

Chron

—

Jeffrey H. Brodsky
53 Shady Lane -
Manchester, NH 03104

96 AUG 8 P5:17

(603) 669-5857

To Scheduling?
yes ☒
NO ☐

8-6-96

Cavalier?

fb

August 8, 1996

Ms. Betty Currie
The White House
1600 Pennsylvania Ave., N.W.
Washington, D.C. 20500

Dear Ms. Currie,

The President told me to call you directly, but I wanted to send along a brief note first to give you some information about my contact with him this past weekend. I spoke with President Clinton Sunday (8/4) at church, where I asked him if he would talk with me about a school paper I'm writing on presidents and religion. As I mentioned to him, I'm an undergraduate at Washington University in St. Louis, and am originally from New Hampshire (where I interviewed Mr. Clinton four years ago as a high school student).

First, I want to again extend an apology to the President for approaching him during the service. I later realized that it was a mistake to ask him anything at that time. Since the subject of my paper involves religion, I thought that church might be a fitting place to make an initial contact with him. But I should have used better judgment.

Mr. Clinton was very kind to talk with me after the service — when he gave me your name and told me to call you to set something up. I would be available to come to Washington anytime in order to accommodate his schedule, and I would take no more than 10 minutes to discuss the subject with him.

I'll call you tomorrow morning to make sure you received this note. If you want to contact me in the meanwhile, my number in St. Louis is 314/727-4464.

Thanks very much. I look forward to talking with you..

Sincerely,


Jeff Brodsky

THE PRESIDENT HAS SEEN

8-7-96

Arthur L. Schechter

NINETEEN A WEST LANE

HOUSTON, TEXAS 77019

July 25, 1996

Pres. saw &
went to be sure
no follow up
is needed

Dear Mr. President:

I was asked to convey to you a conversation held with Shimon Peres this past week in Jerusalem. Shimon Peres asked that we be absolutely certain to get the message to you that in his opinion you were the most understanding President toward Israel and its needs that had ever occupied the White House.

Shimon Peres wanted to be sure that that message was conveyed to you from him and that we convey his thoughts to Jewish leadership.

These sentiments certainly come as no surprise.

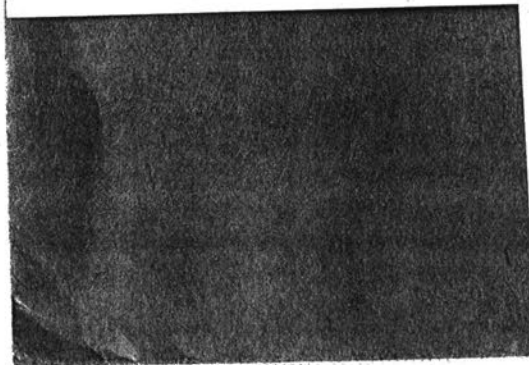
I remain,

Yours with most respectful and warm regards,

Arthur

cc:

Tony Lake
pu Nancy



JUL 29 1996
U.S. POSTAGE

THE PRESIDENT HAS SEEN
8-7-96
THE WHITE HOUSE
WASHINGTON

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Say US is [unclear] but
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INFORMATION

August 3, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: TONY BLINKEN **AJB**

SUBJECT: FOREIGN POLICY SPEECH AT GEORGE WASHINGTON
UNIVERSITY ON AUGUST 5 AND RELATED EVENTS

Attached, please find a draft of the speech you will deliver Monday morning, August 5th, at George Washington University. The speech sends a strong message to the American people about your commitment to and strategy for the fight against terrorism -- and to making sure America enters the 21st century as the greatest force for peace and prosperity on earth. Key passages and transition points are bold-faced in the text.

As written, the speech should take just over 20 minutes to deliver. It's worth the time because: (i) the American people want to know we have a strategy for dealing with terrorism -- that the many initiatives you've taken fit into a coherent whole; (ii) we need to remind people that you're not only dealing with threats to their security like terrorism, but also taking advantage of the opportunities presented by change to make them more secure (stronger alliances; lifting the nuclear cloud; leading the march for peace and democracy; opening markets abroad for jobs at home) -- in other words, fighting terrorism, important as it is, has not become the sum and substance of our foreign policy; and (iii) this is one of the last major foreign policy speeches you are likely to deliver before November.

Before you give the speech, you will sign the Iran-Libya Sanctions Act at the White House and make a very brief statement, both of which are referenced in the speech.

If you have a chance to review the speech before Monday, I'm on call to make your changes.

Attachment

*Tony Blinken
has draft of
Speech*

cc: Vice President
Chief of Staff

The Cullinane Group, Inc.

Investors in High Technology Ventures

John J. Cullinane
President

96 AUG 7 11:15

TELEFAX

*Someone
must respond*

TO: Nancy Hernreih
Office of The Honorable William J. Clinton

FROM: John J. Cullinane

DATE: August 5, 1996

The attached memorandum is for President Clinton. Thank you for forwarding this correspondence to him.

JJC/mb

818 FROM OVIAL
TO NSC for reply?
✓ yes
— NO

PAGE 1 OF 6

If you do not receive all of this transmission,
please telephone us at 617-494-8894

The Cullinane Group, Inc.

Investors in High Technology Ventures

John J. Cullinane
President

MEMORANDUM

TO: President William J. Clinton

FROM: John J. Cullinane 

DATE: August 5, 1996

SUBJECT: Northern Ireland

Attached please find letters from Phillip Schaefer and Ronnie Foreman of Belfast, which involves their leading a group of pension funds representing \$1 trillion investment power to Ireland and Northern Ireland. Phil Schaefer has brought similar groups to South Africa and the Middle East, etc. Senator Kennedy encouraged him to call me and I, in turn, put him in touch with Ronnie Foreman, a consultant based in Belfast. Ronnie Foreman was a godsend in that he was able to get the trip organized, both in Belfast and Dublin with all the key players participating on very short notice. In fact, a special committee (see attached list) has been created by Ronnie Foreman so that when these investment managers visit Belfast, they will be presented with good opportunities to invest. This is something I encouraged them to do and Ronnie has coordinated it well.

I know that they would deeply appreciate an official blessing from you regarding the Conference. With all the recent troubles, this Conference might be a very important milestone in your program to encourage peace via economic development in Northern Ireland.

Incidentally, I just came from a meeting with Liberty Mutual Insurance Company. They want to make a major job creation commitment to Belfast in a very imaginative way. We will be helping them with this effort because it coincides with The Cullinane Group, Inc.'s, investments in the Irish software industry, which itself evolved from your efforts to encourage peace in Northern Ireland.

JJC/mb
Attachments



*Note
timeline.*

July 29, 1996

President Bill Clinton
The White House
Washington, D.C.

Dear President Clinton,

It was a pleasure seeing you in San Francisco last week. Your speech outlining your continued vision for America was excellent. I was surprised and flattered that you remembered my name. I am especially proud to be a Clinton Delegate for the second time.

As I briefly mentioned to you, we are organizing an important pension fund investment conference, entitled **Ayes on Ireland and Europe** to be held in Brussels, Dublin and Belfast in early September. In this effort we have been supported by Ambassador Jean Kennedy Smith, Senator Ted Kennedy, The Taoiseach's Office, Consul Kathleen Stephens, Ambassador Alan Blikin as well as other officials and a cross section of the business community in Dublin and Belfast. Mr. John Cullinane, who was introduced to me by Senator Kennedy, has also been of enormous moral and intellectual support.

Our delegation will consist of about 100 people representing a cross section of decision makers from the largest public and corporate pension funds. New York State Comptroller, Carl McCall and New York City Comptroller, Alan Hevasi will be among them. The combined investments assets of our delegation will exceed \$1 trillion, a surreal figure. However, these people represent the human face of capitalism. Even if a modest amount of investment finds its way into the economy (as was the case after our conference in South Africa), it can make a big difference in the lives of the people.

Having been to Northern Ireland twice in the last 6 months as part of the planning process, I was deeply moved by the profound memories of the visit you and the First Lady made to Belfast and your extraordinary address at City Hall. You inspired all of the people who yearn for peace, and you inspired me to take this small step.

