

radio system in the country, Minnesota Public Radio (MPR). MPR owns and operates 30 radio stations around the state and in border states to provide public radio coverage to 98 percent of the residents of Minnesota. In most communities, they operate dual channels, a news and information station and a music station. In my district, they have stations in Appleton, Worthington and St. Peter. In addition, other parts of my district are served by stations in Minneapolis, St. Cloud and Sioux Falls, South Dakota. They are truly a state treasure, bringing 24 hour-a-day news coverage and classical music to many parts of rural Minnesota that would not otherwise get those services through commercial radio.

Minnesota Public Radio is however, more than just a treasure to my state. It is a national resource, producing more national radio programming than any radio station or system in the United States. Many people around the country identify Minnesota with the image of Lake Wobegon and the nationally known program *A Prairie Home Companion* produced by MPR in St. Paul. As for music, over 500,000 people a week from around the country listen to concerts on St. Paul Sunday, which is about the same number that attend live classical music concerts in the U.S. every week. In addition, MPR produces other nationally known programs such as *Sound Money* and *A Splendid Table*.

Minnesota Public Radio is also an international media entity and has the U.S. distribution rights to the British Broadcasting Corporation (BBC) radio productions on BBC3 and BBC4. It also has U.S. distribution rights to certain productions of the Canadian Broadcasting Company (CBC).

In 1981, Congress, recognizing the likelihood of future federal funding shortfalls, urged nonprofit organizations like MPR to earn more of their revenues by stating the "Public Broadcast stations are explicitly authorized to provide services, facilities or products in exchange for remuneration . . .". In response to that challenge, MPR expanded its product marketing activities into catalog mailings and then, in 1987, launched the Greenspring Companies, a for-profit, tax paying group of companies. Working off its successful *A Prairie Home Companion* and the internal talent of its organization, it set up several for-profit companies to market products associated with its productions. Through sound management and understanding the value of its intellectual property, they turned one of those for-profit companies into one of the largest mail order companies in the country. Over the years, the for-profit companies contributed over \$40 million to the growth of MPR and allowed them to build new radio stations in Minnesota communities like Appleton, Thief River Falls, and La Crescent.

As a for-profit company, Greenspring departed from the norm for "unrelated business activity" at nonprofit organizations and proceeded to employ all of the traditional mechanisms of capitalism, beginning with a strong, experienced, separate Board of Directors, state of the art facilities, recruitment of top industry professionals, incentive compensation, equity participation by employees and public reports similar to those of a publicly traded company. In 1998, after growing one of the for-profit companies, Rivertown Trading Company, from nothing to annual sales of \$200 million, it was sold to the Dayton Hudson Cor-

poration, another Minnesota company. That sale allowed Minnesota Public Radio to put \$90 million into an endowment, the largest endowment of any public broadcasting company in the country. The bonus to management of the for-profit Rivertown Trading Company and Greenspring were about 6 percent of the sales price.

Some Members of Congress would have us penalize the success of organizations such as Minnesota Public Radio. They would say, that since organizations such as MPR are successful capitalists, they should be punished. I, however, believe in the marketplace and do not wish to punish that type of success.

In the meantime, Minnesota Public Radio continues to provide me and my family with our share of Minnesota, whether we are at home in Minnesota or here in Washington. I continue to listen every Saturday night that I can, to Garrison Keillor and all the news from Lake Wobegon and I hope you will also.

DEACTIVATION OF CASC

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 6, 1998

Mr. SMITH of Michigan. Mr. Speaker, I rise today to recognize the end of an era in the United States Air Force and in my district.

On Friday, August 7, the Air Force Cataloging and Standardization Center (CASC) of Battle Creek, Michigan, will be deactivated from active duty at 0900. The functions of (CASC) will be incorporated as part of a new service-wide cataloging effort of the Defense Logistics Agency, known as the Defense Logistics Information Service (DLIS). CASC was the last remaining active duty Air Force facility in Michigan.

CASC began cataloging operations in Battle Creek in 1973. This was the beginning of efforts to centralize all Department of Defense (DOD) cataloging in Battle Creek. In 1976, all Air Force cataloging functions were transferred to Battle Creek.

The Air Force and CASC sought to encourage other branches of our Armed Forces and agencies to centralize their cataloging efforts in Battle Creek as well.

Mr. Speaker, in 1996 the Office of the Secretary of Defense approved their idea to have the Defense Logistics Agency (DLA) lead the new consolidated center and to deactivate CASC. That plan was finalized in March of 1997. This entrepreneurial spirit and their willingness to deactivate their unit for the greater good is simply the kind of innovative and decisive leadership CASC has shown over the years.

CASC's Corporate Board developed a comprehensive strategic plan, putting customer service first. Independent customer surveys support this claim. Such efforts should be a role model for every federal agency.

CASC's efforts to incorporate state-of-the-art automation into their work processes led to a significant workload enhancements and improved efficiency throughout the organization. These significant modernizations reduced the work force by nearly 300 people, however, all reductions were done without any involuntary separations. CASC workers retired, resigned or were placed in other organizations.

One of the technical accomplishments of CASC has been to identify crashed aircraft from the Vietnam War. CASC employees were able to match recovered aircraft parts to specific aircraft, making it possible to identify aircrews missing in action.

In 1983, CASC established a helpline (call center) to provide Air Force personnel with answers to complex logistic information questions. CASC's call center exceeds industry standards in all categories.

Over its twenty-two year history, CASC's innovative approach to cataloging has saved taxpayers over \$60 million. The entrepreneurial spirit within CASC has led to agreements with non-DoD agencies such as the National Weather Service and the Federal Aviation Administration to provide cataloging services which have saved taxpayers \$250,000 per year. Negotiations with further agencies continue.

Such efforts has moved CASC away from measuring processes to measuring performance. Their efforts are a model for our entire U.S. Air Force to emulate.

Mr. Speaker, as an Air Force veteran and on behalf of my constituents in Calhoun County, I am proud to offer this tribute in recognition of the accomplishments of the outstanding men and women of CASC.

PROTECTING THE CREDIT UNION MOVEMENT

SPEECH OF

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, August 4, 1998

Mr. LaFALCE. Mr. Speaker, I appreciated and supported the necessity to move quickly to pass H.R. 1151, the credit union field of membership bill, before the August recess. However, I remain troubled by one of the modifications the Senate Banking Committee made to the House version of the bill, which makes it easier for credit unions to become other types of financial institutions. I will continue to try to rectify this problem in other appropriate contexts. And I also encourage NCUA to use every means at its disposal to prevent credit union members from losing their ownership in a credit union at the hands of a very small minority.

A brief history of the conversion issue will illustrate my concerns. Through its regulations, the NCUA has quite rightly kept a tight rein on the conversion process, requiring a majority vote of all members of the credit union before a credit union can convert to a mutual thrift. This is a difficult standard, and it is meant to be. A credit union's capital, unlike that of any other financial institution, belongs to its members. Once the conversion to a mutual thrift is accomplished, the institution can easily convert to a stock institution, with the result that a few officers and insiders of the former credit union—not to mention the attorneys who encouraged the deal—wind up owning all the former credit union's capital in the form of stock. Thus, in order to prevent insiders and lawyers from walking away with capital which belongs to the entire credit union membership, and depriving that membership of their credit union access, NCUA instituted the majority vote requirement. This requirement was subject to notice and comment rulemaking in