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Series: Speech File Backup Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13801
Folder ID Number: 13801-005

Folder Title:
Federal Express--Memphis, TN 3/5/92 [OA 7569]

Stack:	Row:	Section:	Shelf:	Position:
G	26	22	3	5

Photo Copy Preservation

Sandra M. White

Call re: manuscript
tell Martin it's
in the speed
so he can
respond to
press if nec.
re: 2nd

3/4 1:00 pm



City/State: Memphis TN
 Event: Fed Exp
 Date: 2/29

OFFICE OF PRESIDENTIAL ADVANCE CONTACT SHEET

Name	Office	Phone Number
Presidential Advance Office		202/456-7565
Presidential Advance Fax Number		202/456-2820
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Brian Montgomery	White House Advance for Press	202/456-7565
JENNIFER GROSSMAN	WH PRESIDENTIAL SPEECHWRITING	phone 202/456-7750 fax 202/456-6218
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Sandra Munoz	Federal Express Media Rel	901-395-3891
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Audrey Tate	Federal Express Govt Affairs	(O) 901-395-3803
Nancy Chaffin	Federal Express Corporate Relations	901-395-3472
Terri-Lynn Smith	Federal Express Hub Admin	901-797-7520
DOUG BUTTNEY	" " Govt. Aff.	" 395-3841
GENE P. EIRING	AIR FORCE ONE PREADVANCE	(703) 695-7105
Tom Armstrong	AIR FORCE ONE ADVANCE	332-1130 Rm 577
Tommy Dillard	FEDERAL EXPRESS SECURITY	797-4841
Bill Hudson	US Secret Service	544-3568
DON BARBER	FEDUX MAINTENANCE	H) 867-4029 901/369-3944
RON WICKENS	PEDEX - ENGINEERING	901 369 3396
BRUCE BOWEN	USSS / WASHINGTON	202/395-4011
MICK CHANDRANI	USSS / LEAD ADVANCE	901/332-1130 X 466



America Number One in the world. And I know that if the rest of us follow your lead, America will stay Number One.

You don't shrink from a challenge, whether in the marketplace or in the world at large. Think back a year ago, to Operation Desert Storm: America faced a great challenge then, and Tennessee met it proudly. More than 6,000 Tennesseans served their country as Reservists or Members of the National Guard.

And Fed Ex flew more ~~cargo~~^{total} missions than any other single civilian carrier. Believe me, that's a contribution America won't soon forget.

PAC - passenger

What makes this city, this state, and this company so successful? It's not hard to figure out. Look closely at what happens right here at Federal Express. You seek out new technologies and make them work. You see job training not as a one-shot deal but as an on-going process. You set high standards, constantly asking more of yourselves and your co-workers. You encourage innovation. That's what being competitive is all about.

The key to success is competitiveness. For some, "competitiveness" is just this year's political buzz word. Here in Memphis, it's a reality. Competitiveness is your key to leadership.

Companies like Federal Express understand a central truth about America: If we are to succeed economically at home, we must lead economically abroad. Here at Fed Ex that's just common sense. More than one-and-a-half-million packages pass through

*Ok
Sandra*

FACT-CHECK COPY
due @ 11am

(Ferguson\Aarhus)
March 2, 1992
Draft Two
FEDEX.2

PRESIDENTIAL REMARKS: FEDERAL EXPRESS
THURSDAY, MARCH 5, 1992
MEMPHIS, TENNESSEE

[Acknowledgments]

((I'm delighted to be here at Federal Express, a 1990 Malcolm Baldrige Quality Award winner. My staff told me they weren't sure they could fit this stop in our schedule, but when I heard it was a "Fred-said," I knew we had to do it, and fast!))

((You know, Fred Smith has always been very generous to me. Fred, it's good to know that if Air Force One ever has a problem, I can always ride in the "jump seat." I just hope I don't forget the cookies.))

((The people of Memphis -- indeed all Americans -- face a momentous decision this year. I would never presume to tell you how to vote. It must be between you and your conscience which Elvis should be on the postage stamp.))

It is a delight to be in this great state, because the people of Tennessee believe in some big issues. We agree on the values that are closest to our hearts. I'm talking about job security. I'm talking about family. I'm talking about world peace, for us, for our children, and for our families for generations to come.

I am here today, because people in Memphis, as well as people at Federal Express, embody the values that have made

Sandra Munoz

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their country as Reservists or Members of the National Guard.

And Fed Ex flew more than half this country's non-logistic military fights. Believe me, that's a contribution America won't soon forget. → ck new lang.

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here every day, en route to all parts of the globe. Memphis is already "America's distribution center," and now you're becoming the world's. That means economic opportunity. It means jobs.

Believe it or not, some people haven't gotten the message. They see the challenges of the global economy and they say: Let's draw the blinds, bolt the doors and maybe the world will go away.

They push protectionism -- an ugly word that really means surrender. Don't be fooled by the tough talk and the patriotic bluster. Protectionism comes from fear -- fear that Americans can't compete -- fear that Americans have no ideas, no foresight -- fear that America can no longer lead. Well, there's one word for that kind of fear: Baloney.

Let those skeptics come to Memphis; let them come to Federal Express and see what it's really all about. Maybe then they'll understand what you and I already know: Americans can out-think, out-perform and out-produce anybody in the world.

Never in this country's history have Americans turned their backs on a challenge. We don't run and hide -- we compete. And we will continue to compete -- and because Americans accept nothing but the best, we will win.

Yes, we've got work to do to keep America on top. My first priority is to get this economy moving to create and preserve American jobs.

In my State of the Union address in January, I laid out my two-part plan for economic recovery -- first: a ^{short-term} ~~seven-point~~ plan to strengthen the economy right now. And second, a longer-term

Sandra
Ralph
Perry
Sundquist
225-2811

plan to keep America growing strong for years to come. My plan gets business moving again, hiring again. It gets the housing market back on its feet with a \$5,000 tax credit for first-time homebuyers -- common sense proposals to get people buying homes, and building homes.

Fortunately, I've been able to take some steps on my own. For example, I've put a 90-day hold on new government regulations so that all major Cabinet departments and agencies can conduct a top-to-bottom review. I've given them clear instructions: wherever possible they must speed up any regulations that encourage economic growth; and they must scrap regulations that restrict economic growth.

Over-regulation robs the inventiveness and risk-taking the economy needs to grow. You all understand that better than anybody. For the first ~~few years~~^{year}, Fed Ex ran its business with 32 small planes. Any further expansion was inhibited by air cargo regulations. Deregulation allowed Federal Express to buy more planes -- larger planes -- for transport, and literally, Federal Express took off.

We're going to energize our economy the same way. The days of over-regulation are just that -- over.

That means reforming our legal system, too. When parents won't coach Little League for fear of being slapped with a liability lawsuit, and doctors stop delivering babies for fear of a malpractice suit -- there's something wrong. That's why I sent a bill to Congress to stop the frivolous lawsuits that drain our

wallets and tear apart our society. America won't find its way out of this mess until we spend more time helping each other than we do suing each other.

We also must reform our health care system. Anyone who's had even a check-up knows that medical costs are going through the roof. I believe all Americans deserve quality health care. However, too many families go without health care coverage. My plan focuses on opening up access to health care to all Americans -- rich or poor. Some want to take us down the road of nationalized health care. I think you and I both know nationalized health care would be a national disaster. I say to Congress: The American people need your help -- now is not the time for government to play doctor.

I know that Congress can be a little slow doing things. ((Like the guys that take an hour-and-a-half just to watch "60 Minutes.")) So I gave them a deadline -- March 20 -- to enact my short-term plan. Unfortunately for the American people, the Democrats in Congress had other ideas.

Last week, they passed a plan of their own. Here's what it does: in exchange for an two-bit tax cut -- literally about 25 cents a day per taxpayer -- they will raise another \$100 billion in taxes.

They call the \$100 billion "new revenues." I have another name for it: your money.

~~And to keep giving a quarter a day to Americans taxpayers permanently, they need to jack up tax rates on every American~~

~~making more than \$35,000 a year. That's right: \$35,000. This from the political party that wants to sock it to the rich and placate the middle class. I don't call someone making \$35,000 a year rich -- I call them middle class voters who want the Congress to stop raising taxes.~~

And if the Democrats in Congress want to send that bill to me, I've got a message for them: I'll veto it -- absolutely, positively, overnight. \\\\\\\\\\\

The American people have had enough of the old game of tax and spend. They want to get our economy back on track.

Sandra { I'm sure you all have been hearing the airplanes flying overhead. To some people that may sound like noise -- but it is music to my ears: it is the sound of an economy on the move, an economy that is world-wide: the sound of American ingenuity taking off. *Staff Lead*

Since I took office, It has been my responsibility to work for what is right for America. I often go back to the simple ideal my parents taught me: Try your hardest, and do your best. Well, let me tell you something -- I'm not finished yet. I want your support for four more years. I say to the good people of Tennessee: together we are going to make a change -- a change so that for once Congress will believe in you and give the values you believe in a real chance to work.

Sandra { Thank you for your hard work and continued support. Bravo zulu! May God bless you all. *Wanda*

#

No FedEx planes
taking off...

pilot union mention

Ack.

THE WHITE HOUSE
WASHINGTON

20 February 1992

MEMORANDUM FOR DAVE DEMAREST
SPEECHWRITERS
RESEARCHERS

FROM: JEANNIE BUNTON *[Signature]*
SUBJECT: RESERVIST/GUARD PARTICIPATION IN ODS

At the height of Operation Desert Storm the following numbers of Reservists and National Guards were called up:

ALABAMA:	109 Reservists <u>21 National Guard</u> 140 TOTAL
CALIFORNIA:	13,919 Reservists <u>1,629 National Guard</u> 15,548 TOTAL
FLORIDA:	7,780 Reservists <u>1,478 National Guard</u> 9,258 TOTAL
GEORGIA:	5,070 Reservists <u>4,761 National Guard</u> 9,831 TOTAL
ILLINOIS:	5,197 Reservists <u>1,203 National Guard</u> 6,400 TOTAL
MARYLAND:	3,491 Reservists <u>794 National Guard</u> 4,285 TOTAL
S. CAROLINA:	3,411 Reservists <u>2,472 National Guard</u> 6,883 TOTAL
TENNESSEE:	3,490 Reservists <u>3,055 National Guard</u> 6,725 TOTAL 6,545

TEXAS: 10,883 Reservists
 1,999 National Guard
 12,882 TOTAL

[The numbers may be 5% low; of these numbers, there is no way to tell how many were actually "in country"]

SOURCE: CHRISTINA FERRANDINO, SYSTEMS AND ANALYSIS DIR.
 RESERVE AFFAIRS - MANPOWER AND PERSONNEL
 DEPARTMENT OF DEFENSE
 703-695-7305
 703-695-7307

More to follow.

FEDERAL EXPRESS SPEECH

Event date: Thursday, March 5, 1992

Audience: 5000?

Event location: Airplane hangar/Federal Express

Federal Express Info

Federal Express is the largest employer in Tennessee.

75-80% of audience will be Fed Ex employees.

50% of hub employees are from Tennessee, the others are from Arkansas or Mississippi.

There are 94,000 total global Federal Express employees, of that 18,000 are Memphis employees.

One hundred planes land at the hub every night. Most of the work that goes through the hub occurs at night.

They have been there since 1973, almost 20 years. Before 1977, they had only 32 falcons, and could only carry 7500 pounds of cargo. The regulations in place at the time wouldn't allow him to expand any further.

(Thanks to deregulation) They now have 110-120 jets in fleet.

Fed Ex is a perfect example of the success of deregulation (cargo industry) -- tie-in to our 90-day hold on new regs.

The Memphis economy is not a flailing as are other parts of the country.

Although the country's economy kind of sucks, Fed Ex's volume is up 14% over a year ago.

Company colors: purple and orange

POTUS will not tour the facility as was earlier planned

There are 5000 employees there during the night, and 200 there during the day.

Airplanes will be flying overhead as POTUS is speaking -- maybe he could say something like, "Hear that? That's the sound of an economy on the move, blah, blah, blah..."

They move 1.6 million packages/day. Last Christmas, they moved 2 million packages/night.

Slogan: When it absolutely positively has to be there overnight.

