Hoofnagle, Director of the Liver Disease Research Branch at the National Institutes of Health. Their insight into the advances being made by the CDC and NIH painted a picture of a disease that is "on the run," but not yet eradicated. Attendees were also able to hear a personal testimonial from a hepatitis B patient, as well as advocacy efforts being undertaken by the Hepatitis B Foundation, American Liver Foundation, and the Hepatitis Foundation International.

We know that there is hope. We know that there are vaccines and treatments available that were not available 25 years ago. We know that with treatment, patients have a better shot at beating this disease and preventing its progression to liver disease. We also know that there is much work that needs to be done. We need to increase public education about hepatitis B, help infected patients and their physicians identify and manage this disease, raise awareness of the consequences of untreated chronic hepatitis B, and help increase the length and quality of life for those diagnosed with this life-threatening disease. We need to improve state-by-state tracking of trends, incidences and prevalence of chronic hepatitis B. Finally, we need to prioritize this disease as a major health issue in the United States, and to provide national agencies such as the CDC and NIH with the funding they need to increase research and education for chronic hepatitis B.

In closing, I would like to thank the organizers of last week's Congressional briefing for keeping this issue in the forefront of the medical discussion. And I especially want to thank the attendees of the briefing for showing the commitment to beating this disease through education and awareness. This is a call to action that I hope will produce the ultimate result of eradication.

100TH ANNIVERSARY OF THE MCGILL MANUFACTURING COMPANY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 2005

Mr. VISCLOSKY. Mr. Speaker, it is my distinct pleasure to announce that the McGill Manufacturing Company will be celebrating their 100th Anniversary on Friday, August 5, 2005, during an Open House and luncheon at the McGill Manufacturing Plant in Valparaiso, Indiana.

James H. McGill founded the Crescent Company in Chicago, Illinois. In 1905, he moved his company to Valparaiso, Indiana where it continued as the Crescent Company until December 1, 1910, when the name was changed to McGill Manufacturing. The first products produced by the company were for the electrical industry, and included wire guards for lamps, cord spools, socket handles, coloring fluid for incandescent light bulbs, Chatterton compound, and other specialty products.

The McGill Metal Company was then formed, and among other products, they developed a line of bronze retainers for ball bearings that were sold to the Strom Bearing Company in Chicago, Illinois. In 1924, a number of ex-Strom employees moved to Valparaiso, Indiana and interested James McGill in producing bearings using the aluminum bronze retainers formerly sold through the Strom Company. The initial production was under the trademark of "Shubert," but in late 1926 all bearings were marked with the McGill name.

Hardwork and dedication led McGill to become a nationally-recognized leading source of precision bearings. After their incorporation, McGill expanded and built additional plants in Indiana, Texas, and Taiwan. In 1990, McGill was sold to Emerson and McGilll/EPT in Valparaiso is the headquarters of the Emerson Power Transmission Division.

Mr. Speaker, I ask that you and my other distinguished colleagues join me in commending McGill Manufacturing/EPT for their outstanding contributions. The proud history of this outstanding company deserves to be honored by Congress. This company has contributed to the growth and development of the economy of the First Congressional District, and I am very proud to honor them in Washington, DC.

CFTC'S EXCLUSIVE JURISDICTION

HON. BOB GOODLATTE

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 2005

Mr. GOODLATTE. Mr. Speaker, as Chairman of the House Agriculture Committee and a conferee on the energy bill, I want to make it clear that sections 316 and 1281 of the conference report dealing with Natural Gas and Electricity Market Transparency are quite important. Those provisions clearly affirm the long established legal foundation of the Commodity Exchange Act, specifically the exclusive jurisdiction of the CFTC over exchanges and trading of futures in this country. I applaud the work of the conferees in producing sections 316 and 1281, which directs the Federal Energy Regulatory Commission, FERC, and the Commodity Futures Trading Commission, CFTC, to complete a memorandum of understanding regarding information sharing between the commissions within 180 days of enactment, without affecting the exclusive jurisdiction of the CFTC with respect to markets under its jurisdiction.

The Conferees recognized that domestic energy markets involve activity in both the physical energy markets and in futures markets, and that the FERC and the CFTC have important oversight duties in these markets, respectively. In order to ensure effective and efficient oversight of these markets, the Conferees expect the FERC and the CFTC to use the memorandum of understanding as an opportunity to memorialize the good information sharing relationship that has developed between the two agencies over the past several years. The Conferees expect this agreement to accomplish 3 important goals: (1) avoid regulatory duplication of information reporting; (2) ensure appropriate protection of proprietary business information, including business transactions or market positions of any person and trade secrets or names of customer; and (3) acknowledge the respective jurisdictions of both agencies in order to avoid any jurisdictional overlap. Moreover, the Committee expects the memorandum of understanding to insure that in creating an effective and efficient means for FERC to secure legitimately needed market trading information in the possession of the CFTC, FERC does not attempt to secure such information directly from CFTC-regulated futures exchanges. This would be contrary to the CFTC's exclusive jurisdiction over those futures exchanges and inconsistent with the longstanding process followed by all other Federal and State authorities. Sections 316 and 1281 do not give—and no other provisions of the NGA and FPA give—FERC such authority. Rather, these sections specifically intend for FERC to get such information but only through submitting its requests to CFTC.

