

Board of Directors Meeting Materials

For Board of Directors Meeting, June 20 - 21

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II. Reports

II.A. Executive Director's Report

**EXECUTIVE DIRECTOR'S REPORT TO
NAWCC BOARD OF DIRECTORS AND MEMBERS
Caroline M. Stuckert, Ph. D.
May 1, 2006**

**FISCAL YEAR 2006
April 1, 2005 through March 31, 2006**

MEMBERSHIP AND ADMINISTRATIVE SERVICES

In early March, Executive Director Connie Stuckert announced her forthcoming retirement, to take place at the end of May, 2006.

As of March 31, 2006, our membership stood at 25,598. This included 24,106 U.S. individual members, 1,492 international members, 1,659 family members, and 251 life members. Total membership declined by 974, a drop of 3.7%, which was slightly higher than last year's loss of 3.5%. The difference was entirely accounted for by the effects of the dues increase, which was initially felt during the month of March, since many members with April renewal dates pay their dues in March. Prior to that month, membership declines were below last year's levels. Membership revenues were on budget for the year.

This year NAWCC acquired 2,351 new members. Of these, regionals brought in 344 new members, while the website generated 1,204 new members. Chapters brought in 65 new members, and the museum brought in 34 new members. The remaining new members joined via direct contact with headquarters, either by phone or by sending in a membership application form.

In January the Controller, Robb Green, resigned to become Controller of York County, a position to which he was elected in the November public elections. He was succeeded by Chuck Auman on February 1. Former NAWCC treasurer David Wood graciously filled in during the interval.

Our unaudited figures on March 31, 2006, indicated that we ended the year with an operating deficit of \$106 thousand, as opposed to a budgeted deficit of \$166 thousand. The School of Horology and the Museum are both operating at deficits. The originally anticipated size of the deficit was reduced by prompt receipt of income from the Ft. Lauderdale National, the transfer of interest from investment funds into the operating budget, and by continuing improvements in membership performance. A negative impact on the bottom line was created by the fact that the state of Pennsylvania awarded

grant funds of \$49,500, but did not distribute the money on schedule during the fiscal year. Audited figures were not available at the time this report was written.

Net liquidity reserves stood at \$670 thousand at the beginning of the fiscal year. During the year we withdrew \$170 thousand, which was partially offset by the sale of our two vacant lots, yielding \$76,195.27 after expenses. Net liquidity reserves at the end of the fiscal year were \$657 thousand.

The dominant administrative issue of the past year was the strategic planning process, which occupied considerable board and senior staff time between August and January. A successful planning workshop including senior staff was held in December, and the board approved the resulting strategic plan in January. The staff business plan for the current year is an outgrowth of that process, and is focused to support the long-term goals laid out in the strategic plan.

The first phase of the Public Time Initiative, Spot-A-Clock, continues to add data to the Past Perfect database. Interest in the program has been limited. In the past year, 117 clocks from 10 states have been added, bring the total to 407 entries from 33 states.

The NAWCC website had over 15.5 million hits during the year. This is about 2 million more than the previous year. In FY2006, 2,505 members joined or renewed their memberships via the website. This is an increase of 140 over last year, and represents approximately 10% of the membership. The Gift Shop received 414 on-line orders, 42 more than the previous year. There are 3,387 files on the website, of which 2,365 are pictures. The rest are web pages and PDF files.

A T-1 line was purchased and installed last August, giving us much needed bandwidth and full-time operation. So far we have experienced no problems. In other activity, we also upgraded our spam filter software, purchased a new hard drive and rebuilt the RAID system on our old primary server which now acts as our in-house web server, upgraded the Library's software, upgraded Publication PCs to Quark 6.5, purchased and installed new point of sale and credit card software for the Gift shop with donated funds, and replaced the drives and rebuilt two PCs. Other donations enabled us to acquire four network-enabled laser printers as replacements. We also received a donated system to replace our security server, which died. Thanks to the good offices of the Web & Technology Committee, we will be able to replace our email server, which is experiencing problems. With donated funding we were also able to purchase a flat screen PC for the American Watchmaking exhibit.

The entire website was revised to a new system that utilizes CSS (cascading style sheets), replacing the standard HTML coding for fonts and page colors. This makes mass changes possible by changing a single script page. New membership applications for new and renewing members on line were created. Several new sections of the website, including a "Members Central" were created for the Board, Marketing and Education departments. A new regional listings database was also created in Access for the Membership Department. The online Virtual Museum was expanded with more clocks and watches added throughout the year.

The total raised in donations and grants this year was \$217,278, of which \$167,778 has been received and \$49,500 is still undistributed. The Annual Appeal brought in \$65,818, almost \$16 thousand above goal. The *Tempus Vitam Regit* program for major donors was launched with 19 members and 2 more promised. Two individuals contributed a total of \$25,000 to the Museum Endowment Fund as sponsors of named galleries. The Museum and Library received a total of \$71,889 in grants and donations, with another \$49,500 pending. Grants were received from two local foundations, Hamilton Watch, Sovereign Bank, and Donegal Mutual Insurance. The School received \$4,786, and NAWCC itself received \$91,103.

During the year the Development Director attended and spoke at six regionals and eight chapter meetings, as well as giving talks on horological subjects at eight local service club meetings.

The Marketing Department was highly successful in generating publicity for NAWCC at both the local and national levels. Highlights included exposure on ESPN and in AutoWeek Magazine, the New York Times, US Airways in-flight magazine, and AAA World Magazine, as well as coverage in 17 states and Canada.

At the board's request the Marketing Department developed a communications plan to improve the level and frequency of communication to members and chapters regarding the dues increase and the value of membership. Steps taken to acquire new members included obtaining free publicity to route people to our website, placing free ads in watch publications, newspaper advertising, and promotion of the national convention. To retain and reacquire members a postcard direct mail campaign to over 4,000 members was implemented, and expanded information for members was consolidated on a new *Members Central* feature on the website. The Marketing and Membership Departments also worked with the Membership and Publicity Committee to implement a new recognition program for sponsors of new members. Assistance was provided to numerous chapters throughout the year by providing information, press releases, advice, recruitment brochures, and speaking at chapter meetings.

The Publications Department put out six issues of the Bulletin and MART during the fiscal year. The Bulletin page count was 128 for each issue. The MART page count fluctuated between 64 and 72. Bulletin printing and postage costs were \$8,800 above budget, while MART advertising income was \$11,400 below projections. In terms of content, in the Bulletin articles accounted for 297 pages, down 14% from last year. This was partially due to reduction in the overall number of pages, and a slight increase in the percentage of pages devoted to association matters. There were 20 articles on clock subjects, 9 on watches, and 16 on either a combination of both or general interest. In the MART, approximately 26% of the pages were non-advertising content (a minimum of 25% is required to meet postal regulations). The decision was made to start selling advertising in color with the April 2006 issue. A new vendor was sourced for the MART. The successful bidder is able to provide us with eight pages of full color for less than we had been spending with the prior vendor for black and white only.

The Publications Department also provided support to the Development, Marketing, and museum Education, and Exhibit areas. This included designing invitations and programs

for events; copy editing, design and layout for education program materials, public programs, exhibit labels and signage; and design and layout for Gift Shop advertising and museum promotional advertising.

