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**Folder Title:**  
Associated General Contractors 2/29/92 [OA 7569]

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Stack:	Row:	Section:	Shelf:	Position:
<b>G</b>	<b>26</b>	<b>22</b>	<b>3</b>	<b>4</b>

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THE WHITE HOUSE  
WASHINGTON

January 2, 1992

MEMORANDUM FOR RECORDS MANAGEMENT

FROM: Drucie Scaling *DS*  
Administrative Officer  
Office of Speechwriting  
Room 116, x7702

SUBJECT: FILING OF PRESIDENTIAL SPEECH FOLDERS

The files listed below were compiled by the Office of Research for use in President Bush's speeches. These files are the backup material for each of the President's speeches as they are listed. The Speechwriters were Dan McGroarty, David F. Demarest, Jr., Jennifer Grossman, Andrew Ferguson, Beth Hinchliffe, Joseph Duggan, and Curtis J. Smith. The Researchers were Robert Simon, Jean Bunton, Carol Aarhus, Jennifer Grossman, Gary Gershowitz, and Michele Nix. The date, location of the speech, and Writer and Researcher assigned to the speech are listed below.

2/9/92	Assoc. General Contractors Dallas, TX	Duggan/Simon
3/1/92	Savannah Riverfront Savannah, GA	Hinchliffe/Nix
3/3/92	Nat'l Assoc. of Evangelicals Chicago, IL	Ferguson/Aarhus
3/4/92	Florida Rally Hialeah, FL	Duggan/Simon
3/4/92	GOP Dinner Miami, FL	Smith/Grossman
3/4/92	GOP Luncheon Tampa, FL	Smith/Grossman
3/5/92	Homebuilders' Meeting Columbia, SC	Ferguson/Aarhus
3/5/92	Federal Express Memphis, TN	Ferguson/Aarhus
3/6/92	Rally <i>OA 7569</i>	Duggan/Simon

3/6/92	Rally Jackson, MS	Duggan/Simon
3/6/92	LSU Baton Rouge, LA	Grossman
3/6/92	Rally Edmund, OK	McGroarty/ Bunton
3/7/92	Pennsacola Air Station Pennsacola, FL	McGroarty/ Bunton
3/9/92	Nat'l League of Cities Washington	Ferguson/ Gershowitz
3/11/92	ASAE Washington	McGroarty/ Grossman
3/11/92	Andy Card Swearing-In Washington	McGroarty/ Demarest/ Bunton
3/11/92	Nixon Library Washington	Smith/Aarhus
3/11/92	Nat'l Rep. Sen. Comm. (NRSC) Washington	Hinchliffe/Nix
3/11/92	Nixon Library Conf. Washington	Smith/Aarhus
3/12/92	NSLC Room 450 OEOB	Ferguson/Aarhus

OA 7569

(Duggan/Simon)  
February 27, 1992  
Draft Five  
AGC

PRESIDENTIAL REMARKS: ASSOCIATED GENERAL CONTRACTORS  
DALLAS, TEXAS  
SATURDAY, FEBRUARY 29, 1992  
9:50 a.m.

Thank you, Marvin Black [AGC president]. It's good see to Kirk Fordice [Gov. of Mississippi and former AGC member] and let me thank Mayor Bartlett. I'm proud to stand with you today. \ The men and women who work in construction in this country are one gutsy group of Americans. \ \

We mark an anniversary this week. One year ago, American and allied forces liberated Kuwait. In only a hundred hours of ground combat, our troops achieved victory. \ \

When we drew our line in the sand, I faced resistance from two corners. On one side was the latest wave of out-of-touch liberals, who argued that we shouldn't fight for what was right. I also had to contend with another group of skeptics -- folks who harbor a strange nostalgia for the 1930s, when America isolated itself from world security challenges and trade opportunities. But standing steadfast with me were millions of common-sense Americans like yourselves -- right where you've been in good times and in bad. People in our construction trades have never been confused about our national symbol. You know it's not the ostrich -- it's the eagle. \ \

We agree on the big issues that shape the world -- and on the values close to home: I'm talking about jobs, about family -- about peace, for ourselves -- for our kids. //

Today, our top concern is getting the economy moving and growing again. And I couldn't have a better set of partners in this project than the Associated General Contractors of America. We've been together in earlier battles for this cause -- and together, we've won. \\ We've stuck to principles, and we've helped make this country strong. \\

I'll always remember where you stood in 1982, when times were as tough as they get. The economy then was still in recession -- reeling from the malaise days of the late 1970s: unemployment at 10.7 percent. President Reagan and I knew that the only effective remedy wasn't more government control --it was greater freedom. You shared our long view of things. You stood with us solidly. \\

In 1990, when the business cycle turned down, you stood with your president once again. You helped me light a fire under the do-nothings in Congress. Because you flexed your muscle, we got one good piece of economic legislation in 1991 --the 150-billion-dollar Surface Transportation Act. It took longer than we wanted -- but we got the job done. //

As you know, I've speeded up the flow of funds from this measure to modernize our bridges and highways. All across America, we're helping companies put people back to work. In fiscal 1992 alone, federal highway funding will support more than 900,000 jobs. \\

And I have good news for the American economy as we mark the first anniversary of the liberation of Kuwait. As President,

I've placed top priority on helping Kuwait recover from the ravages of war. And as Kuwait rebuilds, I'm pleased to report that American companies have won more than half of all reconstruction contracts. In 1991 and 1992 alone, those contracts will pump an added 5 billion dollars into the American economy -- and merchandise exports alone will create 60,000 new American jobs.

This good news proves that my long-range program to create jobs by pushing exports is working. In the past five years, exports have generated almost half of America's growth. And we're going to keep putting Americans to work by opening new markets for American goods around the world.

But there's a lot more we must do to build on our achievements. In my State of the Union address I sent a comprehensive economic action plan to Congress, and I set a deadline -- March 20. You and I know the major cause of the drag on our economy: It's that government is too big -- and it spends too much.

That's why I was sorry to see what House Democrats did this past Thursday. They passed up a chance to stimulate the economy -- and tried to score some political points. The plan they passed will raise the deficit, raise taxes, and ruin our economic recovery -- and worst of all, it will not create jobs. So I'll end the suspense: If that plan reaches my desk -- get ready for a veto.

On March 20, I want to sign into law reforms to get our economy moving. We need to get business growing again right now -- upgrading plant and equipment again -- hiring workers again. We need incentives like an investment tax allowance. Consider how it would help Texas' own Williams Brothers Construction Company. If my 15% investment tax allowance is passed by Congress, it will mean an additional 300,000 dollars in working capital this year for this equipment-intensive contractor.

And, yes, it is clearly time for Congress to cut that tax on job creation and investment -- it's time to cut the tax on capital gains.

To get housing back on its feet, I've put forward some commonsense proposals to get people buying and building homes. For instance, I'm asking for a 5,000 dollar tax credit for first-time homebuyers. The Democrats in the House offer those young people nothing. But with my plan, young people almost able to buy that first home could do it with the extra 5,000 dollars in their pocket. \\

Just the other day I met with your industry partners -- the National Association of Homebuilders. Their economists predict that -- this year alone -- my plan will mean an extra 200,000 homes built, and 415,000 new jobs in the homebuilding side of the construction business. Since you clear the tracts and pave new streets and build the shopping and office centers that go with new neighborhoods, I know that growth in housing would be welcome on your side of the business, too. \\

Your powers of persuasion are legendary. So I'm counting on you to get my message to Congress: \ Pass my plan and meet the deadline. Tell your members of Congress: March 20 is when the rubber meets the road. \\ March 20 is when the Congress has to make a choice -- put America back to work or go with the old tax and spend politics-as-usual. I believe March 20 is the time to do something good for the American people. \\

While Congress chafes under that deadline, while Senate Democrats float tax plans that would end up raising tax rates for people who make 35,000 dollars a year -- I have taken actions on my own to get the economy moving. For example, I've begun an unprecedented, top-to-bottom reform of business regulation. \

During the weeks since the State of the Union address, we've changed key banking rules to ease the credit crunch. For healthy banks, we've changed overly strict definitions of bank capital - - creating more access to capital. \\

We've also cut red tape to make it easier for small businesses to get capital from the securities markets. And we've accomplished important reforms to the burdensome payroll tax system. But that's not all. On January 28, I instituted a 90-day freeze on new federal regulations that could hinder economic growth. We're also reviewing all existing rules. We'll propose legislation wherever needed to reform burdensome regulation. And let me tell you, we'll take every action we can to stop regulations that hurt growth and speed up rules that will help get this economy growing. \\

I know the construction industry is hard-hit by federal regulation. That's why my Administration has acted to allow federal contractors more flexibility in the use of less-skilled workers. We recently began implementing an important rule that allows such cost-saving measures. Not only will our rule make it easier for construction firms to do business -- it will also save taxpayers an estimated 600 million dollars a year.

Many times there's a noble idea behind a regulation, but many times regulators go to unreasonable extremes. My message to Congress and to regulators is this: Over-regulation is just that -- it's over. \\

And if there are exceptions -- and some regulators have not gotten the word, tell Marvin here to let me know, and we'll do our best to clear out any unfair obstacles to growth.

I'm also fighting hard against the epidemic of lawsuits -- 18 million last year alone. Let me say that again -- 18 million lawsuits last year alone. \\  
The costs and delays in our legal system are a hidden tax on every construction operator, on every consumer, on every business transaction in this country. \\  
And it's not just the cost of doing business that's being affected. Frivolous lawsuits are tearing apart our social fabric. Some of you may coach Little League teams. You're aware as well as I am that all around this country, fathers are quitting as Little League coaches because they're afraid of liability lawsuits. That's a sign that something's wrong. \ Or when people stop volunteering in their communities because they fear ambulance-

chasing lawyers, something is terribly wrong. \ I've even heard that communities have had to cancel Fourth of July fireworks displays because they can't get liability insurance. \

We'll, I'm determined to change that. \ I've sent Congress a reform bill to halt needless lawsuits and give Americans easier alternatives for settling disputes. I see that you in the AGC have your own industry initiative to achieve more partnership and fewer lawsuits among contractors and subcontractors. I applaud you for doing this. The real answer to solving problems is to be more concerned with helping each other than suing each other. \ \ So let's keep working together to break up America's love affair with the lawsuit. \ \

Since the first settlers came to our shores, Americans have been a restless people. We're forever on the move -- building, inventing, expanding, renewing.

I share that spirit -- and I've never been more restless than now about the state of affairs in Washington. The rest of the world looks to us as a beacon -- as the strongest, the bravest, the freest, the most generous nation on the earth. But in our nation's capital, the tired old liberal leadership of Congress is mired in cynicism and defeatism. \ \

For three years, I've wrestled with a Congress too often paralyzed -- tangled up by a thirty thousand person bureaucracy and a one and a half billion dollar budget. A Congress too caught up in protecting their special perks and privileges to perform the public's business. No wonder term limits for the

Congress are picking up support. \ \ And I agree: If we have term limits on the President, term limitation for Congress is a good idea, too. \ \

The old ways have to change. \ Each one of you is a proven leader in a trade that wrote the book about getting top-quality projects done within deadlines. \ So I'm counting on you to make Congress learn how to meet a deadline. \ \

My opponents have cornered the market for slick rhetoric. But when it comes to delivering results, I have a plan that will stimulate economic growth -- and they don't. \ \

I need your help. Help me get a message to Capitol Hill. Tell them what hard-hat America thinks about Congress and its politics-as-usual. \ Tell them the construction trades support my plan to get our economy moving. \ Tell them I'm dead serious about the deadline -- that you're dead serious about the deadline. \ \ Tell them my plan sets down a solid foundation for lifting this country to new heights. \ \

This convention hall holds special memories for me. \ It was here in 1984 that Ronald Reagan and I accepted our party's nomination for a second term as President and Vice President of the United States. \ I was proud to serve with Ronald Reagan -- he's a man of vision and courage and achievement. \ Remember the recession of 1982. It was tough then: Unemployment got up to 10.7%. But we stayed tough -- kept the Congress from doing crazy things -- and we renewed our commitment to keeping this country moving forward -- for the long haul. We pulled out of the

doldrums, and we kept moving America forward -- because we had your support and the support of millions like you who share our values. \\

Times are tough now. But we will stick to principle and we will again come through these sluggish economic times. This is no time for despair -- this is time for determination: This is time for action.

The American people are getting a little tired of the gloom and doom they hear every night on TV.

Our side will prevail -- again. \\ With your mind and your muscle, we'll prove the pessimists wrong -- again. \ People know: we're in a battle for the future: about jobs, about the family, about peace -- about the kind of legacy we're going to leave for our kids. We'll renew this country -- we'll keep it strong. \ We'll build a better America. \\ Thank you, and God bless the United States of America.

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Unfortunately, on Thursday, Democrats in the House took a turn down a familiar path -- they voted to raise taxes. They voted against creating jobs and stimulating the economy. Instead of voting to provide greater opportunities for all Americans, they voted to saddle the economy with a 100 billion dollar tax increase.

Economists -- Democrats and Republican alike -- agree that the Democratic package that passed today does not create jobs or stimulate the economy. The Democratic package gives typical Americans only about 25 cents a day for two years -- but it increases taxes permanently. I do not believe a Congress that consistently

nomy --

Well, the struggle continues. On one side are the apologists for big government, for prodigal spending, for higher and higher taxes. On our side are men and women who cherish freedom and opportunity. //

(Duggan/Simon)  
February 27, 1992  
Draft Four  
AGC

PRESIDENTIAL REMARKS: ASSOCIATED GENERAL CONTRACTORS  
DALLAS, TEXAS  
SATURDAY, FEBRUARY 29, 1992  
9:50 a.m.

Thank you, Marvin Black [AGC president]. I'm proud to stand with you today. \ The men and women who work in construction in this country are one gutsy group of Americans. \\

We mark an anniversary this week. One year ago, American and allied forces liberated Kuwait. In only a hundred hours of ground combat, our troops achieved victory. \\

When we drew our line in the sand, I faced resistance from from two corners. On one side was the latest wave of McGovern liberals, who argued that we shouldn't fight for what was right. I also had to contend with another group of skeptics -- folks who harbor a strange nostalgia for the 1930s, when America isolated itself from world security challenges and trade opportunities. \\

But in the center -- in the mainstream -- were millions of common-sense Americans like yourselves. That's where you've been in good times and in bad. People in our construction trades have never been confused about our national symbol. You know it's not the ostrich -- it's the eagle. \\

Today our top concern is getting the economy moving and growing again. And I couldn't have a better set of partners in this project than the Associated General Contractors of America. We've been together in earlier battles for this cause -- and

together, we've won. \\ We've stuck to principles, and we've helped make this country strong. \\

I'll always remember where you stood in 1982, when times were as tough as they get. The economy was still reeling from the malaise days of the late 1970s. President Reagan and I knew that the only effective remedy wasn't more government control -- it was greater freedom. You shared our long view of things. You stood with us solidly -- and together we took America to new heights of achievement. \\

*Joe Dugan conversation*  
 You've heard this before, but Bert Beatty [AGC executive vice president] asked me specifically to repeat a memorable line from President Johnson: "We can either stand with the President or paint our tails white and run with the antelopes." \\ \\ Those weren't LBJ's exact words, but you get the idea. \\ \\

*4-24-90 speech to AGC*  
 Anyway, last year, when the business cycle turned down, you stood with your president once again. You helped me light a fire under the do-nothings in Congress. Because you flexed your muscle, we got one good piece of economic legislation in 1991 -- the 150-billion-dollar Surface Transportation Act. As you know, I've speeded up the flow of funds from this measure to modernize our bridges and highways. All across America, we're helping companies put people back to work. In fiscal 1992 alone, federal highway funding will support more than 900,000 jobs. \\

*Janet Hale OMB*  
 Now, there's a lot more we must do to build on that achievement. In my State of the Union address I sent a comprehensive economic action plan to Congress, and I set a

deadline -- March 20. You and I know the major cause of the drag on our economy: It's that government is too big -- and it spends too much. \\

On March 20, I want to sign into law reforms to get our economy moving. We need to get business growing again right now -- upgrading plant and equipment again -- hiring workers again. We need incentives like an investment tax allowance. And, yes, it is clearly time for Congress to cut that sky high tax on job creation and investment -- it's time to cut the tax on capital gains.

To get housing back on its feet, I've put forward some commonsense proposals to get people buying and building homes. For instance, I'm asking for a 5,000 dollar tax credit for first-time homebuyers. The Democrats in the House offer those young people nothing. But with my plan, young people almost able to buy that first home could do it with the extra 5,000 dollars in their pocket. \\

1-24-92 teleconference Just the other day I met with your industry partners -- the National Association of Homebuilders. Their economists predict that my plan will mean an extra 200,000 homes built, and 415,000 new jobs in the homebuilding side of the construction business.

Wash Post 2-1-92 Since you clear the tracts and pave new streets and build the shopping and office centers that go with new neighborhoods, I know that growth in housing would be welcome on your side of the business, too. \\

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I know the construction industry is hard-hit by federal regulation. There's always a noble idea behind a regulation, but too often regulators go to unreasonable extremes. My message to

Congress and to regulators is this: Over-regulation is just that -- it's over. \\  
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I'm also fighting hard against the epidemic of lawsuits. \\  
 The costs and delays in our legal system are a hidden tax on every construction operator, on every consumer, on every business transaction in this country. \\  
 And it's not just the cost of doing business that's being affected. Frivolous lawsuits are tearing apart our social fabric. Some of you may coach Little League teams. You're aware as well as I am that all around this country, fathers are quitting as Little League coaches because they're afraid of liability lawsuits. That's a sign that something's wrong. \ Or when people stop volunteering in their communities because they fear ambulance-chasing lawyers, something is terribly wrong. \ I've even heard that communities have had to cancel Fourth of July fireworks displays because they can't get liability insurance. \

We'll, I'm determined to change that. \ I've sent Congress a reform bill to halt needless lawsuits and give Americans easier alternatives for settling disputes. I see that you in the AGC have your own industry initiative to achieve more partnership and fewer lawsuits among contractors and subcontractors. I applaud you for doing this. The real answer to solving problems is to be more concerned with helping each other than suing each other. \\  
 So let's keep working together to break up America's love affair with the lawsuit. \\  
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See  
 AGC  
 Partnering  
 book

Since the first settlers came to our shores, Americans have been a restless people. We're forever on the move -- building, inventing, expanding, renewing.

I share that spirit -- and I've never been more restless than now about the state of affairs in Washington. The rest of the world looks to us as a beacon -- as the strongest, the bravest, the freest, the most generous nation on the earth. But in our nation's capital, the tired old liberal leadership of Congress is mired in cynicism and defeatism. \\

For three years, I've wrestled with a hostile Congress -- politicians most of the time too caught up in protecting their special perks and privileges to perform the public's business. No wonder term limits for the Congress are picking up support. \\ And I agree: If we have term limits on the President, term limitation for Congress is a good idea, too. \\

The old ways have to change. \ And the time for action is now. \ Each one of you is a proven leader in a trade that wrote the book about getting top-quality projects done within deadlines. \

My opponents have cornered the market for slick rhetoric. But when it comes to delivering results, I have a plan -- and they don't have a clue. \\

I need your help. Help me get a message to Capitol Hill. Tell them what hard-hat America thinks about a do-nothing Congress. \ Tell them the construction trades support my plan to get our economy moving. \ Tell them I'm dead serious about the

deadline -- that you're dead serious about the deadline. \\ Tell them my plan sets down a solid foundation for lifting this country to new heights. \\

This convention hall is holds special memories for me. \ It was here in 1984 that Ronald Reagan and I accepted our party's nomination for a second term as President and Vice President of the United States. \ I was proud to work for Ronald Reagan -- he's a man of vision and courage and achievement. \ On that night eight years ago, we renewed our commitment to keeping this country moving forward -- for the long haul. And we kept moving America forward, keeping this country great -- because we had your support and the support of millions like you who share our values. \\

Well, the struggle continues. On one side are the apologists for big government, for prodigal spending, for higher and higher taxes. On our side are men and women who cherish freedom and opportunity. \\

Our side will prevail -- again. \\ With your mind and your muscle, we'll prove the pessimists wrong -- again. \ We'll renew this country -- we'll keep it strong. \ We'll build a better America. \\ Thank you, and God bless the United States of America.

# # #

# America's Growing Economic Lead

By LAWRENCE B. LINDSEY

Two leading Japanese politicians, Prime Minister Kiichi Miyazawa and Speaker of the House Yoshio Sakaurauchi have caused a firestorm by questioning the quality and work ethic of America's workers and this country's ability to compete in the world. But doubts about America are not confined to foreigners. Not too long ago, some American leaders warned that the country is at risk of a future of flipping hamburgers and sweeping up around Japanese computers.

Fortunately, the evidence is strong that those who are bearish about America's future are wrong about both the past and the future. But the pessimism about America is so widespread that talk of protectionism and a retreat from active involvement in international economic and political affairs is again fashionable. The facts suggest that those seeking a truly effective industrial policy should actually favor active American promotion of rapid world-wide economic growth in the context of free trade.

## Growing Advantage

Research by Andrew Warner of Harvard University and the Federal Reserve shows that, contrary to popular belief, America's advantage is in the production of high-technology capital goods, and that this advantage has been growing. A key reason for the recent boom in exports has been the rapid rise of world-wide spending on capital goods.

## Industrial Giant

Back in the late 1960s, when by all accounts the U.S. was the world's industrial giant, manufacturing amounted to about 22% of real gross domestic product. Much of this manufacturing went into defense and the production of consumer goods from shirts to automobiles. Only 28% of the manufacturing base was devoted to capital goods such as computers, aircraft and industrial machinery, and only 20% of American capital goods were exported. The total value of U.S. capital-goods exports was just 1.4% of GDP.

Today, when some assert that the U.S. has lost its manufacturing base, manufacturing output has risen to 23% of real GDP. The share of the manufacturing base devoted to capital goods has risen to 38%. This capital-goods boom has been made possible by exports: About 45% of capital goods output is now sold abroad, more than double the proportion of the late 1960s. Capital-goods exports now amount to 4% of GDP.