I will absolutely, positively veto it overnight

Fed Ex Priorities: 1) People 2) Service 3) Profit

In 1990, Fed Ex won a Malcolm Baldrige Award -- the first for a service organization

President of Fed Ex -- Frederick Smith: he's extremely popular, mingles with workers, has a show on FXTV called Fred 1/1 (one-on-one). Employees can call the 1-800-# and ask him questions. He also uses this show to announce new policies.

Fed Ex started the hub and spoke system of air travel/delivery. Fred wrote a term paper in college (Yale) about the hub and spoke system, and got a C. Now it is the way to do it. Fred transformed the way planes do business.

To Fred: or all employees: "Bravo zulu" -- employee excellence recognition that Fred gives.

POTUS and Fred were both flyers.

Nod to Fed Ex participation in Gulf War -- flew over 50% non-military logistics flights. Chairman may have received recognition from POTUS already.

Joke: "the jump seat": Seats on the planes that employees can use to travel (for free) anywhere in the world. Pilots expect that whoever rides in the jump seat brings the cookies. Fred rides in the jump seat sometimes. Maybe POTUS can say something like: "It's nice to know that if Air Force one has a problem, I can always ride in the jump seat," or "I was going to ride in the jump seat today, but I forgot cookies". Any joke about the jump seat will make the crowd go wild!

Fred Smith has ten children.

Vocab: hub-ites : those who work in hub
Fred-said: "Drop what you're doing, Fred asked you to do this. POTUS could say in the beginning of the remarks: "I'm really glad to be here. My staff wasn't sure we'd be able to fit it on the schedule, but when I heard it was a "Fed Ex" deal, I know we'd better do it, and fast!"

Golden Falcon: employee award for going above and beyond the call of duty -- flying through a swamp to deliver a package.



Post-It™ brand fax transmittal memo 7671		# of pages ▶	
To	Carol Aarhus	From	Audrey Tate
Co.		Co.	FedEx
Dept.	(202)	Phone #	901-395-3203
Fax #	456-6218	Fax #	

FEDERAL EXPRESS CORPORATION FACT SHEET

Public Relations
2005 Corporate Avenue
First Floor
Memphis, TN 38132
901 395-3460
U.S. Mail Box 727
Memphis, TN 38194-1850

Description:	World's largest express transportation company serving 170 countries.
Began Operations:	April 1973
Worldwide Headquarters:	Memphis, Tennessee
Principal Officer:	Frederick W. Smith Chairman, President and CEO
Revenues:	\$7.7 billion FY91 (ending May 31, 1991)
Employees:	94,617 worldwide
Operating Aircraft:	Total of 443 aircraft MD11 3 B747 13 DC10 27 B727 153 C208 216 F27 31
Daily Lift Capacity:	Approx. 7,000 tons (14 million lbs.)
Facilities:	More than 1,625 worldwide
Drop Boxes:	Approximately 30,000
Average Daily Pkg. Volume:	1.5 million worldwide
Call Centers:	31
Average Daily Call Volume:	307,000
Vehicle Fleet:	32,000 pickup and delivery vans worldwide
Miles Driven Per Day:	Approximately 1.8 million miles

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FEDERAL EXPRESS BACKGROUND

Federal Express Corporation started service in April 1973 and began showing a profit in 1976. It soon became established as the high-priority carrier in the market place.

Public Relations
2005 Corporate Avenue
First Floor
Memphis, TN 38132
901.335-3460
U.S. Mail Box 727
Memphis, TN 38194-1850

Federal Express invented the "hub and spokes" system of distribution which has been copied not only by other air cargo companies, but by the passenger airlines as well. By the late 1970s, Federal Express' competition had begun developing their own air fleets and pick-up and delivery systems in an attempt to share in the burgeoning industry.

While the concept of picking up and delivering documents and packages is simple, the systems to make it operate quickly and efficiently are innovative, complicated and expensive. The company prides itself on being on the forefront of every industry enhancement to provide customers with better products, faster service and more attractive pricing.

The company's growth gained impetus following air cargo deregulation in 1977. Deregulation allowed Federal Express to begin use of larger aircraft, such as the Boeing 727s, and later the McDonnell-Douglas DC-10s. Recently, it has added McDonnell-Douglas MD-11s to its fleet for use in its international operations, and has placed orders for Airbus A300-600F aircraft to be used in the future, primarily in U.S. domestic operations. After deregulation, the smaller Falcon aircraft which had been the backbone of the company were used to expand into medium-sized and smaller markets. The Falcons were phased out of the fleet in the early 1980s. Domestic expansion continued with Federal Express now providing direct service to virtually all of the U.S. population.

Federal Express became a publicly-held company on April 12, 1978, when its first stock issue went on sale over-the-counter. It has been listed on the New York Stock Exchange since December 28, 1978.

During the late 1970s and into the first half of the 1980s, the company entered its "maturing" phase. Federal Express was well established and the competition was trying to catch up. Growth rate compounded at about 40% per year. In 1983 Federal Express had \$1 billion in revenues, the first company in American business history to reach that hallmark in 10 years after start-up without the benefits of mergers or acquisitions. Revenues hit \$2 billion in fiscal year 1985, \$3.2 billion in fiscal year 1987, \$3.8 billion in fiscal year 1988, \$5.2 billion in fiscal 1989, \$7.0 billion in fiscal year 1990 and \$7.7 billion in fiscal year 1991. The company fiscal year is June 1 to May 31.

FEDERAL EXPRESS BACKGROUND....(continued)

Federal Express acquired Tiger International, Inc. in February 1989 and became the world's largest full-service all-cargo airline with the integration of Flying Tigers' network into its system on August 7, 1989. Included in the acquisition were Flying Tigers' routes to 21 countries, a fleet of aircraft that included Boeing 747s and 727s; facilities throughout the world and Tigers' expertise in international air freight. The company has expanded in the international marketplace and now serves 139 countries in Africa, Asia, Australia, Europe, North and South America.

Federal Express has been the industry leader in the use of high technology to improve its services and, despite its rapid growth, has kept pace with innovations in its never-ending efforts to retain its leadership role. A few:

1. Development of a computerized tracking system designed to tell the company and the customer where any package or document is at any time from pick-up through delivery.
2. Development of a customer service system with 29 call centers throughout the world that handle upwards of 297,000 requests for service and inquiries daily.
3. Development of a computerized, digitally assisted dispatch system (DADS) which communicates to couriers through computer screens in their vans. DADS provides quick courier response to dispatches and allows couriers to manage their time and routes with extreme efficiency and accuracy.
4. Expansion of the central sorting system in Memphis which is continually undergoing refinements in technologies and techniques in order to meet the ever-increasing volumes. In order to meet the next morning delivery commitment, the nightly sort system must operate in a tightly-wound time window. Whether the number of packages is 35,000 (as it was in 1978) or over 1.5 million systemwide (as it is today), they all must be sorted in that same time window (about 2 hours). A second national hub has been established in Indianapolis, IN and there are now regional sorting facilities in Newark, NJ., Los Angeles and Oakland, CA., Anchorage, AL., and Brussels, Belgium.
5. Initiated 10:30 a.m. service commitment and was also first to offer money-back guarantees on its service commitments.

FEDERAL EXPRESS BACKGROUND....(continued)

6. Increasing weight limits for express shipments from 70 pounds to 120 pounds to 150 pounds per package to virtually any size shipment.
7. Continual reinvestment of profits into state-of-the art equipment and aircraft to support expansion. While the company has never paid stockholders a cash dividend, the stock has appreciated over the years (the original offering price, adjusted for stock splits, was \$3.00 per share).
8. Increased emphasis on employee training and benefits resulting in satisfied employees providing the "value-added" type of service necessary to stay ahead of the competition.
9. Introduction of the Overnight Letter in 1981 offering a lower-priced way of sending documents overnight. The original weight limit for an Overnight Letter was 20 pages or 6 ounces, but that weight limit was increased to 30 pages or 8 ounces.
10. Introduction of the Federal Express POWERSHIP systems, on-premise computers which now process approximately one-third of FedEx shipments. This system provides automated billing, allows customers direct access to their package information and gives international shippers detailed directions for their particular needs.
11. Establishment of Business Logistics Services division, a separate, independent division of Federal Express which provides a full range of logistics services for customers. Inventory management and distribution solutions, including warehousing services, customer service, information systems, transportation, credit and collections or technical support, can be totally customized to a company's needs.

Because of its ability to continually adapt to changing market circumstances, Federal Express has established its leadership as the world's largest express transportation company.



INFORMATION UPDATE



PACKAGE VOLUME

December 1991 average Daily Volume 1,556,524
Increase Over Dec. 1990 15.6%
Freight Shipments 57.7 million lbs
(Peak Volume 1991-Dec. 19) 2,325,255
(Peak Volume 1990-Dec. 20) 2,029,358

Public Relations
2005 Corporate Avenue
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BASE BUSINESS

Total # Manned Facilities Worldwide 1,668
U.S. Stations 621
U.S. BSC's 457
U.S. Drive-Thru's 325
Non-U.S. Manned Facilities 265

Total Drop Boxes 30,366
Domestic Drop Boxes 29,472
International Drop Boxes 894

Total Countries Served 170

AIRCRAFT FLEET

Total FedEx Fleet 443

Total # Trunk Aircraft 196
727-100 90
727-200 63
DC10-10 11
DC10-30 16
747-100 4
747-200 9
MD-11 3
(10 on order/options for 11 add'l)
A300-600
(25 on order/options for 50 add'l)

Total FedEx Feeders 247
Cessna 208 216
F-27 31

EMPLOYEES

Total # FedEx Employees	94,617
Total # U.S. Employees	73,738
Memphis	19,549
Field	54,226
Couriers	26,340
Pilots	2,237
A/C Mechanics	1,232
Vehicle/Other Mechanics	1,064
Call Center Agents	2,129
Nat'l Hub Hourly Employees	7,322
Memphis	6,257
Indy	1,065
# Management (Domestic)	4,825
Ratio Mgt/Perm Non Mgt	1/13.9
Total # International Employees	20,879
Canada	2,533
Europe/Africa	3,887
United Kingdom/Ireland	7,487
North Pacific	972
South Pacific	1,755
Latin America	1,147
Portugal	8
U.S. Based	655
BLS (UK/Holland & Germany)	2,435

VEHICLE FLEET

Total Vehicle Fleet	32,679
Total Domestic Vehicle Fleet	25,634
Total Int'l Fleet	7,045
Miles Driven Per Day	1.8 million

CUSTOMER SERVICE

Total Call Centers	31
U.S.	16
Non-U.S.	15
Average Daily Call Volume	307,000
Domestic Volume	264,000
International Volume	43,000

907.FXMJB
021792





FAX Transmittal

Date Sent 3-29-92

Time: _____ A.M. _____ P.M.

To: Jennifer Grossman

Location: Research/Speechwriting

FAX Number: 202 456-6218

Subject: Fed Ex Info.

From: Sandra Munoz

FAX Number: (901) 346-1013

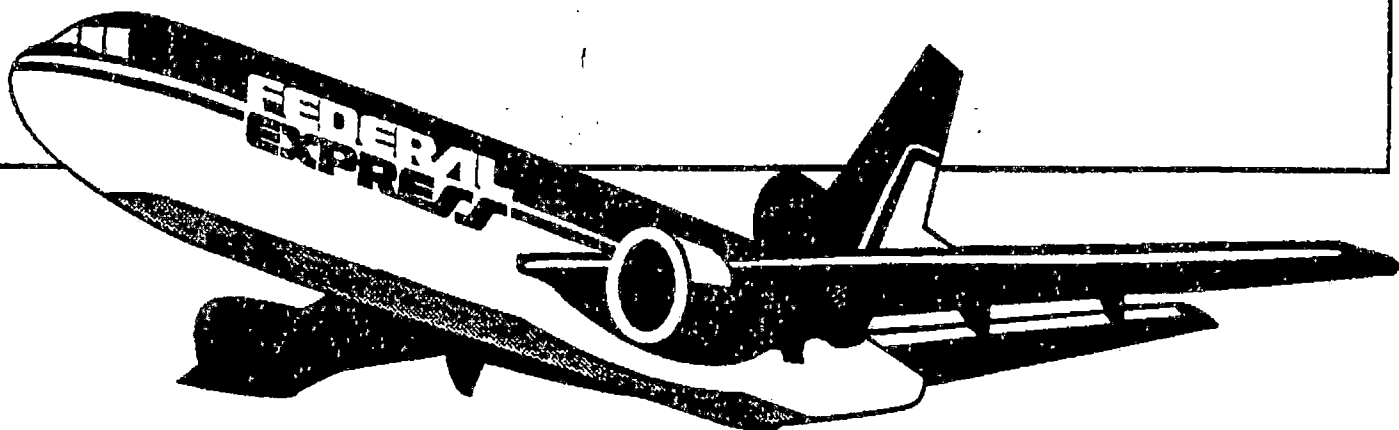
If you have Questions or problems please call: (901) 395-3891

Number of Pages being sent: 8 (excluding cover sheet)

COMMENTS

Jennifer,

We will be faxing additional information later
this morning.



