid but more modest rate of 10% per year in recent years.

With the overall economy growing at a developing-country-like 5% annual rate so far this year, it's easy to overlook the fact that there really is a slowdown under way, at least in some key sectors. Thanks to six Federal Reserve interest-rate increases over the past year, new-home sales have slipped. Industrial production – excluding computers, telecommunications equipment and semiconductors – was flat through the first half of the year. The wealth gusher behind the great 1990s household spending spree has dried up, with the broad-based Wilshire 5000 stock index down 10% since the year began.

In other words, monetary policy is working precisely as it should: raising the cost of capital to the point where many consumers and investors are turning more frugal.

Nor has the tech sector been entirely insulated from the Fed, as worries of slumping demand and weak earnings have hammered the New Economy Nasdaq anew in recent days.

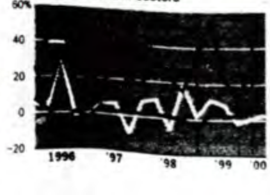
It's important, though, to make a distinction between the stock market and the real economy. Many tech companies' stocks are being punished because their growth isn't quite as stellar as investors had hoped, yet their expansion by conventional standards remains spectacular. Telecom giant Nokia Corp.'s stock suffered last week because a 62% second-quarter profit rise on a 55% revenue increase from the year earlier hadn't met expectations. Ford Motor Co., by contrast, won kudos for a 6% increase in sales.

Demand for tech products remains unusually strong, in part because the Fed's 1.75% rate increases to date still look puny compared with the huge returns that companies anticipate from Web-related investments. "Customers can save the equivalent of 5% of their revenues by putting supply chains on the Web," says Chris Stix, a technology analyst at Morgan Stanley Dean Witter. He's aware of one pharmaceutical company that's planning to increase sevenfold its purchases from Internet supplier Cisco Systems Inc., wiring up everybody from employees to physicians.

While the economy's zip over the past year has made Fed officials nervous about inflation, many analysts say high-tech investment-led growth at this speed is OK. Economists make a distinction between consumer-demand-led growth – which can push up prices if too many people chase too few goods – and supply-led growth. Computers

Expansion Engine

Proportion of GDP growth from investment in various equipment sectors



Political Capital

Bush's Donors Have A Long Wish-List And Expect Results

Finance, Chemicals, Drugs And Other Industries Fuel Richest Campaign Ever

'An Opportunity to Go Visit'

By GREG HITT
Staff Reporter of THE WALL STREET JOURNAL

PHILADELPHIA – For an idea of what a George W. Bush presidency would be like, peek in on a fund-raising gala here Wednesday afternoon during the Republican National Convention. Amid the harmonies of the Philadelphia Boys Choir will gather the underwriters of the richest political campaign ever – the lawyers and corporate executives who have helped build a $93.2 million campaign fund and who, as shareholders in Bush Inc., will hold a big stake in a Bush presidency.

Thomas Johnson is a typical donor. He has raised at least $100,000 for Mr. Bush. A lobbyist for the construction industry for 33 years in Austin, the Texas capital, Mr. Johnson is particularly interested in preserving a steady flow of federal funds for highway construction. He was worried earlier this summer when congressional Republican leaders began talking about suspending the federal gas tax, which funds highway construction. But after several Texas contractors called the governor's office to raise their concerns, Mr. Bush came to the rescue, speaking out against suspending the tax cut and thus helping to pull the plug on the idea.

A Basic Assumption

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[illegible] year term after [illegible] amendment for constitutional changes within his first 15 months. Few [illegible] emerged yet. (Article on Page A1[illegible])

* * *

[illegible] and the Palestinians met in a bid [illegible] negotiations alive after the Camp [illegible]. Clinton said last week he will [illegible] moving the U.S. embassy in Israel [illegible] to Jerusalem. Shimon Peres [illegible] for Israel's president today.

* * *

[illegible] crash investigators say [illegible] wheel assemblies may have [illegible] damaged a fuel tank and en[illegible] week's accident near Paris that [illegible] jets appear to have had such [illegible]. (Article on Page A17)

* * *

[illegible] Putin promised leading busi[illegible] in a meeting Friday that he [illegible] the post-Soviet privatizations [illegible] the so-called oligarchs. But he [illegible] current prosecutions against [illegible]. (Article on Page A1[illegible])

* * *

[illegible] Fujimori accused the opposition [illegible] down Congress during ri[illegible] killed six in a bank blaze [illegible] used security forces for a [illegible] protests against his assum[illegible] disputed May vote.

* * *

[illegible] will seize [illegible] white-owned [illegible] and resettle them with [illegible] said. A white farm[illegible] opposition party have [illegible] Wednesday.

* * *

[illegible] Korea agreed [illegible]

* * *

[illegible] government took a fresh [illegible] quit after [illegible] fees from a [illegible] embarrass[illegible] Page A17)

* * *

[illegible] bombed [illegible] its efforts [illegible] that [illegible] separately, [illegible] lawmaker Cheng [illegible] Article on Page A19)

* * *

[illegible] whaling may lead [illegible] sanctions, the White [illegible] scientific exemp[illegible], which is gener[illegible] (Article on Page A10)

* * *

[illegible] attacked a police bar[illegible] town, and offi[illegible] died. The action [illegible] top rebel group [illegible] more aid to Bogota.

* * *

[illegible] Milosevic called Yugo[illegible] [illegible] 24. Opposition disunity [illegible]. Separately, Montene[illegible] athletes for Yugoslav [illegible] the Games in Sydney.

* * *

[illegible] representatives of **Hizbul** [illegible] militant Kashmiri separatist [illegible] talks after the group last [illegible] a cease-fire. The move cut [illegible] after 11 years of fighting.

* * *

[illegible] separatists were blamed for the [illegible] former Spanish Socialist politi[illegible]. It was the 10th attack in two [illegible] on the ETA, and the seventh [illegible] cease-fire unraveled last year.

* * *

[illegible]al Service plans to offer every- [illegible] street address an e-mail address, [illegible] in a huge database. Mixing vir[illegible] real-world identities will open vast [illegible] possibilities. (Article on Page B1)

* * *

[illegible]many's Der Spiegel magazine paid a [illegible] Muslim rebel group last week to [illegible] reporter seized while covering the [illegible] Western hostages held by a separate [illegible] rebel demand was for $3 million.

For Its Imperfections

Russian Knockoff of a BMW, Unsullied by Progress, Gets the Fredda Cole Test

[illegible]

[illegible], Mass. [illegible] speed demon. [illegible] motorcycle, the [illegible] dreams of another [illegible] World Land Speed Record holder.

[illegible] the [illegible] streak across the Bonneville Salt Flats in Utah in October, putting a Ural, complete with sidecar, into the record books. That may not be quite as impressive as it sounds, because about all it will take to set the record for her class of motorcycle is to get the bike moving in the right direction.

Breaking Down

But for these Russian vehicles, whose design hasn't changed much since World War II, just getting started can be a feat. With a top speed of about [illegible] miles per hour going downhill in a good wind, Urals are known mostly for breaking down.

While Harley-Davidson has nothing to fear, the U.S. has become the biggest market for Urals outside Russia, with just over [illegible] sold last year. They also are popular in Germany, Japan and the United Kingdom.

"Unspoiled by progress" is how their British distributor describes them. Wherever they're sold — one with a sidecar retails for about $8,000 in the U.S. — Urals seem to inspire fanatic loyalty among owners.

"Ural is unusual because its owners are devoted to the brand in spite of its

Fredda Cole and Her Ural

technical problems," says Vadim Tryapichkin, general director of the Russian factory where the contraptions are made. "We think our motorcycles have a soul."

The product's legendary unreliability forms the basis of the Uralites' bond, since owners are continually looking for advice on how to fix whatever has just gone wrong. Ms. Cole is a celebrity in the small Ural underworld in the U.S. because she has put nearly 50,000 kilometers — or 31,000 miles — on hers. She has had the motorcycle only since 1995.

Her land-speed-record attempt started as a joke on the Ural online message boards in the U.S., but it has gradually evolved into a serious effort, financed by small donations and T-shirt sales.

"There are a bunch of us who are a little crazier than the others," Ms. Cole says of the dozen or so devotees who are collaborating over the Web to soup up the bike she is to ride at Bonneville.

Their goal: to break 100 mph and thus make the feat respectable — and quite a

Please Turn to Page A10, Column 3

[illegible] high-tech investment [illegible] an [illegible] pace in the first [illegible]. In contrast, total business investment has been increasing by a [illegible] modest rate of [illegible] per year in recent [illegible].

With the overall economy growing at a [illegible] this year [illegible]

[illegible] through [illegible]. The wealth effect behind the [illegible] household spending spree has dried up, with the broad-based Wilshire [illegible] stock index down [illegible] since the year began.

In other words, monetary policy is working precisely as it should: raising the cost of capital to the point where many consumers and investors are turning more frugal.

Nor has the tech sector been entirely insulated from the Fed, as worries of slumping demand and weak earnings have hammered the New Economy Nasdaq anew in recent days.

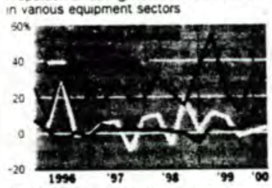
It's important, though, to make a distinction between the stock market and the real economy. Many tech companies' stocks are being punished because their growth isn't quite as stellar as investors had hoped, yet their expansion by conventional standards remains spectacular. Telecom giant Nokia Corp.'s stock suffered last week because a 42% second-quarter profit rise on a [illegible] revenue increase from the year earlier hadn't met expectations. Ford Motor Co., by contrast, won kudos for a [illegible] increase in sales.

Demand for tech products remains unusually strong, in part because the Fed's 1.75% rate increases to date still look puny compared with the huge returns that companies anticipate from Web-related investments. "Customers can save the equivalent of 5% of their revenues by putting supply chains on the Web," says Chris Stix, a technology analyst at Morgan Stanley Dean Witter. He's aware of one pharmaceutical company that's planning to increase sevenfold its purchases from Internet supplier Cisco Systems Inc., wiring up everybody from employees to physicians.

