



UNITED STATES
INTERNATIONAL TRADE COMMISSION

Budget Justification

Fiscal Year 2013

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Alphabetical Listing of Abbreviations

AD	Antidumping	IP	Intellectual Property
ALJs	Administrative Law Judges	IPR	Intellectual Property Rights
CFO	Chief Financial Officer	IT	Information Technology
CIT	U.S. Court of International Trade	ITDS	International Trade Data System
Commerce	Department of Commerce	MTBs	Miscellaneous Tariff Bills
Commission	U.S. International Trade Commission	NAFTA	North American Free Trade Agreement
Customs	U.S. Customs and Border Protection	NTMs	Nontariff Measures
CVD	Countervailing Duty	OCIO	Office of the Chief Information Officer
DataWeb	Interactive Tariff and Trade DataWeb	OGC	Office of the General Counsel
EDIS	Electronic Document Information System	OIG	Office of the Inspector General
FDI	Foreign Direct Investment	OMB	Office of Management and Budget
Federal Circuit	U.S. Court of Appeals for the Federal Circuit	OUII	Office of Unfair Import Investigations
FTAs	Free Trade Agreements	The Byrd Amendment	Continued Dumping and Subsidy Offset Act
FY	Fiscal Year	USAGE	U.S. Applied General Equilibrium
HTS	Harmonized Tariff Schedule of the United States	USTR	U.S. Trade Representative
HTSA	Harmonized Tariff Schedule of the United States Annotated	WCO	World Customs Organization
		WTO	World Trade Organization

Fiscal Year 2013 Budget Justification for the U.S. International Trade Commission



General Statement

The U. S. International Trade Commission (Commission) is an independent, quasi-judicial Federal agency with broad investigative responsibilities on matters of trade. The Commission investigates the effects of dumped and subsidized imports on domestic industries and conducts global safeguard investigations. The Commission also adjudicates cases involving imported goods that are alleged to infringe U.S. intellectual property rights. Through such proceedings, the Commission facilitates a rules-based international trading system. The Commission also serves as a Federal resource where trade data and other trade policy related information are gathered and analyzed. The information and analysis are provided to the President, the Office of the U. S. Trade Representative (USTR), and the Congress to facilitate the development of sound and informed U.S. trade policy. The Commission makes most of its information and analysis available to the public to promote understanding of competitiveness, international trade issues, and the role that international trade plays in the U.S. economy.

Mission

The mission of the Commission is to: (1) administer U.S. trade remedy laws within its mandate in a fair and objective manner, (2) provide the President, USTR, and the Congress with independent quality analysis, information, and support on matters relating to tariffs and international trade and industry competitiveness, and (3) maintain the Harmonized Tariff Schedule of the United States (HTS). In so doing, the Commission serves the public by implementing U.S. law and contributing to the development of sound and informed U.S. trade policy.

Activities in Brief

As the role of international trade in the U.S. economy has expanded, the work of the Commission has had a broader impact on the U.S. economy. The Commission recognizes the importance of excellence in all aspects of its mission, particularly objectivity, thoroughness, clarity of analysis, and timeliness in the performance of its investigative duties. The Commission continuously monitors its investigative functions to meet more effectively the needs of policymakers in both the legislative and executive branches, parties to Commission proceedings, and the general public.

The Commission has five strategic operations that serve its customers: (1) Import Injury Investigations, (2) Intellectual Property-Based Import Investigations, (3) Industry and Economic Analysis, (4) Tariff and Trade Information Services, and (5) Trade Policy Support. Detailed goals for each strategic operation are presented in the United States International Trade Commission Fiscal Year 2012 and Fiscal Year 2013 Performance Plans (see attached).

Import injury investigations and intellectual property-based import investigations are distinct investigative regimes with specific and detailed procedures provided in authorizing legislation. Industry and economic analysis, tariff and trade information services, and trade policy support are based upon general authorizing legislation with broad discretion delegated to the Commission. The Commission conducts import injury investigations and industry and economic analysis by assigning an interdisciplinary team to each investigation, thereby leveraging the skills of the Commission's investigators, international trade and nomenclature analysts, economists, auditors, attorneys, and statisticians.

Fiscal Year 2013 Budget Highlights

For fiscal year (FY) 2013, the Commission requests \$82.8 million to support its statutory strategic operations. The FY 2013 request represents a 4.8 percent decrease from the FY 2012 requested funding level of \$87.0 million and a 3.5 percent increase over the actual FY 2012 funding level of \$80.0 million. The increase over the prior year funding level is due to a proposed Federal pay raise of 0.5 percent in FY 2013, normal costs of promotions and within-grade increases, ongoing recruitment efforts to fill key positions, and increased security costs. A general pay raise of 0.5 percent projects to a locality-adjusted pay raise of approximately 1.0 percent.

The Commission's appropriation has declined each of the last two years, from \$81.86 million in FY 2010, to \$81.6 million in FY 2011, and \$80.0 million in FY 2012. If there is a Federal pay raise in FY 2013, reduced funding levels would adversely affect mission accomplishment, financial management reform, and physical and cyber security. Funding significantly below the requested level would require reduction in staff at a time when mission-related statutory work is increasing overall and the Commission is adding financial management and information technology (IT) security expertise to meet critical challenges. Also, the Commission would have to reduce physical space immediately following a Congressionally-supported acquisition of additional space to build a courtroom necessary to accommodate the rapidly increasing intellectual property (IP) caseload.

The Commission's FY 2013 appropriation request consists of salaries (54.6 percent), benefits (14.4 percent), rent (12.6 percent), contractor support (e.g., security guards, helpdesk, mailroom, financial management, applications development and other support services) (7.3 percent), software licenses and maintenance contracts (3.4 percent), and other expenses (7.6 percent). (See Dollar Cost: Comparison by Object Classification, p. 53.)

In FY 2011 the Commission responded successfully to significant challenges in a number of areas, including the need to: (a) adjudicate a rapidly growing number of intellectual property-based investigations without undue delay; (b) improve internal control procedures and financial management practices; (c) counter increased cyber security threats and develop and begin implementation of continuity of operations plans; (d) continue to develop a number of important trade data and analysis initiatives in order to respond to policymakers' increasingly complex questions regarding trade barriers and trade agreements; and (e) flexibly adapt to the variable caseload of import injury investigations.

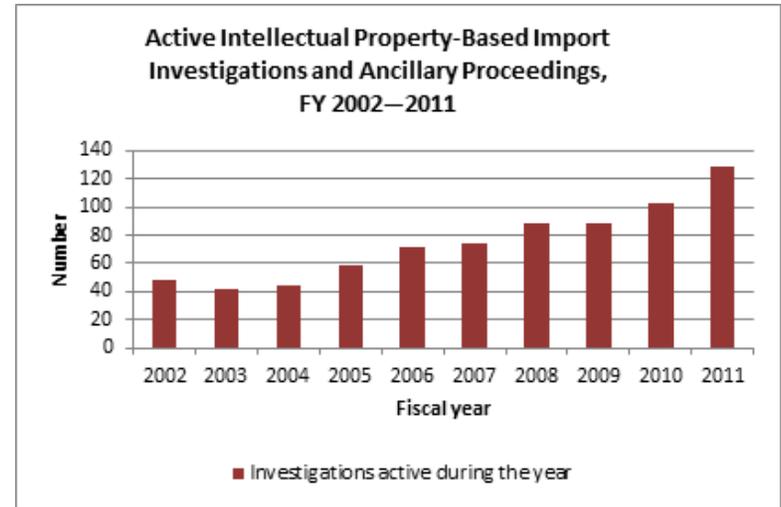
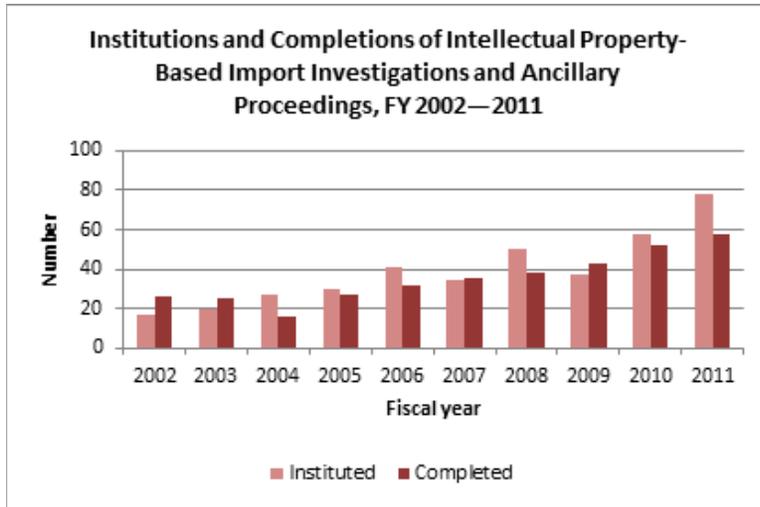
Continued progress in all these areas requires adequate funding. Funding levels below the FY 2013 request level of \$82.8 million would negatively impact statutorily-mandated activities. The likely result would be reduced operational effectiveness and increased risk to the Commission’s ability to meet government-wide management standards.

For the last 15 years, the Commission has adapted to rapid and significant changes in workload by implementing a flexible human capital plan, shifting resources, and enhancing productivity without increasing permanent staffing levels. Examples include the workload surge of new “sunset investigations” during FY 1999—FY 2001 and FY 2004—FY 2006, increased activity relating to free trade agreements (FTAs) negotiated during FY 2003—FY 2004 and FY 2007—FY 2008, and a surging IP caseload that has more than tripled in the last 10 years. The current on-board staffing level is virtually unchanged from that which prevailed in FY 1998.

The rapid and significant changes in workload were accompanied by increased statutory requirements in the areas of financial management, continuity of operations, cyber security and other security, and human resource activities. Audit findings indicate that the Commission had attempted to meet these administrative requirements with insufficient resources. The Commission recently reorganized and is strengthening its capabilities in these areas. Funding below the requested level could undermine these efforts.

Intellectual Property Caseload Reached Record Levels

The Commission, through its efficient and timely administration of section 337, plays a central role in the protection of U.S. intellectual property rights (IPR). Since FY 2002, the Commission’s section 337 caseload, which is mostly patent-related, has increased by more than 350 percent. The number of section 337 matters commenced in FY 2011 increased by 34 percent over the number of new matters in FY 2010. In FY 2011, 78 new and ancillary investigations were commenced, breaking the record set the previous year, and 129 investigations were active, also a record number. The Commission expects the section 337 caseload to continue to grow in FY 2012 and FY 2013.



The Commission works to conduct its IP-based import investigations in an expeditious, technically sound, and transparent manner, and has become a preferred forum for resolving economically significant, technologically complex patent disputes involving imported products. Of particular note is the large number of section 337 investigations involving smartphone technology. The Commission has been a key venue for resolution of the global IP battle between the major hardware providers in this market segment. The Commission is an attractive forum due in part to its speed in reaching decisions. This is particularly important to industries, such as makers of telecommunications and electronics devices, whose products tend to have a short life-cycle. These products make up a significant share of the section 337 docket. The Commission also is authorized to provide unique remedies—exclusion orders enforced by Customs and Border Protection (Customs) to prevent infringing goods from entering the United States, and cease and desist orders directing entities found in violation to discontinue their infringing activity. In FY 2011, entities from 23 U.S. states took advantage of the benefits offered by the section 337 process and filed complaints with the Commission. Additionally, just over 30 percent of the active investigations in FY 2011 involved Fortune 100 companies.

Intellectual property rights are important to the U.S. economy. A recent study showed that IP-intensive industries created jobs even during economic downturns; paid their employees nearly 60 percent more than non-IP intensive industries; spent almost 13 times more on research and development per employee than non-IP intensive industries; and generated a trade surplus. The Commission understands the central role it plays with respect to IPR and has already taken prudent steps to handle the rapidly increasing caseload without a proportionate increase in overall resources. Funding levels significantly below the FY 2013 request level, however, would present a substantial challenge. The likely result would be an increase in the length of time the Commission needs to reach its determinations and a decrease in the quality of its determinations, jeopardizing the benefits that companies receive when they bring their IP disputes to the Commission.

The Commission's budget request for FY 2013 does not include the potentially significant resources that it would require to carry out new types of investigations now included in certain pending Congressional legislation. The U.S. Intellectual Property Enforcement Coordinator recently highlighted online piracy as a significant concern for the U.S. economy and competing legislative proposals emerged at the end of 2011 to combat online piracy. The recently proposed "Online Protection and Enforcement of Digital Trade Act" (introduced as S. 2029 on December 17, 2011 and as H.R. 3782 on January 18, 2012), would assign the Commission jurisdiction to investigate allegations of copyright and trademark infringement over the internet via "nondomestic domain names." Under the proposed legislation, the Commission would be empowered to issue cease and desist orders, if the Commission determined that there had been a violation of the new act, and would be required to issue temporary and preliminary cease and desist orders on an especially fast track if it found a reason to believe such violations were occurring. Should the proposed legislation be enacted, the Commission would require substantial additional resources to undertake this new investigatory function.

The Commission has Made Significant Progress in Financial Reporting and Internal Controls

The Commission is committed to the integrity of its financial information, including compliance with Federal guidelines for accounting and financial reporting. The Commission is also committed to strengthening its internal controls over financial management and program operations to support improved accountability. The Commission's FY 2011 financial statement audit resulted in an unqualified opinion. This represents substantial progress by the Commission in its financial management remediation efforts over the last two years. The Commission was able to move from a disclaimer of an opinion on the FY 2009 financial statements, to a qualified opinion on the FY 2010 financial statement, to an unqualified opinion this year. While the unqualified opinion represents continued improvement in financial management reform over the last two years, and is a testament to the Commission's commitment to improve its financial management, challenges remain and the process of reform is not complete.

During FY 2010 the Commission implemented a proactive, aggressive, and comprehensive financial management reform program. The program included new financial management policies that addressed deficiencies identified during the FY 2009 financial statement audit. The Commission compiled all of its financial management policies and procedures into a comprehensive accounting manual, issued in December 2010. The Commission also launched a major, high-priority effort to improve its internal controls over financial and program operations and to bring its internal controls into full compliance with Office of Management and Budget (OMB) Circular No. A-123. Maintaining effective internal controls over its operations continues to be a top priority for the Commission.

During FY 2011 the Commission took important steps to improve its human capital resources for financial management. In addition to training existing staff to upgrade their knowledge and professional skill sets, the Commission, through a supplement to its Human Capital Plan, substantially restructured its financial and administrative functions. The plan included the creation of the Office of the Chief Financial Officer (CFO), which includes the offices of Finance, Procurement, and Budget. As part of this reorganization, additional staff and new positions requiring greater financial management expertise have been included in the plan to better ensure optimal performance in achieving the Commission's mission. The new positions include a CFO, Director of Budget, and financial management positions. All of these positions are vacant at this time; funding restrictions would adversely impact the Commission's ability to fill these positions.

The Commission has come a long way in a relatively short period of time, but there are still challenges ahead before reaching full financial accountability. The Commission must complete remedial efforts, put lasting reforms in place, hire and train staff, and test compliance. Progress has been achieved through hard work and increased costs to the Commission, both in terms of permanent staff and contractor resources.

Sustained resources are required to maintain this momentum and achieve mandated financial management and internal control reform. Funding levels significantly below the FY 2013 request level endanger this progress and would require significant adjustments, including reduced funding for financial management efforts at a crucial moment in the development and implementation of reforms. The Commission needs to hire qualified financial management personnel and continue its efforts to strengthen its financial management. Reductions in staff likely would significantly challenge the Commission's ability to meet government-wide financial management standards.

Efforts to Strengthen Information Technology

The Commission has focused on three primary areas in order to improve its information technology security posture: operations continuity, investments in new technology, and program improvement.

In FY 2011 the Commission developed and began implementing an IT continuity of operations plan and completed significant investments toward its execution. This plan allows key Commission IT services to continue operation at a remote facility in the event the Commission's data center becomes unavailable. The plan is already mitigating weaknesses in continuity of operations preparedness and will ensure continued progress toward full compliance by the end of the current calendar year.

Also in FY 2011, the Commission made several investments in new and cutting-edge technology to detect, deter, and investigate cyber threats to its sensitive data and information systems. These technologies have been deployed to the Commission's network and have mitigated some risks. The Commission will continue to make further investments in security technology in FY 2012 in order to improve its continuous monitoring program and associated technology platform.

Finally, following an extensive internal review process conducted in FY 2011, the Commission has undertaken a restructuring of its information security and cyber security program functions. This restructuring includes the hiring of new staff, improved integration and alignment with the Office of the Chief Information Officer (OCIO), and a shift in program focus away from static security review processes in favor of real-time, continuous, threat detection and risk assessment.

The Potential Impact of Cuts of 10 Percent Below the FY 2011 Level

Significant cuts in the Commission's funding present unpalatable choices. Most of the Commission's budget expenditures support personnel to perform required functions, whether those are statutory, trade-related core functions or mandated management functions. A 10 percent reduction in funding would result in a direct reduction in both Federal and contractor personnel costs (75 percent of the FY 2013 request) and rent (12 percent of the FY 2013 request). A reduction of 10 percent could not be achieved by a hiring freeze and attrition, but would require the forced release of at least 40-50 on-board staff. While the Commission would keep the newly acquired second floor, which includes the new courtroom, it would have to vacate another fully occupied floor.

Reductions of 10 percent would have severe consequences for the Commission and its mission. The Commission's workload does not vary in response to changes in funding levels. Private parties file cases and the Commission must conduct the investigations. Both the executive and legislative branches request information and analyses and the Commission must respond. Statutes and regulations mandate financial and security controls that the Commission must implement. The Commission, as an information intensive agency, must continue to adapt to rising cyber security threats.

The inevitable result of these cuts would be extended deadlines, strained investigative resources, and less informative and timely analysis for policymakers. Reduced resources would likely lead to increased judicial review and increased reversals and remands of Commission determinations, putting additional pressure on Commission resources. Recent efforts to improve financial management would be negatively influenced by the inability to add the financial management capabilities that the Commission needs. Reductions would negatively affect all other operations, both core and support, and would result in increased vulnerability to cyber security attacks.

Notwithstanding the negative implications, the Commission would make the difficult decisions required by a potential 10 percent reduction in its budget. Because all of the Commission's operations are statutorily required, eliminating or substantially cutting back any one of the Commission's operations would require modification of authorizing legislation. The Commission does not recommend pursuing this course of action as the Commission's statutory operations provide critical support to international commerce and the development of trade policy. For example, achieving the reduction by eliminating the two smallest operations (Operation 4: Tariff and Trade Information Services and Operation 5: Trade Policy Support) in their entirety could disrupt international trade as businesses depend heavily on an accurate and up to date tariff schedule (from which significant customs revenue is derived). Alternatively, reducing one of its three largest operations by up to 30 percent is equally problematic. Reducing Operation 3 (Industry and Economic Analysis) by over 30 percent would deprive trade policymakers of an objective source of information regarding trade negotiations and impacts of trade policy on the domestic economy. Cutting one of the two quasi-adjudicative investigative functions by over 30 percent would undermine the enforcement of trade laws at a particularly inopportune time for the U.S. economy and would put countless jobs of U.S. workers at risk.

A 10 percent cut would have to be spread among all five operations in slightly varying proportions. Absent statutory revisions in Operation 1 (Import Injury Investigations), a significant budget reduction will result in less research and data collection, compromising the completeness of the investigative record. Such cuts would likely lead to more import injury determinations reversed and/or remanded on appeal, which would necessitate additional work and could actually cost more in the long run. In addition, private parties could also face higher costs in obtaining relief due to increased remands, and businesses could be subject to market uncertainty for a much longer period of time.

For Operation 2 (Intellectual Property-Based Import Investigations), the impact of substantial reductions in funding would be particularly severe given the dramatic and continuing rise in the volume and complexity of the section 337 caseload. For patent holders, substantial funding reductions would likely result in lengthening investigations that often focus upon sophisticated products with limited commercial life spans, especially in the computer and telecommunications fields. Delays in the adjudication of section 337 disputes would, in turn, increase the period of business uncertainty concerning valuable technologies, and thereby impact the investment decisions of businesses that have obtained U.S. patents or operate under patent licenses and the entities with which they compete in the marketplace.

Operation 3 (Industry and Economic Analysis) is a mix of mandated investigations, to provide advice on specific economic and trade matters, and requested investigations in response to interests of the Trade Subcommittees of House Ways and Means or Senate Finance, or the USTR. Congress and the USTR rely on the Commission for analytical input in many areas that are critical to the economy, including the role of small- and medium-sized business exports in generating employment and economic activity in the U.S. economy, protection of U.S. intellectual property rights in China, and identification of barriers to U.S. agricultural exports to India and China.

In response to a 10 percent funding cut, the Commission would give priority to responding to requests from the legislative and executive branches; however, the timeframe and scope for those requests would have to be negotiated in light of the reduced resources available to meet those requests. A significant budget reduction would be focused almost entirely on staffing—reducing the industry and economic expertise that enables timely, thorough, and analytical investigations that offer valuable insights to requestors. As a result of staff reductions, the Commission would be forced to decline some requests due to lack of expertise or resources, limit the scope of accepted requests, and lengthen the period of investigations. The ability to respond to complex requests from statutory customers in a timely way would be compromised. Having fewer skilled analysts, investigators, economists, and lawyers would require the Commission to prioritize requests and reject some elements that rely on specific skills for which there are competing demands.

The Commission would disproportionately reduce other activities, such as staff research on key trade issues and development of new analytical tools, to the detriment of U.S. government policymakers. These developmental activities broaden and keep current the knowledge and skills of Commission staff; reductions would lessen the ability to respond quickly to Congressional or Administration requests for information or analysis in emerging areas of international trade. Cuts would jeopardize the ability to analyze the effect on the U.S. economy of nontariff measures and the evolving role of services and investment in global trade, among other areas. Finally, the Commission would need to consult with the Congress regarding the need to eliminate certain recurring statutory reports to better focus limited resources.

Operation 4 (Tariff and Trade Information Services) is relatively small. Most Operation 4 activities are mandated by statute, such as preparation of the HTS and providing direct support to congressional customers regarding miscellaneous tariff bills (MTBs). Reductions would affect the scope and timeliness of the Commission's Congressional

support for MTBs and put the timely, accurate compilation of the U.S. Harmonized Tariff Schedule (HTS) at risk, which could negatively impact revenue collection from imports. Maintenance of the Commission's online tariff and trade information resources would suffer from diminished resources, with longer lead times for updates, fewer resources for system and search improvements, and limited ability to provide external customer support. This would significantly impair the Commission's ability to satisfy recent Open Government initiatives and would negatively impact thousands of external customers who use the HTS and the Commission's trade databases daily.