In addition, the three-volume special publication set on American Watchmaking was published in November, with the orders processed through the Gift Shop. A profit of approximately \$1,400 over publication costs has been made to date, and the book continues to sell. Two re-orders of 50 copies each have been made since original publication. Text and images submitted by authors for the 2005 National Convention lecture series, "Clocks and Watches Throughout the Ages," was formatted into handout booklets for the lectures. Most of these handouts will be converted into articles for the Bulletin. The Pennsylvania Shelf Clocks exhibit images and text written by Carter Harris and Ed LaFond is also in preparation for publication in 2006. In the fall of 2005, volunteers from Millersville University helped transcribe some of the video and audio recordings made for the Hamilton Oral History Project.

MUSEUM AND LIBRARY

Ticketed visitation to the museum was 12,663 visitors, or 12,550 people when corrected for families, who come in on a single ticket. This is approximately 1,500 people fewer than last year, but even so, admission revenues of \$60,005 were \$3,450 higher than last year. All admission classes produced increased revenues, especially group admissions. There were over 500 fewer free visitors than the previous year. Free visitors included 619 NAWCC members, 238 ASTC members, 63 School of Horology students, and 431 people with complimentary passes.

The Marketing Department was successful in getting significant amounts of TV and press coverage for museum events through press kits, press releases, and interviews. We continue to participate with the York and Lancaster Conference and Visitors Bureaus, although paid advertising is being shifted away from the PA Dutch Convention and Visitors Bureau in Lancaster to other more effective venues. The museum also participated in Columbia's Old Home Week, and is represented on several committees of the York County Convention and Visitors Bureau.

The Gift Shop sold 22,504 items with gross receipts of \$118,700 and gross profits of \$49,382. There was a net profit after all expenses of over \$1,700, which represents a major turn-around in the fortunes of the Gift Shop, which in earlier years has created net losses for NAWCC. Books account for the largest volume of sales, but the highest average profit per unit sold is obtained on clocks. Upgraded Point of Sale software was installed in January, made possible by chapter donations. To increase sales a postcard was developed to highlight selected apparel and other selected items, and mailed to a trial group of members. The effort was sufficiently successful to merit expansion this year. We are also working to establish distributors for overstocked books and NAWCC publications. An initial sale of \$16,680 was made to the first distributor in the program, with reorders expected. A total of 982 books offered as the new NAWCC special publication were also processed through the Gift Shop.

Timekeepers, the museum-specific membership plan aimed at local residents, was launched this year and the necessary administrative procedures were put in place. Member benefits are limited, and do not include many core NAWCC member benefits. The first newsletter was produced in February.

The inventory of the collections was completed this year, and the records have been reconciled with the PastPerfect database. Staff and volunteers are now checking for items not in the database or with no current locations.

A list of items to be deaccessioned prepared by former Museum Committee Chairman Robert C. Cheney was revised and submitted to the Board of Directors. The list was approved and the items are scheduled to be sold by Conestoga Auction Company, Manheim, PA, on July 24, 2006.

The waist door of the John Child, Philadelphia, wall clock was restored, and the feet of the Ives and Lewis pillar and scroll clock are currently being restored, using funds donated by Oscar T. Lang Memorial Chapter 20.

Two special exhibits were mounted. "What's in Your Cereal Box? American Pop Culture Timepieces," based largely on the collection of guest curator Ursula Metsker, was designed and set up by museum intern Terri Schadel from York College. "American Watchmaking", which opened in April, was produced by museum educator Katie Cassarly with the help of the Publications Department, Jack Goldberg, and George L. Collord III. Mr. Collord also restored the machinery in the watchmaking gallery to working order.

Donations to the collections were received from seven individuals. Loans in were received from 19 individuals and museums in support of the two special exhibits. A painting by artist Tony Troy was also on exhibit in the library for two months. Loans out were made to the North Museum in Lancaster, and the Henry Morrison Flagler Museum in Palm Beach, Florida.

Museum Education Specialist Suzanne Kopko resigned in June, and Katie Cassarly was hired as Museum Educator in the beginning of September. Total school group attendance at the museum was 765. The Education Advisory Committee was reorganized and strengthened, previously designed school programs were reviewed, and new programs were developed, including outreach programs given in libraries and schools. The volunteer program has been revitalized, and several new volunteers have been successfully recruited.

For calendar 2005 the public programs were implemented as planned from the previous museum educator's plan. These programs consisted of one program each month, usually in lecture form. For calendar 2006 the format was changed to include a variety of programs that examine time from many different perspectives, aimed at different age levels, and offered six times a year. The museum received a grant of \$2,500 from Sovereign Bank to underwrite the programs. The first program of 2006, Chinese New Year, was quite successful with over 285 people attending.

This year 4,702 items were checked out of the library, an increase of 318 items over last year. Of these, there were 396 DVDs, 1,914 VCR tapes, 2,345 books and Bulletins, and 47 microfilm reels. The library had 2,248 visitors, including 697 members, 701 students, and 850 non-members. Acquisitions included the purchase of 182 books and CDs, and 12 microfilm reels. There were 3,131 donated items as well as 3.4 cubic feet of donated archival materials. Forty-two sets of periodicals and six monographs were bound.

A total of 1,804 research requests—85 more than last year—were processed by staff and 14 volunteers. Two silent auctions were held, which generated \$4,658 in revenue. The in-house library book sale yielded \$1,852.

Hamilton Watch Company archival materials continued to be processed by volunteers and a Millersville University intern. Another intern and volunteers worked on the *Keystone* microfilming project, starting with the year 1890, as well as preparing a database of pre-1900 horological catalogs. They also continued to photocopy and spiral bind various titles housed in the Special and Reference Collections in order to produce Lending Library copies. Both librarians gave Lending Library book talks at two NAWCC chapters on four occasions. Each librarian also attended conferences on digitization of collections.

SCHOOL OF HOROLOGY

The School was reaccredited this year, which was a major project. Its Federal Title IV funding eligibility was also renewed.

Ted Brachfeld was hired as clock instructor beginning July 1, replacing Roger Chastain, who had retired the preceding March. School Registrar Bea Whitehead was out on medical leave from May to September, and returned part-time until December, when she resumed full-time status. Roger Chastain graciously filled in during her absence.

Two new continuing education specialty classes were added to the curriculum in February, one for clocks and one for watches, and will be taught this spring and summer. During the year there were 188 students in 21 clock classes, and 70 students in 11 watch classes.

Significant progress was made during the year in ordering and installing new watch program equipment, using restricted funds donated for the purpose. Progress was also made in revising and upgrading some administrative procedures, and in bringing the storage areas under control. However, much work remains to be done in all those areas.

School Director Dan Nied began negotiating for workshops to be presented in Columbia for the New York Horological Society and Chapter 142. In addition, Dan Nied and Ted Brachfeld both made presentations at Columbia High School to interested students.

The School was promoted this year through oversized postcards as reminders for registration for upcoming classes distributed to former students and several hundred antique dealerships in Lancaster and York counties. Radio advertising was purchased and run in the Lancaster, York, and Harrisburg areas between August and November.

Coverage on the Pennsylvania PBS network, which will be shown in June, was also obtained. Several media articles for the museum and association cross-promoted the School. A new service was offered on the School portion of the website enabling employers to post help wanted ads. Ten jobs were posted since the site went live in late January. School of Horology brochures were updated and reprinted.

Dan Nied was invited to return to Charleston, SC, in April to assist in the removal, partial disassembly, and conservation of the movement in Captain Dixon's watch from the Confederate submarine Hunley.

