

Commerce has developed considerable experience in the management of these unique resources.

These include:

- The establishment of some form of “transferrable harvesting privileges” in fisheries management. There is debate over the issue of property rights in reauthorization of the Magnuson-Stevens Act, which requires the National Academy of Sciences to study Individual Fishing Quotas (IFQs) and establishes a moratorium on new IFQs until October 1, 2000. (IFQs do create a property right, but rights do not accrue until fish are actually harvested.)
- The Patent and Trademark examination process, and subsequent issuance of a patent grant or registration of a trademark.
- The specification of a portion of the frequency spectrum for a specific use such as satellite communication.
- The implementation of defense facility reuse or disaster recovery plans to help communities develop in a sustainable manner.

Each of these interventions by the Department of Commerce represent the definition of some form of property right for each of these resources.

The careful development, evolution, and implementation of these forms of property rights by the Department of Commerce results in improved efficiencies in our market-based economy, conservation and stewardship of these resources, and increased benefits to society. The experience gleaned from the management of these complex resources will become increasingly important as the demand for them increases, both domestically and internationally.

IV THEME 3 — GOALS, STRATEGIES, AND OBJECTIVES

Bureaus within the Department of Commerce implement coordinated programs that provide effective management of certain common national resources and ensure their most efficient utilization. Aggressive management of national resources is critical to maintaining the competitive position of U.S. firms in markets that are increasingly international in scope. The goals, strategies, objectives, and illustrative performance measures and guide our activities in this Theme are:

A. Build sustainable fisheries that increase the Nation’s wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities. To support implementation, NOAA pursues partnerships with those affected by living marine resources, to support approaches that mitigate inevitable short-term costs during

rebuilding stocks, so that efforts will be repaid many times over. The goal includes the application of solutions such as growth in a U.S. marine aquaculture industry to help restore depleted populations.

- Assess the status of fishery resources, to improve the scientific basis for policy decisions, including the elimination of overfishing, the rebuilding of overfished stocks, the conservation of fish habitat, and the minimization of bycatch-related mortality. (NOAA)
 - Increased percentage of 201 fish stocks fully assessed. NOAA conducts stock assessments to provide the basis for fisheries management decisions, including the determination of the annual total allowable catch.

- Advance fishery predictions through research and applications. (NOAA)
 - Number of new models/syntheses delivered from fisheries oceanographic studies to Fishery Management Councils. This is a measure of NOAA's efforts to develop new ecosystem-based fisheries oceanography models and syntheses of these models to forecast fisheries long-term productivity.

- Manage for economic growth and sustainable fisheries by working with Fishery Management Councils, foreign nations and others to plan for reducing excessive fishing and capital investment. (NOAA)
 - Number of Fishery Management Plans with controlled access implemented. Access controls provide an important means to address the market failure and overcapitalization that occurs in an open-access, common property fishery resource.

- Ensure adequate compliance with fishery regulations. (NOAA)
 - Increased number of fleets using vessel monitoring systems for spatial/temporal regulations. This measure tracks the number of fleets using state-of-the-art satellite monitoring and communications systems as part of their fishing operations, resulting in improved and more cost-effective fisheries enforcement capabilities.

- Provide research and services for fishery-dependent industries to maximize the potential benefits from the Nation's marine resources. (NOAA)
 - Percentage reduction in the time and cost of permitting environmentally sound aquaculture ventures. NOAA research and technical assistance in aquaculture will help maximize the potential benefits from the Nation's marine resources.

B. Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend. The effort utilizes NOAA's research and management expertise to understand and quantify how species, ecosystems and biological diversity are affected by human impacts and to implement effective programs to recover species or prevent their decline while minimizing the impact to affected users. Conservation programs rely upon a solid investment in research and decision-making to conserve marine species.

