



**Statement by  
Deborah Wince-Smith  
President  
U.S. Council on Competitiveness  
before the  
House Subcommittee on Commerce, Trade, and Consumer Protection  
June 16, 2010**

**Introduction**

Chairman Rush, Congressman Whitfield and other distinguished members of the subcommittee, thank you for inviting me to testify today on the “Clean Energy Technology Manufacturing and Export Assistance Act”. This legislation acknowledges the important role that the emerging clean energy industry will play in ensuring America’s economic competitiveness and national security going forward. The health of this industry depends upon the development of a robust domestic market and access to a burgeoning global market for these essential technologies and services.

It is critical that the United States create the right conditions for breakthrough innovations across the manufacturing eco-system, especially in the field of clean energy. Perhaps more importantly, we need to ensure the environment exists here for manufacturing at scale in order to create high-value jobs and enhance our national prosperity.

**Council on Competitiveness**

I’d like to start by providing a little background about the Council on Competitiveness - who we are, and how we operate.

Since 1986, the Council has brought forth creative solutions to America’s most pressing competitiveness challenges. Composed of leaders from industry, academia and organized labor, the Council is unique in its ability to build synergies and consensus across a wide span of organizations and interests. Our scope of issues reflects many factors that affect our nation’s ability to compete; ranging from the business environment, innovation, advancing key enabling technologies, building a world-class workforce and igniting regional innovation through entrepreneurship.

By leveraging its exceptional convening power, the Council attracts the best minds, at the right time to the right issues. Not representing a singular interest, the Council operates at the level of the national interest, taking a systems approach in framing problems and developing solutions. The Council proactively engages all perspectives and forges critical partnerships with stakeholders in the public and private sectors.

The Council is fortunate to have some of America’s top leaders serve on our Board of Directors:

- Our Chairman is Samuel R. Allen, Chairman & CEO, Deere & Company
- Our Industry Vice Chair is Michael J. Splinter, Chairman, President & CEO, Applied Materials, Inc.
- Our University Vice Chair is Shirley Ann Jackson, President, Rensselaer Polytechnic Institute
- Our Labor Vice Chair is Edward J. McElroy, Chief Executive Officer, ULLICO Inc.
- Our Chairman Emeritus is Charles O. Holliday, Jr., Former Chairman, DuPont

The Council continues to be at the forefront in tackling the key challenges facing U.S. competitiveness. Next week, on June 23<sup>rd</sup>, we will formally launch a new flagship initiative on U.S. Manufacturing Competitiveness in the 21<sup>st</sup> century and I submit for the record a summary of this initiative. The Council will prepare and deliver a National Manufacturing Strategy to the Administration, the Congress and its members at a national summit convened in late 2011. With the advice, participation and buy-in from a wide range of stakeholders – this strategy will energize a vibrant, diversified and technologically advanced manufacturing value web, resulting in American jobs, economic growth, energy sustainability and national security.

The manufacturing initiative will build on the Council’s other initiatives and our long-standing focus on technology and innovation to drive productivity and competitive advantage:

- The National Innovation Initiative, 2004
- Energy Security, Innovation and Sustainability Initiative, 2009
- Technology Leadership and Strategy Initiative, on-going
- High Performance Computing Initiative, on-going
- Skills and Workforce Initiative, on-going

Today, I will speak directly to our new manufacturing initiative and the findings of our Energy Security, Innovation and Sustainability Initiative which support the objectives of the “Clean Energy Technology Manufacturing and Export Assistance Act”.

### **U.S Manufacturing Competitiveness in the 21<sup>st</sup> Century**

As the 20th century drew to a close, rising global competition and the broad opening of global markets challenged U.S. manufacturers. As a result, there has been continuing concern about the export of U.S. made goods, off-shoring of U.S. manufacturing production and the loss of U.S. manufacturing jobs. With the growing strength of newly-developing low-cost competitors such as China, India, South Korea and Brazil, there are many who fear that U.S. manufacturing will spiral into further decline. Others believe that the U.S. can improve national prosperity through service industries alone without a robust manufacturing sector.