II.B. Committee Reports

NAWCC

EDUCATION COMMITTEE

SUMMARY

The fiscal year ending March 31, 2005 has been a good year for the Field Suitcase program. The program has completed 24 classes for the year compared to 29 for the last fiscal year. We have had 187 students this year and 10 coordinators have taken advantage of the coordinator incentive program. Since the beginning of the FSW program we have had a total of 152 classes! We canceled 15 classes this year due to not meeting the minimum number of students. We have observed that many NAWCC chapters are now holding repair classes as part of their own education programs. Even though they seem to be competing with our program, we are glad to see education repair programs inspire chapter participation. The Education Committee has enjoyed the success to date because of its strong professional instructor base and the extreme long hours and hard work of the FSW administrator.

To meet an ever growing interest in the FSW by the NAWCC membership, we continued to introduce a new class during this fiscal year. F202 *Advanced Lathe* has become part of our core skill classes. We feel this to be a very strong building block for our program.

To help keep the Executive Committee, membership, and students of the NAWCC informed on the progress of the Education Committee, we have introduced the "Field Suitcase Newsletter." This letter is now produced twice a year and is distributed to all members of council, instructors, coordinators, and is also printed in the Mart publication.

As per our agreement with the NAWCC, the Education Committee has donated \$3715.79 in funds to the School Of Horology this year.

NUMBER OF CLASSES

The FSW has had 24 classes this fiscal year. We have had four F101's, *Basic Time And Strike*, one F102's, *Time And Strike With Going Barrel*, one F103, *Chine Clock Repair*, seven F200's, *Basic Skills Class*, two F201's *Basic Lathe*, one F202, *Advanced Lathe*, six F301's *Basic Pocket Watch*, one F401, *Reverse Glass Painting*, and one F402, *Dial Painting*.

DONATION TO SCHOOL OF HOROLOGY

The Education Committee donated \$3715.79 to the School Of Horology this year. These funds are used by the school to help with general operating expenses. We want to thank the school and especially Dan Neid for all the help and support we receive from the school.

CLASSES IN NEW AREAS

We have entered into two new cities this fiscal year. They are Clackamas Oregon, and Amarillo Texas.

Remember if your Chapter is interested in having a FSW class in your area, we will come to you!

Thanks to all of our Class Coordinators for their efforts in organizing classes. Keep up the great work!!

COORDINATOR INCENTIVE PROGRAM

The Education Committee has come up with an incentive program for the coordinators of the Field Suitcase Program. If the coordinator can fill up eight paying spots for the class, he/she is setting up, he/she will receive tuition (number nine) for free. This is a way for us to say thanks for all the hard work of setting up these classes. The “break even point” for our classes is eight students. The Coordinator Incentive Program has helped to increase the number of classes that we have each year.

F202 ADVANCED LATHE

We have expanded our 200 series “skill classes” to include the new F202 Advanced Lathe. In this four-day class, the student will learn the skills to put together a working plan, and implement the plan to make parts or tools for clock and watch repair. This class is split into clock and watch projects. The cross slide is introduced and is used for all the projects. The emphasis will be on learning to use a working plan and to develop techniques in reading working drawings. The prerequisite for this class is the F200, and the F201.

CONCLUSION

The goal of the Education Committee and the Field Suitcase Program is to provide quality instruction that is consistent through all classes.

This program has operated within the NAWCC’s goal of a no negative budget cash flow. It has experienced a tremendous growth over the last few years but a down trend is being predicted.

The Bulletin’s “Practical Repair & Restoration” articles have been received with very positive feedback from the membership.

With best regards,

Michael Dempsey
Education Committee Chairman
May 22nd, 2006

MEMORANDUM

May 2, 2006

**To: NAWCC Board of Directors
Executive Director**

FROM: MEMBERSHIP AND PUBLICITY COMMITTEE

SUBJECT: ANNUAL COMMITTEE REPORT FOR FY 2005-6

OVERVIEW OF TOP PRIORITY PROJECTS-2005-6 WORK PROGRAM

- **ASSIST CHAPTERS.** ANNUAL REPORTS SUBMITTED BY CHAPTERS DURING 2005 IDENTIFIED 12 CHAPTERS WHICH WERE EXPERIENCING OPERATING DIFFICULTIES AT THE END OF 2004. ANOTHER CHAPTER REPORTED DIFFICULTIES DURING 2005. FIVE OF THESE CHAPTERS (NAMES, 39, 82, 90, 147 AND 170) WERE DEACTIVATED DURING 2005 BASED ON EVALUATIONS COMPLETED BY THE M & P COMMITTEE WITH VALUABLE ASSISTANCE FROM BILL KELLER AND RUSS OECHSLE. THE REMAINING PROBLEM SITUATIONS IN CHAPTERS 45, 49, 64, 67, 125, 128 143, AND 183 ARE BEING ADDRESSED WITH HELP FROM GEORGE ORR, DICK WHIPPLE, BILL KELLER, AND ROGER GENDRON. ADDITIONAL CHAPTER MANAGEMENT EXPERTS WILL BE RECRUITED AS NECESSARY TO HELP RESOLVE PROBLEMS IN THESE CHAPTERS.
- **Revise the Chapter Handbook.** Andy Dervan and Joanne Orr are continuing their work on revising the Chapter Handbook. Revision of the handbook is needed to conform it to the new NAWCC By-laws and Standing Rules. The revised handbook, which will likely carry a new name, will contain some provisions which are advisory and others which are mandatory. It will cover many topics not covered by the present handbook, including chapter non-profit status, mart requirements, and the new Friends and Family Chapter Mart Visitors program, and the Escorted Visitors and Sponsored Visitors programs. It will also contain a model constitution and bylaws which chapters may use to conform their existing constitution and bylaws to the new NAWCC Bylaws and Standing Rules. Myron Mintz, NAWCC legal counsel, will be asked to review the handbook revision. Board review of the draft is also contemplated to gain the benefit of their thinking in the final product.
- **Conduct 2004 Annual Chapter Report Survey, Prepare Summary Report and Design and Distribute 2005 Survey .** Survey questionnaires were mailed to all chapter Secretaries and Presidents in the early spring of 2005. The mailings were made by the HQ staff, for which the Committee is most grateful. The survey questionnaires were also sent to the **same** individuals by Email where possible, again

with HQ staff assistance. Reminder notices were sent to all non-responding Chapters in early June. In July, personal phone calls by M & P Committee members were made to all chapters which had not yet responded. As of August 1, 2005, 141 chapters (80%) had submitted reports. While this is a highly respectable response rate, the effort needed to attain it was excessive. More timely and voluntary submission of chapter reports is clearly essential. The 2004 survey results were summarized in a report distributed to chapters and to the Board in November 2005. The Annual Chapter Report Survey questionnaire for 2005 was developed and sent to chapters in April 2006.

- **Evaluate Petitions for New Chapters** Only one petition for a new chapter was received during the past fiscal year. In February 2006, a petition was received from a group of NAWCC members in Dade County, Florida seeking to establish a new chapter in that area. The petitioners have been asked to supply additional information before their petition can be evaluated. George Orr has volunteered to evaluate the proposed new chapter petition once it is in hand and is complete.
- **Support the Spot a Clock Program.** Frank DelGreco reports that progress in advancing the Spot-a-Clock Program (Tower Clock Inventory) which is being conducted by the HQ staff with Frank as project leader, has been slow. NAWCC chapters have not made a significant contribution to the work. Frank did not report on what had been done to involve local community groups. To date, these groups have reportedly not shown interest in the project, however. Further, the database which NAWCC is using to tabulate results has distinct limitations. Frank is considering conducting a pilot study in a few states to see if the project is really feasible. He does not feel that support from the M & P Committee at this time would be helpful. Some committee members do feel the project should be advanced as part of the NAWCC marketing program it was originally intended to be—with public involvement.