- Assess the status of, and impacts to, protected species. (NOAA)
 - Improved assessment of human-induced and other sources of mortality of protected species. This measure reports the number of adverse impacts to protected species identified and acted upon by NOAA, including the detection, monitoring and verification of incidental takes. Understanding and quantifying these impacts enables NOAA to implement mitigation measures to protect species.
- Develop and implement conservation and recovery plans for depleted marine mammals and endangered and threatened species. (NOAA)
 - Number of species with annual status improved. This measure tracks progress for each species to show improvements in their status, which depends upon the degree of successful implementation of recovery and conservation plans.

C. Sustain healthy coasts to achieve more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and sustainable economies for coastal communities based on well-planned development and healthy ecosystems. NOAA's strategy involves: providing greater understanding of interactions among the components of healthy ecosystems; designing and implementing comprehensive and integrated management solutions; and communicating information about coastal environmental problems and solutions.

- Protect, conserve and restore coastal and all living marine resource habitats and their biodiversity. (NOAA)
 - Percentage of the Nation's 40 major coastal ecosystems with reduced risks of habitat loss from releases of oil and hazardous chemicals due to response planning, mitigation, modeling, monitoring and assessments. This indicates how many of the major coastal ecosystems have information on living resources and hazardous materials, to reduce additional risks.
- Promote clean coastal waters to sustain living marine resources and ensure safe recreation, healthy seafood and economic vitality. (NOAA)
 - Percentage of Nation's 40 major coastal ecosystems with enhanced water quality and natural resources. NOAA will provide the tools and knowledge to improve coastal water quality and natural resources, including efforts to assess, remediate and restore coastal ecosystems.

- Foster well-planned and revitalized coastal communities that sustain economies, are compatible with the natural environment, minimize the risks from natural hazards, and provide access to resources for the public's use and enjoyment. (NOAA)
 - Number of models for new commercial products and approaches to industrial processing and bioprocessing based on biochemical products and processes in marine organisms. NOAA works with industry to develop new technologies and products to support environmentally sound economic development.

D. Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection. A strategy of enhancing human resources, employing better processes, leveraging information technology, and effectively managing resources supports this goal.

- Maximize the business contribution of patents by reducing cycle time for inventions, reengineering business processes, achieving electronic processing of patent applications, assessing fees commensurate with resource utilization and customer efficiency, and exceeding customer expectations through the competencies and empowerment of employees. (PTO)
 - Reduced pendency time for patents. Since the term of utility patent protection begins on the filing date of an invention and ends 20 years later, cycle time directly impacts the term of patent protection for our customers.
- Maximize the business contribution of trademarks by reducing pendency time, implementing reengineered processes, and transforming trademark processing into a fully electronic operation. (PTO)
 - Reduced pendency time for trademarks. Prompt action on a trademark application, particularly a first action, enables an applicant to reach the market as quickly as possible.

E. Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace.

- Set policies for efficiently and effectively managing the federal use of the radio spectrum, and prepare for international radio spectrum-setting conferences of the International Telecommunications Union (ITU). (NTIA)
 - Long-range plans to meet public safety and emergency needs.
- Support the development of a National Information Infrastructure (NII) that will be accessible to all Americans. (NTIA)
 - Development of models for utilization of the information infrastructure.

- Promote national policies to increase competition and efficient investment in telecommunications and information industries, enhance consumer welfare and economic and social opportunities for all, and remove impediments to the growth and vitality of these sectors. (NTIA)
 - Increase in the national average for telephone penetration.
- Administer the Information Infrastructure Grants program which provides grants to assist State and local governments, universities and school systems, hospitals and other health care providers, and other social service entities. (NTIA)
 - Increased numbers of entities connected to the NII.
- Ensure that all government needs for vital telecommunications services can be satisfied nationally and internationally. (NTIA)
 - Increased identification of new technologies applicable to government operations.
- Ensure that the educational and cultural benefits of public broadcasting are available to as many people as possible, educational entities are able to use a variety of telecommunications technologies to improve the effectiveness of distance learning, minorities and women have increased access and control of public telecommunications, and blind and hearing-impaired persons are able to participate more fully in society through the use of telecommunications. (NTIA)
 - Development of content policy models adaptable to different cultural beliefs.