While the economy's zip over the past year has made Fed officials nervous about inflation, many analysts say high-tech investment-led growth at this speed is OK. Economists make a distinction between consumer-demand-led growth — which can push up prices if too many people chase too few goods — and supply-led growth. Computers

Expansion Engine

Proportion of GDP growth from investment in various equipment sectors



Sources: Commerce Department, Council of Economic Advisers

expand the economy's capacity to produce, thus raising the speed limit. Indeed, despite the outsized second-quarter expansion, inflation actually moderated during the period.

That doesn't mean the central bank will calmly keep rates on hold as expectations of a slowdown fade. Rapid growth, whatever the source, can tax an economy's resources. In testimony before Congress earlier this month, Fed Chairman Alan Greenspan cited two early-warning signs of strains that, if aggravated, could prompt more rate increases. One was the swelling current account deficit. American households aren't saving enough of their paychecks to fund American business's high-tech investment binge, forcing a perilously high dependence on foreign capital.

The second concern cited by Mr. Greenspan was the ever-tightening labor market, which could touch off an inflationary wage-price spiral. True, the Web allows employers to squeeze more out of each worker. But companies are also hiring more and more workers to make and use new computers and software. If the Labor Department reports Friday that the jobless rate fell in July, the odds would jump for a further nudging-up of interest rates on Aug. 22.

That would further damp the nontech portions of the economy. Whether the tech sector would cool is an open question. "There's been a shift of capital out of the so-called Old Economy into the New Economy," Mr. Greenspan told Congress. He's helping accelerate this transformation.

—JACOB M. SCHLESINGER

[illegible] the underwriters [illegible] biggest [illegible] campaign ever — the lawyers and corporate executives who have helped build a $[illegible] million campaign fund and who, as shareholders in Bush Inc., will hold a big stake in a Bush presidency.

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The Pioneers

The people who have raised all the money are less absolute. "Obviously, there are people who have issues that they'd like to get addressed," says Los Angeles financier Brad Freeman, a key Bush fund-raiser who is spearheading this week's $5 million gala along with Nancy Brinker, the founder of the Race for the Cure.

Certainly, the chemical industry has issues it wants addressed. Detroit executive James Nicholson, president of PVS Chemicals Co., boasts of raising "several hundred thousand" dollars for candidate Bush. And Frederick Webber, president of the chemical industry's trade group in Washington, is also on the list of pioneers. So, too, is Roger Hirl, president of Occidental Chemical Corp. Mr. Gore, by contrast, received a pittance from the industry, taking in slightly less than $40,000.

"I understand how vital money is to the process — as vulgar as that is," says Mr. Nicholson, who ran unsuccessfully for the U.S. Senate in Michigan four years ago. "If you don't have it, you don't play."

The chemical industry strongly wants the next president to hold environmental regulation in check. Mr. Gore, with the endorsement of the Sierra Club and the strong views expressed in his book "Earth in the Balance," is the industry's nightmare. Mr. Bush, however, has built a record as a business-friendly environmental regulator during his tenure as Texas governor, fighting during the development of state clean-air legislation to allow heavily polluting industries to "voluntarily" reduce emissions.

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[illegible]DAY'S CONTENTS

[illegible] TO BUSINESSES APPEARS ON PAGE B2

Bush Donors Have Long Wish-List and Expect Results

Continued From Page A1

The chemical industry is also lobbying in Washington for legislation to curb class action lawsuits. And in the debate over restructuring the electricity industry, chemical companies have pushed Washington to encourage the use of so called cogeneration facilities, an alternative method of production said to be more efficient than traditional power sources. The industry, a heavy user of electricity, has invested billions of dollars in cogeneration technology. Promoting rail competition, and thus lower transport costs, is another priority. Chemical producers are among the biggest rail shippers, yet almost two thirds of the industry is served by only one rail line.

Estate-Tax Repeal

Construction contractors like those represented by Mr. Johnson in Texas have poured $1.3 million into the effort, more than three times what they have given to Mr. Gore. Construction service firms, such as architects, added $519,000 more to Mr. Bush's coffers.

At the top of the construction industry's agenda is elimination of the federal estate tax. Lobbyists contend that the construction industry, dominated by family-owned businesses, has been hit hard by the current system of taxing estates. Mr. Bush strongly supports full repeal and made it a cornerstone of his original tax cut plan. "He's with us on that," says Steve Sandherr, a top lobbyist for the Associated General Contractors of America, the construction trade association based in Washington, D.C. Mr. Gore has, at the most, mentioned easing the levy, but not repealing it.

The contractors are also looking for the kind of help that can be carried out through executive branch powers. They want to block the new ergonomic workplace safety rules that have been developed by the Clinton administration. And the industry contends that the Corps of Engineers and the Environmental Protection Agency, which regulate construction near wetlands, have adopted policies that are far too stringent. "What we're looking for is a more favorable regulatory climate," Mr. Sandherr says. "We're not going to get that with Al Gore it'll be more restrictions with higher standards."

Much of the more than $5.29 million donated by lawyers has come from corporate defense attorneys and lobbying firms. Texas firms led the way, dominated by Vinson & Elkins, with $203,350 in contributions. The top four contributing law firms to Mr. Bush all hail from the Lone Star State and by themselves account for close to $500,000 of the total. All of the top four firms already maintain practices in Washington, with dozens of lawyers between them. They can expect a boom in business opportunities if a Texan wins the White House.

No industry has given more to Mr. Bush than the investment business, from venture capitalists to securities dealers, which has altogether contributed $5.9 million. Commercial banks chipped in $1.2 million. An additional $1.4 million flowed from insurers, with Robert Devlin, chairman of American General Corp., and Maurice "Hank" Greenberg, who heads American International Group, raising hundreds of thousands of dollars between them.

Bush's 'Shareholders'

INDUSTRY	CAMPAIGN CONTRIBUTION	PRIORITY
Investment	$5.9 million	Privatize Social Security
Lawyers	5.3 million	Advocate interests of clients
Real estate	3.8 million	Stop moratorium on Internet taxes
Health professionals	2.3 million	Roll back managed care
Oil and gas	1.5 million	Protect tax breaks for drilling
Insurance	1.4 million	Tax breaks for retirement savings
Contractors	1.3 million	Repeal estate tax
Commercial Banks	1.1 million	Ease capital standards
Automotive	1.0 million	Ease environmental rules
Accountants	1.0 million	Protect tax rules for stock options, interest expense

Sources: FEC, Center for Responsive Politics

Long-Term Care

Life insurers, in particular, would benefit from Mr. Bush's support of a new tax deduction to encourage the purchase of health insurance for long term care. The proposal is a major priority of the American Council of Life Insurers. The industry trade group isn't taking sides in the presidential campaign, but executives are "sizing up the candidates" and finding more to like in the Bush agenda, says ACLI lobbyist Phil Anderson. "It's not so much a political calculation," Mr. Anderson says when asked about the industry's support for Mr. Bush. "It's a matter of what makes sense through the lens of a public-private partnership."

Oil companies feel particularly confident that a President Bush will take care of them and have provided generous financial support. Kenneth Lay, the head of Houston based Enron Corp., whose executives have been Mr. Bush's most reliable supporters throughout his political career, will have a special pull on a President Bush's affections. And Mr. Lay could use it, running a company that is trying to expand from its natural-gas roots into an all purpose provider of electric and telecommunications services—all heavily regulated businesses. A memorandum urging executives to contribute as much as $5,000 to Enron's political action committee cites the company's extensive legislative and regulatory agenda, including taxation of electronic commerce and deregulation of electric utilities, the New York Times reports. Besides Mr. Lay, the governor's list of top fund-raisers includes several Texas oil barons, among them Jack C. Vaughn Jr. of Dallas and A.R. "Tony" Sanchez of Laredo.

Mr. Bush favors a strong energy policy aimed at boosting domestic production and would probably fight to preserve the industry's tax breaks. He has said he favors giving oil firms drilling access to more federal lands, including the Arctic National Wildlife Refuge in Alaska, drawing a sharp contrast with Mr. Gore.

URL: http://www.prospect.org/archives/V11-16/marshall-j-books.html

Clinton-Hating

Josua Micah Marshall

Beginning in Arkansas when Bill Clinton first decided to run for president, a cluster of the future president's die-hard opponents set about trying to derail his quest. They plied eager journalists with tales of Clinton's immoralities and illegalities. Aficionados of the Clinton scandal stories will recognize many of the names. Cliff Jackson: Clinton's contemporary and onetime friend, a fellow Rhodes scholar, and later an embittered foe who played a key role in publicizing damaging stories and helping launch the Paula Jones sexual harassment suit.

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As told by Joe Conason Should Halls to him? BR ...ng of the *Presid*... take shape as these devious characters ... array of politic... ...tive journalists, far-right org... ...ive evangelical ... ...te Clinton and publicize allegations for ... of his presidency. They also acc... ...ders" of his childhood friend Vincent Foster and Commerce Secretary Ron Brown ... ...caine smuggling through a small airport in rural Arkansas, of fathering an out-of-wedlock child by a black prostitute, and of the arcane financial improprieties that go under the heading of "Whitewater."

Clinton-hating, in this outlandish form, has become part of the background noise of contemporary public life--an oddity, an amusement, but hardly part of serious political discussion. But one of the signal achievements of *The Hunting of the President* is the authors' ability to demonstrate how little space ever really existed between this paranoid variant of Clinton-hating and the more mainstream type one could find on talk radio, on editorial pages, and in the halls of Congress. Again and again, as the authors relate, conservative cranks, such as the notorious David Bossie, surface as investigators for congressional committees. Scurrilous accusations from the right-wing press are recycled into mainstream metropolitan dailies and national newsweeklies.

Every president has enemies, of course. And there is really no reason they shouldn't go about agitating and propagandizing on behalf of their antipathies.But so often these deeply partisan actors have been able to take hold of and, in a manner, speak through some of the most respected institutions in American society: prestigious national newspapers, congressional committees, and yes, the office of the "independent" counsel.

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"Justice" Jim Johnson: a colorful and determined Clinton enemy who founded and led the Arkansas White Citizens' Council. The oddball duo of Larry Case and Larry Nichols: a sort of Clintonhating Rosencrantz and Guildenstern, who flitter in and out of the narrative, making mischief and providing comic relief, taping friends and enemies alike, plotting against Clinton one moment and his pursuers the next.