I would further note that FERC will be subject to same restrictions on the use of such futures and options trading data information as the CFTC. Section 8(e) of the Commodity Exchange Act places restrictions on the public disclosure of futures and options trading data, as well as other sensitive CFTC information. If the CFTC provides futures and options trading data, or other materials identified in section 8, to FERC then FERC will be subject to the same restrictions as the CFTC, or any other Federal or State Agency which receives such information.

It is my understanding that the CFTC has a long history of sharing futures and options trading data as well as other confidential materials from their investigations with FERC and other Federal and State agencies who have a legitimate need for such information. Federal and State agencies not only recognize the exclusive jurisdiction of the CFTC but they also agree that they are subject to the section 8 restrictions on public disclosure ofthe information they receive. For these reasons it is my view that the MOD between the CFTC and FERC will merely formalize well established practices in tills area.

BEST PRACTICES IN THE HEDGE FUND INDUSTRY

HON. CHRISTOPHER SHAYS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 2005

Mr. SHAYS. Mr. Speaker, the hedge fund industry plays a critical and special role in our capital markets and is enormously important to helping institutional investors diversify their investment portfolios and meet their future funding needs.

While the numbers fluctuate some, there are believed to be close to 8,000 hedge funds that manage approximately $1 trillion in assets. Connecticut's Fourth Congressional District, which I'm very proud to represent, is the home to several hundred of the most successful hedge funds.

Over the past few years, the industry has received increasing attention from the media, Congress and the Securities and Exchange Commission (SEC). I happen to believe that strong oversight of our financial markets is critical to our nation's economic well-being, but recognize that with sophisticated and knowledgeable investors, hedge funds do not require the same level of scrutiny as is paid to the mutual fund industry. Nevertheless, it seems to me that more transparency and better government and regulator understanding of the industry will ultimately benefit investors and managers alike.

The Greenwich Roundtable is a not-for-profit organization, based in Greenwich, Connecticut with a mission to promote education in alternative investments. This thoroughly professional and thoughtful institution has produced a report entitled, "Best Practices in Hedge Fund Investing: Due Diligence for Equity Strategies," that I hope will serve as an important reference for this body, for investors and for others interested in our capital markets. The goal of the publication is to "help demystify a topic that has been shrouded in myth and, by doing so, help improve the level of education among those who wish to better understand the community of active hedge fund investors." It seems to me this is a very important document and would recommend it to any of my colleagues with an interest or concern about the industry to review it.

An abstract of this report is below, and I again would like to express my appreciation to the Greenwich Roundtable for this important and timely publication.

BEST PRACTICE IN HEDGE FUND INVESTING: DUE DILIGENCE

This publication is the first collaboration of its kind, between investors and managers. The goal of this publication is to help demystify a topic that has been shrouded in myth and, by doing so, help improve the level of education among those who wish to better understand the community of active hedge fund investors, This is the first issue of the planned series of Best Practices in Hedge Fund Investing.

Inside this first issue, you will be treated to an informed examination into the art of due diligence. The scope will be confined to examining equity-oriented strategies. The universe of hedge fund strategies is enormously broad and diverse. Any single method of inquiry applied to all due diligence would become generic. Future issues will cover strategies in other areas such as managed fixtures, fixed income and asset-backed markets.

The investors who created this publication are members of our Education Committee. Their backgrounds are broad and diverse. They hail from the family office, bank proprietary capital, or fund of funds communities. They are all seasoned investors in a broad range of strategies. For two years, our purpose has been to uncover ''soft'' aspects of performing hedge fund due diligence. Our emphasis is on developing an interpretative discussion whenever a flag is raised. There have been many generic investor questionnaires circulated. Most were focused on collecting quantitative data. Quantitative analysis is backward looking. Qualitative analysis is more useful as a forward looking tool.

SELECTED EXCERPTS

Strategy, Investment Process, and Market Opportunity—A critical first step in any evaluation of a hedge fund investment is the establishment of a proper context for the evaluation. Once the context for the evaluation is properly understood, it is possible to proceed with a more nuanced investigation of the investment strategy, the portfolio manager's edge, and other relevant fund particulars.

Team and Organization—The quality of a firm's human capital will contain, perhaps the strongest clues about its prospects for sustainable success. Moreover, the success of the organization requires both investment and business management acumen, skills that rarely reside in equal proportion in any single investment professional.

Fee Structure and Terms—The evaluation of a fund's fee structure and terms is essentially an exercise in understanding the value proposition of a particular hedge fund investment. Much of this will depend on the circumstances and environment in which the investment opportunity is presented. In the end, an investor must ultimately determine whether the terms and conditions for this investment are reasonable and fair.

Management Company, Fund Structure and Asset Base—An evaluation of the hedge fund's management company should be focused on the question of what kind of business it is. In the final analysis, an investor needs to understand if there is a true alignment of incentives between the prospective investor and the portfolio manager in regards to their investment objective.