Contrary to the pessimists' view, a major part of this improvement occurred during the 1980s, and particularly the late 1980s. During the 1980s, the growth in real exports amounted to one-fifth of the real growth of the economy. Inflation-adjusted growth in exports of capital goods outpaced overall growth by better than two to one. Since 1986, the story is even more

striking. Nearly half of America's real economic growth over the past five years has been in exports.

Also contrary to the pessimists' claims, U.S. exports have become less based on farm and other primary goods and more focused on high technology. Capital equipment has risen to 41% of U.S. exports from 30% in the late 1960s, largely as a result of the world-wide investment boom: As other countries develop their economies, they purchase increasing amounts of American-made machines, computers and airplanes.

During the past two decades, the investment share of world product has risen to 26% from 22%. In dollar terms, gross world investment outside the U.S. in 1992 will be roughly \$5 trillion.

We should hope that this process con-

*In the late 1960s, only 20% of American capital goods were exported. Today, about 45% of capital-goods output is sold abroad. Capital-goods exports now amount to 4% of GDP.*

tinues, not only for humanitarian reasons, but also to benefit the American economy. Each 1% in world investment spending produces a 1.5% increase in exports of capital goods, and almost a full point increase in total merchandise exports. Strikingly, not only does the relationship between world-wide investment and U.S. exports pass traditional statistical tests easily, the relationship stands up to a wide variety of mathematical and statistical specifications. In fact, the link between U.S. exports and world-wide investment shows some signs of having strengthened in recent years.

It is interesting to contrast the U.S. performance with that of Japan. There is no evidence of a statistical relationship between Japanese exports and world investment spending over the past quarter century. There does appear to be some improvement over time for Japan, although this improving trend does not pass statistical muster. Further, even at its highest, the sensitivity of Japanese exports to world-wide investment spending remained below America's.

One reason for the popularity of the pessimists' view is that America's strengths are not apparent in goods that consumers normally buy. To see them, one has to visit factories, construction sites and airport hangars—not your usual tourist stops.

The regional composition of investment also appears to be shifting in America's favor. Latin America as a whole and Mexico

in particular are increasing their pace of investment. During 1989, the U.S. exported twice as many capital goods to Latin America as did Japan. The other area of potential investment in the years ahead is the former communist bloc, which could become a staggering source of future growth of U.S. capital goods exports.

The most urgent message of this analysis is that encouraging faster world-wide economic development might be the single most effective policy for promoting the growth of exports. The export-promotion policy that many suggest as an alternative to freer trade is a reduction in the exchange value of the dollar. This has three potential drawbacks. First, it's not clear that a country's monetary authorities can control the value of their currency. Second, if foreign-exchange markets perceive that devaluation is an intended policy of the U.S. government, interest rates in assets denominated in dollars might rise to offset the exchange-rate loss. Third, devaluation would reduce Americans' purchasing power and standard of living.

Recent history provides a good test of the relative efficacy of world-wide investment and exchange-rate depreciation. The late 1980s were a period not only of rapidly growing world-wide investment spending, but also of real dollar depreciation. During the five years following the Plaza Accord of 1985, the dollar fell 38% on a trade-weighted basis. World-wide investment spending rose 38% over the same period.

Over those five years, total U.S. merchandise exports rose \$192 billion in inflation-adjusted terms. \$106 billion of the additional merchandise exports, or 55%, was statistically associated with the rise of global investment.

## Common-Sense Ideas

Let there be no mistake: Neither America nor any other country can expect to enjoy an economic free ride. Americans should continue their efforts to reform the nation's schools, increase the investment rate, encourage the natural entrepreneurship of the population and subject government spending and regulation to rigorous cost-benefit tests. But these are common-sense ideas that we would be well advised to undertake regardless of the international trading situation.

There may be some advantage in having Mr. Miyazawa and his countrymen think that America is in decline. It probably pays to be underestimated. But we would be foolish to underestimate ourselves. World economic trends are moving our way and we do not need to be protected from them. If anything, we need to reinforce them and to increase our exposure to them. The best industrial policy for America to pursue is active involvement in the world's affairs to promote global economic development and free trade.

Mr. Lindsey is a governor of the Federal Reserve, in Washington, D.C.

## Banks' Weaknesses Are a Regulatory Illusion

(Duggan/Simon)  
February 26, 1992  
Draft Three  
AGC

PRESIDENTIAL REMARKS: ASSOCIATED GENERAL CONTRACTORS  
DALLAS, TEXAS  
SATURDAY, FEBRUARY 29, 1992  
9:30 a.m.

[Acknowledgments]

I'm proud to stand with you today. \ The men and women who work in construction in this country are one gutsy group of Americans. \ \

We mark an anniversary this week. One year ago, American and allied forces liberated Kuwait. In only a hundred hours of ground combat, our troops achieved victory. \ \

When we drew our line in the sand, I faced resistance from from two corners. On one side was the new wave of McGovern liberals, who argued that we shouldn't fight for what was right. I also had to contend with another group of skeptics -- folks who harbor a strange nostalgia for the 1930s, when America isolated itself from world security challenges and trade opportunities.

\ \

But in the center -- in the mainstream -- were millions of common-sense Americans like yourselves. That's where you've been in good times and in bad. When the full story of the triumph of freedom in the Cold War is told, a big share of credit will go to Americans from the hard-hat trades. When we fought to stop the spread of communism in Asia, your concern wasn't popularity -- it was doing what was right. Year in and year out as we renewed our investment in NATO, you kept alive the faith that freedom would

*You've* win over totalitarianism -- and you were right. ~~Hard-hat America~~ has never been confused about our national symbol. You know it's not the ostrich -- it's the eagle. \\

Today our top concern is getting the economy moving and growing again. And I couldn't have a better set of partners in this project than the Associated General Contractors of America. We've been together in earlier battles for this cause -- and together, we've won. \\

I'll always remember where you stood in 1982, when times were as tough as they get. The economy was still reeling from the mismanagement of the Carter years. President Reagan and I knew that the only effective remedy wasn't more government control -- it was greater freedom. You shared our long view of things. You stood with us solidly -- and together we took America to new heights of achievement. \\

Last year, when the business cycle turned down, you helped me light a fire under the do-nothings in Congress. Because you flexed your muscle, we got at least one good piece of economic legislation in 1991 -- the more than 150-billion-dollar Surface Transportation Act. As you know, I've speeded up the flow of funds from this measure to modernize our bridges and highways. All across America, we're helping companies put people back to work. In fiscal 1992 alone, federal highway funding will support more than 900,000 jobs. \\

Now, there's a lot more we must do to build on that achievement. In my State of the Union address I sent a

comprehensive economic action plan to Congress, and I set a deadline -- March 20. You and I know the major cause of the drag on our economy: It's that government is too big -- and it taxes and spends and regulates too much. \\

On March 20, I want to sign into law reforms to get our economy moving -- swiftly and with staying power. First, let's create incentives to make productive investments: Let's enact a 15-percent investment tax allowance -- and needed changes to the alternative minimum tax. These will encourage business to invest in equipment and become more productive.

Second, let's have new incentives to build and buy real estate. We need a change in the passive-loss rules for active real estate developers. We need penalty-free withdrawals from IRAs for first-time homebuyers, and a \$5,000 tax credit for the first purchase of a home. <sup>A month</sup> ~~Two weeks~~ ago, I met with your industry partners -- the National Association of Homebuilders. Their economists predict that my plan will mean an extra 200,000 homes built, and 415,000 new jobs in the homebuilding side of the construction business. Since you clear the tracts and pave new streets and build the shopping and office centers that go with new neighborhoods, I know that growth in housing would be welcome on your side of the business, too. \\

Third, we need incentives to succeed: We need to cut the sky-high tax on investment and job-creation -- the capital gains tax. \\ We must get that tax rate down -- now. \\

Your powers of persuasion are legendary. So I'm counting on you to get my message to Congress: \ Pass my plan and meet the deadline. Tell your members of Congress: March 20 is when the rubber meets the road. \ \

While Congress chafes under that deadline, I've been busy with executive reforms to get the economy moving. I've begun an unprecedented, top-to-bottom reform of business regulation. \

During the weeks since the State of the Union address, we've changed key banking rules to ease the credit crunch. For healthy banks, we've changed overly strict definitions of bank capital - - creating more access to capital. \ \

We've also cut red tape to make it easier for small businesses to get capital from the securities markets. And we've accomplished important reforms to the burdensome payroll tax system. But that's not all. On January 28, I instituted a 90-day freeze on federal regulations that could hinder economic growth. That covers not just proposed rules, but existing rules, too. I know the construction industry is hard-hit by federal regulation. There's always a noble idea behind a regulation, but too often regulators go to unreasonable extremes. Let me assure you: my reform program means a return to reason. \ \

During the 90-day freeze, we're taking every action we can to stop regulations that hurt growth and speed up rules that will help growth. And beyond that, we'll propose legislation wherever needed to reform burdensome regulation. The bottom line is this: The era of over-regulation is just that -- it's over. \ \

I'm also fighting hard against the epidemic of lawsuits. \\ The costs and delays in our legal system are a hidden tax on every construction operator, on every consumer, on every business transaction in this country. \\ That's why I've sent Congress a civil justice reform bill -- the Access to Justice Act of 1992. This bill will halt needless lawsuits and give Americans cheaper and easier alternatives to going to trial. I see that the AGC has a major initiative to achieve more partnership and fewer lawsuits among contractors and subcontractors. I applaud you for doing this: You're helping not just yourselves, but every American. That's the very sort of thing I want to advance through my civil justice reform bill. \\ So let's work together to break up America's love affair with the lawsuit. \\

Since the first settlers came to our shores, Americans have been a restless people. We're forever on the move -- building, inventing, expanding, renewing.

I share that spirit -- and I've never been more restless than now about the state of affairs in Washington. The rest of the world looks to us as a beacon -- as the strongest, the bravest, the freest, the most generous nation on the earth. But in our nation's capital, the tired old liberal leadership of Congress and its parrots in the news media are mired in cynicism and defeatism. \\

For three years, I've wrestled with a hostile Congress -- politicians most of the time too caught up in protecting their special perks and privileges to perform the public's business.

No wonder there's an anti-incumbent fever in this country. No wonder term limits for the Congress are looking more and more like a good idea whose time has come. \ \

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My plan sets down a solid foundation for taking our country to unprecedented heights. With your mind and your muscle, we can prove the pessimists wrong. \ We can renew this country. \ We can <sup>build a better</sup> ~~lift~~ America ~~to a better future.~~ \ \ Thank you, and God bless the United States of America.

# # #

(Duggan/Simon)  
February 25, 1992  
Draft Two  
AGC

PRESIDENTIAL REMARKS: ASSOCIATED GENERAL CONTRACTORS  
DALLAS, TEXAS  
SATURDAY, FEBRUARY 29, 1992  
9:30 a.m.

[Acknowledgments]

I'm proud to stand with you today. \ The men and women who work in construction in this country are one gutsy group of Americans. \ \

We mark an anniversary this week. One year ago, American and allied forces liberated Kuwait. In only a hundred hours of ground combat, our troops achieved victory. \ \

When we drew our line in the sand, I faced resistance from from two corners. On one side was the new wave of McGovernites, who argued that we shouldn't fight for what was right. I also had to contend with another group of skeptics -- folks who harbor a strange nostalgia for the 1930s, when America isolated itself from world trade opportunities and security challenges. \ \

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\\ Thank you, and God bless the United States of America.

# # #

## Brighter Outlook Seen for Housing

*Bush's Plan Buys Builders, Economists*

By William F. Powers  
Washington Post Staff Writer

Economists and home building experts predict the rest of the year will bring improved home sales, moderately rising prices and steady mortgage rates in the wake of President Bush's sweeping proposals to revive the nation's dormant housing market.

There are a few wild cards that could alter this scenario, but for the moment the prognosticators are upbeat, saying it will be an improved year for a variety of people—builders, real estate brokers and buyers alike—as the market slowly wakes up from its long, troubled sleep.

The Bush proposals are premised on an idea that was the mantra of last weekend's convention of the National Association of Home Builders (NAHB) in Las Vegas: residential construction has lifted the United States out of economic slumps before, and it will do so again.

The president said it—"I believe that housing, home-building, will lead the recovery"—in a live video chat with the leaders of the trade group, who echoed those sentiments themselves over and over.

Then in his State of the Union address Tuesday, Bush bet money on the idea, with his proposals for a \$5,000 tax credit, stretched out over two years, for Americans buying their first home in 1992; penalty-free withdrawals from individual retirement accounts for first-time buyers; and a tax law change that apparently would allow homeowners who sell their houses at a loss to take a deduction on it according to a complex formula.

Bush's proposals, which still have to be approved by Congress, are just the kind of help the building industry has been lobbying for in recent months.

When about 60,000 builders convened in Nevada last week, they had reason to feel gloomy, having just come off their worst year since 1946. For four days, they gathered in standing-room-only crowds for seminars on the economic outlook and how to survive the current scarcity of bank loans for construction.

"It's a real hard, cold world," one builder told a panel of economists discussing the credit crunch.

But the economists said the industry had nowhere to go but up—"1992 almost has to be a better year," one told them—and Bush promised he would help.

The builders were cheered. In a

convention poll, 63 percent said they expected housing starts to improve this year, compared with just 17 percent in a January 1991 poll. And they rated the nation's economic prospects for this year at 3.4 on a scale of 5, with 5 being excellent. A year ago they graded its prospects at 2.8.

After the president's State of the Union speech Tuesday, the NAHB changed its forecast for 1992 home construction to 1.4 million units from about 1.2 million units,

*"If you look at this as a window of opportunity for home affordability, it's not closing rapidly."*

— David Berson,  
Fannie Mae chief economist

according to Kent Colton, the association's executive vice president. The NAHB also predicted that the Bush plan, if passed, will lead to the creation of 415,000 construction industry jobs, and \$20 billion in new economic activity associated with home building.

So things are looking up for home builders. For consumers, the question is what will happen to home prices and mortgage rates for the rest of the year.

Here again, the analysts offered good news. "If you look at this as a window of opportunity for home affordability, it's not closing rapidly," said David Berson, chief economist for the Federal National Mortgage Association (Fannie Mae).

Prices for new and existing homes are likely to rise this year, but probably not precipitously, according to industry officials. Seventy percent of those surveyed in the Las Vegas poll said the new houses they build will increase in price, with an average expected increase of 6.5 percent.

Berson this week predicted 1992 price jumps of about 4 percent for existing homes and about 6 percent for new homes.

The new home prices are likely to go up more, Berson said, because the inventory of new unsold homes is very small, "and once demand starts picking up—and it looks like

See HOUSING, E11, Col. 1

it's picking up—the number is going to dwindle quickly."

If banks don't loosen up lending to builders, a shortage of new homes could send prices on a rapid, steep climb, lending industry officials said.

Without an easing of the credit crunch allowing builders to accelerate land acquisition and development, "we could very easily see new home prices rising at a double-digit [percentage] pace," Berson said, adding, however, that Fannie Mae's predictions assume more liberal lending this year.

Mortgage rates, the other key factor in consumer decisions on home-buying, will hold basically steady this year, according to economists and mortgage lenders.

Robert Van Order, chief economist for the Federal Home Loan Mortgage Corp. (Freddie Mac), said the average national rate for 30-year fixed-rate mortgages will probably not exceed 9 percent this year.

Others agreed with Van Order, but Richard W. Peach, deputy chief economist for the Mortgage Bankers Association of America (MBA), said "it's quite possible" rates could rise to more than 9 percent if the economic recovery is strong in the second half of the year.

Did the rates hit bottom in early January, when the national average for 30-year fixed-rate loans was at 8.25 percent?

The chief executive of one of the nation's largest mortgage lenders, Angelo R. Mozilo of California-based Countrywide Funding Corp., thinks so. Mozilo, who also heads the MBA, said at the Las Vegas builders' conclave that rates will not go down to that level again in this cycle.

"I think that will probably prove to be the bottom," said Fannie Mae's Berson. He and other economists said there might be another dip, but not to less than 8.25 percent.

Perhaps the key factor in the direction of the housing market for the rest of this year is whether the Bush proposals will have their intended effect.

"I think the president's proposals will have a modest stimulative effect on home purchases over the next few months," said Warren Lasko, MBA executive vice president.

He added that some buyers may wait until Congress passes the tax credit before moving to purchase a first home. This may cause what one economist called an "air pocket" in the market during the next month or two.

But Lasko suggested that the gap might later be offset by buyers moving planned 1993 purchases into this year to take advantage of the tax credit. As proposed, the credit would cover only first-time purchases made during 1992.

Another problem is that unless an arrangement is found for first-time home buyers to obtain their tax-credit money, or its equivalent, at the time they are likely to need it most—when they actually buy a house—the credit could prove less stimulative to the market than the administration might like.

The MBA's Peach said sellers and builders might consider working out a second mortgage for the \$5,000, to be paid back in two installments when the tax credits come in, but only if Fannie Mae and Freddie Mac change their rules to allow this.

The NAHB's Colton said "the market will figure out a way, at least for the first \$2,500 of that, to cash that through. . . Builders will certainly work with [buyers] creatively."

The MBA's Mozilo said in a statement this week: "A tax credit, while valuable, will take time to implement and a method will need to be developed to turn the credit into upfront money that cash-poor families need."



City/State: Dallas, TX  
 Event: ASSOC. GEN. CONTRACTORS  
 Date: 2-20-92

## OFFICE OF PRESIDENTIAL ADVANCE CONTACT SHEET

Name	Office	Phone Number
Presidential Advance Office		202/456-7565
Presidential Advance Fax Number		202/456-2820
LEO TOMEU	PRESIDENTIAL ADVANCE	202/456-7565
JOHN HERRICK	PRESIDENTIAL ADVANCE/PRESS	202/456-7565
PEGGY HAZELRIGG	PRESIDENTIAL ADVANCE	202/456-7565
Carol Aarhus	Presidential Speechwriting	202-456-7750
Chris Blessington	Assoc. Gen. Cont	202-393-2040
DICK RATHMERE	U.S. SECRET SERVICE	202-395-5473
Dave Humphrey	U.S. SECRET SERVICE	214-767-8021
BOB STEELE	WH. COMMUNICATIONS AGENCY	202-757-2440
DICK SHIRLEY	SECRET SERVICE	214-767-8021
<b>CAPT. TOMMY MDNEY</b>		<b>214-939-2831</b>
Billy Holmes	Dallas Convention Center	214 939-2754
ROB CREAMER	MARINE ONE ADVANCE	703 640 2364
Gordon Koch	White House com w TRIP OFFICER	202 57-5000 in Wash of Hyatt on Reunion
Deborah McGhee	WH COMMUNICATIONS	202 395-200
MICHAEL MORROW	SECRET SERVICE / DALLAS	(214) 767-8021
BONNIE DAVIS	EVENT COORDINATOR DC	(214) 939-2789
JOE FARLEY	D&L ENTER TAINMENT SERVICE	(214) 658-7132
LAWRENCE SWICEGOOD	N.P. ADVANCE LEAD	(214) 692-1522 Ext 309

Good contact! ←

*Building a Better  
America*

*2800 people  
prompter*

(Duggan/Simon)  
February 18, 1992  
Draft One  
AGC

PRESIDENTIAL REMARKS: ASSOCIATED GENERAL CONTRACTORS  
DALLAS, TEXAS  
SATURDAY, FEBRUARY 29, 1992  
[time] *9:40 am*

[Acknowledgments]

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dwp

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# # #

**MEMORANDUM**

February 27, 1992

**TO:** Bob Simon, White House  
**FROM:** Chris Blessington, AGC  
**SUBJECT:** Quote for President's Speech

"Take, for example, AGC member firm Williams Brothers Construction Company. If my 15% investment tax allowance is passed by Congress, it will mean an additional \$300,000 in working capital this year for this equipment intensive Texas highway contractor."

*will this help expand # of jobs?*

*% of growth due to exports*

*Dr. Staff Office*

THE WHITE HOUSE

WASHINGTON

February 22, 1992

MEMORANDUM FOR BOB SIMON

FROM:

CAROL AARHUS *ca*

SUBJECT:

AGC CONVENTION, DALLAS CONVENTION CENTER  
DALLAS, TEXAS  
FEBRUARY 29, 1992

POTUS is coming to this event from Houston. It's a typical 2-tiered event. He'll have a photo (20 clicks) with AGC officials, and proceed into the convention area.

They are expecting 2800 attendees -- I ordered a prompter. POTUS will speak at 9:40 a.m. It is still TBD who will introduce POTUS. POTUS leaves immediately following the speech. The audience is seated theatre style. This is a good audience -- very supportive of the President.

✓ The proposed banner will read: "AGC and President Bush Building America". I didn't get to confirm that the 1984 Convention was held here, because we left almost right after I spoke with you. I've enclosed a brochure from the Convention Center, as well as the call sheet. We didn't stop by Thanksgiving Square, so Ed didn't get the dove.

Larry Sweisgood is the lead for this event. This is a chance to make the news for the day, since it is in the a.m., and he goes to Atlanta in the afternoon for a Bush-Quayle fundraiser.

*84 GOP convention held there*

# CONSTRUCTOR PRESIDENT'S MESSAGE

## PARTNERING . . . AS A BARRIER TO LITIGATION

Have you ever made a presentation to a prospective client where, instead of marketing your firm's competence and track record, you brought along a retinue of attorneys and tried to convince your prospective owner that you were providing a client-service? No way!

Did you ever get a construction contract and, before the signature ink dried, invite the owner to a meeting with your attorneys? Of course not!

Have you ever had the experience when one of your good employees made a mistake such as: getting too rigid about something where rigidity made the original problem inconsequential; being just plain wrong but of a mindset that a mistake can be covered up; or who is so good as to be convinced that mistakes are what other people make? Such are the vagaries of human nature from which few organizations are immune. The better organizations successfully cope with such problems in a variety of ways including:

Instilling in all employees that the customer is always right. To the extent that the customer becomes convinced to the contrary, the business goes to a competitor who has done a better job convincing employees that the customer is always right.

Creating a working climate in which employees are unafraid to acknowledge error, but are also equally dedicated to correcting mistakes and to not repeating them.

Firmly grasping nettles or pulling any other noxious weeds that are detrimental to teamwork and the success that only teamwork can guarantee.