Operation 5 (Trade Policy Support) is also small and consists largely of statutorily-required technical assistance to USTR, the House Committee on Ways and Means, and the Senate Committee on Finance. This includes providing information in support of congressional and executive policy development and drafting annexes for proclamations implementing free trade agreements, GSP, and other preferential duty programs. Technical assistance to the legislative and executive branches is the primary activity and the top priority within this operation, but it requires analytical resources that are also required for other Commission strategic operations. The other activity in this operation is non-reimbursable details to congressional oversight committees, USTR, and other parts of the Government at an annual cost of about \$600,000. Such non-reimbursable details would cease.

A 10 percent reduction in Commission resources would force the Commission to alter the current practice of providing information to a broad range of individual member offices and congressional committees who have an interest in international trade issues and would limit the support only to oversight committees (i.e., House Ways and Means and Senate Finance). The Commission also would terminate assistance to executive branch agencies and individuals other than USTR (to which the President has delegated his authority). The Commission would limit World Trade Organization litigation support and proclamation development to that expressly requested by USTR. Such cuts would even make it difficult to respond to statutory customers in a timely manner. The Commission would also have to prioritize competing requests, resulting in delayed response especially of more complex resource intensive requests.

Similar to the Commission's work directly related to trade, for support activities, such as information technology, financial, and security functions, the Commission would give priority to meeting its minimum legal obligations, which itself may be challenging, and would scale back or eliminate other efforts. Much of what is done in these support areas is required by statute, regulation, or executive order. Title V of the U.S. Code and the Code of Federal Regulations prescribes proper procedures for all human resource activities. OMB Directives and related statutes prescribe proper procedures for financial management and internal controls. The Federal Acquisition Regulations

prescribes proper procurement practice. The Federal Information Security Management Act and a host of related statutes, regulations, and executive orders establish proper practices for cyber security, information security, continuity of operations, emergency planning, physical security, personnel security, and records management. Even work life programs are mandated and require staff resources.

Moreover, in the last decade, the statutory and regulatory requirements in many of these areas have increased. Based on findings from the Commission's Inspector General (IG), Office of Personnel Management (OPM), Government Accountability Office (GAO), outside financial auditors, and through an internal human capital review, the Commission recently determined that additional resources are needed to adequately address these mandates and to ensure that proper policies and procedures are in place, compliance is monitored, effectiveness is reviewed, and policies and procedures are kept up-to-date. Nevertheless, in a 10 percent reduction scenario some of these support activities would have to be cut. Activities that do not directly contribute to mandatory management activities would have to be reduced. In the administrative area, such reductions would slow improvements in physical security, audit compliance, and financial reporting. While the Commission would make its best effort to avoid such effects, failure to continue the pace of needed management reforms would increase the risk of adverse audit findings, which in turn diverts scarce compliance resources.

In the IT area, reduced staff and software would immediately impact all strategic operations and other Commission functions – especially IT security. Specifically, a 10 percent reduction would reduce staff and contractor resources for application development, helpdesk services, software and database licenses, and equipment. The Commission would reduce or eliminate systems development for several primary business applications: (1) the Electronic Document Information System (EDIS), which supports the Commission's public interface in Operations 1 and 2; (2) DataWeb (US Import/Export Data), which supports all operations; and (3) the web-accessible HTS, which is used extensively by the public. In addition, the Commission would discontinue efficiency efforts to provide the public with electronic questionnaires for Operations 1 and 3. The Commission would reduce software platforms by approximately 30 percent in order to absorb a 10 percent budget reduction.

Recent government-wide efforts to control expenses, such as 10 percent or 20 percent cuts in various administrative overhead categories, will not make a significant contribution toward an overall 10 percent reduction. The Commission does not fund such expenditures to any significant degree, and has reduced that funding in the last two years due

to reductions in its appropriation. The total of non-essential expenses in these categories is less than \$300,000, or less than 0.5 percent of the Commission's appropriation. A 20 percent reduction in these costs would be less than \$60,000, or less than 0.1 percent of the Commission's annual appropriation.

A 10 percent overall reduction would necessitate close consultation with the Commission's authorizing committees and might require changes in the Commission's authorizing legislation to allow the Commission to carry out a more limited statutory mandate in some areas. The result would be a smaller Commission struggling with an increasing caseload, deadlines that it cannot meet, and erosion of the quality and reliability of the Commission's products. A diminished Commission could undermine U.S. industry and risk additional job loss at a time when the economy can least afford it.

Fiscal Year 2013 Requested Appropriation Language for the U.S. International Trade Commission

Salaries and Expenses

“For necessary expenses of the U.S. International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. § 3109, and not to exceed \$2,250 for official reception and representation expenses, \$82,800,000 to remain available until expended.”

Operation 1: Import Injury Investigations

The Commission conducts statutory investigations of unfairly traded imports or increases in imports that cause material or serious injury or market disruption to a U.S. industry. The Commission also conducts reviews of outstanding antidumping/countervailing duty (AD/CVD) orders. The Commission defends its decisions in import injury investigations on appeals to the Court of International Trade (CIT), the World Trade Organization (WTO), and North American Free Trade Agreement (NAFTA) panels.

The Commission's strategic goal for Operation 1 is to support a rules-based international trading system by producing high-quality and timely import injury determinations based on an effective exchange of information between the Commission and interested parties; an appropriate investigative record; and transparent, fair, and equitably implemented procedures. While maintaining timeliness and meeting all statutory deadlines, the Commission has set goals to continue to improve its investigative process to increase efficiency, reduce burden on industry participants, and to improve accessibility of import injury investigation data and information.

For FY 2012 and FY 2013, the Commission projects that overall caseload for import injury investigations will be consistent with historical averages. The Commission projects that 39 investigations will be instituted in FY 2012 and 42 will be instituted in FY 2013. Overall caseload fluctuates from year to year and over the last five years has ranged from a low 32 (FY 2010) to a high of 43 (FY 2008 and FY 2011). Workload in import injury investigations is a function of both the number of new filings and reviews of existing orders. While the number of review investigations is easier to predict, estimating the number of new filings is more difficult. In the past five years, new filings have ranged from 3 in FY 2010 to 15 in FY 2009. Most recently, in FY 2011, new petition filings increased from the abnormally low level in FY 2010 to a level more consistent with other years (i.e., 8 new petitions in FY 2011). While the third round of transition sunset review investigations has been completed, a steady number of non-transition sunset review investigations in FY 2012 and FY 2013 will contribute to the slight increase in overall caseload from the FY 2010 and FY 2011 levels.

Antidumping and Countervailing Duty Investigations

The Commission conducts AD/CVD investigations under title VII of the Tariff Act of 1930. In AD/CVD investigations, the Commission is required to determine whether an industry in the United States is materially injured or threatened with material injury, or whether the establishment of an industry in the United States is materially retarded, by reason of imports of the merchandise that are under investigation. The Department of Commerce (Commerce) is required to determine whether imported merchandise is being sold in the United States at less than fair value (AD investigations), or whether a countervailable subsidy is being provided for the manufacture, production, or exportation of merchandise imported into the United States (CVD investigations).

Under the current law, the Commission makes a preliminary determination under a “reasonable indication” standard within 45 days of the filing of the petition. If the Commission’s preliminary determination is affirmative, Commerce must continue its investigation and make preliminary and final determinations concerning the alleged unfair trade practice. If Commerce’s final determination is affirmative, the Commission must complete its ongoing investigation and make a final injury determination. The Commission conducts all AD/CVD investigations in accordance with statutes that implement U.S. international obligations.

As noted, the Commission projects that new filings in FY 2012 and FY 2013 will be consistent with historical averages. For FY 2012 the Commission estimates that it will institute 10 preliminary and 13 final investigations and complete 10 preliminary and 9 final investigations. Similarly, for FY 2013, the Commission projects 10 preliminary and final investigations to be both instituted and completed. (See Operation 1: Import Injury Investigations Caseload, p. 23.) In FY 2011, the Commission instituted 8 preliminary and 2 final AD/CVD investigations and completed 8 preliminary and 6 final investigations.

New filings were low in the first half of FY 2011, but an unprecedented filing of 5 petitions within a two-day period resulted in the overall number of new filings in FY 2011 approaching normal levels. In FY 2010, the traditional inverse relationship between new filings and economic activity did not materialize as new filings declined with declining economic activity. New filings increased in FY 2011, however, as the economy recovered somewhat, and consumption and imports started to increase. Overall caseload for import injury investigations for FY 2011 averaged 13 active cases per month, which is consistent with the average for the period FY 2008 through FY 2010. The most notable investigation instituted in FY 2011, in terms of the U.S. market value and employment,

was the AD/CVD investigations concerning certain aluminum extrusions from China. This investigation involved a U.S. market valued at \$4.7 billion in 2010 and a U.S. industry of 9,703 production and related workers. The Commission charged 15.7 workyears of direct labor to all AD/CVD investigations in FY 2011. (See Workyears by Activity and Office, p. 61.)

Sunset Reviews

In sunset reviews (conducted under title VII of the Tariff Act of 1930), the Commission evaluates whether material injury to a U.S. industry would likely continue, or recur, if the AD/CVD order under review were to be revoked. A review must be conducted on each AD/CVD order every five years as long as the order remains in effect. Reviews may be terminated by Commerce because of the domestic industry's lack of response to the notice of initiation. When a review is terminated, the underlying order is revoked. If the review is not terminated, the Commission will conduct either an expedited or a full review. The Commission may conduct expedited reviews when it finds that responses of domestic and/or foreign interested parties to the notice of institution are inadequate. A full review occurs when there is adequate participation from both sides or when the Commission otherwise finds a full review is warranted. Generally, the Commission must complete expedited reviews within five months of institution and full reviews within 12 months of institution. All review investigations have statutory deadlines. The workload in expedited reviews is most intense during the final two months, while the workload in full reviews is most intense during the final six months.

Sunset reviews must be instituted five years after an AD/CVD order is issued or continued; consequently, the sunset caseload can be projected with relative accuracy five years in advance. Based on historical experience, the Commission anticipates institution of 5 full reviews and 9 expedited reviews in FY 2012 and 11 full reviews and 9 expedited reviews in FY 2013. (See Operation 1: Import Injury Investigations Caseload, p. 23.) The Commission assumes that on average about 2 reviews per year will be revoked by Commerce due to lack of domestic interest.

During FY 2011 the Commission instituted 31 sunset reviews. In addition, 3 reviews were terminated by Commerce because of no domestic industry response. For the 31 review cases instituted, the Commission determined to conduct 12 full reviews and 19 expedited reviews. The Commission completed 9 full reviews and 12 expedited reviews during the year. (See Operation 1: Import Injury Investigations Caseload, p. 23.) One notable sunset review

completed by the Commission in FY 2011 involved stainless steel sheet and strip in coils from Germany, Italy, Japan, Korea, Mexico, and Taiwan. The U.S. market for stainless steel sheet and strip was \$4.1 billion, with 2,989 U.S. production and related employees. The Commission charged 23.2 workyears of direct labor to sunset reviews in FY 2011. (See Workyears by Activity and Office, p. 61.)

Other Import Injury Investigations

Other import injury investigations include safeguard investigations, changed circumstances reviews, remands with reopened records, and WTO consistency proceedings. Safeguard investigations are conducted pursuant to certain sections of the Trade Act of 1974 and certain statutory provisions in FTAs. In investigations under section 204 of the Trade Act of 1974, the Commission monitors industry adjustment efforts; reports to the President on the probable economic effect of the reduction, modification, termination, or extension of any relief that is in effect; or evaluates the effectiveness of any relief provided after its termination. In investigations under section 421 of the Trade Act of 1974, the Commission determines whether increased imports from China cause market disruption to the U.S. industry. In changed circumstances reviews, the Commission evaluates whether, in light of changed circumstances, material injury to a U.S. industry would likely continue, or recur, if the AD/CVD order under review is revoked. In remands with reopened records, the Commission collects and analyzes new information in response to an order from one of its reviewing courts or bodies.

For FY 2012 and FY 2013, the Commission projects that work in other import injury investigations will be consistent with historical averages from the past five years and will consist primarily of remands of AD/CVD investigations with reopened records. (See Operation 1: Import Injury Investigations Caseload, p. 23.) The Commission does not anticipate the filing of any global safeguard investigations as no new global safeguard petitions have been filed in the last 10 years. While the Commission has conducted 7 China safeguard investigations, there has only been 1 conducted in the past six years (certain passenger vehicle and light truck tires completed in July 2009). Moreover, the China safeguard provision of the statute expires at the end of 2013, which may also contribute to the absence of China safeguard investigation petitions. In FY 2011, the Commission continued to work on 2 remand investigations in which the record was reopened.

Litigation

If an appeal challenging a Commission title VII determination is filed in the U.S. Court of International Trade (CIT), or before a binational review panel under NAFTA, the Office of the General Counsel (OGC) defends the Commission's determination. OGC also represents the Commission in appeals of CIT decisions to the U.S. Court of Appeals for the Federal Circuit (Federal Circuit). If there is a dispute brought before the WTO involving a Commission import injury determination, OGC assists USTR in defending that determination.

OGC expects that, in FY 2012, the number of new appeals challenging the Commission's injury and sunset determinations will be at levels similar to or higher than recent historical levels, reflecting the recent increase in new petitions filed and sunset reviews. In FY 2011, 17 new cases were filed in the CIT and the Federal Circuit involving challenges to Commission determinations in injury investigations and sunset reviews. Two new challenges to Commission injury determinations were filed under the NAFTA Chapter 19 procedures. This number of new appeals is above the number of new appeals filed in recent years (8 were appeals filed in FY 2010; 14 appeals were filed in FY 2009; and 13 appeals were filed in FY 2008).

At the close of FY 2011, there were 56 cases involving Commission injury matters pending before the U.S. Courts and NAFTA panels. This number is lower than that reported for FY 2010 and FY 2009, due mainly to the conclusion of many of the cases challenging the actions of the Commission and Customs under the Continued Dumping and Subsidy Offset Act (the "Byrd Amendment"). Thirty two cases, including Byrd cases and challenges to Commission determinations, were completed in FY 2011. The OGC also represented the Commission in six oral arguments in AD/CVD cases and Byrd appeals before U.S. courts.

In addition, OGC attorneys assisted the USTR in successfully defending a bilateral safeguard measure on certain passenger vehicle and light truck tires from China, the first U.S. safeguard action to receive a favorable ruling from the WTO appellate body.

Resource Requirements and Workload for Import Injury Investigations

In the aggregate, Operation 1 utilized 27.9 percent of the Commission's resources in FY 2011 (see Dollar Cost: Comparison by Operation, p. 58), amounting to \$23.6 million and 107 workyears (see Budget Summary by Operation, p. 60). In FY 2011, Operation 1 accounted for direct costs of \$12.1 million and 64 workyears. (See Operation 1: Import Injury Investigations Resource Requirements, p. 22.) In FY 2011, five offices together accounted for approximately 69.5 percent of the direct workyears. The Office of Investigations, the Commissioners' offices, and OGC charged 20.5, 12.2 and 11.5 workyears, respectively, while the Office of Economics and the Office of Industries charged 7.3 and 4.1 workyears, respectively. (See Workyears by Activity and Office, p. 61.)

During FY 2011 the Commission instituted 43 import injury investigations, including sunset reviews, and completed 37. The Commission projects 39 investigations will be instituted and 48 completed in FY 2012, and 42 will be instituted and 34 completed in FY 2013. As of December 2011, there were 17 active import injury investigations pending at the Commission. (See Operation 1: Import Injury Investigations Caseload, p. 23.)

Annual Performance Plans for FY 2012 and FY 2013

In its Fiscal Year 2012 and Fiscal Year 2013 Performance Plans (see attached), the Commission has set goals designed to improve its performance in conducting import injury investigations. The Commission continues to explore ways to streamline the data collection process, such as improvements in questionnaires and electronic collection of questionnaire data. The Commission will continue to seek to improve public access to information about its cases and procedures, primarily through design enhancements to its website, and will continue to ensure that its proceedings are conducted fairly and completed in a timely manner. For example, during FY 2011, the Commission updated the sunset review database to improve internal efficiency in posting documents and improve usability. In addition, efforts are underway to improve the availability of both historical and current data on import injury investigations for internal Commission customers, parties to investigations, and the general public.

Operation 1: Import Injury Investigations Resource Requirements, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)¹

Category of Obligation	FY 2011 Actual		FY 2012 Estimate		FY 2013 Estimate		FY 2012—2013 Change	
	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars
A. Direct Costs ²								
Personnel Compensation	64	\$ 7,959	64	\$ 7,964	65	\$ 8,150	1	\$ 186
Benefits		2,120		2,121		2,164		43
Rent		2,022		2,046		2,070		24
Travel		20		26		26		0
Subtotal	64	\$ 12,121	64	\$ 12,156	65	\$ 12,410	1	\$ 254
B. Indirect Costs ³								
Personnel Compensation	43	\$ 4,228	44	\$ 4,269	45	\$ 4,448	1	\$ 179
Benefits		1,126		1,132		1,174		42
Rent		761		819		842		23
Services - Contractor FTEs ⁴		2,456		1,595		1,665		70
Software Licenses and Maintenance Contracts		1,156		753		786		33
Supplies		223		497		523		26
Equipment		392		569		505		-64
Travel		94		97		97		0
Training		106		159		138		-21
Communication and Equipment Rental		223		225		229		4
Transportation		6		7		7		0
Postage		14		36		35		-1
Land and Structures		598		69		97		28
Printing and Reproduction		81		73		87		14
Subtotal	43	\$ 11,463	44	\$ 10,301	45	\$ 10,633	1	\$ 418
Total Resource Requirements	107	\$ 23,584	108	\$ 22,457	110	\$ 23,042	2	\$ 586

¹ Totals may not add due to rounding.

² Direct costs include personnel costs, space rental, and travel charged directly to the five operations.

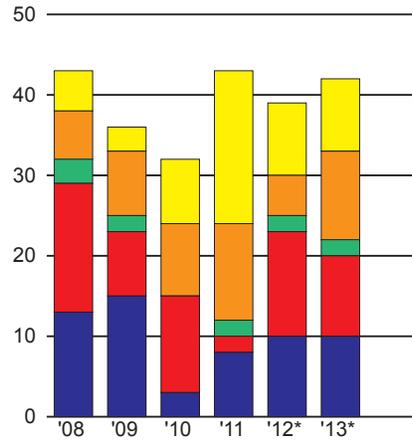
³ Indirect costs include personnel costs not directly charged to the five operations such as general administration, IT support services, and leave/holiday pay. Indirect costs also include all non-personnel costs, except space rental and travel charged directly to the five operations. Most indirect costs are allocated to operations according to the percentage of total costs directly charged to each operation.

⁴ Services - Contractor FTEs includes the cost of contractor personnel performing duties primarily onsite and usually on a time and materials basis. These services are required and include application development, database management, security guards, helpdesk, mailroom, financial management, internal controls, financial audits, procurement support, economic modeling, and human resource support activities.

Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

Operation 1: Import Injury Investigations Caseload

Instituted Investigations, FY 2008–2013



Summary of Import Injury Investigations, FY 2008–2013

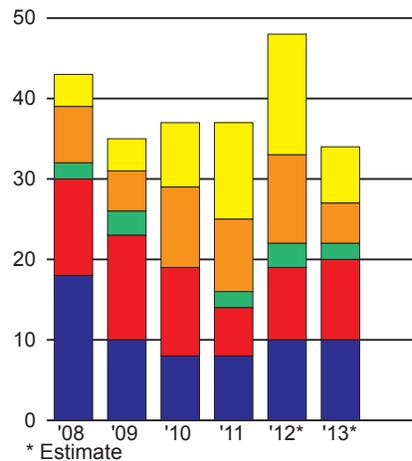
Type and Status	FY 2008 actual	FY 2009 actual	FY 2010 actual	FY 2011 actual	FY 2012 estimate	FY 2013 estimate
Import Injury Investigations Instituted						
Preliminary Title VII ¹	13	15	3	8	10	10
Final Title VII ¹	16	8	12	2	13	10
Other ²	3	2	0	2	2	2
Full Sunset ³	6	8	9	12	5	11
Expedited Sunset ³	5	3	8	19	9	9
Total.....	43	36	32	43	39	42
Completed						
Preliminary Title VII ¹	18	10	8	8	10	10
Final Title VII ¹	12	13	11	6	9	10
Other ²	2	3	0	2	3	2
Full Sunset.....	7	5	10	9	11	5
Expedited Sunset.....	4	4	8	12	15	7
Total.....	43	35	37	37	48	34

¹ The data shown for preliminary and final title VII investigations group antidumping and countervailing duty investigations together since these investigations generally run concurrently and are handled by the same investigative team.

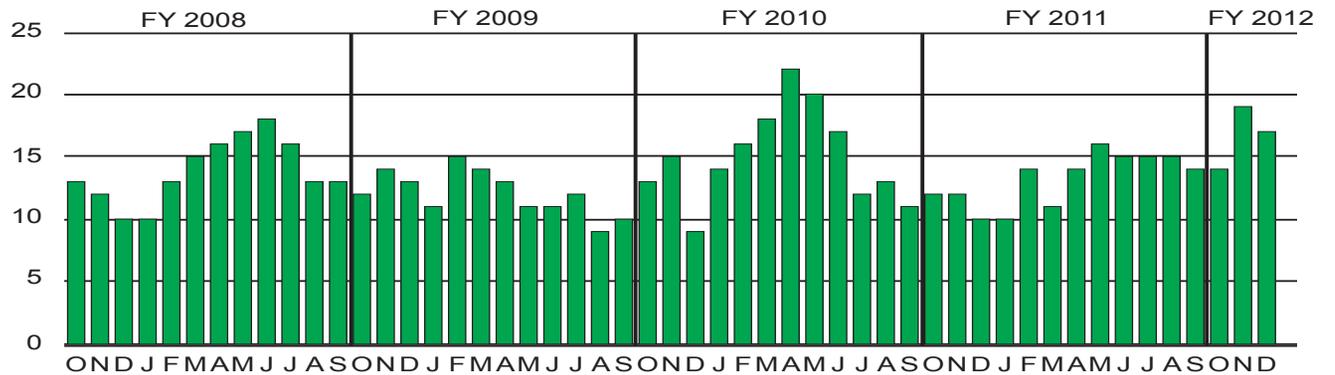
² Other includes section 201 Safeguard review, section 421 China Safeguard, remands with reopened records, and other investigations.