INFORMATION UPDATE

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Freight Shipments 51.7 million lbs

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 (25 on order/options for 50 add'l)

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over 90,000 worldwide

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Indy	1,065
# Management (Domestic)	4,825
Ratio Mgt/Perm Non Mgt	1/13.9
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Memphis, TN 38194-1650

Federal Express invented the "hub and spokes" system of distribution which has been copied not only by other air cargo companies, but by the passenger airlines as well. By the late 1970s, Federal Express' competition had begun developing their own air fleets and pick-up and delivery systems in an attempt to share in the burgeoning industry.

While the concept of picking up and delivering documents and packages is simple, the systems to make it operate quickly and efficiently are innovative, complicated and expensive. The company prides itself on being on the forefront of every industry enhancement to provide customers with better products, faster service and more attractive pricing.

The company's growth gained impetus following air cargo deregulation in 1977. Deregulation allowed Federal Express to begin use of larger aircraft, such as the Boeing 727s, and later the McDonnell-Douglas DC-10s. Recently, it has added McDonnell-Douglas MD-11s to its fleet for use in its international operations, and has placed orders for Airbus A300-600F aircraft to be used in the future, primarily in U.S. domestic operations. After deregulation, the smaller Falcon aircraft which had been the backbone of the company were used to expand into medium-sized and smaller markets. The Falcons were phased out of the fleet in the early 1980s. Domestic expansion continued, with Federal Express now providing direct service to virtually all of the U.S. population.

Federal Express became a publicly-held company on April 12, 1978, when its first stock issue went on sale over-the-counter. It has been listed on the New York Stock Exchange since December 28, 1978.

During the late 1970s and into the first half of the 1980s, the company entered its "maturing" phase. Federal Express was well established and the competition was trying to catch up. Growth rate compounded at about 40% per year. In 1983 Federal Express had \$1 billion in revenues, the first company in American business history to reach that hallmark in 10 years after start-up without the benefits of mergers or acquisitions. Revenues hit \$2 billion in fiscal year 1985, \$3.2 billion in fiscal year 1987, \$3.8 billion in fiscal year 1988, \$5.2 billion in fiscal 1989, \$7.0 billion in fiscal year 1990 and \$7.7 billion in fiscal year 1991. The company fiscal year is June 1 to May 31.



FEDERAL EXPRESS BACKGROUND....(continued)



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Federal Express acquired Tiger International, Inc. in February 1989 and became the world's largest full-service all-cargo airline with the integration of Flying Tigers' network into its system on August 7, 1989. Included in the acquisition were Flying Tigers' routes to 21 countries, a fleet of aircraft that included Boeing 747s and 727s; facilities throughout the world and Tigers' expertise in international air freight. The company has expanded in the international marketplace and now serves 170 countries in Africa, Asia, Australia, Europe, North and South America.

Federal Express has been the industry leader in the use of high technology to improve its services and, despite its rapid growth, has kept pace with innovations in its never-ending efforts to retain its leadership role. A few:

1. Development of a computerized tracking system designed to tell the company and the customer where any package or document is at any time from pick-up through delivery.
2. Development of a customer service system with 29 call centers throughout the world that handle upwards of 297,000 requests for service and inquiries daily.
3. Development of a computerized, digitally assisted dispatch system (DADS) which communicates to couriers through computer screens in their vans. DADS provides quick courier response to dispatches and allows couriers to manage their time and routes with extreme efficiency and accuracy.
4. Expansion of the central sorting system in Memphis which is continually undergoing refinements in technologies and techniques in order to meet the ever-increasing volumes. In order to meet the next morning delivery commitment, the nightly sort system must operate in a tightly-wound time window. Whether the number of packages is 35,000 (as it was in 1978) or over 1.5 million systemwide (as it is today), they all must be sorted in that same time window (about 2 hours). A second national hub has been established in Indianapolis, IN and there are now regional sorting facilities in Newark, NJ., Los Angeles and Oakland, CA., Anchorage, AL., and Brussels, Belgium.
5. Initiated 10:30 a.m. service commitment and was also first to offer money-back guarantees on its service commitments.



FEDERAL EXPRESS BACKGROUND....(continued)



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6. Increasing weight limits for express shipments from 70 pounds to 120 pounds to 150 pounds per package to virtually any size shipment.
7. Continual reinvestment of profits into state-of-the art equipment and aircraft to support expansion. While the company has never paid stockholders a cash dividend, the stock has appreciated over the years (the original offering price, adjusted for stock splits, was \$3.00 per share).
8. Increased emphasis on employee training and benefits resulting in satisfied employees providing the "value-added" type of service necessary to stay ahead of the competition.
9. Introduction of the Overnight Letter in 1981 offering a lower-priced way of sending documents overnight. The original weight limit for an Overnight Letter was 20 pages or 6 ounces, but that weight limit was increased to 30 pages or 8 ounces.
10. Introduction of the Federal Express POWERSHIP systems, on-premise computers which now process approximately one-third of FedEx shipments. This system provides automated billing, allows customers direct access to their package information and gives international shippers detailed directions for their particular needs.
11. Establishment of Business Logistics Services division, a separate, independent division of Federal Express which provides a full range of logistics services for customers. Inventory management and distribution solutions, including warehousing services, customer service, information systems, transportation, credit and collections or technical support, can be totally customized to a company's needs.

Because of its ability to continually adapt to changing market circumstances, Federal Express has established its leadership as the world's largest express transportation company.

FEDERAL EXPRESS CORPORATION FACT SHEET

Description: World's largest express transportation company serving 170 countries.

Began Operations: April 1973

Worldwide Headquarters: Memphis, Tennessee

Principal Officer: Frederick W. Smith
Chairman, President and CEO

Revenues: \$7.7 billion FY91 (ending May 31, 1991)

Employees: *over 90,000* ~~94,227~~ worldwide

Operating Aircraft: Total of 443 aircraft
MD11 3
B747 13
DC10 27
B727 153
C208 216
F27 31

Daily Lift Capacity: Approx. 7,000 tons (14 million lbs.)

Facilities: More than 1,625 worldwide

Drop Boxes: Approximately 30,000

Average Daily Pkg. Volume: 1.5 million worldwide

Call Centers: 31

Average Daily Call Volume: 307,000

Vehicle Fleet: 32,000 pickup and delivery vans worldwide

Miles Driven Per Day: Approximately 1.8 million miles



1990 AWARD WINNER

FEDERAL EXPRESS CORPORATION

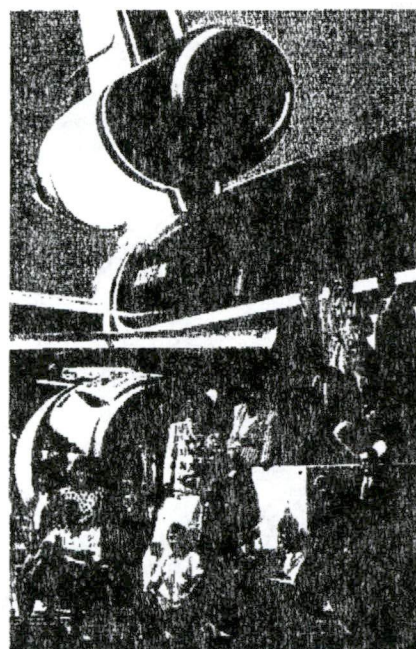
Seventeen years ago Federal Express Corporation launched the air-express industry. By constantly adhering to a management philosophy emphasizing people, service, and profit, in that order, the company achieved high levels of customer satisfaction and experienced rapid sales growth. Annual revenues topped \$1 billion within 10 years of the company's founding, an exceptional achievement.

100h to 7h
But past accomplishments do not ensure future success. That's why the management of Federal Express is setting ever higher goals for quality performance and customer satisfaction, enhancing and expanding service, investing heavily in advanced technology, and building on its reputation as an excellent employer. Company leaders are increasingly stressing management by fact, analysis, and improvement.

Through a quality improvement process focusing on 12 Service Quality Indicators (SQIs), all tied to customer expectations and articulated at all levels of its international business, the Memphis-based firm continues to set higher standards for service and customer satisfaction. Measuring themselves against a 100-percent service standard, managers and employees strive to improve all aspects of the way Federal Express does business.

FEDERAL EXPRESS AT A GLANCE

Conceived by Chairman and Chief Executive Officer Frederick W. Smith, Federal Express began operations in 1973. At that time a fleet of eight small aircraft was sufficient to handle demand. Five years later, the company employed 10,000 people, who handled a daily volume of 35,000 shipments. Today, approximately 90,000 Federal Express employees, at more than 1,650 sites process 1.5 million shipments daily, all of which must be tracked in a central information system, sorted in a short time at facilities in Memphis, Indianapolis, Newark, Oakland, Los Angeles, Anchorage, and Brussels, and delivered by a highly decentralized distribution network. The firm's air cargo fleet is now the world's largest.



Federal Express revenues totaled \$7 billion in fiscal year 1990. Domestic overnight and second-day deliveries accounted for nearly three-fourths of the total, with the remainder being international deliveries. The company's share of the domestic market in 1989 was 43 percent, compared with 26 percent for its nearest competitor.

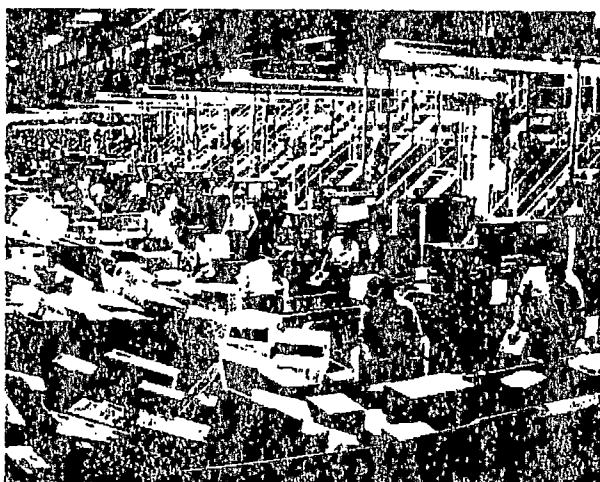
PEOPLE-SERVICE-PROFIT

Federal Express's "People-Service-Profit" philosophy guides management policies and actions. The company has a well-developed and thoroughly deployed management evaluation system called SFA (Survey/Feedback/Action), which involves a survey of employees, analysis of each work group's results by the work group's manager, and a discussion between the manager and the work group to develop written action plans for the manager to improve and become more effective. Data from the SFA process are aggregated at all levels of the organization for use in policymaking.

Training of front-line personnel is a responsibility of managers and "recurrency training" is a widely used

instrument for improvement. Teams regularly assess training needs and a worldwide staff of training professionals devise programs to address those needs. To aid these efforts, Federal Express has developed an interactive video system for employee instruction. An internal television network, accessible throughout the company, also serves as an important avenue for employee education.

Consistently included in listings of the best U.S. companies to work for, Federal Express has a "no lay-off" philosophy, and its "guaranteed fair treatment procedure" for handling employee grievances is used as a model by firms in many industries. Employees can participate in a program to qualify front-line workers for management positions. In addition, Federal Express has a well-developed recognition program for team and individual contributions to company performance. Over the last five years, at least 91 percent of employees responded that they were "proud to work for Federal Express."



SERVICE QUALITY INDICATORS

To spur progress toward its ultimate target of 100-percent customer satisfaction, Federal Express recently replaced its old measure of quality performance—percent of on-time deliveries—with a 12-component index that comprehensively describes how its performance is viewed by customers. Each item in the Service Quality Indicator (SQI) is weighted to reflect how significantly it affects overall customer satisfaction.