The Council believes that no nation can be a technology and economic leader without a robust multi-sector manufacturing capacity. The global competitive landscape for manufacturing is undergoing a transformational shift that will reshape the drivers of

trade, economic growth, job creation, national prosperity and national security. Manufacturing is and will continue to be an essential path for attracting and retaining high value investments, spurring innovation, increasing exports and creating high value jobs. Developed and emerging nations are in heated competition to create the most compelling opportunities to innovate, build a highly-skilled workforce, improve standards of living and enhance national security.

Strong export growth will enable the United States to maintain acceptable economic growth rates, improve productivity, encourage innovation and create good-paying jobs. Exports of manufactured goods from the U.S. grew at an average annual pace of almost 9 percent between 2002 and 2008 demonstrating there is considerable worldwide demand for U.S. goods. Yet, the U.S. share of world manufactured exports, as of 2008, dropped to only 9.2 percent, down from almost 14 percent in 2000.<sup>1</sup> The most dramatic change was the rise of China to overtake the United States as a leading exporter of manufactured products. This is a worrisome trend especially in clean energy and other advanced technologies. Just consider that the following are no longer manufactured in the United States at a time when we are transitioning to a low carbon world:

- Lithium-ion, lithium polymer and NiMH batteries for cell phones, portable consumer electronics, laptops and power tools
- Advanced rechargeable batteries for hybrid vehicles
- Crystalline and polycrystalline silicon solar cells, inverters and power semiconductors for solar panels

Higher employee wages and exports go hand-in-hand. Employees in the most trade-intensive industries—where combined exports and imports amount to at least 70 percent of their domestic industrial output—earn an annual compensation package that averages about \$86,000. This is 47 percent more than average compensation in the least trade-engaged sectors of manufacturing.<sup>2</sup>

Long-term national and economic security in the United States critically depends on our having innovative and agile manufacturing capabilities. Current economic conditions and energy security challenges have only heightened the need to accelerate competitive advantages for U.S. manufacturing companies in the global marketplace. Manufacturers will maintain their global leadership position through technological differentiation, not through labor cost advantage.

21<sup>st</sup> century manufacturing spans ideas, products and services; well beyond the production of only goods as in the 20<sup>th</sup> century. This post-industrial manufacturing ecosystem represents a complex and highly integrated globalized value web. This web includes cutting-edge science and technology, innovation, talent, sustainable design, systems engineering, supply chain excellence and a wide range of smart services; as well as energy efficient, sustainable and low carbon manufacturing.

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<sup>1</sup> *Facts about Modern Manufacturing 8th Edition*, MAPI/National Association of Manufacturers, 2009.

<sup>2</sup> *Ibid*

Rising energy demand, climate volatility and resource challenges require transformational manufacturing technologies and systems. Other nations are vying for market share in green manufacturing and clean energy industries. To drive economic growth, competitiveness and job creation, America must regain market leadership for technologies lost to other regions and also lead the world in energy efficient, sustainable and low carbon manufacturing. The examples of U.S. generated technologies creating value and jobs elsewhere are growing: ceramic oxides, semiconductor memory devices and production equipment, lithium ion batteries, flat panel displays, videocassette recorders and interactive electronic games.

The global challenges demand that we act now and not allow further erosion and atrophy of the U.S. industrial base. America must craft and mount a strategic response to provide jobs for our citizens in the 21st century. We need an engaged and skilled workforce, rapid deployment of frontier science and technology, deep pools of risk capital, a more global market oriented capital cost structure and regulatory environment, and 21st century physical and virtual infrastructures that will drive America's competitive advantage.

American public officials, opinion leaders and investors also need to understand and vigorously support these changes if we are to regain and retain our international leadership position. If America fails to adapt, we risk losing this critical underpinning of our economy and failing to reap the value from the investments in next generation energy technologies. America's edge lies with forward looking, high-value manufacturing that looks well beyond traditional assembly and fabrication of products.

### **The Critical and Transformational Role of HPC in Manufacturing**

The use of high performance computing for modeling, simulation, and analysis has already provided a competitive advantage for many of the manufacturing Fortune 50.