Wherever we look in the world of business, the organizations that thrive and prosper over the long haul, whether they sell automobiles, computers, food, textiles, equipment, or services, hue to the belief that the customer is always right, that



mistakes can be corrected but not repeated, and that teamwork is the essence of success. There will be times when we work for clients who have employees with all the characteristics we don't want on our team. When that happens, we have to, and we will, think and act as customers.

But, we always need to keep in mind, and not be reluctant to share it with our owners, that our business is different than most others because we build to order, as specified by the owner or owner's agent. Whether or not an owner knows or wants to acknowledge it, when they engage us to build a project, they have acquired a PARTNER. . . .and so

have we ever seen . . . Who would want to bring to that PARTNERSHIP a retinue of lawyers, or dogmatists, or any who incorrectly think that long-term advantage can be gained by short-term expediency, or worse?

AGC's Partnering Program (see pages 26 and 120) is not, for the most part, a new way of doing business. On the contrary, it is the oldest way of doing good construction business because it recognizes and acts on the principle that a successful project results from team efforts.

What is new about AGC's Partnering Program is that it seeks to keep the construction process free of litigation. When the PARTNERS in a construction project commit to meet regularly to anticipate problem areas and to establish systems to address problems as they arise, they build more than a quality project. They also build barriers against litigation.

Let us look forward to the day when the only fear we will have of litigation will be the prospect of suit by lawyers claiming loss of litigation opportunity. AGC's Partnering Program can help secure that day.

—By Marvin M. Black, President, the Associated General Contractors of America

Photo Copy Preservation

# CONSTRUCTOR NEWSLINE

## HIGHWAY LEGISLATION STILL NEEDED AT PRESS TIME

Fiscal Year 1991 ended without final action by Congress to reauthorize the nation's federal-aid highway program, which expired on Sept. 30.

With less than \$7 billion in carryover funds from the previous year, many states are unable to begin new highway projects. Several states cancelled their October lettings, and by December more than half of the states will be unable to advertise federal-aid highway projects.

Rep. Robert Roe (D-N.J.), chairman of the House Public Works and Transportation Committee, and committee members Norman Mineta (D-Calif.), John Paul Hammerschmidt (R-Ark.), and Bud Shuster (R-Pa.) pressed for a complete rewrite of the House surface transportation legislation. The committee leadership had previously urged inclusion of a five-cent increase in highway user fees—a proposal abandoned due to efforts to divert part of the increase to the general fund, Senate opposition, and the threat of a presidential veto.

The revised six-year House bill would draw down the balance in the Highway Trust Fund to \$2.3 billion from \$11.4 billion and includes:

- \$119 billion for highway construction and repair and \$32 billion for mass transit;
- Restructuring of the federal-aid highway program to create a 155,000-mile national highway system;
- Federal/state match of 80/20 (percent) for all programs except interstate construction and repair, which remain at 90/10 (percent);
- 90 percent of the guaranteed minimum allocation for each state relative to its share of Highway Trust Fund contributions (increased from 85 percent); and
- Increased flexibility at state and local levels to transfer federal-aid highway funds to mass transit projects.

At press time the revised bill was scheduled to reach the House floor on Oct. 22. AGC continued its efforts to secure this needed surface transporta-

tion reauthorization during this congressional session and emphasized that highway user fees must be used for their intended purposes.

The Senate passed surface transportation legislation in June. Two major differences in the House and Senate bills remain to be worked out in conference before final signing of this legislation:

- The structure of the Senate bill focuses on a large block grant surface transportation program, while the House bill emphasizes a National Highway System.
- Funding formulas vary significantly with regard to the distribution of funds to the states.

## AGC PRIVATE BUILDING OWNERS COMMITTEE MEETS

AGC's Private Building Owners Committee met and established a mission statement to "work with private owners and national associations to promote better industry relations through education, understanding, and cooperation." The committee will take a proactive role in developing policies, procedures, and guidelines that foster a non-adversarial environment in order to deliver the highest quality product for the owner's investment.

The committee is pursuing liaison work with the National Association of Industrial and Office Parks, Building Owners and Managers Association International, International Council of Shopping Centers, Urban Land Institute, National Association of Corporate Real Estate Executives, International Facilities Management Association, American Hospital Association, and the Business Roundtable.

## BUILDINGS MAGAZINE FORECASTS RECORD YEAR IN MODERNIZATION, BEGINNING OF TURNAROUND IN NEW CONSTRUCTION

Estimates provided by subscribers of *Buildings* magazine indicate a record amount of planned spending of \$68.2 billion on modernization projects in 1992. An additional \$59.3 billion is anticipated for new construction in the coming year, according to the building owners/develop-

ers responding to the annual survey. The projections for each building type for both new construction and modernization are shown in the chart below. Further information will be published in the January *CONSTRUCTOR*.

### Estimates for New Construction: 1992

Building Types	
Office Buildings	\$13,696,713,800
Shopping Centers	8,731,596,225
Chain Stores	7,968,711,850
Hotels/Motels	5,181,435,600
Education Buildings	5,468,484,000
Healthcare	4,758,107,770
Apartments	6,242,100,992
Other Commercial	7,257,109,375

**TOTAL: \$59,304,259,612**

### Estimates for Modernization: 1992

Building Types	
Office Buildings	\$24,151,653,706
Shopping Centers	12,462,655,320
Chain Stores	8,734,794,620
Hotels/Motels	3,142,506,200
Education Buildings	4,449,282,480
Healthcare	4,194,104,410
Apartments	4,790,832,975
Other Commercial	6,259,211,805

**TOTAL: \$68,185,041,516**

## PROFESSIONAL DRIVERS RATE WORST ROADS IN THE U.S.

More than 2,500 over-the-road truckers responded to a survey by Randall Publishing, publisher of *Overdrive* and *Equipment World* magazines, rating the worst roads in the U.S. The rankings for all states mentioned in the survey are shown in the table below.

State	% of Respondents
1. Pennsylvania	20.95
2. New York	15.90
3. Ohio	5.41
4. Illinois	4.97
5. Louisiana	4.72
6. Arkansas	3.26
Texas (tie)	3.26
8. Kansas	3.05

# CONSTRUCTOR EDITORIALS

## PARTNERING AND LAWYERS

When AGC's Partnering Program works, (page 26) and it will because it is already on the street, it will reduce revenues to lawyers from owners and contractors. Some who might take pleasure from either that statement or its execution, or who are partial to hard-edged humor about the legal profession, have a few surprises in store.

Sorry to spoil your day if you have an aversion to lawyers, but there is not a single word or thought in AGC's Partnering Program that slams or slights them. Instead, Partnering is concentrated on how the construction team of owners and their agents, and general contractors and their subcontractors, can best deliver that which the parties to the construction contract have agreed to provide.

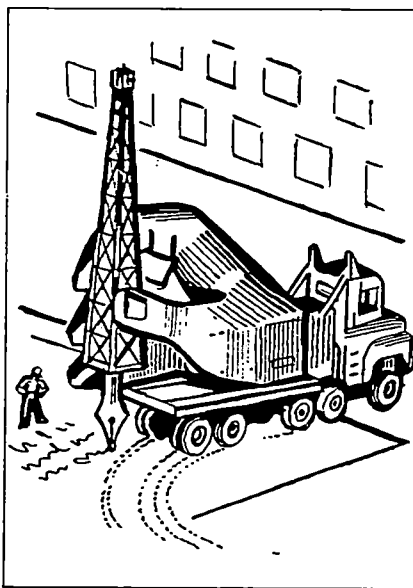
If AGC's Partnering Program has any deficiency, it is at page 18 of the document where its seven endorsers do not include any law firm. But, in an age where all of us must market our services, this editorial writer predicts that some law firms will make friends by sharing AGC's Partnering Program with clients and recommending its use.

Dentists do not hesitate to recommend oral hygiene. And, like doctors who work to keep us out of hospitals, the best in the legal profession would keep us out of court.

## ENVIRONMENTAL EXTREMISM

Through the ages parents have always been concerned about the legacy they will leave their children. This concern is typically translated into a desire to improve our children's quality of life. In recent times this concern has been broadened to include what the current generation will leave to the next generation in terms of the environment. This is a real concern and one that is being addressed on many levels.

Environmental protection, however, must not be allowed to become the overriding goal that subordinates all others. As with most things in life, there must be a balance. Unfortunately, this is not what is happening.



Environmental extremists are attempting to use environmental laws and regulations to retard growth and progress, without any consideration given to the harmful consequences to our economy and standard of living.

The Endangered Species Act, for example, was enacted to protect rare species of plants and animals in danger of extinction. Instead it is being used as a means to prevent development in areas with little regard to the damage done to local economies.

The recent example of setting aside 11.6 million acres of forest throughout Washington, Oregon, and Northern California as protected habitat for the spotted owl without regard for the 100,000 logging jobs that may be lost is, unfortunately, only one blatant example of such extremism. Hundreds of infrastructure projects nationwide are being stopped because of the same law.

The Endangered Species Act is just one law. Consider the cumulative impact of the Clean Water Act, the Clean Air Act, the Superfund law, the Resource Conservation and Recovery Act, the Coastal Zone Management Act, and hundreds of state laws. Clearly the pendulum has swung very sharply in one direction. Now is the time to bring the pendulum

back into balance.

Protecting the environment and ensuring economic growth should be and can be mutually achievable goals. Overzealous implementation of environmental policies without regard for the enormous cost to the public well-being or the often negligible benefit to the environment must be brought under control. The legacy we must leave the next generation should be a strong and competitive economy and a clean environment.

## SERVING OWNERS: AGC CHAPTERS LEAD THE WAY

AGC chapters have created a variety of programs designed to help owners find the best contractor for their construction needs. Regardless of the size of a project, whether it be a small office building or a giant power plant, AGC contractors have the skill and know-how to get the job done.

What are some of the services an owner can expect from an AGC chapter? Contractor referral services, membership directories and buyer's guides that list contractors by category of work performed, committees that offer networking opportunities, videotapes and contractor checklists, and special publications and seminars geared toward owners are just a few of the programs chapters are offering to prove that Build with the Best is not just a slogan.

Many chapters also provide jobsite safety and health training in the form of safety vans/mobile classrooms, ensuring that an AGC construction site will conform to the highest standards in the industry.

A vast network of chapter plan rooms, stretching from New England to Alaska and across the Pacific Ocean to Hawaii, allows owners to get their project plans and blueprints in front of the best contractors in the nation.

Remember: for all your construction needs, call your local AGC chapter. When it comes to serving owners' interests, nobody does it better than an AGC contractor.



**THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA**

1957 E STREET, N.W. • WASHINGTON, D.C. 20006 • (202) 393-2040

*Mary 214-658-8110*

FAX NUMBER (202) 347-4004 • TELEX 279-354 AGC WSH

**FAX TRANSMITTAL FORM**

DATE 2/27/92

TO Joe Duggan

456-6218  
FAX NUMBER

FROM Hubert Beatty

SUBJECT \_\_\_\_\_

MESSAGE Following up our conversation, being sent to you  
separately is a copy of our Membership Directory.



**POSSIBLE REMARKS — PRESIDENT BUSH**  
**AGC CONVENTION — FEBRUARY 29, 1992**

I think it is generally known that my office receives numerous invitations to address Conventions — and for every day of the week.

It would be nice to accept all such invitations, but my job description and intent is to continue to be chief executive of the greatest Nation on earth in a changing and challenging world.

Yet, it was easy to accept your invitation, and for the same reason you good people accept invitations . . . because there is always a special feeling when, through think or thin, friends say, "the welcome mat is out for you at our house."

I remember being with you down the road in Houston at your 1982 Convention.

Do you remember 1982?

The Nation's economy was soft — unemployment was higher than anything we've experienced in the last few years --- we had just begun to bring inflation under control, and interest rates had begun to come down from the stratospheric levels of the Carter Administration.

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**You remember all that.**

**Well, I remember it, too, and what I remember most is that you good people tightened your belts a notch or two -- saw better days ahead and put your shoulders to the wheel to secure those better days -- and you did secure those better days.**

**So, when reviewing invitations for places I could spent part of this weekend, it was easy to say:**

- **I want to be with people who are building America;**
- **I want to be with people who see and who build opportunities;**
- **I want to be with an industry of sturdy and optimistic hard hats -- 4 1/2 million strong who are now building the foundations for the Nation's future prosperity; and**
- **I want to be, and I am glad to be, with the people who are maintaining, rebuilding and expanding this Nation's arteries of commerce . . . our highways and bridges.**

- 3 -

**That massive \$151 billion six-year program, which I signed into law on December 18 assures hundreds of thousands of jobs directly in construction and hundreds of thousands of additional jobs offsite.**

**Beyond the massive employment provided in the Surface Transportation Intermodal Efficiency Act of 1991, you know -- I know -- and all thinking people know what this massive investment means to assure America's competitiveness in a global economy.**

**Our growing exports are driven over the highways and bridges you build and maintain, and they are exported from the airports and the docks that are put in place . . . not by pontificators . . . not by rhetorical promises or flourishes . . . but by doers who, instead of tearing down, build solid structures on sound foundations to build a vibrant America.**

**So, when you go back home and your neighbors ask why I was at your Convention, tell them I was here because I care . . . tell them I was here because I like to be with friends . . . tell them I was here because my job is also that of a builder.**

- 4 -

**I have loads of reasons to have special affections and regards for the construction industry.**

**Yours is the industry that is on display 24 hours a day and 365 days a year. Construction is all around us and part of every daily activity.**

**When your industry is strong — and its strength grows daily — the thousands of industries that contribute to the finished construction project will also advance with you to build even greater strength in our economy.**

**And, because I am with friends, I can communicate with you the way friends are supposed to communicate . . . openly and with mutual respect.**

**Some might expect you to now moan and groan, because during the past 10 years, you helped build, in many parts of our country, an excess capacity of office buildings.**

**But, being the realists that you are, you saw the bright side, and on the bright side you saw the opportunities.**

- 5 -

**You saw the opportunities to go after a new and growing market for the repair, remodeling and modernization of existing structures, and you did that, because you truly understand the meaning of competition and how competitive forces work.**

**You knew that older buildings would have to compete with what is now a declining excess capacity . . . and like the good and solid people you are . . . you went on about your businesses. You went after a need and a huge market of modernizing older structures.**

**My job is like yours. When you get up in the morning, you see a day's work ahead of you, and you go do it.**

**Can you imagine either of us cloaking ourselves in shrouds of pessimism and engaging full time in sighing and crying from Good Morning America to Nightline. Of course not. The people who hire you to build their projects want builders -- not whiners.**

**My bosses, the people, don't like whiners either. I would be ridden out of town on a rail, and so would any President worth his salt, for wailing, moaning, groaning, sighing or crying. There are some in Congress who need to keep in mind that my bosses, and**

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**their bosses too, the people who want to work and the multi-millions who do work in America, that they have a date with the American public in November.**

**They may risk not meeting my deadline of March 20 for meaningful action to unburden our economy.**

**Do they dare not risk the people's verdict in November?**

**So instead, and like you, when I get up in the morning, I welcome the dawn and wonder . . . what can I improve today . . . what can I build today . . what will I do today that will have value tomorrow.**

**And, we are alike in other ways. Just as we have to be practical, we also have to look to the future . . . dream the dreams of positivism . . . and then go to work to turn our dreams into reality.**

**I share your boundless vision of what is in store for America.**

**We have secured the peace by fighting the longest war in this Nation's history . . . that dark, that mean and yes, that second-guessed war of almost a half century that an ever-dwindling minority**

- 7 -

did not think was winnable. Well, we won the Cold War because we had faith and because we, the people, cared about the things that really matter on Earth.

You, and the American public, shared and supported my dream, my hope and my determination that the tyrant of Iraq would not impose his will on Kuwait, just as we would not let him impose \$2 or \$3 a gallon of a terrorist tax on our motor fuels.

You know, and I know and all thinking people know that following freedom's victory in that longest world war in history . . . the Cold War . . . not only this Nation's economy, but the economies of all the major Nation's on Earth will undergo varying degrees of change.

The economies of our recent adversaries have already shuddered under the weight of an undertaking that Communism and Socialism were never capable of sustaining.

And, inevitable changes in priorities here at home, and as a consequence of a sudden victory that some did not think we could secure -- mandate that a consistent, balanced and experienced

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**perspective be applied in this time of truly phenomenal change. This is no time for knee jerk reactions to realities that were gestating before some would-be leaders fully developed their political beliefs.**

**And, this is no time for thrill a minute, soap opera solutions from those "who seek power by fashioning their doctrines to the varying hour." For those who properly take offense at plagiarism what the Irish poet Oliver Goldsmith really said of his schoolteacher/parson was:**

**"Uncustomed he to fawn for power or seek by doctrines fashioned to the varying hour."**

**Let's continue our work as builders, so that America will always represent the best aspirations of mankind.**

**Let's continue to work together to build an America that will be free of rancor, that will have an abundance of opportunity for all, and above all else, let us by our thoughts, our words and our deeds continue to earn God's abundance.**

---

## INVOCATION

BY

HIS EMINENCE JOHN CARDINAL KROL  
ARCHBISHOP OF PHILADELPHIA

Lord, God, You are the source, the support, and the ultimate destiny of our lives. With deep sorrow and repentance, we beg Your forgiveness for our offenses and failures. We humbly implore Your guidance, Your help, Your blessings.

Our Republic was conceived and survives only on moral and religious foundations. Our Declaration of Independence affirms our dependence upon You, our God. It poses the self-evident principle that all men, equally, are Your creatures, endowed by You with inalienable rights, including the most fundamental of all human rights, the right to life, which government must ensure.

The firm belief of our Founding Fathers in You, and their reliance on Your providence, was epitomized by Lincoln in the words "This nation, under God" and reaffirmed precisely by the Supreme Court's words, "We are a religious people whose institutions presuppose a supreme being." We salute our flag, saying one nation, under God, and our coins and currency bear witness that it is in God that we trust.

Like other Presidents, Mr. Eisenhower, averred, "Without God, there could be no American form of government, nor an American way of life." Today we must ask Almighty God to keep His protecting hand over us so that we may transmit to those who come after us the heritage of a free people secure in their God-given rights.

In this hallowed tradition, we ask You, Lord, to extend Your protecting hand over all who seek and hold public office. Shield them from all danger and harm, inspire them with the courage to serve all the people, not as masters, but as stewards, accountable to you and to your people.

Help them to live and to govern by the unchanging principles of Your commandments. Let no fear of unjust criticism deter their efforts to serve our nation, and the family of nations, by protecting human dignity and human rights and by pursuing the goals of freedom, justice and peace.

Hear our prayers, on behalf of all government officials, so that in exercising the authority which derives from You, they may please You and Your people and together with them, merit the promised eternal reward. Bless and guide them, bless all participants, viewers and listeners of this convention, and preserve us in Your love, in Your peace, in freedom, and in justice. Amen.

(The Colors were removed at this time.)

THE DEPUTY PERMANENT CHAIRMAN. — Please remain standing while the Colors pass.

(The Honorable George Bush, Vice President of the United States and Vice Presidential Nominee for the 1984 election, was introduced by a film. He was shown as a young man who answered his country's call at eighteen and became the nation's youngest commissioned pilot in naval history. He was hit by enemy fire in the South Pacific and performed many acts of heroism for which he was awarded three Air Medals and the Distinguished Flying Cross.

In 1948, after two and a half years at Yale, he graduated Phi Beta Kappa with a degree in economics and moved to Texas where he established three companies, one of which pioneered drilling techniques still used today.

In 1966, he was elected to Congress and re-elected two years later without opposition. In 1971, he was appointed Ambassador to the United Nations. There he established lasting friendships with many world leaders. He was Chairman of the Republican National Committee, Chief of the United States Liaison Office in Peking and Director of the Central Intelligence Agency.

In 1980, Ronald Reagan called on George Bush to run as his Vice President and bring new dimensions to his administration. In January of 1981, he was appointed Chairman of a Presidential Task Force on Regulatory Relief and Chairman of the Crisis Management Team of the National Security Council. President Reagan said when he needed someone of incomparable leadership, loyalty and skill, George Bush was the one.

The film showed the Vice President in many foreign countries. He traveled to fifty-eight countries on matters ranging from sensitive trade negotiations with Japan to discussions of cooperation with third world nations. He was shown in meetings with Andropov and Chernenko and private consultations with allies. He was a voice of calm resolve during Soviet pressures on NATO in 1983.

The narrator of the film spoke of the close working partnership between Ronald Reagan and George Bush. He said that George Bush had become the most effective and influential Vice President in our history.

It was said that with all of his achievements, George Bush listed his family as his greatest. He said, "I have a strong family — five wonderful children, several grandchildren, a wonderful wife of almost forty years. That is what drives me in public life; that is what motivates me to try and do my part, whatever it may be, to guarantee the peace and make life better for all families.)

(Applause and cheers.)

ACCEPTANCE ADDRESS BY  
THE HONORABLE GEORGE BUSH  
VICE PRESIDENTIAL NOMINEE

GEORGE BUSH. — Thank you very much. Hey, Jack. Four more.

Thank you all very, very much, ladies and gentlemen.

Madam Chairman and my fellow Republicans and my fellow Americans, I

accept your nomination and the honor and challenge it represents. (Applause and cheers.)

Four years ago, four years ago in Detroit, I pledged my total dedication and energies to support our President and that has been a very easy pledge to keep. Tonight, I pledge again my every effort to support President Reagan as he leads this nation into four more years of prosperity, opportunity and peace. (Applause and cheers.)

In 1980, America needed Governor Reagan in the White House to restore power to the grass roots and to give the people fresh hope and a new beginning. In 1984, America needs President Reagan in the White House for a second term to finish the job to keep this country moving forward. (Applause and cheers.)

But we can't move forward, we can't move forward if we have a majority in Congress that wants to go back. With your all-out effort, we will maintain control of the United States Senate and we'll get a House of Representatives that will move forward with President Reagan and the party of the future, not backward with Tip O'Neill and the party of the past. (Applause and cheers.)

For over half a century the Liberal Democrats have pursued this philosophy of tax and spend, tax and spend, and sure enough, out of that Mosconi Center in San Francisco, that temple of doom, came Mr. Mondale's first promise, a solemn promise to raise everyone's taxes. Well, Mr. Mondale calls his promise to raise taxes a lot of courage, an act of courage, but it wasn't courage, it was just habit because he is a gold medal winner when it comes to increasing the tax burden of the American people. (Applause and cheers.)

