

The past year has been incredibly productive for ITIF as we continue to enhance policymakers' understanding of the key issues and barriers to growth that will be central to how nations advance economically and socially. The many activities ITIF took on this year revolved around playing a leading role in the regional, national and international debates surrounding issues such as Internet and telecom policy, trade and tax policy, and clean energy.

A highlight was our inaugural Winter Policy Retreat in February. Over 70 people joined ITIF in Miami, Florida for a weekend of discussion and debate around critical innovation and competitiveness issues facing our nation.

Meanwhile, we continued to work closely with a wide range of policymakers around the world to further advance innovation policy, including meetings in Brazil, Chile, France, Germany, Mexico, Norway, Portugal, Sweden and the UK as well as a large number of meetings with foreign delegations visiting Washington seeking to learn more about innovation policy. Additionally, I will be traveling again to China in January 2014 for the U.S.-China Innovation Dialogue.

At home, ITIF analysts were invited to testify at four Congressional hearings during 2013 as well as to brief Obama administration officials on a number of occasions.

Throughout 2013, ITIF has focused on enhancing publicity and overall press coverage to further promote our policy proposals and research findings. In particular, the significant media attention produced by our reports on National Laboratory reform and the economic impacts of the PRISM revelations played a major role in the developing policy debates and led to ITIF being invited to play a role in the ongoing reform discussions in both areas.

This year we were featured in over 600 news articles, including in *The New York Times*, *Washington Post*, *Wall Street Journal* and the Associated Press. ITIF analysts also appeared on 39 radio and TV programs, including PBS, Bloomberg TV, Fox Business and NPR. In addition, we produced 139 external op-eds, including high-profile pieces for the *Sunday New York Times*, *Washington Post*, *Salon* and *Bloomberg View*. During the year, ITIF analysts also served as regular contributors/columnists for outlets such as *Forbes*, *The Hill*, *Information Week*, *IEEE Spectrum*, *FedScoop*, *Industry Week*, *Energy Trends Insider* and *The Energy Collective*.

We also continued our work to build even stronger relationships with key policymakers. We conducted our annual staff education trip to Silicon Valley, which included tours of numerous tech companies and meetings with leading innovators in biotechnology, content, and IT.

In addition ITIF hosted 34 public events including a series of panel discussions, conferences and debates, featuring a wide range of policymakers including: Senators Sherrod Brown, Tom Carper, Orrin Hatch, and Sheldon Whitehouse; Congresswoman Anna Eshoo and Congressmen Gerry Connolly, Tim Ryan and Ben Ray Lujan; Ambassador Phil Verveer; Frank Baitman, Chief Information Officer, U.S. Department of Health and Human Services; Terry Halvorsen, Chief

Information Officer, Department of the Navy; Francisco J. Sánchez, Under Secretary of Commerce for International Trade; and Mary Cheh, Councilmember, DC City Council. We also spoke at over 85 non-ITIF events around the world in a wide range of issue areas including competitiveness, the information economy, manufacturing, trade, science and technology policy, broadband, biotechnology, Internet privacy, e-government and energy.

And of course we continued our prolific publication record, releasing 34 reports (and countless blogs at www.innovationfiles.org). In April, we released *25 Recommendations for the 2013 America COMPETES Act Reauthorization*, which argued for a robust reauthorization of the act in order to bolster STEM education, scientific research, technology commercialization, and innovation activities that underpin U.S. economic competitiveness and growth. The study, *Turning the Page: Reimagining the National Labs in the 21st Century Innovation Economy*, was a collaborative effort among ITIF, the Center for American Progress and The Heritage Foundation, which presented concrete proposals for Congress and the Administration to ensure the Labs better meet their mission. Most recently, we released *The False Promise of Data Nationalism*, which assesses the economic and security impact of local data protection laws.

In the area of tax and U.S. competitiveness, ITIF brought on Joe Kennedy in September as ITIF Senior Fellow, where he focuses on budget and tax issues. He co-authored with Rob ITIF's two-part Investment Budget report, which presented a new theoretical framework for budgeting as well as specific policy prescriptions to implement it (the latter which will be released in January). Joe is now working on a forthcoming assessment of the global competitiveness of the U.S. corporate tax code.

We also continued to be one of the leading voices articulating the challenges of foreign innovation mercantilism, including publishing a major report on localization barriers to trade (released in Geneva in October) and two reports on the need to maximize innovation in the Transatlantic Trade and Investment Partnership (T-TIP) and Trans-Pacific Partnership (TPP) agreements. Likewise, we remained the leading voice on the importance of strong data protection for biologics and strong copyright protection for digital rights holders.

