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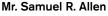
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The 2016 National Competitiveness Forum and Gala Dinner marked the 30th anniversary of the Council on Competitiveness (Council). This special report captures highlights from the event, including the release of our Clarion Call and No Recovery reports. It tells the Council's story during an historic point in time-a change in administrations and an uncertainty about the future role of the United States in the world. The all-star line-up of speakers showcased everything from leading-edge innovations to proposed government policies to visions for America's future competitiveness.

Leveraging the Council's nonpartisan membership of CEOs, university presidents, labor leaders and national laboratory directors, the panels and presentations outlined a pro-growth agenda for the nation supported by innovation, exploration and collaboration. FedEx Chairman and CEO, Frederick W. Smith, gave a keynote address on the importance of global leadership and the value of trade. The Honorable Jerry Moran, United States Senate (R-KS), spoke about the ambitious 2017 congressional agenda. AOL Founder Steve Case emphasized the value of entrepreneurship. The future of advanced manufacturing was the topic of discussion for Subra Suresh, president of Carnegie Mellon University. And top innovators from the private sector, national labs and gamechanging start-ups presented a sneak-peek into "The Next Big Idea!"

The Council's mission has not wavered from its founding in 1986 when John Young, former chief executive officer of the Hewlett Packard Company, saw our nation losing ground to Japan and Germany. As we head into the next 30 years, America's position as a global economic leader faces more challenges than ever before. The Council will continue to take action to ensure that U.S. innovation outpaces others in the global marketplace and that the standard of living continues to rise for all Americans.

Sincerely,



Chairman and CEO, Deere & Company Chairman, Council on Competitiveness



The Honorable Deborah L. Wince-Smith

President & CEO

Council on Competitiveness

National Competitiveness Forum

Washington, D.C.-December 9, 2016

The National Competitiveness Forum was one of the first and largest gatherings of major public- and private-sector leaders following the 2016 election. The possibility of change that comes with a new administration created a palpable energy among attendees as the day's discussions surrounding productivity and innovation progressed.

With media partner CNBC broadcasting live and C-SPAN also providing coverage, leaders from industry, academia, labor and national labs took to the stage to discuss the strengths and weaknesses facing the competitiveness of our country. Our forum galvanized the thinking that through this diversity of leadership and ideas, we can solve the grand economic challenges of our day.





solving the country's challenges to drive future productivity

and prosperity."

The Honorable Deborah L. Wince-Smith President & CEO
Council on Competitiveness

2016 Clarion Call: A Competitiveness Agenda for the 45th President of the United States

The Council released the 2016 Clarion Call: A Competitiveness Agenda for the 45th President of the United States, examining U.S. performance across the pillars of talent, technology, investment and infrastructure.

The annual Competitiveness Report Card issued poor grades to U.S. policymakers on progress in key areas. The 2016 grades indicate a serious need for forward momentum in order to keep America competing at the highest level.

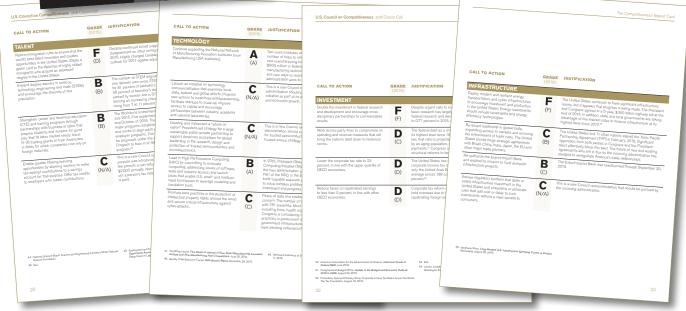




"The president elect probably won't like his report card. There's a lot of F's and D's and not too many A's on there...The important thing we're trying to highlight in the *Clarion Call* is there is a way forward."

Mr. Samuel R. Allen

Chairman & Chief Executive Officer, Deere & Company Chairman, Council on Competitiveness



"When we think about opportunities for growth, there are still a lot of opportunities out there. Exciting, new technologies are just around the corner that can jumpstart U.S. productivity and begin another wave of growth."