F. (EDA's strategies under Theme 3 are achieved through grants awarded to alleviate conditions of substantial and persistent unemployment and underemployment in economically-distressed areas of the Nation having specific resources or assets. EDA's performance goals relate directly to job creation capacity building, information dissemination, and recovery from economic dislocation.)

Enable communities that have acquired military installations during the recent defense downsizing to convert their use to civilian functions for local economic benefit.

- Help communities design and implement strategies for adjusting to base closures or natural disasters that are causing, or threaten to cause, serious structural damage to the underlying economic base. (EDA)
 - Extent of community participation.
- Help communities replace, transform or expand infrastructure facilities of military installations to retain or create substantial employment potential. (EDA)
 - Number of jobs created and/or retained.

G. Enable communities to achieve long-term economic recovery from the devastation of their productive resources by natural disasters.

- Help communities adversely affected by natural disasters to improve their capacity for economic recovery or adjustment. (EDA)
 - Additional funds invested in local projects.

H. Enable distressed communities to practice and implement sustainable economic development.

- Help communities develop an integrated approach that incorporates early local planning, full participation of stakeholders, and a comprehensive strategy to conserve resources and sustain community and quality of life. (EDA)
 - Extent of community planning.
- Help communities redevelop Brownfields. (EDA)
 - Applications of construction grant funding.
- Help distressed communities develop eco-industrial parks. (EDA)
 - Increased amount of non-EDA funds invested.

V PARTNERSHIP ACTIVITIES SUPPORTING RESOURCE AND ASSET MANAGEMENT AND STEWARDSHIP INITIATIVES

Many of the international, Federal, State, and local governmental agencies, private industries, and outside professional groups with which we partner do not make distinctions about which specific Commerce goals they link to — their focus is on an overall Commerce program. As a result, we will discuss our partnership relationships at the bureau level in this portion of the Plan. By establishing partnerships with other agencies or entities, shared goals or outcomes become more achievable, and broader societal goals can be met, often in a more cost-effective way.

NOAA

NOAA has especially developed a longstanding partnership with our Nation's coastal States — recognizing the coastal States' longstanding authority for managing, and their stewardship of, the critical habitat for marine species encompassed by our Nation's rivers, bays, estuaries and coastal waters.

NOAA works with other Federal agencies, States, private and public utilities, treaty tribes, and others in carrying out its responsibilities under the Endangered Species and Marine Mammal Protection Acts for the protection and recovery of large whales, dolphins, other marine mammals, sea turtles, salmon and other listed fishes, and marine plants. While NOAA has jurisdiction over all or part of the biological range of these unique and important species, other Federal and State agencies have authority over many of the human activities which may impinge on these species and their habitats.

NOAA works with the fishing industry to ensure sustainable fishing opportunities. The Regional Fishery Management Councils are a partnership bringing resource managers and fishing interests to the same table to address concerns. NMFS' novel Fix-It Program is an alternative enforcement mechanism that helps fishing interests voluntarily correct technical violations in lieu of paying a fine.

NOAA depends on universities to help accomplish science objectives in its mission areas. NOAA and university scientists collaborate on climate and fisheries research via a network of Joint and Cooperative Institutes at universities, and the National Research Council's Post-Doctoral Investigator Program. NOAA is actively involved with implementing the National Oceanographic Partnership Act, which encourages partnering among the various Federal agencies, academic institutions, national and private research laboratories, and industry. The Under Secretary of NOAA serves as the Vice-Chair of the Council created under this Act.

NOAA also funds academic researchers through competitive, peer-reviewed programs, including the Climate and Global Change Program, Coastal Ocean Program, the National Estuarine Research Reserve System and the National Sea Grant College Program. The Sea Grant program in research, education and outreach extends the partnership to coastal industry and local and state governments. NOAA has established cooperative institutes at several universities and has launched the Sea Grant Industrial Fellows program to promote interactions between academia and industry. Despite research funding reductions, NOAA will maintain current proportions of in-house and extramural research.

Through cooperative efforts with other nations, NOAA is improving access to space technologies and reducing costs of data collection, including the joint Canadian/NASA/NOAA RADARSAT program, and the planned EUMETSAT/DOD/NOAA next generation polar-orbiting satellites. International leadership and collaboration also help ensure the conservation of living marine resources, especially straddling fish stocks and endangered marine species.