There cannot have peace without the peace dividend. Therefore your support for this conference would be greatly appreciated. Thank you for all of your efforts in making the precious dream of peace closer to reality.

Best regards,

Philip Schaefer
President

PAS/jy

FOREMAN CONSULTANTS

The Cullinane Group, Inc.
One Cambridge Center,
Cambridge,
Massachusetts 02142
U.S.A.

Attn: Mr John J. Cullinane, President.

5th August 1996

Re: Pensions 2000 Conference in Ireland - September 1996

Dear John,

I write to give you my update on progress with arranging the Pensions 2000 Conference which is now within one month of taking place.

Since you introduced me to Mr Philip Schaefer, President of Pensions 2000, so much has happened that it is difficult to know where to begin. The programme planning is now complete and the list of participants and speakers we have been able to secure is most impressive.

We have 100 representatives of the top U.S. Corporate and Public Pension Funds and their money managers signed up and eager to come. We have a reserve list of 15 which we simply cannot accomodate. The support from the American administration in Ireland and Northern Ireland has been outstanding; we have Ambassador Kennedy-Smith, Consul Kathy Stephens and Ambassador Alan Blinken addressing the Conference and are awaiting a response from Senator George Mitchell's office. The Irish Government has been marvellous; we have the Taoiseach, Minister Mitchell, Minister Quinn and other Government officials taking part and in Northern Ireland we have Secretary of State Patrick Mayhew, Baroness Denton and other senior Government officials as well as the Lord Mayor of Belfast and Councillors involved.

Perhaps the most enthusiastic support is from within Northern Ireland. You will remember that when I took on this task, I was committed to bring the group to Northern Ireland. My fervent belief has been that the ultimate goals of peace and reconciliation can only be achieved when all citizens have jobs, prosperity and a stake in this land. There have been

many brave attempts to address this issue, some with great success, but I sincerely believe that the impact of this Conference visiting Northern Ireland, can translate into investment and ultimately jobs, peace and reconciliation on a scale appropriate to our needs.

There have been many obstacles in our way in the past few months but Philip Schaefer's and my own determination have seen us through with the full support of all sections of the community here.

The re-emergence of violence in early July caused us some anxious moments. However, I kept in close contact with Philip and our delegates who have given me their pledge that they will be here if humanly possible. Our resolve is such that nothing short of catastrophe will prevent this group from visiting Belfast, hearing of the investment possibilities and being given every encouragement to invest in the region.

I well remember the feeling of euphoria felt by all the citizens of Northern Ireland after President Clinton's famous visit. It felt good to be part of this land and the prospect of peace and stability raised our hopes. Events since then have been discouraging but I feel that it is possible to re-ignite that euphoria and translate it into lasting measures which can unite our people. I am convinced that we are making a difference.

John, your support and interest has been marvellous. You have helped open many doors for us and have played a major part so far. Can I ask you for one more favour which I feel would have tremendous impact? I wonder if you could draw the Conference to the attention of President Clinton and ask if he would give a public endorsement of the event prior to the start on 4th September? I feel that such an endorsement would encourage participants and local people alike into action and we would surely see ways found to make investment happen. This could be the key ingredient in the whole process.

Best wishes, John; thank you for your vision in putting Philip Schaefer and me together and for your stalwart support throughout the months of planning. We will make a difference!

Yours sincerely,

Ronnie M. Foreman
Ronnie M. Foreman.

JIGSA GROUP
'PENSIONS 2000' - SEPTEMBER CONFERENCE

BRAINSTORMING SESSION
31ST JULY, 1996
FIRST TRUST CENTRE

Attendees

Mr. Frank Cushnahan	Independent Consultant	CFS Consulting Limited
Professor Wallace Ewart	Springvale Project Director	Springvale Project Office
Mr. Harold A. Ennis	Chairman	Boxmore International Plc
Mr. John Forde	Asset Manager	Bank of Ireland Asset Management
Mr. Ronnie Foreman	Consultant	Foreman Consultants
Mr. Dan Harvey*	Managing Director	First Trust Bank
Mr. Ronnie Kells	Chief Executive	Ulster Bank Limited
Mr. Gerry Loughran	Permanent Secretary	Department of Economic Development
Mr. William McIlhatton	Manager	Technical Services NIGEN
Mr. Len J.P. O'Hagan	Operations Director	Fitzwillton Plc
Mr. George Mackey	Chief Executive	Laganside Corporation
Mr. Stephen Prenter	Senior Partner	BDO Stoy Hayward
Professor Desmond Rea	Secretary	JIGSA Group
Mr. John V. Simpson*	Consultant/Journalist	
Mr. Michael Smyth	Senior Lecturer	School of Public Policy, Economics & Law, University of Ulster
Mr. Mike Thompson	PFI Adviser	Department of the Environment
Mr. Geoff Warke	Partner	Building Design Partnership
Mr. Joe C. White	US Commercial Services Representative	Northern Ireland Chamber of Commerce

* Members of JIGSA Group

8/8 FROM GVAL
TO Doriskind for

✓ reply?
✓ gas

— NO

UNITED STATES TENNIS
ASSOCIATION, INC.
JACK M. MILLS

PO BOX 23259,
COLUMBIA, SC 29224-3259



UNITED STATES TENNIS ASSOCIATION

Date: 8-8-96

Number of pages including cover sheet: 1

To:

PRESIDENT Clinton
C/o NANCY HERGENROTHER

Phone:

Fax phone: 202 456 6703

CC:

From:

JACK M. MILLS

Phone: (803) 736-1141

Fax phone: (803) 788-1051

MR. PRESIDENT,

I SURELY REGRET NOT BEING ABLE TO
GET TO THE OLYMPIC EVENT TOMORROW AT
THE WHITE HOUSE. I WAS IN ATLANTA WORKING
WITH THE TENNIS EVENTS FOR 2 WEEKS NOW
I MUST BE AT WORK. I REALLY ENJOY THE
PRESIDENTS COUNCIL AND REGRET NOT GETTING TO
SEE YOU TOMORROW, PLEASE GIVE ME ANOTHER
CHANCE.

Regards,

Jack

8/8

FROM OVAL

TO Dorskind for
Reply (Need to
coordinate
with CEA.)
✓ yes — 100



patagonia

July 11, 1996

President William Clinton
The White House
Washington, DC,

Dear Mr. President,

Thank you for inviting me to the gathering of CEOs in May and for inviting our new CEO, Dave Olsen, to the work and family discussion in Tennessee. We're flattered and humbled by your interest in our company.

I'll get to the point. I have been asked, by several long-time friends and colleagues in the environmental movement, to endorse Ralph Nader for President. I have decided not to do so: I don't want Bob Dole as my President. Because I'm not writing the public letter my friends hoped I would, I want to send you a private one telling you why I gave very serious consideration to endorsing Nader.

Before doing so, please let me make an important point. I understand that the approaches you and I take are often quite different for an important reason. I own my own company. If I want to do something, I can. You must answer to nearly 250 million shareholders. You must share power with Congress. And you must constantly battle, and accommodate, well-funded special interest groups. There are many things, I assume, that you want to do -- but are prevented from doing them by the shareholders (the public) or the Congress. So I acknowledge that there are pressures on you that are far beyond the pressures I know, and that what works for me will not always work for you.

In business (and elsewhere), a key element of great leadership is being willing and decisive enough to do the very things others say you should not do. That's what brings change. That's what makes my company a successful one. We've been at our strongest when we've gone against the grain, when we abandoned successful practices and picked up newer -- and ultimately better and more successful -- practices.

You've talked supportively about values-driven companies, ones whose employees have an obvious passion. You've pointed to companies that are innovative, that are ahead of the curve. You praised our company for holding these values, so you clearly recognize and appreciate them in business. And I like it when I see those values in you. But there seems to be a disconnect -- because I don't believe you're applying to politics the practices you respect in business.

