

Fact Sheet: Keeping America Competitive and Growing

U.S. Secretary of Commerce Carlos M. Gutierrez Discusses U.S. Innovation and Competitiveness at the Council on Competitiveness Awards Dinner in Washington D.C.

“Our goal is to ensure we make the environment easier for business ... It is the private sector that is going to make this economy grow and flourish and prosper, and it is through the private sector that we are going to continue to be the most innovative and most vibrant economy in the world.”

– U.S. Secretary of Commerce Carlos M. Gutierrez, 11/12/08

Promoting Innovation

- **America leads in research and development spending with more than \$300 billion—as much as all other G-7 nations combined.**
 - Federal research has been the incubator of advanced technologies, helping to ensure that U.S. companies and workers remain world leaders in the development and deployment of innovative technologies that generate new products, industries and jobs.
 - President Bush’s American Competitiveness Initiative called for doubling the research budget at several of the key federal science agencies, including the Commerce Department’s National Institute of Science and Technology (NIST), the National Science Foundation and the Department of Energy.
 - Since 2001, critical basic research funding at NIST is up 14 percent, significantly expanding the ability to develop next-generation electronics, advanced materials, alternative energy technologies needed to create the high-wage new jobs of the future.
 - Commerce Department scientists have been recognized for Nobel Prize winning work three times over the past eight years.
 - To enhance our ability to get patents approved and new products and services on the market as patent applications have become more complex and numerous, we have increased the number of patent examiners at the U.S. Patent and Trademark Office to more than 6,400.

Expanding Access to Telecommunications Technologies

- **When President Bush took office, there were approximately seven million broadband lines in the United States. Under this Administration that number has increased by more than 1,300 percent since 2001 to more than 100 million.**
 - In January 2001, only 70 percent of U.S. zip codes were served by any broadband provider, but as of July 2007, 99 percent of U.S. zip codes are now being served by at least one provider.
- **This Administration has been committed to keeping the Internet as an engine for growth and free from obstacles.**
 - The Internet Tax Moratorium was extended twice in the President’s first term, and a seven-year extension was secured in 2007, protecting Internet access from taxes and electronic commerce from multiple and discriminatory taxes.
- **The digital television conversion is freeing spectrum for multiple uses that increase U.S. competitiveness and public safety.**
 - On February 17, 2009, the United States will be one of the very few countries in the world to go to 100 percent digital television.
 - The newly available spectrum will enable the private sector to launch a surge of innovative and competitive new products.
 - One billion dollars from the proceeds of the spectrum auction will go to interoperability of communications devices to enable public safety officials to better communicate with one another.

- Commerce has actively worked working with the private sector and media partners to ensure the approximately 15 percent of U.S. households who have analog television service are informed and prepared for the conversion to digital television.

Opening International Markets for U.S. Firms and Workers

- **Exports are a key part of our economy and are essential to U.S. competitiveness.**
 - The U.S. has had four straight years of export growth ahead of 10 percent.
 - In 2008, exports have been a greater part of our economy than ever before in history.
 - Manufactured goods account for 60 percent of U.S. exports.
 - In 2001, we only had free trade agreements with three countries; today we have free trade agreements with 14 countries.
 - Free trade agreements have opened new opportunities for U.S. companies and workers: countries that we have free trade agreements with generate a surplus of \$20 billion.

Protecting Intellectual Property Rights in International Markets

- **Intellectual property represents about 40 percent of the U.S. economy, about \$5 trillion.**
 - Protection of intellectual property rights is essential to maintaining America's competitive edge.
 - This Administration has worked to educate the public and our trading partners that intellectual property theft is a crime, like forging money or any other kind of robbery.
 - In July 2005, President Bush appointed the first U.S. Coordinator for International Intellectual Property Enforcement with responsibilities that include leading the Administration's STOP! (Strategy Targeting Organized Piracy) Initiative.
 - Intellectual property seizures increased to more than \$200 million in counterfeit goods seized in 2007 – a 27 percent increase over 2006.
 - In 2007, More than 28 defendants were convicted and sentenced for intellectual property crimes, representing a 35 percent increase over 2006 and a 92 percent increase over the last two years.
 - Commerce has placed intellectual property attaches at key embassies throughout the world to help U.S. companies protect intellectual property rights.

Working with Public-Private Partnerships

- **Commerce established an Advisory Committee on Measuring Innovation to make recommendations on developing metrics to capture the impact of innovation on the U.S. economy.**
 - A measurement of innovation, like the Gross Domestic Product, will help understand further how innovation impacts the ability of the United States to grow.
- **Commerce launched two National Summits on American Competitiveness, bringing together leaders from business and industry to address key policy issues essential to maintaining America's competitive edge.**

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