

Executive Director's Report December 2012

MEMBERSHIP

Fiscal Year starting April 1, 2011	December 2012	December 2011	YTD 2012	YTD 2011	
New Members	82	107	788	921	
Lapsed Members	(245)	(70)	(1,659)	(1,492)	
Net Gain (Loss)	-163	37	(871)	(571)	
Twelve Month Comparison			12/31/2012	12/31/2011	Gain/(Loss) vs. prior yr.
Regular Members			14,801	15,826	(1,025) -6.5%
Family/Youth			930	1,012	(82) -8.1%
Life			236	239	(3) -1.3%
Contributory			150	150	0 0.0%
Business			253	237	16 6.8%
Total Members			16,370	17,464	(1,094) -6.3%
Budget Dues FY	\$124,410		\$835,280		
Actual Dues FY	\$124,026		\$794,002	\$815,992	(\$21,990) -2.7%
Difference	(\$384)		\$41,278		vs. budget > -4.9%

Fiscal year-to-date membership is down 871 (5.1 percent) compared to down 571 (3.2 percent) last year and down 801 (4.2 percent) the preceding year.

FINANCES - 2013 Operating Funds

	Income	Expenses	Net Inc/Exp
First Qtr FY'2013	461,378	486,135	(24,757)
Second Qtr FY'2013	400,605	465,039	(64,434)
Oct'12 Pd 7 FY12	141,413	146,076	(4,663)
Nov'12 Pd 8 FY13	137,187	152,158	(14,971)
Dec'12 Pd 9 FY'13	182,488	133,452	49,036
YTD ACTUAL	1,323,071	1,382,860	(59,789)
YTD BUDGET	1,369,580	1,435,345	(65,765)
YTD VARIANCE	(46,509)	52,485	5,976

Income for the current year is 3.4 percent below budget, while expenses are less than budget by 3.7 percent. The net actual deficit is \$59,789 (4.3 percent) on the YTD expenses of \$1,382,860 before capital and transfers.

INVESTMENTS

	VALUE 12/31/2012	VALUE 12/30/2011	Increase (Decrease)
Short-Term Institutional Account			
NAWCC Investment Fund	433,689	469,804	(36,115)
Life Membership Fund	47,574	59,185	(11,611)
Library Acquisitions	5,019	12,773	(7,754)
Museum Acquisitions	60,202	52,583	7,619
Symposium Fund	15,783	4,920	10,863

Sub-total Short-Term Funds	562,267	599,265	(36,998)
Long-Term Institutional Account			
Heritage Fund	140,056	30,459	109,597
Museum Endowment Fund	354,622	293,680	60,942
Museum & Library Institutional Fund	726,813	682,389	44,424
Library & Research Center Endowment	103,557	93,090	10,467
School Endowment	184,531	170,178	14,353
Midwest Scholarship Fund	37,336	32,122	5,214
Pritchard Fund	46,413	40,070	6,343
Sub-total Long-Term Funds	1,593,328	1,341,988	251,340
Total Institutional Funds	2,155,595	1,941,253	214,342

*Consolidated Long-Term funds balance-Individual named account balances calculated.

The current values on investments reflect paper gains and losses due to market fluctuations. Because most of our fixed income investments are held to maturity, actual gains and losses will only occur at maturity or when an investment is sold.

MUSEUM – Noel Poirier, Museum Director

The Museum’s admission revenue for the quarter was \$10,241. Visitation for the quarter was 2,133, including 122 NAWCC members (5.7 percent). NAWCC Store sales for the quarter were \$11,136. Visitation for the quarter was about average for the same period. The Museum redeemed 218 Turkey Hill Experience joint tickets this quarter. Joint tickets represented an average of 10 percent of visitation for the quarter.

The Museum hosted the American Alliance of Museums Site Visit team at the beginning of November. The team consisted of two museum professionals from other specialized museums (The Studebaker National Museum and The Bailey-Matthews Shell Museum). The Visiting Committee was given an in-depth tour of the Museum and overall NAWCC facility; they interviewed a number of Museum and Library personnel, spoke with the NAWCC Executive Director and Controller, and spoke with three members of the NAWCC Board of Directors. The Committee will present its recommendation to the American Alliance of Museums Accreditation Commission in March of 2013.

