

David Brown  
President, Wyo-Ben, Inc.  
&  
Vice Chairman, Bentonite Section  
Industrial Minerals Association – North America

Testimony before the Subcommittee on Energy and Minerals  
Resources Committee  
United States House of Representatives

Hearing on H.R. 6080  
Resource Origin and Commodity Knowledge (ROCK) Act  
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Chairman Gibbons, Ranking Member Grijalva, Members of the Subcommittee, I am David Brown, B-R-O-W-N, and I am President of Wyo-Ben, Inc., and Vice Chairman of the Bentonite Section at the Industrial Minerals Association – North America. I am here to express my strong support, and the strong support of the member companies of the IMA-NA, for H. R. 6080, the Resources Origin and Commodity Knowledge Act (the ROCK Act).

Founded in 1951, Wyo-Ben is a leading manufacturer of bentonite clay-based products and remains a privately held company headquartered in Billings, Montana. Wyo-Ben is a small business and we employ approximately 100 individuals who serve a variety of functions in Montana and Wyoming. Our three bentonite processing facilities are located in the Big Horn Basin region of North Central Wyoming and South Central Montana. Our employees are focused on quality and continually look for new and innovative solutions for customers' needs in the global market. Our materials are used worldwide in applications such as oil, gas, and water well drilling, metalcasting, environmental construction and remediation, hazardous waste treatment, cat litter, cosmetics and pharmaceuticals, as well as many other industrial and consumer-related products. Wyo-Ben mines its reserves from the richest deposit of bentonite in the world. As our name implies: We are Wyoming Bentonite. Wyoming bentonite is well-known as the best bentonite in the world.

The Industrial Minerals Association – North America ( IMA-NA) is a trade association organized to advance the interests of North American companies that mine or process industrial minerals. These minerals are used as feedstocks for the manufacturing and agricultural industries and are used to produce such essential products are glass, paints and coatings, ceramics, detergents and fertilizers. The IMA-NA membership includes producers of ball clay, bentonite, borates, calcium carbonate, feldspar, industrial sand, mica, so da ash (trona), sodium silicate, talc and wollastonite. IMA-NA's membership also includes many of the suppliers to the industrial minerals industry, including equipment manufacturers, railroads and trucking companies, and consultants. Industrial minerals account for approximately 14% of domestic mine production.

We believe that the U.S. should continue industrial minerals research to ensure a stable supply of materials essential to our national economy and to our way of life. The U.S. is the world's largest user of mineral commodities. Every year about 25,000 pounds of new non-fuel mineral materials from the earth must be provided for every person in the U.S. just to maintain our current standard of living. The Minerals Information Team (MIT) is uniquely situated in the federal government to provide scientific information for objective resource assessments and unbiased research results on mineral potential, production and consumption. As a long-time beneficiary of the information provided by the MIT, I would like to express my gratitude for the fine work accomplished and exceptional products produced by the Team. I can think of no other single public or private entity that provides fundamental data of such paramount importance to my business.

The value of this information to my business can not be over-emphasized. If I was unable to obtain this information from the government, I would be required to purchase the information from other sources at significant cost to my business, if it were available at all. By way of example, the cost to my company to receive a report on bentonite from one private research company based in the United Kingdom would have been \$4,200 for 2005. As this report would be generated from the private sector it is more likely to be biased. It also is my belief that the information would not be as complete and accurate as that provided by the MIT. It should go without saying that this annual cost likely would be borne by hundreds of similarly situated organizations throughout the country. Most of these organizations are small businesses.

Currently housed in the U.S. Geological Survey, the Minerals Information Team collects, analyzes, and disseminates information on the domestic and international supply of, and demand for, minerals and mineral materials critical to the U. S economy and national security. For the last four years, the Administration's annual budget request has proposed eliminating MIT's funding for collection of international mineral commodity information . Congress wisely has rejected these efforts. Rather than reducing our national capacity regarding economic intelligence relative to minerals and mineral material resources, I believe it should be strengthened.

