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Declassified in Part - Sanitized Copy Approved for Release 2011/12/01 : CIA-RDP90G00152R001202400011-9

ROUTING AND RECORD SHEET

SUBJECT: (Optional) Speaking Invitation - American Business Conference

STAT FROM: William M. Baker [] EXTENSION NO. PAO 87-0149
STAT Director, Public Affairs [] DATE 18 November 1987

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. ER	25 NOV 1987		<i>[Signature]</i>	
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3. DCI	<i>25 Nov. 12/12</i>		<i>[Signature]</i>	
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P-309-11

ADMINISTRATIVE INTERNAL USE ONLY

PAO 87-0149

18 November 1987

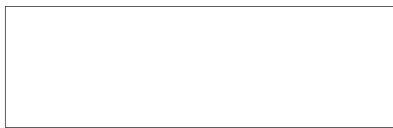
JUDGE:

RE: Speaking Invitation
American Business Conference
Washington, D.C.
Wednesday, 23 March 1988

You have tentatively accepted an invitation to speak to the American Business Conference (ABC), a group of 10 to 12 chief executive officers at an off-the-record breakfast or luncheon meeting March 22nd or 23rd in Washington, D.C. President William Lilley has now invited you to speak to the entire group of 80 - 90 CEOs at 9:30 a.m. Wednesday, 23 March. The suggested format is 20 minutes of remarks followed by 20 minutes of questions and answers. The meeting would be informal, off-the-record and without media coverage. Although the CEOs concentrate on economic growth issues, your views on the US role in the world today and national security will be of great interest. Frank Carlucci spoke to the group in September.

Since members of the ABC represent the type of audience that we wish to educate further about the Agency's mission, I recommend that you accept this invitation for 23 March. If you agree, attached is a letter for your signature.

STAT



STAT

Bill Baker

DCI/PAO/WMB/



18Nov87

Distribution:

Orig. - Addressee

1 - DDCI

1 - ER

1 - D/Ex Staff

1 - [Redacted]

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ADMINISTRATIVE INTERNAL USE ONLY

CM 81-2502/2

Central Intelligence Agency



Washington, D.C. 20505

10 APR 1987

Mr. William Lilley III
President
American Business Conference
1730 K Street, NW
Washington, D.C. 20006

Dear Bill:

Many thanks for your letter inviting me to address the full membership of the American Business Conference on Wednesday, March 23rd at 9:30 a.m. in Washington, D.C. Although my schedule is not firm for March, I will pencil it in on my calendar. If nothing goes awry, I will look forward to meeting with you and your group.

Warmest regards.

/s/ William H. Webster

William H. Webster
Director of Central Intelligence

1730 K Street, NW
Washington, DC 20006
(202) 822-9300

William Lilley III
President

American
Business
Conference

October 15, 1987

The Honorable William Webster
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Bill:

Many thanks for your recent letter concerning our March 22-23, 1988 membership meeting. I certainly appreciate the difficulty in predicting your schedule this far in advance.

My earlier correspondence mentioned breakfast or lunch on either March 22 or 23 with some of our members. However, we would like to expand upon this, and invite you to address our full membership instead. Although our policy advocacy centers upon economic growth issues, our CEO's are extremely sophisticated about the larger implications of the U.S. role in the world and would be very interested in your views on the same from your CIA perspective. Frank Carlucci did the same from his perspective at our annual meeting last month, and it was one of our most interesting sessions. If you find your schedule is open, we would like to suggest 9:30 a.m. on Wednesday, March 23. However, if this is not convenient, we will be pleased to arrange an alternate time.

Again, we hope you will be able to participate in our membership meeting in March, and look forward to hearing from you. If you or your staff need additional information, please call me or Fran Frazier at 822-9300.

Sincerely,



William Lilley III

P.S. I loved the NEWSWEEK cover; Wyman and I laughed about how you have ascended to movie star status. We assume your tennis game has suffered accordingly.



A Coalition of Growth Companies

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Speaking Invitation - American Business Conference, 22-23 Mar 88

STAT

FROM: William M. Baker

EXTENSION

NO.