The Museum presented the FP Journe Steel Time exhibit during the quarter. This exhibit of over 190 gunmetal-cased watches had been previously exhibited in Tokyo, Geneva, and New York City. The Museum Store also is now carrying the book *Steel Time*, which details all of the watches that were exhibited, minus the Museum’s contribution of watches. This exhibit was taken down at the beginning of December, and the space is being prepared for a new wristwatch exhibit that will be curated by the 2013 Gallet Guest Curator of Wristwatches. The Time Out! exhibit ended at the end of December and will be uninstalled in January. That area will then be prepared for 2013’s exhibit on alarm timepieces, Wake Up.

The Museum unveiled a new donor program that will incorporate two ideas from previous campaign efforts. The Friends of the Collection program allows individuals to make annual donations that will be used exclusively for the care, preservation, and presentation of the Museum’s collection. Donors who give more than \$250 a year will be offered the opportunity to have their name associated with a specific object in the Museum collection. There have already been a handful of donations to this new donor program. The Museum Director wrote and submitted two grants to the John Frederick Steinman and the James Hale Steinman Foundations requesting funding to complete necessary repairs to the Museum’s roof sections. The Museum learned in December that it did not receive a grant for documenting the Library’s horological business records. While the project was commended for what it would accomplish and its overall value, the reviewers expressed concern that the project would principally be of benefit to NAWCC Members as opposed to the general public as a whole.

LIBRARY AND RESEARCH CENTER - Sara Butler Dockery, Library & Archives Supervisor

At the end of October, Chapter 158 hosted the Mid-Eastern Regional in York, which brought a number of members from all over the country to the Library. It is always good when members have a chance to take advantage of the Library's resources in person to do research or just to browse the shelves.

We welcomed three new volunteers to the Library's staff this quarter, all of whom are working hard and quickly learning the ropes. All of our volunteers did a wonderful job of holding down the fort during the last week in October, when I was unable to get home from a conference and Nancy was out on a planned vacation. The volunteers came in to work and did a tremendous job of keeping things going so that I was not too overwhelmed when I returned.

As I mentioned previously, we have been hard at work on our project to scan and upload indices and tables of contents to the catalog. In November we reached the limit set by LibraryWorld (2000). I spoke with customer service to ask how much they would charge to add more uploads and the very kind rep promised to get back to me as soon as possible with a price, but he was not sure how to proceed. The ability to upload documents to catalog records is a recent addition to the system and, thanks to the hard work of our volunteers, we are the first users to hit the limit. We were able to proceed with the project in December when LibraryWorld increased the number of uploads available at no charge. We are very grateful to them for their help and generosity.

October - December 2012

Lending Library Activity

Total materials checked out -	447
Loans through mail -	201
Loans in house -	201

Material Types

VCR, DVD & Microfilm Loans -	245
Books and NAWCC Bulletins -	202

Total Number of Visitors -	224
Students -	4
Non-members -	100
Members -	120

Fulfilled Research Questions –	412
Paid Non-members -	7

Library Processing Statistics

Acquisitions:	99
Donations:	134
Cataloged Items:	152

EDUCATION/VOLUNTEERS – Katie Knaub, Education Director

Museum Education Programs and Exhibits

We helped in directing our exhibit research intern on researching information on our collections for the alarm clock exhibit in April of 2013. We assisted in setting up the Steel Time special exhibit that was on loan to us through December. Much of my time in October was spent preparing for my upcoming maternity leave in November and December. I conducted the yearly employee evaluations for the Museum gallery attendant staff. I also spent significant time with and prepared information for staff who planned to handle my responsibilities while I was on leave. We held our annual fall sleepover at the Museum with other staff members and volunteers carrying out the event while I was on leave.

NAWCC Workshops

We held two workshops during this quarter, one of which was another beginner's pocket watch workshop, because the one in September was filled to capacity with a waiting list; the instructor Drew Zimmerman offered to do another one for people on the waiting list who did not want to wait until the new year. We worked with our instructors to set a workshop schedule through the first quarter of next year and spent time getting those workshops set up on the website and for online registrations. We also rescheduled the workshops set for this quarter that did not meet minimum participant requirements for dates in 2013.