STATUS OF WORK ON SECOND PRIORITY PROJECTS

- **Develop Model Newsletter Guidelines for Chapters.** Betty Pearson prepared some brief “do’s and don’ts” for chapter newsletters, but more work is needed on this project. From earlier surveys, we already know which chapters do not have newsletters, but we do not know what kinds of newsletter help they would like to have. A question on this subject has been included in the 2005 Annual Chapter Report survey. Jim Bland developed some templates for chapter newsletters during the year, but they have not stimulated much interest from chapters. Betty Pearson will evaluate how Jim’s guidelines might be better promoted. She will also consider sending some outstanding examples of chapter newsletters to all chapters.
- **Develop Chapter Tune-up Articles** Andy Dervan analyzed 2004 Chapter Highlights, as published in the Bulletin, to identify novel programming, publicity, recruiting and community service ideas. He was discouraged from writing a Bulletin article summarizing his findings because the Highlights section of the Bulletin was being revamped. No action was taken to develop a series of chapter tune-up articles

based on creative programming, community service, recruiting and publicity ideas contained in the Annual Chapter Report surveys for 2003 and 2004.

- **Identify New Program Materials for Chapters** Several chapters have prepared training materials, such as videos and DVD's, which other chapters might find useful. These are listed in the 2004 Annual Chapter Report summary. Another source of new program materials for chapters is the new DVD's created recently by the Program Committee based on old Library videotapes. Ron Kowalski is reviewing all of these materials to define them more specifically and is developing a plan for making them available to all chapters..
- **Develop a Public Speaker Listing** A force of NAWCC speakers interested in making non-technical presentations to the general public could become an important new publicity arm and recruiting arm for NAWCC. NAWCC's omni- presence in the market place of hobby organizations will be especially important in attracting new recruits to its membership once they are bitten by the clock bug. The NAWCC has for many years maintained a "Speakers Bureau" identifying individuals interested in providing technical programs for NAWCC audiences at chapter meetings. As part of its 2004 Annual Chapter Report survey, the M & P Committee collected the names of individuals in all chapters who are interested in making non-technical presentations on horological subjects to school groups, community organizations, service clubs, senior citizen groups and the like. The Committee is now developing a "Public Speakers Bureau" listing which can be marketed to community groups and posted on the NAWCC website.
- **Help Chapters Use the Internet** The importance of the Internet as a tool which chapters can use to add and retain members has been long recognized. Yet, many chapters still lack websites, a basic communications tool. In the absence of assistance from NAWCC, a single NAWCC individual recently "volunteered" to help selected chapters set up their own websites and to serve as their webmaster. Lacking any other alternative, several chapters have reportedly accepted this "service". It is important that NAWCC offer website development assistance to chapters to offset this trend. The M & P Committee will encourage HQ and the Web and Technology Committee, both of which have the necessary technical expertise to assist chapters in this area.
- **Recognize Members of the Golden Circle** In May 2005, the Board of Directors officially established the Golden Circle Membership designation to recognize NAWCC members who have 50 years of service to the Association. The M & P Committee first proposed this honor 4 years ago. Many individuals named to the Golden Circle, have expressed appreciation for this recognition. The member services staff at HQ will administer this award program.
- **Delineate Realistic Service Areas for Geographic Chapters.** Every 2 months, HQ sends each geographic chapter a listing of all new and relocated NAWCC members residing in the chapter's "service area". Chapters are supposed to use these listings to

identify new chapter member prospects and to build up their chapter rosters. Unfortunately, the service areas of many chapters have been somewhat arbitrarily determined and often do not represent the areas that the chapters can effectively serve. Consequently the names sent to many chapters are not realistic member prospects. The M & P Committee is identifying computer software which will permit definition of service areas for all geographic chapters to include all zipcodes within 2-3 hours driving time of the chapter meeting point. These will help chapters recruit and will reduce service area overlaps

- **Develop a Recruiter Recognition Program .** In the spring of 2005, Joe Cohen, Jim Gilmore and Frank DelGreco drafted a plan for recognizing NAWCC's top recruiters. The plan was adopted by the Board of Directors in May. The recruiting awards are to be made at each Annual Meeting and will identify the cumulative number of new members (greater than 25) recruited by individual NAWCC members and by Chapters. The member services staff will administer this program.

NEED FOR ADDITIONAL M & P COMMITTEE MEMBERS

Each year, the Committee respectfully requests assistance from the Board of Directors in identifying additional committee members skilled in marketing, computer analysis, writing, chapter organization, and chapter management. This year is no exception. A recent call for committee work projects for the year ahead has produced a far larger preliminary workload than the committee could ever deal with given its current membership. All suggestions would be gratefully received.

National Program Committee 2005/2006 Annual Report

THE MOVE TO DIGITAL: Digital movie recording became the standard way of capturing new programs using Mini DV recorders. These new high quality programs are being released through the library in both the VHS and DVD formats. A simplified method of listing programs and distinguishing between digital and analog has been established and will be used from this point forward.

VHS TAPE ARCHIVING: Just about all VHS and film programs have now been digitized and archived to DVD. While this process captures the content with similar quality to the original analog version, we are almost guaranteed that no further degradation will occur. The content of the earlier analog (VHS and tape) programs has therefore been captured for posterity.

ARCHIVED VHS PROGRAMS RELEASED IN DVD: Previously archived VHS programs are now being released in the DVD format. The first 20 are listed in the June Mart.

A SECOND DIGITAL PRODUCTION SITE ESTABLISHED: The Program Committee has established a second site for the production of DVD programs. This second site increases our production capacity and provides a back up facility when needed.

FINANCIALS: The 2005-2006 budget for the year was \$3,000. Additionally we gratefully accepted donations of a further \$1,100 bringing our total to \$4,100. The largest portion of our budget was used in purchasing equipment and media and in digitally copying the analog tapes and producing DVD copies for archive purposes. To minimize spending, most of the work was done in-house by committee members. Our budget was slightly under spent so the balance was returned to HQ.

DIGITALLY CAPTURING THE NATIONAL: Programs given at the 2005 National in Ft. Lauderdale were all captured digitally and released both in VHS and DVD formats.

DIGITALLY CAPTURING THE ANNUAL SYMPOSIUM: The Annual Symposium in Houston Texas was digitally recorded and the programs were released in both VHS and DVD formats.

STRATEGIC PLANNING: The National Program Committee provided support for the NAWCC's Strategic Planning Process. Documentation was submitted to the Executive Director.

BRAINSTORMING FOR THE FUTURE: The National Program Committee initiated a Brainstorming Process looking at future needs, technology trends and ways in which we may extend our contribution and increase synergy with the NAWCC and its other committees and chapters. The results were submitted to the Executive Director.

SPEAKERS BUREAU BOOK: The Speaker's Book has been updated with new speakers and subjects. A new, more navigable format has been created and is currently being tested for release.

RESTRUCTURING: The Program Committee was reduced in size from twelve members down to seven members mid way through the year. Three members moved from this committee to the Convention Committee, and two resigned.

Dennis Radage

Research Committee Annual Report
2005-2006

Among the Bulletin articles published during the past year, some half-a-dozen have been authored, co-authored, or assisted by members of the Research Committee.