³ Does not include reviews that were terminated without a Commission determination.

Completed Investigations, FY 2008–2013



Active[†] Import Injury Investigations, by month, for October 2008 through December 2012



[†] Active during the month

Source: Office of Investigations

Operation 2: Intellectual Property-Based Import Investigations

The Commission conducts investigations into complaints brought by domestic industries, pursuant to section 337 of the Tariff Act of 1930, as amended, that assert unfair acts or methods of competition in connection with imported goods. The vast majority of these section 337 investigations involve the alleged infringement of U.S. intellectual property rights, in particular, patent rights. These investigations, which frequently implicate large volumes of trade, require intensive factfinding and legal analysis in accordance with the formal adjudication provisions of Administrative Procedure Act (APA). If the Commission finds a violation of section 337, and does not find that certain statutory public interest factors indicate that relief should not be provided, it will issue an exclusion order barring the imported product from entry into the United States. The Commission may also direct a respondent to cease and desist from engaging in the unfair practices. The President may disapprove these remedial orders for policy reasons, but such disapprovals are rare.

As a result of its work on section 337 investigations, the Commission has earned a reputation as a forum for the fair and speedy adjudication of complex intellectual property disputes, especially those involving valuable patented technologies. Moreover, because the Commission's exclusion orders afford intellectual property (IP) owners protections not available in other fora, firms have come to regard the Commission as an important forum for the redress of IP infringement. As a result, section 337 filings have risen dramatically in recent years. In FY 2011, the Commission instituted 78 new investigations and ancillary proceedings, a 34 percent increase over the number of new matters in FY 2010, which had also been a record year for the filing of new complaints. The Commission now accounts for a substantial share of the patent infringement trials conducted in the United States. The Commission expects the section 337 caseload to continue to grow in FY 2012 and FY 2013.

The Commission's strategic goal for Operation 2 is to conduct intellectual property-based import investigations in an expeditious, technically sound, and transparent manner, and provide for effective relief when relief is warranted, to support a rules-based international trading system. For FY 2012 and FY 2013, the Commission has set goals that focus primarily on the expeditious resolution of section 337 proceedings, the provision of information to the public regarding the section 337 process, and enhancement of the effectiveness of remedial orders.

To adjudicate section 337 complaints, the Commission's Administrative Law Judges (ALJs), with the assistance of their staff, conduct conferences and trials, issue initial determinations, and facilitate and approve settlement agreements. The Office of Unfair Import Investigations (OUII) conducts pre-institution review of complaints, advises the Commission on whether to institute an investigation, and participates (when appropriate) as a party to the proceeding before the ALJ. The determinations of the ALJs are subject to discretionary review or adoption by the Commission, and the Commission's final determinations regarding alleged section 337 violations are appealable to the Federal Circuit. OGC provides advice to the Commissioners during the review process and defends the final Commission decision during any subsequent appeal.

Although the spectrum of products and intellectual property rights that have been the subject of section 337 investigations is quite broad, approximately 55 percent of the section 337 investigations active in FY 2011 involved telecommunications and computer equipment, such as smartphones and modems; integrated circuits, such as memory chips; and display devices, such as digital televisions. Of particular note is the number of investigations involving smartphone technology. The Commission has been a key venue for resolution of the global IP battle between the major hardware providers in this market segment. In addition to their focus on economically critical technologies, section 337 investigations often implicate large volumes of trade. Just over 30 percent of the active investigations in FY 2011 involved Fortune 100 companies. The complainants in active investigations came from 23 of the 50 states. Rapid resolution of IP disputes is particularly important for high-technology products that tend to have shorter commercial shelf lives, and such products accounted for a significant share of the Commission's section 337 caseload in FY 2011. The Commission endeavors to conclude section 337 investigations as expeditiously as possible. The Commission's Performance Plans establish a goal of completion of section 337 investigations within 13.5 months on average, consistent with Congressional intent. Given the elevated caseload and current resource levels, slightly more than one half of the original target dates established for new investigations instituted in FY 2011 were set at 16 months, and slightly more than one third of the original target dates ranged from 17 to 20 months. ,

The high level of new section 337 complaint filings is expected to continue, particularly by patent holders in the telecommunications and computer sectors. Many complaints will likely continue to name a large number of respondents, which adds considerably to the complexity of investigations. Similarly, there has been an increase in the number of asserted patents, with more than half of the new investigations commenced in FY 2011 involving 4 or more patents and more than a dozen of these investigations involving 7 or more patents.

As the number of new complaint filings has increased, so has the total number of section 337 investigations and ancillary proceedings active during the course of a year. Whereas 58 investigations and ancillary proceedings were active during all of FY 2005, more than twice as many investigations, a total of 129, were active during the course of FY 2011. (See Operation 2: Intellectual Property-Based Import Investigations Caseload, p. 30.) Also, in FY 2011, the Commission completed 58 investigations and ancillary proceedings, as compared to the 52 completed in FY 2010. Approximately 65-70 matters are projected to be completed in both FY 2012 and FY 2013.

The Commission projects a large number of new section 337 investigations and ancillary proceedings for both FY 2012 and FY 2013. Specifically, the Commission projects that approximately 80 new investigations and ancillary proceedings will be instituted in FY 2012, and approximately 85 new investigations and ancillary proceedings will be instituted in FY 2013. More than 85 investigations are likely to carry over from FY 2012 into FY 2013.

The Commission expects that its heavy investigative caseload will also lead to continued high levels of appellate litigation in FY 2012 and FY 2013. As in FY 2010, a quarterly average of approximately 23 section 337 determinations were on appeal during FY 2011. This number of appeals reflects both the increased number and complexity of section 337 investigations in recent years. Twenty five cases were completed in FY 2011. The Federal Circuit held oral argument in 10 section 337 cases during the year, and at the end of FY 2011, 17 appeals from 15 section 337 determinations were pending before the Federal Circuit and 1 petition for writ of certiorari was pending before the Supreme Court. Given the marked caseload increase and concomitant rise in appeals during the last several years, some increase in remands is also likely in FY 2012 and 2013.

The doubling of the caseload between FY 2004 and FY 2008 led the Commission to approve two additional ALJ positions and related staff in FY 2007. Further adjustments were made to the Human Capital Plan in 2011, providing for an additional two attorney advisors in the Office of Administrative Law Judges. These new positions allow for a more reasonable distribution of the increased caseload among the ALJs and should facilitate the expeditious resolution of section 337 investigations.

A shortage of courtrooms hampers the scheduling of evidentiary hearings as the caseload has grown and the ALJ corps has expanded. To address this constraint, the Commission acquired the second floor of its building for the purpose of adding a third courtroom. The design plans for additional courtroom space have now been finalized and

construction is expected to be completed near the end of FY 2012. If the caseload continues to grow, the Commission will need to consider additional ALJ resources within the next few years to avoid substantial expansion of the time needed to complete section 337 investigations.

In addition to expanding its Office of Administrative Law Judges, the Commission undertook other resource allocation measures to handle the increasing caseload. In FY 2011 the Commission added two attorneys dedicated to section 337 work in OGC. The Commission also implemented, on a trial basis, new staffing approaches in OUII designed to allow it to continue to add value to the adjudicatory process within existing resource constraints by placing the highest priority on issues unique to section 337 (as opposed to patent law generally). The Commission is continuing to refine its mediation program, which was launched in FY 2009, to help resolve disputed cases in a more efficient and less costly manner. Its roster of mediators includes former Court of Appeals for the Federal Circuit Chief Judge Michel.

Resource Requirements and Workload for Intellectual Property-Based Import Investigations

In the aggregate, Operation 2 utilized 26.9 percent of the Commission's resources in FY 2011 (see Dollar Cost: Comparison by Operation, p. 58), amounting to \$22.8 million and 100 workyears (see Budget Summary by Operation, p. 60). In FY 2011, Operation 2 accounted for direct costs of \$11.7 million and 58 workyears. (See Operation 2: Intellectual Property-Based Import Investigations Resource Requirements, p. 29.) In FY 2011, five offices together charged 39.5 workyears on section 337 investigations and 5.1 workyears on section 337 litigation. The Office of the ALJs, OUII, OGC, and Commissioners charged 16.4, 16.3, 11.8, and 8.0 workyears, respectively. (See Workyears by Activity and Office, p. 61.)

Annual Performance Plans for FY 2012 and FY 2013

In its Fiscal Year 2012 and Fiscal Year 2013 Performance Plans (see attached), the Commission has set goals designed to improve its performance in conducting intellectual property-based import investigations. The Commission will continue to seek to complete section 337 proceedings expeditiously, increase the effectiveness of agency orders, and enhance the provision of information to the public about the section 337 process. The Commission will also seek to promote the early identification of, and collection of information regarding, potential public interest issues in order to facilitate consideration of such issues in connection with its remedy determinations.

Through its performance goals and annual goals, the Commission has developed specific measures to promote the expeditious adjudication of section 337 disputes in a technically sound and transparent manner. As in previous years, the Commission will work to ensure that deadlines in section 337 proceedings are met and that such proceedings are completed as quickly as possible. The Commission will also seek to make additional information available to investigative participants and the public regarding both the section 337 process and past and present proceedings. To facilitate enforcement of exclusion orders, the Commission will continue to provide Customs with information relating to proposed and newly issued exclusion orders, and Commission staff will continue to meet periodically with Customs officials to discuss enforcement issues. In addition, in FY 2013 the Commission plans to conduct another survey of exclusion order holders to obtain feedback on the effectiveness of such orders. Finally, through the implementation of new rules directed to gathering more information about potential public interest issues, the Commission will strengthen decision-making processes relating to the issuance of requested remedial orders.

Operation 2: Intellectual Property-Based Import Investigations Resource Requirements, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)¹

Category of Obligation	FY 2011 Actual		FY 2012 Estimate		FY 2013 Estimate		FY 2012—2013 Change	
	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars
A. Direct Costs ²								
Personnel Compensation	58	\$ 7,915	58	\$ 7,921	61	\$ 8,431	3	\$ 511
Benefits		2,109		2,109		2,228		119
Rent		1,649		1,667		1,733		66
Travel		17		22		22		0
Subtotal	58	\$ 11,690	58	\$ 11,719	61	\$ 12,415	3	\$ 696
B. Indirect Costs ³								
Personnel Compensation	42	\$ 3,992	43	\$ 4,033	44	\$ 4,202	1	\$ 169
Benefits		1,063		1,069		1,111		42
Rent		738		796		819		23
Services - Contractor FTEs ⁴		2,430		1,577		1,647		70
Software Licenses and Maintenance Contracts		1,143		745		777		33
Supplies		221		492		517		25
Equipment		387		563		499		-64
Travel		93		97		97		0
Training		105		157		137		-20
Communication and Equipment Rental		220		223		227		4
Transportation		5		6		6		0
Postage		14		34		35		1
Land and Structures		591		68		96		27
Printing and Reproduction		80		73		86		14
Subtotal	42	\$ 11,083	43	\$ 9,933	44	\$ 10,256	1	\$ 323
Total Resource Requirements	100	\$ 22,773	101	\$ 21,652	105	\$ 22,671	4	\$ 1,018

¹ Totals may not add due to rounding.

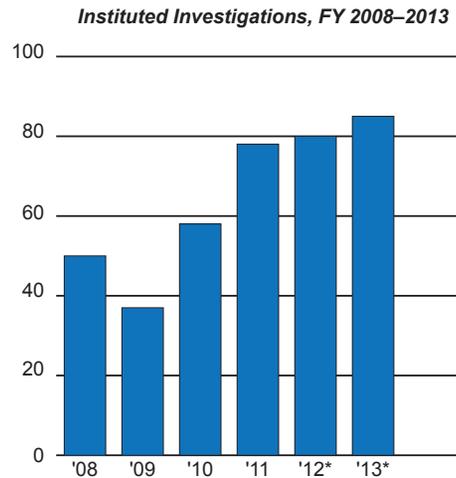
² Direct costs include personnel costs, space rental, and travel charged directly to the five operations.

³ Indirect costs include personnel costs not directly charged to the five operations such as general administration, IT support services, and leave/holiday pay. Indirect costs also include all non-personnel costs, except space rental and travel charged directly to the five operations. Most indirect costs are allocated to operations according to the percentage of total costs directly charged to each operation.

⁴ Services - Contractor FTEs includes the cost of contractor personnel performing duties primarily onsite and usually on a time and materials basis. These services are required and include application development, database management, security guards, helpdesk, mailroom, financial management, internal controls, financial audits, procurement support, economic modeling, and human resource support activities.

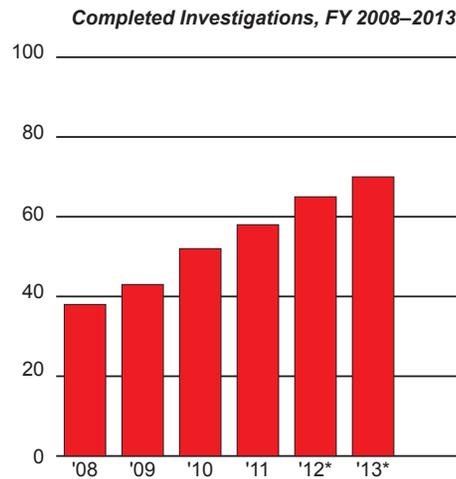
Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

Operation 2: Intellectual Property-Based Import Investigations Caseload

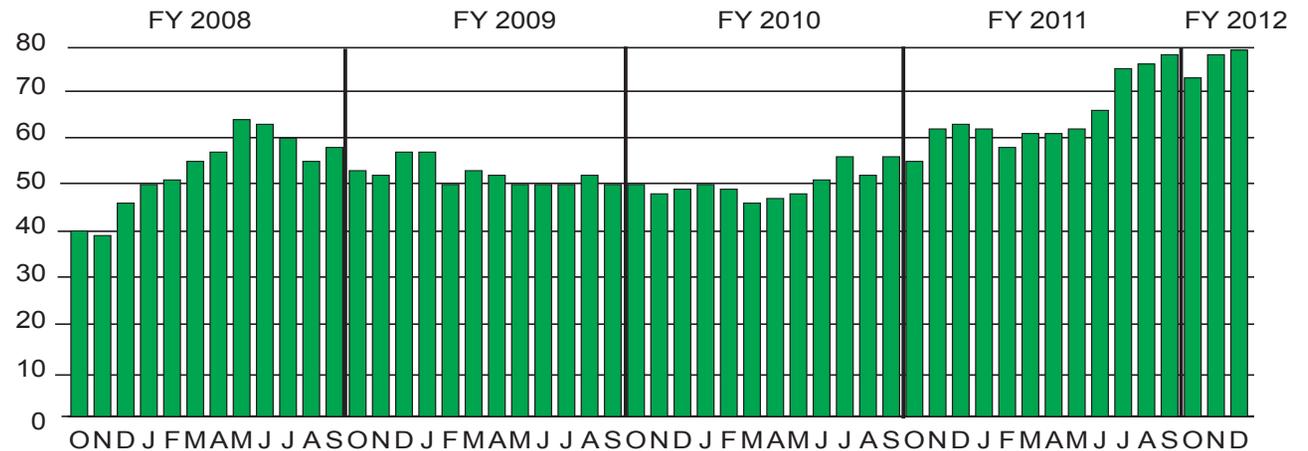


Summary of Intellectual Property-Based Import Investigations and Ancillary Proceedings, FY 2008–2013

Status	FY 2008 actual	FY 2009 actual	FY 2010 actual	FY 2011 actual	FY 2012 estimate	FY 2013 estimate
Instituted.....	50	37	58	78	80	85
Active.....	89	89	103	129	150	170
Completed	38	43	52	58	65	70



Active[†] Intellectual Property-Based Import Investigations and Ancillary Proceedings, by month, for October 2008 through December 2012



* Estimate

[†] Active during the month

Source: Office of Unfair Import Investigations

Operation 3: Industry and Economic Analysis

The Commission's industry and economic analysis provides policymakers in the legislative and executive branches with a sound foundation as they consider policy decisions. As a recognized leader in the analysis of international trade and industry competitiveness, the Commission provides its external customers with high-quality objective analysis that is both timely and relevant to U.S. trade policy. In FY 2011, the Commission delivered 19 statutory reports to its customers, including studies that provided unique insights on trade related issues by, for example, estimating the size and scope of Chinese intellectual property rights (IPR) infringement and its effect on the U.S. economy, assessing the current state of environmental goods trade, and analyzing the effects of Chinese tariffs and nontariff measures (NTMs) on China's imports of agricultural products.

The Commission's strategic goal for Operation 3 is to enhance the quality and timeliness of its industry and economic analysis to support sound and informed trade policy formulation. For FY 2012 and FY 2013, the Commission has set goals to further enhance the analytical and quantitative insights it can provide on trade-related issues using new economic modeling approaches, data sets, and advanced data analysis techniques. The Commission received a relatively high number of customer requested investigations in recent years and, while this number decreased in FY 2011, the relative size and scope of requested investigations increased. Commission staff spent 40.9 workyears on investigative research in FY 2011. (See Workyears by Activity and Office, p. 61.) Based on the average number of active investigations received over the last five years, Commission staff expects to have 25 active investigations in FY 2012 and 24 in FY 2013, compared with 25 in FY 2011. (See Operation 3: Industry and Economic Analysis Investigations Caseload, p. 41.)

To maintain high quality, objective, and timely analytical capabilities, the Commission's industry and economic experts enhance their expertise by conducting staff-initiated research and analysis in areas of significant importance to the U.S. economy. These efforts focus on developing the expertise necessary to support customer requested investigations in Operations 1, 3, and 4, and technical support provided to the legislative and executive branches through staff-to-staff assistance under Operation 5.

Investigations

Investigations conducted by the Commission under Operation 3 generally fall into three broad categories:

- General Factfinding and Analytical Investigations, which include non-recurring and recurring investigations conducted pursuant to section 332 of the Tariff Act of 1930;
- Probable Economic Effect Investigations, which include investigations required by section 131 of the Trade Act of 1974, and by consultation and layover requirements of various trade agreement implementation acts; and
- Assessments of Negotiated Trade Agreements, which include investigations regarding the effects of negotiated FTAs, as mandated by section 2104 of the Trade Act of 2002.

Investigations often involve: (1) public hearings; (2) written or telephone surveys of U.S. producers, importers, and consumers; (3) domestic and foreign fieldwork; (4) interviews with industry, government, and academic experts; (5) extensive literature reviews; (6) data compilation; and (7) developing and applying new and insightful analytical techniques. Investigations typically last 3 to 12 months, but can vary considerably as a result of the complexity or urgency of the request. Likewise, staffing can vary considerably, from a few team members to 50 or more team members, consisting primarily of trade analysts, economists, and attorneys.

During FY 2011, the Commission had 25 active investigations, completed 11 investigations, and instituted 8 new investigations, all decreases from FY 2010 levels (29 active; 13 completed; 16 instituted). Both FY 2010 and FY 2011 are generally in the range of 10-year averages. (See Operation 3: Industry and Economic Analysis Investigations Caseload, p. 41.) The number of active investigations per month ranged from a high of 13 in December 2010 to a low of 6 in September 2011, and averaged 10 per month for all of FY 2010. As a result of fewer customer requested investigations, workyears charged to Operation 3 investigations decreased from 45.6 in FY 2010 to 40.9 in FY 2011. (See Workyears by Activity and Office, p. 61.)

General Factfinding and Analytical Investigations

The Commission conducts general factfinding and analytical investigations regarding trade, tariff, and competitiveness issues pursuant to section 332(g) of the Tariff Act of 1930. This provision authorizes the President through the USTR, the House Committee on Ways and Means, or the Senate Committee on Finance, to direct the Commission to conduct specific trade-related investigations and to report its findings. The Commission is also authorized to self-initiate investigations and studies on trade matters under section 332(b). Section 332 investigations can take several forms and approaches, such as:

- examining specific foreign industries or countries for the purpose of identifying existing foreign tariffs, nontariff barriers, and other background information to assist U.S. trade negotiators;
- monitoring and reporting on specific countries or regions regarding economic and trade activities as specified by the requestor; and
- analyzing specific industries and products and providing information regarding the conditions of competition in U.S. and foreign markets, trade levels and trends, and government policies affecting the industries.

USTR and the Congress often request one-time investigations that include time-critical information on current economic issues. Requests can also take the form of recurring or multi-year investigations. In those cases, reports may be delivered over a specific timeframe, such as yearly, over five years, or until terminated. In FY 2011, Commission staff charged 38.5 workyears to general factfinding and analytical investigations.

The Commission completed 9 non-recurring general factfinding and analytical investigations during FY 2011, the same as in FY 2010. The Commission charged 18.2 workyears to these investigations in FY 2011, an increase of 5.0 workyears from the FY 2010 level of 13.2 workyears, reflecting increased complexity in a few larger studies.

Of particular note were investigations requested by the Senate Committee on Finance concerning the scope of China's policies affecting IPR and the effect of these policies on the U.S. economy. The Commission completed both investigations during FY 2011:

- ***China: Intellectual Property Infringement, Indigenous Innovation Policies, and Frameworks for Measuring the Effects on the U.S. Economy***, Inv. No. 332-514 (Pub. 4199, November 2010). This report described the principal types of reported IPR infringement in China and Chinese indigenous innovation policies. It also outlined an analytical framework for determining the effects of IPR infringement and indigenous innovation policies on the U.S. economy and jobs, which the Commission utilized in its second report for the Committee.
- ***China: Effects of Intellectual Property Infringement and Indigenous Innovation Policies on the U.S. Economy***, Inv. No. 332-519 (Pub. 4226, May 2011). This report estimated the size and scope of reported Chinese IPR infringement; provided a quantitative analysis of the effect of IPR infringement in China on the U.S. economy and its sectors; and assessed the effects of China's indigenous innovation policies on the U.S. economy and employment.

In addition, during FY 2011 the Commission completed 8 other non-recurring studies requested by customers to provide unique, policy relevant information and analysis. For example, the Commission found that small- and medium-sized enterprise made a more significant contribution to U.S. exports and export employment than previously thought and that the elimination of Chinese tariff and nontariff measures could lead to an additional \$3.9 billion to \$5.2 billion in annual U.S. agricultural exports to China.

The Commission also delivered reports from 7 multi-year (recurring) investigations in FY 2011, up from 6 in FY 2010. Topics covered in these reports include the economic effects of significant U.S. import restraints, the role of the U.S. in global value chains, shifts in U.S. merchandise trade, and recent trends in U.S. services trade. The Commission charged 12.0 workyears to these investigations in FY 2011, compared to 6.4 workyears in FY 2010.

