

BULLET POINTS

- Thank you to Jim and the Potomac Officer's Club for the invite.
- Last weeks criminal leaks complicated the outlook for a solution on what we all know is a huge problem of protecting America's intellectual property from cyber thieves from places like China.
- This was one young man, with a very narrow view of the program who had no clue about the Executive, Judicial and Congressional oversight built in. Checks and balances in action.
- Everyone in this room understands that the very thing that got it to 1/6th of the U.S. economy is under assault. Freedom, openness. It is not free and open when foreign governments are shutting down websites and stealing endless amounts of private information.
- Worked on a bipartisan solution w/ Dutch. We believe the least we can do is information sharing. Our economy is under assault from countries like China and we are losing the cyber war.
- Sequester – bad way to do business. Need to give agencies the flexibility they need to manage these cuts as its politically going to be very difficult to change the top line spending levels in the next two years.
- Get involved, you know more than anyone what is at stake. Let's work together for a private sector-driven solution to the cyber problem before Uncle Sam muffles Internet innovation and openness with a big-government, slow moving, ugly regulatory cyber

security regime. And on the sequester, we have to make the case that flexibility is the key. We can do this in a way that makes sense.

- It's going to take a lot of work now to explain to the American people why this is important and that we can do this if we built in the right protections. The easiest thing to do is just to stand by and not stand up to those who say the NSA has abused its power. If we do nothing on cyber security we will stand by and watch as the Chinese literally steal our middle class from out from under us one blue print and one research and development file at a time.
- With that, I am happy to take your questions.