As told by Joe Conason and Gene Lyons in *The Hunting of the President*, the story begins to take shape as these devious characters strike up connections with an array of political operatives, conservative journalists, far-right organizations, and ultra-conservative evangelical groups. They investigate Clinton and publicize allegations for the duration of his presidency. They also accuse Clinton of the "murders" of his childhood friend Vincent Foster and Commerce Secretary Ron Brown (among others), of cocaine smuggling through a small airport in rural Arkansas, of fathering an out-of-wedlock child by a black prostitute, and of the arcane financial improprieties that go under the heading of "Whitewater."

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wrong would do well to consider that several separate investigations failed to find any evidence of wrongdoing by the Clintons. Even Independent Counsel Ken Starr's office eventually cleared the Clintons of wrongdoing in Whitewater as well as "Filegate" and "Travelgate." And don't you think a prosecutor who pursued the Monica Lewinsky matter as doggedly as Starr did would have found something to prosecute if he could have?

Conason and Lyons have each been at the Clinton story for a long time. Lyons, an Arkansas newspaperman, published an earlier book, *Fools for Scandal*, which challenged the dominant press account of the Whitewater scandal. Conason is an investigative reporter who writes for *The New York Observer*. Their book has, in some cases, been the target of criticism that is no less questionable than the reportage the authors indict. In one egregious example, *The New York Times Book Review* chose as its reviewer Neil A. Lewis, a staff writer in the *Times*'s Washington bureau, which was a primary subject of the book's critique. Predictably, Lewis panned the book.

But since Conason and Lyons are seen as being in the pro-Clinton camp, they are (unfortunately) easily dismissed by the president's critics. Jeffrey Toobin, author of *A Vast Conspiracy*, is a different story. Toobin is a more recent arrival to the debate. He is a legal affairs commentator and *New Yorker* staff writer heretofore known for *The Run of His Life*, a chronicle of the O.J. Simpson murder trial. Yet, though Toobin's account is more evenhanded than *The Hunting of the President*, it has received more vituperative attacks. (A number of people, most notably *Newsweek*'s Michael Isikoff, have publicly claimed that Toobin's book contains inaccuracies. Isikoff, of course, led the mainstream press in sniffing out the Lewinsky scandal.)

Toobin pulls no punches when it comes to Clinton's reckless, self-indulgent, self-destructive behavior with Lewinsky. His opinion about many of Clinton's supposed assignations seems to be that they happened, but that they were consensual. But his analysis mirrors that of Conason and Lyons. In fact, as Clinton critics were quick to note, the very title Toobin chose for his bookmade it clear which side of this argument he had come down on. Maybe there's a poetic appropriateness in the fact that Toobin now has been sucked into the vortex of Clinton-hating--some of the most illuminating pas-sages of his book explore the dynamics of this political phenomenon.

He is, for instance, particularly deft in describinghow Clinton's enemies were hobbled, and ultimately defeated, by their persistent, unshakable belief in the president's deep criminality.Initial press attention to *A Vast Conspiracy* concentrated on Toobin's not-improbable claim that Clinton might well have been driven from office if only Starr's office had made a deal with Lewinsky during the first days of the scandal in early February 1998. This would have been, according to Toobin, substantially the same deal they made with her in late July after so much water had run under the bridge. If Starr had cut a deal with Lewinsky early, Toobin argues, he could have immediately set about proving that Clinton had an affair with the White House intern and that he had lied about it to the American people. Of course, when this all did eventually come out, the public had long since come to terms with the reality and the veracity of the charge. And the behavior of Clinton's pursuers had become, to many, equally questionable.

Whether Toobin's contention is right is difficult to gauge. What's more important--and revealing--is why Starr chose not to pursue the deal. In the early negotiations with Lewinsky and her lawyer William Ginsburg, the Office of Independent Counsel was represented by Michael Emmick and Bruce Udolf, the two members of Starr's staff with the most professional prosecutorial experience. Emmick and Udolf negotiated a deal that granted Lewinsky immunity in exchange for her testifying that she had in fact had a sexual relationship with the president but that he had not asked her to lie. But Starr, on the recommendation of a majority of his staff, rescinded the offer. Nominally, the hitch was Lewinsky's unwillingness to submit to an in-person interview prior to receiving immunity from Starr's office. The deeper issue, however, was the staff's mounting (and not so difficult to understand) antipathy toward Ginsburg and their belief that he was trying to play them. As Starr's chief deputy Jackie Bennett put it, the deal Emmick and Udolf had negotiated was "a sign of weakness."

Angered and embarrassed, Emmick and Udolf tried to persuade their colleagues to keep their eye on the ball and not get distracted by their feelings about Ginsburg's behavior. "So what if they hated Monica's lawyer?" Toobin paraphrases Udolf as telling his colleagues. "How in the world were they proposing to make a case against Clinton without Lewinsky's testimony?" Egged on by his most combative but least experienced prosecutors, Starr decided to stand tough against Ginsburg's antics. And thus the Office of Independent Counsel frittered away Clinton's moment of vulnerability in a petty battle with Lewinsky's lawyer over who could make who cry uncle first.

Beyond pugnacity and ego, Starr's staff had another problem: The hard-liners couldn't bring themselves to make a deal because they couldn't believe that sex, and lies about sex, was all there was. They were captivated by the belief that "some grander conspiracy," as Toobin puts it, "was sure to be uncovered, just over the horizon." Starr and his staff and perhaps the greater number of Clinton's pursuershad committed what must be the greatest of lapses, either in law or in politics: They had fallen for their own spin.

Toobin's book is a sprightly, quick read that carries the reader along with insightful and sometimes chatty portraits of the scandal's major and minor players. The author is a master of the hilariously well-chosen and understated aside. When first broaching the subject of Clinton's infamous cigar escapade, Toobin notes that "Lewinsky [later] told her biographer, Andrew Morton, that after the experience with the cigar, 'she realized she had fallen in love.'" The topic resurfaces later in another small, insiderish reportorial coup that is a staple of Toobin's writing. At the end of a description of Richard Gephardt, the notoriously straight-laced Democratic minority leader, Toobin quotes Gephardt asking his lead counsel Abbe Lowell, "Abbe, is the cigar thing real?" Toobin sometimes breezes over matters that deserve more attention. But what the book lacks in specifics, it makes up for in pace and verve.

Conason and Lyons's book is a different enterprise altogether. If Toobin's book feels like a fast amusement park ride, theirs is more like an expansive mansion with a multitude of rooms and passages and annexes in which the reader can sit down, get comfortable, relax, explore, and(truth be told) occasionally get lost. And yet the breadth and scope of what Conason and Lyons seek to cover is greater than that which Toobin assays. The book does a masterful job of mixing investigative revelations and political analysis with unflinching attacks on those who deserve them. Nowhere will a reader find a more detailed and instructive survey of the origins of the Clinton scandals or a more systematic refutation of the many inaccuracies that still plague the story.

What to make of it all? At the very outset of the Lewinsky scandal, Charles Lane, then the editor of *The New Republic*, put it this way: "People are asking how Monicagate compares with Watergate. Here's a thought: back then, a president was brought down for using scary police-state tactics--CIA cover-ups, wiretaps, secret tapes, black-bag jobs--in an effort to destroy his political enemies. This time, the roles are reversed: a president's political enemies are using scary police-state tactics to destroy him." That remains one of the most elegant and to-the-point descriptions of the turn American politics took in the 1990s.

For all the pettiness and indifference to facts that characterized so many of the president's accusers, one thing remains clear: Many, though certainly not all, of Clinton's enemies truly came to believe that if only they looked hard enough, they would find some fact sufficiently damaging to bring him down. They were certain that it was simply in Clinton's nature to have committed somekind of criminal act. Clintonhating is thus more than an endless game of dirty tricks on the part of the president's opponents or a simple reaction to the president's chicanery. It is part of some deeper cleavage in our politics and culture that defies conventional explanations. And this aspect of what took place is not addressed fully by either of these books. That's not meant as a criticism; this part of the story isn't central to the books these authors chose to write. But as the history of the 1990s and the Clinton era is written, the polarized and bitter politics that developed in a time of relative peace and prosperity is a topic that has yet to be satisfactorily explored and explained.

Click here for information on the author
Josua Micah Marshall

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Joshua Micah Marshall

Joshua Micah Marshall has been a writer and editor at *The American Prospect* since January 1998. In July 1999, he was appointed to be the magazine's first Washington editor. He has written for the Prospect about a variety of issues focusing on politics, including the inner workings of the Republican and Democratic parties, the world of the political chat show circuit, conservative efforts to rehabilitate the reputation of the notorious red-baiting Senator Joe McCarthy, and the cultural implications of Internet censorship. Marshall's articles on politics and popular culture also appear frequently in other publications. Last year he covered the impeachment crisis for the online magazine Salon. He is currently writing a book about the political battles of the 1990s.

Before coming to The American Prospect, Marshall studied American history at Brown University, from which he is scheduled to receive his Ph.D. in January 2000. He was born in St. Louis, Missouri, in 1969 and raised in southern California. He graduated from Princeton University in 1991 and now lives in Washington, D.C.

Josh's personal web site is located at www.j-marshall.com.

Articles by Joshua Micah Marshall from *The American Prospect:*

- *Volume 11, Issue 16:* Mr. Gates Goes To Washington
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THE IRISH TIMES ON THE WEB

OPINION

Friday, July 28, 2000

The Patten, - and nothing but the Patten

The Patten proposals on policing in Northern Ireland have been altered dangerously by Peter Mandelson. **Brendan O'Leary** urges him to think again, lest he threaten the whole Belfast Agreement

"Something has gone seriously wrong. But what is it?" The question is Peter Mandelson's, according to the leaked Philip Gould memo of last week. With regard to the Northern Ireland Police Bill, which has left the House of Commons for the House of Lords, the relevant answer is himself. In fact, he is running out of time to avert disaster.

Disaster may come in two forms. Its mildest form is taking shape.

The SDLP, Sinn Féin, the Irish Government, Irish America, the American government, the Women's Coalition, human rights NGOs, the Catholic Church in Ireland, and Irish nationalist civil society have, accurately, condemned the emerging Act as a betrayal of the Patten report, and of the Belfast Agreement, both in letter and spirit.