STAT

Director, Public Affairs

PAO 87-0106

DATE

23 September 1987

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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P-307-11

23 September 1987

JUDGE:

RE: Speaking Invitation
American Business Conference
Washington, D.C.
22 - 23 March 1988

The President of the American Business Conference, William Lilley III, has invited you to speak at an off-the-record breakfast or luncheon meeting on either Tuesday, March 22nd or Wednesday, March 23rd, in Washington, D.C. You could expect a group of approximately 10 to 12 chief executive officers who are members of the ABC. The suggested format is a roundtable discussion allowing 10 minutes of prepared remarks followed by a 30-minute discussion period. The Business Conference leaves the topic of your remarks open to your discretion.

As you recall, the ABC invited you to speak in September, but you were unable to accept because of your overseas trip. You indicated that you would take a rain check on their invitation. (See letter opposite.) I recommend that you address this group, but suggest an interim letter, since your schedule is not firm for March. If you agree, attached is a letter for your signature.

STAT

[Redacted Signature]

Bill Baker

STAT

DCI/PAO/WMB, [Redacted]

Distribution:

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- Orig. - Addressee
- 1 - DDCI
- 1 - ER
- 1 - D/EX Staff - [Redacted]
- 1 - D/PAO
- 1 - [Redacted]
- 1 - PAO
- 1 - PAO Chron
- 1 - PAO Ames
- 1 - MED (Subject)
- 1 - Jean

WLB



ADMINISTRATIVE INTERNAL USE ONLY

Central Intelligence Agency



Washington, D.C. 20505

Executive Registry
87-2502x/1

29 SEP 1987

Mr. William Lilley III
President
American Business Conference
1730 K Street, NW
Washington, D.C. 20006

Dear Bill:

Thank you for your letter and invitation to speak to the American Business Conference on March 22nd or 23rd, and I hope that I will be able to do so. At the moment my calendar dates are not firm for March. However, as soon as I know my schedule, a member of my Public Affairs staff will be in touch with you.

I am glad to hear that you are enjoying your new position at the American Business Conference. Best wishes for a successful Washington tour.

Sincerely yours,

/s/ William H. Webster

William H. Webster
Director of Central Intelligence

1730 K Street, NW
Washington, DC 20006
(202) 822-9300

William Lilley III
President

**American
Business
Conference**

August 5, 1987

The Honorable William H. Webster
Director of Central Intelligence
Washington, D.C. 20505

Dear Bill:

Many thanks for your recent letter. Although our members will be disappointed you will not be able to meet with them in September, we certainly understand that the demands on your time are overwhelming. Thus, I am formally extending the raincheck you mentioned -- and we hope you will be able to join us at our Membership Meeting which will be held on March 22 and 23, 1988.

I am thoroughly enjoying my new post here at the American Business Conference. The chief executive officers who comprise the organization are the real leaders in today's economy, and they are some of the most knowledgeable and articulate individuals I know.

Bill, you have my best wishes as you settle in at the Central Intelligence Agency. We will be in touch in a few months concerning our March meeting.

Best,

Bill

William Lilley III

See Tom W. fairly frequently; he beat me 7-5 last month -- so you can see that the good guys are creeping up.

PAO 81-0052

The Director of Central Intelligence

Washington, D.C. 20505

PAO AME

August 3, 1987

Mr. William Lilley III
President
American Business Conference
1730 K Street, N.W.
Washington, D.C. 20006

Dear Bill:

I was pleased to receive your invitation to speak to the American Business Conference on September 15th or 16th, but present plans call for me to be out of the country. Under the circumstances, I must say no much as I regret doing so. Please give me a raincheck.

I hope you are enjoying your new responsibilities. Welcome back to Washington.

Warm regards,

Sincerely,



William H. Webster

1730 K Street, NW
Washington, DC 20006
(202) 822-9300

William Lilley III
President

Executive Registry

87-2502X

**American
Business
Conference**

June 18, 1987

The Honorable William J. Webster
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. Director:

The American Business Conference will hold its annual meeting on September 15 and 16 in Washington, D.C. During this two-day meeting, our members will work with the nation's top officials to promote fundamental economic growth and new opportunities for entrepreneurship. Topics of discussion will include the federal budget deficit, international competitiveness, deterrents to capital formation and other factors which could adversely affect the growth of our economy. On behalf of the membership, I would like to invite you to participate in an off-the-record policy discussion with some of our chief executive officers at breakfast at 8:00 a.m. or lunch at noon on Tuesday, September 15 or Wednesday, September 16.