These companies employ in-house advanced computing and have access to high performance computing hardware, software, and technical resources through partnerships with national laboratories. Many of these companies recommend that adoption of modeling, simulation, and advanced computing be accelerated throughout the U.S. manufacturing sector. For example, Pioneer Hi-Bred, a DuPont company, uses HPC to manage and analyze massive amounts of molecular, plant, environmental and farm management data, allowing them to make product development decisions much faster than by using traditional experiments and testing alone. For Pioneer, the result has been faster improvement in new seed products, staying ahead of the competition, a major jump in innovation and productivity, and the ability to help meet some of the world's most pressing demands regarding the availability of food, feed, fuel, and materials.

A substantial effort toward wider adoption of modeling and simulation requires the commitment of intellectual capital, computer hardware and software for complex problem solving, and other resources from among the diverse advanced computing assets spread across the nation's regions, states, and advanced computing centers. This truly

successful national initiative will leverage these vital resources from a new public-private partnership to bolster the U.S. manufacturing sector.

To these ends, the federal government should issue a “call to action” to U.S. manufacturing sector leaders and create a national manufacturing initiative enabled by advanced computing. These leaders in advanced computer-enabled design and manufacturing should be asked to leverage their expertise in modeling, simulation, and analysis and partner with the federal government to improve U.S. manufacturing competitiveness. The outcome of this call to action will be to accelerate and broaden the use of modeling and simulation, to increase penetration of these tools into smaller companies (pushing these tools further down into the supply chain), to solve the biggest complex problems with the latest techniques, and compete through innovation.

Through the national laboratory system, the federal government offers the greatest scientific and engineering resources, computer assets, and research software to be deployed for the initiative. Importantly, while the United States and Japan are the only significant manufacturers of HPC machines - an incredible advantage that must be utilized for economic growth – china is not far behind . To succeed, the initiative should also call upon, bring together, and leverage (all of) the nation’s most advanced computing resources—state to state, region to region, center to center.

Modeling and simulation are critical tools needed by manufacturers of all sizes. These tools are especially valuable for the design, development and deployment of clean energy technologies and offer firms a significant cost advantage.

### **Energy Security, Innovation and Sustainability**

The Council believes that energy security and sustainability are two of the defining and intertwined challenges of our time. For virtually every country, access to affordable energy is a basic need for economic growth, social development, improved standards of living, and increasingly for national security. However, neither an affordable nor a reliable supply of energy is a given for any country. As committee members well know, even as a nation with an immense wealth of natural resources, we face soaring energy demand, price volatility, and supply instability. At the same time, pressure is mounting around the world to mitigate greenhouse gas emissions from fossil fuels—with the prospect of a 45% increase in emissions by 2030, driven almost entirely by developing countries.<sup>3</sup>

Without access to cost-effective cleaner energy solutions, developing economies will have no alternative but to increase their dependence on the most rudimentary fossil-fuel technologies, contributing significantly to increased pollution and environmental damage. To summarize, the current trajectory of global energy trends is unsustainable—environmentally, socially and economically. They are impacting:

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<sup>3</sup> International Energy Agency, *World Energy Outlook 2008*, IEA/OECD, Paris (2008).

- the fundamental ability of American industry to compete in the global economy
- the political ability of our government to play an international leadership role
- the capacity of our military to carry out its missions

Energy security and sustainability are now first-tier economic, national security, and competitiveness concerns. It is, therefore, inevitable that the world will undergo a systems transformation in the way we use and produce energy. As this country moves toward sustainable energy policies and programs, the Council does not believe there is an unavoidable trade-off among economic growth, energy savings, and environmental interests. Indeed, the pending systems transformation offers an opportunity to integrate energy security, sustainability, and competitiveness.

We also know that we have a tremendous opportunity before us. In fact, these challenges have created a perfect storm for innovation. We can move to a new era of technological advances, market opportunity, and industrial transformation if we can successfully unleash the investment and innovation potential of the private sector to meet the challenges and seize the opportunities arising from these new public-private partnerships.