You have fought more visibly and with more vigor on ideological grounds since the 1994 election; in doing so, you helped stop the onslaught of attacks from the Republicans, and I am particularly grateful for that. But there is a large difference between stopping the Republicans (and retaining the status quo) and fighting for the genuine changes we need, given the fragile state of the world's environment and cultures.

People today are genuinely afraid -- and not just for their jobs. They see their governments, their religions, their cultures collapsing around them. They hear nothing but doomsday scenarios for our planet Earth. They are doubting that their children will have clean water to drink and immune systems to fight off cancers or new exotic diseases. Giving them a greater sense of confidence in this area would help them begin to develop confidence elsewhere. They believe that jobs can follow a commitment to protect the environment, and they believe, rightfully, that we can have both a good environment and a healthy economy. They know that a focus only on jobs does nothing to address their greatest insecurity. They will see that the fate of the Earth is not a separate issue: it is a unifying one.

The free trade accords have done nothing to help bring more security. Rather, they lead people to feel like we have less control over our own destinies -- because some faceless organization has say over our own laws and regulations. Equally important, these accords support the growing trend toward globalization. Security lies in small, healthy local economies and communities, not massive big business. The days of gigantism in warfare, in business and in government are coming to an end, as they should. As Darwin said, diversity is strength.

We need you to take stronger stands in defense of the environment. What do I mean by a strong stand? Tell the American people that, after 25 years, we will finally live up to the promise of the Clean Water Act. Two-thirds of America's rivers and streams were once unsafe for swimming and fishing; that number is down to one-third. We've made great progress, but not enough for a nation that says it's the greatest one on Earth. A strong President can tell the American people that within 15 years, every river in America will be safe for swimming and fishing. It's as bold as saying we'll go to the moon -- but it's much more relevant to the everyday lives of Americans. To do this, we would need to abandon all pesticides within the next 12 years. In phasing out all pesticides, you would tell the American people that we will restore balance and beauty to the American landscape. You can tell them that their children will have fewer cancers. You will redefine patriotism. You will take on the pesticide industry (an enemy is important in politics and I can't think of a better one aside from the tobacco industry). And, if you use the right language, you can make the farmer -- still an American icon -- the genuine hero.

Such an approach would be fraught with danger. But it would make us a stronger and healthier nation. It would be presidential. It would be a graceful transition from a century of pillage and squandering to a century of restoration. And it would help you get re-elected with a strong mandate.

You could champion a tax on all of our nonrenewable resources that properly reflects their true costs. With education, the consumers would welcome such a system of taxation, but only if it replaced the unpopular and inefficient current system.

As I said, I believe the characteristics of leadership are the same in business and politics. (When I say I don't want to bankrupt my company for a cause, I assume it's very similar to you saying you don't want to risk re-election for an outlandish stand.) And the rewards of leadership are the same as well. Every single time I've taken a very strong stand -- whether it's publicly supporting Planned Parenthood or committing our company to only using organically grown cotton in our clothes -- I've made more money. Every time. The same can be true in politics. The stronger your stands in defense of the environment, the more votes you'll get.

I believe political capital is one of the few resources that increases with its use. The more you are willing to spend, the more you will acquire. The fact of a strong stand matters almost as much as its content, because people today want leaders who will stand up and fight. They want role models who can teach them about defending principles and ideas. The environment is the one issue where you and the Republicans are furthest apart. They won't be stupid enough to give you a chance to veto a major bill -- they've learned their lesson. So you are on your own on this one; if it is to be a big issue, you need to make it a big issue. But if you take bold steps -- genuinely bold steps -- in the area of environmental protection, you will be a stronger President and a great leader.

I hope this letter does not sound arrogant. I don't pretend for a moment that my very serious consideration of a Nader endorsement will have an impact on your decisions or your presidency. But I appreciate the dialog between you and my company. Out of respect for that relationship, and for your office, I figured I owed you a direct challenge.

Respectfully,

A handwritten signature in dark ink, appearing to read "Yvon Chouinard". The signature is fluid and cursive, with a large, stylized "Y" and "C".

Yvon Chouinard

To NSC for Reply

— yes

✓ No

Send to
Doorskind to
coordinate
with
NSC.



EXPORT-IMPORT BANK
OF THE UNITED STATES

THE PRESIDENT HAS SEEN
8-6-96

July 25, 1996

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

Thank you for sending me to the Philippines for the 50th anniversary of Philippine Independence from the United States. It was a real honor and pleasure for me to be a member of the Presidential Delegation representing you and our country.

The celebration planned by the Philippine Government with President Ramos' personal involvement was impressive and very touching. It was certainly an affirmation of the friendship, respect and warmth that President Ramos feels not only for the American people but most of all for you. It was a glorious trip for me, full of memorable and touching moments.

I wanted to share the attached article. I believe this affirmation of the success of your administration's export development program would please you. The significant story here is Bricmont like many small businesses avoided government "like the plague." After your export promotion team showed Mr. Goodlin, President of Bricmont, how to use our programs, he is now a government convert. His export sales went up from 0% in 1992 to 57% in 1995.

I am enjoying my work at Ex-Im, and my area of responsibility, which is small business, is now one of our most successful programs. I am grateful to you for this position and for all the opportunities you have granted me over the years.

Sincerely,

Maria Luisa Haley

copy for:
VP
mccurry

Dr. Nguy -
Bill Nix to VP/McCurry
Ex-Im could get into Mainstream
D. Nix to VP/McCurry
D. Nix to VP/McCurry
D. Nix to VP/McCurry

Government Convert

Like many American small-business leaders, Bricmont President William Goodlin avoided government "like the plague." But after several federal agencies showed him how to use their programs to grow Bricmont exponentially overseas, he's now their biggest fan.

By DANIEL BATES

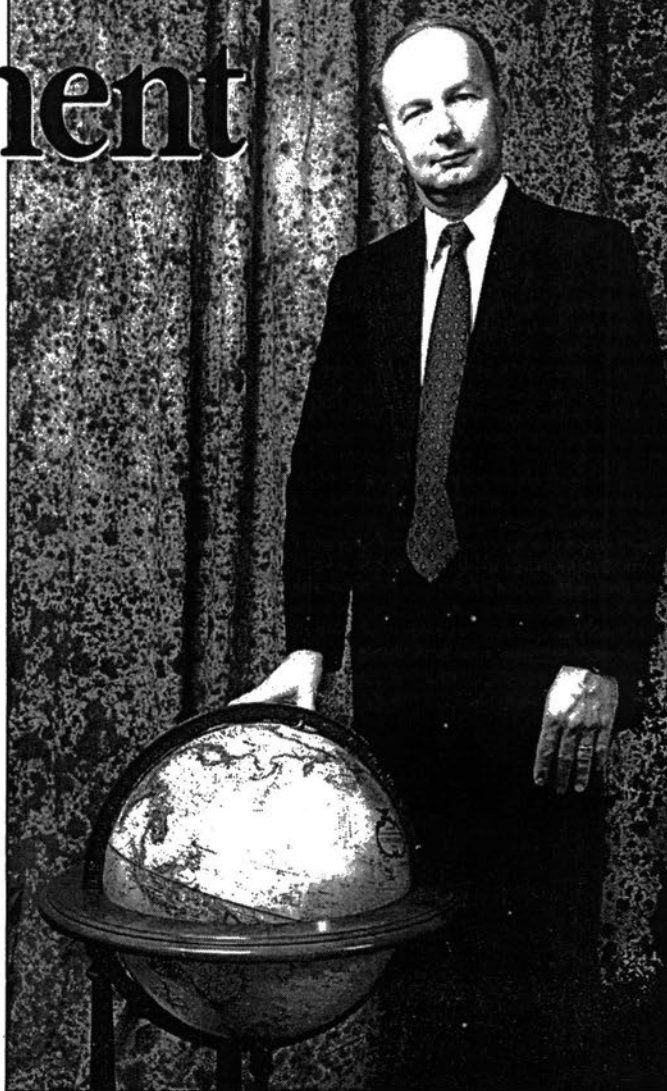
When industrial engineer William Goodlin was hired as president of steel-industry engineering firm Bricmont Inc., his main task was to propel the sluggish \$10 million-revenue company to a new level of growth. His strategy: take the company international.