Well, President Reagan with strong support in Congress cut tax rates across the board for every single American and he'll keep those tax rates cut. The message the American people got from San Francisco is we'll raise your taxes, but our message from Dallas is the American people want less spending, less regulation and not more taxes. (Applause and cheers.)

They want to keep America's dynamic economy strong. They want to reduce the deficits by making government more efficient, holding the line on spending and through economic growth. And as for a balanced budget, our message is this: Let the big spenders in Congress step aside, give us the balanced budget amendment, give us the line item veto and watch what this President can do. (Applause and cheers.)

I heard that speaker in San Francisco last month exhorting his fellow Democrats with the cry, our time is coming, our time is coming. The American people have a message for the tax raisers, the free spenders, the excess regulators, the government-knows-best hand-wringers, those who would promise every special interest group everything, and that message is this: Your time has passed, your time has passed.

And no matter, no matter how your rhetoric, no matter how your rhetoric tries to move away from your voting records, no matter how hard you try to turn your back on Jimmy Carter, no matter how much you now talk about family

values, this country will not retreat. You've had your chance. Your time has passed. (Applause and cheers.)

This President has turned this country's economy around. Since we came into office, productivity is up, personal savings are up, consumer spending is up, housing starts are up, take-home pay is up; inflation, the cruelest tax of all, is down and more Americans are at work than at any time in the history of the United States. (Applause and cheers.)

And more, more Americans are enjoying our country because our parks are cleaner and our air is purer. Under this President, more lands have been acquired for parks, more for wilderness. The quality of life is better and that's a fact.

And you know, more Americans are giving to help others. Private contributions in that great tradition of neighbor helping neighbor are up and that's a fact and at the same time, government help for the truly needy is up. The Social Security system has been strengthened and saved by our President's leadership and a truly bipartisan effort in Congress. (Applause and cheers.)

More Americans, more Americans now have a chance for quality education. Test scores are up in our schools. In striving for excellence, we have reemphasized fundamentals. We believe in teaching kids to read and to write and to add and to subtract. We believe in classroom discipline and in merit pay for teachers. We believe in local control of schools and we believe kids should not be prohibited from prayer, and that's a fact. (Applause and cheers.)

We're waging all-out war against the narcotics in our schools, in our neighborhoods and across the land. We will not rest until American society is free from the threat of drug pushers, and that's a fact. (Applause and cheers.)

More Americans are safe. Crime is down, and that's a fact. President Reagan and I think it's time that we worried less about the criminals and more about the victims of crime. (Applause and cheers.)

And as for our judicial system, it's always been my view that the Supreme Court should not be all caught up and involved in the political arena. But since the Democrats made this an issue in San Francisco, let me say that the American people want a Supreme Court that will interpret the Constitution and not legislate. (Applause and cheers.)

We heard that liberal convention in San Francisco attack the President regarding the Supreme Court. But the record shows that President Reagan's sole appointment to the court, Sandra Day O'Connor, is an outstanding Justice, and that's a fact. (Applause and cheers.)

And one more fact, one more fact. And let this be heard loud and clear. Ronald Reagan has protected and will continue to protect the rights of all Americans. Discrimination based on race, religion, sex or age will never be tolerated by this President nor this Vice President and, furthermore, we condemn the vicious anti-Semitism of Louis Farrakhan and the ugly bigotry of the Ku Klux Klan. (Applause and cheers.)

Of course, problems remain. Of course, problems remain. And yes, there is still much to be done to provide opportunity for those Americans that truly need help, but the answer doesn't lie in going back to the malaise days of Carter and Mondale. The answer doesn't lie in Mr. Mondale's new spending programs, programs that John Glenn estimated would cost up to \$170 billion more, or in Mondale deficits that Fritz Hollings estimated at \$400 billion. It doesn't lie in the programs of a man that Gary Hart called "mush."

Instead, the answer lies in a dynamic private sector that provides jobs, jobs with dignity. The answer lies in limited government and unlimited confidence in the American people. (Applause and cheers.)

Just as there's a new confidence, a new optimism, there is new confidence in U.S. leadership around the world. Since becoming Vice President, I've gone to fifty-nine countries, talked to the leaders of those countries and to many other foreign leaders who have come here. Forgotten is the Carter—Mondale era of vacillation, of weakness, of lecturing to our friends and then letting them down.

In this hemisphere, when 1,000 American lives were threatened and when four small Caribbean countries called out for U.S. support to give democracy a chance, President Reagan acted, and I don't care what Walter Mondale says about it or what Tip O'Neill says about it, Grenada was a proud moment in the history of the United States of America. (Applause and cheers. Standing ovation.)

Because our President stood firm in defense of freedom, America has regained respect throughout the world, and because President Reagan has made America stronger, chances for world peace through lasting peace are stronger. Our European alliance has never been more solid. More countries in Central and South America have turned to democracy since Ronald Reagan became President. Thirteen Latin American countries have held democratic elections since 1980.

We have strengthened our friendships with countries in the Pacific. We are doing more to foster democratic change and to help the hungry in Africa. We are reaching out to more countries in the Middle East, and our strategic relations with Israel have never been stronger.

One last point on foreign affairs. I am proud to serve with a President who is working for peace, and I am proud to serve with a President who doesn't go around apologizing for the United States of America. (Applause and cheers.)

As Vice President, I have had the opportunity to watch this President in action. I've seen a real leader make tough decisions. No longer do we read and hear stories about the job of President being too big for any one person. Gone are the days of blaming the American people for what was really a failure not of the people, but of our national leadership.

Four years ago, we came into office to restore our economy, expand opportunity for all Americans, and secure a lasting peace.

Much has been done. Much remains to be done. But this we know: More Americans today believe we have strong principled, firm leadership in the White House. This is the message we will take from this convention, a message of optimism, a message of hope.

Three decades ago, a great American President stood on the Capitol steps and made his second inaugural address.

"May we pursue the right without self-righteousness," said Dwight Eisenhower. "May we know unity without conformity. May we grow in strength without pride in self. May we, in our dealings with all the people of the earth, ever speak truth and serve justice" and finally, said President Eisenhower, "May the light of freedom flame brightly until at last the darkness is no more."

Now, as in President Eisenhower's day, these words reflect the true spirit and aspirations of the American people. May we continue to keep the light of freedom burning, and may we continue to move forward in the next four years on the high road to peace, prosperity, and opportunity united behind a great President, Ronald Reagan.

Thank you all very, very much. Thank you.

(Applause and cheers. Standing ovation.)

Thank you all.

(Prolonged applause and cheers.)

Thank you very much.

Thank you all very much. Thank you, thank you. Good to see you. It's a little warm.

(Continued applause and cheers.)

Thank you, thank you. God bless you. Thank you very much. Thank you all. Thank you.

All right. Away we go. Thank you.

(The Honorable Ronald Reagan, President of the United States and Presidential Nominee for the 1984 election, was introduced by a film. The first scene showed him being sworn in on January 20, 1981, against a background of American scenes. President Reagan said, "It was quite a day, a new beginning. You don't really become President. The Presidency is an institution and you have temporary custody of it." He said it was described as a lonely job, but that was not quite true. He spoke of other people meant to be there and who contributed. Pictures were shown of meetings with Secretary Schultz, Senators Baker and Laxalt and Cabinet meetings. He said there were people who had given up so much to serve with him, he did not feel alone. There were scenes with Vice President George Bush. He spoke of their relationship and individual respect.

The President spoke of his patriotic feelings, a renewed sense of pride in being an American. The film showed him with the troops in Korea at the

Demilitarization Zone. He commented on the wonderful young people serving in the military forces.

The President was shown discussing the goals of his Administration (lowering interest rates, protection of the Social Security system, helping senior citizens). There were many scenes of the President meeting with senior citizens, talking to home owners and other citizens in all walks of life.

There were scenes of the attempt on the President's life; his courageous attitude, calmness and sense of humor. He was shown during the recuperation period visiting with Cardinal Cooke.

There were scenes of the President's trip to Japan, Korea and China. He was shown in France for the commemoration of D-Day, where he spoke with such eloquence.

The President was shown on his ranch, horseback riding with Nancy, cutting wood, enjoying the scenery. He said he believed in the land and he looked to the hills from which came his strength. He told of his feelings as he sat in the Oval Office, surrounded by history. He said everyone who had sat there yearned for peace. He spoke of how there had been four wars during his life and how the world needs a lasting peace. He talked of the Roosevelt Treaty Room in the White House where all of the service flags stood with their many battle ribbons. The President said, "My fondest hope for this Presidency is that the people of America give us the continued opportunity to pursue a peace so strong and so lasting that we would never again have to add another streamer to those flags."

This film ended with a repeat of some of the scenes to the music of "I am Proud to be an American.")

ACCEPTANCE ADDRESS BY  
THE PRESIDENTIAL NOMINEE  
THE HONORABLE RONALD REAGAN

RONALD REAGAN. — Thank you very much. (Applause and cheers.)

Thank you. Thank you. Thank you. Thank you very much. Thank you. (Continued applause and cheers.)

Thank you.

Thank you all very much. Thank you. Thank you.

Mr. Chairman — thank you very much.

Mr. Chairman, Mr. Vice President, Delegates to this convention, and fellow citizens:

In seventy-five days, I hope we enjoy a victory that is the size of the heart of Texas. (Applause and cheers.)

Nancy and I extend our deep thanks to the Lone Star State and the "Big D", the City of Dallas, for all their warmth and hospitality.

Four years ago, I didn't know precisely every duty of this office, and not too long ago, I learned about some new ones from the first-graders of Corpus Christi School in Chambersburg, Pennsylvania.

Little Leah Kline was asked by her teacher to describe my duties. She said, "The President goes to meetings. He helps the animals. The President gets frustrated. He talks to other Presidents."

How does wisdom begin at such an early age? (Laughter and applause.)

Tonight, with a full heart and deep gratitude for your trust, I accept your nomination for the Presidency of the United States. (Applause and cheers.)

I will campaign on behalf of the principles of our party, which lift America confidently into the future.

America is presented with the clearest political choice of half a century. The distinction between our two parties and the different philosophy of our political opponents are at the heart of this campaign and America's future.

I've been campaigning long enough to know that a political party and its leadership can't change their colors in four days. We won't and no matter how hard they tried, our opponents didn't in San Francisco. (Applause and cheers.)

We didn't discover our values in a poll taken a week before the convention. And we didn't set a weathervane on top of the Golden Gate Bridge before we started talking about the American family. (Applause and cheers.)

The choices this year are not just between two different personalities or between two political parties. They are between two different visions of the future, two fundamentally different ways of governing — their government of pessimism, fear and limits, or ours of hope, confidence and growth. (Applause and cheers.)

Their government sees people only as members of groups. Ours serves all the people of America as individuals. (Applause and cheers.)

Theirs lives in the past, seeking to apply the old and failed policies to an era that has passed them by. Ours learns from the past and strives to change by boldly charting a new course for the future. (Applause and cheers.)

Theirs lives by promises, the bigger the better. We offer proven, workable answers.

Our opponents began this campaign hoping that America has a poor memory. Well, let's take them on a little stroll down memory lane. Let's remind them of how a 4.8 percent inflation rate in 1976 became back-to-back years of double-digit inflation — the worst since World War I — punishing the poor and the elderly, young couples striving to start their new lives, and working people struggling to make ends meet.

Inflation was not some plague borne on the wind, it was a deliberate part of their official economic policy needed, they said, to maintain prosperity. They

with America's and that NATO—NATO remains the best means to assure it.

And we look to Europe to act as a force for stability outside its own borders. In a world as interdependent as ours, no industrialized nation can maintain membership in good standing in the global community without assuming its fair share of responsibility for peace and security.

But even in the face of such welcome change, Americans will remain in Europe in support of history's most successful alliance, NATO. America's commitment is the best guarantee of a secure Europe, and a secure Europe is vital to American interests and vital to world peace. This is the essential logic of the Atlantic alliance which anchors America in Europe.

This century's history shows that America's destiny and interests cannot be separate from Europe's. Through the long years of cold war and conflict, the United States stood fast for freedom in Europe. And now, as Eastern Europe is opening up to democratic ideals, true progress becomes possible.

The Soviet Union is engaged in its own dramatic transformation. The policies of confrontation abroad, like the discredited dogma of communism from which those policies sprang, lies dormant, if not mortally wounded. Much has changed. The path of international cooperation fostered by President Gorbachev and manifested most clearly in the Persian Gulf marks a radical change in Soviet behavior. And yet, the course of change within the Soviet Union is far less clear.

Economic and political reform there is under severe challenge. Soviet citizens, facing the collapse of the old order while the new still struggles to be born, confront desperate economic conditions—their hard-won freedoms in peril. Ancient ethnic enmities, conflict between republics and between republics and the central government add to these monumental challenges that they face.

America's policy toward the Soviet Union in these troubled times is, first and foremost, to continue our efforts to build the cooperative relationship that has allowed our nations and so many others to strengthen international peace and stability. At the same time, we will continue to support a

reform process within the Soviet Union aimed at political and economic freedom—a process we believe must be built on peaceful dialog and negotiation. This is a policy that we will advocate steadfastly, both in our discussions with the central Soviet Government and with all elements active in Soviet political life.

Let there be no misunderstanding, the path ahead for the Soviet Union will be difficult and, at times, extraordinarily painful. History weighs heavily on all the peoples of the U.S.S.R.—liberation from 70 years of communism, from 1,000 years of autocracy. It's going to be slow. There will be setbacks. But this process of reform, this transformation from within, must proceed. If external cooperation and our progress toward true international peace is to endure, it must succeed. Only when this transformation is complete will we be able to take full measure of the opportunities presented by this new and evolving world order.

The new world order really is a tool for addressing a new world of possibilities. This order gains its mission and shape not just from shared interests but from shared ideals. And the ideals that have spawned new freedoms throughout the world have received their boldest and clearest expression in our great country, the United States. Never before has the world looked more to the American example. Never before have so many millions drawn hope from the American idea. And the reason is simple: Unlike any other nation in the world, as Americans we enjoy profound and mysterious bonds of affection and idealism. We feel our deep connections to community, to families, to our faiths.

But what defines this nation? What makes us America is not our ties to a piece of territory or bonds of blood; what makes us American is our allegiance to an idea that all people everywhere must be free. This idea is as old and enduring as this nation itself—as deeply rooted, and what we are as a promise implicit to all the world in the words of our own Declaration of Independence.

The new world facing us—and I wish I were your age—it's a wonderful world of discovery, a world devoted to unlocking the

promise of freedom. It's no more structured than a dream, no more regimented than an innovator's burst of inspiration. If we trust ourselves and our values, if we retain the pioneer's enthusiasm for exploring the world beyond our shores, if we strive to engage in the world that beckons us, then and only then will America be true to all that is best in us.

May God bless our great nation, the United States of America. And thank you all for what you have done for freedom and for our fundamental values. Thank you very much.

*Note: The President spoke at 9:16 a.m. in the Fuel Cell Hangar at the base. In his remarks, he referred to Gen. Charles G. Boyd, Air University Commander at Maxwell Air Force Base; Gen. Merrill A. McPeak, Air Force Chief of Staff; Representative Bill Dickinson; Gen. Colin L. Powell, Chairman of the Joint Chiefs of Staff; Secretary of Defense Richard B. Cheney; and Brent Scowcroft, Assistant to the President for National Security Affairs.*

#### Remarks at a White House Briefing for Representatives of the Associated General Contractors of America April 15, 1991

Thank you all very much. This rainy day, I'm delighted to have you all here at the White House. May I salute our Secretary of Transportation, Sam Skinner. And I want to say a word about a matter that's of great interest to him and to me and to the entire country. But first, to President Black and all the members of the AGC, we're delighted you're here. I appreciate the chance to just say a few words to a group whose support on so many issues has meant a great deal to me, and I think it's meant a great deal to our country.

I know that you were in strong support of Operation Desert Storm. I think your strong support was very helpful—Capitol Hill and elsewhere. I salute you, and I appreciate it very much. Thanks, also, for helping us promote free trade—especially during the negotiations for the United

States-Canada Free-Trade Agreement, an agreement that we strongly support.

And today I wanted to ask for your support again—support which can certainly enhance our ability to compete in the global marketplace and our ability to negotiate with our trading partners. That's the main subject I wanted to talk to you about.

But inasmuch as Sam Skinner is here with us, I thought I'd make a comment on another situation that affects the entire country. The rail industry is absolutely critical, and it's critically important to the United States economy, moving more than a third of all goods shipped in the United States. Now, there's a strike looming. And that strike that looms for right after midnight tomorrow could severely disrupt the economy just as the economy, in our view, is trying to turn around and get out of this recession. A rail strike could potentially idle hundreds of thousands of workers and affect virtually all Americans one way or another. It is always better for labor and management to resolve their differences and produce an agreement.

A Presidential Emergency Board, after 8 months of hearings, issued a report making dozens of recommendations for settling the dispute. This report can and should serve as the basis for resolution of this difficulty. Because of the potential economy-wide disruption, it would be prudent that all efforts and actions be taken to avoid the strike. My administration is willing to work with the parties to help in any way possible.

Now, just for a word on this free trade. We need Fast Track authority in trade negotiations, and we've asked Congress to approve Fast Track authority. Fast Track's a way of assuring our trading counterparts that the agreements they reach with us at the bargaining table—the ones that they reach with the negotiation process—will be the same ones that Congress has a chance to vote on, up or down.

Some allege that Congress has no say. And that simply is not true. We must negotiate with our trading partners, and then we bring the negotiated pact to the Congress for an up or down vote. Fast Track doesn't affect Congress' power to accept or reject trade agreements. But it does prevent 11th-hour changes to agreements that

have already been hammered out—changes that force everyone to start all over again.

We need this Fast Track authority to pursue vital trade objectives—the Uruguay round, the Enterprise for the Americas Initiative and the North American free trade agreement that we're talking to both Canada and Mexico about. If we lose this Fast Track authority, we lose any hope of achieving these three vital agreements. We lose trade. We lose jobs. And we jeopardize economic growth. And we unleash horrifying new waves of protectionism.

Here's the key: A vote against Fast Track is a vote against all the things we hold dear—prosperity at home and growth in other lands. It ignores the dramatic and wonderful changes in the world economy. We want to play a leading role in this new, exciting, emerging world. And we don't want to hide from it. And we want to join in the thrilling business of innovation. And we do not want to chain people to outmoded technologies, outmoded ideas.

Right now, we have the chance to expand opportunity and economic growth from the Yukon to the Yucatan. Think of it. The North American free trade agreement would link us with our largest trading partner, Canada, and our third-largest partner, Mexico. It would create the largest, richest trade zone on Earth—360 million consumers in a market that generates \$6 trillion in output in a single year.

A unified North American market would let each of our countries build on our own strengths. It would create more and better jobs for the U.S. workers. Let me just say that one once more: It would create more jobs for U.S. workers, better jobs for U.S. workers. And it would stimulate price competition, lower consumer prices, and improve product quality. The agreement would promote productivity and produce a higher standard of living throughout our entire continent.

As we help Mexico—as we help them achieve prosperity, we'll help the environment as well. Only through economic growth will Mexico obtain the resources necessary to address its tremendous environmental needs. They need new water systems for their border cities; they need air pollution control equipment for Mexico

City. These are just a handful of the things that would be enhanced.

Mexico is committed to environmentally sound industrial expansion. President Salinas has already closed down the largest polluting refinery, taken a lot of political heat in the process—a PEMEX refinery near Mexico City. He's promised his people that the economic growth coming out of the free trade agreement will be "clean growth" and that dirty industries are not welcome.

I don't know how many of you all have met President Carlos Salinas, but I can tell you, he's an outstanding individual. And he talks about the environment and the need to clean it up, and he gives this dramatic example of the young children in the schools—because of Mexico City's pollution—painting the sky gray. And he says, I don't want our children to paint the sky gray any more. I want them to see the Sun. I want them to see the bright stars at night. He is committed to cleaning up that environment. And new Mexican laws requiring environmental impact assessments for all investments in new industrial facilities will make this commitment a reality. So the attacks on him from some in the environmental community I don't think have merit.

As we increase trade with Mexico, we will also help Mexican workers. Mexican wages have risen, and have risen quickly in recent years, with no tangible impact on America's pay scales. And that being true, someone then should ask the opponents of Fast Track why they oppose prosperity in Mexico.

We have much to gain from extending Fast Track—a new era of open, free, and fair trade. A vote on Fast Track is really a vote on what kind of America we want to build. A "no" vote will show that we fear the future and that we don't welcome it. A "yes" vote will express confidence in American know-how and ingenuity. I think we have confidence in ourselves. I say we do believe in ourselves.

And so, I'm going to be fighting my heart out to assure the congressional approval of Fast Track. I ask for your support for America's heart. And I thank you for the past support on so many critical and key issues.

Thank you all very, very much for coming to the White House. And God bless you.

*Note: The President spoke at 10:07 a.m. in Room 450 at the Old Executive Office Building.*

**Statement by Press Secretary Fitzwater on the President's Meeting With Senator Lloyd Bentsen of Texas**  
*April 15, 1991*

President Bush had lunch today with Senator Lloyd Bentsen in the West Wing of the White House. The President and the Chairman of the Senate Finance Committee discussed Fast Track legislation and related trade issues. "Senator Bentsen has been a strong and steadfast leader in the Senate on the Fast Track legislation," President Bush said. "He is one of our most knowledgeable leaders on trade matters, and his support is crucial as we pursue the Fast Track legislation."

As the world's largest trader, the United States has an enormous stake in the future of the global trading system. Exports have become a vital source of strength to the U.S. economy. In 1990, the nearly 8.5-percent growth in U.S. exports accounted for 88 percent of U.S. economic growth.

In order to sustain the expansion of exports and consequent growth, we must continue our efforts to open world markets. We must maintain our active leadership role. Without an extension of Fast Track, those efforts are futile.

**Statement by Press Secretary Fitzwater on the President's Federal Income Tax Return**  
*April 15, 1991*

The President and Mrs. Bush's 1990 tax return shows that they have paid \$99,241 in Federal income tax on an adjusted gross income of \$452,732, of which \$200,000 was the President's salary. The Bushes also reported \$245,911 in income, from their blind trust, \$1,245 in interest income, and \$8,647

from other sources. The blind trust is managed by Bessemer Trust Co., N.A., New York City.

