

SINCE ITS FOUNDATION IN 1918, ANSI has dedicated itself to efforts ensuring that U.S. voluntary standards are produced in a manner that eliminates or minimizes waste, duplication of efforts, and conflict. By design, the organization was intended to endure and remain constant through changing business conditions.

Today, like never before, rapid and sweeping change has become the norm both within the U.S. and the global standardization and conformity assessment community. The theme of this annual report, *Motion*, draws attention to the actions and plans undertaken by ANSI during 2000 and early 2001 to prepare for these and future challenges in the new millennium.

On the Cover

The American National Standards Institute does not itself write standards. Rather, ANSI creates an environment for the development of public agreement or *consensus* standards by accrediting developers who then pull together subject matter experts for development activities. Through cooperation and collaboration, this distributed standardization and conformity assessment network is not only flexible and responsive to user needs, but incredibly strong.

The cover images shown on this annual report are representative of the diverse and varied industries currently working within the ANSI Federation.

- Lumber and timber
- Construction equipment
- Petroleum
- Information technology
- Piping and fluid controls
- Lasers (manufacture and operation)
- Safety signage / tractors (heavy equipment)
- Steel
- Gears

- Bar coding and automatic data capture
- Environmental management
 - Electricity, Electronics and related technologies
 - Safety and health for workers and consumers
- Steel (and other metals) production and processing
- Textiles
- Automotive



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2000 Annual Report

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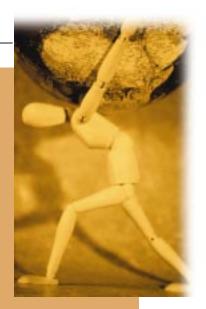
Mission and Cardinal Principles

MISSION

To enhance both the global competitiveness of U.S. business and the U.S. quality of life by promoting and facilitating voluntary consensus standards and conformity assessment systems, and safeguarding their integrity.

CARDINAL PRINCIPLES

- **Open.** Any materially affected and interested party has the ability to participate.
- **Balanced.** The standards development process should have a balance of interests and participants from diverse interest categories shall be sought.
- **Due Process.** All objections shall have an attempt made towards their resolution. Interests who believe they have been treated unfairly shall have a right to appeal.
- **Consensus.** More than a majority, but not necessarily unanimity.



Key Points About the ANSI Federation

- ANSI represents a vibrant economy and enhanced quality of life.
- > Standards quicken market acceptance of products.
- ANSI coordinates the efforts of companies and consumers to make products and systems safe, efficient and globally competitive.
- International standards support worldwide sale of products.
- Standards are just good ideas unless products conform to them.
- The ANSI process is fair and open.

- Voluntary standards serve U.S. interests well because government, consumers, and industry work together to create them.
- The U.S. National Standards Strategy is a roadmap to developing reliable, market-driven standards in all sectors.
- Formal standards bodies and consortia both fit into U.S. companies' standards strategies. They serve complimentary roles and can work together.
- American National Standards (ANS) make it clear how to improve the safety of products for the protection of consumers.



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Moving Forward by Looking Back

ong before there were virtual reality goggles there were ViewMasters[©] — small plastic projectors that held disks of tiny photographs which turned with a lever, moving from one three-dimensional scene to another of the Grand Canyon, cartoon characters or celebrities.

The View-Master is a modern-day version of a stereoscope. The stereoscope was first described in 1838 as a means to capture three-diminsional views by directing separate photographs of the same scene to each eye, simulating binocular vision. Trade in stereoscopic images boomed after Queen Victoria viewed them at New York's first Worlds Fair at the Crystal Palace exhibition in 1851. Two years later, the *New York Tribune* proclaimed that, "The day must soon come when all important images will be produced for stereoscopic viewing." Yet history proved that the *Tribune* misplaced its enthusiasm. Stereoscopic images are now of interest primarily to collectors, and the View-Master remains a children's toy.

Today, when one looks at computers ... or new software ... or personal digital organizers ... or any new technologies whose pronouncements in the media sound familiar to those early predictions of the *Tribune* ... consumers must question:

- What are we to make of the latest, greatest technology?
- Which technologies will make a difference?, and
- Which will we still use or still care about in a decade or a century?¹

Standardization and conformity assessment activities impact technology and the rate of technological development in nearly all industries. In some arenas, standardization is a marketdriven phenomenon; while in others, research and technology development lead the way and preliminary standards simply point to future growth opportunities. Questions of long-term technological significance imply that standardization must be approached from a strategic perspective.

The American National Standards Institute, in its role as coordinator of the U.S. voluntary consensus standardization and conformity assessment system, recognizes that end-users want standards that are stable documents representing the best possible technology with the broadest possible agreement — regardless of the source. In some cases, the *formal* or *traditional* standards-setting process is appropriate. In other cases, one must factor into the equation industry- or company-specific standards, de facto standards, consortia-developed standards, and, of course, regional and international standards. By allowing the end users to set priorities and determine the need for speed in the development of a standard — sometimes referred to as either a *bottom-up* or *sector-based* approach to standardization — resources can be allocated more appropriately. It is ANSI's members and constituents who determine the initiatives to pursue and who dictate the course and direction of the Institute's future activities. The determination of goals — and the processes to achieve those goals — requires planning and effective communications between and among affected interests. Innovative leadership and vision play a crucial role when moving forward.

As we move forward, the U.S. must work to preserve the improvements standardization has already introduced in public health, safety and the environment.