The problem was, he wasn't about to turn to the U.S. government and its maze of business-assistance programs for help. Big government wants to know too much about your small company, he thought at the time. It strangles small companies in bureaucratic red tape.

"In general, I avoided the government like the plague," Goodlin says, laughing. "There was that political aspect—I'm not into that game."

But it's a self-effacing laugh, for Goodlin knows all too well that he is a card-carrying government convert. He now knows what government agencies can do for businesses like McMurray-based Bricmont, if approached properly.

The attitude change took time, Goodlin admits, but clearly it has been time well spent. In only four years, his company has broken the \$50-million revenue barrier, with at least half



The governmental maze at a glance

Once Bricmont Inc.'s executives got started on their international quest, they found themselves relying primarily on three federal agencies to show them the way.

1. Export-Import Bank

Contact: The agency's business-development office at (800) 565-EXIM.

Services: Financing guarantees of up to 90 percent of money loaned to companies by commercial banks for financing exports (short-, medium- and long-term guarantees); short- and medium-term insurance for receivables; post-export, direct loans for overseas lenders. Last year, the agency supported 208 transactions totaling \$305.8 million, up from \$180.6 million the previous year.

2. U.S. Trade and Development Agency

Contact: (703) 875-4357; its hotline at (703) 875-7447; its World Wide Web page on the Internet at <http://www.tda.gov>.

Services: This small, 38-person agency primarily seeks development projects/contracts in foreign countries in which American companies could partic-

ipate. The agency operates in 40 countries, focusing on projects relating to utility power, agribusiness, mining, telecommunications, transportation and other infrastructure projects. The agency has roughly \$40 million to offer as grants for feasibility studies by companies, training and orientation visits by the foreign entities.

"We help them get their foot in the door—that's the bottom line," says Steven Maviglio, director of policy and public affairs at the agency.

3. U.S. Department of Commerce

Contact: (412) 644-6613

Services: This federal agency offers a wide range of services, all accessible from its Pittsburgh-based Commercial Service office. It provides export counseling; foreign agent/distributor search; market orientations and introductions; customized market analysis through its National Traders Data Bank; customized international company profiles; overseas trade missions; and overseas trade fairs. The key to this service, according to Ted Arnns, acting director of the Pittsburgh district office, is to know what you need when you approach the agency and follow up later on the information provided.

Other help

☐ **Duquesne Small Business Development Center's export trade development program**
Contact: (412) 396-6233

Services: This is a good place for small companies with no international experience to start exploring international trade. This organization will assist companies in preparing themselves for export trade.

☐ **Southwestern Pennsylvania Regional Development Council**

Contact: (412) 391-5590

Services: This state-funded agency provides a range of customized, individual counseling on international trade. Among its most recent successes has been the creation of an alliance of local companies in the steel industry which opened a joint trade office in China.

☐ **World Trade Center Pittsburgh**

Contact: (412) 227-3180

Services: This county-owned membership organization provides customized counseling, trade missions, and business matchmaking to its members. **SBM**

coming from international sales throughout Europe, Asia and Latin America.

The stellar performance recently attracted New Jersey-based Inducto-therm, which acquired Bricmont from retiring owner Francis Bricmont in March.

A big contributor to that surge, Goodlin proclaims, is the government.

"The American small businessman must wake up to the fact that the American market isn't the only market in the world," Goodlin says. "And the government is a very powerful tool."

'Here to facilitate'

Goodlin's initial trepidation was by no means unusual, according to officials from several federal agencies.

"When somebody says, 'We're from the government,' they run the other way," says Steven Maviglio, director of policy and public affairs for the small, federal Trade and Development Agency. "But we're expressly here to do the opposite. We are here to cut through the red tape."

Maviglio says the role of most business-related government agencies is to give companies a fairer shot at securing business overseas, where trade practices can be exclusionary and intimidating to the average business owner.

"In other countries, governments almost always are involved" in helping their businesses import and export, Maviglio says. "So it really helps to have the government on your side when fighting the Germans, Spanish or French."

Adds Samuel Zytcer, vice president of the U.S. division of the government's Export-Import Bank in Washington, D.C.: "We're here to facilitate, which means to make easy. That's what we try to do. We do not sit in an ivory tower. We're very customer-service oriented."

He laughs, recollecting the first time Bricmont's top executives, full of apprehension and fearful of revealing too much, approached the Ex-Im Bank for a loan guarantee for a project in Mexico.

"They came to us with an application that, in my opinion, was terribly incomplete," Zytcer recalls. "We have to know as much as we can about the entity, and we require certain financial statements. The more we understand the business, the more we can help."

"Then they came down to see us. We agreed to see them and they were kind of surprised—we're not some

faceless bureaucrats."

Today, Goodlin is an ardent supporter of the Ex-Im Bank, even speaking at major banking conferences on the federal agency's behalf.

Once Goodlin and his top staff understood the government agencies' role, they were off and flying, earning more frequent-flyer miles than they could count, Goodlin jokes.

The importance of quality, time and networking

Still, getting to that point—and getting the U.S.

government to help Bricmont—required more than just a few trips to Asia or Europe. Here's what it takes:

1. You must have one of the best-quality products—if not the only one—in your industry.

That also goes for the processes involved in designing it, manufacturing it, selling it and servicing it, Goodlin says.

Bricmont brought to the trading table its proprietary furnace designs for thin-slab, continuous-caster steel mills,

along with other related designs. More importantly, it had proven success with some of the nation's largest steel-mill projects, such as the facility for Nucor Steel.

Goodlin says the government agencies likely would not have paid close attention to Bricmont if they weren't convinced Bricmont had a quality product.

"If you can compete domestically, you can compete worldwide," he says.

2. Empower your employees in a way that will

allow top executives to focus on the international arena.

A big part of that quality at Bricmont, Goodlin says, has come as a result of the company's 1992 adoption of Total Quality Management practices. Without them, he contends, Bricmont would never have made it overseas.

As part of the TQM training, he says, the company implemented a policy that empowers employees throughout the corporate structure to make certain decisions.

"What that does for us is it

Continued on next page



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business tool.

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What's more, inside the new B to B you'll find the new InfoGuide. An entire section filled with professional tips and insights on how to grow your business. Not to mention maps, transportation advice and the list goes on, as usual.

Bell Atlantic

**BUSINESS
to
BUSINESS
DIRECTORY**

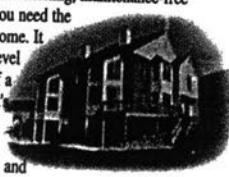
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Continued from previous page

takes our talent pool and opens us up to the tremendous potential of brainpower here," Goodlin says.

That empowerment was crucial for Bricmont's international efforts, Goodlin insists, because it allowed the company's top executives to direct more of their attention to the development of international sales.

"If we were still functioning in an autocratic, non-empowerment structure, we wouldn't have been able to do this," he says.

3. You must be willing to commit lots of time and resources to the effort.

"You have to have the feeling in your heart that you're ultimately going to succeed," Goodlin says, "because you have to make a long-term commitment."

A case in point is Bricmont's three-year effort to develop business in China. To date, company executives have made at least nine trips to the Asian nation securing contacts, meeting government officials and even setting up an office there with a group of local steel industry-related companies. Yet the firm hasn't yet secured any contracts.

That's the kind of commitment that makes government agencies willing to work with you, according to Ted Arnn, acting director of the U.S. Department of Commerce's district office in Pittsburgh.

"One of our big issues is the commitment of the management of the company," he says. "It's pretty simple. It just takes a commitment to follow up on information available at the department and to keep us in the loop as to what their interests are. Bricmont had a very fine product, and they were committed."

As part of his commitment, Goodlin says, he hired a senior-level executive, Leon Kulasa, to head the international effort. His directive: "To help us find our way through the maze of the government."