In consequence, the SDLP and Sinn Féin will not recommend that their constituents consider joining the police, and they may well boycott the Policing Board and District Policing Partnership boards. That will leave the police without Patten's promised "new beginning", lacking full legitimacy with just less than half the local electorate, an institutional bomb waiting to explode. The outbreak of armed conflict in 1969 was partly caused by an unreformed, half-legitimate police service, responsible for seven of the first eight deaths.

In its strongest form, disaster would de-couple nationalists and republicans from the agreement. Failure to deliver Patten will mean Sinn Féin will find it difficult to get the IRA to go further in decommissioning, which in turn will lead to unionist calls for the exclusion of Sinn Féin from office, and possibly to a repeat of Mr Trimble's "decommission or I'll resign" gambit.

If decommissioning does not happen because of Mandelson's failure to deliver Patten, the SDLP will not be able or willing to help prioritise decommissioning, unless it prefers electoral suicide. The IRA will find it difficult to prevent further departures to the so-called "Real IRA", except by refusing to budge on arms. In short, a second collapse of the agreement's institutions looms. Something is going "seriously wrong".

How did we get here? The short answer is that the Bill was drafted by the Northern Ireland Office's officials under Mr Mandelson's supervision. They "forgot" that the Patten Commission's terms of reference came from the Belfast

Agreement, and that Patten's report and 175 recommendations represented the carefully researched compromise between the unionist belief that the RUC met the terms of reference of the agreement and the republican demand that the RUC be disbanded.

The Secretary of State and his officials believed they had the right to implement those bits of Patten they found acceptable, and to leave aside those they found unacceptable, premature, or likely to cause difficulties for Trimble or the RUC.

This led to a big lie: the Bill was presented to Parliament as the implementation of Patten when it manifestly was not. One of Patten's commissioners, Dr Lynch, publicly pointed this out, and some others have privately confirmed Mr Lynch is right. In response to Irish and American condemnation, Mr Mandelson promised, including in the Guardian newspaper, to listen. He declared he might have been a bit too cautious, indicated the Bill could be modified in Parliament, and suggested his critics were engaging in hype.

The Bill has been improved in the Commons but too little.*

The quota for the recruitment of Catholics is now better protected, but not as strongly as Patten recommended. The Policing Board, rather than the Secretary of State, has been given power over the setting of short-run objectives, and final responsibility for the police's code of ethics.

Consultation procedures involving the Ombudsman and the Equality Commission have been strengthened, and the First and Deputy First Ministers will now be consulted over the appointment of non-party members to the board. Yet any honest external appraisal of the modified Bill would report that it is still not the whole Patten - a fact insufficiently appreciated in Ireland's media.

If the first draft of the Bill eviscerated Patten, the latest version paints and dresses the mummy. Even at the Commons report stage the SDLP was treated appallingly - with the British government dropping its own promised amendments. In consequence, Mr Mallon's relations with Mandelson are at an all-time low.

What needs to be done to resurrect the real Patten? The following minimum would help, and needs to be strongly commended by the Government to the British government through the British-Irish inter-governmental conference.

Patten recommended the name of the police service be entirely new: The Northern Ireland Police Service. The Bill calls the service "the Police Service of Northern Ireland (incorporating the Royal Ulster Constabulary)". The Secretary of State promised an amendment to define "for operational purposes" - to ensure that the full title would rarely be used, and that the parenthetic past generally be excluded.

He broke this commitment at report stage. The House of Lords must restore Patten, either by timelimiting "incorporating the RUC", or, preferably, by deleting it. Mandelson's own dropped amendment would also be helpful.

Mandelson misleads when he says Patten wanted the new service to be connected to the old and to avoid suggestions of disbanding. True, but that was not the whole Patten: he proposed an entirely new and fresh name, and proposed linkages between the old and new services through police memorials, not the renaming proposed by Ken Maginnis of the UUP with Mandelson's approval.

Patten also unambiguously recommended that the new badge and emblems for the service be free of association with the British or Irish states, and that the Union flag should not fly from police buildings. The Bill, as amended, fails to do any of this. Mr Mandelson may not have intended to subvert Patten here, but he has not even told a half-Patten by way of explanation.

Patten recommended there should be an Oversight Commissioner to "supervise the implementation of our recommendations". The British government has now put the commissioner on a statutory basis, but confined his role to overseeing changes "decided by the government". If Mr Mandelson was committed to Patten he would charge the commissioner with recommending legislative and other changes necessary for the full implementation of the Patten Report, not the emergent Act.

It is essential that the Taoiseach and Mr Cowen press for the Oversight Commissioner's role to be that envisaged by Patten. That would create the possibility that the full implementation of Patten could occur later, and help avert a crisis.

Patten recommended a board with the ability to hold the police to account, and to initiate inquiries into police conduct and practices. Mr Mandelson has prevented the truth emerging about the police's past by stopping the board from inquiring into any act or omission arising before the eventual Act applies. This is an undeclared amnesty for past police misconduct, and was not proposed by Patten.

The Secretary of State now has the power to prevent inquiries because they "would serve no useful purpose" an addition at the report stage, again not in Patten. He has also given himself powers to order the Chief Constable to take steps in the interests of economy, efficiency, and effectiveness, whereas Patten envisaged this role for the board. Patten recommended the Ombudsman "should exercise the right to investigate and comment on police policies and practices". The Bill represents a half-Patten the Ombudsman may make reports but not investigate (so it is not a crime to obstruct her work).

LASTLY, Patten recommended disbanding the full-time reserve, encouraging international standards of human rights beyond the European Convention, normalising the police through merging the Special Branch and the CID, and closing a series of interrogation centres "forthwith". On all this, the Bill and implementation plan are either ominously silent or unclear.

If the Taoiseach obliges Mr Mandelson to address all these issues, with a little help from the Lords, he will go some way to avoiding disaster, and restoring faith in the British government's integrity.

If he does not, then a new charge should be brought against Mr Mandelson, "vexatiously wasting Parliament's time". Two Acts of Parliament addressing policing in Northern Ireland will have been passed under the Blair government, and neither will have fulfilled the function of integrating Northern nationalists into the new political, legal and policing arrangements promised by the Belfast agreement.

This charge will be in addition to Mr Mandelson's previous offence of breaking international law by unilaterally suspending the agreement's institutions - a charge the Irish Government decided not to pursue. Mr Mandelson was lucky once; he is unlikely to be lucky twice Mr Ahern and Mr Blair need to step in to supervise Mandelson's mismanagement and temper his low-grade Machiavellian conduct.

There is no substitute for Patten; it must be the whole Patten.

*I have avoided inserting a comma after "Commons" and added em- phasis to avoid this sentence being misleadingly quoted by Mr Mandelson. Having seen how he recently misled American politicians through selective quotation such pre- cautions are now a necessary feature of public dialogue with Mr Mandelson.

Brendan O'Leary is professor of po- litical science at the London School of Economics and a former adviser to Dr Mo Mowlam; he is also co- author of Policing Northern Ireland, published in 1999

Sandy

Ted Kennedy gave me this + urged us to do more – He's worried – Can we have any further information?

BC

copied
Berger
NSC [illegible] Desk
Podesta

...the
...d a gap
... scores.
... the mayor testily in
...s the United States of
...a ton of resources into the
...stem. There are no racial problems.

Continued on Page 9

Neal Lane
Now I finally understand!
Mac.

Copied
Lane
Podesta

Joyce Dopkeen/The New York Times

...John D. Spencer of Yonkers in his ...n City Hall. A native of Yonkers ...self-proclaimed law-and-order Re...an, he said recently, "The federal ...nment has come in here since 1985, ...ey've failed."

COUNTY LINES/PETER APPLEBOME

8-2-00

The Human Genome Explained

ALL politics, as everyone knows, is local.

Everyone knows this because there is apparently a rule out there that decrees that every political story with a thinky component must repeat former House Speaker Tip O'Neill's famous aphorism. It is a statistical certainty that someone is typing that very sentence at this exact moment.

But smart shoppers know that lots of other things are local — the price of gas, a dozen eggs, the market for novels by Pete Hamil in New York or Lee Smith in North Carolina. (See. You've never heard of her.)

Thus, lost in the recent cosmic hoo-ha about the cracking of the genetic code (one imagines scientists in white lab coats with eye-masks like old-time safe crackers listening intently for the genetic tumblers to fall into place) has been the obvious question — what does this mean for Tuckahoe, Yonkers or Bedford? Thus, some important information for Westchester residents about the sequencing of the human genome.

Q. *What is a genome anyway?*

A. You obviously have not been paying attention. Like origami spaghetti, the genome is a form of deoxyribonucleic pasta, which contains all the genetic codes that define the human organism. Thus, all humans, except for the entire fan base of the World Wrestling Federation, contain origami patterns with distinctive loops and logos that make them different from tree sloths or hamsters. Amazingly, Britney Spears and Albert Pirro have identical genomes except for differences in genes and DNA that make her sing like she's gargling all the time.

Q. *Does this mean Westchester residents and people in, say, New Jersey or South Carolina have identical genomes?*

A. Au contraire. In South Carolina, for example, the origami takes a distinctive shape that scientists call the stars and bars, leading people to fight for years over Civil War symbols. In New Jersey, the genetic material is miraculously straight and clotted at the same time, in what is called a "turnpike" configuration.

Q. *But don't all genomes contain just four base pairs represented by four letters of the alphabet?*

A. Yes. But. Because of the exquisite subtlety of the genetic language, the four base pairs have different meanings around the globe. In Westchester the first base — A — is the holy letter that all good children are expected to bring home each quarter on their magic path to the Ivy League. In Manhattan, the same letter refers to mythical lists, known to top cellular geneticists as "A Lists," which allow supermodels, professional athletes and billionaires into fancy clubs, restaurants and parties. In a typical complication, in Texas, the same letter, amazingly, refers to the first person singular (Ah was thinkin' ...). Lucky you took geology instead of genetics to meet your college science requirement.

Nancy Doniger

Q. *What do the three other symbols mean on the Westchester genome?*

A. The symbol C, of course, stands for cars. The symbol T stands for "Type A." In the Midwest, by contrast, the C stands for cows. In Atlanta the T stands for Tomahawk Chop, all astounding examples of the way nature and nurture create human diversity. On the other hand, everywhere in the world, the symbol G, now stands for The Gap.