NAWCC School of Horology- Financial Aid

We completed the IPEDS survey required by the Department of Education for 2012 and submitted the materials necessary to have the school recognized as being closed by the Department of Education and no longer eligible to be Title IV (financial aid), which would end the requirements associated with Title IV as well. We received the notice of closure at the end of October.

Volunteer Program

We have a new volunteer in the Library and have received three new volunteer applications; I will meet with these new prospective volunteers in January for possible placement. Total Volunteer Hours for 4th Quarter: 1,153.

Public Programs

We continued to plan events for 2013, including the popular sleepover program, homeschool day, and make and take program during the summer months. The Wine and Chimes fundraising event was moved from October to April (because this time of year is better for participating wineries). Staff also participated in the Turkey Hill Experience's Family New Year's Eve celebration with a table and activities for participants promoting the Museum.

Public Program/Events 4th Quarter: 31

I was on maternity leave for the last week of October through the end of December, and I thank the staff members who took care of some of my job responsibilities while I was out, including Noel Poirier, Abby Krouse, Dana Neil, and Kevin Osborne. I appreciated all that they did to keep the Education Department going while I was out on leave.

PUBLICATIONS - Diana DeLucca, Editor

Periodicals – *Watch & Clock Bulletin*

The January issue was sent to press the last week of November. The January issue included nine member-submitted articles, and contributions were received from all of our regular columnists. The January issue included candidate biographies for the 2013 elections. The March issue is underway, and it will include a continuation of Owen Burt's four-part series on Durfee clocks and David Boettcher's four-part series on Taubert watchcases. The March issue will also include the awards listing for 2012. Fourteen new articles were received in this quarter and are currently under review or in various stages of production.

The 2012 updated *W&C Bulletin* index was completed, including a browsable index in PDF format.

Periodicals – *Mart & Highlights*

Revenue for the November/December *Mart & Highlights* was \$17,896.35, reflecting the end-of-year "free" advertising built into the 6-for-5 special that many advertisers purchase. The January/February issue total of \$22,608 is tentative; the total accounting for the January issue is still in process.

May 2012 - March 2013

Issue	Issue Date	Revenue per Issue
365	May-12	\$23,566.50

366	Jul-12	\$24,195.90	
367	Sep-12	\$25,531.90	
368	Nov-12	\$17,896.35	
369	Jan-13	\$22,608.00	(tentative)
370	Mar-13	<u>\$0.00</u>	
TOTAL MART REVENUE		\$113,798.65	

Promotional emails, via Constant Contact and personalized emails, continue with each *Mart & Highlights* cycle. The Mart Marketplace, online in the *Mart & Highlights* section of nawcc.org, offers advertisers an opportunity to reach a wider audience and has been expanded in 2012 to include, at no additional cost, any advertiser who pays for a full year of *Mart & Highlights* advertising.

The *Mart & Highlights* was redesigned for 2013. Member content, including regionals and promotional articles, were placed in the front of the issue. Line advertising now runs continuously across the top of back pages; display advertisements are interspersed throughout, depending on color page position and “tear-off” ad requirements.

Special Publications

A compilation of Ed Sowers repair articles, from the *Bulletin*, the AWCI, and Clockmakers Newsletter, titled *Challenging Repairs to Interesting Clocks*, was advertised in the January/February *Mart & Highlights*. One hundred books were ordered and should arrive this week.

Phil Balcomb’s reprint was also sent to the printer, and we are expecting a proof copy of this book soon.

Phil Samponaro’s Bristol clockmakers book is in process. This is a compilation of the five-article series published in 2012, with the addition of Chapter 2, a version of which was published after Dr. Samponaro’s 2007 Symposium lecture.

Websites

“Watchdig 2.0” went live in November. This version of Watchdig places content into categories, mimicking magazine formatting. The staff was trained in how to navigate the admin side of the site, because more attention must now be given to article placement.

Julia Sheib’s Watchdig internship ended at the end of the year. Although we are registered with several local colleges, and two students expressed interest, so far we do not have another intern.

Pages were created on nawcc.org for the 2013 convention and symposium. *The Keystone and Jewelers’ Circular* digital file project for online access is still in process.