The column “Research Activities and News” has been included in each issue of the Bulletin, with a wide variety of horology-related material, representing the contributions of Committee and non-Committee members alike. Within the column, the section “Requests for Assistance” has been utilized by N.A.W.C.C. members and a few non-members, often those planning or starting a new research project. Sometimes the requests evoke valuable help, but sometimes not.

The Committee is always alert to the discovery of hidden source material, such as account books, factory records, etc., and attempts to reproduce the material, making it more readily available for new research efforts.

The purpose of the Research Committee is to encourage and facilitate research in all horological fields. Use our help!

Snowden Taylor
Chair, Research Committee
5/5/06

PUBLICATIONS COMMITTEE

If one were to ask most of our members whether or not they have noticed any particular changes in our publications during the past year they would probably answer "no." From those on this committee, however, the answer could well be quite different. Certainly, if you were to ask the members of the Editorial Department in Columbia they could point out many differences, some of which are reported in the Editor's Annual Report.

That report, however, does not discuss - what to many of this Committee - has truly been accomplished during the past year. The merger of two committees, Mart and Editorial, previously involved with our publications into one functional unit, was accomplished with little or no travail, and is working well. This, however, was but the beginning. In cooperation with the staff in Columbia, Committee have reviewed articles, offered advice when requested, made suggestions on improving procedures, and generally worked hand in glove with the Department to provide our members with useful, sometimes provocative, information while at the same time holding publication expense within budget restraints.

Particular appreciation must be expressed to our Editor and her staff for their untiring efforts to improve our publications while controlling costs. It was she who found a new way to produce Supplements digitally and thus enable us essentially to "produce copies on demand," thus reducing inventory costs. This enables us to keep the Supplemental Publications Fund "nut" at close to 100% and to use it more efficiently to produce more such works when manuscripts become available. Moreover, I believe all will agree that this change did not in any way deprecate the quality of the "Boston: Cradle of American Watchmaking" that was very well received. In fact, many seemingly did not even realize that the work was produced by a new process.

To those of us on this Committee our publications are an important aspect of our NAWCC membership and we trust that you, too, feel as we do. Diana and her staff are an important and Integral part of what, in our view, makes membership in our Association so valuable and we truly thank them for their dedicated efforts. Additionally, we hope that you will express your thanks to them whenever you see them at meetings, and/or have reason to talk with them at other times.

Bill Keller, Chairman

REPORT MUSEUM COLLECTIONS COMMITTEE

FY 2005-2006

Over the past year the Museum Collections Committee has developed the NAWCC Collections Manual which has now been approved by the Board of Directors. In conformity with that manual items offered to the NAWCC museum have, after being recommended by staff, been routinely reviewed by the committee and approved. The museum does not collect large quantities of materials but closely evaluates items being offered by NAWCC members or by the public. Over the past year only a half dozen specimens have been acquired.

The list of items to be deaccessioned, created by the previous museum committee but never acted upon has now been submitted to the Board and is cleared for deaccession in conformity with NAWCC policy. This policy states that such artifacts must be sold at public auction with proceeds being devoted to the acquisition of new specimens or to conservation of other artifacts in the collections. The auction has been set for July at Conestoga Auction near Lancaster, PA.

Plans for the next year include a review of the collections by experts within the organization and lists of deficiencies, strengths and superfluities developed by each category of the museum's wide holdings. From these reports a collecting plan will be developed. The committee also suggests that the museum needs the services of a professional museum registrar who can maintain an inventory of the museums permanent holdings and loans as well as initiate a needed upgrade of the cataloging employed in registering many of the specimens. All of these actions and recommendations are taken in furtherance of the goal of eventual AAM accreditation.

Bruce Bazelon

Nominating and Elections Committee Report

This constitutes the 2006 Annual Report of the Nominating and Elections Committee (NEC)

Members of the Committee are: Steve Burgamy(LA) and Judy Draucker (VA) who are Board appointees; Fred Tischler(TX), Board appointee to complete the term of Ralph Pokluda: Doug Cowan(OH), elected member.

Since the Annual Board General Meeting in June, 2005, the NEC has:

- Completed its staffing with the Board appointment of Judy Draucker.
- Replaced elected member Ralph Pokluda with the Board-appointed Fred Tischler.
- Updated the Self Nomination form and posted the revised form on the NAWCC website.
- Published the Call for Nominations in the June 2006 Bulletin.
- Completely revised the Operations manual pertaining to this Committee and submitted it to the Ways and means committee for Board approval or revision. Importantly, the revised Operations Manual includes a month by month calendar of actions required, leading up to the election/appointment of Board and NEC members.

An informal meeting of part of the NEC took place in Florida in February, 2006. It was agreed that the objectives for the 2007 election were basically unchanged---that is to find the best candidates to enable the Board to move forward with an aggressive and well qualified membership. It is also felt that, given adequate candidates, the NEC should make attempts to achieve at least sporadic representation from all major member markets such as the American/Canadian west coast, Florida, International, etc.

Respectfully Submitted, Doug Cowan, NEC Chair

REPORT LIBRARY COLLECTIONS COMMITTEE

FY 2005-2006

Over the past year the Library Collections Committee has developed a briefing which may be given at regionals to explain how to use the Library.

In addition members have given the librarians lists of new horological publications which should be purchased for the Library.

The committee sent gift copies of a new book publication to about 30 libraries to reintroduce ourselves and ask for them to keep us informed of new reference developments.

We have identified the funds to hire a full time intern to help with cataloging this summer.

Plans for the next year include development of a Collections Manual for review and approval by the board and identification of techniques to allow members to help catalog material.

Phil Gregory

NAWCC Ethics Committee Annual Report May 2005 through April 2006

There were seven complaints submitted to the Ethics Committee for the reporting period; four of these have been resolved with three now pending. For the most part, the complaints submitted were a result of a misunderstanding between the parties involved through lack of communication.

I would like to recognize the hard work and dedication of the Ethics Committee members. They are dedicated and try to resolve these matters effectively and diplomatically and represent NAWCC in an honorable manner.

Sincerely,

Tom L. Brown, Chairman - FNAWCC

III. Unfinished Business

III.A. Review of Staff Salary Freeze (Hubby)

Mr. Chair,

I move that the freeze on staff salaries be reconsidered, the timing and amount of any increase to take actual financial results and projections for this fiscal year into account.

John Hubby

III.B. Status of Member Code of Conduct (Hubby/Bryan)

III.C. Revisit Conflict of Interest of Board Members Who Are Also FSW Instructors (Draucker)

In June last year, motions were made to allow specific board members who were also Field Suitcase Workshop Instructors to be compensated for their services. Those approved motions expired on June 8, 2006. The board needs to determine whether to reinstate those approvals. The following are proposed motions:

MOTION: The Board has determined that in order to avoid any appearance of impropriety, a Field Suitcase Workshop Instructor or member of the immediate family of such Instructor who is elected or appointed to the Board shall be ineligible to continue as a compensated Field Suitcase Instructor (other than the reimbursement of ordinary and necessary expenses); provided, however, the continuation of such services shall be permitted for a period not to exceed twelve (12) months by a determination of no less than two thirds (2/3) of Board members eligible to vote that such services are necessary and exclusively in the best interests of the Association and its members.

RATIONALE: I believe the motion is necessary in order to avoid any appearance of impropriety regarding compensation of Field Suitcase Instructors who may be Board Members or immediate family members of Board Members.