Q. *What's in it for me?*

A. Scientists are cautiously optimistic that everything that has ever been wrong with everyone who has ever lived can be cured, eradicated or rendered moot by the proper engineering of the genetic material on the human genome. Rather take the Hudson line than the Harlem line in the morning? Tired of the babble at the local nail salon? Wondering why the neighbor's dumb kid got into Harvard while your kid is at the University of Nevada Las Vegas? Wish your dumpy A. & P. was a hip Trader Joe's? With a screwdriver and some duct tape, scientists hope to be able to rearrange genetic material to fix the problems completely. As a fallback, they will be able to turn you into a hamster, so you won't care.

Q. *Where can I pick up the genome of my dreams?*

A. This is a tough one. In the not-too-distant future, choice genomes will be available for sale like Pokémon cards, 'N Sync CD's and extra cupholders for S.U.V.'s. But where to get them — a fancy mall like The Westchester? Your local village genome dealer? A big-box store like a Sam's or Costco? Molecular biologists are hoping to crack the human shopping code, so far to no avail. So, on this one, you're on your own.

copied
Podesta

8-2-00

THE WHITE HOUSE

WASHINGTON

'00 JUL 21 PM2:54

July 21, 2000

JP

This looks about right but has to be handled carefully. Good to allocate extra $ we've already set aside to it to make sure $ spent on HCAN - I still don't understand exactly what they're doing

MEMORANDUM FOR THE PRESIDENT

FROM: Jack Lew
Chris Jennings

RE: Upper Payment Limits in Medicaid

At the National Governors Association Conference earlier this month, you were approached by a number of governors soliciting your assistance in stopping or moderating a regulation that was recently leaked but not officially released by HCFA. The Medicaid rule would prohibit states from using a loophole in Medicaid "upper payment limits" and intergovernmental transfers to recycle local funds to increase Federal Medicaid funding without an increase in state matching dollars. This memo responds to your request for background information on this issue and an update on our recommended strategy for dealing with it.

BACKGROUND

The leveraging of additional Federal Medicaid funds, without accompanying state matching dollars, has contributed to a rapid, recent rise in Federal Medicaid spending without any measurable commensurate increase in coverage expansion, quality of care, or services provided. Without question, if this practice is allowed to continue, Federal Medicaid spending will increase dramatically to the type of double-digit growth that we saw in the late 1980s and early 1990s. Currently, 17 states have approved financing mechanisms in place and another 11 states have pending proposals and another 11 states have pending proposals.

All of your advisors at HHS, OMB, DPC, NEC, IGA, and OPL, as well as John Podesta, agree that it would be damaging to the Medicaid program to allow these financing schemes to continue unabated. When per capita Medicaid costs soared ten years ago, there was a serious effort to end the Medicaid entitlement and submit to a block grant to the states. Your veto of reconciliation in 1995 was necessary to prevent it.

Senator Roth, the Inspector General, and the General Accounting Office are in various stages of investigations to highlight this problem and criticize our lack of response. Having said this, your advisors also have serious concerns about how any regulatory action to stop this practice would affect states and health care providers serving vulnerable Medicaid and uninsured patients. Some of the Federal funds extracted from the upper payment limit financing loophole are being used to provide much-needed assistance to public hospitals that are being overburdened by increasing uncompensated care liabilities and less generous private sector and Medicare payment policies. Other states are using these funds to increase health care provider reimbursement rates and limited coverage expansions. However, still others are using these funds for road construction, tax reductions, education investments, and to help balance budgets.

Although HHS wanted to move expeditiously to release a notice of proposed rulemaking that highlighted our intention to disallow this practice, your White House advisors concluded that it would be better to create a two-step process that would initially describe our concerns about these financing practices but express sympathy for their uses in a letter to state Medicaid directors and commit to a consultation process that will lead to a better understanding of the use of these dollars and possible preferable alternatives to stop this practice. We would then follow this letter with a substantially revised notice of proposed rulemaking that outlines options for transition to be released sometime in August. It would solicit further comments, and HHS would not issue the final regulations until after the November election. We feel – and HHS now concurs – that this two-step approach would be more likely to prevent legislative riders in September prohibiting any HHS action in this regard.

We are also considering whether we should simultaneously release an independent legislative proposal to provide additional Federal funding targeted directly to public hospitals and / or other providers disproportionately serving the uninsured and underinsured populations. This funding would likely come from the half of your $40 billion provider restoration fund that has yet to be specified. The idea is that such funding could help mitigate the effect of the regulation. We are developing options for your review.

LIKELY RESPONSE FROM STATES / PROVIDERS

While we agree that we should proceed with our recommended rollout, you should know that the proposed letter and the subsequent NPRM will likely generate significant protest from the States currently authorized or those who eventually want to use this loophole, as well as the providers benefiting from it. Fourteen governors have written to you urging that you quash the HCFA rule. Among the most vocal Democrats have been Governors Vilsack (IA), Siegelman (AL), Ryan – Gop (IL) and Davis (CA). Other elected officials, particularly Cook County Commission President John Stroger (D), as well as health care providers such as the public hospitals, have also registered strong protest to the proposed change. Although they acknowledge that there is a problem, they say that this particular financing mechanism is used for desirable purposes.

However, preliminary conversations with experts, advocates for the Medicaid program and budget experts suggests that they are willing to join with the Inspector General and GAO in stating that this practice is inappropriate and threatens not only Medicaid but the perception of public health insurance programs and the Federal budget outlook more generally.

CURRENT STATUS OF RECOMMENDED ADMINISTRATION ACTION

If you do not have any objection with our recommended two-step approach to phasing out states' dependence on the upper payment limit financing mechanism, we would recommend that we authorize HHS to release the previously mentioned letter raising our concerns about this issue next Wednesday. (Attached is the current draft of this letter.) We will work to ensure that the release of this letter includes an effective communications, state-based, Congressional, and health care provider rollout plan. It would include a strategy to ensure that the public and policy-makers understand the risk of allowing these financing mechanisms to continue unaddressed. If we succeed, the public response from the states and providers may be more muted.

8-2-00

Clinton / Arkansas

Memo

C Jennings
What's the deal here?

~~
WJC

To: President Clinton

From: Lynda Dixon

CC:

Date: 7/26/00

Re: UAMS

Mr. Bowen called today and asked that I send you the enclosed letter signed by all the living governors of the State of Arkansas. All they ask is that you look at this before sending it to one of your aides.

Thanks.

Copied
Jennings
Podesta.

State of Arkansas

July 10, 2000

The Honorable William J. Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

We are writing you as Arkansans who have all had the opportunity to serve their state as Governor and continue to serve in many ways. This matter is of urgent interest to the citizens of Arkansas.

As Arkansas' only teaching hospital, UAMS is the foundation for training of physicians, pharmacists, nurses and allied health professionals statewide. Although located in Little Rock, approximately 50% of University Hospital's patients come from outside Pulaski County. This institution is in a financial crisis. It is critical to the future healthcare and economic development of the state, that every effort be made to support the financial stability of this institution ---- now and long-term.

Our state has submitted a proposal to the Health Care Financing Administration (HCFA) to establish desperately needed supplemental Medicaid payments for the state's only academic health center, the University of Arkansas for Medical Sciences (UAMS). Our proposal is for rate enhancements that are perfectly legal under current law. However, HCFA is preparing to issue a regulatory change that will severely limit our ability to provide these critical payments, due to concerns about abuses by some states that are completely unrelated to our proposal. We are taking the extraordinary step of asking for your help in ensuring that the regulatory change does not in any way impact what we propose to do in Arkansas.

We cannot over-emphasize the importance of this proposal to the provision of medical care in our state. UAMS serves as the cornerstone of our health care system, providing complex specialty care not available elsewhere, training the next generation of doctors (a significant percentage of whom remain in the state to serve its population) and providing enormous amounts of uncompensated care to the state's uninsured and underinsured residents.

All of this care is costly and under-reimbursed, to the extent it is reimbursed at all. Most other states have been able to assist their teaching hospitals in providing this care through the Medicaid Disproportionate Share Hospital (DSH) program. However, in 1991 Congress strictly limited the amount that states may pay hospitals through DSH, which was further limited by the Balanced Budget Act 1997.

Arkansas is consequently prohibited from paying anywhere near UAMS' uncompensated costs through DSH. As a result, UAMS receives annual DSH payments of under $54,000, and statewide the federal DSH allotment is only $2 million (out of a total of $9 *billion* nationwide). Meanwhile, teaching hospitals in neighboring states receive DSH payments of $77 million (University of Mississippi), $80 million (University of Texas Medical Branch at Galveston) and even $106 million (Louisiana State University).

UAMS is facing a severe budgetary crisis, due to a combination of factors, which threatens its ability to continue to serve as an essential health care safety net provider in the future. In FY 1999 UAMS lost $18 million and for FY 2000, UAMS is projecting a $30 million loss. If this trend is not reversed, the very existence of University Hospital is in jeopardy. The University and the state are doing everything we can to alleviate this crisis. But our Medicaid proposal is an essential element of our plan to ensure UAMS' future viability.

Our proposal does not implicate any of the apparent state abuses of Medicaid that we understand have led HCFA to develop the regulatory change. The entire amount of the proposed payments will go to UAMS and will stay with UAMS. Although the non-federal share of the payments will be funded through funds in the UAMS budget rather than general state revenues, these are transfers fully authorized by federal law. After the payments are made, none of the federal funds will be returned to the state Medicaid program or the state general fund – they will all remain with the hospital to cover the costs of Medicaid-eligible care provided. ***In short, our proposal simply does not involve any inappropriate recycling of federal funds or other game-playing that has so disturbed HCFA to date.*** Our unfortunate timing, however, has found us caught in a much larger controversy over which we have no control.

We ask for your help in ensuring that Arkansas' proposal is approved and allowed to take effect permanently. We do not have the history of Medicaid abuses that plague the records of other states. In fact, we have been disadvantaged by not moving quickly enough to claim federal Medicaid funds to which we would otherwise have been entitled. We do not in any way condone the apparent abuses that have gone on in other states. In our case, this funding is very critical to UAMS' future. These monies will not be used for any other propose than assisting UAMS. We ask for your assistance in ensuring that HCFA's impending action does not restrict our ability to implement these supplemental payments for UAMS.