A stereoscope

Dr. Mark W. Hurwitz, CAE ANSI President and CEO

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¹ Excerpt from "Thinking Forward by Thinking Back" by David Williamson Shaffer, *Communication Arts*, January/February 2001.



As businesses around the globe shift from being national, to regional or multinational, to transnational, industry leaders are recognizing that the globalization of markets has made the development and promulgation of a single set of internationally harmonized standards increasingly important and complex. These shifting trends towards market globalization, standards for services and personnel certification, consumer protection, and more has created a need for standards that can be accepted and function in differing cultures, value systems and environments. Yet these needs must remain balanced with the need for moral, legal and economic rules that are both acceptable and enforceable — it is these aspects that may be most impacted by national tradition or culture.

ANSI's goal is to help industry realize its vision of a single set of internationally recognized, technically valid standards for their sectors. Reaching consensus will require the act of compromise and an outlook that seeks out win-win solutions. Strong networks of both formal and informal relationships will be essential success. Continuing education and information exchange will also be of paramount importance. ANSI, in cooperation with standards developers, government, and others, will be working to introduce standards education programs in formal settings such as business and engineering schools and to develop outreach programs to show those within and outside our nation the value of U.S. technology, standards and processes.

Such alliances and partnerships were a key focus for ANSI and its members during 2000 and into 2001. In fact, two of the Institute's twelve strategic objectives during this time relate to global alliances. These include the evaluation of relevant national and international standards development processes with a view towards pursuing opportunities for improvement, and the development of joint ventures with standards developers and other organizations that might further our mutual missions. Open, ongoing communications between the U.S. and its global trading partners will also continue as critically important endeavors.

As we move forward, the U.S. must work to preserve the improvements good standardization has already introduced in public health, safety and the environment. We must also apply our creative influence inward, to our own processes, so that standardization and conformity assessment can appropriately influence or guide the emergence of new technologies.

By allocating resources to content, ANSI and its members are responding directly to the requests of end-users. And by allocating resources to speed, not administrative redundancy, we directly respond to the need for a faster time-tomarket for standards. We are continuing to ensure the integrity of a system that has become increasingly important to industry, government, consumers and the scientific community.

Collectively, we are a learning organization, generating ideas and making discoveries on a daily basis. Our solutions arise through collaboration rather than from competition and redundancy. Together, we are responsible for the exciting new possibilities emerging from our national, regional and international initiatives.

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ANSI is committed to pursuing new and promising technologies in all our activities. We are dedicating ourselves to becoming the preeminent source of information and knowledge about national, regional and global standardization and conformity assessment initiatives. We are serious about responding to our member's needs and work regularly to evolve our organization and the U.S. national standards system in response to new challenges.

A Content-Rich Agenda

n December 7, 2000, I was privileged and honored to be appointed by the ANSI Board of Directors as the Institute's next chairman. As I assume the chairmanship, I face an agenda that is content-rich. I realize the only way for that agenda to inspire progress is by my listening to a constituency that, at the same time, can reflect disparate interests and express common priorities. I look forward to the coming years with confidence knowing that ANSI has both a strong commitment and specific plans to advance collaboration domestically, regionally and internationally.

During 2001, I intend to work aggressively to promote implementation of the U.S. National Standards Strategy and ANSI's membership recruitment efforts; I will also continue to support the evolving discussions regarding the development of a National Conformity Assessment Strategy. I firmly believe that when thorough preparation combines with clear and reasonable goals, optimism about achieving those goals is logical. This describes ANSI's situation in these three critical areas.

In the process of developing a National Standards Strategy (NSS), ANSI scrutinized how the Federation can best meet societal needs, deliver business value to corporate members, and work as a partner with government. In articulating the strategic and tactical initiatives in the Strategy, we created a roadmap for the standards community, as well as for anyone who wants to travel with us toward healthy domestic markets, U.S. competitiveness abroad, and a high quality of life. In coalescing private and public forces to implement the NSS, ANSI will continue to demonstrate a central role in opening markets for U.S. industries, protecting consumers, and spotlighting redundant standards activities that waste corporate and government funds.

An essential element in producing this success is cross-industry collaboration — an activity that ANSI promotes and supports in so many practical ways. Implementation of the NSS will take both the buy-in and coordinated actions of the hundreds of industries that work through ANSI in standards development, certification, and conformity assessment activities.

I believe that collaboration will happen and, in the process, the upsurge of ANSI-related activity will attract the attention and commitment of new and diverse organizations.

By implementing the NSS, we make an explicit statement that ANSI membership means political influence in the U.S. economy. In addition, by shaping a National Conformity Assessment Strategy, we strengthen our assertion to the public that voluntary standards raise the quality of life. These facts should stir membership interest of even the traditional "tough sells," that is, corporations directed by profit concerns and consumer organizations with an advocacy agenda.

ANSI's record of accomplishments reflects the strength of sector-based standardization made possible by both public and private support. And our agenda featuring the National Strategies demonstrates that ANSI remains vital and unique in the world. These are compelling arguments to join the Federation and they are reasons to work collectively at the same table.

During my term as chairman, I will look forward to every opportunity to meet and dialogue with ANSI's member representatives and the constitutents the Institute serves. I will also look forward to a shared endeavor: progressing our common agenda on behalf of the U.S. standardization and conformity assessment community.

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Mr. Oliver R. Smoot Chairman of the Board

I look forward to the coming year with confidence knowing that ANSI has both a strong commitment and specific plans to advance collaboration domestically, regionally and internationally.