Probable Economic Effect Investigations

The Commission assesses the potential impact of proposed FTAs on specific sectors of the economy and for specific line items in the HTS. These investigations are conducted primarily under the authority of: (1) section 131 of the Trade Act of 1974, (2) section 2104(b)(2) of the Trade Act of 2002, and (3) section 103 of certain FTA implementation acts, such as the NAFTA Implementation Act. In FY 2011, Commission staff charged 0.8 workyears to this activity, a decrease from 2.5 workyears in FY 2010.

Section 131 investigations involve advice for U.S. negotiators as they prepare for trade negotiations. Section 2104(b) (2) investigations involve advice to negotiators regarding the impact of liberalizing trade for sensitive agricultural products. The Commission typically consolidates these two investigations into one report on probable economic effects for negotiators. Section 103 investigations analyze the likely effect of modification to the rules of origin under specific trade agreements.

The Commission completed one probable economic effect investigation during FY 2011 on the U.S.-Trans-Pacific Partnership Agreement including Malaysia.

Assessments of Negotiated Trade Agreements

The Commission has historically assessed the likely economywide and selected sectoral effects of negotiated FTAs as mandated by section 2104(f), now expired, of the Trade Act of 2002. The act required the Commission to analyze the likely effects of negotiated trade agreements on the U.S. economy and on specific U.S. economic sectors, including the effects on U.S. gross domestic product, trade, employment, and consumers. If trade promotion authority (TPA) is renewed, the Commission anticipates it would continue to provide analysis of any negotiated trade agreements.

In this earlier legislation USTR was required to request the study at least 90 days prior to the signing of a trade agreement. The Commission was required to submit its report to the Congress and USTR no later than 90 days after signing. Hence, these reports were often referred to as “90 90” studies. The Administration did not finalize negotiations on any new FTAs in FY 2010 or FY 2011 and so the Commission was not asked to conduct any “90 90” studies in those years.

Other Investigations

In addition to the three major types of statutory investigations, the Commission conducts an annual investigation regarding the operation of the Trade Agreements Program each year as required by section 163(c) of the Trade Act of 1974. See *The Year in Trade 2010: Operation of the Trade Agreements Program*, Inv. No. 163-001 (Pub. 4247, July 2011). During FY 2011, the Commission charged 1.7 workyears to this investigation, up from 1.2 workyears in FY 2010.

Industry and Economic Analysis Activities

Other industry and economic analysis activities focus on developing tools and data that the Commission expects to be useful in customer-requested investigations. This work is conducted under the broad authority of sections 332(a) and (b), but is not published as a formal Commission investigation. This research is made available through an array of staff publications on topical and emerging trade issues and the delivery of presentations to many international and domestic government agencies, academic conferences, and private sector associations.

Commission industry analysts and research economists must maintain expert knowledge of the U.S. and global economies and have a high level of industry, regional, and economic expertise. This expertise is frequently called upon by trade policymakers in the executive and legislative branches for informal assistance and counsel, where it is provided as part of Operation 5. The staff publications and presentations are intended to keep the Commission, trade policymakers, and the public informed of the latest developments in the international trade arena that potentially affect specific U.S. industries and to ensure that the Commission can quickly and efficiently respond to customer requests under section 332(g). In addition, this research helps provide an important forum for external, technical review and comment for Commission staff on new and emerging topic areas and fosters exchanges between staff and academic institutions, industry groups, other government agencies and other nongovernmental organizations.

Preparation of trade publications, formal presentations, and participation in supporting activities are essential to maintaining staff knowledge, skills, and abilities and ensuring the Commission can respond efficiently and effectively to customer requests. Staff produces articles in the *Journal of International Commerce and Economics (JICE)*, conference/working papers, and research notes/publications. Commission staff spent 21.1 workyears on staff-initiated research in FY 2011, a slight increase from 19.0 workyears in FY 2010.

The Commission employs numerous approaches to analyze the effects of any changes in U.S. trade policies on the U.S. economy in specific industrial, agricultural, or service sectors. These methods include survey methods and statistical, econometric, and simulation analyses. In particular, Commission staff continue to refine and further develop the Commission's simulation model of the U.S. economy—the U.S. Applied General Equilibrium (USAGE) model—and its underlying database. During FY 2011 the Commission continued its efforts to ensure its current models accurately capture the effects of trade policy changes. The Commission also regularly uses contract resources to supplement in-house resources and keep its modeling capabilities and databases current.

Workload Expectations in FY 2012 and FY 2013

For FY 2012 and 2013, the Commission expects investigative workload levels to increase from FY 2011 levels with staff continuing to address a wide range of trade-related topics. Examples of investigations recently completed or currently underway in FY 2012 include requests to:

- assess the global competitiveness of Brazilian agricultural exports and its impact on U.S. agricultural exporters in third country markets;
- provide a detailed overview of U.S. and global trade in remanufactured goods;
- compare the competitiveness of the business jet aircraft industries in the United States, Brazil, Canada, Europe, and China; and
- assess the impact on competing U.S. industries, U.S. imports, and U.S. consumers of the removal of three HTS subheadings for duty-free status for certain beneficiary developing countries.

The Commission has developed and begun to regularly apply its unique capabilities to measure barriers in services trade and to measure and quantify the trade impacts of NTMs, both of which can have significant implications for the domestic economy and employment. To complement its already existing expertise in merchandise trade, the Commission anticipates developing an extensive database on foreign direct investment (FDI) flows and further expanding its services NTM database. The Commission plans to apply these new competencies in future customer-requested investigative work.

Resource Requirements and Workload for Industry and Economic Analysis

In the aggregate, Operation 3 utilized 34.5 percent of the Commission's resources in FY 2011 (see Dollar Cost: Comparison by Operation, p. 58), amounting to \$29.2 million and 142 workyears (see Budget Summary by Operation, p. 60). In FY 2011, Operation 3 accounted for direct cost of \$14.1 million and 80 workyears. (See Operation 3: Industry and Economic Analysis Resource Requirements, p. 40.) Studies produced under Operation 3 are conducted primarily by industry analysts in the Office of Industries who specialize in areas such as agriculture and forest products, textiles, electronics, transportation, chemicals, natural resources, and services; and economists in the Office of Economics with regional or analytical specialties. The Office of Industries and the Office of Economics accounted for 86 percent of the direct workyears charged to Operation 3 in FY 2011, with 48.6 and 19.2 workyears, respectively. (See Workyears by Activity and Office, p. 61.)

During FY 2011 the Commission completed 11 investigations and instituted 8 new investigations. The Commission projects the institution of 11 new investigations in FY 2012 and 12 new investigations in FY 2013. (See Operation 3: Industry and Economic Analysis Investigations Caseload, p. 41.)

Annual Performance Plans for FY 2012 and FY 2013

In its Fiscal Year 2012 and Fiscal Year 2013 Performance Plans (see attached), the Commission has set goals to develop and improve additional efficient research methods and expand capacity to anticipate and address new areas as they emerge. The Commission will work with its customers to increase understanding of their needs and the Commission capabilities and will continue to strengthen its regional economic expertise in India and Brazil through ongoing analysis of international trade and investment flows and associated impacts in global markets.

The Commission will also continue capacity building to provide innovative and useful insights in investigative reports by conducting research and developing data in high-interest areas. Examples include (1) enhancing analytical capabilities in developing new supply chain and firm-level data to further understand global trade patterns; (2) increasing understanding of the relationship between competitiveness and regulatory efficiency; (3) researching the linkages of trade and FDI to labor; and (4) developing expertise in green technologies and services.

The Commission is continuing to develop the capacity to provide insights on the effects of trade policy changes on different occupational groups in the USAGE model and expects to examine the effects of such policy changes on a range of representative households. These efforts will give policymakers more detailed insights on the effects of trade policy changes on workers and households at the national level by occupation.

Finally, the Commission's goal to improve efficiency will be met through a flexible approach to human capital management. Staff consistently take assignments and participate in investigations and research initiatives outside their area of specialized expertise to meet customer requirements in emerging areas or that require new analytical techniques. To augment this flexible approach, managers increasingly consider in their hiring decisions whether prospective staff has cross-cutting skills.

Operation 3: Industry and Economic Analysis Resource Requirements, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)¹

Category of Obligation	FY 2011 Actual		FY 2012 Estimate		FY 2013 Estimate		FY 2012—2013 Change	
	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars
A. Direct Costs ²								
Personnel Compensation	80	\$ 8,941	80	\$ 8,947	81	\$ 9,137	1	\$ 190
Benefits		2,382		2,383		2,427		45
Rent		2,700		2,725		2,750		25
Travel		66		73		73		0
Subtotal	80	\$ 14,090	80	\$ 14,128	81	\$ 14,388	1	\$ 260
B. Indirect Costs ³								
Personnel Compensation	62	\$ 5,783	64	\$ 5,876	65	\$ 6,071	1	\$ 195
Benefits		1,541		1,553		1,596		43
Rent		1,100		1,215		1,239		24
Services - Contractor FTEs ⁴		3,070		1,990		2,077		87
Software Licenses and Maintenance Contracts		1,445		931		973		42
Supplies		279		622		654		32
Equipment		490		710		628		-82
Travel		117		122		122		0
Training		133		198		171		-27
Communication and Equipment Rental		278		283		286		3
Transportation		7		8		8		0
Postage		17		43		43		0
Land and Structures		747		86		120		34
Printing and Reproduction		101		91		113		22
Subtotal	62	\$ 15,109	64	\$ 13,727	65	\$ 14,101	1	\$ 482
Total Resource Requirements	142	\$ 29,199	144	\$ 27,855	146	\$ 28,489	2	\$ 634

¹ Totals may not add due to rounding.

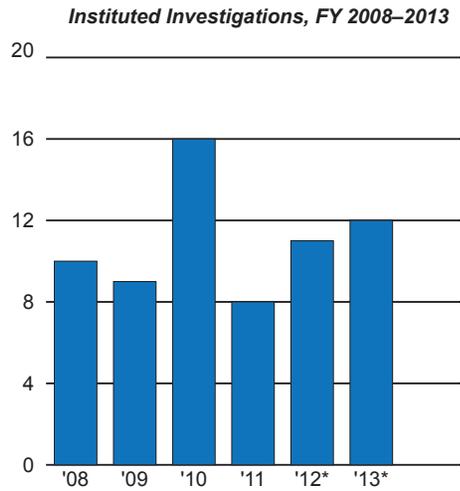
² Direct costs include personnel costs, space rental, and travel charged directly to the five operations.

³ Indirect costs include personnel costs not directly charged to the five operations such as general administration, IT support services, and leave/holiday pay. Indirect costs also include all non-personnel costs, except space rental and travel charged directly to the five operations. Most indirect costs are allocated to operations according to the percentage of total costs directly charged to each operation.

⁴ Services - Contractor FTEs includes the cost of contractor personnel performing duties primarily onsite and usually on a time and materials basis. These services are required and include application development, database management, security guards, helpdesk, mailroom, financial management, internal controls, financial audits, procurement support, economic modeling, and human resource support activities.

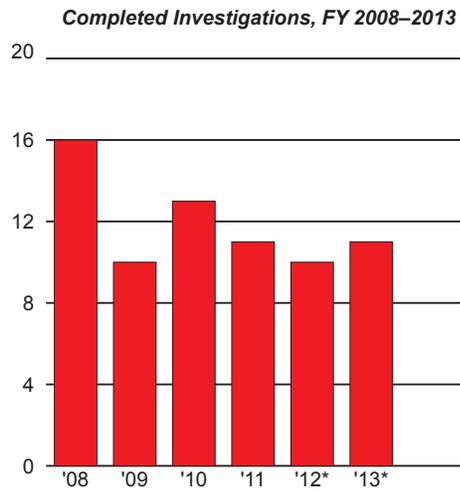
Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

Operation 3: Industry and Economic Analysis Investigations Caseload

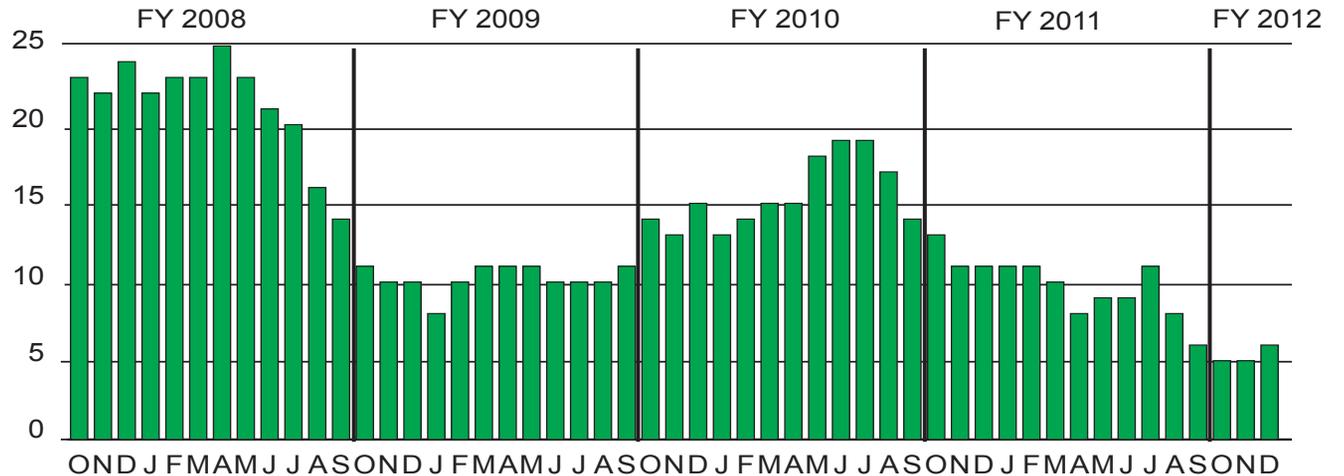


Summary of Industry and Economic Analysis Investigations, FY 2008–2013

Status	FY 2008 actual	FY 2009 actual	FY 2010 actual	FY 2011 actual	FY 2012 estimate	FY 2013 estimate
Instituted	10	9	16	8	11	12
Active	30	22	29	25	25	24
Completed	16	10	13	11	10	11



Active† Industry and Economic Analysis Investigations, by month, for October 2008 through December 2012



* Estimate

† Active during the month

Source: Office of Industries

Operation 4: Tariff and Trade Information Services

Section 1207 of the Omnibus Trade and Competitiveness Act of 1988 (the 1988 Act) requires the Commission to maintain and publish the Harmonized Tariff Schedule (HTS) of the United States. In support of this activity, the Commission maintains online interactive and in-house databases and an online HTS search tool; chairs the interagency Committee for Statistical Annotation of the Tariff Schedules; conducts section 1205 studies to propose certain amendments to the HTS to the President; and participates in the U.S. Delegation to the World Customs Organization (WCO). The Commission also provides technical support to the Congress on miscellaneous tariff legislation and to USTR in support of the trade agreements program.

The Commission's strategic goal for Operation 4 is to improve the availability of and access to high-quality and up-to-date tariff and international trade information and technical expertise to support the executive and legislative branches, the broader trade community, and the public. For FY 2012 and FY 2013 the Commission has set goals that contribute to this goal and further the Commission's ability to effectively carry out its responsibilities under the Tariff Act of 1930 and the 1988 Act.

Maintenance of the Harmonized Tariff Schedule of the United States

The HTS is a comprehensive and organized list of goods and the duties imposed on them when they are imported into the United States. The HTS is used by Customs to assess duties on imports, by commercial firms in planning their import programs, and as a statistical tool for tracking imports. The Harmonized Tariff Schedule of the United States Annotated (HTSA) consists of the HTS, its statistical annotations, and other related information. In addition to updating the HTSA to reflect changes in tariff rates and nomenclature information, the Commission chairs the interagency Committee for Statistical Annotation of the Tariff Schedules in coordination with Customs and the Bureau of the Census and participating in or leading the U.S. Delegation to various committees of the WCO.

During early FY 2012, the Commission electronically updated the online version of the 2011 HTS to reflect changes arising from changes to classification of certain footwear, and prepared for hard copy publication of the 2012 HTS. In addition, the Commission may have to publish one to three hardcopy HTS supplements, depending on the timing and extent of amendments arising from the annual GSP review and implementation of the recently-approved free-trade agreements with Korea, Panama, and Colombia. The 2013 HTS will be published effective January 1, 2013.

The Commission spent 6.0 workyears on preparation and maintenance of the HTS and nomenclature activities in FY 2011. (See Workyears by Activity and Office, p. 61.) The Commission anticipates that resources directed to this area will be significantly higher in FY 2012 than in FY 2011 owing to implementation of various trade policy changes.

Legislative Reports

The House Committee on Ways and Means and the Senate Committee on Finance periodically ask the Commission for technical drafting assistance and reports on miscellaneous tariff bills (MTBs). The Commission's experts provide tariff nomenclature advice and customs revenue loss estimates for the Congressional Budget Office. Commission MTB-related activity is dependent on the level of Congressional consideration of MTBs, reaching a high of 6.4 workyears in FY 2006. However, there was no consideration of MTBs by the Congress during FY 2011 and little substantive Commission activity. The extent of resources devoted to this activity in FY 2012 and FY 2013 will depend largely on the number of new MTBs introduced during the 112th and 113th Congresses.

Other Online Tariff-related Services

The Commission also devotes some resources to maintaining publically-accessible databases that provide value to businesses, government officials, and analysts by integrating timely trade data with complex tariff and Customs treatment. Commission online resources also provide information to users regarding the relationship between the HTS and other classification systems, as well as a search engine designed to assist U.S. importers, government agencies, and customs brokers in determining proper tariff classification of their goods. The Commission anticipates devoting some resources to enhance the usability of these tools in FY 2012 and FY 2013.

International Trade Data System (ITDS)

The Commission actively participates in a U.S. Government multi-agency initiative to develop a comprehensive, harmonized port documentation system that will provide for the electronic collection, use, and dissemination of international trade and transportation data. ITDS also will benefit the trading public by providing a “single window” for reporting foreign trade transactions to the U.S. Government.

Resource Requirements and Workload for Tariff and Trade Information Services

In the aggregate, Operation 4 utilized 4.7 percent of the Commission’s resources in FY 2011 (see Dollar Cost: Comparison by Operation, p. 58), amounting to \$4.0 million and 18 workyears (see Budget Summary by Operation, p. 60). In FY 2011, Operation 4 accounted for direct cost of \$2.0 million and 10 workyears. (See Operation 4: Tariff and Trade Information Services Resource Requirements, p. 45.) Providing timely and accurate trade information services to Commission customers requires coordination across Commission organization lines. Expertise is provided by staff from the Office of Tariff Affairs and Trade Agreements, Office of Industries, OGC, and the OCIO. The Office of Tariff Affairs and Trade Agreements and the Office of Industries accounted for about 89 percent of the direct workyears charged to this Operation in FY 2011 with 7.5 and 1.8 direct workyears, respectively. (See Workyears by Activity and Office, p. 61.)

Annual Performance Plans for FY 2012 and FY 2013

In its Fiscal Year 2012 and Fiscal Year 2013 Performance Plans (see attached), the Commission has set goals designed to continue improvement of its performance in the provision of tariff and trade information services. Annual goals are aimed at maintaining appropriate timeliness, while ensuring the accuracy and accessibility of the tariff and trade information that the Commission provides to the Congress, to USTR and other Federal agencies, and to the trading public.

Operation 4: Tariff and Trade Information Services Resource Requirements, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)¹

Category of Obligation	FY 2011 Actual		FY 2012 Estimate		FY 2013 Estimate		FY 2012—2013 Change	
	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars
A. Direct Costs ²								
Personnel Compensation	10	\$ 1,310	10	\$ 1,310	10	\$ 1,314	0	\$ 4
Benefits		349		349		350		1
Rent		315		323		323		0
Travel		14		15		15		0
Subtotal	10	\$ 1,988	10	\$ 1,997	10	\$ 2,001	0	\$ 4
B. Indirect Costs ³								
Personnel Compensation	8	\$ 749	8	\$ 739	8	\$ 744	0	\$ 5
Benefits		199		199		200		1
Rent		141		142		142		0
Services - Contractor FTEs ⁴		418		272		284		12
Software Licenses and Maintenance Contracts		197		128		134		6
Supplies		38		85		89		4
Equipment		67		95		84		-11
Travel		16		17		17		0
Training		18		27		24		-4
Communication and Equipment Rental		38		38		39		1
Transportation		1		1		1		0
Postage		2		3		3		0
Land and Structures		102		12		16		5
Printing and Reproduction		14		13		15		2
Subtotal	8	\$ 2,000	8	\$ 1,771	8	\$ 1,792	0	\$ 21
Total Resource Requirements	18	\$ 3,988	18	\$ 3,768	18	\$ 3,793	0	\$ 26

¹ Totals may not add due to rounding.

² Direct costs include personnel costs, space rental, and travel charged directly to the five operations.

³ Indirect costs include personnel costs not directly charged to the five operations such as general administration, IT support services, and leave/holiday pay. Indirect costs also include all non-personnel costs, except space rental and travel charged directly to the five operations. Most indirect costs are allocated to operations according to the percentage of total costs directly charged to each operation.

⁴ Services - Contractor FTEs includes the cost of contractor personnel performing duties primarily onsite and usually on a time and materials basis. These services are required and include application development, database management, security guards, helpdesk, mailroom, financial management, internal controls, financial audits, procurement support, economic modeling, and human resource support activities.

Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

Operation 5: Trade Policy Support

The Commission provides trade policymakers with technical expertise, accurate data and information, and objective analysis on international trade and competitiveness issues in order to support the development of well-informed U.S. international trade policy. The support provided in this Operation is entirely driven by Congressional and Executive Branch customer requests. A significant increase in such requests in FY 2011 indicates that the Commission's customers value the information provided through Operation 5. The Commission's strategic goal for Operation 5 is to provide enhanced support to the development of well-informed U.S. international trade policy by quickly responding to executive and legislative branch policymakers' needs for technical support, data, and analysis. For FY 2012 and FY 2013, the Commission has set goals to enhance the scope of such support, and ensure both the timeliness of responses and customer satisfaction with delivered products.