Performance data are gathered with the company's advanced computer and tracking systems, including the SuperTracker, a hand-held computer used for scanning a shipment's bar code every time a package changes hands between pick-up and delivery. Rapid analysis of data from the firm's far-flung operations yields daily SQI reports transmitted to workers at all Federal Express sites. Management meets daily to discuss the previous day's performance and tracks weekly, monthly, and annual trends. Analysis of data contained in the company's more than 30 major databases assists quality action teams (QATs) in locating the root causes of problems that

surface in SQI reviews. Extensive customer and internal data are used by cross-functional teams involved in the company's new product introduction process.

To reach its aggressive quality goals, the company has set up one cross-functional team for each service component in the SQI. A senior executive heads each team and assures the involvement of front-line employees, support personnel, and managers from all parts of the corporation when needed. Two of these corporatewide teams have a network of over 1,000 employees working on improvements.

The Service Quality Indicator measurements are directly linked to the corporate planning process, which begins with the CEO and COO and an executive planning committee. SQIs form the basis on which corporate executives are evaluated. Individual performance objectives are established and monitored. Executive bonuses rest upon the performance of the whole corporation in meeting performance improvement goals. And, in the annual employee survey, if employees do not rate management leadership at least as high as they rated them the year before, no executive receives a year-end bonus.

Employees are encouraged to be innovative and to make decisions that advance quality goals. Federal Express provides employees with the information and technology they need to continuously improve their performance. An example is the Digitally Assisted Dispatch System (DADS), which communicates to some 30,000 couriers through screens in their vans. The system enables quick response to pick-up and delivery dispatches and allows couriers to manage their time and routes with high efficiency.

Since 1987, overall customer satisfaction with Federal Express's domestic service has averaged better than 95 percent, and its international service has rated a satisfaction score of about 94 percent. In an independently conducted survey of air-express industry customers, 53 percent gave Federal Express a perfect score, as compared with 39 percent for the next-best competitor. The company has received 195 awards over the last 13 years, and representatives of nearly 600 businesses and organizations have visited its facilities.



For more information, contact:

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Managing Director, Public Relations
Federal Express Corporation
P.O. Box 727
Memphis, TN 38194-2605
Phone: 901-395-3460
Fax: 901-346-1013

per Lyn Lawson

Memphis - 10-15,000 audience expected
(20,000 trx issued)

~~Banner Co~~

→ 5000 will be
BQ supporters

+ 5000 B
Fed Ex

- Local colleges
banner contest +

Howard Baker, son, grandson
(3 generations) will judge

winner will be ann. before POTUS arr.

- maybe mention it in speech

- Political spirit, hard work

call Janice, Memphis staff office

Howard Baker
Cong. Sundquist

Dr. Langstrom

Fred Smith - Pres., Ch., CEO

Ken Masterson - Sr. Exec. VP
& legal counsel

Shelby County
Memph. Repub. Ch.

(Maybe) mention Lamar in act.
Mayor of Memphis is a Dem.
-he may not even be invited
(we don't know)
~~we~~ we should probably act. him



Time: _____ A.M. _____ P.M.

Location: Research / Speechwriting

FAX Number: 202 / 456-6218

Subject: _____

FAX Number: (901) 346-1013

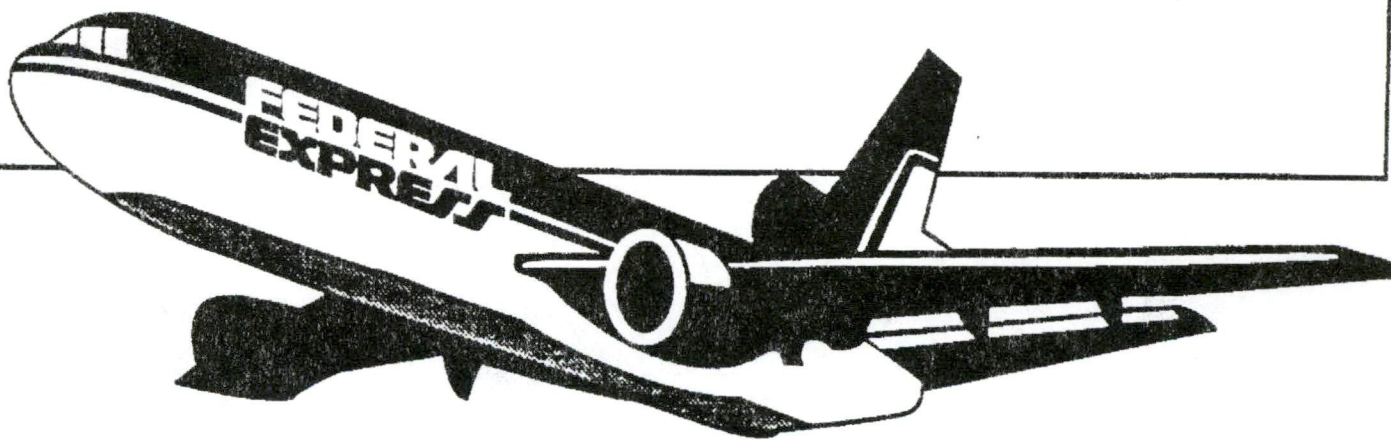
If you have Questions or problems please call: (901) 395-3891

Number of Pages being sent: 12 (excluding cover sheet)

COMMENTS

Jennifers

Attached are our suggested comments for President Bush's speech. Also I am attaching several articles on the pilot's pension issue which is part of the Democratic tax measure the President said he would veto. We thought that you should be aware of this and possibly include something on it in the speech.



BENEFITS

Pilot raps Fed Ex bid to change pension law

By Roland Klose
The Commercial Appeal

The head of the Federal Express Corp. pilots union organizing committee Friday criticized the company's effort to change federal law governing the pensions and benefits offered union and nonunion airline pilots.

Eric Vartanian, chairman of last year's unsuccessful union drive at the company, said Fed Ex's push for nondiscriminatory pension treatment could strip pilots of their "built-in protection of the law."

The tax bill passed by the House of Representatives Thursday includes language that treats nonunion pilot pension plans, including the plans for Fed Ex employees, in the same way it treats plans created by the collective bargaining of unions, including the Air Line Pilots Association.

Supporters of the change say existing law discriminates against nonunion pilot groups, including the more than 2,300 pilots at the Memphis-based air express company.

The Senate is expected to begin considering the tax legislation next week, but whether the Senate version will include the pension language has not been determined.

And President Bush has threatened

From Page B4

Fed Ex

to veto the Democratic tax measure, which would lower taxes for middle income Americans and raise taxes on the nation's wealthiest.

In a statement Friday, Federal Express said the company will continue to press for "equal tax treatment of pilot pensions ... no matter what happens."

Because Fed Ex is nonunion, the company generally has to provide the same pension plan to all employees. Those benefits are based on a retirement age of 60 because pilots face mandatory retirement at that age. (However, pilots can work beyond 60 as first officers and flight engineers.)

Pilot pension benefits were an issue in the unionization drive at Fed Ex, which fell short by 23 votes in August.

Vartanian, a DC10 captain, said that if the pension language sought by Fed Ex is enacted, pilots would not necessarily see an improved plan, but other employees could see reduced benefits, a charge the company disputed.

"The most important thing is the company will be able to separate us from other employees, and there will be no bargaining, no negotiating and no quid pro quo, and the built-in protection of the law will be taken away," said Vartanian.

"I'm here to tell you the min-

ute Fed Ex pilots have their own separate plan, the rest of the Fed Ex employees will be raised to age 65, and that's going to save the company hundreds of millions in actuarial costs over the years."

In a statement Friday, Federal Express said, "The only effect of this legislation is to eliminate the discrimination between union and nonunion pension plans, and we have no intention of disadvantaging our other employees in any manner if this legislation is passed."

Bill Cima, a pilot who opposed the ALPA drive at Fed Ex, said, "I can't understand how any pilot at Fed Ex could oppose this bill: there's almost nothing bad that could come from this."

The renewed debate over pilot pensions comes as the company is fighting against a United Auto Workers organizing effort in its Philadelphia operations. The National Labor Relations Board began hearings on the UAW election petition Feb. 20 and continued through Friday. Talks are scheduled to resume March 10.

About 20 employees have testified on behalf of the union's petition. Among those testifying for the company was Fed Ex chairman Frederick W. Smith, who appeared Thursday.

A spokesman for the UAW said employees are confident of the outcome. "We respect (Smith's) right to manage Fed Ex operations, and we hope he respects our right to organize," said Joe Carney, a Fed Ex driver.

Federal Express pilots benefit in tax measure

By Casey Anderson
States News Service

WASHINGTON — The tax bill passed Thursday by the House includes a list of provisions giving special treatment to companies, including a pension write-off for Federal Express Corp. pilots.

The measure allows Federal Express, whose 2,200 pilots are not represented by a union, the same write-off given to airlines whose pilots have a collective bargaining agreement. Federal Express officials would not disclose the value of the pension fund.

Federal Express will be able to deduct 34 cents of every dollar contributed to its pilot pension fund, making the provision worth millions of dollars over time, the aides said.

Under current law, pension

benefits offered to one set of employees must be made available to others. Airline pilots argue that since they are often forced by vision problems or other disabilities to retire early, they need additional benefits.

But existing tax rules exempt only pilots represented by a union. Labor groups, including the Airline Pilots Association, are outraged at the attempt to exempt pensions for nonunion pilots, arguing the provision is designed to discourage unionization.

In August, Federal Express pilots narrowly rejected representation by the Air Line Pilots Association. In 1989, the pilots rejected union representation by about 2-1. The air express firm has strongly opposed unions.

Rep. Beryl Anthony Jr. (D-Ark.) and Rep. Don Sundquist (R-Tenn.) worked to include the measure in the tax package.

Bush to speak in Fed Ex hangar

By James W. Brosnan
The Commercial Appeal
Washington Bureau

WASHINGTON — President Bush will speak in a Federal Express hangar at Memphis International Airport next Thursday during his campaign stop in Memphis, Rep. Don Sundquist (R-Tenn.) said Thursday.

Sundquist said Bush will not visit Craigmont High School, as

Sundquist had urged, because of time and security constraints.

Bush will be on a campaign swing through the South ahead of the March 10 Super Tuesday primaries. He is scheduled to be in Jackson next Friday.

Sundquist, who is heading the efforts of House Republicans for Bush, said he was glad Bush is making the stop in Memphis but does not expect Tennessee to be a major battleground in the Super Tuesday primaries.

February 28, 1992

Fairness for Fed Ex pilots

THE union war against Federal Express has moved to pilot pensions.

A few years ago, the Teamsters objected that nonunion Fed Ex was used for overnight deliveries by the fund-raising committee of the House Democrats. The committee switched to a union company.

Now labor lobbyists are campaigning against a provision in the Democrat tax bill that would give Fed Ex pilots the same rights to pension benefits that union pilots at other airlines have.

The sponsor of the provision, Rep. Beryl Anthony (D-Ark.), says it's "a fairness issue ... across the board," not just for one company.

Labor shoots back that collective bargaining will be undermined if Fed Ex pilots can get union-level pension benefits without joining a union. In other words: Their members should get preferential treatment from Congress to show that belonging to a union is in the best interests of the workers of America.

It's understandable, of course, that labor should take that self-serving stand. Fed Ex pilots so far

have turned down union representation. Union membership nationally is less than it used to be. So organized labor has to fight to survive on every front.

Federal law generally requires that a company offer the same pension benefits to all its employees, with differences based on such factors as length of service and the highest salaries or wages earned over a given period. Union pilots have received an exemption for extra benefits, however, on the grounds that they often have to retire earlier than other employees.

The provision under attack would simply extend that exemption to nonunion pilots.

Why should the provision not be extended? Why should union pilots have such an advantage established in law?

There's only one reason: union interests. If the provision is removed from the tax bill, the Democrats will show the voters once again the power that the labor lobby has over Democratic votes.

This should be strictly a fairness issue, but politics may end up deciding it.