Oliver R. Smoot

A New Millennium: Insights and Initiatives

NSI had an excellent 2000, reflecting steady improvement and increasing financial strength. Not only did the Institute's net assets increase more than 1.3 million dollars, but through cooperation and collaboration with our members and our domestic and global partners we were able to to sieze upon opportunities of interest and leverage ANSI positions in both the domestic and global environments.

The year began on a very positive note when we learned that ANSI would be awarded a \$500K grant by the National Institute of Standards and Technology (NIST) in support of U.S. participation in international standards organizations. The NIST grant is evidence that substantial progress has been made in demonstrating the critical importance of a cooperative partnership between the public and private sectors in advancing U.S. interests internationally. The funding helps to keep the U.S. at the forefront of the international standards development community and provides partial government support without introducing government 'control' of the process.

As a further demonstration of strengthening private- and public-sector cooperation, several agencies participated actively in the development of the U.S. National Standards Strategy. It was unanimously approved by the ANSI Board of Directors on August 31, 2000. At a hearing before the House Subcommittee on Science and Technology, representatives of ANSI and NIST explained how the NSS will help to strengthen U.S. competitiveness abroad, build upon existing public/ private partnerships to further government use of voluntary consensus standards, and address key quality-of-life issues such as safety, health and the environment.

I firmly believe that the approval of this strategy is a significant accomplishment for the ANSI community, and a perfect example of the cooperation and collaboration necessary for the ongoing success of the U.S. voluntary standardization system.

Now that the NSS has been approved, it's time to focus our efforts on implementation. Let us capitalize on the current momentum, roll up our sleeves and get to work. ANSI, standards developers, industry, consumers and the government each have a role to play. Our success will be dependent upon our working together.

We will actively encourage the full engagement of federal, state and local government agencies in NSS implementation. We see this cooperation as the next logical follow-on to the National Technology Transfer and Advancement Act. Successful collaboration will be an instrumental factor in our joint private- and public-sector efforts to increase the effectiveness of U.S. interests in the international arena.

On a related note, ANSI's decision to relocate the Institute's headquarters to the nation's capital has been beneficial for our strategic goals. Being in close proximity to ANSI's members and constituents in the Washington, D.C. area has already greatly enhanced our ability to advance global trade, environmental, and health and safety issues. This move is enabling us to more effectively increase understanding and support of the standards community by the U.S. Congress, the Administration, and government agencies.

I am also pleased to announce that we have initiated a dialogue with members of the House Subcommittee on Science and Technology to explore what role the ANSI Federation might play in the coordination and development of standards for elections-related issues (e.g., materials, equipment, and processes used in elections). Our discussions thus far have focused on the proven track-record and benefits associated with ANSI's voluntary consensus standardization

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procedures. We are urging that our nation rely upon ANSI's proven system—and upon ANSI-accredited standards developers—to undertake this critically important work. I can think of no other activity currently underway that would so vividly showcase the work of our community to citizens across the nation.

Yet another accomplishment was ANSI's entering into an arrangement with the Federal Communications Commission and NIST whereby ANSI is recognized as a qualified accreditor of telecommunication certification bodies. This essentially privatizes what was previously an FCC approval process, allowing ANSI-accredited telecommunication certification bodies to compete to certify products as compliant with both federal and foreign requirements. This should result in faster product approval and allow the commission to devote resources to market surveillance.

In our efforts to strengthen relationships with the world's regional standards bodies, ANSI delegations have engaged in numerous dialogues and worked together on common initiatives with colleagues in the Pacific Area Standards Congress (PASC), the Pan American Standards Commission (COPANT), and in the European Union. In May, ANSI hosted a series of successful meetings in Washington, D.C., with key representatives of the European Standards Organizations to determine opportunities for cooperation and address issues of common concern. The events provided the Europeans a better understanding of the complexities and unique characteristics of the U.S. system. Likewise, ANSI members were educated on the roles of the European Standards Organizations, their strategies and processes. Enhancing our relationships with our international counterparts and promoting mutual understanding is clearly an ongoing priority.

Internally, a major focus of our efforts in early 2001 centered around the relocation of our New York offices in midtown Manhattan. Our goal was to have a seamless transition without interruption of services to our members and customers. This was particularly important from a technological perspective, as the Institute continues to maximize its usage of information technology tools.

As an example, and in an effort to facilitate effective communication between our Washington and New York staffs and with our members on those occasions when it is not economically feasible to meet in the same location, both ANSI offices have installed video-conferencing facilities. We have also worked aggressively to expand the inventory of electronic standards in our Electronic Standards Store, and we continue to develop or improve upon a wide range of new products and services.

From just these few remarks, you can see that there lies before us a remarkable opportunity to capitalize upon our changing environment. I invite and challenge each of you to become an active partner in support of NSS implementation. Consider, too, how our U.S. standardization and conformity system might continue to evolve. ANSI is committed to efforts that will ensure that the U.S. formal, private-sector led, public-sector supported, voluntary-consensus based standardization and conformity assessment system remains stable not only through this millennium, but also the next.

By working together, we are creating a system that is not only extremely flexible and responsive to user needs, but incredibly strong.

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Dr. Mark W. Hurwitz, CAE ANSI President and CEO

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Of Strategic Importance . . .

tandards specify characteristics or performance levels of products, processes and services. They are vital to almost every facet of life, and are playing an increasingly important role in both regulation and international trade.