Dr. Mehmood Khan

Vice Chairman and Chief Scientific Officer for Global Research and Development, PepsiCo, Inc.
Industry Vice Chairman, Council on Competitiveness



"The focus for competitiveness needs to be on the continued development of ideas. We're underfunding fundamental research. We're underfunding the basis from which these ideas can emerge. We've been stagnant and not moving at the speed that we should be moving."

Dr. Michael M. Crow

President, Arizona State University University Vice Chairman, Council on Competitiveness



"We recognize there's not one silver bullet. This is an integrated system. To make progress on America's competitiveness, the leaders in this room need to form strong bipartisan partnerships with the administration and Congress."

The Honorable Deborah L. Wince-Smith

President & CEO, Council on Competitiveness



How Trade Makes America Great Keynote

It is clear that the politics of protectionism which helped elect President Trump are changing U.S. trade policies.

Mr. Frederick W. Smith, Chairman and Chief Executive Officer, FedEx, sent a message to the incoming administration that "trade makes America great," and that repudiation of trade agreements is a bad move for the U.S. economy.



"Trade certainly got its fair share of attention in the recent presidential campaign, but much of what was said is inaccurate. I'd like to set the record straight: Protectionism doesn't work. Trade is good for—and absolutely essential to—American prosperity. Even though we're the world's largest economy, 80 percent of the world's purchasing power and 95 percent of its consumers lie outside the United States.

"Trade has made America great, and expanding trade has been a bipartisan pursuit for over 80 years. The failure to continue to do so would be a severe mistake with enormous consequences for America and the world."

Mr. Frederick W. SmithChairman and Chief Executive Officer
FedEx

IN THE NEWS

FORTUNE

FedEx CEO Fred Smith Slams Donald Trump's Trade Proposals

POLITICO
FedEx chief urges Trump rethink trade views

FedEx Chairman Fred Snith urged President elect Dunald Trump on Frides to reconsider
the opposition to the TFP and proceed carefully on his threat to withdraw from NAFTA,
which he said enough cases an economic disaster.

*American workers and businesses need aprecented like the Thann-Pacific Partnership,"
Senth said of the National Competitionses Forms in Washington, DC.





Ms. Sara Eisen, Co-Anchor, Squawk on the Street, CNBC; and Mr. Frederick W. Smith, Chairman and Chief Executive Officer, FedEx.

No Recovery

The Council on Competitiveness collaborated with Gallup, Inc. to produce a seminal report on the long-term decline of the U.S. productivity growth rate. *No Recovery: An Analysis of Long-term U.S. Productivity Decline* found that since 1980, U.S. GDP growth has been far below its long-run average, and since 2007 it has been almost negligible at around 1 percent.

The report made news in the week leading up to the National Competitiveness Forum, with the Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness, appearing on CNBC, and a story coming later in *The Wall Street Journal*.

THE WALL STREET JOURNAL

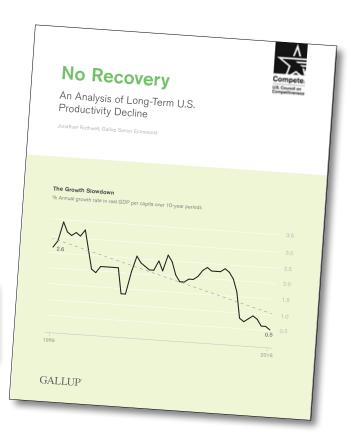
How Inefficient Health Care, Education and Housing May Be Damaging U.S. Productivity

Public and private spending on health, housing and education sectors have soured from 25% to 40% since 1980, a recer study says



"No Recovery makes clear the seriousness of a decades-long slump in productivity and its ramifications—particularly in the three critical sectors of healthcare, housing and education. At a time when so many Americans feel the economy is not working for them, this report sheds light on the importance of reversing these productivity drags and reinvigorating American growth and high-value job creation."

The Honorable Deborah L. Wince-SmithPresident and CEO
Council on Competitiveness





"Well-meaning economists, academics and government officials use the term 'recovery' when discussing the economy, implying that growth is getting stronger. Our study finds there is no recovery."

Mr. James K. Clifton

Chairman & Chief Executive Officer Gallup, Inc.

