REMARKS BY DEPUTY COMMERCE SECRETARY DAVID A. SAMPSON
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Next Generation GPS
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(Text As Prepared for Delivery)

Good morning. I am delighted to join you to mark the beginning of the newest version of GPS service, and the many economic benefits that it will create in the years ahead.

Innovations like the Global Positioning System are what keep the U.S. economy strong and competitive. I'd like to thank the U.S. Chamber of Commerce for hosting this event, and for its leadership in supporting policies that encourage American innovation. President Bush believes that one of the best ways to confront today's global competitive pressures is by investing in the technologies of tomorrow.

Like the Internet, GPS was a Defense Department research application that evolved into a popular consumer product a decade ago. Today, it is a critical component of our information infrastructure used worldwide by tens of millions of people each day. Thanks to the long-standing U.S. policy of making GPS available free of direct user fees to civilians around the world, as well as a track record of highly dependable service, users now enjoy improved efficiency, safety, security, and a higher overall quality of life.

Global GPS sales have surpassed $20 billion a year, and will keep on growing at a healthy rate, according to industry estimates. Over 95% of GPS units sold are for civilian use.

GPS technology can be found in everything from cars and airplanes to cell phones and wristwatches. It's improving productivity in areas as diverse as farming, mining, construction, surveying, taxicab operations, logistical supply chain management, and package delivery. And it is enhancing public safety by preventing traffic accidents, and by reducing response times for ambulances, firefighters, and other emergency services,

We're big users of GPS technology at the Commerce Department. For example:

- National Oceanic and Atmospheric Administration navigates its vessels and enforces fishery boundaries with GPS.
- The National Geodetic Survey uses GPS to survey the nation's coastlines, waterways, and airport approaches.
- The National Weather Service improves its forecasts by using the GPS radio signal to measure water vapor content in the atmosphere.
- The National Institute of Standards and Technology uses GPS to communicate its national time standard to other national laboratories.
- And the U.S. Census Bureau uses GPS to help plot population trends.

All of this extraordinary development and growth is the result of consistent government policies that encourage civilian and commercial uses of GPS.

In 2004, President Bush issued an updated policy that keeps civilian GPS free of direct user fees. Like the National Weather Service, we consider GPS to be a public good that the government needs for its own purposes, and that provides benefits well in excess of its investment costs. We also publish the technical information needed to build GPS receivers in the public domain. And we make that information equally available to U.S. and foreign companies. By promoting GPS as a worldwide standard, we help generate economies of scale for manufacturers. This has led to dramatic reductions in the cost of GPS receivers over the past few years.

The President's policy also stresses that GPS is a national system, not just a military system. It created a national executive committee co-chaired by the Departments of Transportation and Defense to advise and coordinate among federal agencies on GPS and related U.S. systems. I am a member of that executive committee, representing the commercial and civilian side of GPS. Our next meeting is tomorrow, and you can be certain that I will convey what I've heard today from U.S. industry.

This brings us to my final point about our GPS policy, and why we're here this morning.

We have a Presidential mandate to improve the civilian capabilities of GPS to ensure U.S. technological leadership and competitiveness. By continuously upgrading, we're improving civilian GPS performance while promoting its commercial acceptance and use.

Today we're officially announcing deployment of another major upgrade to GPS. In September, the Air Force launched the first in a series of next-generation GPS satellites. The satellite was declared operational in December and is now broadcasting a second civilian signal that enables significant increases in accuracy and reliability when combined with the original signal.

The new signal, known as L2C, was specifically designed with commercial needs in mind. For example, it is transmitted with a higher effective power, so GPS receivers work better in urban areas and indoors. And it requires less energy to receive the signal, an important feature for battery-powered devices such as mobile phones.

In addition, the new signal is broadcast at the same radio frequency that many high-end users, such as surveyors, already leverage to boost GPS accuracy. For them, the benefit will be enhanced reliability.

I understand many thousands of units were sold over the past year in anticipation of the new signal. The fact that companies have invested in a new, unproven capability months before it was even available, speaks volumes about the commercial value of L2C.

No doubt the benefits to the American economy will be significant.

Most of the gains will come from increased productivity. Farmers will be able to spread seed and fertilizer more accurately, which is also better for the environment. Weather forecasters will be able to issue more accurate reports. Heavy machinery users will be able to use their equipment more safely. And these gains will begin to mount as we increase the number of next-generation satellites in orbit later this year.

Clearly, when America innovates, when we develop and field new technologies such as GPS, our workers and our businesses are the big winners.

Looking ahead, we plan to introduce a third civilian GPS signal. This signal is designed to meet the stringent needs of airlines and other "safety-of-life" transportation, including an exclusive radio band, higher power, and greater bandwidth. The new signal also will be integrated into the national transportation system and will play a vital role in improving safety, fuel efficiency, and capacity in our airspace, railroads, and highways.

In addition, we have begun work on yet another, fourth signal. It will augment the original L1 signal. We are working with Europe, Japan, Russia, and other nations to make this signal an open, international standard. This would result in dramatic improvements in the performance of GPS in cities and other areas.

Let me conclude by saying that President Bush is committed to providing GPS to the world. We have a stable policy environment that promotes commercial uses of GPS, and we are constantly upgrading the system to deliver better performance. The President's policies are aimed at ensuring that this key American technology remains a basis for improving the productivity of U.S. businesses and the quality of life for citizens in this nation and around the world.

In the years ahead, this will keep American technology at the center of innovation and will fuel the engine of global economic growth and opportunity.

Thank you.

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