The President and Mrs. Bush claimed \$97,118 in itemized deductions, which included \$38,667 in contributions to 50 charities and \$330 to charities through the blind trust. A list of the 50 charities is attached. The net royalties received in 1990 of \$7,042 from the President's book, "Looking Forward," were given to charitable organizations included in this list.

The President and Mrs. Bush's tax return has been reviewed by the Office of Government Ethics and will be filed in the Philadelphia regional office of the Internal Revenue Service.

**Remarks to the National Association of Broadcasters Convention**  
*April 15, 1991*

*The President.* Thank you, Eddie, and Lowry. And it's great to join America's broadcasters in Las Vegas, if only through the wizardry of satellite communications.

In the last few months, all of America and, indeed, most of the world saw the events of the Persian Gulf unfold through the miracle of satellite communications. And they saw it unfold in a uniquely American way. Not only did you cover the military and political aspects of the war, but you did much more. In every ADI [area of dominant influence] across the country, broadcasters did their part to support the brave men and women of our Armed Forces. Community by community, broadcasters organized blood drives, provided critical support for the family members left behind, sent thousands of radios to our troops overseas, and were the first to bring home news about local service men and women.

Now that the war is over, we must return to and, in fact, redouble our service to the community in the more traditional way of the local broadcaster. In this regard, it is fitting that today marks the kickoff of a Points of Light National Celebration of Community Service, honoring those who are engaged in direct and consequential



UNITED STATES DEPARTMENT OF COMMERCE  
International Trade Administration  
Washington, D.C. 20230

February 21, 1992

MEMORANDUM TO: SHERRIE ROLLINS & DAVID DEMAREST  
FROM: DAVID A. JENSEN  
NEAR EAST DAS, COMMERCE  
SUBJECT: KUWAIT RECONSTRUCTION REPORT

SUMMARY

Congress last spring directed the President to report on the successes of U.S. companies in Kuwait reconstruction. The report, though late, is ready for transmittal. The President has delegated the reporting function to the new Secretary of Commerce, but may wish to release it himself. The first anniversary of the liberation of Kuwait is February 27, but the report could be released on another date.

Bottom line: American companies have done extremely well, winning more than half of all the reconstruction contracts for a US. total of as much as \$5 billion in 1991 and 1992 contracts, and creating up to 60,000 new jobs here at home by the end of this year. This is an example of how standing tall abroad lets American workers stand tall at home. A company that won a reconstruction contract would be a suitable venue for a release of the report and could be found in virtually any state. Georgia, for example, presents half a dozen attractive sites, including one prominent minority firm that won a multi-million dollar communications contract in Kuwait, thanks to Bush Administration help.

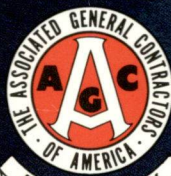
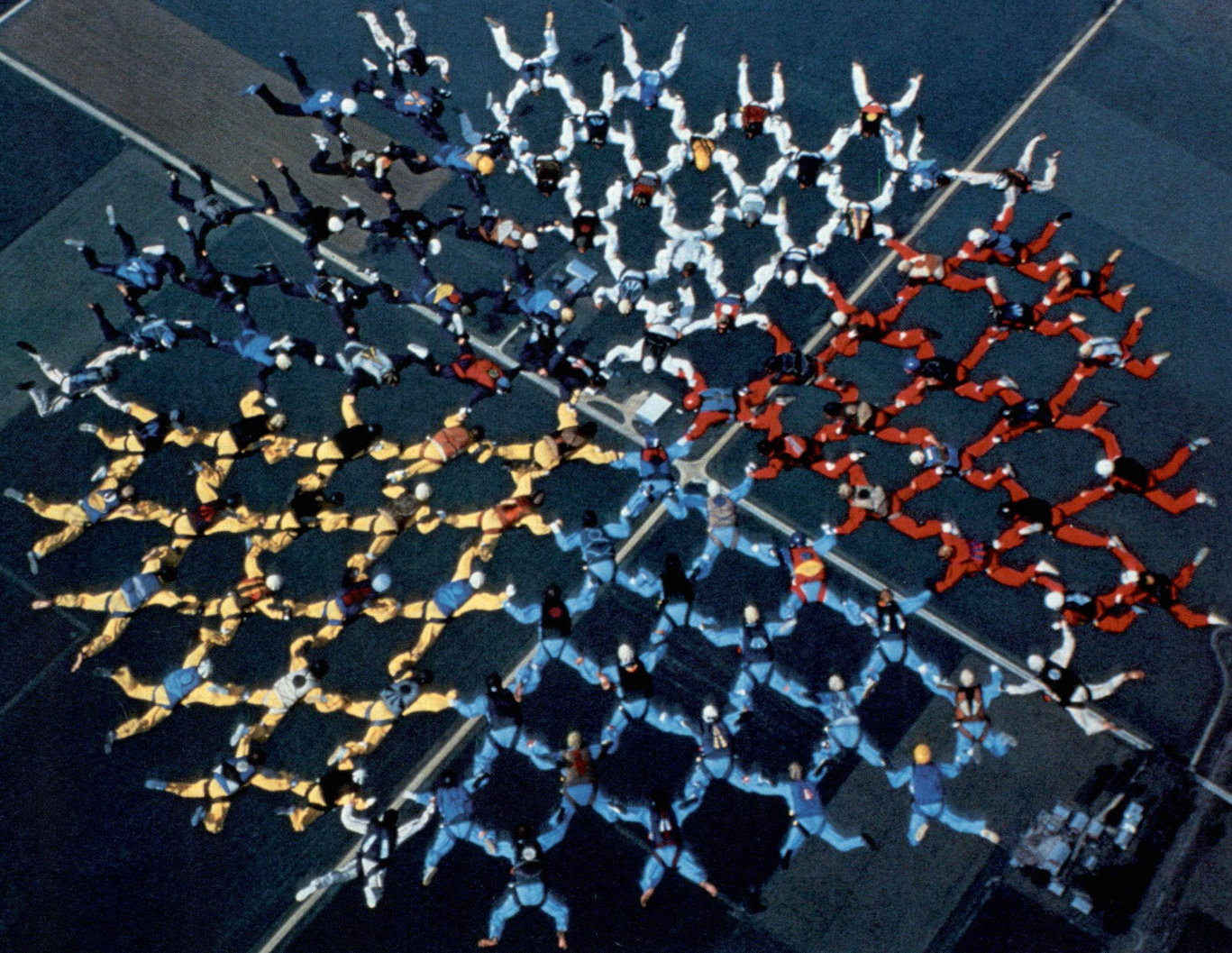
GULF RECONSTRUCTION --BACKGROUND

- o Immediately after the liberation of Kuwait, then Secretary of Commerce Robert A. Mosbacher opened the Gulf Reconstruction

- o The ITC has compiled a data base of over 14,000 firms and made 3 mailings of business condition updates to everyone on the data base. The most recent update was mailed on January 17, 1992.
- o Within a month of the liberation of Kuwait, the International Trade Administration's (ITA) U.S. and Foreign Commercial Service reopened in Kuwait and began reporting information on business conditions and specific opportunities and providing hands on assistance to hundreds of U.S. companies seeking business in Kuwait.
- o Last June, we staged the "Direct From USA" International Trade Fair, the first to occur in liberated Kuwait. More than 338 U.S. firms participated. Off-the-floor sales totaled \$49 million and an additional 3000 trade leads may generate as much as \$120 million in future sales.
- o In October 1991, we led a highly successful executive level computer industry trade mission to Kuwait. Three new-to-market firms signed agency agreements with Kuwaiti firms.
- o In January 1992, ITA and the Minority Business Development Agency co-sponsored a highly successful trade mission of 17 minority firms to Kuwait, Saudi Arabia, the United Arab Emirates and Bahrain.
- o Through November 1991, we exported over \$1.1 billion in a wide range of products, including vehicles, drilling equipment, furniture, computers, food and consumer products to Kuwait.
- o In the first (emergency) phase of reconstruction, U.S. firms won contracts valued at \$380 million (67 percent of the Kuwait Emergency Recovery Program). In the second phase of reconstruction, U.S. firms won contracts valued at \$116 million (58 percent of the U.S. Army Corps of Engineers program).
- o Over the next 18 months, the Government of Kuwait will focus on long-term reconstruction planning and projects. Current estimates for the total cost of Kuwait's reconstruction and restocking are \$20-25 billion over the next 3-5 years.
- o We estimate that reconstruction in Kuwait will mean almost 60,000 new jobs created in the United States by the fourth quarter of 1992.

# PARTNERING

A CONCEPT FOR SUCCESS



SKILL RESPONSIBILITY INTEGRITY

The Associated General Contractors of America

## **Your choice makes the difference**

**W**hen we choose to live by the spirit rather than the letter of the law—offering our hand and word as our bond—we distinguish ourselves. When we don't, we give up treasured values and mirror the dark, litigious side of construction.

Lawsuits are inimical to the basic nature and goal of the industry. Construction is not an individual endeavor like long-distance running, but rather a business of team-building. The fabric of the industry depends on strong weaving of owner, architect, engineer and contractor into a team. Successful teams are built on the strengths of each member, while successful lawsuits are founded on capitalizing on the weaknesses of team members.

Litigation is not counterproductive if it helps define legal and factual issues, building a foundation for fair and expeditious settlements. But that's not often the case. And the current flood of suits is so strong that it erodes both the process and people of construction.

For far too long the industry has railed and not rallied against its "litigious nature," and for too long we've been too comfortable—as individuals and as companies—about being involved in lawsuits. We need to be embarrassed to be either plaintiff or defendant. As managers of your future—individual and corporate—you have a duty to take advantage of the opportunities uniquely available to not only achieve sensible resolutions of disputes but also to avoid the conflicts in the first place.

You are the ones who set—and can change—company or organization policy. By your leadership, you set the climate that makes compromise acceptable. You—not your lawyers—must decide whether you want "tough" contracts that, harshly applied, cause disputes.

You know what's at stake. Now make the choice and the difference.

# PARTNERING—A Concept For Success

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# INTRODUCTION

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Construction contracting is a very competitive, high-risk business. This competitiveness and the perception of conflicting objectives among owners, contractors, architect/engineers, subcontractors and suppliers has set the stage for what, at times, have become adversarial and unrewarding relationships. Parties from all sides of the table have given up management rights and responsibilities because of the fear of risk and the threat of liability. We have witnessed an escalation of onerous documents and contracts focused on punitive measures to enforce performance. Consequently, we have seen a dramatic increase in litigation, which is expensive and counterproductive to everyone's efforts to produce quality projects on time and within budget.

The Associated General Contractors of America (AGC) strongly believes that the time has come for

all the parties in the construction process to step forward and work together to take control of this costly and intolerable situation. The implementation of the AGC credo of skill, integrity and responsibility has never been more important to its members.

AGC sees the need to develop a team-building process that creates mutual trust and respect for one another's respective roles in the construction process and recognizes the risks inherent with those roles. We see a need to seek ways to develop harmonious relationships at our jobsites and to change the old notion that in order for someone to win—someone must lose. AGC wants to develop a concept that creates a win/win attitude among all the team players. "Partnering" is one such concept.



# WHAT IS PARTNERING?

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The Partnering *concept* is not a new way of doing business—some have always conducted themselves in this manner. It is going back to the way people used to do business when a person's word was their bond and people accepted responsibility. Partnering is not a contract, but a recognition that every contract includes an implied covenant of good faith.

While the contract establishes the legal relationships, the Partnering *process* attempts to establish working relationships among the parties (stakeholders) through a mutually-developed, formal strategy of commitment and communication. It attempts to create an environment where trust and teamwork prevent disputes, foster a cooperative bond to everyone's benefit, and facilitate the completion of a successful project.

For the most effective results, stakeholders should conduct a Partnering workshop, ideally at the early stages of the contract. The sole agenda of the workshop is to establish and begin implementing the partnering process. This forum produces the opportunity to initiate the key elements of Partnering.

The key elements of Partnering are

■ **Commitment**—Commitment to Partnering must come from top management. The jointly-developed Partnership charter is not a contract, but a symbol of commitment.

■ **Equity**—All stakeholders' interests are considered in creating mutual goals and there is commitment to satisfying each stakeholder's requirements for a successful project by utilizing win/win thinking.

■ **Trust**—Teamwork is not possible where there is cynicism about others' motives. Through the development of personal relationships and communication about each stakeholder's risks and goals, there is better understanding. With understanding comes trust and with trust comes the possibility for a synergistic relationship.

■ **Development of Mutual Goals/Objectives**—At a Partnering workshop the stakeholders identify all respective goals for the project in which their interests overlap. These jointly-developed and mutually agreed to goals may include achieving value engineering savings, meeting the financial goals of each party, limiting cost growth, limiting review periods for contract submittals, early completion, no lost time because of injuries, minimizing paperwork generated for the purpose of case building or posturing, no litigation, or other goals specific to the nature of the project.

■ **Implementation**—Stakeholders together develop strategies for implementing their mutual goals and the mechanisms for solving problems.

■ **Continuous Evaluation**—In order to ensure implementation, the stakeholders agree to a plan for periodic joint evaluation based on the mutually agreed to goals—to ensure the plan is proceeding as intended and that all stakeholders are carrying their share of the load.

■ **Timely Responsiveness**—Timely communication and decision making not only save money, but also can keep a problem from growing into a dispute. In the Partnering workshop the stakeholders develop mechanisms for encouraging rapid issue resolution, including the escalation of unresolved issues to the next level of management.

# PARTNERING BENEFITS

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For all the stakeholders of a project, Partnering is a high-leveraged effort. It may require increased staff and management time up front, but the benefits accrue in a more harmonious, less confrontational process, and at completion a successful project without litigation and claims.

The Partnering process empowers the project personnel of all stakeholders with the freedom and authority to accept responsibility—to do their jobs by encouraging decision making and problem solving at the lowest possible level of authority. It encourages everyone to take pride in their efforts and tells them it's OK to get along with each other.

Partnering is an opportunity for public sector contracting, where the open competitive-bid process keeps the parties at arm's length prior to award, to achieve some of the benefits of closer personal contact which are possible in negotiated or design-build contracts.

It is interesting to note that the following lists of benefits to the various stakeholders confirm the mutuality of their individual interests.

## **Benefits to the Project Owner**

- Reduced exposure to litigation through open communication and issue resolution strategies
- Lower risk of cost overruns and delays because of better time and cost control over project
- Better quality product because energies are focused on the ultimate goal and not misdirected to adversarial concerns
- Potential to expedite project through efficient implementation of the contract
- Open communication and unfiltered information allow for more efficient resolution of problems
- Lower administrative costs because of elimination of defensive case building
- Increased opportunity for innovation through open communication and element of trust, especially in the development of value

engineering changes and constructability improvements

- Increased opportunity for a financially successful project because of non-adversarial win/win attitude

## **Benefits to the Project Contractor**

- Reduced exposure to litigation through communication and issue resolution strategies
- Increased productivity because of elimination of defensive case building
- Expedited decision making with issue resolution strategies
- Better time and cost control over project
- Lower risk of cost overruns and delays because of better time and cost control over project
- Increased opportunity for a financially successful project because of non-adversarial win/win attitude

## **Benefits to the Project Architect/Engineer and Consultants (where applicable)**

- Reduced exposure to litigation through communication and issue resolution strategies
- Minimized exposure to liability for document deficiencies through early identification of problems, continuous evaluation, and cooperative, prompt resolution which can minimize cost impact
- Enhanced role in decision-making process, as an active team member in providing interpretation of design intent and solutions to problems
- Reduced administrative costs because of elimination of defensive case building and avoidance of claim administration and defense costs
- Increased opportunity for a financially successful project because of non-adversarial win/win attitude

# PARTNERING BENEFITS cont'd

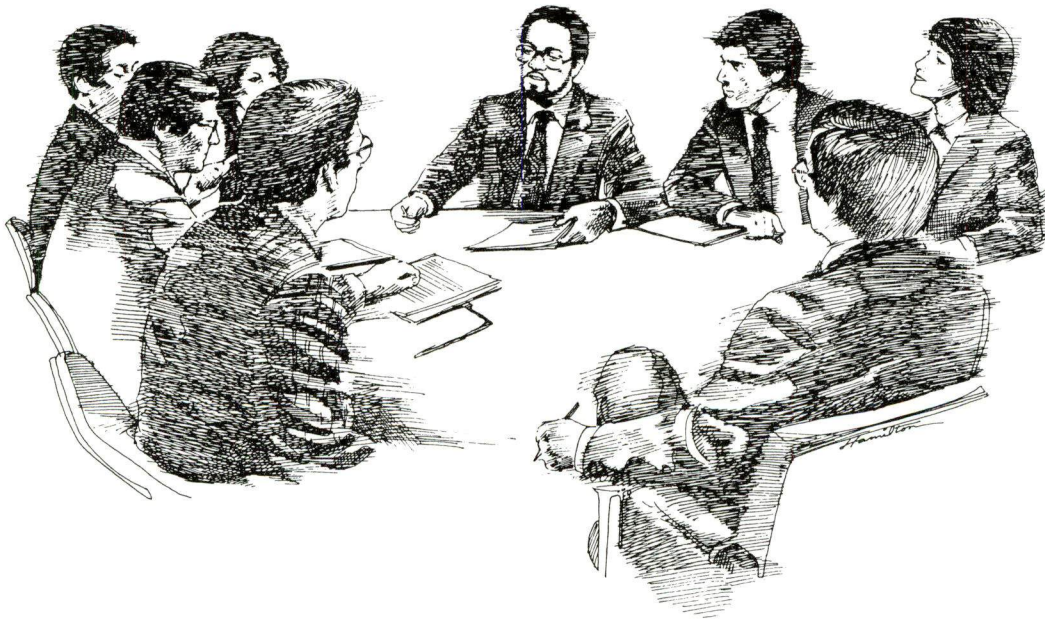
## Benefits to the Project Subcontractors and Suppliers

- Reduced exposure to litigation through communication and issue resolution strategies
- Equity involvement in project increases opportunity for innovation and implementation of value engineering in work
- Potential to improve cash flow due to fewer disputes and withheld payments
- Improved decision making avoids costly claims and saves time and money
- Enhanced role in decision making process as an active team member
- Increased opportunity for a financially successful project because of non-adversarial win/win attitude

## By-Products of Partnering

By addressing the human element in the effort to build a team environment, stakeholders find themselves in a new mode of thinking about and dealing with people. Among the project personnel and within the stakeholder's own business organization, work can become more meaningful and fun. Morale is enhanced and an esprit de corps developed. A heightened awareness of the value of fair-dealing can be used internally, externally and in all aspects of business and life.

A by-product of demonstrating integrity and fair-dealing is the respect of others. In the long term that respect produces a reputation of true value in the industry.





# THE PARTNERING PROCESS

The following is only a model. Because every project is unique and the particular stakeholders for each project will vary, the process should be tailored by and for these stakeholders for the project. A partnering process can be developed for any type project and any size project. For the smaller project, the differences will be in intensity.

**1. Educate your organization.** Whether you are an owner or a contractor, you must educate your own organization about Partnering before attempting a project using the concept. Understanding and commitment are essential.

**2. Make Partnering Intentions Clear.** The owner's intention to encourage Partnering can be mentioned in the project solicitation advertisement and specifications. The provision would emphasize the voluntary nature of Partnering and that the costs associated with implementing it would be shared equally with no change in the contract price. A sample specification is shown in Appendix A. A letter can be sent to the CEO of every company on the bid list. A sample letter is shown in Appendix B. The prebid conference can include a presentation on Partnering. In the context of a negotiated contract for private work, it might be the contractor who proposes the use of Partnering. Even in public works contracts, the contractor can propose and initiate a Partnering agreement after the award because the Partnering process does not change the contract.

**3. Commitment from Top Management at the Start.** Following the award, the owner or the contractor can request a meeting at the CEO level to discuss the Partnering approach to managing the project and the CEO role. See Appendix C. Commitment at this level is essential for Partnering to achieve its potential. Upon agreement, each entity will designate a Partnering leader. These leaders will meet at a neutral site to get to know one another as individuals and to plan a Partnering workshop.

**4. The Partnering Workshop.** As soon as possible, before problems arise, all key players should participate in a Partnering workshop, again, at a neutral site away from the jobsite and outside of the respective corporate cultures of the various stakeholders. Key players from each stakeholder organization at the workshop are those who will be actually involved in contract performance and those with decision making authority. They might

include the contractor's area manager, project manager, superintendent and project engineer; the architect/engineer's chief designer, construction administrator and consultants; subcontractors' project managers or superintendents; the owner's manager or representative; and, depending on the project, special participants such as a representative from a testing laboratory or a key public official. Larger projects might utilize a facilitator, as discussed below, but a facilitator is not essential to the concept. The designated Partnering leaders have planned this workshop and they are the ones in charge of it. They should introduce the Partnering concept and outline the products to be developed in the workshop.

While partnering workshops are most effective at the beginning of a new project, project relations and problem solving can be improved even midway on a project.

**a. Creation of the Partnering Charter.** Through the identification of stakeholders' respective goals for the project, mutual objectives can emerge. These mutually developed objectives form the Partnering charter. In this process the players get to know one another and develop team attitudes rather than we/they attitudes. Again, Partnering goals might include achieving specific value engineering savings, limiting cost growth, limiting review periods for contract submittals, early completion, no lost time because of injuries, minimizing paperwork generated for the purpose of case building or posturing, no litigation, and other goals specific to the nature of the project. Making the construction project an enjoyable process may be part of the charter. The charter not only is a symbol of the stakeholders' commitment to Partnering, but also can be used as the scale against which the stakeholders' implementation of the process can be evaluated. The ceremonial signing of the charter after the personal interaction necessary for the development of mutual goals is an important formalization of the bonds among all stockholders. A sample charter is illustrated at Appendix D.

**b. Development of an Issue Resolution Process.** In the workshop the key players design their own systems for resolving issues on the project. Specific teams composed of personnel from the various stakeholders, who are knowledgeable about their particular technical portions of the

## THE PARTNERING PROCESS cont'd

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contract, discuss potential problems and the way they would like to see them handled. They decide how issues that are not resolved at their level will be escalated to the next level in a timely fashion so that the decision-making process becomes more efficient and costly delays are avoided.