My trip to the mid-south is not simply to add this wonderful area to my campaign swing, but to declare war. Don't get too excited, this is not war with Iraq or a military confrontation, but interestingly enough war with some of our closest friends. It is a war that has to do with American jobs and American competitiveness. It is a war that others such as Japan have been engaged in for many, many years while we in the United States were forced to deal with other extremely important worldwide issues, including peace for the future and for many years the cold war itself. Thanks to extremely diligent efforts by all Americans, a great deal of help from our European friends and significant support from other countries of the world, the battle to assure democratic values throughout most of the world while not over, now must take second place to the war I declare today. During my tenure in Washington, the Berlin wall has fallen, East Germany has been absorbed by West Germany, the Soviet Union has broken apart and is moving along the very rough road to establishment of democratic values. They need our continued support and we will not let them down. Without the successes of the immediate past, accomplished by the United States by taking a very hard but unwavering position, through the outstanding service of Jim Baker, our Secretary of State, and thousands of others throughout the world, we would not

Page Two

have the opportunity to engage in this, now the most important of all issues to every citizen of the United States - the first workers war. I have listened to the Japanese insult our work force. Should we take that lying down? Absolutely not. I have watched our governmental bureaucracy interfere with business to the point that billions and billions of dollars of inefficiency were created making our workers goods less competitive. The workers war is a war of jobs. I will no longer stand for governmental interference in business activities which add costs, reduce productivity, and costs us jobs. And let me issue a stern warning to those outside the boundaries of the United States who take advantage of our open markets in the United States while piling up huge trade imbalances with the United States yet restrict competition of some of the best companies in America.

Why have I come to Memphis, Tennessee and Federal Express Corporation to invoke this declaration war? I have chosen Federal Express for a number of reasons: (1) while many probably think that the impact of these domestic and worldwide regulations must be somewhat few and far between, to show the pervasiveness of this and the negative impact, one only has to look closely at an individual company - the first service winner of the Malcolm Baldrige Award, which is the highest quality award

Page Three

in the United States. Our foreign friends certainly cannot complain of the "quality" of Federal Express in rejecting their desire to compete in a foreign country. So it takes away the usual rhetoric of many foreign countries who reject American services. (2) Federal Express is a company conceived during heavy regulation in the mid 70's, born during an era of total regulation of cargo in the United States, but once unshackled from the regulation of the interstate regulatory scenario in the late 1970's early 1980's has grown from a company transporting less than 20 packages on its first business day in 1973, and over one million packages today currently employs 95,000 people who work directly for Federal Express. Approximately 200,000 who work directly in the industry created by Fred Smith and Federal Express and thousands of additional people employed supporting these activities. That is what happens when entrepreneurs and creative employees are allowed to do their thing. You wonder - how in the world could this happen. We know the answer. Government got out of Fred Smith's way and out of the way of his creative employees.

That is government almost got out of their way. It is estimated that the elimination of Federal regulation of surface transportation in 1980 saved you - the American

Page Four

consumer - \$50 billion (?) annually. However, continued government interference and regulation of surface transportation in the various states costs you, the American public, an additional \$6-\$20 billion per year. Though we have tried, Congress, for some reason, would prefer to add taxes than to simply enact legislation which would have far more impact on you, jobs and employment, than the current proposal from Congress. This simple act would be a very positive thing for you the consumer, for employment, and will do precisely what we need to help get this economy moving. Wouldn't you much rather see \$6-\$20 billion put into circulation by legislation without first taking it from you or from your employer in the form of taxes? This is only one example of tremendous waste on the domestic front. We must, and I pledge to declare war on our bureaucracies and insure that all employees, all working Americans, and their employers can move quickly ahead without Uncle Sam shaking his finger at them until they simply hide - and produce no jobs whatsoever.

We must declare war on a second front and Federal Express is again an excellent illustration of that conflict - the exclusionary policy of some of our friends abroad who have huge favorable trade deficits with us, and by us I mean you and all other Americans.

Page Five

Let's talk about Hong Kong first. You know Hong Kong as the most open market in the world. Federal Express knows Hong Kong as the most closed market in the world. How could that possibly be true? Even though Hong Kong has a huge favorable balance of trade with the United States of over _____ billion dollars per year, do you think Hong Kong lets Federal Express openly compete in its marketplace? You will hardly believe the truth. Hong Kong's "national carrier" Cathay Pacific can transport cargo to the United States from Japan, Taiwan, Malaysia, Philippines, Indonesia, and all points in the Pacific rim. Does the government of Hong Kong allow Federal Express to compete in Hong Kong traffic from those same points - from Japan, Taiwan, Malaysia, Philippines, Korea, Thailand, Indonesia? They do not. Is their excuse that Federal Express doesn't have a quality product and therefore is not chosen by the Hong Kong consumer? Absolutely not. I think the Malcolm Baldrige Award won by Federal Express speaks clearly to that issue. What is it then? It is pure protectionism in the worst sense. They will say that in aviation the U.S. carriers currently have an advantage. But what about our overall trade situation where Hong Kong has a huge favorable balance of trade with the U.S. Why can't some of our quality companies such as Federal Express win the war in its field while many companies in Hong Kong, as reflected by their favorable

Page Six

balance of trade, win as well? Many Hong Kong companies are extremely concerned because of the lack of competition in air cargo to and from Hong Kong yet their government precludes Federal Express from competing. I will not stand for it. Here is a message from the President of the United States to the entire government of Hong Kong. Let us compete freely and fairly or I personally will oversee sanctions on Hong Kong - the use of political force to allow our quality companies to compete thereby reducing our significant trade deficit, leveling the playing field, and creating a more open and competitive marketplace which benefits not only Americans through additional jobs but also the world in terms of openly competitive trade.

I make these points and this pledge today that not only in support of Federal Express and the employees involved in this great service activity, but to businesses and all employed as well as unemployed Americans. The U.S. government will no longer tolerate large trade imbalances in the favor of our friends abroad when there are road blocks in place which preclude us from providing goods and services to them through quality companies. Those goods and services are produced by an American work force that I will pit against any work force in the world - if the opportunity to compete is not hindered.

Page Seven

This war is real. It is competition for jobs. The war on the domestic front will be the direct responsibility of my Chief of Staff, Sam Skinner, and his advisors. Big government must go! Useless and burdensome regulations must be abolished. We are starting with transportation which will allow increased productivity not simply in transportation industries, but in every facility producing goods in America as their competitive situation is changed by the efficiencies derived from \$6-\$20 billion annual logistics savings. This will translate into thousands of jobs as well as increased productivity making American products and American services more competitive on the world market.

Concerning the International problems I have previously addressed - may our friends with large trade imbalances beware. I am today making the number one issue of Jim Baker, our Secretary of State, free but fair International trade. Secretary of State Baker has been extremely successful in dealing with numerous monumental issues worldwide including the Middle East, nuclear arms reduction, the collapse of the eastern block, and the difficulties with the break up in the Soviet Union. We have no time to stand on our laurels, however, and our State Department must and will begin immediately to pursue

Page Eight

with the same vigor International economic issues, particular issues involving our trading partners with significant imbalances of trade in their account. Our State Department has been said to be too easy on our friends worldwide on economic issues as they have tried to deal with the extremely difficult world situation over the past few years. They are accused of being uninterested in economic issues and that they were afraid of making some of our trading partners angry during a time of significant worldwide chaos. That approach must have been correct. It worked. Now is the time to refocus. For the future it is open economic warfare with our friends who in spite of large surpluses are unwilling to allow good American companies to compete. Nothing is more important. We will not be timid. We will not be arrogant. We will not be unfair. But this is your notice - Japan, Korea, Hong Kong, - the entire list of countries with significant trade surpluses eliminate the barriers that keep us from balancing our trade or I will personally oversee a strong and immediate response.

No longer will other concerns allow the United States government, while under my watch, to be afraid of confrontation on an economic issue. No longer can we be concerned if a good faith disagreement makes one of our

Page Nine

friends angry. They have shown no mercy on us in the economic area, and our response must be just as calculating, cold and effective as theirs previously has been.

This is also a message to each worker in America. We are at war to protect and create American jobs. We must be a more competitive America in this new but extremely challenging single worldwide economy. I will not stop until every country now with the economic advantages of a trade surplus has opened its market, to the product, goods, and services you manufacture or produce. If it takes persuasion so be it. If it takes jawboning so be it. If it takes political pressure so be it. If it takes sanctions so be it. Whatever it takes you will have the opportunity to narrow the imbalances of trade, not by other countries restricting their own U.S. trade, but by doing what we do best - being innovative, being productive and being dedicated to the task. Whatever it takes.

From Sandy Dickey @FedEx

Sensitive Points:

2000 pilots non-union airline

in Rostenkowski bill → odd law to level playing field
if you're a ~~non~~ union pilot, you get better pension than ~~non~~ union

Rep. Don Sundquist - very supportive

Part of SOTU & DOT program → der-reg ← Fed Ex & Admin is for intrastate trucking
↓
big issue

FedEx is perfect example of airline dereg.

OK to staff
w/changes

(Ferguson\Aarhus)
March 2, 1992
Draft Two
FEDEX.2

PRESIDENTIAL REMARKS: FEDERAL EXPRESS
THURSDAY, MARCH 5, 1992
MEMPHIS, TENNESSEE

[Acknowledgments]

((I'm delighted to be here at Federal Express, a 1990 Malcolm Baldrige Quality Award winner. My staff told me they weren't sure they could fit this stop in our schedule, but when I heard it was a "Fred-said," I knew we had to do it, and fast!))

((You know, Fred Smith has always been very generous to me. Fred, it's good to know that if Air Force One ever has a problem, I can always ride in the "jump seat." I just hope I don't forget the cookies.))

((The people of Memphis -- indeed all Americans -- face a momentous decision this year. I would never presume to tell you how to vote. It must be between you and your conscience which Elvis should be on the postage stamp.))

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America Number One in the world. And I know that if the rest of us follow your lead, America will stay Number One.

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My plan
gets business moving
again, hiring
4
gets the economy
back on its
feet with
credit for 1st time
homebuyers
proposals to
set people
buying
homes and
building
homes

We also must reform our ⁵ health

~~I've also sent my health care plan to Congress.~~ ^{System} Anyone

who's had even a check-up knows that medical costs are going through the roof. I believe all Americans deserve quality health care. However, too many families go without health care

coverage. My plan focuses on opening up access to health care

to all Americans -- rich or poor. ^{Some would take us down} ~~And this I guarantee: I will~~

~~be road of nationalized health care. I think you and I both~~
~~fight against these astronomically expensive schemes to socialize~~
~~know nationalized health care would be a national disaster.~~
~~American health care.~~ I say to Congress: The American people

need your help -- now is not the time for government to play doctor.

I know that Congress can be a little slow doing things.

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And to keep giving a quarter a day to Americans taxpayers permanently, they need to jack up tax rates on every American making more than \$35,000 a year. That's right: \$35,000. This from the political party that wants to sock it to the rich and placate the middle class. I don't call someone making \$35,000 a

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I'm sure you all have been hearing the airplanes flying overhead. To some people that may sound like noise -- but it is music to my ears: it is the sound of an economy on the move, an economy that is world-wide: the sound of American ingenuity taking off.

Since I took office, It has been my responsibility to work for what is right for America. I often go back to the simple ideal my parents taught me: Try your hardest, and do your best. Well, let me tell you something -- I'm not finished yet. I want your support for four more years. I say to the good people of Tennessee: together we are going to make a change -- a change so that for once Congress will believe in you and give the values you believe in a real chance to work.

Thank you for your hard work and continued support. Bravo zulu! May God bless you all.

#

THE WHITE HOUSE
WASHINGTON

20 February 1992

MEMORANDUM FOR DAVE DEMAREST
SPEECHWRITERS
RESEARCHERS

FROM: JEANNIE BUNTON *[Signature]*
SUBJECT: RESERVIST/GUARD PARTICIPATION IN ODS

At the height of Operation Desert Storm the following numbers of Reservists and National Guards were called up:

ALABAMA:	109 Reservists <u>21 National Guard</u> 140 TOTAL
CALIFORNIA:	13,919 Reservists <u>1,629 National Guard</u> 15,548 TOTAL
FLORIDA:	7,780 Reservists <u>1,478 National Guard</u> 9,258 TOTAL
GEORGIA:	5,070 Reservists <u>4,761 National Guard</u> 9,831 TOTAL
ILLINOIS:	5,197 Reservists <u>1,203 National Guard</u> 6,400 TOTAL
MARYLAND:	3,491 Reservists <u>794 National Guard</u> 4,285 TOTAL
S. CAROLINA:	3,411 Reservists <u>2,472 National Guard</u> 6,883 TOTAL
TENNESSEE:	3,490 Reservists <u>3,055 National Guard</u> 6,725 TOTAL

TEXAS: 10,883 Reservists
 1,999 National Guard
 12,882 TOTAL

[The numbers may be 5% low; of these numbers, there is no way to tell how many were actually "in country"]

SOURCE: CHRISTINA FERRANDINO, SYSTEMS AND ANALYSIS DIR.
 RESERVE AFFAIRS - MANPOWER AND PERSONNEL
 DEPARTMENT OF DEFENSE
 703-695-7305
 703-695-7307

More to follow.

