

Statement of Terry Garcia

Nominee for Deputy Secretary of Commerce

**Nomination Hearing before the Senate Commerce, Science, and
Transportation Committee**

June 21, 2011

Thank you, Chairman Rockefeller, Ranking Member Hutchison, and Members of the Committee. It is an honor for me to appear again in a confirmation hearing before this distinguished Committee, this time as President Obama's nominee to be Deputy Secretary of the US Department of Commerce. I am grateful to the President for the opportunity to serve. If I am confirmed, I will look forward to confronting and addressing the challenges that will ensue. I thank the Members of this Committee and the members of your staff who were gracious enough to meet with me over the last several weeks and I anticipate meeting with the remaining Members of this Committee.

As my record demonstrates, I am deeply committed to public service. I am fortunate to have had the opportunity to serve our nation on several occasions over the last two decades. I hope to add to that record. Growing up in Jacksonville, Florida, my parents taught me the relevance and importance of public service. My dad served in the Navy and for more than 35 years worked for the Postal Service. My mother was a civilian employee of the Navy and the Coast Guard for 30 years. With me today are my wife, Mary, my two sons, Jake and Alex and my mother, Marcelle Garcia.

Among other duties, the Deputy Secretary is the Chief Operating Officer of the Department of Commerce, overseeing more than 36,000 employees and a FY 2011 budget of \$ 7.9 billion. The Deputy Secretary also acts as the Secretary's principal advisor and surrogate in a Department that has one of the broadest mandates of any Federal agency.

My varied private and public sector background, my substantial managerial experience and my particular familiarity with significant activities of the Department of Commerce affirmatively qualify me, I believe, to carry out the duties and responsibilities of the Office of the Deputy Secretary. My experience as Executive Vice President at National Geographic Society (NGS), as Assistant Secretary of Commerce for Oceans and Atmosphere and NOAA General Counsel, and as a partner in two major national law firms have prepared me well and provided significant perspective for the management and policy challenges inherent in this position.

For the last 11 years, I have been Executive Vice President at National Geographic, a diversified media organization with world-wide operations and clearly defined and essential scientific and educational missions. My colleagues there and I have been required to navigate through a complex, rapidly changing and highly competitive environment. As is the case with most major media companies, in recent years we have been impacted by the introduction of swiftly evolving technologies which have proved disruptive to National Geographic's core publishing and television businesses. As Executive Vice President, I have broad management responsibilities and discretion which require me to interact with all divisions within National Geographic and to oversee global programs that are critical to maintaining the organization's competitive advantage and distinction in the market. In that capacity, I have acquired extensive experience and relationships with national and international organizations, government institutions and leaders. I have traveled to over 55 countries, representing National Geographic and

negotiating business arrangements at the highest levels with government and business interests. I am a member of the National Geographic executive management committee and have participated in all its major business and policy decisions over the last 11 years.

Prior to joining National Geographic, I was the Assistant Secretary of Commerce for Oceans and Atmosphere and Deputy Administrator of NOAA from 1997-1999. From 1994 to 1997, I served as NOAA's General Counsel. In these two roles I participated in all major policy decisions of the largest agency in the Department of Commerce and acquired a sound understanding of its programs and budgets. Throughout those years my actions were dictated by my firm belief that the government's environmental stewardship responsibilities can and must be harmonized with the private sector's legitimate need for certainty and sustainable economic growth.

Prior to entering government service, I spent 15 years in the private sector representing corporate, banking and other business interests as a partner in two major national law firms. I represented financial institutions in all aspects of their operations, including federal and state regulatory and legislative issues, corporate and securities matters, audit and financial management, mergers and acquisitions, bank operations, and enforcement and administrative proceedings. In addition, at the law firm of Hughes Hubbard & Reed in Los Angeles, I established the firm's west coast banking practice and was Chairman of the West Coast Financial Services Group. I understand first-hand the impact of regulation and the burden it can place on businesses and the need for a balanced approach by the Federal Government in developing regulatory policy.

In addition, I have acquired valuable experience and insight as a result of my service as a trustee, director or advisor to a diverse group of domestic and international academic and nonprofit organizations. Most recently as a Commissioner on the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling, I along with my fellow commissioners dealt with issues of utmost importance to our nation's economy, environment and energy future. I am proud to say that we effectively carried out the President's directive to investigate the root causes of the Deepwater Horizon explosion and make recommendations on how to prevent and mitigate a similar incident in the future. Our work was characterized by bipartisan collaboration and a firm dedication to uncovering the truth. I am also pleased to tell you we did something few Presidential commissions could claim - our report was on time, unanimous and under-budget.

If confirmed, I will have an unwavering commitment to the core mission of the Department of Commerce. That mission - to ensure and enhance economic opportunity for all Americans by helping create jobs and promoting innovation and long-term competitiveness of American companies large and small - has never been more urgent, relevant or central to this nation's collective well-being. This includes: working to double U.S. exports by 2015 as part of the President's National Export Initiative; ensuring that U.S. companies can compete on a level playing field around the world and that our trading partners comply with the full terms of our trade agreements; supporting continued efforts to improve the Patent and Trademark Office's operations and delivery

of services; and promoting the wise stewardship of our natural resources. If confirmed, I will work tirelessly in support of that mission.

Effective management and accounting controls and procedures are critical to the success of any enterprise. This is particularly true for an organization as large, diverse and complex as the Department of Commerce. If confirmed, I will: communicate through words and actions, the critical importance of effective internal controls and procedures; ensure, through active and appropriate oversight and direction, the effective implementation and maintenance of internal controls; demand excellence and accountability Department-wide; require ongoing evaluation of internal controls and procedures for their effectiveness in addressing existing and emerging risks/threats; motivate and empower Department management and staff to systematically improve effectiveness and efficiency and achieve performance excellence; and whenever necessary, ensure that appropriate corrective measures are instituted. I intend to work closely with the Department's Office of Inspector General and will do all in my power to ensure that the OIG can effectively carry out its mission to promote efficiency and effectiveness and to detect and prevent waste, fraud, abuse and mismanagement in the programs and operations of the Department of Commerce.

Mr. Chairman and Members of the Committee, if confirmed as Deputy Secretary of Commerce, I will work with you in a collaborative and constructive manner to develop practical and necessary solutions to our nation's economic and environmental challenges. My record over 35 years demonstrates this approach and my work ethic.

Thank you again for this opportunity to appear before you today and for your consideration of my nomination. I would be pleased to respond to any questions you may have.

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