"These people don't come at low costs," Goodlin continues, "but you can't pick a clerk to do this."

4. Take the time to get to know government agency officials.

The key tactic, Kulasa says, is networking. His initial contact with the Ex-Im Bank, for instance, came through a seminar held by the World Trade Center Pittsburgh featuring Ex-Im Bank officials. Kulasa made a point to introduce himself.

"Really, the same rules [for developing new business in the private sector] apply here," says Mame Bradley, executive director of the World Trade Center, which coordinated the seminar that helped set Bricmont's international course. "You need to do your homework and you've got to get to know the people."

5. Take the time to let government agency officials get to know you.

It's just as important to let agency officials know about your company and its abilities and needs, says the Trade and Development Agency's Maviglio. Then, the agency can more easily identify opportunities overseas for you.

"Our mission is to ferret out projects in foreign countries where foreign competition is keeping Americans out," he says. "We're out there fighting to get American jobs through exporting."

6. Don't underestimate the ability of federal agencies to help you.

The Ex-Im Bank's Zytzer, for instance, notes that small businesses often are intimidated when seeking government export loan guarantees from his federal agency. Yet 78 percent of all authorized guarantees are for small businesses, he says.

The U.S. Department of Commerce, meanwhile, offers access to a giant database of information called the National Trader Data Bank that is compiled by its many field offices and every other federal agency in existence, including the CIA.

"Reliable market intelligence is one thing companies can spend a lot of time and money gathering on their own," says the World Trade Center's Mame Bradley, a staunch advocate of the commerce department's resources. "No company can possibly hope to replicate the resources of the U.S. government in intelligence gathering and data analysis. All you have to do is go to the commerce department. It's their job to help companies."

More than once, Bricmont has tapped such resources for information crucial to its export efforts.

Bricmont's Kulasa, for example, recalls pursuing a contract in Spain for a steel mill there. He called the commerce department's Pittsburgh office to inform them of the company's intent and to see if the agency had any additional information.

An agency official then contacted a commercial officer at the consulate office in Spain who replied, "Don't waste your time." The contract was to be given to a European firm. That response saved Bricmont lots of time, money and frustration.

"Our total cost was a call to the Pittsburgh district office [of the commerce department]," Kulasa says.

Says Goodlin of the government agencies and their assistance over the past four years: "They won't get you the order; they won't sell for you. But they will give you the tools."

And what do Goodlin and his staff do whenever they do receive help from a government agency?

"We always go back with a 'Thank you,'" he says. "We give them recognition. We never take them for granted." **SBN**

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July 11, 1996

President William Clinton
The White House
Washington, DC,

Dear Mr. President,

Thank you for inviting me to the gathering of CEOs in May and for inviting our new CEO, Dave Olsen, to the work and family discussion in Tennessee. We're flattered and humbled by your interest in our company.

I'll get to the point. I have been asked, by several long-time friends and colleagues in the environmental movement, to endorse Ralph Nader for President. I have decided not to do so: I don't want Bob Dole as my President. Because I'm not writing the public letter my friends hoped I would, I want to send you a private one telling you why I gave very serious consideration to endorsing Nader.

Before doing so, please let me make an important point. I understand that the approaches you and I take are often quite different for an important reason. I own my own company. If I want to do something, I can. You must answer to nearly 250 million shareholders. You must share power with Congress. And you must constantly battle, and accommodate, well-funded special interest groups. There are many things, I assume, that you want to do -- but are prevented from doing them by the shareholders (the public) or the Congress. So I acknowledge that there are pressures on you that are far beyond the pressures I know, and that what works for me will not always work for you.

In business (and elsewhere), a key element of great leadership is being willing and decisive enough to do the very things others say you should not do. That's what brings change. That's what makes my company a successful one. We've been at our strongest when we've gone against the grain, when we abandoned successful practices and picked up newer -- and ultimately better and more successful -- practices.

You've talked supportively about values-driven companies, ones whose employees have an obvious passion. You've pointed to companies that are innovative, that are ahead of the curve. You praised our company for holding these values, so you clearly recognize and appreciate them in business. And I like it when I see those values in you. But there seems to be a disconnect -- because I don't believe you're applying to politics the practices you respect in business.

You have fought more visibly and with more vigor on ideological grounds since the 1994 election; in doing so, you helped stop the onslaught of attacks from the Republicans, and I am particularly grateful for that. But there is a large difference between stopping the Republicans (and retaining the status quo) and fighting for the genuine changes we need, given the fragile state of the world's environment and cultures.

People today are genuinely afraid -- and not just for their jobs. They see their governments, their religions, their cultures collapsing around them. They hear nothing but doomsday scenarios for our planet Earth. They are doubting that their children will have clean water to drink and immune systems to fight off cancers or new exotic diseases. Giving them a greater sense of confidence in this area would help them begin to develop confidence elsewhere. They believe that jobs can follow a commitment to protect the environment, and they believe, rightfully, that we can have both a good environment and a healthy economy. They know that a focus only on jobs does nothing to address their greatest insecurity. They will see that the fate of the Earth is not a separate issue: it is a unifying one.

The free trade accords have done nothing to help bring more security. Rather, they lead people to feel like we have less control over our own destinies -- because some faceless organization has say over our own laws and regulations. Equally important, these accords support the growing trend toward globalization. Security lies in small, healthy local economies and communities, not massive big business. The days of gigantism in warfare, in business and in government are coming to an end, as they should. As Darwin said, diversity is strength.

We need you to take stronger stands in defense of the environment. What do I mean by a strong stand? Tell the American people that, after 25 years, we will finally live up to the promise of the Clean Water Act. Two-thirds of America's rivers and streams were once unsafe for swimming and fishing; that number is down to one-third. We've made great progress, but not enough for a nation that says it's the greatest one on Earth. A strong President can tell the American people that within 15 years, every river in America will be safe for swimming and fishing. It's as bold as saying we'll go to the moon -- but it's much more relevant to the everyday lives of Americans. To do this, we would need to abandon all pesticides within the next 12 years. In phasing out all pesticides, you would tell the American people that we will restore balance and beauty to the American landscape. You can tell them that their children will have fewer cancers. You will redefine patriotism. You will take on the pesticide industry (an enemy is important in politics and I can't think of a better one aside from the tobacco industry). And, if you use the right language, you can make the farmer -- still an American icon -- the genuine hero.

Such an approach would be fraught with danger. But it would make us a stronger and healthier nation. It would be presidential. It would be a graceful transition from a century of pillage and squandering to a century of restoration. And it would help you get re-elected with a strong mandate.

You could champion a tax on all of our nonrenewable resources that properly reflects their true costs. With education, the consumers would welcome such a system of taxation, but only if it replaced the unpopular and inefficient current system.

As I said, I believe the characteristics of leadership are the same in business and politics. (When I say I don't want to bankrupt my company for a cause, I assume it's very similar to you saying you don't want to risk re-election for an outlandish stand.) And the rewards of leadership are the same as well. Every single time I've taken a very strong stand -- whether it's publicly supporting Planned Parenthood or committing our company to only using organically grown cotton in our clothes -- I've made more money. Every time. The same can be true in politics. The stronger your stands in defense of the environment, the more votes you'll get.

I believe political capital is one of the few resources that increases with its use. The more you are willing to spend, the more you will acquire. The fact of a strong stand matters almost as much as its content, because people today want leaders who will stand up and fight. They want role models who can teach them about defending principles and ideas. The environment is the one issue where you and the Republicans are furthest apart. They won't be stupid enough to give you a chance to veto a major bill -- they've learned their lesson. So you are on your own on this one; if it is to be a big issue, you need to make it a big issue. But if you take bold steps -- genuinely bold steps -- in the area of environmental protection, you will be a stronger President and a great leader.

I hope this letter does not sound arrogant. I don't pretend for a moment that my very serious consideration of a Nader endorsement will have an impact on your decisions or your presidency. But I appreciate the dialog between you and my company. Out of respect for that relationship, and for your office, I figured I owed you a direct challenge.

