

February 8, 1996

Mr. John Lohmeyer, Chairman X3T10  
Mr. Robert Snively, Member X3T10 & X3T11

Thank you for your letters of January 17 and January 27th. I am taking the liberty of a collective response to your letters since it appears that they both deal with the same issues and request similar information. I would encourage you to make this letter and its attachments available to others in your committees who share your concerns.

I think that it is most unfortunate that issues involving the IPF have been so disruptive to the work of your committees. It is particularly so when the concerns involve misunderstandings or suppositions as opposed to legitimate differences. While, given the current state of unrest, it may be too much to hope that I can convince anyone to like the IPF program, I can at least provide you with a factual basis upon which to evaluate the program.

One point needs clarification at the outset. That is, who is doing this to you? As pointed out in my November 30th memo, the IPF is billed by various means depending upon arrangements between ANSI and the SDOs involved and the funds are used by ANSI to pay for its cost of administering the international IT program on behalf of the IT industry. The IT industry (for the purpose of funding the IT program) is represented by industry members of the ITCC. The current program was devised by industry volunteers, like yourselves, not by ANSI staff. In addition to ITCC members, the program has been reviewed with the staffs of the SDOs involved and, specifically to your concerns, was endorsed by the representatives to X3 and the JTC 1 TAG. All of the groups I have mentioned are completely open management groups, composed of industry members, that are charged with dealing with matters such as the IPF. The answer to the question is, industry is doing this to itself, and, therefore, I don't think that there is a good basis for any claim of "taxation without representation".

Are changes possible in the program? The answer is clearly yes. For example, we considered the dot group billing issue last July, in the presence of the Chair of X3T11 and at the request of his committee, and again consider it at our 2/1 meeting (reversing our previous position). However, there are some practical factors that ITCC must take into account. A major one is that we are currently in the midst of the 1996 billing cycle so changes to the program, depending upon their nature, will likely have to wait for the 1997 billing cycle. The implication of this is that you need to be mindful of all of the current rules and their implications. In particular, the escrow scheme being considered has no bearing on membership requirements, and if pursued would only lead to the termination of your memberships. ITCC is willing to consider any changes that will improve the system. Failure to resolve an issue in the manner you would prefer, however, does not mean the committee has not given a fair hearing to your issue.

There is one point on which I think we can all agree. That is, the IPF program should be fair in both its construction and its implementation. Of course, what is fair depends upon ones perspective. Several years ago, the program was funded entirely by ITCC member dues (several paying \$75K/year) and by ANSI general funds. That might seem fair to you, but I think that you can understand why the ITCC members and ANSI did not feel that was fair to them. Even today, ITCC member dues (\$15K/year) continue to guarantee for industry the continuation of the program, since IPF receipts have not covered the entire program cost to date.

What ITCC has deemed fair is a broad based program, paid for by all of the industry members that benefit from the existence of the JTC 1 committee. The broader the base, the lower the individual fee, with the intent that a fee that is small relative to other costs of participation (\$300 certainly meets that criterion), while never welcome, is at least not onerous. While the program costs include specific SC Secretariats, it is really the JTC 1 SC infrastructure that is being supported since we must support some as our share, and the specific SCs the US supports will change over time. Our intended outreach, therefore, is to all US committees involved in JTC 1 technology -- "period". The number of TAGs involved, or the number of JTC 1 sub-groups involved, or the number of contributions processed are not relevant. If we attempted to take into account such factors in the design of the billing algorithm, in a system with thousands of participants and hundreds of groups, we would spend more in collections than we would net. Ease of billing is an essential requirement.

The invisibility of "services" that can be directly linked to an individual IPF is due to the fact that what is being "bought" is an infrastructure. For example, your tax dollars pay for roads and bridges that you individually may or may not drive on, but perhaps the truck that delivered your groceries, or the gas for your car, drove on them.

With respect to the implementation of the program (the billing system) we have had some start-up problems. Most of these are behind us now, but some important ones remain. These are mainly committees (in IEEE and TIA and other groups) that should be being billed but are not. ITCC is actively working on these issues. The overwhelming majority of those billed an IPF for 1995 have paid the bill. We collected an IPF from 1737 people in 1995 and we expect to increase this for 1996.