NOAA and 31 coastal states have a partnership to ensure safe and sustainable coastal zone development. NOAA provides technical assistance and financing for development and implementation of state coastal zone management plans. NOAA's assistance promotes proactive land-use planning to keep people and property out of high-risk coastal areas and reduce loss of life, property, and natural resources from natural hazards like coastal storms and changing sea levels. The plans are also designed to maintain strong coastal economies by enabling waterfront development and sustaining healthy coastal ecosystems on which coastal communities and economies depend.

PTO

In carrying out two of its core function — to examine patent applications and grant patents, and to examine trademark applications and register trademarks, the PTO partners with international organizations (WIPO, EPO, JPO) to develop and improve systems for the effective granting and protection of intellectual property rights. These international activities lead to harmonization of patent and trademark practices around the world to the benefit of American applicants who also seek protection in other countries.

Nationally, PTO partners with other Federal agencies to develop proposals that will strengthen the U.S. intellectual property system. For example, PTO collaborates with: the State and Justice Departments, and the U.S. Trade Representative to formulate intellectual property policy proposals; the Departments of Defense and Energy, and NASA, in handling patent applications having national security implications; the U.S. Customs Service regarding counterfeit goods or services. PTO's role in disseminating the information contained in patent grants and trademark registrations involves partnerships with regional, State, university, and public libraries in the PTDL network, already described.

The PTO also partners with user groups to get feedback and customer input to help improve its products and services. These partnerships include, but are not limited to, the Intellectual Property Owners, Inc., the American Intellectual Property Law Association, the American Bar Association, the International Trademark Association, the International Intellectual Property Alliance, the Coalition for Patent Information Dissemination, and inventors' groups around the country.

NTIA

NTIA's responsibilities encompass a range of telecommunications national interests, including domestic and international policy, spectrum management, research, and grant applications. Within the Federal government, the State Department, the Voice of America, the U.S. Trade Representative, and other entities address telecommunications as key aspects of their primary missions. Frequently, these agencies rely upon their partnership with NTIA for specific telecommunications expertise, and NTIA coordinates with them in the development of Administration positions.

NTIA coordinates federal use of the radio spectrum through the Interdepartment Radio Advisory Committee (IRAC), which it chairs. The IRAC is made up of all Federal agencies that use spectrum and includes a representative of the FCC. NTIA is responsible for the development and presentation of the U.S. government position at all international telecommunications administration and standards setting conferences.

EDA

EDA's planning program supports 315 local Economic Development Districts and 61 Indian Tribes or representative organizations to help communities build the capacity to focus on long-term economic challenges. Activities under this program include preparation and continuation of an Overall Economic Development Program, and planning, implementation and technical assistance services to communities and local governments. Economic Development Districts coordinate a number of other Federal and State programs.

EDA provides assistance to seriously affected communities to respond to defense-related military base closures and defense contractor reductions. OEA also provides support to EDA's Office of Economic Conversion Information clearinghouse for information on military base reuse initiatives and successful economic recovery efforts.

EDA reviews all economic development plans referred from the Department of Transportation's Maritime Administration related to port facilities under the National Defense Authorization Act. EDA helps the FAA to make supplemental grant assistance available for airport facilities.

EDA works with the USDA's Office of Rural Development to make supplemental grants available for the construction of public works and development facilities.

EDA works with the Appalachian Regional Commission to assist communities in alleviating unemployment and underemployment in areas threatened with or suffering from economic distress or dislocation and provides grants for public works and development facilities.

EDA works with the U.S. Army Corps of Engineers, EPA, and other Federal and State agencies to support EDA's Levee Restoration Program associated with the Midwest Floods of 1993 and the Northwest Floods of 1996. This program establishes procedures for providing technical assistance and amending existing Memoranda of Understanding related to long-term disaster economic recovery efforts. EDA also works with the Corps of Engineers to clean up environmentally contaminated property owned by EDA. EDA works with EPA to coordinate the review of federally financed projects affecting water quality.