Other Activities and Support Materials

Copyediting and proofing continue on all marketing material, primarily *eHappenings* and press releases. The capital campaign case statement was edited and formatted. Membership brochure revisions were made. Museum flyers were updated. A holiday card was designed. NAWCC letterhead was revised. The 2013 election ballot was designed.

INFORMATION SERVICES – Kevin Osborne, IS Director

iMIS Association Management Software

We upgraded iMIS from version 15.2.5.3812 to 15.2.15.4667. There were some issues that were resolved in the newer version, and we thought it was important to take advantage of the improvements. We are working on the new version of Sign up and Pay for the public and our members to take use. In the meantime we have set up a PayPal process that allows for non-members to join the Association.

Websites

Our Barracuda Backup Device is now properly configured and performing nightly backups of the webserver and the DB server that support our websites and are located at our Co-Location site.

We have added a Resources page to the Library section of the website, which lists all the Members-only resources we have. The listing is visible to the public, but the content is not available to them unless they join the NAWCC. We are currently working to add the below mentioned archival material to the website, but it is a time-consuming process.

Local Network

We have added a gigabit switch to the network rack to facilitate a greater transfer speed with our network servers. All the servers are connected directly to the switch, which runs at 1,000 megabits per second as opposed to 100 megabits.

PC and Print Equipment

We continue to upgrade and replace outdated computers and operating systems for our staff. We have replaced the Curator's computer with a newer PC running Windows 7 and upgraded the printer he uses to print Museum display labels. Our Education Director is also now running a PC with Windows 7 installed, and we have upgraded one of our Membership Group Associates with a better PC.

A new laptop was also donated to us, and we used it to replace a questionable laptop used by our Executive Director. All the printers from the School have been put into use so that each Associate has a personal printer available at his or her desk.

Museum and Library

We have uploaded over a terabyte of archival material to the Buffalo Terastation (which hardly has put a dent in the number of terabytes remaining!). They include research information from the E. Howard Company, our Enlisting Time videos, Finding Aids to our Library resources, and more than 180 gigabytes of videos, catalogs, and other information from our Hamilton archives. We also have uploaded the Jewelry Supply Catalogs, numerous issues of *Keystone* from 1889 to 1912, our Presidential Watches Videos, the Seth Thomas Company material, and the Westclox Factory film.

COMMUNICATIONS – Markus Harris, Communications Director

Communications updated and maintained NAWCC websites and online resources and printed, mailed, and invoiced multiple chapter newsletters. Communications Director Markus Harris designed and sent multiple email newsletters and targeted Constant Contact mailings on assorted topics, including event notices and support for chapter meetings, Board announcements, and local and regional events. Communications also mailed promotional materials to chapters in support of chapter events, writing and distributing press releases for Steel Time, Mid-Eastern Regional, November Calendar of Events, December Calendar of Events, Last Chance for Time Out, Grant from PHMC, January Calendar of Events, etc. The Web team continued work on website upgrade and extension and began server migrations for complete website software upgrade. Communications director worked with Higher Logic to restore functionality between Community server and membership, edited and designed the December edition of *eHappenings*, and provided extensive customer service advice to members via Web and telephone.

Communications also emailed Wines & Chimes participants confirming new event date; began to make arrangements for additional promos from media sponsors in support of that event; and helped advertise, promote, and support the Time Out exhibit. The department formatted, printed, mailed, and invoiced newsletters for Chapters 3, 141, 159, 89, 11, and 134, plus multiple additional mass emailings for Chapter 19. Supported arrangements for December Board of Director's meeting, including hotel reservations, volunteer scheduling, meal and restaurant facilities, and handled additional rescheduling for Wines & Chimes event (now set for April 26, 2013), plus we developed and drafted a contact spreadsheet with all contact information for wineries, breweries, and restaurants in the area. The department arranged invitations and reservations for the December employee holiday party event, followed-up publicity and attendee service

for the Hamilton event, began preparing advance publicity and contact information for 2013 Symposium; in addition Communications drafted documents and helped research public programs and events for the accreditation team and CRC Committee. Contacted Chapter 3 to follow-up on invoices for newsletter mailings, prepared research reports on copier usage and other office activity for controller, and sent targeted press releases (Sleepover event) to SVCC for inclusion in upcoming newsletter, sent informational packet on all events for 2013 to YCCVB, handled press visits from several newspapers (including *The Reporter* in Lansdale). Communications also coordinated the visit of a video crew who filmed the Museum and Museum collection for an upcoming horological documentary, including filming additional b-roll footage (free of charge) for future NAWCC video promotional materials.