The United States has a proud tradition of developing and using voluntary standards, created through an open process of consensus, to support the needs of our citizens and the competitiveness of U.S. industry.

On August 31, 2000, the ANSI Board of Directors unanimously approved the first ever National Standards Strategy for the United States. This document establishes a framework that can be used by all interests—companies, government, non-governmental organizations, standards developers and consumers—to further improve U.S. competitiveness abroad while continuing to provide strong support for domestic markets and, at the same time, addressing key quality-of-life issues such as the environment. It builds on the strengths of the U.S. system by proposing a set of strategic and tactical initiatives within that framework that can be used by all interests to meet national and individual organizational objectives. The initiatives are designed to reaffirm traditional strengths such as sectorally based standards, consensus, openness and transparency while giving additional emphasis to speed, relevance, and meeting the needs of public interest constituencies.

BACKGROUND

Voluntary consensus standards for products, processes and services are at the foundation of the U.S. economy and society. ANSI, the coordinator of the U.S. voluntary standards system, brought together public- and private-sector interests to make this happen. ANSI believes that the robust state of our national economy is partly attributable to the fact that the U.S. standardization system is the most effective and efficient in the world. For nearly a century, the U.S. consensus standardization system has been successful in developing standards that meet industry's needs and adequately address public interest concerns. Thanks in large measure to the successful implementation of the National Technology Transfer and Advancement Act (NTTAA) sponsored by the Technology Subcommittee of the House of Representatives Science Committee, government agencies have continued to participate in the private-sector standards development process and to rely upon the resulting standards as an alternative to regulatory rule-making. And, increasingly, ANSI has offered all materially affected parties an opportunity to make their views known on issues of importance to them.

But the system is facing new challenges. Increasing global concern for health, safety and the protection of the environment combined with dramatic increases in world trade and competition from other countries have altered the standards landscape.

Noting the changing nature of the global economy, at the March 1998 meeting of the ANSI Board of Directors, Ray Kammer, director of the National Institute of Standards and Technology (NIST), issued a challenge to the ANSI community to come together to develop a National Standards Strategy. He urged the members to recognize that the rapidly changing world economy presents new challenges for those in the standardization community, and he suggested that we find new ways to face those challenges. The comments were made to the right audience at the right time.



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ANSI responded with enthusiasm to the task. In September 1998, the Institute, working with NIST, co-hosted a Standards Summit that launched a national discussion of our nation's standardization policies. More than 300 people from all sectors and stakeholder groups participated in the Summit, and the questions raised at that meeting formed the basis for much of the ensuing dialogue. There was vocal agreement that the United States needed to develop a strategy to meet the standardization challenges of the global economy, and that ANSI was the appropriate organization to lead the effort to develop the National Standards Strategy.

The ANSI Federation was the logical forum in which to develop the NSS because its membership is extremely broad and diverse, encompassing as it does companies and trade associations from almost every sector of the U.S. economy; government agencies representing procurement, regulatory, and trade interests; and consumers. It is the only organization in the United States or the world, for that matter— with the ability to bring together such a broad cross-section of interests to address matters of standardization policy.

The ANSI Board assigned responsibility for spearheading the NSS development efforts to the Institute's National Issues Committee, chaired by Stephen Oksala, vice-president for standards at the Society of Cable Telecommunications Engineers (formerly of the Unisys Corporation). With the generous support of NIST and ASTM, ANSI held a series of intensive, facilitated meetings in which virtually all aspects of a possible standards strategy were discussed—often quite heatedly. Lively debates took place between those from mature industries and those from emerging technologies, and among representatives of standards developing organizations, corporations, government, and consumers. However, in the end, despite the widely differing interests of the participants, they did not lose sight of the fundamental goal—developing a strategy that is truly in our nation's best interests.

The document is indeed a consensus document—all views were considered, compromises were reached. Industry, government, standards developers, consumers—representatives of all these groups came to agreement on essential elements of the Strategy. Critical questions, such as how to relate to the many different forms of standards development in use in the United States, were successfully addressed. As a result, the National Standards Strategy goes beyond the interests of any one group. Enlightened self-interest prevailed.

This new Strategy is not intended as a rigid recipe for process—a top-down plan for doing all standards—or even a 'best way to do things.' Instead, it is a set of principles which, when implemented in the U.S. and internationally, will result in the best standards for a global world. Our 'strategy' is to make every effort to see that these principles are implemented as fully as possible at all levels of standardization.

As stated in the document, "The standardization world has changed. We can't assume that U.S. technology and practices will automatically be adopted everywhere, nor can we assume that within the U.S. everyone will be satisfied with 'business as usual.'" With that basic assumption as the focus of the development team's effort, the National Standards Strategy was developed. It enunciates both broad principles and a dynamic plan of action which, when implemented, will strengthen the nation's ability to compete internationally and to protect the health, safety, and environmental interests of our citizens.

The next steps, of course, will be to continue work on the development of an implementation plan. It is imperative that ANSI keep implementation of the NSS at the forefront of its activities. Strong networks of both formal and informal relationships will be essential for success. Everyone must be counted upon for their support.

This text is an excerpt from the prepared ANSI testimony submitted to the Subcommittee on Science and Technology, September 13, 2000 and articles in the ANSI Reporter, Autumn/Winter 2000 (Vol. 34, No. 3).

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The purpose of a

national strategy is to succeed in a changing world while maintaining the strengths that have served us in the past.