EDA works with the Agriculture Conservation and Stabilization Service of USDA to establish a planning and management program of flood-related technical assistance to better facilitate the Federal disaster aid provided to state and local governments associated with the midwest floods of 1993.

EDA works with the Minority Business Development Agency to assist minority businesses in southern California with their recovery from the impacts of the Northridge earthquake.

EDA works with the EPA in the implementation of the Brownfields Economic Redevelopment Initiative. Brownfields are vacant and abandoned industrial sites (some contaminated) with potential for redevelopment. EDA has assisted in the selection of Brownfields pilot projects and works with EPA in the development and implementation of the EPA Revolving Loan Fund Program for grants aimed at the cleanup of pilot sites.

VI ECONOMIC CONTRIBUTIONS AND OTHER BENEFITS OF COMMERCE RESOURCES AND ASSETS

A. Build sustainable fisheries that increase the Nation's wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities.

Overcapitalization of fisheries and biological overfishing results in reduced long-term economic growth, lost jobs, and declining recreational fishing opportunities. Many fishing areas are severely depleted — for example, parts of Georges Bank, an historically important New England Groundfish area, closed in 1994 due to the collapse in fishing stocks — and more effective and efficient federal oversight and fisheries management will enhance commercial and recreational opportunities for all Americans. NOAA estimates that restoring fisheries may add as much as \$2.9 billion in potential net value to the U.S. economy as overfished stocks recover and overcapitalization is reduced.

Along with the economic gains which can be realized by pursuing this NOAA Goal, this activity will enhance recreational opportunities for all Americans. It will also assist in reducing our seafood trade deficit, and improve the domestic supply of safe and healthy seafood, which many Americans increasingly prefer. This goal will also save lives by reducing the risk from the dangerous and wasteful race for fish which occurs in a common property fishery. The safety issue, a problem associated with many fisheries, is expected to be addressed in a National Academy of Sciences study.

B. Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend.

Many populations of marine organisms are depleted or declining due to human activity in marine ecosystems or from other causes. West coast salmon populations, which reflect a diverse array of cultural, historic, recreational, and commercial values, are at risk due to a combination of factors including habitat loss and commercial overexploitation. Several sea lion and seal populations in Alaska are declining rapidly and the causes are uncertain. Through conservation of the Nation's living marine resources, NOAA will enhance economic and cultural opportunities for current and future generations. Because they exist as unique and valuable natural resources, there is broad public support for protection of marine mammals and endangered or threatened species.

C. Sustain healthy coasts to achieve more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and sustainable economies for coastal communities based on well-planned development and healthy ecosystems.

Sustainable economies depend on healthy ecosystems. Nowhere is this interdependence more evident than in coastal areas, where regional and national economic prosperity is closely linked to the health and productivity of coastal ecosystems. Fifty percent of the U.S. population lives on the 10% of U.S. land called the coastal zone. Over one-third of all U.S. jobs are located in coastal areas; one-third of the Nation's Gross Domestic Product is produced there; coastal recreation and tourism generate between \$8 and \$12 billion annually; and commercial fisheries and associated industries contribute over \$25 billion every year. This economic activity depends on healthy coastal habitats, clean coastal waters, and well-planned coastal communities for survival. The economic engine powering the U.S. economy is fueled, in large part, by the special resources of our coasts and oceans.

NOAA provides the science, technology, education and management tools to help ensure that the ecological and economic productivity of coastal areas can be fully and sustainably realized. The benefits of this include providing public access to beaches and other special marine and coastal resources through coastal zone management planning, National Marine Sanctuaries and National Estuarine Research Reserves. They also include recovering over \$150 million from polluters for use in restoring damaged natural resources, restoring wetlands and other habitats important to fisheries and local economies, and tracking, predicting and responding to oil spills and other disasters to minimize impacts in coastal areas. These activities directly benefit NOAA's other stewardship activities, which are critically dependent on healthy coastal ecosystems for their success.

D. Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection.