Attached are several ITCC documents that provide the data you requested. These are (this information is being regularly made available to JTC 1 TAG members):

1. A summary chart of Income and Expenses by source.
2. A summary of the 1995 IPF funds collected indicating the source of the funds (including the current ITCC members).
3. A summary of the program expenses for 1995

The question about ANSI vs. ISO style guides is not an issue for the ITCC. If you have specific concerns in this area, I suggest that you refer them to the ANSI Publications Department.

Lastly, I encourage you to discuss your concerns with your representatives on the ITCC or the SDO management committees. If you have further questions about the program, or have specific recommendations for change, I would be happy to address them.

Sincerely,

Richard B. Gibson  
Chairman, ITCC

2/1/96

<b>IN</b>	1995
ITCC	217500
X3/JTC1 TAG	347479
EIA	8100
IEEE <sup>2</sup>	160164
DISA	1200
TIA	4200
<b>Total</b>	<b>738643</b>

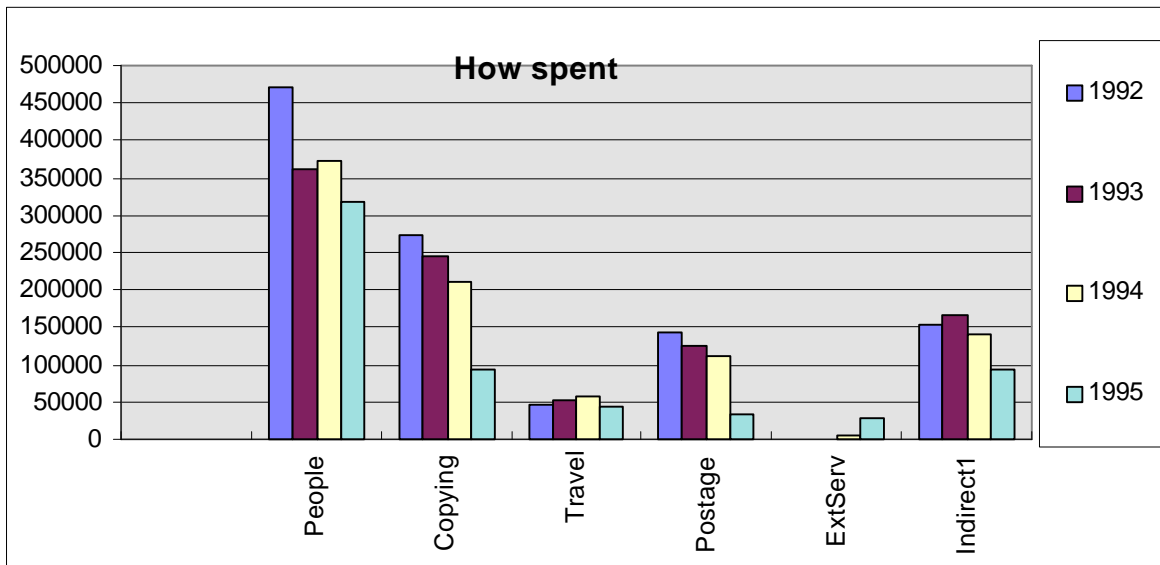
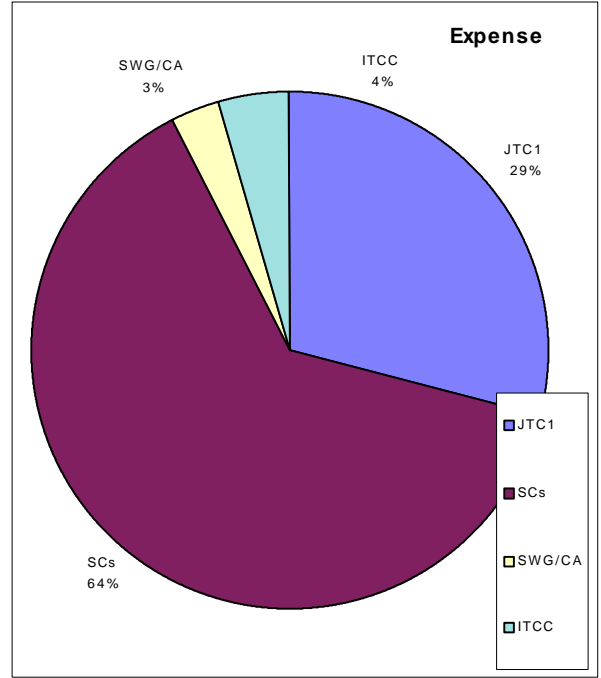
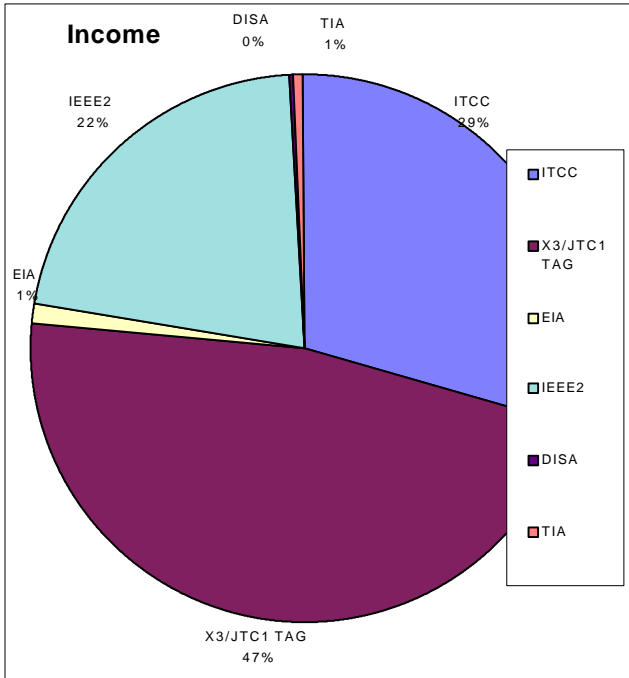
<b>OUT</b>	1995
JTC1	177000
SCs	385000
SWG/C A	18000
ITCC	27000
<b>Total</b>	<b>607000</b>