**c. Development of a Joint Evaluation Process.** In Partnering the effectiveness of the process participation is reviewed and evaluated periodically by all participants—not just evaluation by the contractor or the owner. Evaluation can be in periodic written form, through periodic meetings of the key players, and periodic executive meetings. Evaluation, of course, includes recognition of positive behavior and not just deficiencies.

**d. Discussion of Individual Roles/Concerns.** Workshop discussions should include definitions of each key player's unique role and what makes the job successful for that role—what that individual needs and how it is needed. Players experiences (good and bad) should be put on the table. A workshop goal should be a high-trust culture in which everyone feels they can express their ideas and contribute to the solution. Risks and potentially difficult areas of the contract should be discussed openly. Players should be made aware of the potential for value engineering. Understanding other stakeholders' risks and concerns and seeing where one's portion of the contract fits in relation to others' help to build the essential team attitude. In the process, individuals grow to know and understand the personalities with which they will be working before problems have arisen. This investment in the human dimension at this point can reap very significant benefits for the life of the project and potentially beyond.

**e. The Facilitated Workshop.** Although not necessary to the process, a neutral facilitator can be very helpful in organizing the workshop agenda and providing training in conflict management, listening and communication skills, as well as insights into individual problem-solving styles. The role of the facilitator, however, is not to lead, but to keep the focus on and improve the process, to elicit from the

stakeholders what they want out of the workshop, as well as their particular goals and objectives for the project. All stakeholders must be comfortable with the facilitator. The facilitator can help produce the products: the Partnering charter, the issue resolution system and the joint evaluation system. A good facilitator would be industry neutral but with some basic understanding of construction. The facilitator should have organizational skills. Professions such as behavioral or organizational psychologists, industrial psychologists, management consultants, or educators would be good sources for facilitators. Whether to use a facilitator is a business decision to be made jointly by all stakeholders. A qualified facilitator is particularly valuable in initial Partnering experiences to help develop comfort and confidence with regard to the effective implementation of the Partnering process. The benefits of using a facilitator should be balanced in light of the facilitator's fee in relation to the total cost of the project, and the long-term advantage of the training for each organization's personnel. A sample facilitator's agenda is shown in Appendix E.

**6. Periodic Evaluation.** Formal, periodic evaluation helps ensure that the relationships and attitudes created in the workshop are not lost. It also helps to keep the project implementation on target by looking back at goals and assessing progress in relation to those goals. Sample written evaluation forms are shown in Appendix F.

**7. Occasional Escalation of an Issue.** Conflicts are inevitable in any human endeavor. Key players should be encouraged to escalate to the next level of management the issues they are unable to resolve themselves. Escalation saves time and money. It may prevent the stakeholders from taking a rigid position and thus keep a relatively minor issue from becoming a claim. Most importantly, it may preserve the working relationship of the key players.

**8. Final Evaluations and Celebration.** Final evaluations are a way of learning from the experiences of the project. Closure and celebration are important human considerations.

# CLOSING

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We have all witnessed the construction industry evolve into an adversarial, confrontational business with our energies misdirected away from our ultimate goal of constructing a quality product, on time and within budget. Partnering changes mindsets. It helps all of us in the construction process to redirect our energies and to focus on the real issues associated with achieving our ultimate objective.

It is time for a change. Partnering is not a panacea. It is a challenging endeavor. The participants must be committed to change and they must be committed to working in a team environment that fosters a win/win relationship.

Partnering has the potential to change our industry, one project at a time. AGC encourages you to try Partnering on your projects.



## **APPENDIX A: SAMPLE PROVISION FOR PROJECT SPECIFICATIONS**

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**PARTNERING.** The Owner intends to encourage the foundation of a cohesive partnership with the Contractor and its subcontractors. This partnership will be structured to draw on the strengths of each organization to identify and achieve reciprocal goals. The objectives are effective and efficient contract performance, intended to achieve completion within budget, on schedule, and in accordance with plans and specifications.

This partnership will be bilateral in makeup, and participation will be totally voluntary. Any cost associated with effectuating this partnership will be agreed to by both parties and will be shared equally with no change in contract price. To implement this partnership initiative, it is anticipated that within 60 days of Notice to Proceed the Contractor's on-site project manager and the Owner's on-site representative will attend a partnership development seminar followed by a team-building workshop to be attended by the Contractor's key on-site staff and Owner's personnel. Follow-up workshops will be held periodically throughout the duration of the contract as agreed to by the Contractor and Owner.

An integral aspect of partnering is the resolution of disputes in a timely, professional, and non-adversarial manner. Alternative dispute resolution (ADR) methodologies will be encouraged in place of the more formal dispute resolution procedures. ADR will assist in promoting and maintaining an amicable working relationship to preserve the partnership. ADR in this context is intended to be a voluntary, non-binding procedure available for use by the parties to this contract to resolve any dispute that may arise during performance.

# APPENDIX B: SAMPLE PREBID PARTNERING LETTER TO CEO'S ON THE BID LIST

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Mr. John Smith  
Quality Partnering Construction Co.  
Quality City, U.S.A.

SUBJECT: Partnering

Dear: Mr. Smith

I understand your company intends to bid on the \_\_\_\_\_ contract. I am making a special effort to inform senior executives of all interested companies of an exciting new concept in the management of this project. It is my intention to establish a formal "Partnering" agreement and program with the successful bidder.

Partnering is a process promoting teamwork, minimizing confrontation and hopefully eliminating the need for litigation, where all stakeholders finish the job a winner. It is a challenging endeavor that requires the commitment of senior management.

I will present the details of Partnering during the prebid conference luncheon on (date) here in (city). I hope you will have your representative report back to you the particulars. You are certainly welcome to have one of your executives attend the luncheon to participate first hand.

Please feel free to contact me if you have questions at (telephone number). Reservations for the luncheon should be called in to (appropriate person) by (date).

Sincerely,

Owner's CEO

## **APPENDIX C: SAMPLE LETTER TO AWARDEE REQUESTING A MEETING TO DISCUSS THE PARTNERING CONCEPT**

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Mr. John Smith  
Quality Partnering Construction Co.  
Quality City, U.S.A.

Dear: Mr. Smith

Congratulations! I was delighted to find (company name) the apparent low bidder on the \_\_\_\_\_ project. Your company has a reputation for excellence and we look forward to a mutually rewarding relationship.

I hope to have all the administrative formalities completed by (date) when I will make the formal contract award. In the meantime, I would like to propose a meeting with you within the next few weeks, at your headquarters, to discuss a "Partnering" approach to managing the project.

My concept of partnering is recognizing shared risk and common objectives, promoting cooperation, minimizing confrontation and eliminating litigation. Success is all stakeholders finishing the job a winner. It is a challenging endeavor that requires up-front agreement on expectations, helpful systems and, most importantly, the unqualified commitment of senior leadership.

I will call you next week to determine when a meeting may be convenient.

Again, congratulations and best wishes!

Sincerely,

Owner's CEO

# APPENDIX D: SAMPLE PARTNERING CHARTER

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The mutual goals and objectives of the stakeholders form the Partnering charter. The charter for each project, therefore, will be unique to that project. The charter may be a simple statement about communication and cooperation in all matters affecting the project and resolution of conflicts at the lowest level. The following, however, provides an idea of objectives which might be included in a charter.

## Partnering Charter for (Project)

We are a team dedicated to providing a quality project in accordance with the contract. We are committed to both employee and public safety, protection of the environment, and minimizing inconvenience to the public.

### I. COMMUNICATION OBJECTIVES

We intend to deal with each other in a fair, reasonable, trusting and professional manner including:

1. Communicate and resolve problems within the terms of the contract.
2. Decision making at lowest possible level.
3. Open, honest communication.
4. Treat each other with mutual respect, resolve personal conflicts immediately, and avoid personal attacks.
5. Timely notification of future meetings.
6. Support of the weekly and morning meetings.
7. Not allowing grudges to interfere with professionalism.

### II. CONFLICT RESOLUTION SYSTEM

- Step 1. It is preferred that conflict be discussed and resolved at the level at which it originates.
- Step 2. When conflict is not resolved at the originating level, it will be taken to the next level of supervision.
- Step 3. When conflict is not resolved at step 2, then it will be taken to the project manager and project engineer.
- Step 4. If it cannot be resolved at step 3, then it will be handled according to contract specifications.

### III. PERFORMANCE OBJECTIVES

1. Complete the project without litigation
2. Utilize cost reduction incentive proposals.
3. Finish project on time.

# APPENDIX D: cont'd

## SAMPLE PARTNERING CHARTER

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4. No delays to project.
5. No lost time injuries.
6. Promote positive public relations.
7. Provide safe passage of the public through the project.
8. Make project enjoyable to work on.
9. Construct and administer the contract so that all parties are treated fairly.

We the undersigned agree to make a good faith effort to undertake and implement the above as applicable to each of us:

General Contractor Personnel

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Owner Personnel

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Subcontractors

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A/E

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Suppliers

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# APPENDIX E: SAMPLE FACILITATOR'S AGENDA

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The following is an agenda for a simple one-day workshop. For larger projects the parties may wish to expand the time and scope of the workshop by including discussions of problem solving styles, prior experiences, risk management philosophies, anticipated difficulties, and/or simply more time for the parties to become better acquainted—in small or larger groups.

## WORKSHOP

### Agenda

- |                  |   |
|------------------|---|
| 9:00 - 9:15 AM   | Opening Remarks of Senior Executives—Why we are here. |
| 9:15 - 9:30 AM   | Introductions   |
| 9:30 - 10:30 AM  | Partnering Overview                                   |
| 10:30 - 10:45 AM | Break   |
| 10:45 - 11:15 AM | Exercise #1 Barriers, Problems, Opportunities         |

#### Barriers, Problems and Opportunities

- What actions does the other group engage in that create problems for us?
- What actions do we engage in that we think may create problems for them?
- What recommendations would we make to improve the situation?

(The parties will break into two groups [Owner and Contractor]. These questions are answered and then reported back to entire group. Discussion facilitates understanding.)

- |                  |   |
|------------------|---|
| 11:15 - 11:45 AM | Report and Discussion in Entire Group   |
| 11:45 - 12:00 PM | Develop Mission Statement               |
| 12:00 - 1:00 PM  | Lunch                                   |
| 1:00 - 1:15 PM   | Develop Mission Statement               |
| 1:15 - 1:45 PM   | Exercise #2 Interest, Goals, Objectives |

# APPENDIX E: cont'd

## SAMPLE FACILITATOR'S AGENDA

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### Interest/Goals/Objectives

- What direct and indirect interest do we have in the outcome of this project?
- Given our interest, what are reasonable, achievable goals to which we can strive?
- What specific, measurable objectives can we identify that move us toward our goals?

(Again, the parties separate into Owner and Contractor groups. When results are reported back to the entire group, common objectives emerge. From these, a specific list of charter objectives are developed along with mission statement.)

1:45 - 2:15 PM	Report, Discussion, Identification of Common Goals and Objectives
2:15 - 2:30 PM	Break
2:30 - 3:15 PM	Exercise #3 Issue Resolution and Team Evaluation

### Issue Resolution/Team Evaluation

- What should our issue resolution policy require?
- How should the issue resolution process work?
- What are the roles and responsibilities for all levels of the partnership in issue resolution?
- How can we evaluate the progress of the partnership in achieving our goals and objectives?
- Who initiates the evaluation, who has input to the evaluation and who sees the evaluation?
- What actions should the evaluation trigger?
- Should the evaluation process include followup workshop(s)?

If so, when and who is responsible?

Who should attend?

(This exercise may be conducted in one large group discussion. Specific followup tasks may be assigned to ensure closure on procedures and evaluation forms.)

3:15 - 4:00 PM	Report Discussion, Agree on Process and Format
4:00 PM	Sign Charter

# APPENDIX F: SAMPLE EVALUATION FORMS

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(Project Name)  
Partnering Program

## Partnering Status Evaluator

Partnering Status Evaluator (Form to be filled out by jobsite partners prior to monthly progress meeting. Completed form is distributed at progress meeting and its review becomes the last agenda item of this meeting.)

Date \_\_\_\_\_

**Item**

**Evaluation**

	Contractor	Owner	Others
1. Quality of Project			
2. Resolution of Jobsite Problems			
3. Tone of Communication Progress Meetings Letters Oral			
4. Special Reports Required			

# APPENDIX F: cont'd

## SAMPLE EVALUATION FORMS

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(Project Name) Partnering Rating Form

**PARTNERING FACTORS**

**DATE** \_\_\_\_\_

- 1 - ADVERSARIAL/FORCING/AVOIDANCE/SELF INTEREST
- 2 -
- 3 - ACCOMMODATING/COMPROMISING/MODERATE POSTURING
- 4 -
- 5 - SYNERGISTIC/COLLABORATIVE/WIN-WIN/TEAM INTEREST

**FACTOR**

**1. COMMUNICATION**

A. OPEN, HONEST, TIMELY

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

B. ACTIVE, EMPATHETIC LISTENING

\_\_\_\_\_  
\_\_\_\_\_

C. NUMBER & TONE OF LETTERS

\_\_\_\_\_  
\_\_\_\_\_

**2. PROBLEM SOLVING**

A. WIN-WIN SYNERGISTIC

\_\_\_\_\_  
\_\_\_\_\_

B. SOLVED AT LOWEST LEVEL

\_\_\_\_\_  
\_\_\_\_\_

C. IMMEDIATE ESCALATION WHEN NOT RESPONSIBLE

\_\_\_\_\_  
\_\_\_\_\_

**3. OVERALL TRUST/CANDOR**

\_\_\_\_\_  
\_\_\_\_\_

**4. PROGRESS ON GOALS**

\_\_\_\_\_  
\_\_\_\_\_

**KEY ISSUES:**

**OVERALL**

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_

## Partnering is a relatively new process, but early results are very promising.

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“Partnering is a strategy for success. In over three years’ experience we have (1) virtually eliminated time growth, (2) substantially reduced cost growth, (3) experienced no new litigation, (4) reduced paperwork by 2/3, (5) gained new respect for our industry partners, and (6) are HAVING FUN!”

Colonel Charles E. Cowan  
U.S. Army Corps of Engineers, Portland District  
(Mr. Cowan became Director of the Arizona Department of Transportation in June 1991)

“Partnering is much more than a buzzword, a philosophy or an attitude. It is a structured management process that is effective on all sizes of construction projects to focus the attention of all the parties on problem resolution, without prolonged disputes or litigation. All experienced contractors realize that good working relationships are essential for successful, profitable projects. I am committed to the Partnering process—it works!”

Richard A. Lewis  
Vice President  
Granite Construction Company

“Partnering has enabled us to accomplish, through a concentration of resources, much more than we otherwise could have. Both organizations have had difficulties but we are now enjoying the opportunity that Partnering offers to apply continuous improvement and quality programs. The greater trust and sharing between owner and contractor open many doors. Our partnership has expanded into upstream technology work and downstream plant and maintenance support. I see a great deal of potential remaining.”

Don Rasmussen  
Director of Engineering, Polyolefin Division  
Union Carbide Chemicals and Plastics Company, Inc.

“We view partnering as a way to enhance the client-consultant relationship. Having a written charter, signed by the parties, provides a positive framework for teaming efforts. Contracts used to define specific actions and requirements are prone to adversarial and defensive postures by the parties. The goal of partnering is to ensure that communication and teamwork will be maximized to produce the best results for all partners.”

David F. Evans, P.E., P.L.S.  
David Evans and Associates, Inc.  
Engineers, Surveyors, Planners, Landscape Architects, Scientists

“From first hand experience and simply put, Partnering is a leadership concept wherein contractors and owners deal with each other with trust, honor, and equity. It assures a project will be completed on time, within budget, and with final payment made on project acceptance and not five years later in a court of appropriate jurisdiction. What have you got to lose? Trust me, it works.”

Michael B. Murphy  
Executive Vice President  
Cooney McHugh Company, a Division of Donald B. Murphy Contractors, Inc.

“Unwarranted conflicts in our business are about to bury us all. Partnering is a concept that helps us focus on what the true outcome of a project should be and how we can get there. We at Sundt are neophytes at Partnering, but you can bet we are going to get much better at it.”

J. Doug Pruitt  
Executive Vice President  
Sundt Corp

“The essence of AGC’s Partnering Program is to establish a working relationship with owners and other construction team members before a project starts so that relationships of trust are secured before the first concrete is poured or steel put in place. When that happens, when earned trust reigns, our projects will have the best foundations for success.”

Marvin M. Black  
President  
Associated General Contractors of America

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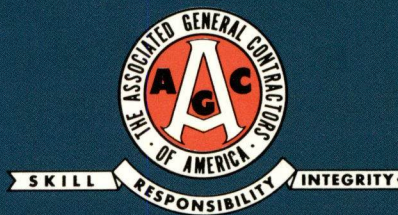
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# PARTNERING . . .

- Quality and Cost Effective Construction
- Litigation Avoidance

through

- Commitment
- Equity
- Trust
- Development of Mutual Goals/Objectives
- Implementation
- Continuous Evaluation
- Timely Responsiveness



**The Associated General Contractors of America**

The Full Service Association . . . For Full Service Members

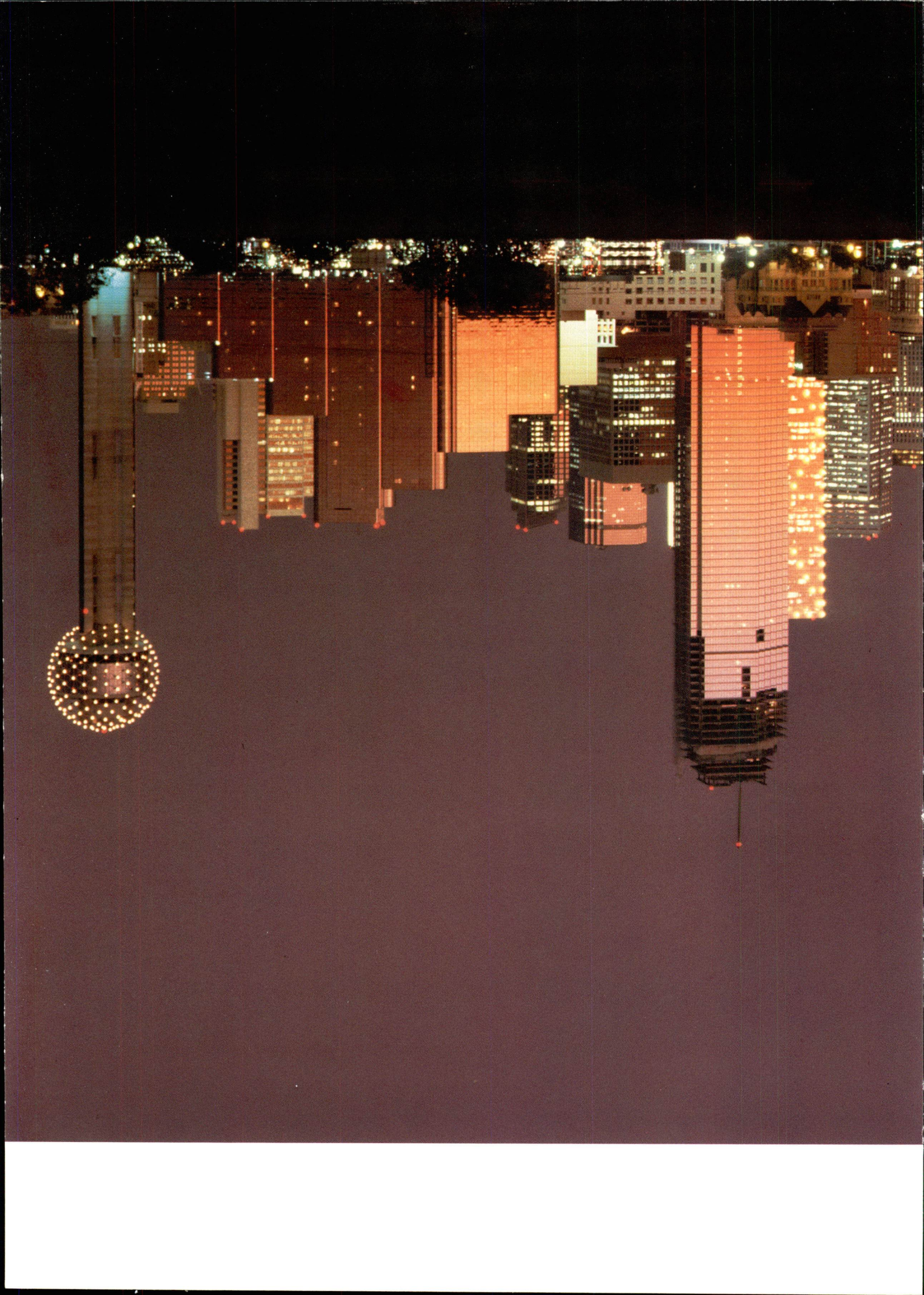
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Washington, D.C 20006

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DALLAS CONVENTION CENTER

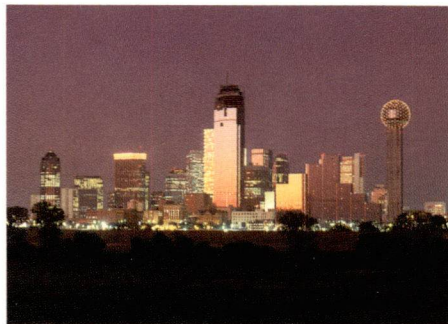




## DALLAS. ON THE MOVE.



Dallas Museum Of Art



Reunion Arena

Tomorrow isn't soon enough in Dallas.

That's why today, Dallas is growing, building, planning and prospering like never before.

Today's Dallas ranks seventh in population of American cities. Dallas ranks third in the number of headquarters for corporations with assets over one million. And Dallas also has the second-largest concentration of insurance companies in America.

Most important, Dallas has demonstrated one of the longest and most stable growth rates of any city in the nation.

So it's more than good fortune that Dallas ranks among the very top convention centers in the country.

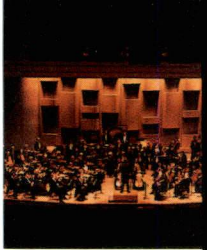
Today's Dallas Convention Center was designed to facilitate a total flexibility of use — providing almost two million square feet of space for all sizes of national, state and regional meetings and expositions.