Attached is additional background on this issue for your staff. We would be happy to provide any further information you may find helpful. Your strong consideration of this proposal will be appreciated. As a former Governor, you have dealt with these issues and know them to be factual. Please help us with a final resolution of this critical problem.

Sincerely,

Mike Huckabee

Mike Huckabee
Governor 1996 – Present

Jim Guy Tucker

Jim Guy Tucker
Governor 1992 - 1996

Frank White

Frank White
Governor 1981 – 1983

David Pryor

David Pryor
Governor 1975 - 1979

Dale Bumpers

Dale Bumpers
Governor 1971 - 1975

Sidney S McMath

Sid McMath
Governor 1949 - 1953

Attachment
tbs

THE IMPACT OF HCFA'S PROPOSED REGULATORY CHANGE ON ARKANSAS

The University of Arkansas for Medical Sciences is a Critical Element of Arkansas' Health Care Delivery System, Yet It Faces a Crisis

- Arkansas has only one academic health center in the state, the University of Arkansas for Medical Sciences (UAMS). This essential institution provides unique specialty health care services, trains the next generation of doctors to serve state residents, and provides access to care for the uninsured. All of this care is costly and is under-reimbursed or not reimbursed at all.

- UAMS is currently experiencing a severe financial crisis due to a combination of factors including cutbacks in Medicare and third-party reimbursement, increasing numbers of uninsured patients and heightened competition in the health care industry.

- This crisis threatens UAMS future viability, and its continued ability to serve as a critical safety net provider in the state.

Arkansas Has Proposed to Establish a State Operated Teaching Hospital Adjustment for UAMS to Help Resolve Its Crisis

- In May 2000, Arkansas submitted two state plan amendments to HCFA to establish state operated teaching hospital rate adjustments for UAMS. The adjustments – one for inpatient services and the other for outpatient services -- would bring UAMS' rates up to the maximum allowable level permitted under the Medicaid Upper Payment Limit (UPL) regulations.

- The inpatient adjustment would increase rates by approximately $4 million per year and the outpatient adjustment by approximately $52 million per year. The non-federal share (approximately $18 million) of these payments would be financed through funds provided by UAMS.

- These payments are a crucial element of the state's plan to resolve the fiscal crisis at UAMS, which otherwise could threaten the quality and access to care provided to residents of Arkansas.

The Inpatient Adjustment Should Be Expedited Because It Would Not Be Impacted By Any Regulatory Change

- Under current regulations, state-operated hospitals such as UAMS are subject to a separate UPL calculation for inpatient rates. The proposed inpatient rate adjustment for UAMS is in compliance with this requirement.

- No change to this separate UPL for state operated facilities is currently contemplated, to our knowledge, and the inpatient proposal would therefore not be affected by the regulatory change.

- The proposed inpatient adjustment should not be held hostage with other plan amendments that are subject to the regulatory change.

Arkansas Should Not Be Subjected to the More Restrictive Upper Payments to be Proposed by HCFA

- HCFA is poised to modify the UPL regulations in a way that would give states much less flexibility in setting rates. This modification would greatly restrict Arkansas' ability to adjust UAMS' outpatient rates in the manner proposed.

- The purported reason for the regulatory change is the apparent use by some states of Medicaid dollars for non-Medicaid purposes. These states reportedly use payments to public nursing homes and hospitals, combined with intergovernmental transfers, to divert federal Medicaid funds for inappropriate purposes.

- Arkansas does not condone these abuses, and supports HCFA's efforts to halt them.

- Arkansas' plan contains none of these troubling elements. All of the new payments will remain with UAMS. None will be diverted to other uses. The non-federal share will be paid by UAMS entirely from "funds appropriated to State university teaching hospitals" as specifically authorized by statute (42 U.S.C.§1396b(w)(6)(A)).

- Despite Arkansas' unfortunate timing in proposing these adjustments in the midst of controversy, these payments are a legitimate use of Medicaid funds, and are desperately needed to ensure UAMS' viability.

Arkansas Has Historically Received Well Below Its Fair Share of Federal Medicaid Funding, and UAMS Has Consequently Been Deprived of a Desperately Needed Source of Support

- Congress established the Medicaid Disproportionate Share Hospital (DSH) program in the early 1980s to assist safety net hospitals such as UAMS with the enormous unreimbursed costs associated with their missions.

- Over the last decade, Congress has placed increasingly tight limits on the growth in state DSH programs. Because Arkansas was relatively late in establishing a DSH program, it is forever restricted in the amount of DSH payments it can make to safety net hospitals such as UAMS.

- Currently, Arkansas' federal DSH allotment is $2 million. DSH allotments for all states total $9 billion. In other words, Arkansas receives slightly more than two one-hundredths of one percent (.022 percent) of federal DSH dollars nationwide.

- UAMS' annual DSH payment in FY 1998 was $53,964. This amount is dwarfed by the DSH payments received by other teaching hospitals across the country, according to state reports filed with HCFA. For example, in FY 1998 the University of Mississippi and the Medical University of South Carolina each received $77 million, the University of Louisville (KY) received $46 million, the University of Texas Medical Branch at Galveston received $80 million and the Louisiana State University received $106 million.

- The inability of Arkansas to provide DSH payments to UAMS means that the proposed teaching hospital adjustments are even more direly needed. UAMS is trying to cope with the pressures experienced by all teaching hospitals but is doing so in the absence of this critical source of support available to most similarly situated institutions.

- As the attachments indicate, numerous teaching hospitals across the United States have received the DSH payments for over a decade. Also, many states are drawing both DSH and non-DSH supplemental payments. In order to allow UAMS to stabilize its financial status, we are **requesting the proposal made be granted on a permanent basis.**

DSH PAYMENTS TO TEACHING HOSPITALS
(AS REPORTED TO HCFA)

FISCAL YEAR 1998

ATTACHMENT "A"

STATE	TEACHING HOSPITAL	FY '98 DSH PAYMENTS
Arkansas	Univ.of AR for Med. Sciences	$ 53,964
Colorado	University of CO Hospital	$ 55,000,000
Connecticut	Yale New Haven Hospital (CT)	$ 44,000,000
Florida	University Medical Center Jacksonville, FL	$ 42,000,000
Kentucky	University of Kentucky Hospital	$ 18,000,000
Kentucky	University of Louisville Hospital	$ 46,000,000
Louisiana	Louisiana St. Univ. Med. Center	$106,000,000
Missouri	University of MO Hospital	$ 23,000,000
Nevada	University of NV Medical Center	$ 59,000,000
New Mexico	University of NM Hospital	$ 4,000,000
Oklahoma	University of Oklahoma Hospital	$ 19,000,000
South Carolina	Med. Univ.of South Carolina	$ 77,000,000
Texas	UTMB – Galveston	$ 80,000,000
Texas	UT Tyler	$ 12,000,000
Texas	MD Anderson – Houston	$ 66,000,000
Virginia	University of Virginia Hospital	$ 41,000,000
Virginia	Medical College of Virginia	$ 89,000,000

DSH ALLOTMENTS DATA

TOTAL FY 2000 DSH ALLOTMENT FOR ALL STATES: $9 BILLION (+)

ATTACHMENT "B"

STATE	FEDERAL ALLOTMENT	PAYMEMT PER MEDICAID/UNINSURED PERSON (FY '98) (National Avg.: $218.96)*
ARKANSAS	**$ 2 M**	**$3.11 M**
CALIFORNIA	$ 931 M	////
GEORGIA	$ 228 M	////
KANSAS	$ 36 M	////
LOUISIANA	$ 658 M	////
MISSISSIPPI	$ 129 M	////
MISSOURI	$ 379 M	////
NEW YORK	$1,361 M	////
TEXAS	$ 765 M	////

*Coughlin, Ku & Kim, "Reforming the Medicaid Disproportionate Share Hospital Program I the 1990s, Urban Institute, January 2000)

THE PRESIDENT HAS SEEN
8-2-00

copied
Freedman
Podesta
Burkhardt
(original for
reply)

THE WHITE HOUSE

WASHINGTON

July 31, 2000

Dear Mr. President:

I want to thank you again for your visit to Carleton College. Your commencement address had a wonderful impact on the school, as well as on the town of Northfield. As evidence, I've attached a special edition of the local paper entirely devoted to your trip. The town was clearly overwhelmed and overjoyed by your presence.

I've also enclosed letters from townspeople and school children recently forwarded to me by Senator Paul Wellstone (a professor of mine at Carleton). We have referred the letters to correspondence for responses. The school children have put a lot of thought and effort into their Northfield histories for you. I thought you might enjoy looking through them.

Thank you again for your kindness and for the opportunity to work with you on so many worthwhile projects.

Sincerely,

Tom Freedman

Tom Freedman

Tom

Thanks - (cool it

Make sure they get answered

BC

'00 AUG 2 PM 1:04

Dear President Clinton -

Long time no see!! I do hope this note finds you well, my friend. I wanted to let you know I'll be performing at a reception August 14th in celebration of music and education honoring Democratic leadership including Congressman Steny Hoyer - and it should be a wonderful event.. Chevy Chase is hosting, Melissa Etheridge, The Grammy High School Jazz Ensemble and my band & I will all be performing.

I heard that you may have a few minutes in your busy schedule that evening to join us - That'd be AMAZING! If you do, how cool would it be for us to have a little "dueling sax duet" with Melissa on guitar?! I don't keep up on your every move, Mr. President, but it does seem like it's been a while since you've blown that sax!! Needless to say, it would be a true honor to see you once again.

On a personal note, I would like to thank you so much for the incredible and inspiring job you've done these past eight years ... you are a true hero to me, and will forever be an inspiration.

Hope to see you at NARAS on the 14th, and all my best, always -

8-2-00 Your fan, Dave Koz.

Should we send to Scheduling rather than putting in system -

Scheduling ✓

System ___

Carol

Should write signature

THE WHITE HOUSE

WASHINGTON

August 2, 2000

Denise Timmons
3424 North 27th Street
Fort Smith, Arkansas 72904-3418

Dear Denise:

I was sorry to learn of your illness and surgery and wanted you to know I'm thinking about you.