We must be poised to deploy new ideas and innovations that come from the significant new investment in energy research into scalable products, goods and services. Research must be viewed as encompassing basic, applied, development and test beds. If we do not have in place the infrastructure to reap value from our investment, you can rest assured another country will. And when that happens, the jobs and intellectual property will be lost; as well as the component subsystems leading to a hollowing out of the innovation enterprise.

As we enter a new era of technological innovation, driven by the twin challenges of energy security and climate change, we must be vigilant in ensuring that we support these nascent industries here at home. We do not want to repeat the errors of our past when despite having achieved scientific and technology breakthroughs in liquid crystal, plasma and other flat panel display technologies, we ceded market leadership to countries like Japan and Korea, as they rapidly scaled up their high quality manufacturing ability and captured the global display market.

We have learned that we cannot divorce our investments in R&D from our efforts to support each stage of the manufacturing continuum. We must design-in manufacturing considerations upfront in the innovation process. We must ensure that we have the appropriate regulatory and financing framework in place to allow our entrepreneurs to move agilely from testing and pilots to manufacturing and large scale system deployment.

### **Clean Energy Technology Manufacturing**

“U.S. manufacturing of clean energy technologies lags behind its international competitors on almost all fronts. The United States is outpaced by at least one of its Asian competitors in the production of solar cells, wind turbines, and components for



nuclear power plants, and currently has no domestic high-speed rail manufacturing capacity. The United States is also in danger of falling behind in the development of CCS and advanced vehicle technology and is already a laggard in the production of advance batteries for hybrid and electric vehicles.”<sup>4</sup>

H.R. 5156 is an important policy step in addressing these challenges and I am pleased to be here today to voice our support for this proposal. But there are many more policy steps required to ensure a vibrant eco-system that fully supports America’s capacity to create, make and market essential clean energy technologies to the world.

The Council’s views on the energy-competitiveness relationship have been well-defined over the past few years. We see energy as the lifeblood of our economy and we believe that America’s competitiveness cannot be separated from energy issues.

In developing new industries to supply the sustainable energy and related services needed here and abroad, America can drive economic growth, create millions of new jobs and enhance the competitiveness and prosperity of the entire nation.

The United States must invest, create, commercialize and market the new products and services of the low-carbon energy future. We must actively engage in the intense global competition well underway in Asia, Europe, the Middle East and the Americas to capture the economic value, jobs and global market share for these new industries and infrastructure.

As an example of what is at stake, within the past decade the United States has fallen from first to fifth among top solar manufacturing countries and now imports solar cells from the European Union and Asia.

Revenue in just three clean energy sectors—wind, solar and biofuels—is projected to nearly triple over the next decade, from \$145 billion in 2008 to \$343 billion in 2019.<sup>5</sup> Markets for clean technologies like carbon capture and sequestration for coal plants will expand exponentially as demand for this abundant energy resource continues to grow.

These markets and the employment and economic growth they bring can be ours if we act now with the right set of policies and programs to catalyze research and development (R&D), investment, manufacturing and commercial deployment.

In July 2007, the Council on Competitiveness launched the Energy Security, Innovation & Sustainability (ESIS) Initiative in recognition of the critical linkages among these three issues and their profound impact on future U.S. productivity, standard of living and global market success.

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<sup>4</sup> *Rising Tigers, Sleeping Giant: Asian Nations Set to Dominate the Clean Energy Race by Out-Investing the United States*, Breakthrough Institute and Information Technology and Innovation Foundation, November 2009.

<sup>5</sup> *Clean Energy Trends*, Clean Edge, April 2010

Drawing upon over a year's work of inquiry and real-time research and analysis, and in anticipation of the new administration, the Council issued *Prioritize: A 100-Day Energy Action Plan for the 44th President of the United States* in September 2008. The plan identified six “pillars” as integral to U.S. energy transformation and as top priorities for presidential action upon taking office.

At that time, the Council stressed that the action plan recommended in *Prioritize* marked the beginning, not the end, of a concerted commitment to ensure the United States achieves energy security in a sustainable manner, while ensuring the competitiveness of its workers, industries and economy.