Quantitative Review—Many experienced hedge fund investors appear to view quantitative analysis as a valuable complement, rather than a substitute, for more qualitatively drawn judgments. Deployed intelligently, certain quantitative disciplines can help confirm the wisdom of more qualitatively drawn judgments and assist in highlighting aspects of the investment strategy that warrant further investigation.

Operations and Transparency—There is a big difference between portfolio transparency and translucency. Transparency implies a more substantially active role on the part of the manager in identifying and clarifying key risks for investors. Translucency implies a simple commitment to provide a clear view of the portfolio holdings and may not be very helpful in informing the investor.

Third Parties—Evaluating the quality of the third-party vendors, as well as understanding the intersection of in-house and third-party business management, is critical to understanding how disciplined the hedge fund business and investment processes truly are.

Intuition, Judgment, and Experience—No amount of due diligence can completely replace the importance of experience and intuition when investing with a hedge fund manager. Finally and most importantly, would you invest your own money or your family's money with this manager?

A DEBT OF GRATITUDE OWED TO PAUL LANKFORD

HON. JOHN J. DUNCAN, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 28, 2005

Mr. DUNCAN. Mr. Speaker, I have often said that veterans have been called on to give more for their country than most of us ever will. Paul Lankford, a survivor of the Bataan Death March and a resident of Maryville, Tennessee, is living proof of that.

Mr. Lankford was captured by the Japanese military on the Bataan Peninsula on April 9, 1942, and was freed by Russian soldiers in July 1945. In those three years and three months in captivity, he survived horrific conditions.

At Bataan, Lankford was forced to march 65 miles in five days in unbearable heat, walk on human flesh, and bury his comrades. After the march, he was forced into slave labor.

When Lankford joined the Army Air Corps in 1941, his weight listed at 150 pounds. After being freed in 1945, he weighed 60 pounds.

After taking six months to recover from this terrible ordeal, Lankford continued his service to the Air Force, retiring in 1968 as chief master sergeant. A building at McGhee Tyson Air National Guard Base is named in his honor.

Mr. Speaker, this Country owes a debt of gratitude to Paul Lankford. He is a fine man, and our Nation is a better place because of his service.

I would like to call to the attention of my colleagues and other readers of the RECORD the following article from the July 17 edition of the Knoxville News Sentinel.

[From the Knoxville News Sentinel, July 17, 2005]

MARCH OF DEATH, LIFE

(By Fred Brown)

Paul Lankford slipped back through his memory, as if turning pages, recalling a scene, and then explaining details of what he saw. It was like a movie reeling off in front of him, frame by frame. A war movie. A war movie of hell.

Six decades ago in July 1945, Lankford was a prisoner of war, having been held by the Japanese military for three years and three months. He had been captured along with the rest of Gen. Douglas MacArthur's army April 9, 1942, on the Bataan Peninsula.

He was 23 years old the day of his capture and 26 upon release. In July 1945, Lankford still had one more month to go before being liberated by a wild Russian army.

With the arrival of the Russians, who went on a rampage, Lankford and other POWS were transformed from slave to master. The allied soldiers who had been POWS were now guarding their former masters. The situation was surreal in the extreme.

In fact, Russian soldiers instructed former American POWs, including Lankford, to pick out a guard they particularly disliked, and the Russians would politely shoot him for the Americans.

Lankford's ordeal began the day MacArthur deserted the Philippines, leaving the bruised, battered and beaten army to survive the best way they could. He sent a message from the safety of his headquarters in Australia that the army was to fight to the end.

The end came April 9, 1942, after three months of aerial and artillery bombardment, starvation and disease. Lankford and the soldiers were out of ammo and food, with no choice but to surrender.

With the surrender of the Philippines, Lankford and his 27th Bomb Group were corralled. There were perhaps 1,200 defenders on Bataan, but including all soldiers, allies and Filipinos, the number was around 70,000.

Of that number, maybe 8,000 would survive the next three years. Of the 1,200 of Lankford's group on Bataan, an estimated 200 are alive today.

There are few, if any, monuments to the soldiers and sailors of Bataan—those Battling Bastards of Bataan, as they were known.

Lankford was born near Gadsden, Ala., and joined the U.S. Army in 1939. He then made the transfer to the U.S. Air Force when it was formed in 1948.

Now 86, he lives in Maryville, having retired in 1968 as chief master sergeant. He became the first commandant of the Professional Military Education Center at McGhee Tyson Air National Guard Base until his final retirement in 1981.

But in 1945, he was one of the few who survived the Bataan Death March.

''I had one canteen of water for 10 days,'' Lankford began his story.

''There was one rice ball, about the size of my fist,'' he said, making a ball with his hand.

Lankford was, he said, among the lucky. He was marched 65 miles from one end of the peninsula to the other. He eventually was moved from the Philippines to Korea and then wound up in Mukden, Manchuria.

When he left Korea for Manchuria in December 1942, it was 30 below zero. He had little warm clothing for the trip.