(Ferguson\Aarhus)
March 2, 1992
Draft Two
FEDEX

PRESIDENTIAL REMARKS: FEDERAL EXPRESS
THURSDAY, MARCH 5, 1992
MEMPHIS, TENNESSEE

[Acknowledgments]

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how to vote. It must be between you and your conscience *which* ~~whether~~
~~you want the young or the old Elvis on the postage stamp.))~~ *sooel*

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~~Memphis and~~ the people of Tennessee believe in some big issues.
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talking about job security. I'm talking about family. I'm
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Yes, we've got work to do to keep America on top. My first priority is to get this economy moving, *create and preserve American jobs.*

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so that all major Cabinet departments and agencies can conduct a top-to-bottom review. I've given them clear instructions: wherever possible they must speed up any regulations that encourage economic growth; and they must scrap regulations that restrict economic growth.

That means reforming our legal system too. Costs of lawsuits etc.

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We're going to energize our economy the same way again. The days of over-regulation are just that -- over.

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~~Unfortunately~~, there are other crucial steps I can't take alone. By law, Congress must act.

I know that Congress can be a little slow doing things. *Like the* ~~((Some of these guys~~ *that* ~~take~~ an hour-and-a-half just to watch "60 Minutes.")). So I gave them a deadline to enact my plan.

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And keep giving a quarter a day to America's taxpayers permanently,
To ~~make their tiny tax cut permanent~~, they ^{need} plan to jack up tax rates on every American making more than \$35,000 a year.

That's right: \$35,000. This from the political party that wants to sock it to the rich and placate the middle class. (~~Don't be~~

~~funny here~~) *I don't call someone making 35,000 a year rich. I call them a middle class voter who needs the Congress to stop raising taxes.*

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*your support for four more years
JP*

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#

~~Kris~~ GA
GOP

Legal reform
health care ref.

costs that will
make you less

competitive — costs (cover everyone)
I want less costs
They want
more.

(Ferguson\Aarhus)
March 2, 1992
Draft Two
FEDEX

PRESIDENTIAL REMARKS: FEDERAL EXPRESS
THURSDAY, MARCH 5, 1992
MEMPHIS, TENNESSEE

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#

(Ferguson\Aarhus)
March 3, 1992
Draft Two
FEDEX

PRESIDENTIAL REMARKS: FEDERAL EXPRESS
THURSDAY, MARCH 5, 1992
MEMPHIS, TENNESSEE

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I'm sure you all have been hearing the airplanes flying overhead. To some people that's just noise -- but it's music to my ears: It's the sound of America's soaring ingenuity. It's the sound of American workers winning in world class competition.

Now, next Tuesday is a day of decision -- the primary election. I'd ask you to reflect on our place in the world -- where we've been and where we're headed. If I may say just a few words from the heart -- Barbara and I certainly have had much to reflect upon. We've never felt more blessed -- blessed to serve this great nation of ours. This is a moment when so many of the old fears have been driven away. And when so many new hopes stand within our reach.

The tragic experiment of Communism has crumbled. The people of the old Soviet Empire are working to rebuild their societies on the values of family, faith and freedom. \\ Those are the very values that made America great -- the values we need to keep our country great.

Since the day I took the oath of office, I made it my duty always to try to do what is right for this country. I've given it my level best -- and I'm not done yet. \\ Together, we've made a great beginning -- but we have to finish our mission. That's why I'm asking you for four more years to fight for the values we share. Don't wait until November -- send a message on Tuesday that you want me to serve four more years as your

president. And together, we can keep America true to its principles. We can carry our dream to new heights. \\\

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

#

(Ferguson\Aarhus)
March 2, 1992
Draft Two
FEDEX

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[Acknowledgments]

((I'm delighted to be here at Federal Express, a 1990 Malcolm Baldrige Quality Award winner. My staff told me they weren't sure they could fit this stop in our schedule, but when I heard it was a "Fred-said," I knew we had to do it, and fast!))

((You know, Fred Smith has always been very generous to me. Fred, it's good to know that if Air Force One ever has a problem, I can always ride in the "jump seat." I just hope I don't forget the cookies.))

((The people of Memphis -- indeed all Americans -- face a momentous decision this year. I would never presume to tell you how to vote. It must be between you and your conscience which Elvis should be on the postage stamp.))

It is a delight to be in the state, because the people of Tennessee believe in some big issues. We agree on the values that are closest to our hearts. I'm talking about job security. I'm talking about family. I'm talking about world peace, for us, for our children, and for our families for generations to come.

I am here today, because people in Memphis, as well as people at Federal Express, embody the values that have made America Number One in the world. And I know that if the rest of us follow your lead, America will stay Number One.

You don't shrink from a challenge, whether in the marketplace or in the world at large. Think back a year ago, to Operation Desert Storm: America faced a great challenge then, and Tennessee met it proudly. Nearly 7,000 Tennesseans served their country as Reservists or Members of the National Guard. And Fed Ex flew more than half this country's non-logistic military fights. Believe me, that's a contribution America won't soon forget.

What makes this city, this state, and this company so successful? It's not hard to figure out. Look closely at what happens right here at Federal Express. You seek out new technologies and make them work. You see job training not as a one-shot deal but as an on-going process. You set high standards, constantly asking more of yourselves and your co-workers. You encourage innovation. That's what being competitive is all about.

The key to success is competitiveness. For some, "competitiveness" is just this year's political buzz word. Here in Memphis, it's a reality. Competitiveness is your key to leadership.

Companies like Federal Express understand a central truth about America: If we are to succeed economically at home, we must lead economically abroad. Here at Fed Ex that's just common sense. More than one-and-a-half-million packages pass through here every day, en route to all parts of the globe. Memphis is already "America's distribution center," and now you're becoming

the world's. That means economic opportunity. It means jobs.

Believe it or not, some people haven't gotten the message. They see the challenges of the global economy and they say: Let's draw the blinds, bolt the doors and maybe the world will go away.

They push protectionism -- an ugly word that really means surrender. Don't be fooled by the tough talk and the patriotic bluster. Protectionism comes from fear -- fear that Americans can't compete -- fear that Americans have no ideas, no foresight -- fear that America can no longer lead. Well, there's one word for that kind of fear: Baloney.

Let these skeptics come to Memphis; let them come to Federal Express and see what it's really all about. Maybe then they'll understand what you and I already know: Americans can out-think, out-perform and out-produce anybody in the world.

Never in this country's history have Americans turned their backs on a challenge. We don't run and hide -- we compete. And we will continue to compete -- and because Americans accept nothing but the best, we will win.

Yes, we've got work to do to keep America on top. My first priority is to get this economy moving to create and preserve American jobs.

In my State of the Union address in January, I laid out my two-part plan for economic recovery -- first: a seven-point plan to strengthen the economy right now. And second, a longer-term plan to keep America growing strong for years to come.

Fortunately, I've been able to take some steps on my own. For example, I've put a 90-day hold on new government regulations so that all major Cabinet departments and agencies can conduct a top-to-bottom review. I've given them clear instructions: wherever possible they must speed up any regulations that encourage economic growth; and they must scrap regulations that restrict economic growth.

Over-regulation robs the inventiveness and risk-taking the economy needs to grow. You all understand that better than anybody. For the first few years, Fed Ex ran its business with 32 small planes. Any further expansion was inhibited by air cargo regulations. Deregulation allowed Federal Express to buy more planes -- larger planes -- for transport, and literally, Federal Express took off.

We're going to energize our economy the same way again. The days of over-regulation are just that -- over. That means reforming our legal system, too. When dads won't coach Little League for fear of being slapped with a liability lawsuit, and doctors stop delivering babies for fear of a malpractice suit, there's something wrong. (America won't find its way out of this mess until until we spend more time helping each other than we do suing each other. That's why I sent a bill to Congress to stop frivolous lawsuits -- lawsuits that drain our wallets and tear at the social fabric of our society.)

I've also sent my health care plan to Congress. Anyone who's had even a check-up knows that medical costs are going

through the roof. I believe that all Americans deserve quality health care. However, too many families go without health care coverage; too many families worry about keeping their coverage if they change jobs, or worse yet, lose their job. My plan focuses on opening up access to health care to all Americans -- rich or poor. ~~My plan will work, because the American people want it to work.~~ *And this I guarantee!* I will fight against those astronomically expensive schemes to socialize American health care. I say to Congress: The American people need your help -- now is not the time for government to play doctor.

I know that Congress can be a little slow doing things. ((Like the guys that take an hour-and-a-half just to watch "60 Minutes.")) So I gave them a deadline -- March 20 -- to enact my plan. Unfortunately for the American people, the Democrats in Congress had other ideas.

Last week, they passed a plan of their own. Here's what it does: in exchange for an two-bit tax cut -- literally about 25 cents a day per taxpayer -- they will raise another \$100 billion in taxes.

They call the \$100 billion "new revenues." I have another name for it: your money.

And to keep giving a quarter a day to Americans taxpayers permanently, they need to jack up tax rates on every American making more than \$35,000 a year. That's right: \$35,000. This from the political party that wants to sock it to the rich and placate the middle class. I don't call someone making \$35,000 a

year rich -- I call them middle class voters who want the congress to stop raising taxes.

And if the Democrats in Congress want to send that bill to me, I've got a message for them: I'll veto it -- absolutely, positively, overnight.\\\

The American people have had enough of the old game of tax and spend. They want to get our economy back on track.

I'm sure you all have been hearing the airplanes flying overhead. To some people that may sound like noise -- but it is music to my ears: it is the sound of an economy on the move, an economy that is world-wide: the sound of American ingenuity taking off.

Since I took office, It has been my responsibility to work for what is right for America. I often go back to the simple ideal my parents taught me: Try your hardest, and do your best. Well, let me tell you something -- I'm not finished yet. I want your support for four more years. I say to the good people of Tennessee: together we are going to make a change: a change so that for once Congress will believe in you and give the values you believe in a real chance to work.

Thank you for your hard work and continued support. Bravo zulu! May God bless you all.

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THE WHITE HOUSE

Office of the Press Secretary
(Savannah, Georgia)

For Immediate Release

March 1, 1992

REMARKS BY THE PRESIDENT
AT BUSH-QUAYLE '92 WELCOME

Savannah Riverfront
Savannah, Georgia

1:20 P.M. EST

THE PRESIDENT: Thank you very much, Mayor. And may I be bold enough to say I think Savannah has a first-class new Mayor, and I'm glad to have her here at my side today. (Applause.) And thank you all for this warm welcome. It's great to see so many friends: standing next to me over here is one of the great governors across our country, Governor Carroll Campbell of South Carolina. And I am very much indebted to him for his support. (Applause.) Alec Pointenvant is the chairman of the party here, doing a first-class job. Fred Cooper is our statewide chairman for Bush-Quayle. And, of course, Newt Gingrich doing a superb job for this state and for our country in Washington, D.C. (Applause.)

May I thank the band over there from Bradwell, and thank them for their -- (applause.) And somewhere out here is Videlia, right over there -- (applause.) And may I single out all the veterans of Desert Storm here today, and to every one of you who have come down to the Riverfront to show your support. (Applause.)

I'm glad to see all this activity. You'll notice I brought along my newest mode of transportation -- "Riverboat One" right back here. (Laughter.)

Well, we're here today because we believe on big issues -- and we believe that we're on the right side of these big issues, on the issues that shape the world -- and on the values that are close to home. I'm talking about jobs. I am talking about family I am talking about world peace, for ourselves and for all of our kids. Jobs, family, and world peace. (Applause.)

And I believe all the people of Savannah and all the people of this great state believe that parents, not the government, ought to make the decisions that matter in life. Parents, not government, should choose the children's schools. (Applause.) And when it comes to child care, parents, not the government, should choose who cares for the children. (Applause.) And I also think on this Sunday -- and my views will never change on this -- I believe there is a place for voluntary prayer in our children's classrooms. (Applause.)

And I think, on this gorgeous family day, on this beautiful Sunday here in Savannah, I think we should put it this way: America is first as long as we put the family first. (Applause.)