In September 2009, at a National Energy Summit that the Council convened here in Washington, D.C., we released *Drive: A Comprehensive Roadmap to Achieve Energy Security, Sustainability and Competitiveness*. *Drive* builds upon the energy action plan in *Prioritize* and sets forth the next set of integrated building blocks for America's energy transformation, sustainability and competitiveness in a low-carbon world.

I cannot emphasize enough the importance of taking a systems approach to our energy, sustainability and economic policies.

Let me also flag for the Committee a select number of our recommendations that bear directly upon the intent of HR 5156, that would in fact complement and enhance the efficacy of the provisions of this legislation. With respect to accessing to global markets the Council recommends that we:

1. **Remove tariffs and non-tariff barriers for sustainable energy products and services** while not creating a dual track for preferential trade liberalization. The World Trade Organization should re-launch the Doha Round of trade talks with the leadership of the Group of Twenty (G-20) Finance Ministers and Central Bank Governors to ensure that tariff reductions and removal of non-tariff barriers are transparent, reciprocal and provide access to all national markets, where strong worker and consumer protections are provided.
2. **Assure intellectual property rights (IPR) for all industrial products and services, copyrights and sustainable energy solutions.** The Secretary of State should coordinate with the U.S. Trade Representative to obtain strong IPR protection for all international R&D cooperative programs and technology transfer agreements for sustainable energy and carbon mitigation.
3. **To ensure continued U.S. technological leadership.** We need to guarantee a long-term, stable source of funding. In the future, 30 percent of any revenue from carbon pricing should be allocated to R&D, including the demonstration of clean energy technologies. Three technologies—energy storage including batteries, carbon capture and storage and advanced nuclear reactors—are enabling technologies that are critical to develop if we are to fully exploit our renewable, coal and nuclear resources.



Several demonstrations at commercial scale of each technology should be fast tracked with set dates for timely completion.

4. **To ensure that the technologies of tomorrow will be manufactured in the United States**, a steady stream of financing support should be provided, including 40 percent of the revenues derived from any future carbon pricing program. Supported programs should include: federal, state or local clean manufacturing initiatives; the creation of clean energy development zones; financial assistance for the first two to three commercial manufacturing facilities for energy technologies; the expensing of the costs of retooling for production of qualified products, equipment or energy options; operating Regional Manufacturing Centers to promote advanced manufacturing technology; and dedicating a high performance computing (HPC) center for clean energy manufacturing.

We believe that the recommendations presented in *Drive* will unleash a new era of American innovation, create new industries, revitalize and re-build manufacturing jobs across our nation, keep and grow high-skilled jobs for this generation and the next and accelerate economic prosperity for all Americans as we lead global growth, environmental stewardship and security.

### **Conclusion**

Thank you again for this opportunity to provide testimony on this important topic for American manufacturing competitiveness. We support the intent of the “Clean Energy Technology Manufacturing and Export Assistance Act”, while recognizing there is a lot more to be done. It is critical that the United States create the right conditions for breakthrough innovations across the manufacturing eco-system, especially in the field of clean energy. Perhaps more importantly, we need to ensure the environment exists here for manufacturing at scale in order to create high-value jobs and enhance our national prosperity.

**Attachment 1: Council on Competitiveness U.S. Manufacturing Competitiveness Initiative Overview**

# U.S. Manufacturing Competitiveness Initiative

*For American Jobs, Growth and Security*



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## Vision for U.S. Manufacturing in the 21<sup>st</sup> Century

The United States needs a vision and goals for manufacturing. We must seek to generate multiples of high-value jobs as American products—synonymous with high quality, lean and green manufacturing—are in high demand around the world. The United States will enjoy the highest level of labor, capital and resource productivity among the world's leading economies, ensuring a sustained competitive advantage in the global economy. Vibrant regional innovation ecosystems and smart networks of lean and agile small manufacturers will drive the U.S. manufacturing sector. By 2020, the United States will be the decisive leader in frontier research in new process technologies and manufacturing productivity, including advanced modeling and simulation. Clean and advanced manufacturing technologies will be widely deployed across the economy, as the risk and cost to commercialize and produce them at scale has been substantially reduced.