<b>HOW</b>	1992	1993	1994	1995
People	471300	363100	372000	319000
Copying	273800	244400	211000	93000
Travel	46700	51300	56000	43000
Postage	142100	125300	112000	34000
ExtServ			4000	29000
Indirect <sup>1</sup>	153900	165500	141000	95000
Escrow	0	0	124000	126643
<b>Total</b>	<b>1087800</b>	<b>949600</b>	<b>1020000</b>	<b>739643</b>

## NOTES:

1 Indirect = items such as office space, telephone, etc

2 IEEE is comprised of P802 = \$100k, P1003 = \$30k, other committees = \$10k



*JTC-1 381  
Cancelled*

ANSI Business Line 01 International Standards  
 Sub-Business Line 01 JTC-1  
 Year Ending December 31, 1996  
 (\$ in 000's)

Budgeted Staff:	Total Budget	Activity Name										ITCC				
		JTC-1 SWG-CA	JTC-1 Admin	JTC-1 SC6	JTC-1 SC11	JTC-1 SC18	JTC-1 SC21	IT Training	JTC-1 SC21	JTC-1 SC21	JTC-1 SC21					
Direct Exams	5	15	138	114	108	1108	1172	0	0	0	0	0	0	0	0	0
Subsid	249	15	32	38	8	44	70	27	27	27	27	27	27	27	27	27
Benefits	54	3	11	8	2	9	15	5	5	5	5	5	5	5	5	5
Consultants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outside Services	36	1	14	10	1	7	23	1	1	1	1	1	1	1	1	1
Passage	39	1	10	7	1	6	13	1	1	1	1	1	1	1	1	1
Outside Printing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reproduction	91	1	22	20	1	10	36	1	1	1	1	1	1	1	1	1
Travel	60	4	24	6	4	7	15	2	2	2	2	2	2	2	2	2
Meeting Arrangements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Legal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Audits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Direct Expense	549	25	133	89	17	83	173	19	19	19	19	19	19	19	19	19
Allocated Indirect Expense	83	3	19	13	4	12	26	6	6	6	6	6	6	6	6	6
Total	631	28	151	102	20	95	199	25	25	25	25	25	25	25	25	25