By protecting intellectual endeavors and encouraging intellectual progress, the PTO preserves our Nation's technological edge, a key to our current and future competitiveness. Innovation is a national resource that provides a catalyst for economic prosperity through the accumulation of scientific knowledge and the introduction of new products and services. By ensuring adequate protection for innovations through patents, trademarks and copyrights, the U.S. encourages businesses to risk investment for research, development, and marketing.

In providing effective management and stewardship of the Nation's intellectual property resources, PTO is cognizant of its responsibility for administering the laws related to patents and trademarks and providing its customers with the highest level of quality and services. In doing this, PTO emphasizes timeliness in processing applications and the quality of issued patents and registered trademarks. These high levels can be provided only through enhancing human resources, leveraging information technology, employing better processes and effectively managing resources, which are the foundations on which PTO's operational plans are built.

E. Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace.

The radio frequency spectrum is a limited, common property resource which is in very high demand. Its efficient and effective use is critical for promoting the nation's commerce, supporting technological innovation for U.S. industry, and realization of its full economic benefits. The NTIA directly manages that portion of the spectrum available to federal users and plays a major role in determining the portion of the spectrum available for public auction to private users by the Federal Communications Commission. Recent auctions administered by the FCC have yielded approximately \$19 billion to the U.S. treasury. Efficient and effective spectrum planning and management supports technological innovation for U.S. industry.

F. Enable communities that have acquired military installations during the recent defense downsizing to convert their use to civilian functions for local economic benefit,

G. Enable communities to achieve long-term economic recovery from the devastation of their productive resources by natural disasters, and

H. Enable distressed communities to practice and implement sustainable economic development.

EDA helps communities develop sustainable economies. EDA helps communities affected by base closing and reductions in base facilities ameliorate the adverse economic effects through the conversion of technology and support services to civilian use. EDA also assists communities in recovering from natural disasters by restoring to full economic use properties impacted by these disasters.

VII INTERNATIONAL ACTIVITIES RELATED TO COMMERCE RESOURCE AND ASSET MANAGEMENT

A. Build sustainable fisheries that increase the Nation's wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities.

Living marine resources do not recognize geopolitical boundaries. Therefore, effective management of these resources often requires international cooperation. The U.S. is party to numerous international and regional fisheries management organizations that cooperatively manage species which migrate beyond national boundaries. The U.S. will continue to work to implement several important recently concluded international agreements to improve fisheries management. These include the U.N. Agreement on Straddling and Highly Migratory Fish Stocks, the U.N. Food and Agriculture Organization (FAO) Reflagging Agreement, the Panama Declaration, and the FAO Code of Conduct for Responsible Fisheries.

B. Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend.

NOAA will continue to seek international cooperation to recover many depleted, threatened or endangered species that migrate beyond national waters. The U.S. is currently negotiating a convention to protect endangered sea turtles and has been a member of the International Whaling Commission (IWC), which was founded to halt the worldwide decline in whales, for almost fifty years. The U.S. is an active party to the Convention on International Trade in Endangered Species of Wild Flora and Fauna, which limits trade in threatened and endangered species. The U.S. has also sought to enhance the protection of endangered species through the imposition of trade sanctions against countries who do not implement conservation measures for dolphins, sea turtles, whales and other species.

C. Sustain healthy coasts to achieve more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and sustainable economies for coastal communities based on well-planned development and healthy ecosystems.

NOAA is actively involved in assisting sustainable management of coastal resources in nations adjacent to, and far beyond, U.S. borders. NOAA has provided technical and other support internationally in coastal zone management, the development of marine and coastal protected areas, the reduction of land-based sources of marine pollution, and the conservation and restoration of coastal habitats and their biodiversity. For example, coral reefs and related ecosystems found within tropical and sub-tropical coastal environments are of particular international concern due to serious patterns of degradation and risk,

primarily from anthropogenic stresses. NOAA has taken an active role to contribute to these and other international concerns for coastal resources including The International Coral Reef Initiative, The Convention on Biological Diversity, the Framework Convention on Climate Change, and The Global Plan of Action to Protect the Marine Environment from Land-Based Activities.

D. Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection.

The U.S. plays a pivotal role in intellectual property rights policy development at home and abroad. In cooperation with the State Department, the U.S. Trade Representative, and ITA, the PTO participates in efforts to improve international standards for the protection of intellectual property, thereby enhancing Americans' ability to obtain intellectual property protection abroad. The PTO participates actively in negotiations regarding agreements to improve protection for patents, trademarks, copyrights, industrial designs, and plant varieties, and collaborates on activities leading to enhanced dissemination of patent information, and shared information on best practices in processing patent applications and automating systems.

E. Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace.

The NTIA coordinates and represents the U.S. government position in all international frequency allocation and standards-setting conferences affecting the radio frequency spectrum. These international negotiations have significant implications for the domestic public and private sector use of the frequency spectrum in the U.S.

VIII

EXTERNAL FACTORS, AND CURRENT TRENDS AND ISSUES AFFECTING COMMERCE RESOURCES

A. Build sustainable fisheries that increase the Nation's wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities.

To reduce overcapitalization in commercial fisheries, NOAA has been moving in the direction of establishing some form of access controls. In addition to IFQs, NOAA also has been considering the establishment of Individual Transferrable Quotas (ITQs) in some of its fisheries as a means of addressing the common property resource problem by using a market-based mechanism with clear transferability. ITQs are intended to have the effect of promoting efficiency within a fishery, creating an incentive to conserve the resource on the part of individual fishermen, and reducing the overall transaction costs associated with engaging in the fishery.

In the recently reauthorized Magnuson-Stevens Act, a moratorium was established on the development of any new IFQ or ITQ-based fisheries until October 2000. In the interim, a study of IFQ-type programs is being conducted by the National Academy of Sciences, in consultation with the Secretary of Commerce and the Regional Fishery Management Councils, and will produce recommendations on implementing a national IFQ policy.

NOAA's goal of building sustainable fisheries is based on the successful accomplishment of objectives that in part are dependent on external factors. Under law, marine fisheries management is achieved by NOAA in close cooperation with the Congressionally-established Fishery Management Councils, regional Marine Fishery Commissions, numerous State, Federal, tribal, trust and international partners, and non-governmental organizations representing the commercial and recreational fishing and conservation communities.

The long-standing tradition of open access to fisheries that has existed in the U.S. and throughout the world has resulted in serious overcapitalization. Attempts to limit catch of overutilized species, reduce vessel over-capacity and minimize wasteful bycatch, have been strongly opposed by already economically stressed fishery participants and their communities. Allocation decisions between commercial, recreational and tribal fisheries have become controversial, and an increasing number of cases are requiring action at the highest levels of the Federal government, resulting in costly litigation. These factors are exacerbated by uncertainty in scientific information and the need for approaches to help the fishing industry and affected coastal communities through the rebuilding period.

B. Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend.

Since the passage of the Endangered Species Act in 1973, NOAA has made significant progress in recovering protected species. Many marine species that were once threatened with extinction, have stabilized and begun to recover. One of NOAA's greatest successes to date has been the recovery of the Gray Whale and its subsequent removal from the endangered species list. However, other recently endangered species continue to decline. NOAA has sought to improve the effectiveness of those recovery efforts by shifting from an exclusive focus on fisheries-related causes of mortality to focusing on all of the problems facing depleted, threatened, and endangered species. These threats include pollution, habitat destruction and removal of prey.

Numerous external factors contribute to the decline of living marine resources. Many human activities contribute to habitat loss, including offshore and coastal development, vessel traffic, and water diversions. A lack of scientific information on which to base decisions complicates effective resource protection. For example, cumulative effects of long-term exposure to human activities, climatic and oceanographic influences and levels of mortality from interactions with fishing activities are poorly understood.

Successful conservation of protected marine resources requires the cooperation of stakeholders, including government agencies, conservation organizations, and user groups and individuals whose knowledge and experience are necessary for effective partnerships in conservation. Approaches to protect and recover depleted, threatened and endangered marine resources can affect land and marine commercial and recreational pursuits. Management decisions may result in controversy over the uses of private property, impacts to major economic sectors (such as mining, logging and hydropower), and allocation of marine resources between human consumption and prey for protected resources.