The Commission's capability to respond quickly to requests for trade policy support from both the legislative and executive branches both complements and draws upon work in other operations, primarily Operations 1, 3, and 4 and is primarily performed in accordance with section 332 of the Tariff Act of 1930. Such support includes (1) information and analysis on current issues related to trade and competitiveness; (2) technical advice on draft legislation; (3) drafting tariff legislation and annexes for proclamations, informal briefings, and meetings; (4) temporary details of staff; (5) support of litigation activities before WTO bodies; and (6) assistance to trade delegations and negotiating teams. To implement legislation on trade policy decisions that modify the HTS, the Commission also drafts Presidential proclamations, memoranda, executive orders, and final decisions by various agencies.

The Commission continually engages in efforts to improve its service to, and support for, trade policymakers. Over the past several years, these efforts have resulted in an increasing trend in the number of requests for technical assistance. The variety of such requests illuminates the complexity of developing policy related to trade, as well as the confidence policymakers have in the breadth of knowledge maintained by the Commission. This activity also provides the Commission with an immediate awareness of the issues currently of interest to such policymakers. The work often presages more formal requests for investigations and allows the Commission to proactively develop capacity to better meet those formal requests. In FY 2011, the Commission provided expertise on 149 distinct trade policy issues, significantly above the average of the previous five years (108). The level of work required

to respond to these requests ranges widely. The Commission also provide litigation assistance to USTR in WTO proceedings. During the year, Commission staff in OGC assisted USTR in the preparation of filings for 13 WTO disputes concerning dumping, subsidization, and safeguards; seven of which involved China.

The Commission anticipates that its trade policy support in FY 2012 and FY 2013 will continue to involve the lines of inquiry in the past fiscal year, with increasing interest in examining value chain issues, rules-of-origin issues, the participation of emerging economies in the global trading system, and the interaction between trade policies and environmental and labor issues. The Commission continues to try to anticipate policymakers' needs and develop expertise to meet anticipated requests for assistance.

The Commission also provides trade policy support by detailing staff with relevant expertise to USTR and the Commission's oversight committees on a non-reimbursable basis. These details provide Commission staff with a better understanding of the needs of these primary customers and contribute to closer working relationships, resulting in more efficient and effective support to trade policymakers in Operations 3, 4, and 5. During FY 2011, the Commission resources devoted to such details was effectively unchanged from FY 2010. In FY 2012 and FY 2013, the Commission anticipates that the Commission's oversight committees and USTR will continue to be interested in benefitting from the resources they receive via external details. However, the Commission's ability to provide such support may be restricted by declining funding levels, as staffing investigatory work required by, or requested pursuant to, statutory authorities must take precedence.

Resource Requirements and Workload for Trade Policy Support

In the aggregate, Operation 5 utilized 6.0 percent of the Commission's resources in FY 2011 (see Dollar Cost: Comparison by Operation, p. 58), amounting to \$5.0 million and 23 workyears (see Budget Summary by Operation, p. 60). In FY 2011, Operation 5 accounted for direct costs of \$2.5 million and 13 workyears. (See Operation 5: Trade Policy Support Resource Requirements, p. 49.) The Office of Industries charged 5.5 workyears to Operation 5. The Office of Economics, the Office of Tariff Affairs and Trade Agreements and the Office of External Relations charged 2.0, 1.5, and 1.4 workyears to Operation 5, respectively. (See Workyears by Activity and Office, p. 61.)

Annual Performance Plans for FY 2012 and FY 2013

In its Fiscal Year 2012 and Fiscal Year 2013 Performance Plans (see attached), the Commission is working to enhance its performance in the provision of trade policy support. To accomplish this, the Commission sets goals that relate to: (1) providing enhanced real-time, efficient, and effective technical information and analysis to support organizations involved in trade policy formulation, and (2) improving the Commission's communications with its customers to ensure that they understand the Commission's capabilities and are able to benefit from its expertise.

Operation 5: Trade Policy Support Resource Requirements, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)¹

Category of Obligation	FY 2011 Actual		FY 2012 Estimate		FY 2013 Estimate		FY 2012—2013 Change	
	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars
A. Direct Costs ²								
Personnel Compensation	13	\$ 1,676	13	\$ 1,677	13	\$ 1,682	0	\$ 5
Benefits		447		447		448		1
Rent		399		406		406		0
Travel		9		10		10		0
Subtotal	13	\$ 2,530	13	\$ 2,539	13	\$ 2,545	0	\$ 6
B. Indirect Costs ³								
Personnel Compensation	10	\$ 938	10	\$ 939	10	\$ 945	0	\$ 6
Benefits		250		250		251		1
Rent		179		179		180		0
Services - Contractor FTEs ⁴		525		342		357		15
Software Licenses and Maintenance Contracts		247		161		168		7
Supplies		48		106		112		5
Equipment		84		120		106		-14
Travel		20		21		21		0
Training		23		34		30		-4
Communication and Equipment Rental		48		48		49		1
Transportation		1		1		1		0
Postage		3		4		4		0
Land and Structures		128		15		21		6
Printing and Reproduction		17		16		16		0
Subtotal	10	\$ 2,510	10	\$ 2,236	10	\$ 2,260	0	\$ 24
Total Resource Requirements	23	\$ 5,040	23	\$ 4,775	23	\$ 4,805	0	\$ 29

¹ Totals may not add due to rounding.

² Direct costs include personnel costs, space rental, and travel charged directly to the five operations.

³ Indirect costs include personnel costs not directly charged to the five operations such as general administration, IT support services, and leave/holiday pay. Indirect costs also include all non-personnel costs, except space rental and travel charged directly to the five operations. Most indirect costs are allocated to operations according to the percentage of total costs directly charged to each operation.

⁴ Services - Contractor FTEs includes the cost of contractor personnel performing duties primarily onsite and usually on a time and materials basis. These services are required and include application development, database management, security guards, helpdesk, mailroom, financial management, internal controls, financial audits, procurement support, economic modeling, and human resource support activities.

Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

Information Technology

The Commission is an information intensive enterprise. In FY 2013, the information technology (IT) program will focus on four broad areas to support the Commission's statutory mission, including:

Cyber and Information Security. The Commission will continue to refine its security program to ensure the protection of sensitive information, both unclassified confidential information entrusted to it by outside entities, and national security information it maintains to inform its analytical and policy-support activities. Particular emphasis will be placed on the final implementation of the Commission's alternative data facility to ensure continuity of operations in the event of a disaster affecting the Commission's building as well as the controls and operations relating to national security systems.

Collaboration and Document Sharing Services. Building on work in FY 2012, the Commission will deliver IT platforms that drive process improvements, information sharing, document management, and information security. Specifically, the Commission will focus on automating internal administrative processes and operations activities (e.g., routing and approval of Commission actions).

Data Initiative. The Commission will continue to enhance the data architecture begun in FY 2012 in order to standardize data collection, analysis, and retention in a virtualized environment. Two primary initiatives are contemplated for FY 2013. First, the Commission will migrate to a single standardized Data Reference Model to establish uniform data which will enhance reporting and analysis capabilities. Second, the Commission plans to launch a business intelligence platform which will improve data accessibility and availability as well as facilitate more complete reporting and analysis of Commission data.

Web Presence/Enterprise Portal. The Commission has long been recognized as a leader in delivering substantive content relating to international trade and trade-related data to the public. In FY 2013, the Commission will further develop its web-based information delivery by increasing the amount of digital content available to both its Federal customers and the public. Through this process, additional information formats will be introduced to allow greater end-user flexibility.

General Administrative Costs

Costs not directly attributed to the five strategic Operations are known as general administrative costs. Such costs are allocated based on each operation's share of direct labor costs. General administrative costs include the costs of support services provided by the Office of Administrative Services, and most of the subordinate offices, such as Finance, Procurement, Security and Support Services, and Human Resources. They also include the costs of administrative legal advice provided by the OGC, the costs of administrative litigation, and the Office of Equal Employment Opportunity (OEEEO). General administrative costs are less than eight percent of total labor costs. Recent audits of the Commission's administrative functions recommended the additional resources in the administrative area.

The Commission conducted a review of agency-wide administrative functions in part as a response to financial audits and IG reports. This review resulted in a reorganization of administrative functions in an effort to improve the long-term effectiveness and efficiency of the Commission. The reorganization calls for two administrative offices: the Office of the Chief Financial Officer (CFO) and the Office of Administrative Services. The Office of the CFO will consist of the Offices of Finance, Budget, and Procurement. The Office of the Administrative Services will consist of the Offices of the Secretary (including Docket Services), Human Resources, and Security and Support Services. The Office of Security and Support Services includes certain functions formerly assigned to the OCIO, including continuity of operations and information security (as opposed to cyber security, which remains in OCIO). The Commission Approved Staffing Plan for FY 2012 includes nine additional positions for these two offices. (See Commission Approved Staffing Plans, Fiscal Years 2011, 2012, 2013 p.63) These positions will provide the technical and analytical skills necessary to meet recent Federal mandates regarding government-wide management initiatives. More specifically, increased resources are necessary with regard to financial reporting, internal controls, and security. This increase will not result in an increase in the overall Commission staffing levels. Both the Senate and House Appropriations Committees recognized the Commission's need to remedy the weaknesses identified by the auditors and approved the proposed organizational changes in July 2011. The Commission will continue to work diligently to implement the reorganization.

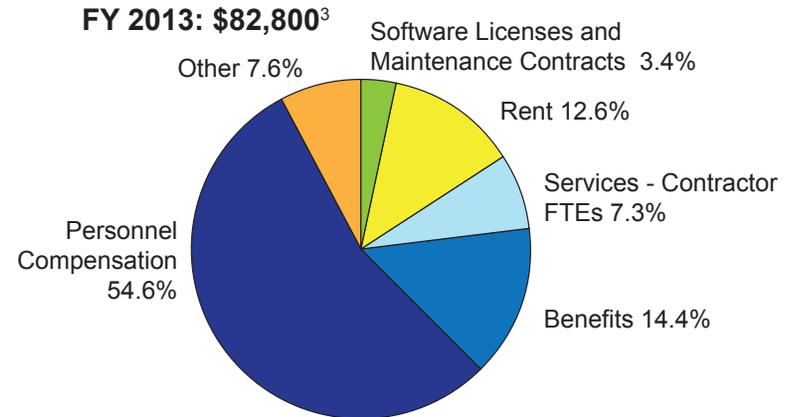
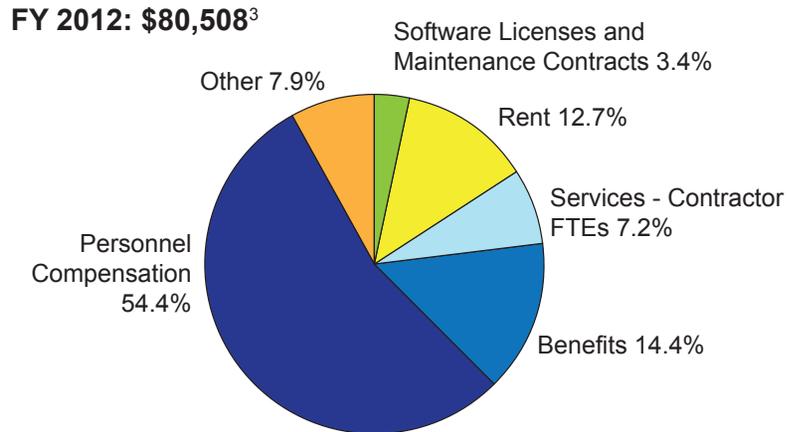
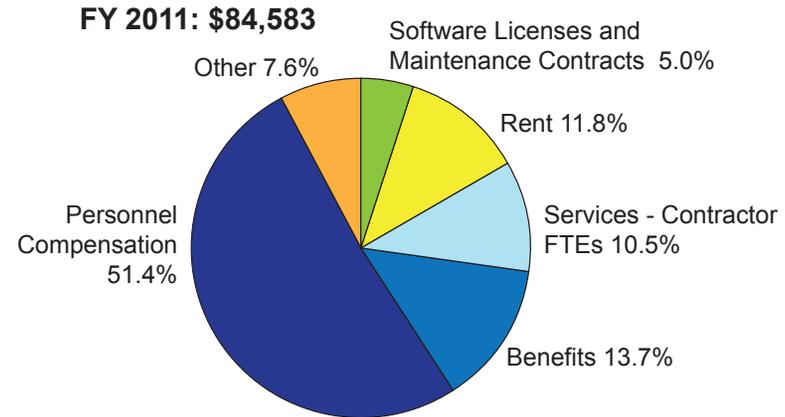
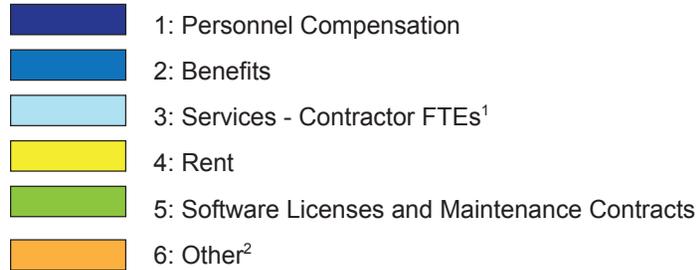
Office of the Inspector General

The Office of the Inspector General (OIG) provides audit, inspection, and investigative support services covering all Commission programs and strategic operations. The mission of the OIG is to promote and preserve the effectiveness, efficiency, and integrity of the Commission. The OIG is required by statute to conduct attestation audits of two annual reports prepared by the Commission: (1) the financial statements describing financial activity for the year and performance statements describing goals and associated measures for the year and (2) information security program and practices in accordance with provisions of the Federal Information Security Management Act (FISMA). In addition to the above two mandatory attestation audits, and based on available resources, the OIG plans to perform 14 individual audits each year as identified in the FY 2012 and FY 2013 Annual Audit Plans.

The OIG requests \$162,000 in FY 2012 for contract audit services for the audit of the FY 2012 financial statements. The OIG requests \$164,000 in FY 2013 for the contract audit services for the audit of the FY 2013 financial statements. The OIG requests \$35,000 in both FY 2012 and FY 2013 for technical equipment to conduct IT security related reviews. The OIG requests training and travel budgets to meet the continuing professional education (CPE) requirements for leadership, technical knowledge, and skills. The OIG requests \$8,000 each year for travel and \$12,000 each year for training. The full OIG budget request for FY 2012 is \$979,000, and FY 2013 is \$980,500, which includes salaries and benefits for five full-time staff members.

Dollar Cost: Comparison by Object Classification, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)



¹ Service - Contractor FTEs includes the cost of contractor personnel performing duties primarily onsite and usually on a time and material basis. These services are required and include application development, database management, security guards, helpdesk services, mailroom services, financial management, internal controls, financial audits, procurement support, economic modeling, and human resource support activities.

² Other includes (in order of cost) supplies, equipment, communications and equipment rental, travel, training, land and structures, printing and reproduction, postage, and transportation.

³ Estimate

Source: Actual costs derived from the Accounting System. Estimates based on approved requests.

Analysis of Change by Object Classification, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)

	FY 2011 Actual Obligations	FY 2012 Expenditure Plan	FY 2013 Budget Request	FY 2012—2013 Change	Percentage Change
PERSONNEL COSTS					
Salaries	\$ 42,669	\$ 43,125	\$ 44,574	\$ 1,449	3.4%
Overtime	44	50	50	0	0.0%
Awards	778	500	500	0	0.0%
Total Personnel Compensation	\$ 43,491	\$ 43,675	\$ 45,124	\$ 1,449	3.3%
Total Benefits	\$ 11,587	\$ 11,612	\$ 11,949	\$ 337	2.9%
TOTAL PERSONNEL COSTS	\$ 55,078	\$ 55,287	\$ 57,073	\$ 1,786	3.2%
NON-PERSONNEL COSTS					
Total Rent	\$ 10,004	\$ 10,318	\$ 10,504	\$ 186	1.8%
Services					
Services - Contractor FTEs	\$ 8,900	\$ 5,776	\$ 6,030	\$ 254	4.4%
Software Licenses and Maintenance Contracts	\$ 4,188	\$ 2,718	\$ 2,838	\$ 120	4.4%
Total Services Costs	\$ 13,088	\$ 8,494	\$ 8,867	\$ 373	4.4%
Other					
Supplies	\$ 809	\$ 1,802	\$ 1,895	\$ 93	5.1%
Equipment	1,419	2,057	1,822	-235	-11.4%
Travel	465	500	500	0	0.0%
Training	384	575	500	-75	-13.0%
Communications and Equipment Rental	807	817	830	13	1.6%
Transportation	20	23	23	0	0.0%
Postage	50	120	120	0	0.0%
Land and Structures	2,166	250	350	100	40.0%
Printing and Reproduction	293	266	317	51	19.1%
Total Other Costs	\$ 6,414	\$ 6,409	\$ 6,356	\$ -53	-0.8%
TOTAL NON-PERSONNEL COSTS	\$ 29,505	\$ 25,221	\$ 25,727	\$ 506	2.0%
TOTAL COSTS	\$ 84,583	\$ 80,508	\$ 82,800	\$ 2,292	2.8%

Source: Accounting System.

Summary of Increases/Decreases Presented in Analysis of Change (Fiscal Years 2012 and 2013)

Personnel Cost Change

(Dollar Amounts in Thousands)

Personnel Compensation +1,449

Salaries will increase by 3.4 percent based on a projected locality-adjusted Federal pay raise of 1 percent (the overall Federal pay raise of 0.5 percent is expected to result in a 1 percent increase in the Washington, D.C. area based on past experience), normal cost of promotions and within-grade increases, and ongoing recruitment efforts to fill vacancies in key areas.

Benefits +337

Since retirement benefits are incurred as a percentage of salary, as salary costs increase, retirement benefits costs increase. In addition, benefits costs increase at a higher rate than compensation due to rising health insurance costs and the shifting demographics of the workforce. This shift results in an increased percentage of Commission employees covered by the Federal Employees Retirement System. Those benefits are almost triple the cost of Civil Service Retirement System benefits to the Commission.

Net Personnel Cost Changes

+1,786

Non-Personnel Cost Changes

(Dollar Amounts in Thousands)

Rent +186

Rent costs will increase marginally to accommodate escalations in real estate taxes and operating costs included in the leases.

Services - Contractor FTEs +254

Contractor FTE costs will increase by 4.4 percent as a result of increased security costs associated with the new courtroom and required cost of living adjustments to service contracts. Contractor FTE costs declined by over \$3.0 million from FY 2011 to FY 2012.

Software Licenses and Maintenance Contracts +120

Software licenses and maintenance costs will increase by 4.4 percent due to contractual requirements.

Supplies +93

Supplies costs will increase marginally to cover increased subscription costs.

Equipment -235

Equipment costs will decrease by 11.4 percent. FY 2012 costs are higher due to the cost of furnishing the new courtroom.

Training -75

Training costs will decrease by 13 percent. FY 2012 costs are higher due to a number of agency-wide training programs that will occur in FY 2012. Agency-wide training costs in FY 2013 will be lower.

Communications+13

Communications costs will increase marginally.

Land and Structures +100

Land and structures costs appear to increase by 40 percent between FY 2012 and FY 2013. All work related to the second floor renovation and development of the new courtroom will occur in FY 2012. Funds for this project were obligated in prior years.

Printing and Reproduction +51

Printing and reproduction costs will increase by 19.1 percent due to projected costs increases for Federal Register publications.

Net Non-Personnel Cost Changes+506

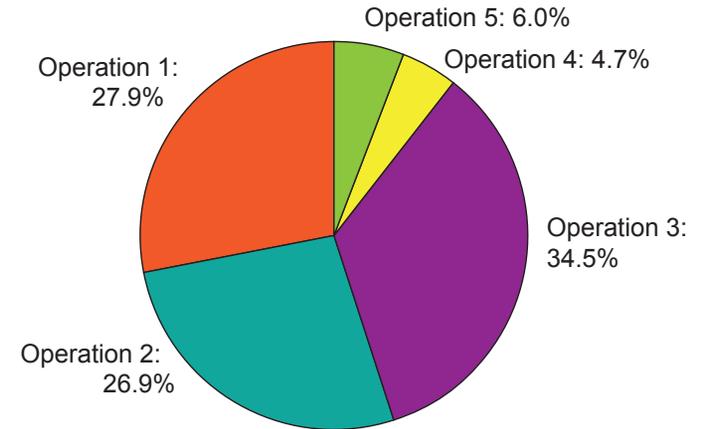
Total Adjustment to Base +2,292

Dollar Cost: Comparison by Operation, Fiscal Years 2011, 2012, 2013

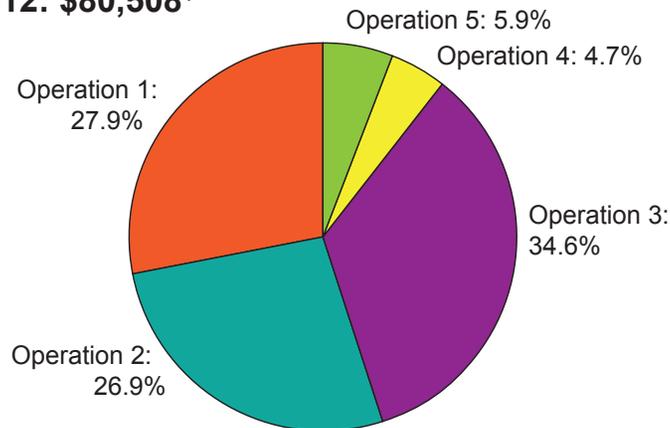
(Dollar Amounts in Thousands)



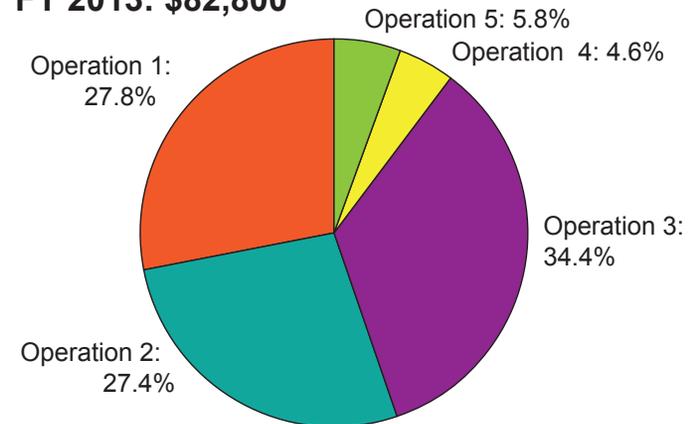
FY 2011: \$84,583



FY 2012: \$80,508¹



FY 2013: \$82,800¹



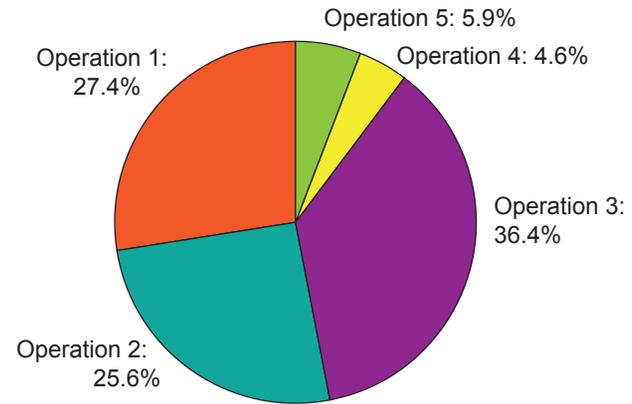
¹ Estimate

Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

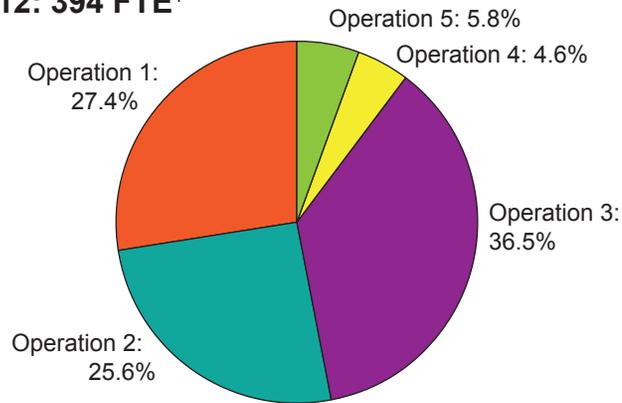
Workyears: Comparison by Operation, Fiscal Years 2011, 2012, 2013



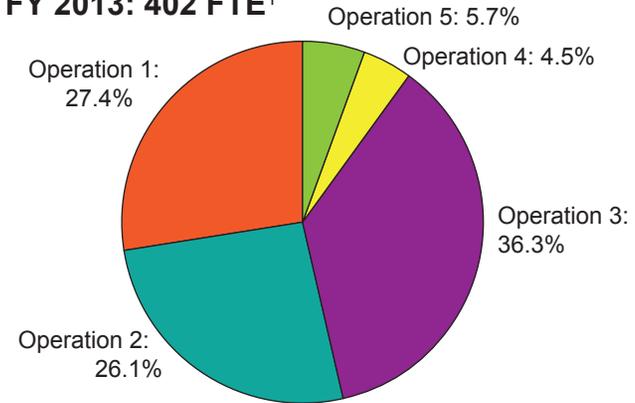
FY 2011: 390 FTE



FY 2012: 394 FTE¹



FY 2013: 402 FTE¹



¹ Estimate

Source: Actual costs derived from the Labor Cost Reporting System and Accounting System. Estimates provided by the Cost Center Managers and Office Directors.