Respectfully,

A handwritten signature in dark ink, appearing to read "Yvon Chouinard". The signature is fluid and cursive, with the first name "Yvon" written in a larger, more prominent script than the last name "Chouinard".

Yvon Chouinard



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96 AUG 6 P8:42

JACK VALENTI
PRESIDENT
AND
CHIEF EXECUTIVE OFFICER

August 6, 1996

Dear Mr. President

In the new digital world of satellites, optic fiber, the Internet and all the other magical wonders of telecommunications technology, one of the highest national priority issues is the protection of intellectual property, to make sure that creative material is not stolen, illegally duplicated, cloned and/or used without authorization. Why is this important? Because if a copyright owner cannot protect what he owns, he doesn't own anything. This country would be the loser.

Mr. President, **the grandest trade prize possessed by the United States is intellectual property:** movies, television programs, home video, books, musical recordings, computer software. It is America's most wanted export. It is increasing international revenues and surplus balance of trade at a higher velocity than any other U.S. industry. It produces NEW jobs at a faster rate than the rest of the economy. What America creates is hospitably received and patronized by citizens in more than 100 countries. America's creative works dominate the world.

Which is why we need NOW the full power and resolve of the President to baffle attempts by some to treat a glistening U.S. trade asset casually. The protection of intellectual property in every area where it is delivered and received, to put it clearly, has to be at the top of "Must Do" tasks.

What prompts this message to you? Your Administration has rightfully taken leadership to encourage valuable traffic on

To Doriskind
for Reply
✓ yes 1/18

the Information superhighway, through strong copyright laws and enforcement throughout the world. But you have recently received a letter from some telecommunication companies and groups – calling themselves the Ad Hoc Copyright Coalition – urging you to shrink the U.S. leadership role in protecting and defending copyrighted intellectual property.

This would be a mistake of the deadliest kind. What is the goal of this “Ad Hoc Coalition”? In practical and realistic terms, they want what amounts to an exemption for service providers’ (OSP) and Internet service providers (ISP) from legal responsibility under the current Copyright Act. Or to put it another way, the “Ad Hoc Coalition” is antagonistic to the stand of your own Administration’s White Paper whose aim it is to globally protect and maintain the immense value to this country of America’s creative community.

Alas, the journey of the Congress this year toward a sensible update to the Copyright Act for ‘digital networked environment’ has been pockmarked by legislative tactics of those who want to escape required obligations to protect copyrighted material.

Let me sum up the issue, Mr. President: If the United States is to sustain its global leadership in the making and marketing of intellectual property, the President and the Congress must stand guard at the gate to protect and nourish this nation’s greatest trade prize. To do less is to squander an extraordinary American advantage.

The President
The White House
Washington, DC

*With great affection
and respect*

Jack

96 AUG 17 P 2 : 47



To
Scheduling

August 1, 1996

President Bill Clinton
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Clinton,

I write to ask if you will lend your name as Honorary Co-chair of the Organizing Committee of Times Square 2000, the millennium celebration at the Crossroads of the World. Mayor Giuliani has already agreed to serve as an Honorary Chairman. Invitations are pending with Senators D'Amato and Moynihan, Governor Pataki and the Secretary-General of the United Nations.

New Year's Eve in Times Square is the oldest and largest and best known public New Year's Eve event in the nation; when the ball hits the roof of One Times Square the new year has begun for most Americans. In fact, in LA they tape Times Square to broadcast locally at midnight!

In 1999/2000 we shall celebrate the millennium by marking midnight sequentially in each time zone with a synchronized countdown in Times Square and then broadcasting the local activities in those time zones onto massive TV screens in Times Square and, we hope, on a nationwide broadcast. Times Square will be the place from which all Americans will watch, acknowledge and interact with others. We will celebrate the global village at the Crossroads of the World. We hope to announce our plans in early October.

The Organizing Committee, chaired by Arthur O. Sulzberger, Jr., publisher of The New York Times and founding chair of the Times Square BID, will provide guidance to the public/private venture which produces--and will produce--the festivities. We would hope that you would designate a representative to this project whom we can touch base with periodically.

All American eyes will focus on Times Square that evening and we want to convey respect and joy for all other cultures and countries. Your participation would lend the dignity and the stature to the event which the world deserves. We would also be thrilled if you and your family chose to join us that evening.

I look forward to hearing from you.

Sincerely,

Gretchen Dykstra
President

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Gretchen Dykstra, *President*

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

96 AUG 2 P 6 : 23

8-6-96

August 2, 1996

MEMORANDUM FOR THE CHIEF OF STAFF

FROM: RAHM EMANUEL *RE.*

SUBJECT: WEEKLY REPORT

CRIME/DRUGS:

In all the Sound and Fury over the welfare reform legislation, we should not lose sight of the favorable article in the New York Times. The article cited the Administration's record of accomplishments on crime and that for Democrats we broke new ground.

A separate article noted the quality and ideological centrist position of our judicial appointments. This should be helpful as a counter to future Dole campaign attacks.

On Thursday, August 8, the Attorney General is releasing new data on juvenile crime. The FBI report will show a drop in violent crime committed by juveniles. On the same day the President is scheduled to be in Salinas, California to highlight a very successful anti-gang program. Drive-by shootings have dropped by 58% in the last year. The overall crime rate has dropped by 8%. The DOJ funds the unique juvenile handgun suppression program.

As a follow-up to the 911 event, Baltimore will initiate a new 511 community policing number. The DOJ is funding this pilot project. The question is whether we want the President to participate in the event. His participation would exemplify Presidential follow-up.

We are working on a series of new gun control proposals for the fall legislative session. The ideas range from a mandatory trigger lock to the extension of the Brady Bill for domestic violence misdemeanor convictions.

The National Sexual Predators report from the Attorney General will be ready by August 20th. The report will indicate that an FBI system can be up and running within six months.

We are working on a letter to all Governors on the drug problem in their prisons. The letter will challenge the Governors to copy the Federal programs on drug testing and treatment.

WELFARE:

We have met to follow-up on the Presidents request to address the immigration benefit bans and food stamp changes.

We are also working with Congressman Dingell to draft an Op-Ed on Medicaid and an Op-Ed by Senator Rockefeller for the Washington Post.

A vocal fight with the Congress on English only and the Illegal Immigration legislation should help us with the Hispanic community. We have more things we agree on than we disagree on. A spirited fight against the illegal immigration legislation would re-focus everyone.

IMMIGRATION:

This week Commissioner Meissner went to Florida to announce with the Governor his executive order on debarring companies who knowingly hire illegal aliens. The E.O. is modeled on the Presidents directive. The INS Commissioner sent a letter to each Governor offering their assistance in drafting state Directives.

The San Diego Union Tribune has written two stories for the convention on immigration. The first story is how we have inoculated ourselves on the immigration issue and how Bob Dole does not have a record. The second story addresses the politics behind Citizenship USA. The conclusion is that White House has not politicized the effort.

This coming week the INS will sign an agreement with 20 Poultry CEO's with our new work site verification program. This industry wide agreement is modeled on the Meatpacker agreement.

The Poultry industry agreement only strengthens our hand as we threaten to veto the immigration legislation. It shows us aggressively pursuing an immigration policy.

ECONOMICS:

✓ Although the minimum wage will receive the lions share of coverage when we sign the legislation, the pension portions reflect our proposals. We need to include pension language in our signing statement. This is very important to women.

✓ The passage of a minimum wage bill, portable health-care, and pension security legislation provides both an opportunity and a drawback. The opportunity is it focuses the economic debate on our HOPE Scholarship Program. The drawback is we lack a larger economic agenda.

To take advantage of this situation we should call attention to the HOPE Scholarship program and the new Pension legislation. Pension security is still a winner and contrasts well with the GOP Congress' earlier votes.

THE WHITE HOUSE
WASHINGTON, D.C. 20500

DATE: 8-7

TO:

~~M. F. F. F.~~
M. F. F. F.

FROM: Staff Secretary

Does this look ok?
I'd like to get it
signed in next
day or two if
we can.