MOTION: Moved that it has been determined that the continuation of Philip C. Gregory's services as a Field Suitcase Workshop Instructor until June 21, 2007, are necessary and exclusively in the best interests of the Association and its Members.

MOTION: Moved that it has determined that the continuation of John S. Hubby's services as a Field Suitcase Workshop Instructor until June 21, 2007, are necessary and exclusively in the best interests of the Association and its Members.

MOTION: Moved that it has been determined that the continuation of George E. Orr's services as a Field Suitcase Workshop Instructor until June 21, 2007, are necessary and exclusively in the best interests of the Association and its Members.

IV. New Business

IV.A. NEC Procedures Approval (Hubby)

Mr. Chair,

I move that the Board approve proposed Operations Procedures for the Nominating and Elections Committee.

John Hubby

NOMINATING AND ELECTIONS COMMITTEE (NEC)

OPERATIONS MANUAL

MAY 2006

Purpose of Committee: To conduct the business of managing the election and appointment of members of the Board and elected members of the NEC, as defined in the NAWCC Bylaws Article III Section 2(g), and Article IV Sections 1 through 8; and Standing Rules Article VII Sections 1 and 2(g). The aforementioned documents thoroughly define the purpose and requirements of the NEC. The attached Calendar specifies the month-by-month details of the NEC's responsibilities.

NEC Relationship to the NAWCC Board: The NEC reports to the Board and is comprised of two members appointed by the Board from Board members serving their final term; two members elected by the NAWCC membership who must possess Board or NAWCC Museum Trustee experience; and the NAWCC Executive Director (ED), a non-voting member of the committee. All terms except that of the ED are for four (4) years with half appointed/elected every two years. The NEC elects its own Chair.

The committee by design maintains a slightly independent relationship with the Board, operating freely within the instructions laid down in the Bylaws and Standing Rules. However, the Board must approve operating changes made by the NEC and amended Bylaws or Standing Rules must be published.

Responsibility for Documents: Frequent communication with the Board is required to ensure common purpose for the following NEC published documents:

- Board members' eligibility criteria.
- Calls for election and appointment nominations.
- Self-nomination form.
- Summary of any election candidates' qualifications.
- Election ballots and Bulletin biographies.
- NEC audit of the third party vote counting.
- Certification of election results.
- Annual report to the Board.
- Annual budget request to the ED.

NEC CALENDAR

THE YEAR BEFORE THE ELECTION (Even Numbered Years)

- By April 1: The call for election nominees goes to the Bulletin Editor.
The website nomination/appointment form is updated.
- By May 15: Annual report to the Board.
- By June 1: Bulletin/MART publication of the Call for Election Nominations.
- By Aug. 1: NEC letter to retiring Board members regarding eligibility and interest in a second term.
- By Sept. 15: NEC internal assessment of election candidate adequacy.
- By Sept. 30: Self-nominations for election closed. Find more candidates if needed.
- By Oct. 1: Call for self nominated appointment candidates to Bulletin Editor. Submit next year's budget request to ED.
- October: Interview election candidates to validate versus criteria.
- By Nov. 1: Election nominations closed. Ask all selected candidates plus petition candidates to submit photos and biographies to Bulletin Editor.
- By Dec. 1: Prepare the February election ballot.
Tabular summary of the candidates to the Board.
Obtain Board approval for the vote counter.
Publish the Call for self-nominated appointees in the Bulletin.

DURING THE ELECTION YEAR (Odd Numbered Years)

- Jan. to March: Develop list of potential appointees.
- February: Caucus NEC regarding presentation to Board of likely candidates.
Match candidates with needed Board skills.
- Mid-March: Audit vote counter and report to Board.
Identify two backup appointee candidates for use if Board rejects first recommendations or if there is an unexpected Board appointee vacancy.
- April 1: Election completed. Evaluate unsuccessful candidates for possible appointment.
Advise Board of election results ASAP.
In concert with Board Chair, contact all election candidates ASAP.
- April 8: Self-nomination for appointment is closed.
- April 15: Appointee recommendations sent to the Board, along with tabular summary of qualifications.
Letter to Board, certifying the results of the election.
- May 15: Send annual report to the Board recommending any changes to the Standing Rules.

- June/July: New Board appoints one NEC member from final-term Board members, excluding the past Chair of the Board.
- Sept. 1: Submit next year's budget request to the ED.

NAWCC NOMINATION FORM
Elected and Appointed Positions

Name _____ Membership Number _____

Address _____

Telephone _____ Fax _____

E-mail address _____

Position for which Nominated:

_____ Elected Director (four year term)

_____ Appointed Director (four year term)

_____ Elected NEC Member (four year term, must have prior Board, Council, or Trustee experience)

NAWCC Experience and Service:

Professional, Business and Community Activities and Experience Outside NAWCC:

What makes the nominee a strong candidate? Include leadership and other experience in any relevant area of personal activities.

Submitted by: _____ Date: _____

Additional information may be submitted on a separate page
Return to: Pam Lindenberger, NAWCC Inc., 514 Poplar Street, Columbia PA 17512-2130
FAX: (717) 684-0878 Rev. 3/3/06

CALL FOR NOMINATIONS

This is a call for nominations to NAWCC ELECTED positions to be filled in the spring of 2007.

These positions are: Three Directors
 One member of the Nominating and Elections Committee (NEC)

All these terms are four years in length, and all candidates will be interviewed regarding their eligibility against the requirements listed below. Additionally please note that NEC candidates must have prior Board or Trustee experience with the NAWCC and must agree not to stand for election or appointment during their NEC tenure.

There will be at least two but not more than five candidates for each position. If more than five self-nominations are received for each position, the NEC will select the best qualified to place on the election ballot. The ballot will be placed in the February 2007 Bulletin, and the election closes on April 1, 2007, with results announced soon afterward.

You are encouraged to self-nominate, using a prepared form available on the Members' Documents page of the NAWCC website, or by contacting Pam Lindenberger at (717) 684-8261.

You may also self-nominate by petition. This requires only two hundred and fifty valid member signatures and no limit is set upon the number of nominations by petition.

Nominations must arrive at the NAWCC, 514 Poplar St., Columbia PA 17512 by Sept. 30, 2006.

A similar call for self nomination to APPOINTED Board positions will appear in the December 2006 Bulletin, but the same form will be used and you may fill it out now if you wish.

Eligibility requirements for NAWCC Board candidates:

- Be a member in good standing and not an employee.
- Have no felony convictions and no adverse Board decisions regarding ethics complaints or violations.
- Be willing to perform a Director's job, which may include Committee and/or Officer's duties.
- Agree to be interviewed by the NEC for eligibility verification.
- Understand and agree to be subject to the common law and statutory fiduciary responsibilities of not-for-profit corporation Board members.
- Be willing to help set strategic policy, plans and objectives.
- Will help the Board develop a productive relationship with the Executive Director and willing to assist in his/her annual evaluation.
- Agree to training in the performance of non-profit corporation Board responsibilities, if deemed necessary.
- Be willing to establish fiscal policies and raise funds through appeals or direct giving.

- Be able to commit to spending a minimum of ten travel days a year, plus some weekends for Board meetings and as National representative at Regionals, as well as a significant number of hours per month on non-travel Board business.

To be a member of the NAWCC Board is a very serious responsibility, and vitally important. This is your Association. You need to help lead it if you have the talent and commitment to respond to the challenge. Please self-nominate, using the form recommended above.