The American Business Conference membership is comprised of 100 chief executive officers of high growth companies with revenues between \$25 million and \$2 billion. To become a member and remain in the coalition, a company must grow three times faster than the economy plus inflation. These companies are enormously successful, and are on the leading edge of the economy, representing all facets of American enterprise: manufacturing, high-tech, and the service sectors.

ABC's concerns are broad-based, but concentrate solely on economic growth issues. Arthur Levitt, Jr., Chairman of the American Stock Exchange, serves as Chairman of the American Business Conference. Our membership includes many distinguished business leaders whose companies are so prominent that the American public often identifies their product or service with the company's name. The enclosed brochure contains additional information about the American Business Conference.

-2-

Again, we hope you will be able to participate in our annual meeting in September, and look forward to hearing from you. If you or your staff need additional information, please call me or Fran Frazier at 822-9300.

Sincerely,

Bill Lilley

William Lilley III

ROUTING AND RECORD SHEET

(Handwritten initials)

SUBJECT: (Optional)

STAT Invitation to speak to American Business Conference Annual Membership Meeting

FROM: William M. Baker
Director, Public Affairs

EXTENSION NO

PAO 87-0052

DATE

21 July 1987

TO: (Officer designation, room number, and building)

DATE

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

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(Handwritten: P-309-1A)

The Director of Central Intelligence

Washington, D.C. 20505

August 3, 1987

Mr. William Lilley III
President
American Business Conference
1730 K Street, N.W.
Washington, D.C. 20006

Dear Bill:

I was pleased to receive your invitation to speak to the American Business Conference on September 15th or 16th, but present plans call for me to be out of the country. Under the circumstances, I must say no much as I regret doing so. Please give me a raincheck.

I hope you are enjoying your new responsibilities. Welcome back to Washington.

Warm regards,

Sincerely,



William H. Webster

Central Intelligence Agency

PAO 0052 87



Washington, D.C. 20505

Mr. William Lilley III
1730 K Street, N.W.
Washington, D.C. 20006

Dear Mr. Lilley:

Thank you for your kind invitation to address the American Business Conference on September 15th or 16th, during its annual meeting in Washington, D.C. Unfortunately, my travel schedule prevents me from being able to accept the honor at this time. I wish you a most successful meeting and please extend my regards to your members.

Sincerely yours,

William H. Webster
Director of Central Intelligence

STAT

DCI/PAO/WMB/



Distribution:

Orig. - Addressee

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1 - D/Ex Staff

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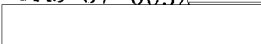
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1 - MED (Subject)

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23 July 1987

JUDGE:

RE: Speaking Invitation
American Business Conference Annual Membership Meeting
Washington, D.C.
15 - 16 September 1987

The President of the American Business Conference (ABC), William Lilley III, has invited you to speak at an off-the-record breakfast or luncheon meeting on either Tuesday, September 15th, or Wednesday, September 16th, in Washington, D.C. You could expect a group of approximately 10 to 12 chief executive officers who are members of the ABC. The suggested format is a roundtable discussion allowing 10 minutes for prepared remarks followed by a 30-minute discussion period. The Business Conference leaves the topic of your remarks open to your discretion, but suggests that the ABC members are interested in the federal budget deficit, international competitiveness, deterrents to capital formation and other factors which could adversely affect the growth of our economy. Our national security is always a topic of interest. During the two days of their annual meeting, they anticipate that members of Congress and Cabinet members also will address the group on separate occasions.

The American Business Conference membership is composed of 100 chief executive officers of high growth companies with revenues between \$25 million and \$2 billion. These companies are on the leading edge of the economy, representing all facets of American enterprise including manufacturing, high-tech, and the service sectors. Arthur Levitt, Jr., Chairman of the American Stock Exchange, serves as Chairman of the American Business Conference. (For further information see brochure opposite.) President Reagan addressed this group in May, and Bill Casey spoke to them last year and also in 1983.