## Initiative Goal

**At a national summit convened in 2011, deliver to the Administration and the Congress a realistic and comprehensive solutions roadmap**—with the advice, participation and buy-in from a wide range of stakeholders—that will energize a vibrant, diversified and technologically advanced manufacturing value chain, resulting in American jobs, economic growth and energy and national security.

## Initiative Core Premises

*Manufacturing, long a cornerstone of U.S. competitiveness, faces intense and accelerating competition from all corners of the globe.* The U.S. share of the global market for manufactured exports declined from 19 percent in 2000 to 14 percent in 2007, while the Chinese share rose from 7 percent to 17 percent.<sup>1</sup>

*The manufacturing ecosystem represents a value stream that spans from ideas to products.* 21st century manufacturing goes well beyond production of saleable objects. It also includes cutting-edge science and technology, sustainable design and systems engineering, supply chain excellence and a wide range of smart services—as well as lean and green production.

*Manufacturing is being reshaped by new forces.* Half of middle class consumers will live outside the United States by 2030.<sup>2</sup> The rise of new consumers and capabilities in emerging economies will challenge American preeminence. The fast pace of technological change doubled the topple rate for established companies in the 20 years to the mid-1990s,<sup>3</sup> and today's global innovation networks diffuse frontier research and technology allowing competitors to leapfrog their competition.

<sup>1</sup> *Facts about Modern Manufacturing 8th Edition*, MAPI/National Association of Manufacturers, 2009.

<sup>2</sup> *The Expanding Middle: The Exploding Middle Class and Falling Global Inequality*, Goldman Sachs, 2008.

<sup>3</sup> Huyett, William I. and S. Patrick Viguier. "Extreme Competition," McKinsey Quarterly, February 2005.

*Rising energy demand, climate volatility and resource challenges require transformational manufacturing technologies and systems.* Other nations are vying for market share in green manufacturing and clean energy industries. To drive economic growth, competitiveness and job creation, America must regain market leadership for technologies lost to other regions and also lead the world in energy efficient, sustainable and low carbon manufacturing.

*The global challenges demand that we act now.* America must craft and mount a strategic response to provide jobs for our citizens in the 21st century. We need an engaged and skilled workforce, rapid deployment of frontier science and technology, deep pools of risk capital, and 21st century physical and virtual infrastructures that will drive America's competitive advantage.

## Initiative Leadership

### CEO-Level Leadership Council and Steering Committee

The Committee, led by Council Chairman Samuel R. Allen, is comprised of chief executives from industry, academia, organized labor and national laboratories, and will frame the critical questions, provide the strategic direction and create the policy solutions that will ensure a vibrant, resilient and sustainable manufacturing base upon which America will grow.

#### *Council Board*

**Samuel R. Allen**, Chairman and CEO, Deere & Company; Chairman, Council on Competitiveness

**Michael R. Splinter**, Chairman, President and CEO, Applied Materials, Inc.; Industry Vice Chair, Council on Competitiveness

**Shirley Ann Jackson**, President, Rensselaer Polytechnic Institute; University Vice Chair, Council on Competitiveness

**Edward J. McElroy**, CEO, ULLICO, Inc.; Labor Vice Chair, Council on Competitiveness

**Charles O. Holliday, Jr.**, Former Chairman, DuPont; Chairman Emeritus, Council on Competitiveness

**Deborah L. Wince-Smith**, President and CEO, Council on Competitiveness

#### *Industry Lead*

**James H. Quigley**, Chairman and CEO, Deloitte Touche Tohmatsu; Executive Committee Member, Council on Competitiveness

#### *Academia Lead*

**Susan Hockfield**, President, Massachusetts Institute of Technology; Executive Committee Member, Council on Competitiveness

#### *Labor Lead*

**William P. Hite**, President, United Association of Pipe Fitters and Plumbers; Executive Committee Member, Council on Competitiveness

#### *National Laboratories Lead*

**George H. Miller**, Director, Lawrence Livermore National Laboratory; Executive Committee Member, Council on Competitiveness

### **Executive and Expert Advisors**

An equally diverse and expert Advisory Committee is being formed to help shape the substantive aspects of the project, as well as provide ongoing counsel and support to Steering Committee Policy Solutions Groups and Council staff.