Let me just say a word about the number one issue facing our country today: it's the economy, it's jobs. And that's what's keeping people up late at night, worrying about how they're going to

pay the bills and put food on the table and care for their kids, and still manage to put away something for their own retirement.

We've got to get this nation's economy moving. That's why, in that State of the Union address I gave, I laid out a two-part plan to spark economic recovery -- to create jobs: a seven-point short-term plan to stimulate the economy as early as this spring -- and then a longer-term plan to keep America growing tomorrow and into the next century.

And because I know Congress tends to drag its feet I set a deadline to help them along the way. But regrettably, the liberals that control the Congress had other ideas. Instead of passing my plan, they pushed through one of their own. Here's what's in it: a tiny tax cut -- 25 cents a day for every person -- but in exchange for \$100 billion in taxes. If you feel the way I do, tell the Congress, keep the change -- and keep your hands off the taxpayers' wallets. (Applause.)

If the liberal Democrats decided to make that two-bit tax cut permanent, they'd have to jack up the tax rate for every American making more than \$35,000 a year. You heard that right -- \$35,000. Now, go tell that to some school teacher that's working her or his heart out for our kids. That is not fair, and I am not going to let it happen. (Applause.) They're going to tax the middle class for the same reason Willie Sutton robbed banks -- because that's where the money is. And I'm not going to let them do that to you, the taxpayers of Savannah. (Applause.) But, listen: you saw that bill the other day, so let me make it very clear -- with one of our great leaders standing next to me -- if that tax-and-spend plan reaches my desk, I am going to send it right back. I will veto it fast -- it will make your head spin. (Applause.)

They want to raise the taxes -- and I want get this country back to work.

And there's one critical part of our economic future that I want to talk to you about today, and that's really the kind of legacy we leave these young ones, our children. The world our kids call home will be far different than the world that we grew up in. The competition now comes from around the world, not just down the street.

In that new world, there's a new economic reality: If we want to succeed economically at home, we've got to lead economically abroad. (Applause.) And if this nation needed any proof of that I just said, it's right here in Savannah. Statewide, Georgia's export business is booming: nearly \$14 billion in 1991 for manufactured exports alone. Look around the Riverfront. More and more ships pass in and out of this harbor, saluting The Waving Girl. Today and every day this bustling hub of international trade puts jobs in your communities, money in your pockets, and dinner on your tables. Nearly 13 million tons of goods -- billions of dollars in international trade -- flow through your wonderful port. And in the port of Savannah alone, all that trade traffic adds up to 58,000 jobs for Georgia.

The world is at Savannah's doorstep. We've got to keep the door open -- and I'm confident that we will. And that's why I've fought every day of my administration to open foreign markets and to guard against the siren's call of isolation and protection. Georgians are reaching out; they are not pulling back. (Applause.) Give you a little detail that I think is good for the rest of the country. Right here, we're creating additional opportunities for U.S. exports -- companies like Savannah Foods, and Fort Howard Paper and Union Camp -- the V.P. is with us -- Sid Nutting is with us here today. And their people are working hard to compete -- and we're behind them all the way.

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But the opponents are not about to let fact intrude on fantasy. They are peddling protectionism -- they are peddling a retreat from economic reality. Now, you cut through all the patriotic posturing -- all the tough talk about fighting back by closing out foreign goods, and look closely: that is not the American flag they're waving, it is the white flag of surrender. And that is not the America that you and I know. (Applause.) We don't cut and run in this country -- we compete. Never in this nation's long history have we turned our back challenge -- and we are not about to start right now.

So I put my faith in the American worker, and I say: Level the playing field, and the American worker will outthink, outproduce, outperform anyone, anywhere, anytime. (Applause.) And let me add this: America is in it to win.

Think back one year -- one year ago today -- to the calm after Desert Storm. Ask any one of the proud sons and daughters of Georgia who became a liberator of Kuwait, and they'll tell you: Military strength doesn't mean a thing without moral support right here at home.

Georgia did its part -- and more. This port handled over 200,000 tons of cargo for Desert Storm. Nearly 10,000 sons and daughters of Georgia were called up through the Reserves and the National Guard -- and thousands more answered the call from Fort Stewart or from Hunter Army Airfield.

And I'll never forget my visit to Fort Stewart during those difficult days. (Applause.) The wives and the parents that I talked to -- people with their loved one in harm's way, many of them gone for months. Their quiet courage said it all: Never would this country tuck tail and let aggression stand. America would do what was right and good and just -- and America would prevail.

There were those who did not support us then -- and there are those who second-guess us now. But not the good people of Georgia. In those difficult days, when our kids laid it all on the line, Georgia never wavered. Georgia kept its faith in freedom. Georgia said with me: Aggression will not stand. And I say thank you to the people of this great state. (Applause.)

And now we're locked in a political struggle, and I'm going to try to keep it above the fray. I've got to continue to be the President of this great country -- honored to be that President. And I've been trying to keep things on a positive plane. But let me just say this to you: From next Tuesday through the first Tuesday in November, we're going to take our message all across this country. And my view is, if you want to send a message to Washington, send this President back for four more years -- and send more good Georgia Republicans to the Congress. (Applause.)

People know that we're in a battle for the future: it's about jobs, it's about family, it's about world peace -- and about the kind of legacy we're going to leave our kids.

And so let some opponents sign the retreat -- run from the new realities, seek refuge in a world of protectionism, or high taxes, or even bigger government. That's not the future we want for our kids. And we believe in our country. And we believe we will move forward with open markets, and low taxes, and less government -- all focused on creating and preserving jobs. So we need your support.

Let me just close today with a few words from the heart. Barbara and I are blessed -- blessed to serve this great nation of ours at a moment in history when so many of the old fears have been

driven away. When so many new hopes stand within our reach. Old fears. When I see these young kids, I think we're fortunate that they go to bed now worrying less about a nuclear holocaust than happened five or 10 years ago. We are blessed that we have brought peace to this world. (Applause.) And because we've stood strong, we've beaten back aggression.

But since the day I took the oath of office, I've made it my duty to work for what's right for America. I go back -- I guess we all do -- to what our families say -- I go back to what my mother says: Try your hardest, do your best. Well, let me tell you something: I'm not done yet. I say to the good people of Georgia: together we are going to make a great new beginning. I'm going to take this message to the United States Congress for change -- change that Congress and give the values that you believe in a real chance come November. (Applause.)

Thank you for this very warm welcome back. And may God bless the people of Georgia and the people of the United States of America. Let us count our blessings on this gorgeous day. Thank you and God bless you all. (Applause.)

END

1:34 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary
(Atlanta, Georgia)

For Immediate Release

February 29, 1992

REMARKS BY THE PRESIDENT
IN ADDRESS TO GEORGIA GOP MEMBERS

Marriott Marquis Hotel
Atlanta, Georgia

2:25 P.M. EST

AUDIENCE: Four more years! Four more years! Four more years!

THE PRESIDENT: Thank you, Alec. Thank you, Newt. And thank all of you. Let me single out our Chairman, Alec Pointevient, and thank him for his leadership of this obviously activated, insurgent and wonderful Georgia Republican Party. (Applause.) And may I -- get to Newt in a minute -- but may I salute the members of the Georgia General Assembly that are here; my old friend, Senator Mack Mattingly, who is sorely missed in the United States Senate, I might add. (Applause.)

And I understand that Savannah's Mayor is here, and I look forward to being with Susan Weiner tomorrow as well. (Applause.) And I thank our National Committeewoman, Carolyn Meadows; and our Georgia Campaign Chairman, my old friend, Fred Cooper, who is over here somewhere -- but doing a great job. (Applause.)

And as for Newt, there is no one quite like him. (Laughter and applause.) Let me simply say he is, as you know, clearly one of the very, very top leaders of the Republican Party nationally, and I am very grateful to him for the steadfast support and leadership that we get on Capitol Hill. Every single day that I work with him and with Bob Michel, I'm saying to myself: We have got to take the message to the people in fall to get more Republicans in the Senate and get more Republicans in the House of Representatives. If you want change, that's the kind of change we need. (Applause.)

And my thanks to all of you for coming to Atlanta from all over -- Macon to Marietta, from the four corners of this great state.

This gathering marks a great triumph. You look around this room, and I think it's just clear how far we've come. It must be something about the Republican Party and red clay. (Laughter.) In this state and all across the South, the Republican Party is here to stay. And that is what this meeting is about. And that's what the votes in this state are all about. (Applause.)

And with this rise comes a new generation of Georgia Republicans -- the reformers, who are trying to teach Washington, D.C. the wisdom of their ways. And I'm talking, of course, about Newt Gingrich and Mack, and about Bo Callaway and thinking back -- think about Lou Sullivan now. And when we call the roll, let's not forget Pin Point's favorite son -- Supreme Court Justice of the United States Clarence Thomas. And I'm proud I named him to that Court. (Applause.)

Our party prospers here because the great strengths of the Republican Party are the great strengths of the South: bedrock

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belief in family and in faith, community and country; the virtues of hard work and humble worship; the willingness to sacrifice for country in times of war and to help others in times of peace. These are the beliefs that sustain us. It's our commitment to family, to jobs, to peace that inspires us.

And all across America, these values are growing stronger -- coming back by popular demand. And as a nation, we've begun to see in these values a solution to so many of the crises that plague our cities and our schools and our streets.

People are coming home to the values that never left their hearts. We believe that parents, not the government, should make the decisions that truly matter in life. Parents, not government, should choose their children's schools. (Applause.) Parents, not government, should choose who cares for their children. Parents know better than some bureaucrat in Washington, D.C. And, yes, we believe there's a place for voluntary prayer in our children's classroom. (Applause.)

And we believe America's first so long as we put family first. And these bedrock beliefs, they don't fade with age. They don't change from one election to the next. They are the home truths that call this nation forward to greatness. And if America holds fast to these truths, we'll never lose our bearings.

And still, right now there's no denying it, in too many ways we're going down the wrong track. We've got to reform our legal system. The home of the free has become the land of the lawsuit. And we've got to end that. (Applause.)

And that's why we sent up a bill to the Congress to stop these frivolous lawsuits -- nuisance suits sap our economy and tear its social fabric of our society. And when you're as likely to serve your neighbor a subpoena as a cup of coffee, something's gone wrong. (Laughter and applause.) And when doctors won't deliver babies and dads won't coach Little League for fear of lawsuits, something's wrong. (Applause.) And America won't find its way out of this mess until we spend more time helping one another than we do suing one another. (Applause.) We need more people like Newt Gingrich in the Congress to support reform legislation in terms of these vicious and outrageous lawsuits. We've got to reform this nation's health care system.

Right now, the quality of American health care is the best in the entire world, make no mistake about it. The problem is access. Too many Americans with families do not have health insurance coverage. And you know how even a short stay in the hospital can rip a hole right through the family's budget.

Well, all Americans deserve quality health care and a sense of well-being. But socialized medicine is not the answer. And I will fight against those plans. (Applause.) We have a good, specific plan. And my plan focuses on opening up access to health insurance for all Americans, rich and poor. And if we wanted long lines and revolving door health, we'd put our doctors to work at the Department of Motor Vehicles. The last thing we want is the government playing doctor. And you listen to the campaign plans on the other side, and you'll know exactly what I mean. (Applause.) And I will continue to fight for health care for all, and I will fight against those astronomically expensive schemes to socialize American health care. (Applause.)

We've got to reform our welfare system. People are willing to support benefits for families in need -- of course, they are. And, yes, Americans care. We always have, we always will. But they want to see some connection between welfare and work. And they want to see government at every level work together to track down the deadbeat dads -- the ones who can't be bothered to pay child support.

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(Applause.) And they want to see us break the cycle -- that dreadful cycle of dependency that destroys dignity and passes down poverty from one generation to the next.

Think about it. Think about a young child born into that -- it's wrong. It's cruel. We've got to do something to change it.

A number one issue today, though, is the economy. I think we all know that. It's jobs. And that's what's keeping people up late at night worrying about how they're going to pay the bills and put food on the table, care for their kids and still manage to put away something for their own retirement.

We've got to get this economy moving. And Americans want to work. They want the opportunity to earn more money. And that's why in my State of the Union address I laid out a two-part plan to spark economic recovery, to create jobs -- a seven-point, short-term plan to stimulate the economy as early as this spring. And then a longer-term plan to keep America growing tomorrow and into the next century.