— Mr. Stephen P. Oksala Chairman, ANSI National Issues Committee (NIC)









1819 L Street, NW Washington, DC



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A Summary of the Year's Initiatives and Accomplishments

NEW CORPORATE IDENTITY PROGRAM

Early in 2000, ANSI strengthened the effectiveness of its branding activities by launching a new corporate identity campaign. Phase one of the campaign was the creation of a new ANSI logo (*shown at left*). Phase two included the introduction of a mark of approval for use by ANSI-accredited standards developers and a mark for ANSI-accredited Certification Programs (*shown below*).

HEADQUARTERS RELOCATED TO WASHINGTON, D.C.

ANSI's visibility and presence in the Washington, D.C., area was strengthened when the Institute's headquarters were relocated from New York City to Washington, D.C. on March 1, 2000. Located at 1819 L Street, N.W., the new facility houses the ANSI president and chief executive officer, and staff supporting the conformity assessment, international policy and public policy activities. The establishment of a stronger presence in Washington facilitates interaction between ANSI staff and members located in the metropolitan D.C. area; it also affords the opportunity to strengthen relationships with public-sector representatives. The Institute's domestic and international standards facilitation programs and administrative operations including communications, finance, publications and sales will remain principally in the New York City office.

PUBLIC POLICY INITIATIVES

In June 2000, ANSI was awarded a \$500,000 grant from the National Institute of Standards and Technology (NIST), an agency of the Commerce Department's Technology Administration. This award indicated a strengthened support by the public sector for ANSI as an advocate for U.S. interests in the international standards development arena, and for the voluntary consensus standardization community.

During 2000, ANSI provided support for a number of policy activities, including a March 15 hearing by the House Technology Subcommittee on implementation of the National Technology Transfer and Advancement Act. In December, ANSI extended an offer to President-elect Bush to lead the development of American National Standards (ANS) for elections-related issues (e.g., materials, equipment and processes used in elections).

As a new service to members, ANSI began holding monthly meetings in Washington for its members with legislative or regulatory responsibilities. Staff also began providing regular updates to members on important public policy issues and developments through e-mail alerts and announcements on ANSI Online (www.ansi.org).

ENHANCED INFORMATION SERVICES

With more and more companies looking to participate in international trade and an increasing concentration on global standardization activities, ANSI viewed its ability to provide information, experience and benchmarking as an asset to leverage. During 2000, the Institute began to focus its efforts on becoming more of an information service center, expanding its information and customer support services, education and training activities, research services, and public relations/ communications efforts.

The Insitute's publication sales activities continued to expand as a wide range of new products and services were developed or enhanced. Inventory on the Electronic Standards Store (ESS) (webstore. ansi.org) was expanded to include the entire standards collections of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC); new collections are being added regularly. The customer service support team extended its hours of operation and transitioned its services from "order fulfillment" to that of an "information clearinghouse."





The *Global Action Report*, a special point-in-time view of U.S. initiatives in the international standardization and conformity assessment arenas, was published and distributed to ANSI members in January 2000. The document: identifies recent trends that have led to the introduction of new policies and procedures both domestically and globally, examines the current state of U.S. involvement and influence on international and regional standardization and conformity assessment activities, and reviews examples of successful U.S. influence in various industry sectors.

The Institute's quarterly newsmagazine, the *ANSI Reporter*, was re-introduced as a hardcopy publication following one year of electronic only delivery; online access is available to ANSI members and subscribers. *Standards Action*, a bi-weekly status report on domestic, regional and international standards, continues to be offered in electronic format only, but an e-mail alerting mechanism was introduced as an additional service to subscribers.

Significant amounts of content (both public-access and ANSI members-only access) were added to the *ANSI Online* (www.ansi.org) website and plans were finalized to launch in early 2001 a new bi-weekly electronic newsletter, *What's New?* for ANSI members and constituents. This "push mechanism" will help to keep members up-to-date on the latest ANSI news, events and publications by quick access and links to content on the ANSI website.

REGIONAL STANDARDIZATION ACTIVITIES

ANSI dedicated significant resources to enhancing access to the national, regional and international standardization arenas. Regionally, ANSI now has three Regional Standing Committees that, respectively, are responsible for the U.S. interface with Europe, the Middle East and Africa²; Latin and South America, and the nations of the Pacific Rim. During 2000, Robert W. Noth, manager of engineering standards for Deere and Company, was selected as chairman of the RSC-Europe, Middle East and Africa, and Alexander McMillan, director of standards and engineering processes for Rockwell Automation, was named RSC-Americas chairman.

MEETINGS WITH EUROPEAN STANDARDS ORGANIZATIONS

May 23-25, 2000 marked a series of U.S.-hosted meetings between members of the ANSI Federation and officials of the European Committee for Standardization (CEN), the European Committee for Electrotechnical Standardization (CENELEC) and the European Telecommunications Standards Institute (ETSI). Held in Washington, DC., the purpose of the dialogue was to identify opportunities for enhanced cooperation between the U.S. and Europe. Six months later, a 15-person ANSI delegation traveled to Europe for the 15th annual meeting with European Commission and European Standards Organizations representatives.

ASIA-PACIFIC ACTIVITIES

Eleven ANSI delegates attended the twenty-third meeting of the Pacific Area Standards Congress (PASC) in Queenstown, New Zealand in early March 2000. At this meeting, Mr. Gary Kushnier, ANSI vice president of international policy, was elected as chairman of the Standing Committee on Standards and Conformance, which deals with matters arising from the Asian Pacific Economic Cooperation (APEC) Standards and Conformity Assessment Subcommittee.