Schedule permitting, I believe that the American Business Conference would be a good group to address at some future date. Since you will be overseas at this time, I have attached a letter of regret to Mr. Lilley for your signature.

STAT



Bill Baker

**EXECUTIVE SECRETARIAT
ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
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Remarks

[Signature]
Executive Secretary
26 Jun 87

Date

STAT

1730 K Street, NW
Washington, DC 20006
(202) 822-9300

William Lilley III
President

Executive Registry
87-2502X

**American
Business
Conference**

June 18, 1987

The Honorable William J. Webster
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. Director:

The American Business Conference will hold its annual meeting on September 15 and 16 in Washington, D.C. During this two-day meeting, our members will work with the nation's top officials to promote fundamental economic growth and new opportunities for entrepreneurship. Topics of discussion will include the federal budget deficit, international competitiveness, deterrents to capital formation and other factors which could adversely affect the growth of our economy. On behalf of the membership, I would like to invite you to participate in an off-the-record policy discussion with some of our chief executive officers at breakfast at 8:00 a.m. or lunch at noon on Tuesday, September 15 or Wednesday, September 16.

The American Business Conference membership is comprised of 100 chief executive officers of high growth companies with revenues between \$25 million and \$2 billion. To become a member and remain in the coalition, a company must grow three times faster than the economy plus inflation. These companies are enormously successful, and are on the leading edge of the economy, representing all facets of American enterprise: manufacturing, high-tech, and the service sectors.

ABC's concerns are broad-based, but concentrate solely on economic growth issues. Arthur Levitt, Jr., Chairman of the American Stock Exchange, serves as Chairman of the American Business Conference. Our membership includes many distinguished business leaders whose companies are so prominent that the American public often identifies their product or service with the company's name. The enclosed brochure contains additional information about the American Business Conference.

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A Coalition of Growth Companies

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Again, we hope you will be able to participate in our annual meeting in September, and look forward to hearing from you. If you or your staff need additional information, please call me or Fran Frazier at 822-9300.

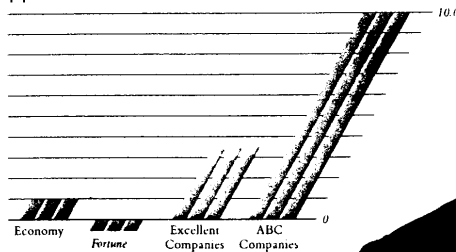
Sincerely,

Bill Lilley

William Lilley III



Growth Rates in Employment



Note: ABC membership as of Feb. '84 represented, median values depicted. Source: Data excerpted from *The Winning Performance*.



"The Nation's economic future lies in the ambitions and dreams of entrepreneurs. The small to midsize companies are our economic engine and America's best hope for the future."

Arthur Levitt, Jr., Chairman
American Business Conference

"We distinguish our products with image-building advertising and quality workmanship and design."

W.L. Lyons Brown, Jr., Chairman and C.E.O.
Brown-Forman Corporation

improvements in products and services, and we will continue to be alert to the new market niche opportunities where we can offer clear benefits to the customer."

Abraham Krasnoff, Vice Chairman & C.E.O.
Pall Corporation

The American Business Conference serves as the voice of the midsize, high-growth sector of the economy. The successful entrepreneurs who comprise the ABC represent the entire spectrum of American industry, from manufacturing to high tech to real estate and services. These chief executives work to create policies which promote economic growth and new opportunities for entrepreneurship. Membership in the ABC is limited to 100 CEOs of high-growth companies with revenues between \$25 million and \$2 billion.

ABC companies are winners. The average five year growth rate in earnings for member companies is 21 percent. To become a member and remain one, ABC companies must grow at three times the rate of the economy plus inflation—almost 15 percent. No other Washington-based organization has such strict standards for membership. About 15 companies per year fail to make the growth hurdle; new companies, with new blood, take their place.