Hang in there! Hillary and I are keeping you in our prayers.

Sincerely,

Copied
Bisulco

Bill

EB 7/24/0

July 8, 2000

Dear President Bill,

I called the White House about three weeks ago and left a message for you about Denise Timmons. I hope you received it but thought I would write you in case you didn't.

Denise had breast cancer in her left breast an the doctor had to remove it.

When the doctor remo

S
Eunice Biscula
DFI EW

Denise Timmons
3424 N. 27th St
Fort Smith AR
72904-3418

use,
He
doc
lump
daughter from Tulsa
week when she had
She seems to be ha
even though I'm s
must bother her. She has always been the greatest friend and the best Democrats in the world.

Do a letter of encouragement to Denise
EB

My son Robert Britton who was stationed in Germany is now stationed at Dover Air Force Base, Delaware. I'm glad to have the family back in the United States. We hope to visit them before to long.

Hope things are going well for you and your family.

Wishing Hillary the best in the

EB 7/24/0

July 8, 2000

Dear President Bill,

I called the White House about three weeks ago and left a message for you about Denise Simmons. I hope you received it but thought I would write you in case you didn't.

Denise had breast cancer in her left breast an the doctor had to remove it.

When the doctor removed her lumph nodes they were clear.

You know Denise, she trys to handle everything herself. Her son did come down to take her to the doctor and stayed until she had her lumph node surgery. Her daughter from Tulsa came down for a week when she had her breast removed. She seems to be handeling everything O.K., even though I'm sure I'm sure it must bother her. She has always been the greatest friend and the best Democrate in the world.

My son Robert Britton who was stationed in Germany is now stationed at Dover Air Force Base, Delaware. I'm glad to have the family back in the United States. We hope to visit them before to long.

Hope things are going well for you and your family.

Wishing Hillary the best in the

up coming election.
I hope Gore will beat Bush.
We will be working hard here to make sure that happens.

Your friend
Arkansas Traveler
Sharyn Floyd

501-783-7646

1309 North 36th Street
Fort Smith, Arkansas
72904

Utters Gennings

cc: gift unit

requested by m 8.2

THE WHITE HOUSE

WASHINGTON

August 2, 2000

Skip Rutherford
Senior Vice President
Director of Public Policy
Cranford Johnson Robinson Woods
303 West Capitol Avenue
Little Rock, Arkansas 72201

Dear Skip:

I love the campaign button -- thanks! It's great in my collection.

See you soon.

Sincerely,

Bill

copied currie

White House Gift Record

Presented: 07/28/2000
Arrival: 08/01/2000
Entered: 08/01/2000

Gift ID: 5037975/GIFTINT2

Donor Information

Mr. Skip Rutherford
Senior Vice President, Director of Public Policy
Cranford Johnson Robinson Woods
303 West Capitol Avenue
Little Rock, AR 72201

PNL
Acknowledged By: Pending BC[illegible]

Comments:
Donor has previously received drafts and BC personal responses.

Gift Information

Intended: President
Description:
Blue and red campaign pin that reads "Gore McAuliffe 2000."

Disposition: Archives
Location:
The gift is in Archives.

Total Gift Value is $2

E - 8/1
As we discussed.
Hope you feel better!
Bob

'00 AUG 2 PM3:55

I beg greatly to the person or people who read this letter before being read by Mr. President, to do everything possible for Mr. President to read it. This is something that God and the American people with overweight problems will thank forever. Thank you very much also to you.

Antonio Bogas

8-2-00

Send to ~~Scheduling~~ Scheduling?

Yes ✓

No ______

cl

ANTONIO M. BOGAS CARDEÑOSA
MEDICINE DOCTOR
Plaza de Capuchinos, 1
14001 – CORDOBA
SPAIN

Phone: +34-639.78.42.15
+34-957.48.09.00
Fax: +34-957.48.30.65

SUBJECT : OBESITY IN THE USA

Córdoba, June 29, 2000

Mr. Bill Clinton
President of the USA
The White House
1600 Pennsylvania Avenue
Washington D.C. – USA

Mr. President,

I am addressing to you with the maximum respect and with the certainty of being listened. I will be very short and specific in my exposition. In the following you will see that all that happened in my live, for good or for bad, has been very out of normal:

When I was 11 years old I had been very little at school (my parents were farmers) and at that age I didn't even know the four arithmetic rules.

When I was 19 years old, although, I got the Seville's University award as the best high school records in the whole Andalucia's State in the South of Spain, with more than 30 awards in different subjects.

When I was 24 years old I got the master in Physical Sciences; When I was 27 years old I got the master in Medicine and Surgery.

When I was 30 years old I've got, Cum Laude, the PhD in Medicine and the specialization in Nuclear Medicine.

When I was 35 years old I already had a small fortune of about 10 Millions US dollars, as a consequence of been the creator of a revolutionary losing weight system with which I have treated the obesity or overweight of about 33,000 patients (as it could be checked in my computer files). *Here it is the main reason of my letter*.

When I was 40 years old I had installed, for more than 2 millions US dollars, my own pharmaceutical laboratory, to elaborate my own magisterial formulas.

When I was 41 years old (1,993) I was the first seller of losing weight products of my country, putting in danger logically the economic interests of the competition. A simple administrative fault of my own was used by the competition to destroy me, even arriving to transform the administrative procedure into a penal process at the Jury Court, and at which the intervention of the public prosecutor asked big penalties without being any true affected!

My anti obesity system has a proven effectiveness, above the 85%, and it is absolutely iniquitous and well tolerated. Among the 300,000 persons that have taken the product (figure recognized by the Spanish Ministry of Public Health) was no case of adverse reaction. Neither the aspirine would success that test, since it exists cases of allergies to the salicylic salts.

The social impact that supposed my system in the obesity's field has no paragon in that kind of problems. In 1993 I stopped, for pure curiosity, to do some calculations about the results obtained with my product. The 33,000 patients treated by me, added to the 300,000 users of my preparations were only a 0.846% of the total country's population (39 millions inhabitants). The average fat's loss was about 15.5 kg., what added a total of 5,115,000 kg.!, or, what is the same, 5,115 metric tons.

Supposing that this total fat's figure could have been put together, it had been needed more than 160 trucks of 30,000 kg. to transporte.

When I have known by the television your campaign against the obesity in the USA, it occurred to me to extrapolate my data and results to your country. And this was the result:

- U.S.A.'s population 220,000,000
- 0.846 % of population 1,861,200
- total fat's loss (at an average of 15.5 kg./person) .... 28,848,600 kg.
- trucks of 30,000 kg. needed to be transported 961

Almost 50 trains of 600,000 kg. each could suppose the fat's loss of these 1,861,200 Americans citizens! And I am talking only about the 0,846% of the population. You talked about a much bigger percentage of persons affected by the obesity in your country. It would be sufficient applying to that percentage a similar calculation to that done by me, to realize the magnitude of the figures that I am referring to, and *the reason of my letter*.

On the other hand, it must not be forgotten the indirect benefits that carry inside the weight loss: cardiovascular and blood system, bones and articulations, allergy's problems, euphoria, among others. It must be evaluated the added saving that such relieves suppose in the health costs at the state level and the amount of life for the own interested at the personal level.

The origin of my problem was the many created interests with the competition, as well as a big conflict with an influential German company of the sector, and, as the same time, with my own Doctors colleagues. It came against me all the political and economical power in my Country, and I was not well advised, neither I had the political protection of anybody: I simply was an intellectual lost inside a whirlwind of powers that I did not know. I lost my fortune and, what it is even more serious for me, my personal and professional reputation. Now, after more than 7 years with judicial processes and serious charges, I have been affected by several depressive breakdown, that I am overcoming as better as I can.

But it would be sufficient that I had the corresponding public recognition in your Country (the Country of Thomas Alba Edison and so many more arisen from the nothingness) to get also back my reputation in Spain.

It is for all explained that I dare to ask you for a personal appointment when your calendar better allows, and with your advisers being present, if You so desired. I can fly to Washington D.C. whenever could be convenient for you and I am at your 's disposal at any moment.

I think that maybe could be interesting that a company of your Country could patent some of my formulas and could launch the products to the U.S.A. and World-wide market. Such company could count completely with my experience and with my person. I, on the other hand, would be more than satisfied being recognized, getting back my reputation and I would conform with a small percentage over the sellings of the company.

Given the mass media involvement in my judicial process in Spain, the official references about my person could be rather negative, but, in the name of God, I ask you to believe and trust me. Both my innocence and the American people deserve it. In the name of the true, I would like to have the opportunity that I have suggested to you.

Believe me, Mr. Clinton, the Obesity hardly has secrets for me now. Even at the legal, social, marketing, etc. level. And the overweight problem, besides serious, it goes in continuous increase.

With the hope that you will see the possible usefulness of my proposal against the gravity of my problem, receive, altogether with my most cordial greeting, the testimony of my most distinguished consideration.

Antonio Bogas

8-2-00

U.S. Send to NSC

Sa

Plot No
Kon
Post
Dar es

55 – 22
– 22 -

FACSIMILE COVER SHEET

TO: NANCY HERNREICH FAX: 202 - 456 - 6703

FROM: AMBASSADOR STITH PAGES: 3

DATE: 8/2/00

SUBJECT: YOUR PROPOSED VISIT TO TANZANIA

Nancy,
Thanks for your help. Take Care,
C.

Ambassador of the United States of America

Dar es Salaam, Tanzania

August 2, 2000

The Honorable William J. Clinton
The President
The White House
1600 Pennsylvania Avenue
Washington, D.C.

Dear Mr. President:

We've gotten word that your plans to visit Tanzania might be contingent upon former President Mandela brokering an agreement on Burundi. Given his stature and your relationship I certainly understand and appreciate why you would give priority to an invitation from him. Certainly we share your hope for a resolution of the Burundi situation. Africa desperately needs a *good news story*.