Congressional Engagement

The Honorable Jerry Moran, United States Senate (R-KS), Pledges Bipartisan Support

After appearing on CNBC early in the day from Capitol Hill, the Honorable Jerry Moran, United States Senate (R-KS), took the stage at the National Competitiveness Forum to emphasize his commitment to work with the Council on key policy issues. Along with Sen. Chris Coons (D-DE), Sen. Moran is Co-chair of the Senate Competitiveness Caucus. He pledged that the Caucus will immediately tackle the tax code, trade and work skills.

"While competitiveness may sound like something technical or policy oriented, it's really something basic to our country and its economy," said Sen. Moran. "Let's give every American real opportunity and a chance to pursue it."

2016 National Competitiveness Forum: Honorary Committee

Sen. Lamar Alexander (R-TN)

Sen. Chris Coons (D-DE)

Sen. Steve Daines (R-MT)

Sen. Angus King (I-ME)

Sen. Joe Manchin (D-WV)

Sen. Jerry Moran (R-KS)

Sen. Lisa Murkowski (R-AK)

Sen. Patty Murray (D-WA)

Sen. Mark Warner (D-VA)

Rep. John Delaney (D-MD)

Rep. Debbie Dingell (D-MI)

Rep. Tom Emmer (R-MN)

Rep. John Garamendi (D-CA)

Rep. Sheila Jackson Lee (D-TX)

Rep. Scott Peters (D-CA)

Rep. Tom Rice (R-SC)

Rep. Paul Tonko (D-NY)



"Competitiveness is a nice word for better jobs, higher paying jobs, job stability and the opportunity for more people to achieve the American Dream."

The Honorable Jerry Moran United States Senate (R-KS)



The Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness; the Honorable Jerry Moran, United States Senate (R-KS); and Mr. Samuel R. Allen, Chairman & Chief Executive Officer Deere & Company, and Chairman, Council on Competitiveness.

Defining "Competitiveness"

Mr. John A. Young, Founder, Council on Competitiveness



"The definition of 'competitiveness' for a nation hasn't really changed over time. We need to meet our competitors while increasing the wealth of our nation. We don't want an economy in which our people are working on the bottom of the heap. So, we have to keep devising new ways to compete and to develop businesses through innovation and technology. That's the key to creating those high-value jobs."

Mr. John A. Young,

Founder, Council on Competitiveness Former President & CEO, The Hewlett Packard Company (Interviewed August 2016)

THE WASHINGTON POST

Council on Competitiveness Formed

Leaders Seek to Improve Performance of American Industries

By Mark Potts

By Mark Potts
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A group of leaders from business, labor and higher education yesterday
announced the formation of a group
to further the cause of U.S. industrial competitiveness—but offered
few specifics on how to do so.
The newly formed Council on
Competitiveness is an attempt to
revive the issues raised two years
ago by President Reagan's Commission on Industrial Competitiveness.
The commission, which like the
new council was chaired by Hewlett-Packard Corp. President John
A Young, called for major changes
in policies affecting trade, technology and capital investment to help
U.S. industry compete better in
global markets. Its recommendations, however, were all but ignored
by the Reagan administration.

"Quite simply, someone needs to give the issue leadership," Young said at a press conference yesterday. "When asked, everybody agrees that competitiveness is important. But more narrow or short-term issues seem to preempt attention."

Listing rising trade deficits, poor productivity growth, technology transfer and confused trade policies among the problems keeping American industry from being more competitive on a global scale, Young said the council hoped to promote the issue of competitiveness as an antional policy goal, get 1988 presidential contenders to adopt the issue as part of their platforms, analyze competitiveness issues, and bridge the public and private sectors to help implement some of the recommendations of the earlier competitiveness commission's report.

"We're looking at the issue from a national perspective," Young said.

would 'help create the consensus in the private sector about what's recompetitiveness.

"We don't represent any particular industry, region or group of people. Our sole purpose is to promote our nation's competitiveness, And in our view that means the ability of U.S. companies to prodoce goods and services here in America—and at the same time provide the quality and attractive prices that appeal to customers worked.