C. Sustain healthy coasts to achieve more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and sustainable economies for coastal communities based on well-planned development and healthy ecosystems.

One out of every two Americans lives in a coastal area. That is 116 million people in only 10% of the U.S. land area. By 2010, coastal populations will increase 65 % from 80 million in 1960 to 132 million. Increasing coastal populations and the cumulative effects of human activities are the major threat to the future health and productivity of coastal ecosystems. NOAA's information and management capabilities will help prevent careless or uninformed development decisions that lead to continued losses from natural disasters, losses of habitats for commercial and recreational species, negative impacts on tourism and other coastal businesses, and degraded coastal water quality. The social and economic consequences of

this degradation are extremely high. Avoiding these outcomes requires continued support for NOAA's coastal science, monitoring, management, and education activities.

Several external factors may hinder NOAA's ability to achieve their goal of sustaining healthy coasts. Divergent national policies, for example, may prevent achievement of certain objectives. Different policies guiding agricultural practices and regulated run-off into coastal watersheds, or land-use and development in the coastal fringe, may prevent progress on issues such as reducing coastal nonpoint source pollution and reducing the costs of hurricanes and other natural disasters. There is a clear need to harmonize national policies to sustain healthy coasts. Similarly, differences between Federal, State and/or tribal interests and abilities will affect achievement of the goal. NOAA relies on many of these and other partners for implementation of programs, enforcement of regulations, and monitoring of performance.

D. Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection.

There has been a significant increase in the number of patent and trademark applications being filed at the PTO. In part, this can be attributed to a more competitive global marketplace, and the need to secure protection of intellectual property throughout the world. This, in turn, leads to a greater demand for access to patent and trademark information. As American businesses expand their operations across international boundaries, there is greater demand for global protection. PTO continues to work with its trilateral partners to explore potential opportunities for enhancing global protection of intellectual property.

Domestically, the PTO is seeing a greater emphasis on assigning economic value to patents and trademarks. Businesses frequently include the ownership of patents as part of their financial portfolio, and have begun to list these patents as assets in a manner similar to other property rights on financial income statements. Prominent and strong trademarks continue to command significant remuneration as companies are bought and sold.

E. Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace.

The radio frequency spectrum is an extremely limited, but highly sought-after resource. Needs in this area of Commerce resource management include promotion of efficient usage through technical and economic means and promotion of technological innovation.

- F. Enable communities that have acquired military installations during the recent defense downsizing to convert their use to civilian functions for local economic benefit,
- G. Enable communities to achieve long-term economic recovery from the devastation of their productive resources by natural disasters, and
- H. Enable distressed communities to practice and implement sustainable economic development.

Current trends toward adoption of sustainable development practices affirm EDA's founding principles. From its establishment more than thirty years ago, EDA's various programs have served as the model for sustainable economic development at the local level. All of EDA's construction and implementation assistance is based on comprehensive, inclusive local planning that considers all aspects of the economic, social and natural resource bases. This foundation is regularly bolstered by updated analyses and adoption of lessons from previous implementation efforts.

A further opportunity is presented to EDA by the renewed interest in the redevelopment of Brownfields. Recent activities at the Federal and local level present opportunities to exploit EDA's experience, flexibility and expertise.

Challenges remain: In the area of defense adjustment assistance, the need for Federal economic development assistance is acute. More than 1.6 million jobs were lost in the defense industry between 1988 and 1997 in the wake of closures or realignments targeted by the Base Realignment and Closure Commission (BRAC). The BRAC announced that 119 bases are to be closed or realigned by the year 2001, of which only 51 were closed through September, 1996. EDA has provided defense conversion assistance to only 63 of the affected bases thus far. Continued limitation of resources, or possible elimination of funding for defense adjustment assistance will frustrate the ability of communities adversely affected by Federal policies and decisions to respond to the economic dislocation caused thereby.