### **Distinguished Member and Affiliate Partners**

As a broad-based, non-partisan organization committed to advancing U.S. competitiveness in the global economy, the Council cultivates partnerships with leading national organizations on issues of mutual concern. In bridging the interests and insights of many, the Council brings multi-disciplinary analysis and systems thinking to its work. The Council is proud to be partnering with several distinguished organizations on the U.S. Manufacturing Competitiveness Initiative.

### **Public Sector Engagement**

Policies affecting the U.S. manufacturing environment emanate from many quarters of the executive and legislative branch. To foster a holistic and integrated policy roadmap, the Council is proactively engaging policymakers from across the Administration and Congress in the launch of this Initiative. Congressional staff from both parties have agreed to serve as advisors to the Council to ensure that the forthcoming recommendations are aligned with Committee jurisdiction and legislative timelines.

### **2010 Calendar of Events**

<b>June 23, 2010</b>	Public Release of Council/Deloitte CEO Survey: Ranking Manufacturing Competitiveness by Country
	National Launch of Initiative, Council Executive Committee Meeting and Inaugural Manufacturing Steering Committee Meeting
<b>October/November 2010</b>	Steering Committee Meeting; Scenarios Released and Develop Preliminary Recommendations
<b>December 8-9, 2010</b>	Council Leadership Unveils Initial Findings and Steering Committee Recommendations
<b>January 2011</b>	CEO-Led Policy Solution Groups Commence Work
<b>October 2011</b>	Steering Committee Meeting and Release of Comprehensive Solutions Roadmap at National Manufacturing Summit
<b>January 2012</b>	Final Proceedings

### **Why the Council**

Since 1987, the Council has brought forth creative solutions to America's most pressing competitiveness challenges. Composed of leaders from industry, academia and organized labor, the Council is unique in its ability to build synergies and consensus across a wide span of organizations and interests. By leveraging its exceptional convening power, the Council attracts the best minds, at the right time to the right issues. Not representing a singular interest, the Council operates at the level of the national interest, taking a systems approach in framing the problem and developing solutions. The Council proactively engages all perspectives and forges critical partnerships with stakeholders in the public and private sectors.

# U.S. Manufacturing Competitiveness Initiative Structure



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## Goals

The Initiative will bring together a cross-section of America’s top private sector leaders to:

- Develop a shared vision for 21<sup>st</sup> century manufacturing across the entire manufacturing value chain.
- Sharpen our understanding of changes within the global economic environment and how they are impacting U.S. manufacturing competitiveness.
- Create and advocate for a comprehensive set of policy solutions that will make the United States the most fertile and attractive environment for high-value manufacturing.

Why? America’s national and economic security—and our ability to create wealth and new jobs—depend upon a robust and adaptive manufacturing ecosystem that supports the generation and translation of ideas into high-value goods and services that serve U.S. and global markets. Manufacturing accounts for the majority of the research and development and productivity growth in the U.S. economy, and contributes a large share to total gross domestic product. The United States cannot be a global economic and technological leader, nor fully recover from recent economic crises, absent a strong manufacturing base.

## Process

A CEO-Level Leadership Council and Steering Committee—comprised of chief executives from industry, academia, organized labor and national laboratories—will frame the critical questions, provide the strategic direction, and develop a comprehensive set of actions to ensure a vibrant manufacturing base for America’s future over the next 24 months.



Members of the Steering Committee will organize and lead Policy Solution Groups (PSGs) to develop recommendations that address specific elements of the manufacturing ecosystem—including talent, technology, investment and infrastructure. Each PSG will study discrete issues and produce an interim and final report for the Steering Committee—that will, in turn, summarize key findings and policy recommendations. The Steering Committee will integrate all of the PSG reports and findings into a final plan that they will present at a National Manufacturing Competitiveness Summit in 2011. CEO chairs will dedicate appropriate staff and executive support to the task.

The Steering Committee will also receive support and advice from an Executive Advisory Committee composed of manufacturing and thought leaders from business, academia, labor and non-governmental organizations.