The reductions proposed by the Administration would have terminated data collection and analysis for 100 mineral commodities in 180 countries outside the U.S. The budget cuts had the potential to limit severely available data on global industrial minerals production and consumption, while continuing to make domestic data readily available outside the U.S. In a globally competitive marketplace, that would have meant that global competitors would know more about U.S. production and consumption than U.S. producers would know about their global competition.

Mr. Chairman, it likely is a rare occasion when a small business man comes before Congress and asks that a government institution be preserved; and indeed for the status of that same institution to be elevated. I am here to do exactly that, and to ask that you and your colleagues support the ROCK Act. It is time that the supply and demand for strategic and critical minerals and mineral materials are accorded the same attention that energy resources receive at the Energy Information Administration. It is time to raise the status of the MIT organization within the federal government to a position of prominence that is reflective of the contributions it makes to our country. Since 1963 my family has relied on the vital information prepared by the USGS Minerals Information Team. Indeed, on the shelf in my office I have editions of the Minerals Year Book going back to that year. It is my profound wish that I be allowed to continue my collection.

The legislation before you today, the Resource Origin and Commodity Knowledge (ROCK) Act, recognizes the vital importance of the work done by the MIT and will ensure that it has the independence, staff and funding to fulfill its mission. The bill will remove the MIT from under the U.S. Geological Survey and establish it as a stand-alone agency within the Department of the Interior. The ROCK Act will restore the MIT's staff to historical levels and add additional positions to perform the new and expanded functions authorized in the bill by transferring a total of 300 professional and administrative positions (filled and unfilled) from USGS and DOI. Finally, the ROCK Act authorizes appropriations of up to \$30 million annually for 10 years.

We believe the U.S. should promote an environment conducive to competition in the global marketplace and collection and analysis of mineral commodity data on an international basis serves that end. In today's global environment, the U.S. must maintain its capacity to assess critical mineral resources both within and outside the U.S. The Subcommittee does not need to be reminded of the multi-faceted pressures exerted on U.S. manufacturers. But it is worth noting that the information provided by the MIT enables American companies to use domestic resources effectively, forecast worldwide market conditions, develop informed strategic business plans, and respond effectively to short-term fluctuations and long-term trends in mineral prices, supplies and demand.

In China for instance, information on the hundreds of small artesian bentonite mines would be impossible for me to obtain without the reports from the MIT. The reports provide information on individual country laws that affect the minerals industry; trade with emphasis on the interactions with the United States; structure and ownership within the mining industry; types of deposits; labor force; and other pertinent information. This valuable information, available from no other source, for example, helps me in the consideration of potential foreign partnerships.

Critiques could argue that the private sector is best suited to develop information on the occurrence, production and use of minerals outside the United States. Theoretically, at least, the private sector could perform these functions. Pragmatically, however, the collection and distribution of this data is an inherently governmental function. Consider this . . .

According to the Mine Safety and Health Administration, there are currently 12,000 metal and nonmetal mineral mines in the United States, covering 106 different mineral commodities. Of these mines, all but 21 mines employ fewer than 500 employees and, as such, are small businesses as defined by the Small Business Administration. I ask you, what is the likelihood that the owners or operators of these 12,000 mines will pay someone to develop current occurrence, production and use data on non-U.S. minerals? Alternatively, imagine the conflicting data that likely would result if each of these mines were to pursue this information independently, for antitrust prohibitions probably would prohibit them from pursuing it collectively. Is the public interest best served by encouraging individual companies to develop generic global economic intelligence and data, or is this work best accomplished by the central government on behalf of the institutions and industry sectors that need, and benefit, from its generation? I submit to you that a central, comprehensive, and unified mineral commodity data and information program is the best way to collect and distribute information relevant to minerals and minerals materials critical to the U.S. economy and national security.

I respectfully request your passage of H.R. 6080, the Resource Origin and Commodity Knowledge (ROCK) Act, which will collect and analyze economic intelligence on the broad array of mineral commodities, their occurrence, production and use.

Thank you Chairman Gibbons, Ranking Member Grijalva, and Members of the Subcommittee for your kind attention. That concludes my formal statement. I would be pleased to answer any questions you may have for me.