But Dallas is more than a great convention, it's a great city. With a dynamic spirit, mood and unique approach to everything.

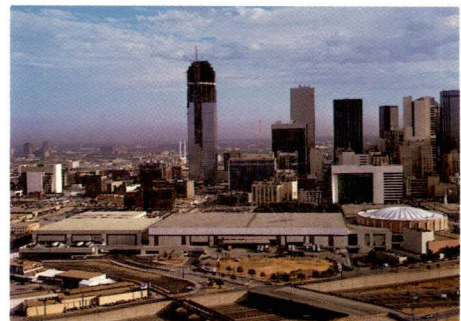
Dallas is a festival of entertainment, both live and lively. It's a wonderland of shopping. And a treasure trove of amusement parks, sports and museums. It's energetic and friendly. Laid back and fun. And there's not another place like it in America.

Dallas puts conventions in motion. And once the spirit of our city has a hold on you, you'll always want to come back for more.





## ORIENTATION



Strategically located in the heart of downtown Dallas, the Dallas Convention Center is just minutes from D/FW International Airport and easily accessible from all major thoroughfares.

It is near world-class hotels, restaurants, retail shops and offices — as well as renowned entertainment venues like Reunion Arena and the Majestic Theatre.

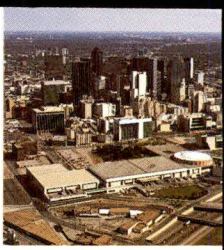
Facing North, the impressive front expanse of the Dallas Convention Center directly overlooks the ever-changing skyline of Dallas.

To the East, the Dallas Convention Center directly faces Dallas City Hall and the State Fair Grounds.

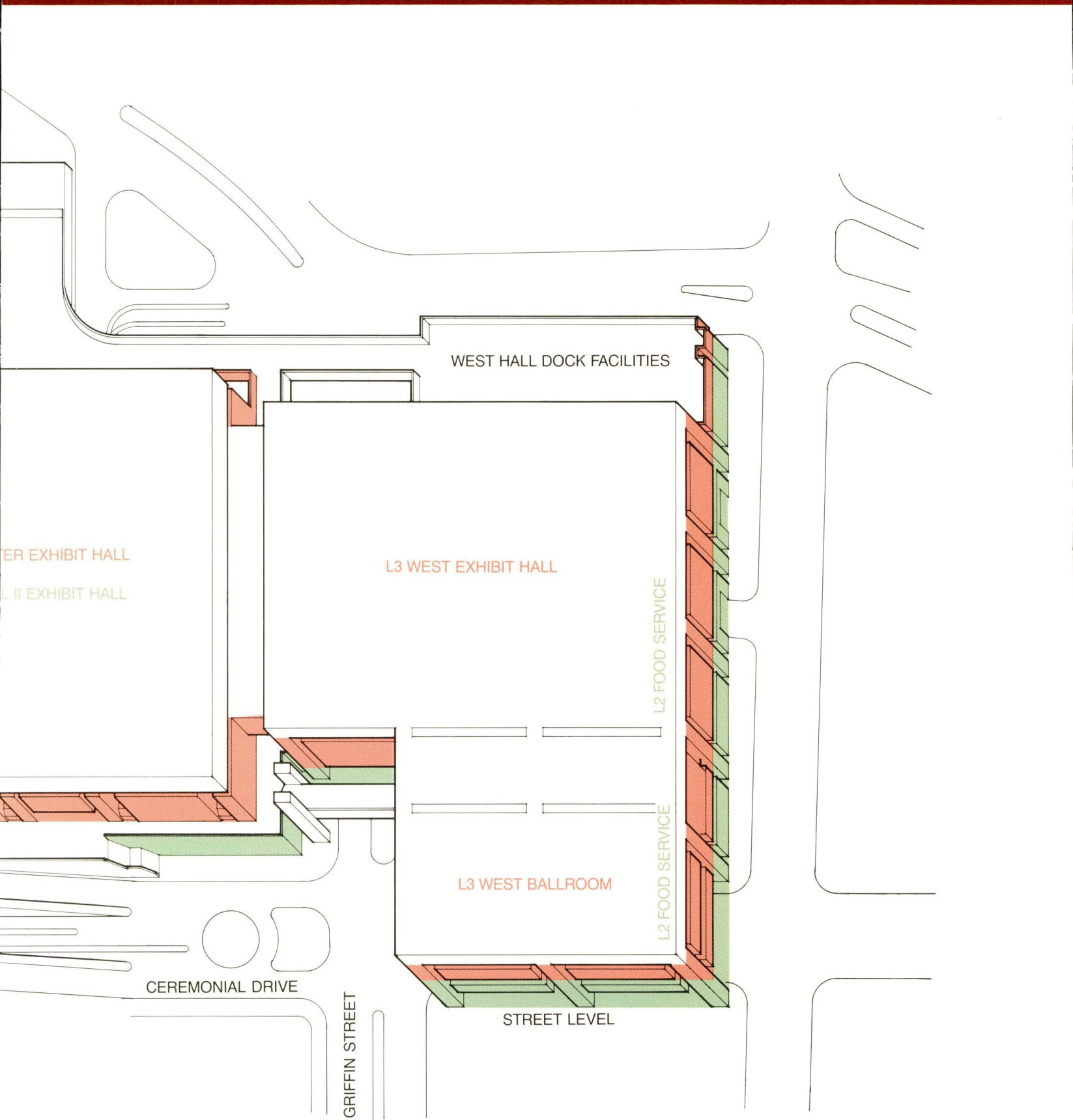
To the South, the Dallas Convention Center faces historic Old City Park, the Dallas of yesteryear.

To the West, the Dallas Convention Center is less than four blocks from Reunion Arena, Dallas' multi-purpose special events center seating 19,000.

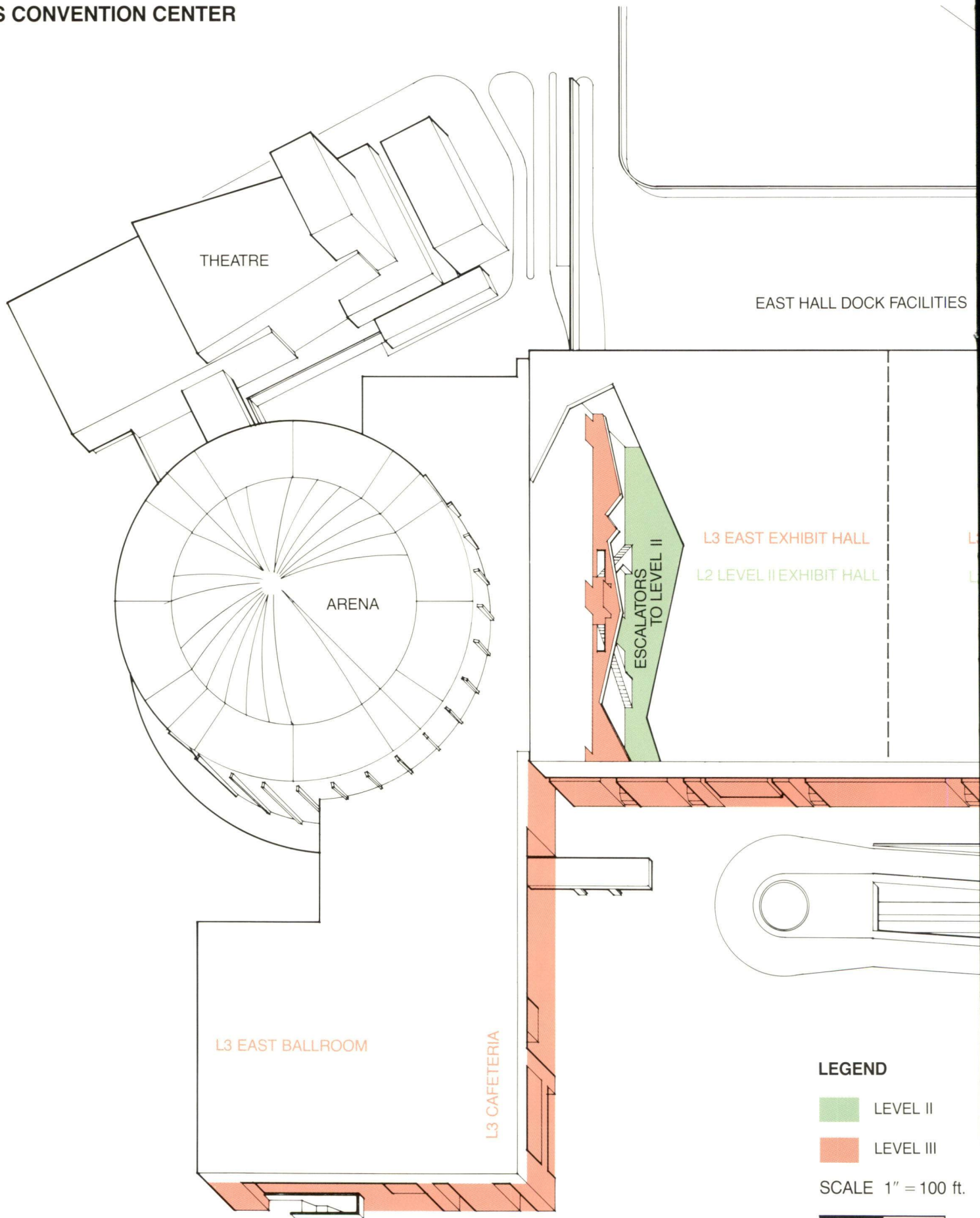
In Dallas, every convention is just minutes from where you want to go.



Dallas Convention Center



# DALLAS CONVENTION CENTER



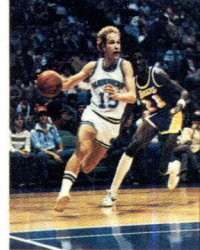
## LEGEND

- LEVEL II
- LEVEL III

SCALE 1" = 100 ft.







Dallas Mavericks

## EXHIBIT HALLS



Total flexibility. That's the reason the Dallas Convention Center can accommodate almost any imaginable function for your group — from the most intimate meeting to the largest exposition.

Overall prime exhibit space available now exceeds 600,000 G.S.F.

Today's Level III Exhibition Hall is impressive even in Texas terms. It stands almost five stories high — and offers more than 300,000 square feet of floor space.

This immense exhibit hall can be divided into three independent units: the East, Center and West Halls, which can allow for simultaneous expositions.

Directly below Level III is the Level II Exhibit Hall, with direct access by escalators and offering 225,000 G.S.F.

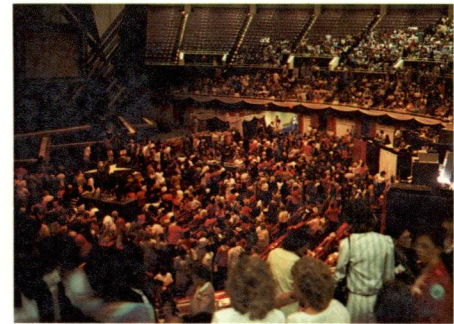
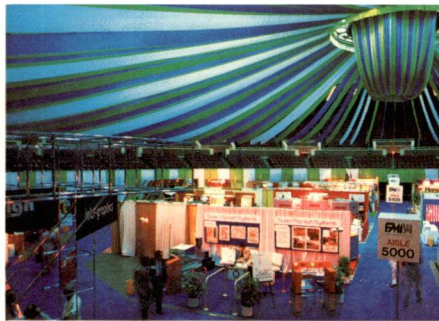
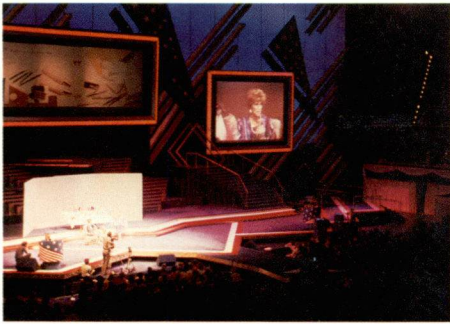
In addition to Level III and II Exhibit Halls, the North Exhibit Hall on Level II offers 50,750 square feet of additional exhibition space. Should your convention require more room, the arena and corridors may also be used for exhibits.

Garage parking is located immediately below Level II and can accommodate 650 cars. Surface parking and overflow parking are just minutes from the convention center at Reunion Arena.





## ARENA AND THEATRE



Once during most conventions, there is a special thrill of drama and excitement.

And it happens in the main arena of the Dallas Convention Center.

Excitement is what the main arena is all about. With 7,428 permanent upholstered opera-type seating and room on the floor in the center arena for 2,300 additional temporary seats, the main arena can accommodate over 9,000 people.

A state-of-the-art sound system is featured in the arena, enabling you to fulfill your most demanding program requirements.

The Dallas Convention Center also boasts a permanent theatre with seating for 1,770. This outstanding room has not only served the programming needs of associations but has hosted elaborate staging for Broadway musicals.

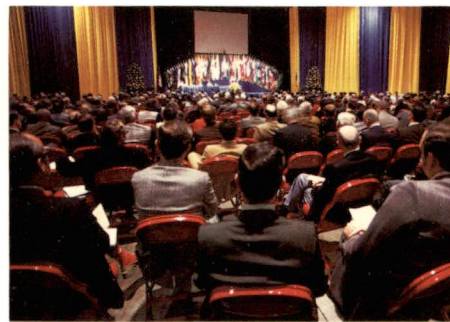
Comfortable upholstered opera-type seats ensure that every performance or meeting is a pleasure.

The main stage measures a dramatic 80 feet by 45 feet, and features an orchestra lift located in front of the forestage which is 38 feet by 13 feet. Dressing rooms are provided.





# MEETING ROOMS



No convention center would be complete without an ample number of meeting rooms. And today, Dallas is acknowledged to have the finest of any convention facility in the nation.

Supporting the Exhibit Halls at the Dallas Convention Center are 76 individual meeting rooms, providing 81,175 square feet of space and accommodating intimate groups from 25 to 1000.

Every meeting room features black-out switches, individual sound controls, superior acoustics, carpeting, reading lights and individual thermostat controls.

LEVEL TWO EAST MEETING ROOM SCHEDULE

Room	Size	Clg. Ht.	S.F.	Seating*
N201	21'-0"x18'-8"	13'-0"	392	40
N202	14'-2"x18'-0"	13'-0"	255	26
N203	14'-2"x18'-0"	13'-0"	255	26
N204	21'-0"x18'-8"	13'-0"	392	40
N205	14'-2"x18'-0"	13'-0"	255	26
N206	21'-0"x18'-8"	13'-0"	392	40
N207	14'-2"x18'-0"	13'-0"	255	26
N208	13'-4"x21'-0"	13'-0"	280	28
N209	13'-4"x21'-0"	13'-0"	280	28
N210	13'-4"x21'-0"	13'-0"	280	28
N211	13'-4"x21'-0"	13'-0"	280	28
N212	17'-4"x19'-4"	13'-0"	335	34
N213	17'-4"x19'-4"	13'-0"	335	34
N214	18'-10"x25'-0"	13'-0"	471	47
N215	32'-2"x34'-8"	13'-0"	1115	112
N216	18'-10"x25'-0"	13'-0"	471	47
N217	32'-2"x34'-8"	13'-0"	1115	112
N218	18'-10"x25'-0"	13'-0"	471	47
N219	18'-10"x25'-0"	13'-0"	471	47
N220	17'-4"x19'-4"	13'-0"	335	34
N221	17'-4"x19'-4"	13'-0"	335	34
N222	27'-6"x24'-0"	13'-0"	660	66
N223	27'-6"x24'-0"	13'-0"	660	66
N224	27'-6"x24'-0"	13'-0"	660	66
N225	14'-2"x18'-0"	13'-0"	255	26
N226	14'-2"x18'-0"	13'-0"	255	26
N227	27'-6"x24'-0"	13'-0"	660	66
N228	14'-2"x18'-0"	13'-0"	255	26
N229	14'-2"x18'-0"	13'-0"	255	26
N230	28'-4"x37'-0"	13'-0"	1032	104
N231	28'-4"x37'-0"	13'-0"	1032	104
N232	20'-4"x19'-4"	13'-0"	370	37
N233	18'-10"x25'-0"	13'-0"	471	47
N234	18'-10"x25'-0"	13'-0"	471	47
N235	18'-10"x25'-0"	13'-0"	471	47
N236	18'-10"x25'-0"	13'-0"	471	47

LEVEL TWO WEST MEETING ROOM SCHEDULE

Room	Size	Clg. Ht.	S.F.	Seating*
W101	45'-0"x55'-0"	17'-0"	2475	248
W102	45'-0"x55'-0"	17'-0"	2475	248
W103	54'-0"x55'-0"	17'-0"	2970	297
W104	40'-0"x51'-0"	17'-0"	2040	204
W105	40'-0"x25'-6"	17'-0"	1020	102
W106	40'-0"x25'-6"	17'-0"	1020	102
W107	27'-0"x51'-0"	17'-0"	1377	138
W108	31'-0"x51'-0"	17'-0"	1581	158
W109	45'-0"x25'-6"	15'-0"	1148	115
W110	45'-0"x25'-6"	15'-0"	1148	115
W111	44'-0"x51'-0"	15'-0"	2244	224
W112	44'-0"x55'-0"	15'-0"	2420	242
W113	44'-0"x55'-0"	15'-0"	2420	242
W114	41'-0"x25'-0"	9'-0"	1025	102
W115	19'-0"x21'-0"	9'-0"	399	40
W116	31'-0"x34'-0"	9'-0"	1054	105
W117	24'-0"x29'-0"	9'-0"	696	70

LEVEL THREE EAST BALLROOM SCHEDULE

Room	Size	Clg. Ht.	S.F.	Seating*
A	60'-3"x112'-0"	25'-0"	6748	675
B	60'-3"x112'-0"	25'-0"	6748	675
C	60'-3"x112'-0"	25'-0"	6748	675
D	60'-3"x112'-0"	25'-0"	6748	675

LEVEL THREE EAST MEETING ROOM SCHEDULE

Room	Size	Clg. Ht.	S.F.	Seating*
E301	42'-0"x42'-0"	12'-0"	1764	176
E302	42'-0"x42'-0"	12'-0"	1764	176
S303	39'-8"x27'-0"	9'-1"	1071	107
S304	19'-8"x27'-0"	9'-1"	531	53
S305	19'-8"x27'-0"	9'-1"	531	53
S306	19'-6"x27'-0"	9'-1"	526	53
S307	19'-0"x20'-0"	9'-1"	380	38
S308	38'-0"x41'-0"	9'-1"	1553	156

LEVEL THREE WEST BALLROOM SCHEDULE

Room	Size	Clg. Ht.	S.F.	Seating*
A	53'-4"x89'-0"	26'-0"	4747	475
B	54'-2"x89'-0"	26'-0"	4820	482
C	54'-2"x89'-0"	26'-0"	4820	482
D	53'-4"x89'-0"	26'-0"	4747	475

LEVEL FOUR EAST MEETING ROOM SCHEDULE

Room	Size	Clg. Ht.	S.F.	Seating*
E401	30'-0"x36'-0"	11'-0"	1080	108
E402	32'-0"x36'-0"	11'-0"	1152	115
E403	24'-0"x36'-0"	11'-0"	864	86
E404	29'-0"x36'-0"	11'-0"	1044	104
E405	29'-0"x36'-0"	11'-0"	1044	104
E406	2'-0"x36'-0"	11'-0"	864	86
E407	32'-0"x36'-0"	11'-0"	1152	115
E408	30'-0"x36'-0"	11'-0"	1080	108
E409	42'-0"x48'-0"	18'-0"	2016	202
E410	42'-0"x43'-0"	18'-0"	1806	180
S411	58'-0"x47'-0"	13'-1"	2726	273
S412	40'-0"x47'-0"	13'-1"	1880	188
S413	40'-0"x47'-0"	13'-1"	1880	188
S414	45'-0"x59'-0"	13'-1"	2655	266
N401	50'-0"x52'-0"	18'-0"	2600	260

\*Based upon 10 square feet per person.





## BALLROOMS AND FOOD SERVICE



The Dallas Convention Center, with its two separate ballrooms, is the ideal facility for practically any size gathering.

The East Ballroom provides 27,000 square feet of space, seating up to 3,375 theatre-style for meetings and up to 2,250 for banquets.



The West Ballroom provides 20,000 square feet, seating up to 2,500 for meetings and approximately 1,600 for banquets.

Both ballrooms have been arranged to meet the widest variety of requirements, with elegant appointments and a unique combination of fluorescent and incandescent lighting systems.

Each ballroom can be divided into four separate rooms, providing maximum seating for 850 and 750 guests respectively. And each room is provided with its own sound-reinforcing system, individually controlled yet interconnected with other systems throughout the ballroom complex. Lighting is also individually controlled, for optimum flexibility.

With a beautiful 650-seat cafeteria/dining room located off the East main lobby of the complex which can serve full-course meals daily, the Dallas Convention Center is able to provide one of the finest food services facilities anywhere.



Two completely modernized kitchens not only have the capability to serve quality cafeteria dining — but handle all catered food functions and concession operations for the entire center.

In addition, there are 13 concession stands in the arena, with additional concession stands located in both the East and West Exhibit Halls.



State Fair Of Texas

## DOCK FACILITIES



Space and beauty alone cannot produce your most successful exhibition experience.

That's why so much time and planning have been invested by the Dallas Convention Center, to achieve the most effortless loading and unloading possible.

The East and Center Exhibit Halls are served by Dock #4. Measuring 400 feet wide by 140 feet deep, Dock #4 can handle up to 35 trucks at one time.

Dock #5 serves the West Exhibit Hall. Measuring 240 feet wide by 90 feet deep, Dock #5 can handle up to 12 trucks at one time.

Dock #1 serves the Theatre. Measuring 25 feet wide by 175 feet deep, it can handle two trucks.

Dock #2 measures 240 feet wide by 60 feet deep and serves the North Exhibit Hall.

Dock #6 serves the West Meeting Rooms. Measuring 30 feet wide by 50 feet deep, Dock #6 can handle two trucks.



Ample turning radius has been provided at each dock for semi-trailors.