"The council's executive committee includes a variety of representatives from big business, big labor and big university of representatives from big business, big labor and big university of representatives from big business, big labor and big university of representatives from big business, big labor and big university of Rachmel Copy. President John F. Akers, Estman Rock Co. Charman Colby Chandler, AFL-CiO President John F. Akers, Companies of the Companies of th



JOHN A. YOUNG ... chairman of new council

ness is attracting new attention both from the White House and from Democratic presidential hopefuls.

The members of the council suggested yesterday that it would take a broad-based organization to press the multifaceted issues of competitiveness.



American Innovation

For three decades, the Council has put forward policy recommendations backed by a commitment to action of its members. From the first competitiveness agenda to the groundbreaking work on resilience, energy, innovation and manufacturing, the Council has helped set national policy. At the forum, our key initiative leaders looked back on past accomplishments to set the agenda for future insights.









Top: The Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness; Dr. William P. Goldstein, Director, Lawrence Livermore National Laboratory; the Honorable G. Wayne Clough, President Emeritus, the Georgia Institute of Technology, and Secretary Emeritus, The Smithsonian Institution; and Mr. Craig Barrett, former Chairman and Chief Executive Officer, Intel Corporation.

Bottom left: Mr. James L. Balsillie, Co-founder, Institute for New Economic Thniking, former Chairman & Co-CEO, Research in Motion (BlackBerry).

Bottom center: Dr. Carol Folt, Chancellor, University of North Carolina at Chapel Hill; and Mr. Jonas Prising, Chairman and Chief Executive Officer, ManpowerGroup.

Bottom right: Mr. Mike Fucci, Chairman, Deloitte LLP.







Top: Mr. Steve LeVine, Washington Correspondent, Quartz; Dr. Peter Littlewood, former Director, Argonne National Laboratory; and Mr. Christopher Crane, President and Chief Executive Officer, Exelon Corporation.

Bottom left: Mr. Wes Bush, Chairman, Chief Executive Officer and President, Northrop Grumman Corporation; and Dr. Joseph Aoun, President, Northeastern University.

Bottom right: Mr. Mark Minevich, Venture Partner, GVA Capital Group, and Senior Fellow, Council on Competitiveness; Dr. Daniela Rus, Professor, Electrical Engineering and Computer Science, and Director, Computer Science and Artificial Intelligence Laboratory, Massachusetts Institute of Technology; Dr. Cynthia Breazeal, Director, Personal Robots Group, MIT Media Lab, and Professor, Media Arts and Sciences, Massachusetts Institute of Technology; and Mr. Roy Bahat, Head, Bloomberg Beta.

30th Anniversary Gala

On the eve of the forum, Council members gathered at the Smithsonian National American History Museum for a formal gala celebrating three decades of enhancing U.S. competitiveness.





Top: Mr. Roger Bowers, Vice President, HNTB Holdings Ltd.; Mr. Paul Yarossi, President, HNTB Holdings Ltd.; the Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness; Mr. Bill Simmons, Managing Principal, Grayling; and Mr. Nicholas T. Pinchuk, Chairman and CEO, Snap-on Incorporated.

Bottom left: Dr. Keoki Jackson, Vice President and Chief Technology Officer, Lockheed Martin; the Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness; and Mr. Matthew Riddle, President and Chief Executive Officer, Walbro Engine Management.



Bottom right: Dr. Holden Thorp, Provost and Executive Vice Chancellor for Academic Affairs, Washington University in St. Louis; Dr. Mark S. Wrighton, Chancellor, Washington University at St. Louis; Dr. Michael M. Crow, President, Arizona State University, and University Vice Chairman, Council on Competitiveness; and Dr. Jennifer K. Lodge, Vice Chancellor for Research, Washington University in St. Louis.

OPPOSITE PAGE

Top: The Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness; the Honorable Ernest J. Moniz, former Secretary, United States Department of Energy; the Honorable Subra Suresh, President, Carnegie Mellon University; and Dr. John Holdren, former Director, Office of Science and Technology Policy, Executive Office of the President of the United States.







Center: Mr. Samuel R. Allen, Chairman & Chief Executive Officer Deere & Company, and Chairman, Council on Competitiveness; Mr. Luke Harms, Senior Manager, Government Relations, Whirlpool Corporation; Ms. Eva Greene, Government Relations Analyst, Whirlpool Corporation; and Mr. David T. Szczupak, Executive Vice President, Global Product Organization, Whirlpool Corporation.

