



August 4, 2004

The Honorable Paul E. Gillmor
House of Representatives
Washington, DC 20515-3505

Dear Representative Gillmor:

Thank you for the opportunity to review your draft "Small Manufacturers Assistance, Recovery, and Trade Act." The Department of Commerce recognizes your strong interest in and support for our shared goal of promoting the manufacturing industry in the United States.

The Department is especially supportive of your goal of ensuring that the new Assistant Secretary of Commerce for Manufacturing and Services addresses the concerns of manufacturers and assists in the development of policies that promote the vitality and expansion of U.S. manufacturing. We are also in agreement with the need, as noted in the bill, for special consideration to be given small manufacturers, who are often hardest hit in manufacturing downturns. As you know, the Department is currently completing a reorganization of the International Trade Administration (ITA) that will improve ITA's ability to address the needs of the U.S. manufacturing sector. This reorganization creates the new position of Assistant Secretary of Commerce for Manufacturing and Services. President Bush has appointed Albert A. Frink, Jr., cofounder and executive vice president of a successful manufacturing company, to be the first appointee to this important post. Accordingly, we do not believe legislation is required to effect this matter at this time.

Another of your proposals that we support is the creation of an interagency group to improve Federal agency cooperation in addressing the issues that face U.S. manufacturers. Indeed, pursuant to the recommendations of the recently released Commerce Department Manufacturing Report, "*Manufacturing in America*," a new interagency Committee on Manufacturing Competitiveness has been proposed to develop new recommendations and initiatives to maintain the competitiveness of the U.S. manufacturing sector. The Committee, which would be composed of 16 Federal Government departments and agencies, would provide a unifying framework to coordinate the programs and activities of the United States Government that affect the manufacturing sector, and develop a government-wide strategic plan for carrying out such programs and activities. This, too, we believe, can be accomplished without the need for legislation.

In addition, Secretary Evans has recently established a new CEO-level advisory committee, the Manufacturing Council, to provide advice on the many issues and challenges facing the manufacturing sector. The Manufacturing Council is the premier national advisory committee on

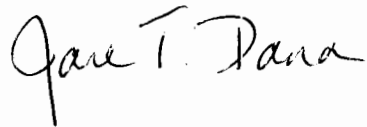
The Honorable Paul E. Gillmor
Page 2

manufacturing and will serve as a strong voice for policies to grow manufacturing jobs. The Council's membership reflects diversity of industry, size of industry and geography.

Finally, with respect to your proposals regarding the trade distribution network and the U.S. Export Assistance Centers, we enthusiastically support your efforts to encourage increased inter-agency collaboration, and we look forward to a dialogue on the best methods to improve coordination and seamless client service.

We look forward to continuing to work together with you to support U.S. manufacturers, and thank you once again for your efforts in this regard. The Office of Management and Budget has advised that there is no objection to the transmittal of this letter from the standpoint of the Administration's program.

Sincerely,

A handwritten signature in black ink that reads "Jane T. Dana". The signature is written in a cursive, flowing style.

Jane T. Dana
Acting General Counsel