And because I knew I couldn't wait for Congress to act, I set a deadline to help them along the way. And that's why I was sorry to see what the House Democrats did this past Thursday -- instead of working on my plan, liberal Democrats pushed through one of their own. And true to its form, it's a tiny, temporary tax cut in exchange for a huge permanent tax hike.

And to play election-year politics as usual, they passed up a chance to stimulate the economy. And the plan they passed will raise the deficit, raise taxes a whopping \$100 billion and ruin our economic recovery, and worst of all, it will not create jobs at all. And so, let me end the suspense. If that plan reaches my desk, I will veto it instantly, and send it right back up to Capitol Hill. (Applause.)

And, frankly, there's even greater danger here. If the liberal Democrats ever decide to make that two-bit tax cut permanent, they'd have to jack up -- and I think Newt expressed this on the floor; certainly I've heard him speak about it -- they'd have to jack up the tax rate for every American making more than \$35,000 a year. You heard it right -- \$35,000 -- for a plan that's supposed to help the middle class. And that's going to come as real news to a lot of factory workers and hard-working school teachers, people you know, everyday Americans struggling to make ends meet.

Let's face it, when that tax-and-spend crowd talks about taking aim at the champagne and caviar set, it's middle America that always take the hit. And the liberals are going to tax that middle class for the same reason that Willie Sutton robbed banks, because that's where the money is. So do not listen to this silly campaign rhetoric out there. (Applause.)

Ask any economist and they'll tell you the quickest way to cut this recovery off at its knees is to raise taxes. And if they're serious about this recovery, Congress must pass my plan. My plan contains an investment tax allowance to create incentives for American businesses to buy new equipment and then hire more workers, to bolster sagging real estate markets. This plan will give the first-time homebuyer a \$5,000 tax credit to help them with that down payment. For families here in the Atlanta area, that credit is worth six months' mortgage payments on the average Atlanta home.

And let me say to these opponents of mine: No one is fooled by your paying lip service to competitiveness and practicing class warfare. Quit punishing the people who create jobs and pass my plan and cut the capital gains tax -- cut it down so we can get America back to work. (Applause.)

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My plan really, if you look at it, you'll see that it's shaped to meet the new economic realities -- realities that have helped make Atlanta the South's great international city. And come 1996, Atlanta comes of age as America's very own Olympic city. And that's going to be just great. (Applause.)

There's a popular saying: When I pass into the hereafter, I don't know if I'll be going up or down, but wherever I go, I'll change planes in Atlanta. (Laughter.) They're going to see that one in 1996.

Trade | You know, Georgia's unemployment rate is low. But I'm sure Georgians know the actions we take now affect our economic health for the long term. We're working to expand trade. We're working to open markets all over the world to American products. That was my mission when I went to Asia. It's what our trade teams push for every time they sit down at the negotiating table. And if we want to ensure good jobs for the future, we've got to work for free trade now.

The truth is, if we want to succeed economically at home, we have got to lead economically abroad. Right here in Georgia, in the past three years, manufacturing exports have almost doubled. Today, an estimated 165,000 Georgia jobs are tied to trade.

So get past all the tough talk out there, all the patriotic posturing about fighting back by shutting out foreign goods. And if this country starts closing its markets, other countries will close theirs. And when that happened, who gets hurt? Easy -- we do. Our economy does. The workers in the State of Georgia do.

But my opponents aren't about to let fact intrude on fantasy. They're peddling protectionism -- a retreat from economic reality into a dangerous pre-World War II isolationism. Look closely, that's not the American flag they're waving, it's the white flag of surrender. And that's not the America you and I know. And I will veto any protection legislation that comes to the White House from this protectionist Congress. (Applause.)

*you have
are proof* | The bottom line is we do not run and we do not cut out -- we compete. And never in this nation's long history have we turned our backs on a challenge. And we're not going to start now. I've put my faith in the American worker -- level the playing field and the American worker will outthink, outproduce, outperform anyone, anywhere, anytime. (Applause.)

And I say let the world know we are in it to win. Don't listen to those talking heads out there, the folks who can't seem to feel good unless they've got something bad to say about our great country. If you think I feel strongly about this one, you ought to hear Barbara Bush, the Silver Fox, speak about it. (Laughter and applause.) She wouldn't even let me listen to the TV news last night. There's a lot of gloom and doom out there.

America isn't a nation that gets ahead by tearing down others. Time after time, America's been called upon, and time after time America has met the challenge. And this time America will do it again.

Think back to one year ago today, to the calm after Desert Storm. Ask anyone of the proud sons and daughters of Georgia who became a liberator of Kuwait and they'll tell you military strength is nothing without moral support right here at home.

I won't ever forget my visit during those difficult times to Ft. Stewart, Georgia. The wives and parents that I talked to, the people who -- their loved ones in harm's way still told me

this: America must do what is right. And their quiet courage and their patriotism said it all to me. It was an emotional time I'll tell you. And never would this country tuck tail and let aggression stand. America would do what was right and good and just and America would prevail.

And there were those who didn't support us then and there are those who second-guess us now. But not the good people of Georgia. In those difficult days when our kids laid it all on the line, this state, its young men and women never wavered. Because, you see, Georgia kept the faith. And we're bringing that same spirit to the fight we face today.

From next Tuesday through the first Tuesday in November, we are going to take our message all across the country. You don't have to be a negative message. You don't have to always be saying something bad about somebody else. We've got lots to be proud of, lots to advocate, lots to be for.

So if you want to send a message to Washington, send this President back for four more years and send -- (applause) --

AUDIENCE: Four more years! Four more years!

THE PRESIDENT: Send more good Georgia Republicans to Congress to help out this leader right here. (Applause.)

Let me close with just a couple of words right from the heart. Barbara and I are blessed. We are blessed to serve at this moment in time when so many of the old fears have been driven away. When so many new hopes stand within our reach. And since the day I took the Oath of Office I made it my duty always to try to do what is right for this country. I have given it my best, I have done my level-best, and I'm not done yet.

And I ask the good people of Georgia -- together we've got a lot to be proud of. I take particular pride that the young people in this country go to bed at night not worrying about nuclear holocaust. I think that's something good, and something strong and says something wonderful about our -- what's happened in the last few years. (Applause.)

But my pitch to you, the leaders of this great state, is unashamedly this: Together we have made a great beginning; now, you give me four more years to finish the job.

Thank you all for this warm welcome. And may God bless the United States of America. (Applause.) And be sure to get to the polls next Tuesday. (Applause.) Many, many thanks. (Applause.)

Q Amen. Georgia's Bush Country. (Applause.)

THE PRESIDENT: Thank you all very, very much.

END

2:47 P.M. EST

FEDERAL EXPRESS SPEECH

Event date: Thursday, March 5, 1992

Audience: 5000?

Event location: Airplane hangar/Federal Express

Federal Express Info

Federal Express is the largest employer in Tennessee.

75-80% of audience will be Fed Ex employees.

50% of hub employees are from Tennessee, the others are from Arkansas or Mississippi.

There are 94,000 total global Federal Express employees, of that 18,000 are Memphis employees.

One hundred planes land at the hub every night. Most of the work that goes through the hub occurs at night.

They have been there since 1973, almost 20 years. Before 1977, they had only 32 falcons, and could only carry 7500 pounds of cargo. The regulations in place at the time wouldn't allow him to expand any further.

(Thanks to deregulation) They now have 110-120 jets in fleet.

Fed Ex is a perfect example of the success of deregulation (cargo industry) -- tie-in to our 90-day hold on new regs.

The Memphis economy is not a flailing as are other parts of the country.

Although the country's economy kind of sucks, Fed Ex's volume is up 14% over a year ago.

Company colors: purple and orange

POTUS will not tour the facility as was earlier planned

There are 5000 employees there during the night, and 200 there during the day.

Airplanes will be flying overhead as POTUS is speaking -- maybe he could say something like, "Hear that? That's the sound of an economy on the move, blah, blah, blah..."

They move 1.6 million packages/day. Last Christmas, they moved 2 million packages/night.

Slogan: When it absolutely positively has to be there overnight.

Fed Ex Priorities: 1) People 2) Service 3) Profit

In 1990, Fed Ex won a Malcolm Baldrige Award -- the first for a service organization

President of Fed Ex -- Frederick Smith: he's extremely popular, mingles with workers, has a show on FXTV called Fred 1/1 (one-on-one). Employees can call the 1-800-# and ask him questions. He also uses this show to announce new policies.

Fed Ex started the hub and spoke system of air travel/delivery. Fred wrote a term paper in college (Yale) about the hub and spoke system, and got a C. Now it is the way to do it. Fred transformed the way planes do business.

To Fred: or all employees: "Bravo zulu" -- employee excellence recognition that Fred gives.

POTUS and Fred were both flyers.

Nod to Fed Ex participation in Gulf War -- flew over 50% non-military logistics flights. Chairman may have received recognition from POTUS already.

Joke: "the jump seat": Seats on the planes that employees can use to travel (for free) anywhere in the world. Pilots expect that whoever rides in the jump seat brings the cookies. Fred rides in the jump seat sometimes. Maybe POTUS can say something like: "It's nice to know that if Air Force one has a problem, I can always ride in the jump seat," or "I was going to ride in the jump seat today, but I forgot cookies". Any joke about the jump seat will make the crowd go wild!

Fred Smith has ten children.

Vocab: hub-ites : those who work in hub

Fred-said: "Drop what you're doing, Fred asked you to do this. POTUS could say in the beginning of the remarks: "I'm really glad to be here. My staff wasn't sure we'd be able to fit it on the schedule, but when I heard it was a "Fred-said", I knew we'd better do it, and fast!"

Golden Falcon: employee award for going above and beyond the call of duty -- mucking through a swamp to deliver a package.

DON SUNDQUIST
7TH DISTRICT, TENNESSEE

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Congress of the United States
House of Representatives
Washington, DC 20515-4207

TO: Jennifer Grossman
FROM: Ralph Perrey
RE: President's visit to Memphis, March 5

Local Color

- o Elvis (Graceland is in Memphis; stamp contest etc)
- o Memphis State basketball - Tigers are playing well, NCAA bid possible this year
- o The Pyramid - new arena downtown overlooking the river (MSU plays home basketball games there)
- o Barbeque - over 90 barbeque restaurants in Memphis, folks divide on the issue of wet vs. dry ribs like they do over politics or religion.
- o Last year's big earthquake scare - Memphis lies on the New Madrid (pronounced MADD-rid) fault and much was made of the potential for a killer earthquake. Big build-up, but nothing happened.
- o Liberty Bowl in Memphis - city is in the running for an NFL expansion team there; good facility, strong community support, this is football country, etc.

Site

- o Federal Express exemplifies entrepreneurial spirit. Fed Ex is the area's largest employer and prime reason the city bills itself as "America's distribution center".

Tennessee

- o President has picked popular former Governor Lamar Alexander to reform the nation's schools, just as he pioneered education reform in Tennessee.
- o Howard Baker as General Chairman of Bush/Quayle in Tennessee
- o President visited Memphis last year to join The Commercial Appeal's points of light celebration. A BIG event [suggest the advance team pull up the coverage in the CA].
- o Two individuals from Memphis area honored as daily Points of Light by the White House. (don't have details handy)
- o Craigmont High School chorus performed Randy Travis'

Quotes/Stories

- o Howard Baker tells a great story of visiting a small town in East Tennessee, where he entered a small country store - ~~the~~ Hull's. He asked a group of older gentlemen playing cards whether the Hull's were kin to Cordell Hull, former Senator and FDR's Secretary of State. The men talked it over among themselves for a moment and then one asked, "Is he the one that went off to Washington?" Tennesseans have a way of keeping things in perspective, etc.

Local Events

- o State taxes. School funding has been struck down by the courts, the Democratic Governor is pushing for a state income tax (with no success).
- o The new Mayor, W.W. (Willie) Herenton; he defeated incumbent Dick Hackett by fewer than 150 votes (out of 250,000) to become the city's first black mayor (Hackett was one of the few big-city mayors to have endorsed Reagan and Bush). The new mayor is off to a rough start.

This is an example of why it's important to vote, but context is important; Memphis is a city of deep racial divisions.

Audience

- o Federal Express employees - as many as 5000 in the crowd.
- o GOP activists from the heavily-Republican suburbs, others coming in from Jackson and rural West Tennessee.
- o Some school groups, boy scout troops.