While I understand the logistical considerations relative to tying your visit to Tanzania to the Burundi talks, there are a couple of things that I thought I'd throw into the hopper that are worth thinking about. First, although it looks as though President Mandela has come closer than anyone to wrapping up the Burundi talks it is still not a *fait accompli* that he'll close the deal or that after it is "closed" it will hold. Mandela's assessment that your "blessing" of the accord would be helpful is clearly on target. The proverbial "but" in all this is that as soon as your possible visit to Arusha is leaked, there is a distinct possibility the peace process in Burundi will get tied to you given your focus on Africa. In addition, Mandela will certainly turn up the heat on the Burundians to close the deal based on your interest in seeing it done and likewise will turn up the heat on you coming as a necessary incentive to the Burundians. The net effect could be that given that you're going to Nigeria, whether you come to Arusha or not the story of the trip will be that "despite your good intentions Africa seems to be headed to hell in a hand basket".

On the other hand, if the emphasis in coming to Tanzania is on Tanzania and your appearance in Arusha becomes a "side trip" you give yourself some wiggle room. Given Arusha's proximity to Dar you could easily do both places as a day trip. To do both places creates spin options that going to Arusha alone doesn't. This leads to the second point and that is, that ***Tanzania is one of Africa's best good news stories!*** There are a number of *legitimately positive things* that you could highlight relative to your Africa agenda in a *truly good news setting*.

- The Open Skies Treaty, which was the first agreed to by an African nation could be signed at the Kilimanjaro Airport; (a plus is that the Kilimanjaro Airport has been privatized and it's working!)
- Tanzania was the first sub-Saharan African country to receive debt relief under expanded HIPC;
- A bilateral meeting with Tanzanian President Mkapa is an opportunity to highlight the kind of democratically elected and enlightened leadership that would position Africa to pursue expanded trade opportunities as reflected in your Africa Growth and Opportunity Initiative;
- Finally, USAID apprised me of another deliverable. HHS will work with Muhumbili Hospital, the national medical school, to institute emergency medical training for all new doctors and nurses (DHHS budget $680,000). USAID will provide $1.5 million in appropriate emergency equipment and supplies to seven hospitals. (With the deliverables I noted in my last letter, this would bring total deliverables to somewhere in the neighborhood of $5 Million plus!)

Whether you choose to come to Arusha and/or Dar es Salaam, we eagerly anticipate the possibility. I'm sure the Tanzanians will feel the same. I decided to send this note because I thought you'd appreciate the feedback.

On a personal note, while you're in the neighborhood Deborah and I will be celebrating our 25th wedding anniversary. She said your coming would be better than a Tanzanite stone set in silver (or did she say your coming and a Tanzanite stone set in silver would be great, I can't quite remember). I hope we see you.

Give everyone our best.

Take Care,

Charles

Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Bob Nash to POTUS re: Weekly Report [partial] (2 pages)	07/29/2000	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Chron Files
OA/Box Number: 21407

FOLDER TITLE:
Wednesday, August 2, 2000

2019-0990-S
rs3435

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

8-2-00

THE WHITE HOUSE

WASHINGTON

July 29, 2000

'00 JUL 29 PM4:33

MEMORANDUM FOR THE PRESIDENT

FROM: BOB J. NASH, ASSISTANT TO THE PRESIDENT AND DIRECTOR OF PRESIDENTIAL PERSONNEL

SUBJECT: OFFICE OF PRESIDENTIAL PERSONNEL WEEKLY REPORT ENDING JULY 28, 2000

NEW ISSUES

Marjorie Margolies-Mezvinsky

I have been in conversation with her and she informed me that she is not interested in a full-time or part-time board because of personal reasons. She would like our help in identifying a private, corporate board on which she can serve. She would also like our help in identifying sources of funding for her non-profit *Women's Campaign International*. I will help her with these requests.

Copied Podesta

President's Foreign Intelligence Advisory B

You have one vacancy on PFIAB. [redacted] (b)(6) is in vetting and Hassan Nemazee is in vetting. They should be ou g candidates have expressed an interest in this last position: Larry LaRocco ogby and Mike Cherry. We are also considering former Senator Dale Bumpe t they did not ask for it. Do you have a strong opinion in favor of any of these PFIAB slot?

Derek Shearer& UNGA Representative pos

Alice Young has removed her name U.S. Alternate Representative, to the United Nations General Assembly. We will proceed with Derek Shearer as her replacement as you indicated in an early memo we sent. The Counsel's office has not made a final decision on whether or not to clear [redacted] yet. The three candidates we have at this point are: [redacted] (D-New York), Larry Carp (D-Missouri) and Derek Shearer (D-Washington DC).

Ambassador "Kit" Ashby, Uruguay

Kit recently wrote me a letter informing me that he would like to stay in Uruguay until the end of the Administration. Although he did previously want to pursue something in Washington, he has changed his mind. He also told me that one of his children was shown a negative video about you and your Administration in one of her classes in Uruguay. He was upset and complained to the

THE WHITE HOUSE

WASHINGTON

July 29, 2000

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President's Foreign Intelligence Advisory Board (PFIAB)

You have one vacancy on PFIAB. At this point, (b)(6) is in vetting and Hassan Nemazee is in vetting. They should be out soon. The following candidates have expressed an interest in this last position: Larry LaRocco, Tom Umberg, Jim Zogby and Mike Cherry. We are also considering former Senator Dale Bumpers and David Pryor, but they did not ask for it. Do you have a strong opinion in favor of any of these candidates for the last PFIAB slot?

Derek Shearer& UNGA Representative position

Alice Young has removed her name from consideration for U.S. Alternate Representative, to the United Nations General Assembly. We will proceed with Derek Shearer as her replacement as you indicated in an early memo we sent. The Counsel's office has not made a final decision on whether or not to clear [redacted] yet. The three candidates we have at this point are: [redacted] (D-New York), Larry Carp (D-Missouri) and Derek Shearer (D-Washington DC).

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General Services Administration

Dave Barum may be leaving GSA to return to California in August. This is not confirmed. I doubt if we can get anyone confirmed for this position in September.

Richard "Dick" Friedman

We have been in conversation and he is aware I am trying to arrange for him to be on the National Capital Planning Commission. We will need to Harvey Gantt, Chair and member, to accomplish this goal. Gantt's term has expired but he is holding-over. He would like to continue to serve or be re-appointed. I plan to put him in vetting in anticipation of working this out.

ONGOING ISSUES

Cultural Property Advisory Board **UPDATE**

Sen. Moynihan calls us to discuss Shelby White, his nominee for this board, with us every day. We have decided to proceed with Shelby's nomination because of his pressure.

Chemical Safety Hazard Investigation Board **UPDATE**

We are in discussion with the members of the board, Senator Bob Smith (R-NH), and Senator Lautenberg (D-NJ) who all believe that before we send any nominations to the Hill, such as Lois Epstein for a member slot and Gerald Poje for Chair, we need to complete the removal of Paul Hill from the board. They believe that the nomination hearings for these two candidates will become a ground for criticizing the Administration's delayed removal of Paul Hill from the board. We will hold on their nominations until later in the year.

Recess Appointments Opportunities in the Future **UPDATE**

Although we had hoped for more confirmations before the Senate recessed, we only got **one** person confirmed (Mildred Spiewak Dresselhaus, Director, Office of Science, Department of Energy). I am working with Podesta and Brain on creating an end game strategy.

At this point, the list of possible recess appointments includes 35 people. We should definitely recess appoint Carl Spielvogel for Ambassador to Slovakia, James Daley for Ambassador to Barbados, and Robin Chandler Duke for Ambassador to Norway in August. They all want to be recessed as soon as possible. I would like to recess appoint them early next week.

To date, you have recess appointed 68 people. For comparison purposes, please note the following statistics:

- President Carter 69 recess appointments in 4 years
- President Reagan 239 recess appointments in 8 years
- President Bush 78 recess appointments in 4 years
- President Clinton 68 recess appointments in 7 ½ years

(You will have done 103 recess appointments if we add the 35 I suggest we do this August. This is still much lower than the number of recess appointments done by Reagan.)

Even if you recess appoint these 35 nominees, you still have 175 nominees pending on the Hill for confirmation.

Key Individuals sent to the desk of the White House Clerk for Appointment This Week:

- Richard W. Danielson, Member, National Veterans Business Development Corporation
- Robert A. Glassman, Member, National Veterans Business Development Corporation
- Craig W. Hartzell, Member, National Veterans Business Development Corporation
- Arthur Lopez, Member, National Veterans Business Development Corporation
- Ruth Lillian Young, Member, National Veterans Business Development Corporation
- Ned W. Bandler, Member, Preservation of America's Heritage Abroad
- Rabi Chaskel Besser, Member, Preservation of America's Heritage Abroad
- Rabbi Rachmiel Liberman, Member, Preservation of America's Heritage Abroad

Key Nominations Sent to the Senate This Week:

- David Stewart Cercone, United States District Court Judge for the Western District of Pennsylvania
- Troy Hamilton Cribb, Assistant Secretary of Commerce
- Harry Peter Litman, United States District Court Judge for the Western District of Pennsylvania
- Robert Shamansky, Member, National Security Education Board
- Sue Bailey, Administrator, National Highway Traffic Safety Administration
- Geoff Bacino, Member, National Credit Union Administration Board
- Edward E. Kaufman, Member, Broadcasting Board of Governors
- Alberto Mora, Member, Broadcasting Board of Governors
- David Plavin, Member, Federal Aviation Management Advisory Counil
- Margrethe Lundsager, Alternate Executive Director, International Monetary Fund
- Jonathon Talisman, Assitant Secretary, Department of Treasury

Key Confirmations This Week:

- Mildred Spiewak Dresselhaus, Director, Office of Science, Department of Energy

Number of Individuals Approved by the President and Currently Being Vetted by the White House General Counsel's Office:

Presidential Appointees *with* Senate Confirmation (Full-time & Part-time)	92
Presidential Appointees *without* Senate Confirmation (Full-time & Part-time)	86
Total	**178**

Status of 2000 Nominations and Confirmations:

Status of All (Including Judges)

	Number
Current Nominations	211
Nominations on the Executive Calendar	68
Confirmed in 2000	123
Confirmation Percentage	37%
Grand Total (Nominated or Confirmed)	**334**

Judges Only

	Number
Currently Nominated	38
Nominations on the Executive Calendar	4
Confirmed in 2000	35
Confirmation Percentage	48%

Grand Total **(Nominated or Confirmed)**	**73**

cc: John Podesta
Maria Echaveste
Beth Nolan