

APPENDIX B

OVERVIEW OF U.S. FEDERAL PROGRAMS SUPPORTING THE OPERATIONS OF TECHNOLOGY CONSORTIA

DEPARTMENT OF COMMERCE:

National Institute of Standards and Technology (NIST)

Advanced Technology Program:

The program is limited to U.S. businesses, joint research and development ventures, and independent research organizations, and this only to the extent that they contribute to the competitiveness of U.S. industry. Administered by the National Institute of Standards and Technology (NIST), consortia are supported on the basis of a variety of funding instruments such as procurement contracts, grants and cooperative agreements. Officials report that proposals are evaluated on the basis of the following five criteria: 1) Scientific and Technical Merit, 2) Potential for Broad Based Market Application, 3) Technology Transfer, 4) Experience and Qualifications of the Proposers, and 5) The Level of Commitment of the Firm. Even if it brought its own funding and expertise, a Canadian firm participating in a U.S.-based consortium (whether incorporated in the U.S. or not) could make the consortium ineligible if a) either the research was conducted outside of the United States, or b) the manufacturing of products resulting from the technology developed with ATP funding were to be conducted outside of the United States. Final determinations of eligibility are made by the Secretary of Commerce, if the consortium with a foreign member has a competitive bid and it is determined that the consortium would not be viable without the foreign member. Not only is this process not transparent, but the high costs of submitting a bid under such uncertainty acts as a strong disincentive to U.S.-based consortia that might otherwise seek Canadian partners.

New legislation that is awaiting action by the U.S. Senate amends the definition of the term "United States company" in existing statutes (the Stevenson-Whydler Technology Innovation Act of 1980). According to HR 820 Section 206a(20) of the National Competitiveness Act of 1993, a "United States company" means an entity which:

- a) maintains substantial employment in the United States;
- b) agrees, with respect to a technology arising from assistance provided under this Act or the National Competitiveness Act of 1993, to promote the