Budget Summary by Operation, Fiscal Years 2011, 2012, 2013

(Dollar Amounts in Thousands)¹

Operation	FY 2011 Actual		FY 2012 Estimate		FY 2013 Estimate		FY 2012—2013 Change	
	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars	Workyears	Dollars
A. Direct Costs ²								
1: Import Injury Investigations	64	\$ 12,121	64	\$ 12,157	65	\$ 12,410	1	\$ 253
2: Intellectual Property-Based Import Investigations	58	11,690	58	11,719	61	12,414	3	695
3: Industry and Economic Analysis	80	14,089	80	14,127	81	14,388	1	261
4: Tariff and Trade Information Services	10	1,988	10	1,997	10	2,002	0	5
5: Trade Policy Support	13	2,531	13	2,540	13	2,546	0	6
Subtotal	225	\$ 42,419	225	\$ 42,540	230	\$ 43,760	5	\$ 1,289
B. Indirect Costs ³								
1: Import Injury Investigations	43	\$ 11,464	44	\$ 10,300	45	\$ 10,633	1	\$ 333
2: Intellectual Property-Based Import Investigations	42	11,082	43	9,933	44	10,256	1	323
3: Industry and Economic Analysis	62	15,107	64	13,728	65	14,100	1	372
4: Tariff and Trade Information Services	8	2,000	8	1,771	8	1,792	0	21
5: Trade Policy Support	10	2,511	10	2,236	10	2,259	0	23
Subtotal	165	\$ 42,164	169	\$ 37,968	172	\$ 39,040	3	\$ 1,003
C. Total Costs								
1: Import Injury Investigations	107	\$ 23,585	108	\$ 22,457	110	\$ 23,043	2	\$ 586
2: Intellectual Property-Based Import Investigations	100	22,772	101	21,652	105	22,670	4	1,018
3: Industry and Economic Analysis	142	29,196	144	27,855	146	28,488	2	633
4: Tariff and Trade Information Services	18	3,988	18	3,768	18	3,794	0	26
5: Trade Policy Support	23	5,042	23	4,776	23	4,805	0	29
Total	390	\$ 84,583	394	\$ 80,508	402	\$ 82,800	8	\$ 2,292

¹ Totals may not add due to rounding.

² Direct costs include personnel costs, space rental, and travel charged directly to the five operations.

³ Indirect costs include personnel costs not directly charged to the five operations such as general administration, IT support services, and leave/holiday pay. Indirect costs also include all non-personnel costs, except space rental and travel charged directly to the five operations. Most indirect costs are allocated to operations according to the percentage of total costs directly charged to each operation.

Source: Actual costs derived from the Labor Cost Reporting System and the Accounting System. Estimates provided by Cost Center Managers and the Office of Administration.

Workyears by Activity and Office, Fiscal Year 2011

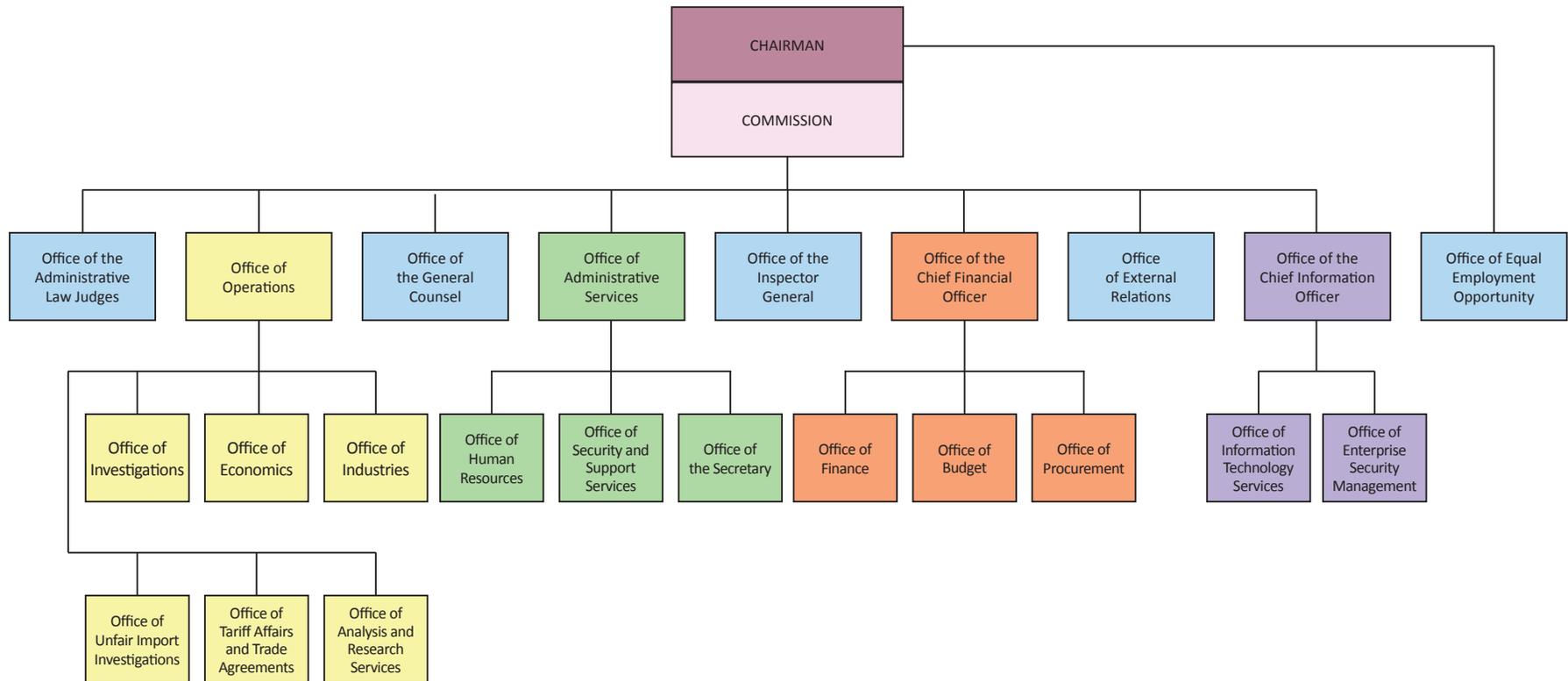
Office/Division	COMM	ER	IG	GC	SE	ALJ	EEO	OP	INV	OUII	EC	TATA	ID	CIO	AD	TOTAL
Operation 1: Import Injury Investigations	12.2	0.3	0.0	11.5	2.6	0.0	0.0	0.1	20.5	0.0	7.3	0.1	4.1	0.0	3.8	62.5
Title VII Investigations	0.2			2.1	1.2				7.4		3.2	0.1	1.4			15.7
Sunset Investigations	0.3			3.0	1.4				11.7		3.6		2.4		0.6	23.2
Other Investigations																
Litigation				6.1					0.1							6.2
Operational Support ¹		0.3		0.2				0.1	1.3		0.4		0.2		3.2	5.7
Executive Direction	11.7															11.7
Operation 2: Intellectual Property-Based Import Investigations	8.0	0.3	0.0	11.8	0.4	16.4	0.0	0.0	0.0	16.3	0.0	0.0	0.0	0.0	4.9	58.1
Section 337 Investigations	0.3			6.5	0.4	16.4				15.9						39.5
Section 337 Litigation				5.1												5.1
Operational Support ¹		0.3		0.2						0.4					4.9	5.8
Executive Direction	7.6															7.6
Operation 3: Industry and Economic Analysis	4.4	0.2	0.0	0.5	0.2	0.2	0.0	4.8	0.6	0.0	19.2	0.1	48.6	0.0	0.1	78.8
Statutory Investigations	0.1	0.1		0.5	0.2			0.8	0.5		11.7	0.1	27.0		0.0	40.9
Other Industry and Economic Analysis		0.1				0.2		0.8	0.1		6.9	0.1	17.3		0.0	25.5
Operational Support ¹								3.2			0.5		4.3		0.0	8.2
Executive Direction	4.3															4.3
Operation 4: Tariff and Trade Information Services	1.0	0.0	0.0	0.1	0.0	0.0	0.0	0.1	0.0	0.0	0.0	7.5	1.8	0.0	0.0	10.5
Harmonized Tariff Schedule				0.1								5.5	0.4			6.0
Legislative Reports												0.7	0.7			1.4
Trade Database Management													0.4			0.4
Operational Support ¹								0.1				1.3	0.4			1.7
Executive Direction	1.0															1.0
Operation 5: Trade Policy Support	0.8	1.4	0.0	0.5	0.1	0.0	0.0	0.1	0.9	0.0	2.0	1.5	5.5	0.0	0.0	12.8
Technical Assistance to Congress		0.8		0.2				0.1	0.2		0.4	0.3	0.6			2.5
Technical Assistance to Executive Branch		0.5		0.1							0.9	0.8	2.4			4.8
Operational Support ¹		0.1		0.2	0.1				0.7		0.6	0.4	2.6			4.8
Executive Direction	0.8															0.8
IT Overhead	0.1	0.2	0.0	1.4	0.1	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.7	26.0	0.4	29.0
Administrative Overhead	0.7	1.8	4.7	7.2	2.2	1.3	1.5	2.5	2.8	0.8	7.9	1.2	9.1	2.9	24.4	71.1
Leave/ Holidays	3.7	0.8	0.4	8.2	1.3	4.2	0.5	1.6	5.1	4.2	7.3	2.2	14.9	6.2	6.3	66.6
Unallocated Activities	0.0	0.0	1.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	1.7
TOTAL ²	30.8	5.0	5.0	41.2	7.0	22.2	2.0	9.3	29.9	21.3	43.6	12.7	84.6	35.1	39.8	389.4

¹ Operational support includes all activity codes in each Operation not separately listed.

² Totals may not add due to rounding.

Source: Labor Cost Reporting System

Fiscal Year 2012 U.S. International Trade Commission Office-Level Organization Chart



Commission Approved Staffing Plan, Fiscal Years 2011, 2012, 2013

Office	FY 2011			FY 2012			FY 2013		
	Perm.	Term	Total	Perm.	Term	Total	Perm.	Term	Total
Commissioners' Offices	31		31	32		32	32		32
External Relations	5		5	5		5	5		5
Inspector General	5		5	5		5	5		5
General Counsel	45	1	46	45	1	46	45	1	46
Administrative Law Judges	19	5	24	19	5	24	19	5	24
Equal Employment Opportunity	2		2	2		2	2		2
Subtotal Independent Offices	107	6	113	106	6	112	108	6	114
Operations, Director	4		4	4		4	4		4
Analysis and Research Services	13		13	13		13	13		13
Investigations	34		34	34		34	34		34
Unfair Import Investigations	21		21	21		21	21		21
Economics	38	6	44	38	6	44	38	6	44
Tariff Affairs and Trade Agreements	14		14	14		14	14		14
Industries	91		91	91		91	91		91
Subtotal Operations	215	6	221	215	6	221	215	6	221
Chief Information Officer	5		5	5		5	5		5
Information Technology Services	21	1	22	21	1	22	21	1	22
Enterprise Security Management	6	1	7	3	1	4	3	1	4
Subtotal Chief Information Officer	32	2	34	29	2	31	29	2	31
Administrative Services, Director	6		6	6		6	6		6
Security and Support Services	7		7	12		12	12		12
Human Resources	8		8	8		8	8		8
Secretary	19	2	21	16		16	16		16
Subtotal Administrative Services	40	2	42	42	0	42	42	0	42
Chief Financial Officer **				4		4	4		4
Finance	7		7	8		8	8		8
Procurement	4		4	6		6	6		6
Budget **				2		2	2		2
Subtotal Chief Financial Officer	11	0	11	20	0	20	20	0	20
Commission Total	405	16	421	405*	14	419*	405*	14	419*

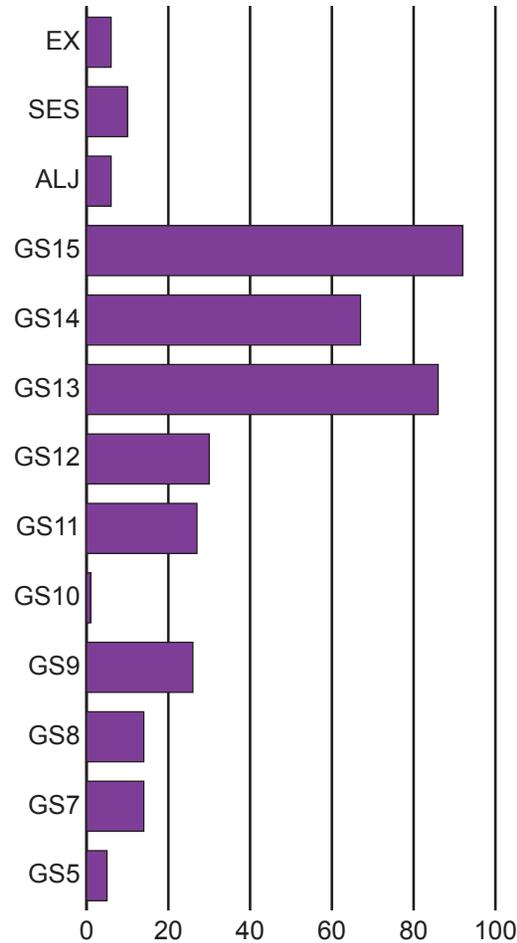
* A permanent staffing level of 405 is the target level for the future staffing plan based on assurances the Commission provided to Congressional oversight committees when the Commission obtained approval of the Reorganization of Agency-wide Administrative Functions. The total of the individual office allocations is 414, not 405. The next version of the Human Capital Staffing Plan, which is due during the summer of 2012, will set forth the adjustments of 9 positions in other areas necessary to allow for the growth in the administrative areas without increasing the overall staffing level.

** To be established during FY 2012.

Total Labor Cost/Workyears by Office, Fiscal Year 2011

(Dollar Amounts in Thousands)

FTE on Board by Grade (as of 9/30/2011)



Office	FY 2011 Actual			
	Commission Staffing Plan ¹	Workyears ²	Salaries and Benefits ³	Average Cost Salaries and Benefits
Commissioners' Offices	31	30.8	\$5,381.1	\$174.8
External Relations	5	4.9	810.2	165.6
Inspector General	5	5.0	797.6	158.5
General Counsel	46	40.7	6,741.0	165.7
Administrative Law Judges	24	22.2	3,195.3	144.0
Equal Employment Opportunity	2	2.0	265.0	132.0
Operations, Director ⁴	17	9.0	1,142.9	127.7
Investigations	34	29.7	4,094.3	137.8
Unfair Import Investigations	21	21.3	3,873.3	181.8
Economics	44	38.9	5,719.1	146.9
Tariff Affairs and Trade Agreements	14	12.7	1,788.3	140.4
Industries	91	84.1	11,456.7	136.2
Chief Information Officer	34	31.5	4,476.4	142.2
Administrative Services	53	43.4	4,849.8	111.8
Commission Total	421	376.2	54,591.0	\$145.1

¹ The Commission Staffing Plan includes permanent (405) and term (16) positions. Temp positions are excluded.

² Total workyears only includes permanent and term; it does not include temporary workyears or overtime.

³ Salaries and Benefits total does not include temps, workers' compensation or commuter subsidy costs.

⁴ Includes Office of Analysis and Research Services (OARS).

Source: Labor Cost Reporting System.

United States International Trade Commission Fiscal Year 2012 and Fiscal Year 2013 Performance Plans



The following sets forth the elements of the U.S. International Trade Commission's (Commission or USITC) Performance Plans for fiscal year (FY) 2012 and 2013 that are not addressed in the body of the agency's Budget Justification. Together, the justification and the plans form the Commission's Performance Budget. The Commission's performance planning is carried out in accordance with the provisions of the Government Performance and Results Act of 1993 (GPRA or Results Act), as amended by the GPRA Modernization Act of 2010. The Plans are based on the seventh edition of the agency's Strategic Plan, which was issued in September 2009, and an Addendum to the Strategic Plan is being issued concurrently with these plans. A guide to the abbreviations used in the Plans appears at the end of the document.

Mission Statement

The mission of the Commission is to: (1) administer U.S. trade remedy laws within its mandate in a fair and objective manner; (2) provide the President, the United States Trade Representative (USTR), and Congress with independent, quality analysis, information, and support on matters relating to tariffs and international trade and competitiveness; and (3) maintain the Harmonized Tariff Schedule of the United States. In so doing, the Commission serves the public by implementing U.S. law and contributing to the development of sound and informed U.S. trade policy.

Introduction

The Commission has a single program activity set forth in the Budget of the United States Government. However, for the purposes of its Strategic Plan and Performance Budget, it has divided its functions into five strategic operations: (1) import injury investigations, (2) intellectual property-related import investigations, (3) industry and economic analysis, (4) tariff and trade information services, and (5) trade policy support. Each operation corresponds to a major part of the agency's mission, and supports one of the agency's five strategic goals. In organizing its budget along operational lines, the agency shows how its goals relate to the costs of achieving targeted levels of performance. Taken together, the Budget Justification and the Performance Plans explain the basis for the Commission's budget request in terms of what the agency needs to fulfill its mission and goals.

As summarized below, the Commission has made progress during the past four fiscal years toward meeting the goals set out in the Performance Plans for those periods. In FY 2012-13, the Commission will continue to work toward the achievement of its goals. The agency reviews its goals each year to determine whether they can be improved. Factors considered in this review include whether the goals are meaningful measures of agency performance, whether they are fully measurable, and whether they reflect the operational environment within which the Commission functions. In this connection, the Commission will continue to consider how it can best address the strong demand for intellectual property-related import investigations and provide analysis and information associated with the enactment of implementing legislation for a new set of free trade agreements.

The Performance Plans list the strategic and performance goals that are set out in the Commission's Strategic Plan, as revised, and establish annual measures and balanced performance indicators for the measures in FY 2012 and 2013. For each performance goal, the Performance Plans set these measures to define the level of performance to be achieved, along with performance indicators to measure outputs, service levels, and outcomes. For each measure, the Plans specify the staff offices responsible for measurement and reporting. Each measure is designed to be met in one fiscal year, so that the end of the year is the milestone for reaching the intended target. The Commission has determined that the measures set out in the FY 2012 and 2013 Performance Plans are appropriate and reasonable. As encouraged by the Results Act, the Commission has sought to express those measures in an objective, quantifiable, and measurable form. The Commission has set outcome-oriented goals as far as possible. Output-oriented goals appear in the Plans only if they measure performance in a relevant and significant way. In preparing the Plans, the Commission made changes to the set of goals that appeared in the Plans for previous

years, adding some goals, modifying others, and removing still others to better reflect the Commission's activities. Where appropriate, the Plans discuss how the Commission works with other agencies such as the Commerce Department and U.S. Customs and Border Protection.

Consistent with the E-Government Act of 2002, the Plans include performance measures that demonstrate how electronic government enables progress toward agency objectives, goals, and mandates. The Plans also address the agency's performance during FY 2008–11. With respect to each strategic operation, The Budget Justification describes the operational processes, the skills and technology, and other resources required to meet the performance goals. The Commission does not administer grant accounts.

The Commission performs a verification and validation of measured values, to ensure the accuracy and reliability of the data used to measure progress toward the agency's performance goals. For each strategic goal, a senior agency manager, who has in the past served as an Operations Coordinator, will now serve as a Goal Leader. In conjunction with other senior managers, a Goal Leader is responsible for meeting the performance goals in his or her operation, and coordinates the verification and validation of performance data, under the general oversight of the Executive Management Committee and its Strategic Planning Subcommittee. The process involves review of the logs and reports generated by staff offices to monitor and measure achievement. Goal Leaders may determine the need to incorporate other data or procedures, including existing record keeping processes, and automated systems such as the Electronic Document Information System (EDIS). For each goal, a Goal Leader will assess the level of accuracy required for the intended use of the data, any limitations to the data at the required level of accuracy, and how the agency will compensate for such limitations if needed to reach the required level. In 2010, the Commission finalized written procedures governing the measurement, verification, and validation of performance data.