LATIN-SOUTH AMERICAN ACTIVITIES

An ANSI delegation led by Mr. McMillan attended the Pan American Standards Commission (COPANT) in Lima, Peru from May 3 to 5, 2000. At the meeting, a revised organizational structure was approved and agreement was reached to develop a strategic plan for the organization. ANSI agreed to collaborate with Canada and Italy in the development of training programs for COPANT member nations. Dr. Mark W. Hurwitz, ANSI president and CEO, was appointed to an ad hoc council that will eventually become the COPANT Executive Committee.

 $\overline{^2}$ The scope of RSC-Europe was expanded to include the activities of the Middle-East and Africa.



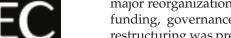












US NATIONAL COMMITTEE OF THE INTERNATIONAL ELECTROTECHNICAL COMMISSION (USNC/IEC)

Continuing an initiative first undertaken in 1999, the USNC/IEC completed during 2000 a major reorganization effort to improve its efficiency and effectiveness. Issues relating to structure, funding, governance, and relationships were considered. A report of the reorganization and restructuring was presented to, and approved by, the ANSI Board of Directors at its August 31, 2000 meeting. Mr. Steven A. Seeker, vice-president, international sales and marketing, Cooper Power Systems, was named USNC president. Mr. James E. Matthews, III, standards engineering director, Corning Communications, Corning, Inc. was named USNC vice-president-finance; Mr. Frank K. Kitzantides, vice-president, engineering, National Electrical Manufacturers Association, was named USNC vice-president-technical.

IEC ELECTS AMERICAN AS VICE-PRESIDENT

Ronald H. Reimer, director of industry standards for Allen-Bradley, a Rockwell Automation Control Systems company of Rockwell International Corporation, was nominated by the USNC/IEC as a candidate for vice-president of the IEC. His appointment for a full, three-year term of office as chairman of the IEC Committee of Action and IEC vice-president was announced in late 2000.

INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO)

There was a rapid increase in new areas of work in the ISO community. The Certified Financial Planners Board took the lead, both within the U.S. and in ISO, for a new international activity for personal financial planning activity (the U.S. assumed the secretariat and chairmanship of ISO/TC 222, the new ISO technical committee on this subject). The U.S. is also participating actively in the ISO Consumer Policy Committee (ISO/COPOLCO) and its efforts to develop standards that meet the needs of older persons and people with disabilities and to develop e-commerce standards to protect consumers.

Standards for the services industries continued to receive attention. An Australian standard on complaints handling was submitted for fast-track processing within ISO and there was a renewed interest — albeit one that was ultimately defeated — on an international occupational health and safety management system standard. ANSI also became more actively engaged in supporting the standardization needs of developing countries. The Institute joined the ISO Technical Management Board Ad Hoc Group on Developing Country Needs and has committed a percentage of ANSI's annual membership dues to ISO as a contribution to the ISO Developing Countries effort.

DOMESTIC STANDARDS PROGRAMS

New editions of the procedures governing the American National Standards (ANS) process and U.S. Technical Advisory Group (for ISO) activities were approved in late 2000. ANSI continued its efforts to streamline the standards developer accreditation and ANS approval processes by incorporating several new provisions, including options for the public review of documents available in an electronic format.

CONFORMITY ASSESSMENT PROGRAMS

The public and private sectors converged again in early 2000, as NIST recognized ANSI as an accreditor of organizations certifying telecommunications equipment against the Federal Communications Commission (FCC) standards. This is the first time that a federal government agency has recognized ANSI's accreditation program for its competent performance.

Mr. John Donaldson, ANSI's vice-president of conformity assessment programs, announced his plans to retire in the early part of 2001. He will continue to serve, on behalf of ANSI, as chairman of the ISO Conformity Assessment Committee (ISO/CASCO).

ANSI SENIOR MANAGEMENT TEAM

Mr. Lane Hallenbeck was named as vice-president for Conformity Assessment; Mr. John J. (Jack) Harrington, Jr., CPA, as vice-president of finance and administration.





DESCRIPTION OF THE ORGANIZATION AND BUSINESS

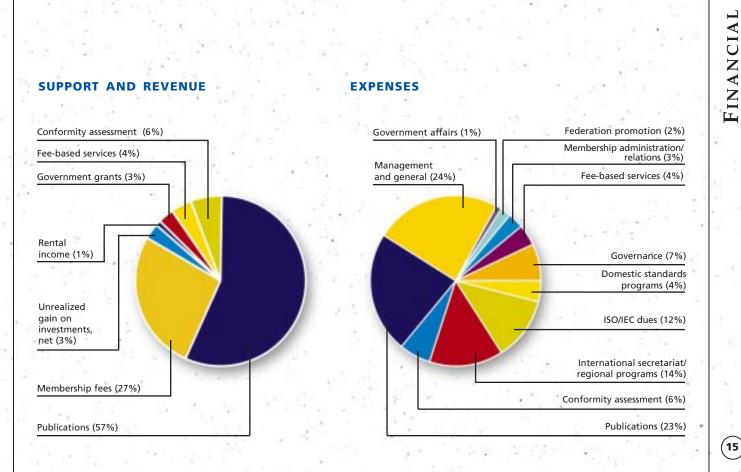
merican National Standards Institute, Incorporated (the "Institute") is a nonprofit service organization founded in 1918. It is the coordinating organization for the United States' national standards and conformity assessment system and related activities. The Institute does not develop standards or conduct tests of compliance to standards. Rather, it provides the means for determining the need for standards and conformity assessment programs and ensures that organizations competent to fill these needs undertake the standards development and testing work.