Bottom: Dr. Thomas Mason, Director, Oak Ridge National Laboratory; Dr. Steve Ashby, Director, Pacific Northwest National Laboratory: Dr. Carol Battershell, Principal Deputy Director Energy Policy and Systems Analysis, U.S. Department of Energy; and Dr. Eric D. Isaacs, Executive Vice President for Research, Innovation and National Laboratories, The University of Chicago.





The Council honored the Honorable Ernest J. Moniz, former Secretary of the United States Department of Energy, and Dr. John Holdren, former Director of the Office of Science and Technology Policy in the Executive Office of the President of the United States, for their contributions to the imperative work of building a U.S. innovation ecosystem.

Top: The Honorable Ernest J. Moniz, former Secretary, United States Department of Energy; and the Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness.

Bottom: Dr. Michael M. Crow, President, Arizona State University, and University Vice Chairman, Council on Competitiveness; and Dr. John Holdren, former Director of the Office of Science and Technology Policy, Executive Office of the President of the United States.











Top left: Ms. Sara Eisen, Co-Anchor, Squawk on the Street, CNBC; and Mr. James K. Clifton, Chairman and CEO, Gallup, Inc.

Top right: Mr. Charles R. Stamp, Jr., Vice President, Corporate Strategy & Business Development, Deere & Company; Ms. Alexandra Sheppard, former Project Coordinator, Deere & Company; Ms. Sarah Dean, Manager, International Affairs, Deere & Company; Ms. Anku Nath, Director, International Affairs, Deere & Company; Ms. Vanessa Stiffler-Claus, Manager, International Affairs, Deere & Company; and Mr. Samuel R. Allen, Chairman & Chief Executive Officer Deere & Company, and Chairman, Council on Competitiveness.

Center left: Dr. Carmel G. Ruffolo, Associate Vice President for Research and Innovation, Marquette University; Mr. Craig Giffi, Vice Chairman and U.S. Manufacturing Industry Leader, Deloitte, LLP; and the Honorable Deborah L. Wince-Smith, President & CEO, Council on Competitiveness.

Center right: Dr. John Holdren, former Director of the Office of Science and Technology Policy, Executive Office of the President of the United States; and Mr. Craig Barrett, former Chairman and Chief Executive Officer, Intel Corporation, and Co-Chair of the Council's National Innovation Initiative.

At left: Dr. Harris Pastides, President, University of South Carolina; Mr. Ashok Agrawal, Managing Director for Professional Development, and Director, Outreach and Engagement, American Society for Engineering Education; Dr. Holden Thorp, Provost and Executive Vice Chancellor for Academic Affairs, Washington University in St. Louis; and Dr. Gene D. Block, Chancellor, University of California, Los Angeles.

Save the Dates

JUNE 27-28

7th Brazilian Industry Innovation Summit

São Paulo, Brazil

(i) Mr. Chad Evans, cevans@compete.org

SEPTEMBER 20-21

4th U.S.-Brazil Innovation Summit

San Diego, CA

(i) Mr. Chad Evans, cevans@compete.org

SEPTEMBER 26

America Competes Award

New York, NY

(i) Mr. Gourang Wakade, gwakade@compete.org

NOVEMBER 28-30

GFCC Global Innovation Summit

Kuala Lumpur, Malaysia

(i) Ms. Kathryn Tinker, ktinker@thegfcc.org

DECEMBER 15

National Competitiveness Forum

Washington, D.C.

(i) Mr. Gourang Wakade, gwakade@compete.org





Council on Competitiveness

ABOUT THE COUNCIL

The Council on Competitiveness is a nonpartisan leadership group of CEOs, university presidents, labor leaders and national lab directors working to ensure U.S. prosperity. Together, we advance a pro-growth policy agenda and promote public-private partnerships in the emerging "innovation ecosystem" where new technologies are born.

WE OPERATE BY

- · Identifying emerging competitive challenges
- · Generating new policy ideas to shape the competitiveness debate
- Forging public-private partnerships to drive consensus
- Galvanizing stakeholders to translate policy into action

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Founder

Mr. John A. Young

Former Chief Executive Officer

The Hewlett Packard Company