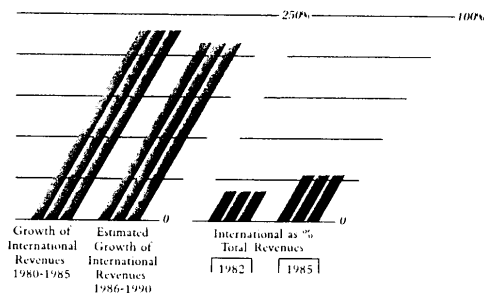
What distinguishes ABC companies is their leadership in the product or service fields in which they compete. So prominent is their command of these markets that the product or service is often identified by their corporate name. This leadership imprint embraces a diverse array of high quality products: Cray supercomputers, Dunkin' Donuts, Hasbro toys, Millipore filtration systems, Genentech biomedics, Peat Marwick accounting, Comdisco computers, Cullinet software, Bergen Brunswig medical supplies, A.T. Cross pens, ADP payroll services, Valspar paints, Josephson talent agencies, Charter Medical hospitals, Mosbacher oil, NV-Ryan homes, Levitz furniture, Herman Miller office furnishings, Grey advertising, Arthur Andersen accounting, and on and on.

"We specialize our people and organize operations along narrow market lines so that we are the best in each field we enter. We must, and will, respond more quickly than ever with

Background

In 1979, the American Stock Exchange, with the Wharton School of Business, co-sponsored a seminar entitled, "Growth Companies: Opportunities and Challenge." Arthur Levitt, Jr., chairman of the American Stock Exchange, led the gathering of chief executive officers and government officials in calling for a new kind of representation in Washington, a one-of-a-kind alliance of midsize, rapidly-growing companies. The organization would be as efficient and energetic as the innovative, successful firms that would become its members.

In 1981, ABC opened its door in a small office in downtown Washington. The organization has thrived since its opening day by defying the norms and conventions of Washington business organizations: the agenda has been kept narrow—only national economic growth issues—and the membership has been kept small—only 100 winners.



ABC's Unconventional Meetings

Central to ABC's mission is bringing its members together with Washington's key policymakers. For that purpose, ABC holds two membership meetings in Washington each year. An ABC membership meeting is in fact a number of working sessions in which small groups of CEOs meet high ranking government officials for frank, off-the-record discussions of pressing economic issues.

Every year since ABC's inception, the President has participated in the membership meetings. Other national figures who meet regularly with the CEOs of ABC include the Vice President, the Chairman of the Federal Reserve System, every Cabinet officer, and virtually every member of Congress involved in the formation of economic policy. No other business group in Washington offers its membership remotely comparable access to America's leaders.

The Washington policymaking community has praised ABC's meeting format. Government officials welcome the chance for meaningful, one-on-one exchange with chief executives who are experts in economic growth and in the creation of jobs, new markets, and innovative products. ABC meetings make a difference.

Along with the membership meetings, ABC

holds periodic task force meetings in the areas of capital formation, tax policy, international trade, and regulatory reform. Interested members are encouraged to participate in these task force sessions as well as in *ad hoc* meetings formed to address other, fast-breaking national issues. As always, these meetings are characterized by close consultation with those Washington officials most influential in the relevant subject area.

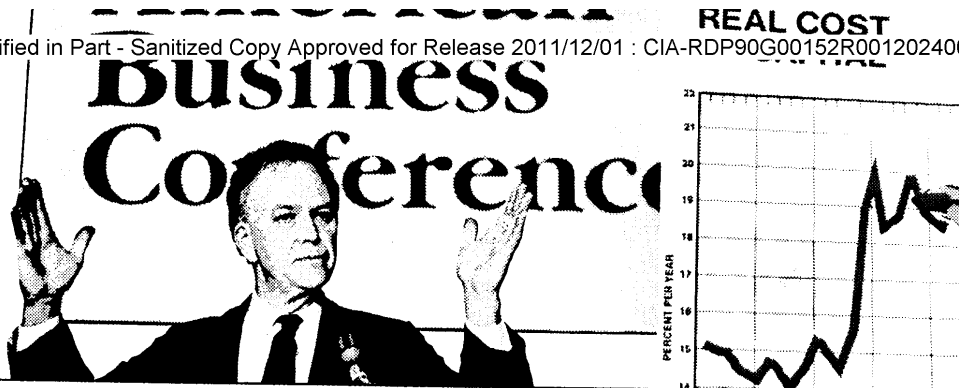
"We're doing things that count. We believe in what we do. Making money is important, but there are lots of ways to make money . . . we're making a contribution to society."