ITIF also continued our work on broadband policy, publishing a major report in February *The Whole Picture: Where America's Broadband Networks Really Stand* and also publishing an op ed in the *New York Times* summarizing its findings. In December, ITIF hired Doug Brake as ITIF's new telecommunications policy analyst. Doug's immediate task will be working on a report on freeing up government spectrum.

ITIF has written extensively on Internet policy, especially online privacy where it has commented on a wide range of issues including mobile apps, location privacy, children's privacy, identity theft, electronic identification, and online behavioral advertising. We have been a leading voice on the economic impact of electronic government surveillance and its impact on digital trade, and published a widely cited report on the cost of NSA's surveillance on the tech sector, as well as convening multiple events on the issue.

ITIF has also focused on intellectual property issues, filing comments with the Department of Commerce on innovation in the Internet economy, and hosting events on the evolving market for digital media and perspectives on Internet piracy. In addition, ITIF has engaged actively on the issue of how government can better use technology for its own ends, such as through reforming its

procurement and hiring practices and properly utilizing and promoting emerging technologies, such as 3D printing, IT in vehicles, and digital currency.

ITIF also launched a major new research initiative, standing up the new Center for Data Innovation which is focusing exclusively on how to use policy to support data-driven innovation in the public and private sectors. The Center has published a weekly set of articles and interviews about data policy challenges and opportunities, as well as larger reports on subjects such as The Internet of Things. (www.datainnovation.org) The Center will be hosting the second annual Data Innovation Day—Washington, DC conference and technology expo on January 23, 2014.

ITIF has continued to serve as a leading voice in federal and state energy and climate policy debates. In June, we released a major study with the Heritage Foundation and the Center for American Progress on reforming the DOE National Laboratory system, which has fueled significant media attention and multiple pieces of legislation in Congress. ITIF also released *Challenging the Clean Energy Deployment Consensus*, a major critique of the United States' dominant focus on clean energy deployment policies at the expense of a more aggressive energy innovation strategy. We also co-hosted a series of Hill briefings with the House Technology Transfer Caucus and Innovation Associates which focused on reforming energy commercialization and technology transfer issues as a way to enhance the development of key legislation, such as the reauthorization of the America COMPETES Act. In two very high-profile events, ITIF continued its work on the intersection of energy and IT in a Capitol Hill briefing on pending legislation that supports next-generation data centers with Congresswoman Anna Eshoo as well as supporting dialogue on reforming the U.S. utility model to allow for a smarter, IT-driven electricity grid.

In the coming year, ITIF is taking its energy innovation policy to the next level by creating Center for Clean Energy Innovation. The Center will allow ITIF to grow its energy innovation footprint in Washington, D.C., in the states and internationally. In early 2014, ITIF plans to launch the Center as well as release a comprehensive *U.S. Energy Innovation Agenda* that details the major investments and policy reforms necessary to make the United States the leading energy innovation ecosystem in the world. We also plan on engaging significantly in the international climate and energy debate, namely on issues related to green mercantilism, making clean energy cheap for developing countries, and involving innovation in international climate negotiations.

In early 2014, ITIF will host our second Winter Policy Retreat, February 20 to 22 in Miami, Florida for an in-depth discussion of key innovation policy issues facing our nation. We are also hosting the second Data Innovation Day, January 24th, which is designed to showcase how important data innovation is to the U.S. economy and society. In early summer will be in New Delhi, India to release a seminal report on the future of Indian growth and innovation, in partnership with the Indian Council for Research on International Economic Relations (ICRIER).

One of ITIF's newest projects is a semi-annual Hill briefing series highlighting emerging technologies. Our first event focused on autonomous vehicles and featured a lively discussion between technologists, business executives and government officials on where the technology currently stands and where it is headed in the future. Our second event assessed the future of and potential end to Moore's Law, the impact this is having on the IT economy, and what the public and private sector can do to spur future semiconductor innovation.

The future is looking bright for ITIF as we continue to focus on cutting-edge policy research, policymaker engagement and stakeholder partnerships that will further the evolution of innovation policy and promote American competitiveness and a stronger global framework for innovation and trade.

I wish you the best in the coming year and hope you have a happy and healthy holiday season.

Sincerely,



Rob Atkinson

President and Founder

Information Technology and Innovation Foundation