The Institute represents the interests of the United States of America in international non treaty standards and certification organizations in which the Institute is a member or otherwise affiliated. The Institute works to ensure that the interests of the public have appropriate protection, participation and representation in standardization, certification and related activities and provides the means for determining the need for new activities in these areas.

The Institute cooperates with departments and agencies of federal, state and local governments in achieving optimum compatibility between government laws and regulations and voluntary standards of industry and commerce. The Institute promotes broader cooperation on testing, certification and quality assurance matters and serves as a clearinghouse for information on the above-stated programs.

SUPPORT AND REVENUE

EXPENSES



SUMMARY

THE FOLLOWING IS A SUMMARY OF FINANCIAL ACTIVITIES FOR THE YEARS ENDED DECEMBER 31,

2000

1999

		Percentage	1.1	Percentage
	Dollars	of total	Dollars	of total
ollar amounts in thousands	1. St. 1. St	Real Print Pre-		20 ¹⁶ 52
A second s	and the second			
UPPORT AND REVENUE			1. S. 1. 1.	
Membership fees	\$4,359	27%	\$ 4,256	26%
Publications	9,200	57%	10,414	63%
Conformity assessment	926	6%	638	4%
International secretariat/regional programs	69	0%	691	4%
Fee-based services	689	4%	1,009	6%
Government grants	500	3%	0	0%
Rental income	105	1%	0	0%
Interest, dividends, and realized gains	(169)	(1%)	(35)	0%
Unrealized gain/(loss) on investments, net	514	3%	(438)	(3%)
Net assets released from restriction	0	0%	(56+)	0%
Contributions received	0	0%	29	0%
contributions received	0	0%	29	0 %
Total success and success	¢40 400	4000/	CAC ECA	4000/
Total support and revenue	<u>\$16,193</u>	100%	<u>\$16,564</u>	100%
			1.1	
XPENSES	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1			
Membership administration/relations	\$ 457	3%	\$ 338	2%
Membership development	47	0%	30	0%
Federation promotion	234	2%	129	1%
Governance	1,035	7%	926	6%
Government affairs	221	1%	157	1%
Publications	3,471	23%	5,701	36%
Conformity assessment	820	6%	472	3%
International secretariat / regional programs	2,039	14%	2,100	13%
ISO/IEC dues	1,710	12%	1,784	11%
Domestic standards programs	532	4%	463	3%
Fee-based services	651	4%	855	- 5%
Government grants	0	0%	0	0%
Management and general	3,623	24%	2,943	19%
Management and general	5,025	2470	2,545	1370
Total eveness	¢14.040	100%	¢15 005	1000/
Total expenses	<u>\$14,840</u>	100%	<u>\$15,895</u>	100%
이 이 것 같아. 이 같아 이 가 없었어.		19 C. S.		
	12			
HANGE IN NET ASSETS	\$ 1,353	1 A. 1 A.	\$ 668	
	A.S	- ANT-		
let assets, beginning of year	<u>\$ 5,189</u>		<u>4,520</u>	
그는 말 같은 것 같은 것을 알려야 한다. 같은 것을 했다.	10		t.	
let assets, end of year	\$ 6,542	. 19. oan St.	<u>\$ 5,189</u>	- 2

17

SUPPORT AND REVENUE

Membership Fees

Included in this item are the Institute's membership fees and the international participation fees (commonly known as the "P-membership" fees). Total membership support in 2000 increased from the prior year primarily due to increased levels of participation in standardization activities. However, the downward trend in corporate membership continued during 2000.

PUBLICATIONS

Publication sales and royalty revenues were lower compared with 1999 because of the continued shift to lower priced electronically delivered documents and away from hard copy print standards. Net margin improved with the lower product cost associated with electronic sales.

CONFORMITY ASSESSMENT

Revenues from the joint ANSI/Registrar Accreditation Board (ANSI/RAB) program for the accreditation of management system registrars increased substantially in 2000 due to increased activity and a one-time accounting change whereby 1999 revenue for the accreditation of product certification programs was recognized in the first quarter of 2000.

INTERNATIONAL SECRETARIAT/ REGIONAL PROGRAMS

Included in this item are the ANSI-administered international secretariats and the Regional Standards Programs. The revenue decrease between years is due to a one-time adjustment to reflect JTC 1 surpluses that had not yet been earned. These surpluses had been included in ANSI's financial statements as revenue in the year received, although they should have been deferred. Additionally, due to a fewer number of ANSI-administered ISO Secretariats, revenue from secretariat administration services was lower than in 1999.

FEE-BASED SERVICES

Revenue from fee-based services are planned to equal expenses. The decrease between years was primarily due to a decline in activity within several programs.

GOVERNMENT GRANT

A \$500,000 grant was received in 2000 from the National Institute of Standards and Technology, which is part of the federal Department of Commerce.

INTEREST, DIVIDENDS, AND REALIZED GAINS

Because of realized losses, this category in total posted losses of \$169,000 during 2000 and \$35,000 in 1999.