Respectfully, the Nominating and Elections Committee

IV.B. Report of Discussions w/ International Leaders re: Dues Increase (Hubby)

IV.B.1.Motion

Mr. Chair,

I move that NAWCC adopt a policy of equalization of membership cost and benefits for all members worldwide, with the objective to promote and retain membership for our non-U.S. members.

John Hubby

Discussion

This proposal is intended to be the first step toward meeting one of the goals stated in our Strategic Plan:

B. Strengthen membership and member services

1. Define products (benefits and services) desired by our members
2. Improve our retention and recruitment
3. Facilitate international members' access to benefits and services

The recent dues increase triggered a strong negative response from many of our non-U.S. members, in particular vocalized by those in Australia and Canada where we have 13 chapters and a total of over 800 members. Many of the issues raised have been brought up before, however this is the first time we have been faced with possible wholesale membership losses as well as the possible loss of entire chapters. While the immediate economic impact of this is relatively small, it would deal a major blow to any efforts made to increase our international presence. ***This needs to be taken in perspective that our international membership has been stable over the past five years, compared to losses in the U.S.*** In addition, international members tend to be more active in forming chapters where possible. For example, they represent just under 6% of our membership (1476) but have nearly 12% of all active land-based chapters (18).

There are a number of issues that need to be addressed based on common feedback from individual members and chapters in Australia and Canada (see Appendix 2). The primary complaint is that non-U.S. members fall way short of receiving or having access to the benefits and services immediately available to U.S. members, and have to pay more to (not) receive them. A number of proposals have been received to alleviate this situation, however most of these will require study and planning prior to implementation. Some may not be possible or practical.

This motion and proposal will focus on the most visible difference, being the dues structure (Appendix 1).

Letters and emails have been received from chapter officers in Canada and Australia, which are attached for information and review (Appendix 3).

Our chapter leaders in both countries point out that irrespective of monetary exchange problems, our members outside the U.S. have to pay US\$10 more than U.S. members. In exchange for that, they get the following:

- Delivery of the Bulletin and MART from 3 to 6 weeks later than in the U.S. This eliminates any benefit for these members to participate in the buy/sell/trade features of the MART.
- The long delivery time puts them at a disadvantage for “any” time-dependent matter, for example voting in NAWCC elections.
- No reasonable access to Regionals or the National Conventions, except for the few Canadian members living close to the U.S. border.
- No reasonable access to the NAWCC Museum.
- No reasonable access to the Library.
- No access to the ASTC program.
- Library loan material, video programs, etc. costs double or triple what it costs U.S. members, even to Canada.
- Little or no possibility to bring goods to Regionals or the National for sale, even from Canada, because of onerous customs regulations.
- No reasonable access to FSW education programs or to the School of Horology.

In short, they are having to pay more to receive less. They also point out their memberships cost less for NAWCC to service since they are not using the benefits and services received normally by U.S. members.

As a first step to resolve this problem, it is proposed that NAWCC have only one membership fee applicable to all regular members. At the present time, that would be US\$65 as applies to U.S. membership.

Benefits:

- Retention of International members, who will see there is no differentiation by NAWCC between members, regardless of where they live in the world.
- NAWCC can market our memberships worldwide for a single fee. No other horological organization does this.
- Simplification of HQ membership processing to eliminate the “extra” charge for postage, which IN FACT is nothing more than part of the membership fee.

Negatives:

- Possible loss of revenue. However, retention of members now threatening to drop out can easily offset this. See example below.

If approved, to take effect from July 1. Those who have already paid \$75, would have their memberships extended two months to cover the extra \$10. Each one of these would be notified of the change.

Regarding possible loss of revenue, it is my contention it will be revenue neutral to somewhat positive if we make this adjustment. The premises and numbers for this are shown in Appendix 1.

The support of the Board is strongly recommended to take this initiative toward broadening the international appeal of the NAWCC.

John Hubby

(continued next page)

APPENDIX I

PROPOSAL TO ESTABLISH UNIFORM DUES FOR ALL REGULAR MEMBERS

PREMISES

Current dues for International members is US\$75. This includes a “additional postage fee”, which in fact must be considered as part of their total membership dues. They have NO option to not pay this fee unless they choose to pay for air mail delivery of the Bulletin and MART (see note below).

This proposal assumes all regular members will pay the same dues regardless of where they live, with the basis being the current US member fee of \$65 for new members or renewals.

IF international members wish to receive the Bulletin and MART via air mail, they will have that option. They will pay \$65 plus the air mail fee, so this proposal will NOT change their status in any way. Approximately 250 international members now pay the air mail fee (varies from a low of \$27 to Canada and Mexico to a high of \$63 to Asia/Australia).

The present budget allows for a 6% loss in membership this year for all members. However, initial indications from international members who don't pay the extra air mail fee show up to a 20% loss will likely result because of the increase from \$55 to \$75, including volunteer chapter officers. Discussion with members indicate most will stay if the increase is only \$10, to \$65.

Cost of providing benefits and services to U.S. and international members is approximately as follows:

Bulletin and MART including postage. Total cost is US\$18 per US member, excluding MART income. Cost per non-U.S. member is \$26 per member including the extra postage.

Free entry to Museum: Virtually all “cost” is from US member attendance. Gift shop sales are almost exclusively to US members. These “costs” total \$3 per member. Cost to International members is effectively zero.

Library services are used almost exclusively by U.S. members, even though email research is available to international members. Cost is about \$11 per U.S. member. Being generous, cost per International members is \$3 per member.

Cost for membership renewals to International is \$4 per member higher than US members.

Summarizing the above, the cost to service a US member is \$32 and the International member is \$33. This leaves little argument that we would “lose” money if we held International dues at \$65.

Here is a brief summary of the dues impact, with varying member losses.

Budgeted revenue assumes 6% of international members don't renew:

Loss from non-renewals: $1476 \times 0.06 \times \$75 = \$6,640$

Gain from dues increase: $1476 - 89 \times \$20 = \$27,740$

Projected revenue gain: \$21,100

Revenue projection if 20% international members don't renew:

Loss from non-renewals: $1476 \times 0.2 \times \$75 = \$22,125$

Gain from dues increase: $1476 - 295 \times \$20 = \$23,625$

Net revenue gain @ \$75: \$1,500

Assume same loss at 6%, but lower dues.

Loss from non-renewals: $1476 \times 0.06 \times \$65 = \$5,785$

Gain from dues increase: $1476 - 89 \times \$10 = \$13,870$

Net revenue gain: \$8,085

Breakeven for a \$75 dues increase compared to \$65 would be at a membership loss of 15%.

(continued next page)

APPENDIX 2

ISSUES AND PROPOSALS RAISED BY INTERNATIONAL MEMBERS & CHAPTERS

ISSUES:

One of the key complaints is that international members are perceived to be ignored. There is little specific notice given for most international chapter and member achievements except for what they put themselves into Chapter Highlights. The biggest complaint is the lack of benefits and services received for the money paid, compared to US members.