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ITCC N 373  
January 29, 1996

Information Technology Consultative Committee

Title: Statement of JTC 1 Revenue Received from ITCC Dues  
and IPF for the Period Ending 31 December 1995

Source: ITCC Secretary

Action: For consideration at the 1 February 1996 ITCC  
meeting in New York City

ITCC N 373

ANSI  
JTC-1 Revenue  
Period Ending December 31, 1995

Entity/Invoice	Paid Receipts												Total 1995 Revenue	1995 Earnest		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec			Receipts(1)	
<b>Entity/Invoice</b>	<b>Budgeted Revenue</b>	<b>Invoice Date</b>	<b>Invoice Period</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>	<b>Revenue</b>
AMP	15,000	Apr-95	1995	15,000										7,500	15,000	15,000
Apple Computer	15,000	Apr-95	1995	15,000										30,000	15,000	15,000
AT&T	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
Department of Defense	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
Digital Equipment Corp (DEC)	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
GSA	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
Hewlett Packard	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
IBM	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
ITT	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
National Communication System	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
NIST	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
Storage Tech	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
San Microsystems	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
Unsys	15,000	Apr-95	1995	15,000										15,000	15,000	15,000
<b>Total Participant Revenue</b>	<b>210,000</b>			<b>45,000</b>										<b>15,000</b>	<b>51,500</b>	<b>217,500</b>
<b>Participant Fees: (1)</b>																
ITSA	3,000			3,000										600	150	1,200
EIA	9,000			9,000										300	600	9,000
IEEE	188,000			3,375										34,000	43,919	160,164
X3	375,000			34,200										78,657	12,595	347,479
TIA (3)	7,800			11,500										2,700	1,500	4,200
<b>Total Participant Fees</b>	<b>582,800</b>			<b>11,500</b>										<b>114,457</b>	<b>15,150</b>	<b>521,143</b>
<b>Total Revenue</b>	<b>792,800</b>			<b>56,500</b>										<b>114,457</b>	<b>140,865</b>	<b>792,800</b>

NOTES:  
 (1) \$1000 covers 1995 and 1993 payments  
 (2) Does not include updated input from TAC Administration regarding IPT  
 (3) Based on number of invoices issued in July, 1995  
 (4) Deemed collectible per T. Raphael, TIEP



ANSI/Information Technology 1995 Revenue Statement

1995 IPE Revenue	Original Budget	Adjusted (1) Budget	Projected (2) Income #1	Projected (2) Income #2	Total Income (3) Expected for 1995
<b>Int'l Participation Fee (IPF)</b>					
X3/JT	375,000	387,300 (1a)	325,000	300,000	347,479
IEEE	188,000	166,875	166,875	166,875	160,164
EIA	9,000	10,200	10,200	10,200	8,100
TIA	7,800	7,800	7,800	7,800	4,200
DISA	3,000	4,050 (1b)	4,050	4,050	1,200
<b>Total IPF:</b>	<b>582,800</b>	<b>576,225</b>	<b>513,925</b>	<b>488,925</b>	<b>521,143</b>
<b>1995 ITCC Dues Revenue</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>210,000</b>	<b>217,500</b>
<b>Total Revenue:</b>	<b>792,800</b>	<b>786,225</b>	<b>723,925</b>	<b>698,925</b>	<b>738,643</b>

Notes

- (1) Information provided by SDO/TAG Administrator - Adjusted budget represents income to be received if all billables pay.
- (1a) Reflects X3/JTC 1 TAG billing 1179 @ \$300.00 (\$353,700); approx. 112 new billables @ \$300.00 (\$33,600).
- (1b) Reflects SC 30 TAG billing 8 @ \$300.00 (\$2,400); 11 @ 1/2 year pro rated fee of \$150.00 (\$1,650).
- (2) Projected income - takes account of membership fluctuations in X3 Technical Committees and JTC 1 TAG.
- (3) Takes into account monies already received as well as expected receivables.