# LEVEL TWO PLAN

DALLAS CONVENTION CENTER

## LEGEND

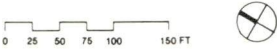
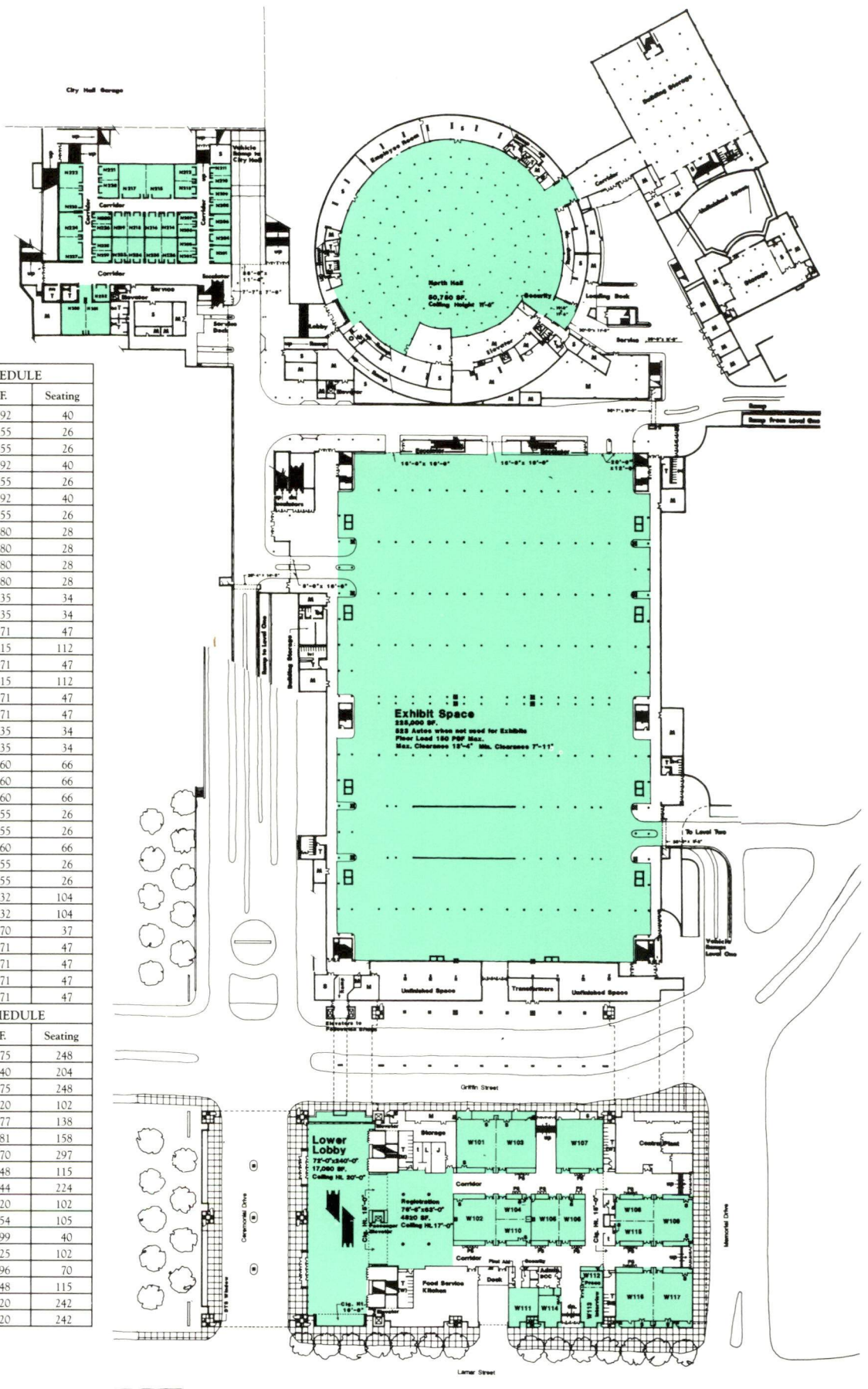
- C - Concessions
- J - Janitor
- M - Mechanical Area
- O - Office
- S - Storage
- T - Toilet Rooms
- t-L - Telephone/Locker

LEVEL TWO EAST MEETING ROOM SCHEDULE

Room	Size	Clg. Ht.	SF	Seating
N201	21'-0"x18'-8"	13'-0"	392	40
N202	14'-2"x18'-0"	13'-0"	255	26
N203	14'-2"x18'-0"	13'-0"	255	26
N204	21'-0"x18'-8"	13'-0"	392	40
N205	14'-2"x18'-0"	13'-0"	255	26
N206	21'-0"x18'-8"	13'-0"	392	40
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N211	13'-4"x21'-0"	13'-0"	280	28
N212	17'-4"x19'-4"	13'-0"	335	34
N213	17'-4"x19'-4"	13'-0"	335	34
N214	18'-10"x25'-0"	13'-0"	471	47
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N219	18'-10"x25'-0"	13'-0"	471	47
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W105	27'-0"x51'-0"	17'-0"	1377	138
W106	31'-0"x51'-0"	17'-0"	1581	158
W107	54'-0"x55'-0"	17'-0"	2970	297
W108	45'-0"x25'-6"	15'-0"	1148	115
W109	44'-0"x51'-0"	15'-0"	2244	224
W110	40'-0"x25'-6"	17'-0"	1020	102
W111	31'-0"x34'-0"	9'-0"	1054	105
W112	19'-0"x21'-0"	9'-0"	399	40
W113	41'-0"x25'-0"	9'-0"	1025	102
W114	24'-0"x29'-0"	9'-0"	696	70
W115	45'-0"x25'-6"	15'-0"	1148	115
W116	44'-0"x55'-0"	15'-0"	2420	242
W117	44'-0"x55'-0"	15'-0"	2420	242



# LEVEL THREE PLAN

DALLAS CONVENTION CENTER

## LEGEND

- C - Concessions
- J - Janitor
- M - Mechanical Area
- O - Office
- S - Storage
- T - Toilet Rooms
- t-L - Telephone/Locker
- - Floor Utility Boxes (Typical throughout Exhibit Hall)

LEVEL THREE EAST BALLROOM SCHEDULE

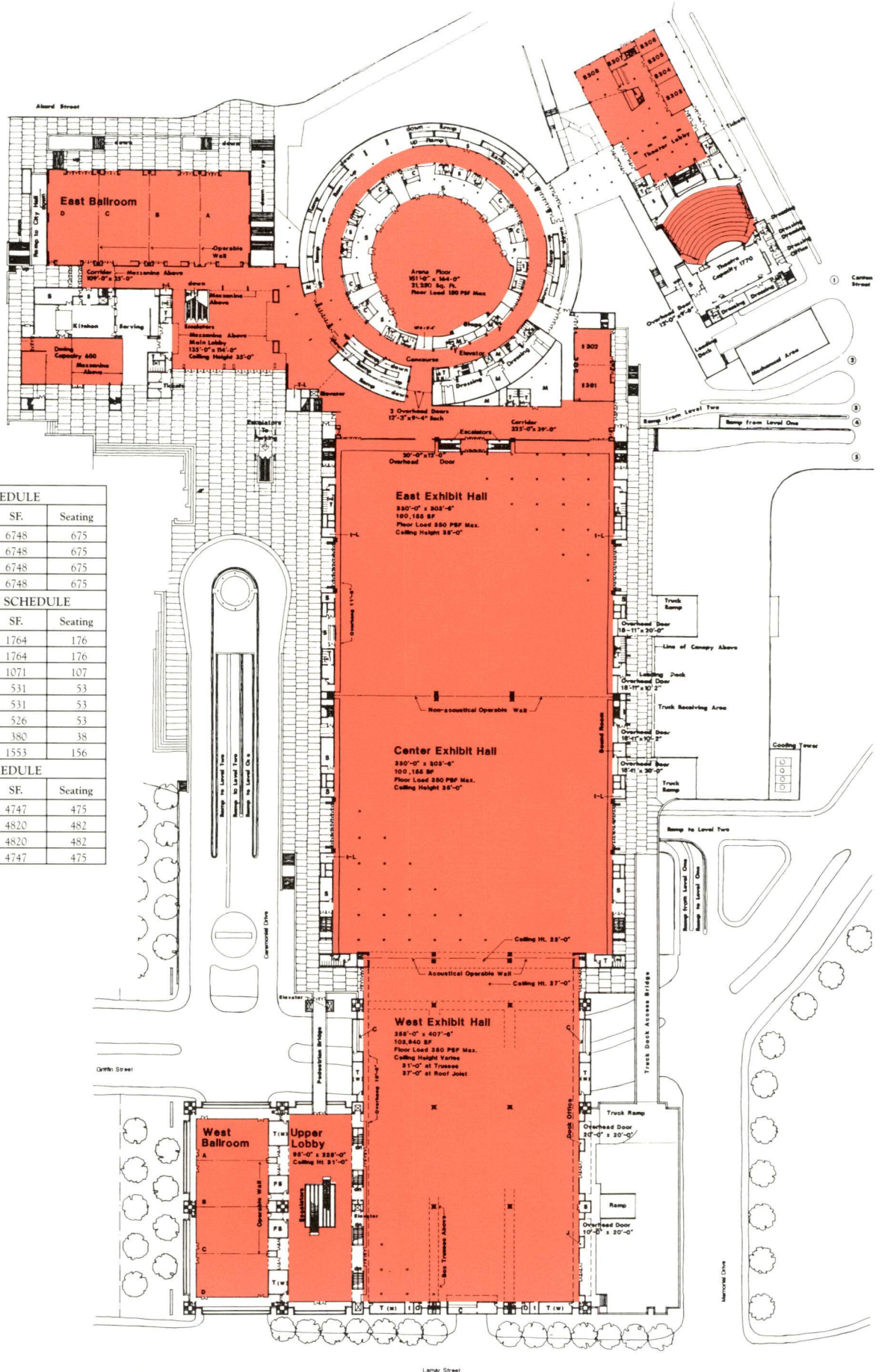
Room	Size	Clg. Ht.	SF.	Seating
A	60'-3"x112'-0"	25'-0"	6748	675
B	60'-3"x112'-0"	25'-0"	6748	675
C	60'-3"x112'-0"	25'-0"	6748	675
D	60'-3"x112'-0"	25'-0"	6748	675

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Room	Size	Clg. Ht.	SF.	Seating
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E302	42'-0"x42'-0"	12'-0"	1764	176
S303	39'-8"x27'-0"	9'-1"	1071	107
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S305	19'-8"x27'-0"	9'-1"	531	53
S306	19'-6"x27'-0"	9'-1"	526	53
S307	19'-0"x20'-0"	9'-1"	380	38
S308	38'-0"x41'-0"	9'-1"	1553	156

LEVEL THREE WEST BALLROOM SCHEDULE

Room	Size	Clg. Ht.	SF.	Seating
A	53'-4"x89'-0"	26'-0"	4747	475
B	54'-2"x89'-0"	26'-0"	4820	482
C	54'-2"x89'-0"	26'-0"	4820	482
D	53'-4"x89'-0"	26'-0"	4747	475

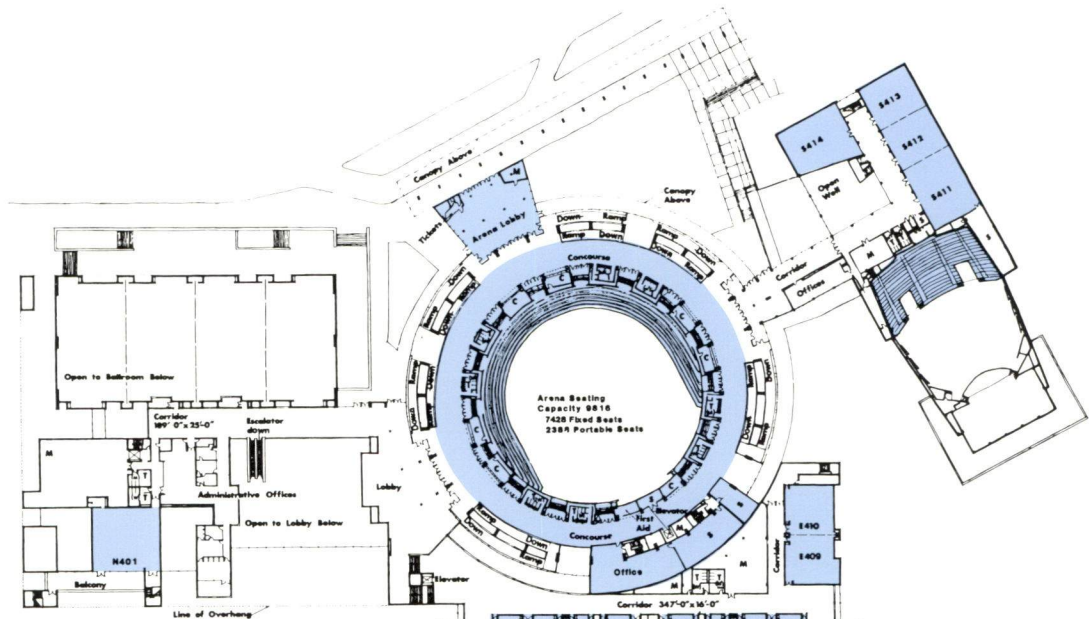


# LEVEL FOUR PLAN

DALLAS CONVENTION CENTER

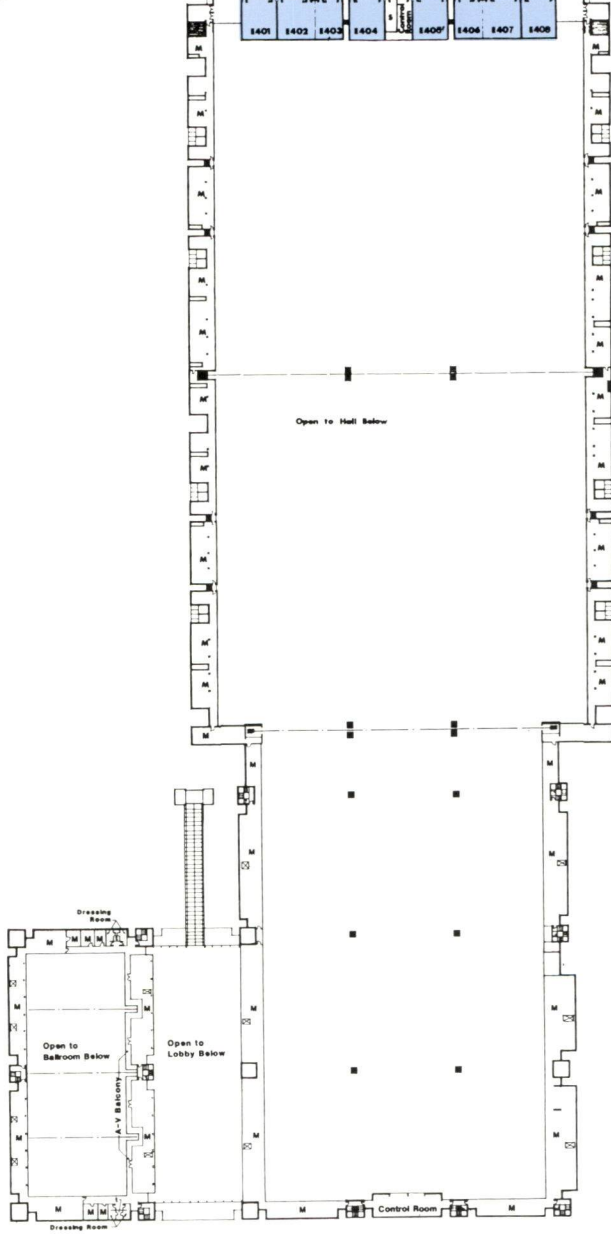
## LEGEND

- C - Concessions
- J - Janitor
- L - Lockers
- M - Mechanical Room
- O - Office
- S - Storage
- T - Toilet Room



LEVEL FOUR EAST MEETING ROOM SCHEDULE

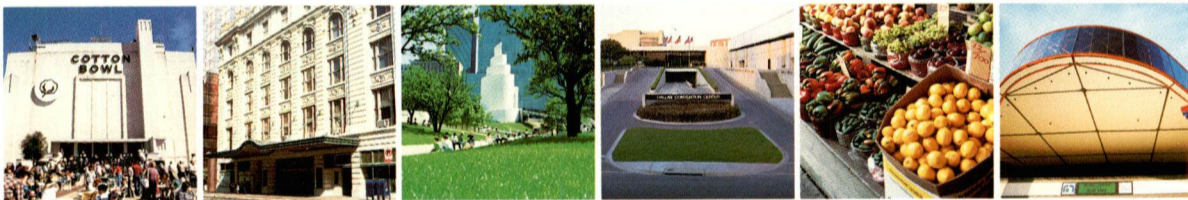
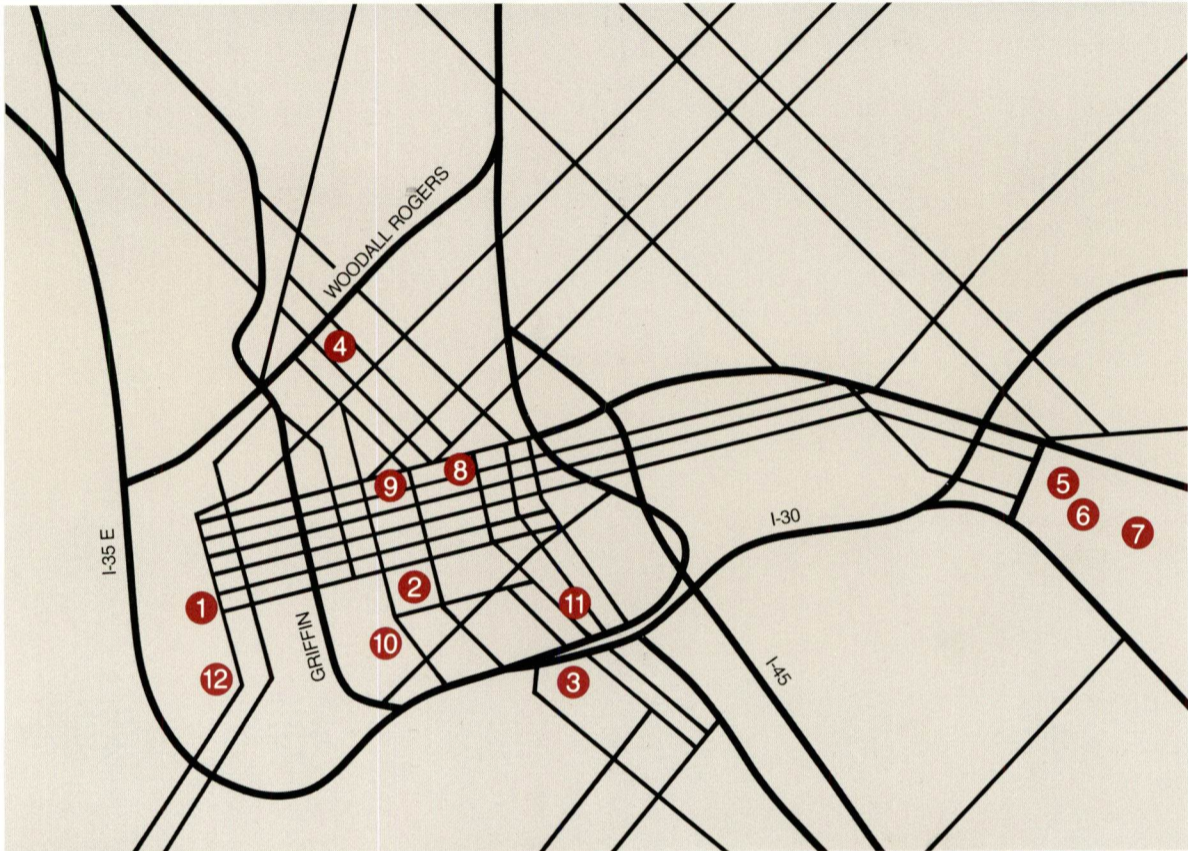
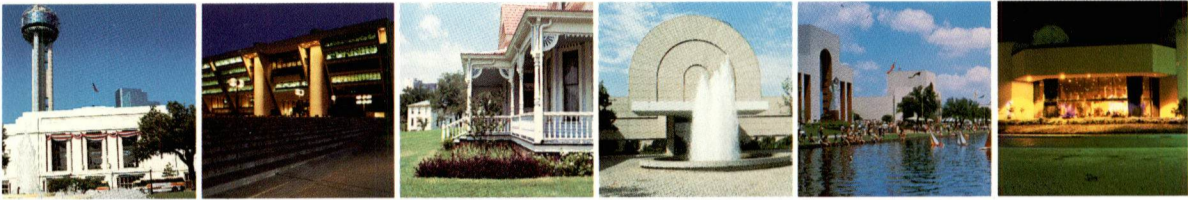
Room	Size	Clg. Ht.	SF	Seating
E401	30'-0" x 36'-0"	11'-0"	1080	108
E402	32'-0" x 36'-0"	11'-0"	1152	115
E403	24'-0" x 36'-0"	11'-0"	864	86
E404	29'-0" x 36'-0"	11'-0"	1044	104
E405	29'-0" x 36'-0"	11'-0"	1044	104
E406	2'-0" x 36'-0"	11'-0"	864	86
E407	32'-0" x 36'-0"	11'-0"	1152	115
E408	30'-0" x 36'-0"	11'-0"	1080	108
E409	42'-0" x 48'-0"	18'-0"	2016	202
E410	42'-0" x 43'-0"	18'-0"	1806	180
S411	58'-0" x 47'-0"	13'-1"	2726	273
S412	40'-0" x 47'-0"	13'-1"	1880	188
S413	40'-0" x 47'-0"	13'-1"	1880	188
S414	45'-0" x 59'-0"	13'-1"	2655	266
N401	50'-0" x 52'-0"	18'-0"	2600	260



0 25 50 75 100 150 FT



1. Union Station    2. Dallas City Hall    3. Old City Park    4. Dallas Museum Of Art    5. State Fair Of Texas    6. Music Hall



7. Cotton Bowl    8. Majestic Theatre    9. Thanksgiving Square    10. Dallas Convention Center    11. Farmer's Market    12. Reunion Arena

### Dallas Convention Center

650 S. Griffin Street  
 Dallas, Texas 75202  
 214/658-7000