Our chapter leaders in both countries point out that irrespective of monetary exchange problems, our members outside the U.S. have to pay US\$10 more than U.S. members. In exchange for that, they get the following:

- Delivery of the Bulletin and MART from 3 to 6 weeks later than in the U.S. This eliminates any benefit for these members to participate in the buy/sell/trade features of the MART.
- The long delivery time puts them at a disadvantage for “any” time-dependent matter, for example voting in NAWCC elections.
- No reasonable access to Regionals or the National Conventions, except for the few Canadian members living close to the U.S. border. Even those have significant disadvantages.
- No reasonable access to the NAWCC Museum.
- No reasonable access to the Library.
- No access to the ASTC program.
- Library loan material, video programs, etc. costs double what it costs U.S. members for shipment to Canada, even more to all other countries.
- Little or no possibility to bring goods to Regionals or the National for sale, even from Canada, because of onerous customs regulations.
- No reasonable access to FSW education programs or to the School of Horology.
- NAWCC policies and programs are designed only with US members in mind.
- No serious consideration has been given to promotion of international member benefits.

In short, they are having to pay more to receive less. They also point out their memberships cost less for NAWCC to service since they are not using the benefits and services received normally by U.S. members.

PROPOSALS:

Equalization of value for fees paid is the most visible proposal. Others are directed to improved Internet content, a “no publications” membership.

- Membership dues should not be more than for US members, as the additional costs of normal mailing are offset by savings from not providing services to international members.
- Significant improvement in Internet based member-only services is needed to offset lack of accessibility of normal services.

- Internet publication of the Bulletin and MART should be made available, with corresponding decrease in dues as a result of printing and mailing savings.
- A membership fee should be available with no Bulletin or MART provided.
- That NAWCC and Chapter assets and subscriptions be used to set up scholarships for younger members.
- Change the name of NAWCC to the International Association of Watch & Clock Collectors.

(continued next page)

APPENDIX 3

CORRESPONDENCE FROM INTERNATIONAL CHAPTERS

1) Letter from Chapter 187, Montreal Association of Watch and Clock Collectors

The following letter is reproduced with permission of Chapter 187 president Peter Kushnir. It was originally addressed to Frank Del Greco, NAWCC BOD Chair. The content of the letter was discussed in a meeting on May 7, 2006, with the presidents of chapters 33, 92, 111, 119, and 187.

Dear Mr. Del Greco,

This is further to our conversation in Kirtland, OH on March 11th, 2006

The membership dues increase by the NAWCC was the subject of discussion by our members during the chapter meeting of March 14th, 2006. At the end of the debate it was obvious some members will not renew their membership when it becomes due. Canadian members feel they are ignored by the National, when there is benefits comparison between U.S. and Canadian members. Here are a few points:

- 1) The NAWCC Bulletins arrive 3 to 4 weeks after they are mailed by the publisher.
- 2) Lendings from the library cost double of US rentals, plus double postage (Note MART Dec. 2005 – page 55)
- 3) US members can attend Regional meetings and Marts and rent tables which is not possible for Canadian members. Customs at the border is prohibitive. Entering the US one must have Customs documents prepared by a Customs broker at a cost of \$500. Duty and tax will have to be paid at the Border. Merchandise not sold when re-entering Canada get refunded 99% of the duty, which takes 8 to 12 months to receive. In the event people who do not declare and are caught are banned entry to US for 7 years, without recourse as the decision of the Border Security is final.

With all the drawbacks for Canadian members, we see no reason that they be charged even one cent more than US members.

Family memberships of \$10.00 is more than sufficient. There is no reason to double same, as National has absolutely no expense, even to justify the original amount. These members, as supplement in local chapters, carry out most of the administrative work.

One can accept the reality that members who also pay membership in local chapters are hit the hardest. Our chapter (187) charge \$25.00 annual fee to pay for the rental of the meeting room and other essential expenses. They promote the National Association and work to make it going.

My personal suggestion is as follows:

Dealers and antique shop owners should pay the highest fee. This is a tax deductible business expense for them.

Members not affiliated with chapters, should be next highest.

Members who belong to local chapters, to be at the 3rd scale of the present rate to take into consideration that most of the members are seniors on fixed income.

Family membership should remain \$10.00.

To charge registration fee of \$5.00 or \$10.00 to new members.

Reinstated members should be treated as follows:

Those who let the membership lapse and reinstate in order to attend a Regional and rent a table at the regional mart, should be charged a \$10.00 fee for the reinstating and should not be allowed to rent a table at the regional convention for 3 to 6 months.

I am sorry to inform that 5 members of our chapter executive declared that unless they are treated as US members, they do not wish to renew their membership. It is very hard to recruit members but very easy to lose. We appreciate that NAWCC needs funds but there should be other ways to raise what is needed. May be it is time to study how that can be achieved while keeping the membership satisfied.

Please note my arguments are for Canadian members only. While reading pages 2 and 3 of the February Bulletin, I have observed that the Board of Directors pays attention to US members only and no interested in members of associations.

Hoping to hear from you in the near future.

Yours truly,
Peter Kushnir
President, Chapter 187

2) E-mail from Peter Eakin, Chapter 72 Director, April 3, 2006.

John,

Thank you for your emails.

Ray Garnsey and I prevailed upon Doug to send a statement to be read at the SGM (which it was) and not attend as that had the potential to really upset him and the rest of the applecart!

The Chapter meeting was a bit difficult with some members attempting to enforce 'rules of procedure' but we overcame these objections to allow an hour's open forum for any and all questions to be aired and addressed.

That was I believe beneficial to the members.

A couple of constructive issues were raised in addition to those we discussed and these are worth following up;

- Could members decline the Bulletin and Mart issues and thereby reduce the annual costs to the aging membership who have reducing disposable income ? - This would seem to be a simple computer entry into the mailing lists and a leap forward in defraying annual costs without losing membership and their dues!
- Could NAWCC and Chapter assets and subscriptions be applied to scholarships to attract a younger membership?

I'd like your considered response to these matters please.

We now have to complete the constitutional process (which we failed to do in 1992) and lodge the amended constitution with the NSW Dept of Fair Trading. That will be done as soon as practicable.

The major advance we have made is that the association with NAWCC and the Constitution have been tested with the membership have overwhelmingly voted to continue along the lines recommended by the Committee (the majority of it anyway!! - that's a bit uncharitable but to be more charitable, the position could be put the these guys were simply playing the role of 'Devil's Advocate' to ensure that all aspects were aired and debated). We have passed through this dark valley with an outcome of retaining most of the cohesive elements which are the cement of this Chapter and a brighter future than I had dared to hope for!!

Regards

Pete

3) E-mail from Chapter 72 president Carl Sona, April 3, 2006, in response to query regarding outcome of member vote.

Hi John,

Yes that was the case. The meeting was conducted to the satisfaction of all, even the losers, and it was very democratically run. We gave them an hour to air their views and then moved the motion, and amendments.

The amendment to the Constitution which would have given members a choice of NAWCC membership was soundly defeated on a simple majority, but the final vote on the acceptance of the Constitution, which now made NAWCC membership obligatory and required a 75% majority, was overwhelming. A great result and it did wonders for Doug's morale.

What did emerge from the discussion, from both sides, was the need now for NAWCC to be seen doing more for its members, particularly for overseas members. The envisaged changes that you have mentioned were conveyed to the group and probably influenced the decisions but there is a strong argument for action. The suggestion for there being a non-bulletin rate, for those who so choose, was brought up.

I will also contact Frank del Greco about this result as he did ask to be kept informed.

Regards for now, Carl Sona.

IV.C. Executive Director Search (Executive Session) (Collard)

IV.D. Personnel Issue (Executive Session (Del Greco)

IV.E. Ethics Complaint (Executive Session) (Del Greco / T. Brown)

V. Other Discussion Topics

VI. Announcements

VI.A. Next meeting

VI.B. Other

VII. Adjournment

VIII. Member Comments