Earle C. Williams, President
BQM International

Policy Advocacy

ABC's policy advocacy has centered upon four issues: deficit reduction, international competitiveness, cost of capital, and economic regulatory reform. This policy agenda, intentionally restricted, covers the key topics relating to ABC's core goals: the stimulation of economic growth and the expansion of entrepreneurial opportunities.

The best advocates of ABC's views are the



members themselves. In addition, ABC's staff works with Congressional committees, the Administration, and members of the press to insure that members' views are given full consideration whenever economic or regulatory policy is made.

Policy Research

The American Business Conference established its reputation in Washington by undertaking critically-acclaimed studies which examined issues central to economic growth. The first of these, *The High Cost of Capital*, by ABC member Dr. George N. Hatsopoulos, identified the high cost of capital as the underlying cause of America's competitive problems. This widely reprinted study was of immediate value to policymakers concerned that capital costs in the United States are two to three times as much as those of West Germany and Japan.

An ABC-sponsored study of midsize, high growth companies by McKinsey and Company is considered the most comprehensive study of why those companies are outperforming large corporations. McKinsey's best-seller study, *The Winning Performance: How America's High-Growth Midsize Companies Succeed*, captured the attention of both the Washington policymaking community and the general reading public. McKinsey concluded that,

"In the half-decade 1978 through 1983, the collective performance of the ABC companies in sales, profits, assets, jobs and market value outpaced the performance of the economy, the Fortune 500 and even the 'excellent companies' chronicled by Tom Peters and Bob Waterman in *In Search of Excellence* . . ."

"America is still the most innovative country in the world, and one characteristic shared by the world's most successful companies is their commitment to products that boost productivity."

Stephen R. Levy, Chairman and C.E.O.
Bolt Beranek and Newman, Inc.

Another cutting-edge policy report, *The Challenge of Global Competitiveness: Views of America's High Growth Companies*, analyzed why ABC midsize companies succeed in international markets when many large companies flounder. Between 1980 and 1985, ABC firms achieved an average annual growth rate in international sales of over 27 percent and project comparable rates of growth internationally in the future. These growth rates underscore the significance of foreign revenues as a fuel for the overall expansion of ABC companies.

In his syndicated column, *Washington Post* eco-



nomics correspondent Hobart Rowen described the implications of the report. "A new report by the American Business Conference, an alert Washington lobby . . . shows that not all American companies have forgotten how to do business abroad. These aggressive ABC businessmen have had 'an astonishing record of success' in international markets, the majority showing the same double-digit growth percentages abroad they registered in their domestic business . . . the ABC group concluded 'Protectionism . . . is of no help at all. In the end, government must place the central responsibility for American competitiveness in Japan and elsewhere upon the shoulders of American business, where, in our society, it belongs.'"

*"All of our markets are worldwide—
Therefore, our competitors are worldwide. This
issue is of major strategic importance to us."*
Roger Johnson, Chairman
Western Digital Corp.

The Future

The members of the American Business Conference are entrepreneurial individuals who are never content with present accomplishments. As a result,

the organization is constantly moving forward to anticipate economic and political conditions which will affect the climate for entrepreneurship. In the next decade, ABC members will address the complexities of growing federal deficits, competition from abroad, barriers to capital formation and other factors which could adversely affect the economic vitality of our nation.

*"At the end of our current five year plan,
I want us to have gone through a management
revolution, to have changed the culture to one in
which improving productivity and making the best
products better becomes a way of life."*

Ray Stata, President
Analog Devices, Inc.

American Business Conference
1730 K Street, N.W.
Washington, D.C. 20006
(202) 822-9300

AMERICAN BUSINESS CONFERENCE



*A Coalition of
Growth Companies*