T. F. F.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

The President

The White House

Submitted for your consideration are amendments to your FY 1997 appropriations requests for the Department of Health and Human Services (HHS) that would provide additional resources for State AIDS drug assistance programs funded under Title II of the Ryan White CARE Act. In total, the amendments would not affect the proposed budget totals.

As you announced on July 23rd, an amendment for the Health Resources and Services Administration would earmark an additional \$65 million to help States assist persons living with AIDS to purchase recently approved AIDS treatment drugs called "protease inhibitors" and other life-extending medications. States would be able to serve better the increasing demand for these AIDS treatment drugs resulting from new scientific advances in combination drug therapy for persons with HIV, as discussed at the recent Eleventh International Conference on AIDS in Vancouver, Canada.

The additional \$65 million now requested for State AIDS drug assistance programs is offset as follows:

- o \$18 million from slight reductions to other activities funded by the Health Resources and Services Administration;
- o \$17 million would be offset by a reduction in budget authority for health surveys funded by the Centers for Disease Control and Prevention (CDC). This \$17 million offset does not result in reduced CDC funding because the CDC health surveys would be supported, instead, by funds transferred from other parts of HHS' budget under section 241 of the Public Health Service Act;

- o \$10 million would be offset by a reduction in budget authority for State survey and certification activities funded by the Health Care Financing Administration; with this reduction, your budget request for this activity would still be \$6 million above the increase that the House has provided; and
- o \$20 million would be offset by a proposed 0.0587-percent reduction in activities at HHS agencies funded in the FY 1997 Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill.

I have carefully reviewed these proposals and am satisfied that they are necessary at this time. Therefore, I join Secretary Shalala in recommending that the proposals be transmitted to Congress.

Sincerely,

A handwritten signature in black ink, appearing to read "Jacob J. Lew", with a stylized, cursive script.

Jacob J. Lew
Acting Director

Enclosures

THE WHITE HOUSE

WASHINGTON

The President

of the Senate

Sir:

I ask the Congress to consider amendments to the FY 1997 appropriations requests for the Department of Health and Human Services. The proposals would provide an additional \$65 million for State AIDS drug assistance programs funded under Title II of the Ryan White Care Act to support the purchase of recently discovered, life-extending drug therapies. The proposed increase in funding would be offset by reductions in other Department of Health and Human Services activities.

The details of these actions are set forth in the enclosed letter from the Acting Director of the Office of Management and Budget. I concur with his comments and observations.

Sincerely,

Enclosure

Agency: DEPARTMENT OF HEALTH AND
HUMAN SERVICES

Bureau: HEALTH RESOURCES AND SERVICES
ADMINISTRATION

Heading: Health Resources and Services

FY 1997 Budget
Appendix Page: 473

FY 1997
Pending Request: \$3,113,483,000

Proposed Amendment: \$47,000,000

Revised Request: \$3,160,483,000

(In the appropriations language under the above heading, delete "\$3,113,483,000" and substitute \$3,160,483,000; delete "\$52,000,000" and substitute \$117,000,000; and insert the following language immediately before the period at the end of the paragraph : Provided further, That notwithstanding section 502(a)(1) of the Social Security Act, not to exceed \$95,600,000 is available for carrying out special projects of regional and national significance pursuant to section 501(a)(2) of such Act)

This proposal would earmark an additional \$65 million for State AIDS drug assistance programs funded under Title II of the recently reauthorized Ryan White Comprehensive AIDS Resources Emergency (CARE) Act. The additional resources would help States assist persons living with AIDS to purchase recently approved AIDS treatment drugs called "protease inhibitors" and other life-extending medications. States would be able to serve better the increasing demand for these treatment drugs resulting from new scientific advances in combination drug therapy for persons with HIV, as discussed at the recent Eleventh International Conference on AIDS in Vancouver, Canada.

This proposal would also reduce lower-priority Health Resources and Services Administration activities by \$13 million and reduce, by \$5 million, new Special Projects of Regional and

National Significance (SPRANS) funded through the Maternal and Child Health block grant (under section 502(a)(1) of the Social Security Act); the continuation grants and the portion of the Maternal and Child Health block grant that goes directly to States would not be affected.

Agency: DEPARTMENT OF HEALTH AND
HUMAN SERVICES

Bureau: CENTERS FOR DISEASE CONTROL
AND PREVENTION

Heading: Disease Control, Research,
and Training

FY 1997 Budget
Appendix Page: 481

FY 1997
Pending Request: \$2,198,258,000

Proposed Amendment: -\$17,000,000

Revised Request: \$2,181,258,000

(In the appropriations language under the above heading, delete "2,198,258,000" and substitute \$2,181,258,000; and delete "\$53,063,000" and substitute \$70,063,000.)

This amendment would decrease the pending appropriations request for the Centers for Disease Control and Prevention (CDC) by \$17 million. This reduction in the amount appropriated directly to CDC would be to funds that would have been used to finance health surveys. This proposal would also amend the appropriations language to increase, by \$17 million, the funds available to CDC for evaluations and health statistics from amounts available under section 241 of the Public Health Service Act.

The \$17 million reduction in resources is proposed as an offset for additional funding for State AIDS drug assistance programs to support the purchase of recently discovered "protease inhibitors" and other AIDS medications, as proposed in the accompanying budget amendment. Together, the amendments would not affect the proposed budget totals.

Agency: DEPARTMENT OF HEALTH AND
HUMAN SERVICES

Bureau: HEALTH CARE FINANCING
ADMINISTRATION

Heading: Program Management

FY 1997 Budget

Appendix Page: 488

FY 1997

Pending Request: \$2,202,284,000

Proposed Amendment: -\$10,000,000

Revised Request: \$2,192,284,000

This amendment would decrease the pending appropriations request for Health Care Financing Administration (HCFA) Program Management by \$10 million. This reduction in the amount appropriated to HCFA Program Management would be applied to funds that would have been used to finance HCFA's survey and certification program, leaving these activities with a \$16 million increase over the FY 1996 level rather than the \$26 million increase originally requested.

The \$10 million reduction in HCFA Program Management resources is proposed as an offset for additional funding for State AIDS drug assistance programs to support the purchase of recently discovered "protease inhibitors" and other AIDS medications, as proposed in the accompanying budget amendment. Together, the amendments would not affect the proposed budget totals.

Agency: DEPARTMENT OF HEALTH AND
HUMAN SERVICES

Heading: General Provisions

FY 1997 Budget

Appendix Page: 504

Proposed Amendment: Language

(In the appropriations language under the above heading, insert the following new provision at the end:)

Sec. 204. Of the amounts provided in this title, \$20,000,000 are permanently canceled. Amounts so canceled shall be taken proportionately from accounts funded in this title.

This proposal would reduce discretionary funding by \$20 million (0.0587 percent) for HHS agencies funded in the FY 1997 Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill. These savings would partially offset the additional funds requested for the Health Resources and Services Administration to support State AIDS drug assistance programs, as proposed in the accompanying budget amendment. Together, the amendments would not affect the proposed budget totals.

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

July 23, 1996

STATEMENT BY THE PRESS SECRETARY

President Clinton announced today that he will raise his 1997 budget request for State AIDS drug assistance programs (ADAP) by \$65 million to help Americans living with the human immunodeficiency virus (HIV) to get life-saving prescription drugs.

"New classes of drugs and new methods of treatment hold out the possibility that we can halt the progress of HIV and begin to repair the health of those who are living with this virus," the President said. "Therefore, it is important to take action to do so."

The President's announcement comes at a time of great hope and opportunity in the battle against HIV and AIDS, as illustrated by the scientific advances discussed earlier this month at the Eleventh International Conference on AIDS in Vancouver, Canada.

State ADAP programs help about 69,000 low-income people with HIV buy recently-discovered, life-extending drug therapies; these individuals do not get Medicaid, nor do they get prescription coverage through private health insurance. The ADAP programs are partially supported by grants under the Ryan White Comprehensive AIDS Resources Emergency (CARE) Act.