The Commission summarized its FY 2011 performance in its Annual Financial Report for FY 2011 and is issuing an FY 2011 Annual Performance Report in February 2012, which provides detailed information on the agency's performance.

The Commission's Goal Leaders are:

1. Strategic Goal in Operation No. 1: the Director, Office of Investigations.
2. Strategic Goal in Operation No. 2: the Director, Office of Unfair Import Investigations.
3. Strategic Goal in Operation No. 3: the Director, Office of Economics.

4. Strategic Goal in Operation No. 4: the Director, Office of Tariff Affairs and Trade Agreements.
5. Strategic Goal in Operation No. 5: the Director, Office of Industries.

Strategies

The Commission will employ the following strategies to contribute to the fulfillment of its goals:

- Providing timely delivery of skilled human resources, valuable products, and expert services
- Making agency processes more transparent
- Reengineering processes to increase efficiency
- Reviewing and reporting periodically on key performance indicators

Management Goals

The Addendum to the Strategic Plan sets out management goals aimed at ensuring that agency-wide administrative support services will be provided to the Commission accurately, efficiently, and in full compliance with applicable authorities. Set out below are the measures, targets, and performance indicators that will be used to gauge progress toward meeting the management goals.

The following Commission officials are responsible for achievement of the goals set out below.

Management Goal 1, Improve effectiveness and efficiency of hiring practices: the Chief Human Capital Officer (the Chief Administrative Officer).

Management Goal 2, Improve effectiveness and efficiency of acquisitions: the Chief Procurement Officer (the Director, Office of Procurement).

Management Goal 3, Improve financial management controls: the Chief Financial Officer, or in his or her absence, the Chief Administrative Officer.

Management Goal 4, Use information technology to support productivity gains: the Chief Information Officer.

Management Goal 1: Improve effectiveness and efficiency of hiring and professional development practices.					
FY 2012 Measure			FY 2013 Measure		
a. Promptly deliver certified candidate lists to selecting officials after vacancy announcement closing.			a. Improve upon FY 2012 result for timeliness in delivery by 5%.		
Purpose: Fill agency vacancies in a timely manner and limit delay or disruption in the hiring process (new measure).					
Contributors: Office of Human Resources, Managers/Selecting Officials, USAJobs.com					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Establish baseline for delivering lists to selecting officials	Improve timeliness in delivering lists by 5%
Indicator and data source: Records of elapsed time between announcement closing and delivery of lists as reported by the Office of Human Resources.					
FY 2012 Measure			FY 2013 Measure		
b. Establish baseline of relevant stakeholder satisfaction with hiring practices.			b. Improve upon FY 2012 baseline by 5%.		
Purpose: Measure current level of stakeholder satisfaction with hiring processes, particularly among recent hires and managers, to ensure that the Commission is able to hire highly qualified candidates (new measure).					
Contributors: Office of Human Resources, Office of Administrative Services, Chief Information Officer.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Select areas for improvement based on level of stakeholder satisfaction reflected in survey results	5% increase in stakeholder satisfaction over FY 2012 level
Indicator and data source: Annual stakeholder survey conducted at beginning of fiscal year, OPM annual viewpoint survey for 2012, as reported by the Office of Human Resources. For this measure, relevant stakeholders will include staff such as employees hired within the previous year and managers.					
FY 2012 Measure			FY 2013 Measure		
c. Establish baseline for accuracy of records regarding hiring procedures, based on internal review.			c. Improve accuracy of records regarding hiring procedures, based on internal review.		
Purpose: Ensure consistent maintenance of accurate and reliable records (new measure).					

FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Establish baseline for retrieval and accuracy of required records for all hires in FY 2012	Improve on 2012 baseline by 5%
Indicator and data source: Accuracy of Office of Human Resources case files as reported by the Office of Human Resources.					
FY 2012 Measure d. Assess satisfaction of relevant stakeholders with opportunities offered to employees for professional development.				FY 2013 Measure d. Improve satisfaction with professional development opportunities by 5%.	
Purpose: Improve the professional development of Commission staff, aid employees in career advancement (new measure).					
Contributors: Office of Human Resources, Office of Finance, agency managers.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Assess stakeholder level of satisfaction with employee development opportunities based on survey results	5% increase in stakeholder satisfaction over FY 2012 level
Indicator and data source: Annual survey of stakeholders such as agency staff conducted at the beginning of fiscal year as reported by the Office of Human Resources.					

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Management Goal 2: Improve effectiveness and efficiency of acquisitions.					
FY 2012 Measure			FY 2013 Measure		
a. Identify and establish baseline for timeliness of key elements in procurement process.			a. Improve timeliness of key elements in procurement process.		
Purpose: Process acquisition requests in a timely manner so that internal needs are met efficiently (new measure).					
Contributors: Office of Procurement, Office of Finance, Office of Administrative Services.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Identify and establish baseline for timely accomplishment of key elements	Improve timeliness in accomplishing key elements by 5% over baseline
Indicator and data source: Timeliness of accomplishment of key elements, as reported by the Office of Procurement.					
FY 2012 Measure			FY 2013 Measure		
b. Establish baseline of stakeholder satisfaction with acquisition process.			b. Improve stakeholder satisfaction with acquisition process.		
Purpose: Measure current level of stakeholder satisfaction to determine to what extent the acquisition process is successful in obtaining goods and services, and increase this level (new measure).					
Contributors: Staff involved in making and processing acquisition requests.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Assess satisfaction of relevant stakeholders with acquisition process based on survey results	5% increase in stakeholder satisfaction over FY 2012 level
Indicator and data source: Annual stakeholder survey conducted at beginning of fiscal year as reported by the Office of Procurement.					
FY 2012 Measure			FY 2013 Measure		
c. Establish baseline of contract files that are complete and accurate based on internal review.			c. Improve completeness and accuracy of contract files		
Purpose: Ensure consistent maintenance of complete and accurate procurement records (new measure).					
Contributors: Office of Procurement, Office of Finance, Office of Administration, COTRs, CCMs, DORs.					

FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Establish baseline for completeness and accuracy of contract files	Improve upon FY 2012 baseline percentage of complete and accurate contract files by 5 percentage points
Indicator and data source: Percentage of records of Procurement, Finance, COTRs, CCMs that are complete and accurate as reported by the Office of Procurement.					

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Management Goal 3: Improve financial management controls.					
FY 2012 Measure			FY 2013 Measure		
a. Provide timely and accurate periodic reports to agency management and provide requested information to independent auditors in a timely manner.			a. Provide timely and accurate periodic reports to agency management and provide requested information to independent auditors in a timely manner.		
Purpose: Ensure that agency managers have data they need to make decisions in a timely fashion and that all audit requests can be complied with quickly and completely (new measure).					
Contributors: Office of Procurement, Office of Finance, Office of Administration					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Establish baseline for submission of timely reports and information	Improve upon 2012 baseline by 5%
Indicator and data source: Timeliness of reports of Procurement, Finance, COTRs, and CCMs; Oracle reports; and Prism reports; as reported by the Office of Finance.					
FY 2012 Measure			FY 2013 Measure		
b. Eliminate or reduce all incidence of improper payments.			b. Eliminate or reduce all incidence of improper payments.		
Purpose: Ensure Commission funds are spent properly (new measure).					
Contributors: Office of Finance					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Establish baseline for incidence of improper payments	Reduce incidence of improper payments by 5% from FY 2012 baseline
Indicator and data source: Percentage of records of Procurement, Finance, COTRs, CCMs that are complete and accurate as reported by the Office of Procurement.					
FY 2012 Measure			FY 2013 Measure		
c. Establish baseline for compliance of current financial management activities with internal controls.			c. Ensure high level of compliance of current financial management activities with internal controls.		
Purpose: Ensure compliance with current internal controls and improve upon financial management processes (new measure).					
Contributors: Office of Finance, Office of Procurement, Office of Administration, COTR's, CCMs, DORs.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 Target	FY 2013 Target
N/A	N/A	N/A	N/A	Assess level of compliance of current financial management activities with internal controls	Meet or exceed FY 2012 compliance level

Indicator and data source: Level of compliance reflected in records of Finance, Procurement, COTRs, CCMs; USITC Accounting Manual; Oracle reports; Prism reports; as reported by the Office of Finance and internal control staff.

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Management Goal No. 4: Use information technology to support productivity gains.						
FY 2012 Measure				FY 2013 Measure		
a. In moving to new Networx telecommunications contracts, achieve 100% disconnect from existing telecommunications contracts.				a. None.		
Contributors: CIO, Office of Procurement; applicable procurement rules.						
Purpose: Enhanced telecommunications (new measure).						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	N/A	100%	None	
Performance indicator and data source: Percentage of disconnect as reported by CIO.						
FY 2012 Measure				FY 2013 Measure		
b. Establish baseline score on annual NARA self-assessment.				b. Improve score on annual NARA self-assessment.		
Purpose: Identify and preserve agency records, and transfer permanent records into NARA custody records (new measure).						
Contributors: Agency-wide; records management rules; NARA.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	N/A	80%.	82%.	
Performance indicator and data source: Score on annual NARA self-assessment as reported by CIO.						
FY 2012 Measure				FY 2013 Measure		
c. Establish baseline score on Enterprise Vulnerability Index.				c. Improve score on Enterprise Vulnerability Index.		
Purpose: Reduced IT enterprise vulnerability through ongoing, timely patch management and increased IT security awareness (new measure).						
Contributors: Agency-wide; applicable IT security rules.						

FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	N/A	5.0	4.5
Performance indicator and data source: Enterprise Vulnerability Index score as reported by CIO. The Enterprise Vulnerability Index is an indexed value that relates the current overall attack surface of the USITC network and attached systems. It is calculated using the formula: $\log \sum SN$, where S is the vulnerability score using the Common Vulnerability Scoring System (CVSS) and N is the number of machines affected by that vulnerability. In this system 0 is a perfect score, with higher numbers reflecting a larger attack surface.					
FY 2012 Measure			FY 2013 Measure		
d. Establish baseline for efficiency of IT data center.			d. Improve efficiency of IT data center through higher utilization of virtualized assets.		
Purpose: Improve the efficiency of the IT data center (new measure).					
Contributors: CIO; applicable rules.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	N/A	Establish baseline.	1% improvement over baseline.
Performance indicator and data source: Number of CPUs (physical and virtual) supported per kilowatt as reported by CIO.					
FY 2012 Measure			FY 2013 Measure		
e. Ensure that all IT systems have a valid authority to operate.			e. Ensure that all IT systems have a valid authority to operate.		
Purpose: Enhance security (new measure).					
Contributors: Agency-wide; applicable IT security rules.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/At	N/A	100%.	100%.
Performance indicator and data source: Percentage of IT systems with a valid authority to operate as reported by CIO.					

FY 2012 Measure				FY 2013 Measure		
f. Establish baseline for network and system availability for all major USITC platforms.				f. Improve network and system availability for all major USITC platforms.		
Purpose: Provide effective IT tools to allow agency personnel to carry out the agency's mission (new measure).						
Contributors: CIO, Office of Procurement.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/At	N/A	Set baseline of 95%.	96%.	
Performance indicator and data source: Level of network and system availability as reported by CIO.						

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Low-Priority Program Activities

The GPRA Modernization Act of 2010 calls on agencies to identify low-priority program activities. The Commission has only one program activity in the Budget of the United States Government. However, the Commission has conducted an analysis of its functions with respect to their contribution to the mission and goals of the agency in an attempt to identify low-priority functions.

The Terminations, Reductions and Savings (TRS) volume of the President's Budget identifies the lower-priority program activities under the GPRA Modernization Act, 31 U.S.C. 1115(b)(10). The public can access the volume at: <http://www.whitehouse.gov/omb/budget>.

Strategic Operation 1: Import Injury Investigations

The Commission provides a fair and transparent mechanism for investigating allegations of injury to domestic industries in antidumping and countervailing duty investigations and reviews, and safeguards and market disruption investigations. The Commission thereby facilitates a rules-based international trading system and carries out U.S. law. In FY 2012 and 2013, the Commission will take several actions to improve its performance in conducting import injury investigations, including by ensuring that determinations are issued in a timely way and customers have prompt access to investigation documents; improving the experience of users of the import injury web pages; and conducting outreach to industry groups and others. Although the import injury process generally functions well, the Commission will continue to explore avenues for improvement.

External factors affecting performance within Strategic Operation 1 include industry decisions on whether to file cases, Commerce Department determinations, judicial and panel reviews, and changes in legislation. The Commission will continue to consult as necessary with the Department of Commerce on the two agencies' distinct roles in the antidumping and countervailing duty investigative process.

Strategic Goal

Support a rules-based international trading system by producing high-quality and timely import injury determinations based on the following:

- an effective exchange of information between the Commission and interested parties,*
- an appropriate investigative record, and*
- transparent, fair, and equitably-implemented procedures.*

Performance Goals, Measures, and Results

Performance Goal 1: Improve the quality and efficiency of the investigative process by conducting internal and external reviews, including review of draft investigation and litigation documents.					
FY 2012 Measure			FY 2013 Measure		
a. Written feedback from Commissioners and their aides concerning staff efforts to compile the record and to identify, explain, and analyze important factual and legal issues is positive.			a. Written feedback from Commissioners and their aides concerning staff efforts to compile the record and to identify, explain and analyze important factual and legal issues is positive.		
Purpose: Ensure an appropriate investigative record is compiled for every investigation.					
Contributors: Commissioners, INV, EC, IND, GC, Commerce; 19 U.S.C. 1671 et al., 19 C.F.R. parts 206, 207.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target met	Target met	Target met	Meet or exceed 82% positive feedback	Meet or exceed 82% positive feedback
Performance indicator and data source: Commissioner feedback reported by GC and INV.					

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 2: Meet statutory and court deadlines.					
FY 2012 Measure			FY 2013 Measure		
a. Submit all reports, determinations, memoranda, draft opinions, and briefs by the statutory or court deadline.			a. Submit all reports, determinations, and briefs by the statutory or court deadline.		
Purpose: Timely submission of documents to ensure compliance with applicable laws and court orders (measure modified to focus on statutory and court deadlines).					
Contributors: Commissioners, INV, EC, IND, GC, Commerce; 19 U.S.C. 1671 et al., 19 C.F.R. parts 206, 207.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target met	Target met	Target partially met	100%	100%
Performance indicator and data source: Dates of issuance reported by GC and INV.					

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 3: Improve the development of investigative records.						
FY 2012 Measure				FY 2013 Measure		
a. Make progress on improving methods of gathering and processing investigative data, such as streamlining questionnaires, taking into account results of biennial survey of investigation participants regarding investigative procedures.				a. Make progress on improving methods of gathering and processing investigative data.		
Purpose: Ensure that import injury determinations are based on an effective exchange of information between the Commission and interested parties and that procedures are efficient, thorough, and fair.						
Contributors: Commissioners, INV, EC, IND, GC, Commerce; 19 U.S.C. 1671 et al., 19 C.F.R. parts 206, 207.						
Milestone: Completion of biennial survey process no later than end of third quarter of FY 2012.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
Target met	Target met	Target met	Target met	Progress made	1) Increase the use of electronic delivery of questionnaires to industry participants and 2) Increase electronic processing of questionnaire data	
Performance indicator and data source: Improvements implementation reported by INV and ITS.						

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 4: Improve the scope, quality, and transparency of information regarding investigations that is made available to investigative participants and the public.						
FY 2012 Measure				FY 2013 Measure		
a. Achieve improvement over the FY 2011 level of satisfaction reported by users of the Commission's import injury web pages.				a. Achieve improvement over the FY 2012 level of satisfaction reported by users of the Commission's import injury web pages.		
Purpose: Ensure that information on the import injury investigation process is easily accessible to interested parties and the general public through the agency's website.						
Contributors: INV, EC, ID, GC, ITS; 44 U.S.C. chapter 35						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
Target not met	Target not met	Target met	Target not met	1-point improvement	1-point improvement	
Performance indicator and data source: Level of satisfaction reported by ITS.						

FY 2012 Measure				FY 2013 Measure	
b. Staff conducts outreach to industry groups and others to ensure they understand Commission capabilities and process.				b. Staff conducts outreach to industry groups and others to ensure they understand Commission capabilities and process.	
Purpose: Help potential participants in import injury proceedings in their interactions with the agency.					
Contributors: INV, EC, IND, GC.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	Outreach conducted	Outreach conducted
Performance indicator and data Source: Number of outreach initiatives reported by INV.					
FY 2012 Measure				FY 2013 Measure	
c. Make documents filed on EDIS available promptly.				c. Make documents filed on EDIS available promptly.	
Purpose: Prompt availability of investigative record material to enhance the ability of parties and others to participate in import injury proceedings.					
Contributors: OAS.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target met	Target met	Target met	80% availability in 24 hours, 90% in 48 hours	80% availability in 24 hours, 90% in 48 hours
Performance indicator and data Source: Time of document availability reported by OAS.					

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Strategic Operation 2: Intellectual Property-Based Import Investigations

The Commission adjudicates complaints brought by domestic industries under section 337 of the Tariff Act of 1930 that allege infringement of U.S. intellectual property rights and other unfair methods of competition in connection with imported goods. The Commission thereby facilitates a rules-based international trading system by providing a fair and transparent forum for the adjudication of such disputes.

The Commission plans to undertake activities during FY 2012 and 2013 to measure and enhance the agency's performance in three central aspects of its Section 337 work: completing proceedings expeditiously, informing the public about the section 337 process, and improving the effectiveness of the agency's orders. The Commission will collect and analyze data about the length of investigations and ancillary proceedings and the Commission's compliance with key statutory and administrative deadlines. The results of this effort will be used to determine whether expansion of the ALJ corps to six judges has reduced the average length of investigations, as section 337 investigations have continued to increase in terms of both the number of new complaint filings and the complexity of the underlying disputes. The Commission will also ensure that new filings are entered into EDIS expeditiously and that the public has access to more types of information.

During FY 2000, the agency surveyed complainants who had obtained exclusion orders to see whether imports subject to those orders had, in fact, stopped, and then developed recommendations in light of the survey results. This survey was repeated in late FY 2005; after review of the survey responses, the Commission acted to increase communication between Commission staff and personnel of U.S. Customs and Border Protection (Customs) about the enforcement of section 337 remedial orders. In FY 2010, the Commission conducted a similar survey, and in FY 2011, shared the results with Customs and posted summaries of the results on the Commission's website, along with comparative information from the 2005 survey.

External factors affecting performance of this function include the size and complexity of the Section 337 docket, which is dependent on the decisions of businesses to file and settle cases; judicial review; legislative changes; and Customs enforcement of exclusion orders.

Strategic Goal

Conduct intellectual property-based import investigations in an expeditious, technically sound, and transparent manner, and provide for effective relief when relief is warranted, to support a rules-based international trading system.

Performance Goals, Measures, and Results

Performance Goal 1: Meet statutory and key administrative and court deadlines, conclude section 337 investigations expeditiously, and reduce the average time to conclude ancillary proceedings.					
FY 2012 Measure			FY 2013 Measure		
a. Institute investigations; set target dates; and file TEO and final IDs, TEO and final determinations, and court briefs on time.			a. Institute investigations; set target dates; and file TEO and final IDs, TEO and final determinations, and court briefs on time.		
Purpose: Timely action to ensure compliance with laws and court rules, and that proceedings are conducted in an expeditious and procedurally sound way.					
Contributors: Commissioners, OALJ, OUII, GC; 19 U.S.C. § 1337, 19 C.F.R. part 210.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target not met	Target met	Target met	Target partially met	100% of actions timely	100% of actions timely
Performance indicator and data source: Institution, target dates set, and documents filed within deadlines, as reported by OUII and GC.					
FY 2012 Measure			FY 2013 Measure		
b. Conclude investigations into alleged section 337 violations within time frames that are consistent with the URAA implementing report.			b. Conclude investigations into alleged section 337 violations within time frames that are consistent with the URAA implementing report.		
Purpose: Expedient adjudication of intellectual property-based disputes, particularly those involving patented technologies, is of great importance to intellectual property rights holders.					
Contributors: Commissioners, OALJ, OUII, GC; 19 U.S.C. § 1337, 19 C.F.R. part 210.					
FY 2008 result	FY 2009	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target not met	Target not met result	Target not met	Target not met, but improvement achieved	Average length of investigations is within time frames	Average length of investigations is within time frames
Performance indicator and data Source: Investigation length is within time frames, as reported by OUII and GC.					

FY 2012 Measure				FY 2013 Measure	
c. Ensure that the average length of ancillary proceedings is no more than the following:				c. Ensure that the average length of ancillary proceedings is no more than the following:	
(1) modification: 6 months.				(1) modification: 6 months.	
(2) advisory: 12 months.				(2) advisory: 12 months.	
(3) enforcement: 12 months.				(3) enforcement: 12 months.	
(4) consolidated ancillaries: 15 months.				(4) consolidated ancillaries: 15 months.	
Purpose: Ensure that ancillary proceedings, which play an important role in the enforcement of Commission remedies, do not become unduly long.					
Contributors: Commissioners, OALJ, OUII, GC; 19 C.F.R. part 210.					
FY 2008 result	FY 2009	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target 1 N/A	Result	Target 1 N/A	Target 1 not met	Average length of proceedings is within time frames	Average length of proceedings is within time frames
Target 2 met	Target 1 N/A	Target 2 met	Target 2 met		
Target 3 N/A	Target 2 N/A	Target 3 met	Target 3 met		
Target 4 N/A	Target 3 not met	Target 4 N/A	Target 4 N/A		
	Target 4 met				
Performance indicator and data source: Length of proceedings is within deadlines reported by OUII and GC.					

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 2: Improve the scope, quality, and transparency of information regarding section 337 investigations that is made available to investigative participants and the public.	
FY 2012 Measure	FY 2013 Measure
a. Improve over the FY 2011 level of satisfaction reported by users of Commission intellectual property infringement web pages.	a. Improve over the FY 2012 level of satisfaction reported by users of Commission intellectual property infringement web pages.
Purpose: Ensure that information on the intellectual property-based import investigation process is easily accessible to interested parties and the general public through the agency’s website.	
Contributors: Commissioners, OALJ, OUII, GC, ITS, OAS; 44 U.S.C. chapter 35.	

FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target not met	Target met	Target met	Target not met	1-point improvement	1-point improvement
Performance indicator and data source: Satisfaction level reported by ITS.					
FY 2012 Measure			FY 2013 Measure		
b. Make documents filed on EDIS available promptly.			b. Make documents filed on EDIS available promptly.		
Purpose: Prompt availability of investigative record material to enhance the ability of parties and others to participate in proceedings.					
Contributors: OAS.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target met	Target met	Target met	80% availability in 24 hours, 90% in 48 hours	80% availability in 24 hours, 90% in 48 hours
Performance indicator and data source: Time of document availability reported by OAS.					
FY 2012 Measure			FY 2013 Measure		
c. Staff conducts outreach to bar groups and others to ensure they understand Commission capabilities and process.			c. Staff conducts outreach to bar groups and others to ensure they understand Commission capabilities and process.		
Purpose: Enhance the service the Commission provides to its customers.					
Contributors: OALJ, OUII, GC, ER.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	Outreach efforts made	Outreach efforts made
Performance indicator and data source: External contacts made, as reported by OUII and GC.					

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 3: Actively facilitate enforcement of exclusion orders.						
FY 2012 Measure			FY 2013 Measure			
a. Issue seizure and forfeiture orders within 30 days after receipt of notification letters from Customs.			a. Issue seizure and forfeiture orders within 30 days after receipt of notification letters from Customs.			
Purpose: Prompt issuance of seizure and forfeiture orders to prevent additional importations that violate exclusion orders (goal was modified to shorten deadline).						
Contributors: Commissioners, GC; 19 U.S.C. § 1337, 19 C.F.R. part 210.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	Target not met	Target not met	Target met	100% timely issuance	100% timely issuance	
Performance indicator and data source: Order issuance reported by GC.						
FY 2012 Measure			FY 2013 Measure			
b. Provide terms of proposed exclusion orders to Customs prior to submission to the Commission, and give Customs scheduling information for section 337 proceedings on a quarterly basis.			b. Provide terms of proposed exclusion orders to Customs, and consider any feedback received from Customs, before submitting them to the Commission, and give Customs scheduling information for section 337 proceedings on a quarterly basis.			
Purpose: Improve communication between the Commission and Customs to help ensure the effectiveness of section 337 proceedings.						
Contributors: OUII; Customs; 19 U.S.C. § 1337.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
Target met	Target met	Target met	Target met	Information provided in 100% of cases	Information provided in 100% of cases	
Performance indicator and data source: Customs contacts reported by OUII.						
FY 2012 Measure			FY 2013 Measure			
c. None.			c. Conduct a survey regarding effectiveness of outstanding exclusion orders.			
Purpose: Strengthen Commission procedures relating to the issuance of exclusion orders (goal was modified to add a survey in FY 2013).						
Contributors: Commissioners, OUII, GC; 19 U.S.C. § 1337, 19 C.F.R. part 210.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	Target met	Target met	None	Survey questionnaires distributed	
Performance indicator and data source: Survey questionnaire distribution reported by OUII and GC.						

Notes: 1. The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

2. Measure 3.b may need to be adjusted as the Commission adjusts procedures in view of the new Operation 2 staffing model.

Performance Goal 4: Formalize the process to facilitate the identification of potential public interest issues in the early stages of a section 337 investigation and provide the parties a clear opportunity to address such issues prior to the remedy phase of an investigation.					
FY 2012 Measure			FY 2013 Measure		
a. Review comments on notice of rulemaking regarding public interest submissions and determine what further action is appropriate.			a. None.		
Purpose: Respond to input from a customer (measure modified to extend FY 2011 measure into FY 2012).					
Contributors: Commissioners, OALJ, OUII, GC; 19 U.S.C. § 1337, 19 C.F.R. part 210.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	Conclude rulemaking process	None
Performance indicator and data source: Determination reported by GC.					

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Strategic Operation 3: Industry and Economic Analysis

The Commission continues its statutory mission to provide expert analysis and information to Congress and the executive branch via both formal reports and informal technical assistance. The Commission's goal is to provide sound, objective, high quality analytical products in a timely manner that inform public debate on trade policy issues. External factors affecting the performance of this strategic operation include customer requests for studies, and legislative initiatives. Commission experts are regularly called upon for information and analysis on current and future trade issues and proposed trade legislation, and are in frequent demand as technical experts to assist Congressional staff, interagency policy committees, and trade negotiating teams.

In FY 2012 and 2013, the Commission will seek to improve its performance on a baseline developed in FY 2011 to use in assessing the Commissioners' level of satisfaction with Commission reports, including such factors as the reports' quality and their effectiveness in fully addressing customer requests.

Strategic Goal

Enhance the quality and timeliness of its industry and economic analysis to support sound and informed trade policy formulation.

Performance Goals, Measures, and Results

Performance Goal 1: Develop and improve efficient and effective research methods and deliver products that meet customer requirements.					
FY 2012 Measure			FY 2013 Measure		
a. Feedback from executive branch and congressional staff categorizes delivered statutory reports as informative.			a. Staff from executive branch and/or congressional customers characterize delivered statutory reports as informative.		
Purpose: Help ensure that Commission reports effectively provide accurate and useful information to their intended audience.					
Contributors: Commissioners, EC, ID, GC; 19 U.S.C. § 1332 et al.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target not met	Target met	Target not met	2% improvement over previous year	2% improvement over previous year
Performance indicator and data source: Feedback provided by customers, reported by ER through EC.					
FY 2012 Measure			FY 2013 Measure		
b. Deliver all section 332 reports to requesters on time.			b. Deliver all section 332 reports to requesters on time.		
Purpose: Comply with customer requests and ensure that customers receive accurate and useful information while meeting deadlines.					
Contributors: Commissioners, EC, IND, GC; 19 U.S.C. § 1332 et al.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target met	Target met	Target met	100% timely	100% timely
Performance indicator and data source: Date of report delivery, as reported by EC and ER.					
FY 2012 Measure			FY 2013 Measure		
c. Based on Commissioners' feedback, especially on report quality and fully addressing Commission customers' requests, take action in areas needing improvement.			c. Based on Commissioners' feedback, take action in areas needing improvement.		
Purpose: Assist staff in preparing high quality reports that fully address customer requests.					
Contributors: Commissioners, EC, IND, GC.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	Action taken	Action taken

Performance indicator and data source: Actions taken in 2012 and 2013, as reported by EC.

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 2: Expand the Commission’s capacity to anticipate and address new issues and areas for industry and economic analysis.						
FY 2012 Measure			FY 2013 Measure			
a. Produce 60 staff-initiated articles, working papers, research notes, Executive Briefings on Trade, and presentations at professional meetings/conferences, as resources and mandatory work permit.			a. Produce 60 staff-initiated articles, working papers, research notes, Executive Briefings on Trade, and presentations at professional meetings/conferences, as resources and mandatory work permit.			
Purpose: Enhance the Commission’s industry and economic analysis capabilities.						
Contributors: EC, IND, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
Target met	Target met	Target met	Target met	60 issuances	60 issuances	
Performance indicator and data source: Number of staff-initiated initiatives as reported by EC and IND.						
FY 2012 Measure			FY 2013 Measure			
b. Continue to enhance the Commission’s capacity to efficiently respond to, and anticipate, new areas of analysis or data needs for internal and external customers.			b. Continue to enhance the Commission’s capacity to efficiently respond to, and anticipate new areas of analysis or data needs for internal and external customers.			
Purpose: Enhance the Commission’s ability to anticipate and provide timely responses to customer requests for new and unique insights into challenging international trade issues that may affect the United States.						
Contributors: Commissioners, EC, IND, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target met	(i) Assess process/results for proactive identification of research areas, considering feedback from Commissioners and external customers (ii) Illustrate/assess research efforts to efficiently respond, with feedback from Commissioners and external customers	(i) Continue implementation and refinement of process established in FY 2012, ensuring external and internal customer and user input is documented and shared with Commissioners and relevant staff (ii) Trace, and identify in Commission documentation such as budget justifications, the links from non-customer requested research to customer requested research	

Performance indicator and data source: Assessment from discussion with customers and Commissioners (2012), and implementation and tracking (2013) as reported by EC.	
FY 2012 Measure	FY 2013 Measure
c. Expand economic modeling and analytical capabilities.	c. Expand economic modeling and analytical capabilities
Purpose: Set multiple, specific targets (which change every year) for the expansion of agency capabilities.	
Contributors: Commissioners, EC, IND, GC.	

FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target a-e met	Target a-c met	Target a met	Target a met	(a) finalize FDI database and model;	(a) integrate FDI database and model capabilities into relevant statutory work;
Target f not met	Target d not met	Target b met	Target b not met	(b) increase development of NTM tools and information, including trade facilitation into statutory work;	(b) increase development and use of tools and information related to NTMs, including trade facilitation and labor, into statutory work;
		Target c not met	Target c met	(c) update the USAGE model for labor occupation breakouts using most recent NAICS-based statistics;	(c) update the USAGE model for household and state-level breakouts using most recent NAICS-based statistics;
		Target d not met	Target d met	(d) develop new supply chain and firm level data and information to further understand global trade patterns and effects on international competitiveness;	(d) extend supply chain analysis to new industries and countries with additional detail on regional supply chains (in N. America, Asia or Europe);
			Target e met	(e) continue research initiatives on India and Brazil, especially manufacturing and services sectors;	(e) continue research initiatives on India and Brazil manufacturing and service sectors;
			Target f not met	(f) enhance analytical capabilities with respect to linkages of trade and FDI to labor;	(f) analyze determinants of past Title VII investigation filings and forecast volume of future filings; and
				(g) develop research initiatives focused on links between competitiveness and regulation; and	(g) develop research initiatives focused on links between competitiveness and innovation
				(h) develop knowledge and tools related to green technologies and services	(h) enhance analytical capabilities with respect to linkages of trade and FDI to labor
Performance indicator and data source: Initiatives implemented as reported by EC.					

Note: The use of “N/A” (for “not applicable”) indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 3: Improve the Commission's communications with its customers to ensure that they understand the agency's capabilities and are able to benefit from its expertise.						
FY 2012 Measure				FY 2013 Measure		
a. Achieve improvement over FY 2011 level of satisfaction reported by users of the Commission's Industry and Economic Analysis web pages.				a. Achieve improvement over FY 2012 level of satisfaction reported by users of the Commission's Industry and Economic Analysis web pages.		
Purpose: Ensure that the Commission provides useful information to customers on the Web pages.						
Contributors: Commissioners, EC, IND, GC, ITS; 44 U.S.C. chapter 35.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
Target not met	Target met	Target met	Target met	1-point improvement	1-point improvement	
Performance indicator and data source: Satisfaction level reported by ITS and EC.						

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Strategic Operation 4: Tariff and Trade Information Services

Under this Operation, the Commission provides the U.S. trade community with tariff and trade data and expertise relating to international trade. During FY 2012 and 2013, the Commission will continue to provide timely and effective nomenclature and other services to Congress and the Administration, and will increase the usefulness of the tariff and trade information services it offers its customers. Central to this strategic operation is the maintenance and publication of the HTS and other tariff and trade information that is available on the Commission's website. The Commission actively seeks feedback on customer satisfaction, and has established goals and performance indicators to allow it to measure, analyze, and act on such feedback. External factors affecting performance of this function include legislative changes, Presidential proclamations, and customer requests for assistance.

Strategic Goal

Improve the availability of and access to high-quality and up-to-date tariff and international trade information and technical expertise to support the executive and legislative branches, the broader trade community, and the public.

Performance Goals, Measures, and Results

Performance Goal No. 1: Increase the utility and improve the dissemination of tariff and trade information services to customers.						
FY 2012 Measure				FY 2013 Measure		
a. Achieve increase over FY 2011 in usage of the HTS online search tool.				a. Achieve increase over FY 2012 in usage of the HTS online search tool.		
Purpose: Ensure that the search tool reaches its intended users, including the public and other government agencies.						
Contributors: Commissioners, EC, ID, TATA, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target met	5% increase.	5% increase.	
Performance indicator and data source: Usage rate reported by ITS.						
FY 2012 Measure				FY 2013 Measure		
b. Improve over FY 2011 level of positive feedback from users of Commission tariff and trade web pages.				b. Improve over FY 2012 level of positive feedback from users of Commission tariff and trade web pages.		
Purpose: Ensure that the Commission provides useful information to customers visiting its tariff and trade web pages.						
Contributors: Commissioners, EC, IND, TATA, GC, ITS; 44 U.S.C. chapter 35.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
Target not met	Target not met	Target met	Target met	1-point improvement	1-point improvement	
Performance indicator and data source: Feedback reported by ITS.						
FY 2012 Measure				FY 2013 Measure		
c. Improve success rate of users' keyword searches on HTS Online Reference Tool.				c. Improve success rate of users' keyword searches on HTS Online Reference Tool.		
Purpose: Ensure that users can access the information they need and that searches do not result in "not found" messages.						
Contributors: Commissioners, EC, IND, TATA, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target met	70% of searches successful	71% of searches successful	
Performance indicator and data source: Search success reported by CIO.						

FY 2012 Measure			FY 2013 Measure		
d. Minimize difference between Customs' HTS database and the Commission's online versions of HTS.			d. Maintain minimal difference between Customs' HTS database and the Commission's online versions of HTS.		
Purpose: Help ensure that accurate information is provided to customers.					
Contributors: Commissioners, EC, ID, TATA, GC.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	Less than 1% difference	Less than 1% difference
Performance indicator and data source: Database differences reported by TATA.					

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal No. 2: Provide timely, effective, and responsive nomenclature, trade data, and related technical services to customers.					
FY 2012 Measure			FY 2013 Measure		
a. Positive feedback on Commission responses to email requests concerning HTS.			a. Positive feedback on Commission responses to email requests concerning HTS.		
Purpose: Provide technical tariff and nomenclature advice that meets the needs of customers inside and outside the government.					
Contributors: Commissioners, EC, IND, TATA, GC.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	95% or greater positive feedback	95% or greater positive feedback
Performance indicator and data source: Results reported by TATA.					
FY 2012 Measure			FY 2013 Measure		
b. Develop system to measure response time for emails received through the HTS on-line help system.			b. 80% of emails received through the HTS on-line help system are responded to within 10 working days.		
Purpose: Improve the timeliness of advice provided to customers (modified measure).					
Contributors: Commissioners, EC, IND, TATA, GC, CIO.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target not met	Target not met	Target not met	Target met	80% response within deadline	80% response within deadline
Performance indicator and data source: Development of system and response by deadline, as reported by TATA.					

FY 2012 Measure				FY 2013 Measure		
c. From the date when a batch of miscellaneous tariff bills is assigned internally, 80% of reports are transmitted to the Congress within 65 working days.				c. From the date when a batch of miscellaneous tariff bills is assigned internally, 80% of reports are transmitted to the Congress within 65 working days.		
Purpose: Ensure the efficiency of the bill report process (new measure).						
Contributors: Commissioners, EC, IND, TATA, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	N/A	80% of reports transmitted within deadline	80% of reports transmitted within deadline	
Performance indicator and data source: Actions completed within deadlines, as reported by TATA.						
FY 2012 Measure				FY 2013 Measure		
d. Facilitate interagency decision making.				d. Facilitate interagency decision making.		
Purpose: Facilitate the work of the 484(f) Committee and its member agencies.						
Contributors: Commissioners, EC, IND, TATA, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target met	484(f) Committee meeting agenda is prepared at least 3 weeks before a scheduled meeting and minutes are finalized before the effective date of changes	484(f) Committee meeting agenda is prepared at least 3 weeks before a scheduled meeting and minutes are finalized before the effective date of changes	
Performance indicator and data source: Agenda and minutes prepared, as reported by TATA.						
FY 2012 Measure				FY 2013 Measure		
e. Updated versions of the HTS posted to website within 2 working days of effective date.				e. Updated versions of the HTS posted to website within 2 working days of effective date.		
Purpose: Ensure that users receive up-to-date information.						
Contributors: Commissioners, EC, IND, TATA, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target met	Posting in 2 working days	Posting in 2 working days	
Performance indicator and data source: Posting within deadline, as reported by TATA.						

FY 2012 Measure f. Promptly process requests to the 484(f) Committee and notify requesters of receipt and actions taken.				FY 2013 Measure f. Promptly process requests to the 484(f) Committee and notify requesters of receipt and actions taken.		
Purpose: Enhance the ability of petitioners to work with the Committee.						
Contributors: Commissioners, EC, IND, TATA, GC.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target partially met	<ul style="list-style-type: none"> a. Acknowledge request within 5 working days of receipt b. notify petitioners electronically of Committee decisions within 5 working days c. notify petitioners in writing within 5 working days after implementation of statistical modifications of the HTS 	<ul style="list-style-type: none"> a. Acknowledge request within 5 working days of receipt b. notify petitioners electronically of Committee decisions within 5 working days c. notify petitioners in writing within 5 working days after implementation of statistical modifications of the HTS 	
Performance indicator and data source: Actions taken within deadlines, as reported by TATA.						

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Strategic Operation 5: Trade Policy Support

Although it does not make policy, the Commission contributes to the formulation of U.S. trade policy by providing objective analysis and data to its statutorily defined customers in the executive and legislative branches. During FY 2012 and 2013, the Commission plans to improve its performance in providing expert knowledge and analysis regarding trade-related issues to Congress and the executive branch. The Commission will work to improve the timeliness and scope of the support it provides, to seek improved customer feedback, and to deliver new products and services that meet the situational and increasingly complex needs of its customers. External factors affecting performance of this function include customer requests for assistance, staffing levels, and legislative changes.

Strategic Goal

Provide enhanced support to the development of well-informed U.S. international trade policy by quickly responding to executive and legislative branch policymakers' needs for technical support, data, and analysis.

Performance Goals, Measures, and Results

Performance Goal 1: Provide enhanced real-time, efficient, and effective technical information and analysis to support organizations involved in trade policy formulation.					
FY 2012 Measure			FY 2013 Measure		
a. Respond to 100 requests from the USTR and members of Congress and their staffs, for technical assistance and analysis on tariff, industry, or trade issues.			a. Respond to 105 requests from the USTR and members of Congress and their staffs, for technical assistance and analysis on tariff, industry, or trade issues.		
Purpose: Ensure that the Commission provides effective support to customers (modified measure).					
Contributors: Commissioners, EC, ER, IND, GC, TATA.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
Target met	Target met	Target met	Target met	100 responses	105 responses
Performance indicator and data source: Number of issues supported (ID).					

FY 2012 Measure				FY 2013 Measure	
b. Establish capability for and procedures to enhance electronic delivery of classified products.				b. None.	
Purpose: Assist the customer in receiving classified products (modified measure).					
Contributors: ER, CIO.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target not met	Capability established	None
Performance indicator and data source: Acquisition of access and appropriate technology as reported by ER and ITS.					
FY 2012 Measure				FY 2013 Measure	
c. Revise internal guidelines and database design, if necessary, to improve real-time tracking of requests.				c. None.	
Purpose: Improve internal controls for technical assistance (modified measure).					
Contributors: EC, ER, IND, GC, TATA, ITS.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	Target met	Target not met	Target partially met	Guidelines and database design revised	None
Performance indicator and data source: Revision of guidelines and database design, as reported by ID.					
FY 2012 Measure				FY 2013 Measure	
d. Issue 95% of responses to Congressional letters on time, in accordance with newly-documented procedures.				d. Issue 95% of responses to Congressional letters on time, in accordance with documented procedures.	
Purpose: Ensure that customers receive up-to-date information (modified measure).					
Contributors: Commissioners, EC, ER, IND, GC.					
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target
N/A	N/A	N/A	Target met	95% timely	96% timely
Performance indicator and data source: Responses meet internal deadlines, as reported by ER and GC.					

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Performance Goal 2: Ensure that the Commission's customers are fully informed of the agency's capabilities and are able to benefit from its expertise.						
FY 2012 Measure				FY 2013 Measure		
a. Focus outreach activities regarding Commission capabilities on new Congressional oversight committee staff.				a. Focus outreach activities regarding Commission capabilities on new Congressional oversight committee staff.		
Purpose: Enable new Congressional staff to fully benefit from the Commission's expertise (modified measure).						
Contributors: Commissioners, EC, ER, IND, GC, TATA.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	Target met	Target met	Contacts made with new staff	Contacts made with new staff	
Performance indicator and data source: Number of Congressional contacts made, as reported by ID and ER.						
FY 2012 Measure				FY 2013 Measure		
b. Seek semiannual feedback from USTR's designated Commission liaison regarding satisfaction with technical assistance products.				b. Seek semiannual feedback from USTR's designated Commission liaison regarding satisfaction with technical assistance products, and implement enhancements based on feedback received.		
Purpose: Ensure that customers are satisfied with the assistance provided.						
Contributors: ER, USTR.						
FY 2008 result	FY 2009 result	FY 2010 result	FY 2011 result	FY 2012 target	FY 2013 target	
N/A	N/A	N/A	Target met	Feedback evaluated to improve or revise methods as necessary	Feedback obtained and enhancements implemented	
Performance indicator and data source: Feedback and enhancements, as reported by ID and ER.						

Note: The use of "N/A" (for "not applicable") indicates that no results data are available, normally because a goal is new or no relevant actions occurred during the period.

Guide to abbreviations used in the Plans

Abbreviations	Meanings
AD	antidumping
ALJ	Administrative Law Judge
Blue Book	<i>Antidumping and Countervailing Duty Handbook</i>
CCM	Cost Center Manager
CIO	Office of the Chief Information Officer
COTR	Contracting Officer's Technical Representative
CVD	countervailing duty
DOR	designated office representative
EDIS	Electronic Document Information System
EC	Office of Economics
ER	Office of External Relations
GC	Office of the General Counsel
FDI	Foreign direct investment
HR	Office of Human Resources
HTS	Harmonized Tariff Schedule of the United States
ID	initial determination by an ALJ
IND	Office of Industries
INV	Office of Investigations
IT	information technology
ITS	Information Technology Services
NAICS	North American Industry Classification System
NARA	National Archives and Records Administration
NTM	non-tariff measure
OAS	Office of Administrative Services
OALJ	Office of the Administrative Law Judges
OMB	Office of Management and Budget
OP	Office of Operations
OUII	Office of Unfair Import Investigations
Red Book	<i>An Introduction to Administrative Protective Order Practice in Import Injury Investigations</i>
SE	Office of the Secretary
TATA	Office of Tariff Affairs and Trade Agreements
TEO	temporary exclusion order
URAA	Uruguay Round Agreements Act
USAGE	United States of America General Equilibrium
USTR	United States Trade Representative
WCO	World Customs Organization
WTO	World Trade Organization



500 E Street, SW
Washington, DC 20436