UNREALIZED GAIN/(LOSS) ON INVESTMENTS, NET Investment results improved greatly during 2000. The prior year sustained losses due to liquidation of a large position in a mutual insurance company and general market conditions.

EXPENSES

MEMBERSHIP DEVELOPMENT, ADMINISTRATION, RELATIONS, AND FEDERATION PROMOTION Expenses increased in 2000 compared with 1999 due to increased support of these activities.

PUBLICATIONS

These expenses decreased in tandem with the above noted change in Publication Sales and Royalties with the continued increase in demand for lower priced and lower product costing electronic standards.

CONFORMITY ASSESSMENT

Expense increases were in accordance with growth in the product certification accreditation program and revenues in this area.

INTERNATIONAL SECRETARIAT/

REGIONAL PROGRAMS

Expenses decreased from 1999 as a direct result of small decreased activities levels in certain areas.

ISO/IEC DUES

The decrease in ISO/IEC dues in 2000 compared with 1999 is due to strengthening of the U.S. dollar compared to the Swiss franc, the currency in which these fees are assessed.

DOMESTIC STANDARDS PROGRAMS

There continued to be expense increases in these programs in parallel with the rise in the Institute's support of these programs.

FEE-BASED SERVICES

Expenses decreased due to reduced activity within several programs.

MANAGEMENT AND GENERAL

Increase in 2000 was related to (1) full-year of costs associated with vacated office space formerly used by activities outsourced during 1999 plus (2) write-off of no-longer used equipment and furniture.

ANSI Board of Directors

Board officers.

as of December 31, 2000

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Dr. E. Thomas Garman Distinguished Scholar, InCharge Institute of America **Dr. Neal Goldenberg** Associate Deputy Assistant Secretary, Office of Oversight, Environment, Safety and Health, U.S. Department of Energy

Ms. Linda F. Golodner *President, National Consumers League*

Ms. Judith Gorman *Managing Director, Standards Activities, Institute of Electrical and Electronics Engineers*

Mr. Richard J. Holleman IBM Corporation

Mr. Raymond G. Kammer *Director, National Institute of Standards and Technology*

Mr. Edward R. Kelly Kelly Consulting

Ms. Marthe B. Kent Director of the Directorate of Safety Standards Programs, U.S. Department of Labor, Occupational Safety and Health Administration

Mr. Frank K. Kitzantides *Vice President, Engineering, National Electrical Manufacturers Association*

Ms. June Ling *Associate Executive Director, Codes and Standards, ASME International*

Dr. Nina I. McClelland Nina I. McClelland, LLC

Dr. Mary C. McKiel EPA Standards Executive, U.S. Environmental Protection Agency

Mr. Alexander "Alec" McMillan Director, Global Standards and Trade, Rockwell Automation

Mr. Michael J. Miller *President, Association for the Advancement of Medical Instrumentation*

Mr. John W. Monroe Director, Corporate External Standards, Hewlett-Packard Company **Mr. Robert W. Noth** *Manager, Engineering Standards, Deere and Company*

Mr. Stephen P. Oksala *Vice President for Standards, Society of Cable Telecommunication Engineers*

Mr. Clifford H. "Ted" Rees, Jr. *President, Air-Conditioning and Refrigeration Institute*

Mr. John Rennie Vice President, Approvals Division, Factory Mutual Research

Mr. Gerald H. Ritterbusch Manager, Standards and Regulations, Caterpillar Inc.

Mr. Steven G. Roll Vice President, Service Operations, WorldWideTesting.com

Mr. Max E. Rumbaugh, Jr. *Executive Vice President, Society of Automotive Engineers*

Mr. Glenn C. Smith United Parcel Service

Dr. Steven M. Spivak Professor and Department Chair, Fire Protection Engineering, University of Maryland

Ms. Sharon K. Stanford Director, Standards Administration, American Dental Association

Mr. Keith B. Termaat Manager, Cross Platform Closures, Ford Motor Company

Mr. James A. Thomas *President, ASTM*

Ms. Suzanne M. Troje Director, Technical Trade Barriers, Office of the United States Trade Representative

Mr. Richard H. Weinstein Office of the Chief Engineer, NASA Headquarters

Mr. Lawrence L. Wills IBM Corporation

Mr. Robert D. Wurzel RDW International



ANSI Staff

Senior management team.

as of December 31, 2000

EXECUTIVE STAFF

Dr. Mark W. Hurwitz, CAE President and Chief Executive Officer

Frances E. Schrotter Senior Vice President

Bob Feghali Vice President, Business Development and Chief Information Officer

Lane Hallenbeck Vice President, Conformity Assessment

John J. Harrington, Jr., CPA Vice President, Finance and Administration

Gary Kushnier Vice President, International Policy

Amy A. Marasco Vice President and General Counsel

Jane Schweiker Director, Public Policy and Government Relations



FACILITIES

ANSI HEADQUARTERS 1819 L Street, NW, Suite 600, Washington, DC 20036 202.293.8020

Primary Functions in this office include: Office of the President and CEO, Conformity Assessment Programs, International Policy Programs and Public Policy Programs.

ANSI New York OFFICE* 11 West 42nd Street New York, NY 10036 212.642.4900

Primary Functions in this office include: Administrative Operations, Membership Services, Domestic Standards Facilitation Programs and International Standards Facilitation Programs

*EFFECTIVE APRIL 30, 2001, THE NEW YORK OFFICE ADDRESS BECAME: 25 West 43rd Street, Suite 400, New York, NY 10036









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