FACILITIES – Chuck Auman, Controller

The work on the facilities and grounds continued this quarter with tree trimming, cleaning the drains on the roof, and painting several walls in the Museum. The calk around the inside of the basement floor that was damaged during the storm last year was removed and replaced.

We had our annual boiler inspection and our semiannual sprinkler test. We tested and replaced batteries in the emergency lights in the building. We tested the emergency telephone in the elevator.

We replaced the sump pump in the boiler room. We added baby-changing stations to the main restrooms.

We received \$30,000 from the Crystal Fund to assist with our roof repairs. We have received \$34,225 from the insurance company but need an additional \$52,782 to repair the two sections of the roof that were damaged. We also need an additional \$36,835 for the coating of the third section of the roof.

DEVELOPMENT – Steve Humphrey, Executive Director

Donations total \$281,149 YTD versus \$103,086 for the previous year. In-kind donations total \$5,890 versus \$9,851 last year. In-kind donations do not include items donated for which the value is not determined. On Friday November 30, \$18,500 was given from 116 donors to the Extra Ordinary Give sponsored by the Lancaster County Community Foundation. The foundation will be providing a match of about \$3,333. A grant application was approved by the Crystal Trust for \$30,000 to assist with roof repairs. The Pfizer Foundation Matching Gifts Program awarded \$1,000 to match volunteer hours contributed.

The National Watch and Clock Museum received a \$6,121 grant from the Pennsylvania Historical and Museum Commission. The grants ranged in size from \$3,000 to \$50,000 and were based on the size of each museum's expenses in the most recently completed fiscal year. These are the first museum grant funds awarded by the state in several years.

The Annual Fund Campaign was kicked off in October with targeted mailings and solicitations on the *W&C Bulletin* carrier sheet and in the *Mart & Highlights*. As of January 10, contributions totaled \$60,892 compared to \$44,702 the prior year.

October to December chapter contributions:

- Chicagoland Chap 3 - \$250 memorial gift
- George E Lee - Michiana Chap 26 - \$500 unrestricted chapter challenge
- Iowa-Illinois Chap 29 - \$100 unrestricted
- Magnolia Chap 41 - \$2,500 unrestricted chapter 50th anniversary gift
- Alabama Chap 54 - \$200 memorial gift
- Western Michigan Chap 101 - \$500 unrestricted chapter challenge
- San Jacinto Chap 139 - \$500 unrestricted
- Connecticut Chap 148 - \$500 unrestricted
- Lone Star Chap 124 - \$500 Library for digitizing collections
- Central Jersey Chap 142 - \$500 HVAC Study
- Magnolia Chap 41 - \$25 memorial gift for the Field Suitcase Workshops
- Lone Star Chap 124 - \$50 memorial gift for the Library

ADMIN/OTHER

In October I attended the Symposium in Minneapolis, MN, and the Mid-Eastern Regional in York, PA. In November I was involved with the Museum Accreditation Team visit and at the end of the month the NAWCC Board of Directors meeting.

The application for group exemption for select U.S. Chapters that was initially applied for in December 2009 was finally approved on December 29, 2012, for an initial group of 21 U.S. chapters. I will be now working on the process to add additional chapters that are interested to the exempt group. The final designation for the chapters was as 501.

Our controller, Chuck Auman, and I solicited proposals from about five firms to do an HVAC audit of our heating and cooling systems and make recommendations for upgrades and replacements. The final report from the study will be ready in January.

I worked with Gregg Perry to put together a seminar on clock conservation that will take place in early May. I continued to work with our Development Committee chair on interviewing fund raising consultants to assist with a capital and endowment campaign. This resulted in a recommendation to the Board at their December meeting. The Controller and Treasurer worked on a budget with my review and oversight. Annual employee evaluations were completed for all staff.

We worked with AHP to send an email blast to members informing them of the availability of various business and personal insurances that are available through our Association group policies. Chapter liability insurance is also available through AHP.

J. Steven Humphrey, Exec. Dir. 1/15/13