Earlier this year, after the Food and Drug Administration's rapid approval of the first three protease inhibitor drugs, the President asked Congress to increase the Federal commitment to ADAP by \$52 million. With strong bipartisan support, Congress agreed to the request, and the money is now being distributed to every state, the District of Columbia, and Puerto Rico.

Now, with the promising results reported in Vancouver, the President has increased his 1997 request specifically for ADAP to \$117 million, which more than doubles the amount the President is seeking specifically for these life-saving therapies. The President also asked States to maintain their strong commitments to providing additional resources for ADAP. Similarly, the President urged pharmaceutical manufacturers, who have made an admirable investment in the development of these drugs, to continue their commitment to helping make these products available for those who need them.

"While new drug treatments offer enormous hope to people living with HIV, it is also clear that our work is far from complete," the President said.

Indeed, further research is necessary to determine the long-term effect of protease inhibitors and other drugs, the proper dosages and combination of drugs, the optimal time to begin treatment, and the potential for drug resistance. The National Institutes of Health, working closely with scientists and clinicians from medical schools, hospitals, and the pharmaceutical industry, is committed to providing answers to these critical questions.

Without this budget amendment, thousands of Americans may lack access to the medications that hold promise for extending the lives of people with AIDS. The House has indicated an admirable bipartisan interest in boosting 1997 funding for these drugs.

The Administration looks forward to continuing to work with Congress to see that people who need these life-saving AIDS drugs can have greater access to them.

THE WHITE HOUSE
WASHINGTON

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

TO:

Ben Nye

8-7-96

Fax Number:

Phone Number: 622-6073

FROM: Staff Secretary's Office

SUBJECT: corrected memo

DATE: 8/6/96

NUMBER OF PAGES (including cover sheet): 4

MESSAGE:

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DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

SECRETARY OF THE TREASURY

August 6, 1996

96 AUG 6 PM 3:38

MEMORANDUM FOR PRESIDENT CLINTON

SUBJECT: Foreign Sales Corporation (FSC) Benefits for Computer Software

FROM: Robert E. Rubin *RE*

SUMMARY: Under current law (as reflected in regulations issued in 1987), certain tax benefits were provided to exports of U.S. manufactured goods but denied to licenses of intellectual property, including computer software for reproduction abroad (as opposed to export sales of "shrink-wrapped" software, which are treated as sales and thereby entitled to these tax benefits). By contrast, a special rule in the statute provides these tax benefits for licenses of master copies of movies or recorded music for reproduction abroad. The software industry has asked for expansion of the statutory exception, by legislation or regulation, to provide the same benefits to computer software licenses. Both Secretary Bentsen and I have determined that it was improper to provide this result by regulation. Treasury's current position has been to urge Congress to enact legislation that will eliminate the distinction it created. We worked actively behind the scenes to include the FSC/software provision in the Small-Business Job Protection Act, but ultimately was unsuccessful.

DISCUSSION: Regulations.--The Foreign Sales Corporation (FSC) rules provide a tax benefit to U.S. manufacturers that export goods. The net effect of these rules is to lower the tax rate on such products by about 5 percentage points (to 30 percent). Treasury regulations issued in 1987 grant FSC benefits for exports of finished software without a right of reproduction. Thus, exports of shrink-wrapped software commonly purchased at the retail level are entitled to FSC benefits. However, the regulations deny FSC benefits for licenses of software for reproduction abroad. This denial is based on the FSC statute.

Specifically, the statute denies FSC benefits to licenses of intangible property such as "patents, inventions, models, designs, formulas and processes whether or not patented, copyrights . . ." *The reason for this exclusion is that FSC benefits are intended to encourage manufacturing within the United States, and these licenses would permit the foreign manufacture of U.S. inventions. Thus, FSC benefits are not available for a license by a U.S. company of the rights to manufacture a product abroad, even if the U.S. company incurred significant expenses developing the product in the United States.*

The statute provides an exception to the rule against licensing intangibles for "films, tapes, records, or similar reproductions, for commercial or home use." This exception, which dates back to 1971 language in a predecessor to the FSC rules, was supported aggressively by the film and record industries, but cannot be justified on tax policy grounds. As a result of this exception, a master copy of a movie or record that is produced in the United States, unlike other types of intellectual property, can be licensed to a foreign company (including an affiliate) that can manufacture the end product outside the United States.

The software industry claims that it is entitled to similar treatment on the grounds that the reference to "similar reproductions" should include the license of a software master copy. This argument was made to, and rejected by, the Treasury and IRS in promulgating the FSC regulations in 1987. The Treasury believed then, as it does now, that Congress intended the "similar reproductions" language to include only other means of reproducing music and motion pictures (such as music recorded on CDs and movies recorded on laser disks), but not other categories of intellectual property (such as computer software).

Critics of our position argue that it ignores technological developments; for example, the same CD-ROM can hold both software and recorded music. This argument misses the point that the statutory exception is based on the content matter of the licensed intangible. Technological changes have blurred the distinction between some products of the entertainment industry and the computer software industry. However, this convergence does not justify the sought-after administrative extension of FSC benefits to software, which would treat computer software differently than other forms of "patents, inventions, models, designs, formulas and processes." This convergence is the basis of our position that a legislative change is the appropriate fix.

Critics also argue that it is unfair for the entertainment industry to enjoy a special benefit that other industries do not. However, this is a valid argument for Congress to eliminate the distinction that it alone has made. This Administration has repeatedly expressed the view in letters to Congress and in testimony that extending FSC benefits to software licenses is a matter for Congressional action.

Legislative activity.--Notwithstanding the view that treating licenses of computer software with foreign reproduction rights as export property was inconsistent with the history and purposes of the FSC legislation, Secretary Bentsen established a position in 1994 to "not oppose" legislation to extend FSC benefits to such computer software. Treasury maintained this position through several Congressional requests for regulatory change, and 1995 testimony before the Senate Committee on Finance.

Treasury in 1996 advanced our level of support for a legislative extension of FSC benefits to computer software. First, we became publicly supportive of a paid-for legislative amendment. Second, we worked extensively to promote the amendment. We prepared a statutory draft of the amendment and provided it to Members of both the House Ways & Means Committee and the Senate Finance Committee for use at their respective markups of the small-business tax bill. We also visited and telephoned Members and staff to encourage the inclusion of the FSC software amendment first in the committee bill and subsequently in packages of amendments.

Third, we recognized that Congress could adopt the legislative amendment as a "technical correction," which would obviate the need for a revenue offset and also allow retroactive relief. We could not ourselves characterize the legislative amendment as a technical correction because doing so would suggest that our regulation is invalid. In addition, we believe that the amendment does not fit within the consensus definition of a "technical correction." We did indicate to Congress that should they so characterize the amendment, we would nevertheless approve the bill as meritorious legislation.

Fourth, we included our support for the amendment in the Statement of Administration Policy on the small-business tax bill as passed by the Senate, and in a letter to the conference committee. This action was an extraordinary public effort by the Administration to ask Congress to add in conference a provision that had not been considered by either body.

In sum, your Administration has, in fact, strongly supported efforts to achieve a legislative solution to the FSC software problem.

MESSAGE CONFIRMATION

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RESULTS : O.K

S-7-96

To: Don Baer

June 17, 1996

FROM: DONALD A. BAER AND VICTORIA L. RADD

USA Today's Patty Edmonds is writing an article about literature that has influenced the values of this year's Presidential candidates. She would like a list of books that the President has read -- recently or over time (i.e. the Bible) -- that have had significant impact on the formation of his values.

Would you please share this request with President and see if he would jot down some of those works that he has found most important? Edmonds is trying to make an end-of-the-week deadline and needs the list by Wednesday afternoon if at all possible. Thank you for your help.

James

Bible
Imitation of Christ, T. Kempis
Meditation M. Bordin
Book of G. M. Bonaventura, T. Campes, S. Pech
Writings of Aquinas, M. L. King

FBI Advise May 6
w/letter to out of cell - 12th comp
~~to~~ received Adv. Juv. Det. - NOs. Adv.
Bradley person