

Minutes of the American Philatelic Society
General Membership Meeting

August 9, 2003
Columbus, Ohio

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Installation of New Officers

Convened 8:59 a.m. by President Peter P. McCann. Standing room only, overflow into hallway.

McCann thanks Columbus local committee, introduces the outgoing Board of Directors (all present: Janet Klug, Ann Triggler, Roger Schnell, Vice Presidents; Lloyd de Vries, Secretary; Nancy Clark, Treasurer; Ron Leshner, Ada Prill, Steve Washburne, Bob Zeigler, Directors-at-Large; John Hotchner, Immediate Past President), Society Attorney Virginia Eisenstein, Executive Director Bob Lamb.

Lamb introduces Staff at Stampshow: Barbara Boal, Editor; Gini Horn, Librarian; Helen Bruno, Complaints; Frank Sente, Administration (all present at meeting); Mercer Bristow, Krystal Harter, Expertizing; Ken Martin, Barbara Johnson, Shows & Exhibitions; Dennis Gilson, Match Factory (already on the show floor).

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McCann and Lamb recognize the 50-year members:

It was a non-controversial, brief board meeting. The Board received a report on improving the Web site, and approved immediate implementation of improvements. However, the members-only area will take longer.

The Board voted to modify the rules for national exhibitions to make them more flexible and more innovative.

There were some concerns about the budget. The APS has made some serious cuts. There will be more on this later.

The Board discussed the partnership with eBay. There will be more on this later, too.

McCann says it has been a difficult four years, but interesting. He notes the start of the Match Factory/American Philatelic Center, with which he is extremely pleased.

The APS must deal with the slowly declining membership, a problem for other hobby organizations. The APS will meet this head-on and will get these numbers back up. The Society is also dealing with the problems with its finances.

Vice Presidents' Report:

Klug explains the role of the Board of Vice Presidents, recognizes the work of Complaints Manager Bruno, who Klug says is so competent that only a small percentage of the complaints goes to the BVP. The BVP met six times in the past year, at approximately eight-week intervals.

In the past year, it dealt with 24 cases. There were 13 expulsions, 1 suspension, 4 reprimands and suspensions and 6 other disciplinary actions.

For the Bid Rigging case, there were 3 expulsions, 1 disciplinary action, 1 suspension. The Bid Rigging case was very frustrating because of the limitations imposed by the Bylaws. The BVP has proposed a Bylaws amendment for faster work. Klug recognizes Trigg and Schnell, and says she will not miss being the "APS Chief of Police." She again thanks Bruno, who, she says, has been making APS vice presidents look good for a very long time.

The BVP caseload is up to date.

Secretary's Report:

De Vries reports he has taken and provided the minutes of meetings, and signed some official documents. Treasurer's Report:

Clark reports she has signed all vouchers and held Finance Committee meetings, both by telephone and at State College. The APS is in good financial health. Regarding life memberships and investment income, she says that deducting from the Life Membership Fund when not all life members have paid into it was putting a strain on the fund. Now, only dues for those life members who paid into the fund are deducted from it. This is the result of an analysis by Treasurer-Elect Nicholas Carter.

Investment income was removed as a budget line item. The market fluctuations made figuring it difficult.

The increase in employee costs was just under \$100,000, mostly from health insurance increases.

A small membership decline is anticipated for 2004.

The AmeriStamp Expo 2003 in Biloxi lost money, largely because of the death of a participating dealer and his firm's withdrawal.

She expresses confidence in Carter and the new board.

General Counsel's Report:

Eisenstein says she did not know at the March 1 meeting if plaintiff Greg Stolow would appeal the ruling against him in his lawsuit against the APS and others. He did not, so the ruling is now final. In the lawsuit by Russell Case, after a non-jury trial, a verdict on March 5th upheld the APS' decision. However, Case sought "post-trial relief," asking for a review by the trial judge. The judge refused, and Case has appealed.

Eisenstein has also consulted with officers and the executive director since the last General Membership Meeting.

Executive Director's Report:

Lamb thanks Eisenstein, saying she is too modest. He notes that he has now been executive director for a decade. He thanks Gov. Bob Taft and his staff for their support.

Support from members is also good, donating \$250,000 by July. That used to be a good amount for the whole year. "We have a wonderful membership." About half the contributions were for the Match Factory, which was very controversial at first, but the widespread and vigorous debate was probably good for the cause. It gave members a sense of participation and more information about it.

The first phase is on budget and on schedule, and he invites the membership to the dedication of Phase I next Saturday.

The next move depends on the sale of the present building. He thinks it's imminent. [The sale was finalized on September 10th.] The next phase could be completed by next summer.

Lamb invites those who cannot attend the dedication to come up for a tour another time.

The eBay partnership is exciting. The listings referred to the APS by eBay may or may not be a problem. eBay can't know whether complaints it gets are valid. In the first two weeks, the APS reviewed 75 items. Half were taken down, one seller was thrown off the site. There were many innocent mistakes. If sellers don't act within 24 hours, eBay takes their lots down. Lamb says the program is very promising, not only for eBay, but also for stamp collecting. He introduces Dan Neary, eBay's Director of Collectibles.

Neary says he is a new APS member. eBay has very little to do with its success, members do. eBay is on track for \$21 billion in merchandise sold this year in 30,000 different categories. \$5 billion in sales will be in automobiles this year. Its transactions are global, in 27 countries; 17% of all packages sent through the German mail system are eBay transactions. eBay has 75 million members, and signs up 70,000 new members each day. These new members don't normally come from advertising, but from word-of-mouth.

Neary says eBay recognizes it has some serious challenges, and that is why the APS partnership is so important. There is no way eBay can hope to have expertise in all areas. The APS has more expertise in stamps than eBay can ever hope to duplicate.

He knows that some sitewide policies may not work for stamps, but he wants to make eBay safer.

eBay thinks it can help bring new people into stamp collecting. It will take a more active role in shows. It promoted Stampshow 2003 and will promote others, as well as expertizing and general evangelizing for philately.

"We believe collecting is in your DNA," Neary says.

With eBay, it becomes easy to complete a collection. It gives collectors more time, more money, and more things to collect — such as stamps.

He takes questions from the members.

One asks how a collector can contact eBay to alert it to a problem lot. Neary replies that there is a mechanism on the site in the Help Section, titled "report fraud." In any community of 75 million, there are some "bad apples." eBay is more comfortable if the APS says something is wrong with a lot.

A member asks about contacting the APS directly about problem lots. Neary replies that he would rather collectors did not contact the APS directly, but go through the procedure mentioned above. EBay will filter the complaints to the Stamp Community Watch committee. Some lots are so obviously bad that that process is not needed.

A member asks if there is any financial gain for the APS. Neary replies that the partnership is in its early stages. He doesn't expect the program to take a lot of APS resources. Rather than money, he sees eBay and APS exchanging services, such as very prominent promotion of the APS, its shows and its expertizing service.

[The Q&A session ends.]

Installation of New Officers:

Former president Bill Bauer presides. He thanks the members for their Match Factory contributions, pitches them to give more. He then calls up past presidents Bud Sellers, Randy Neil, John Hotchner and Joe Foley. The new officers are sworn in: Janet Klug, President; Ken Lawrence, Ada Prill, George Fekete, Vice Presidents; Lloyd de Vries, Secretary; Nick Carter, Treasurer; John Flannery, Ron Leshner, David Straight, Steve Washburne, Directors-at-Large; Peter McCann, Immediate Past President. "This is an amazing day for me! Twenty-five years ago when I joined the American Philatelic Society, I could never have forecast this event.

"I still have my first issue of American Philatelist, dated August 1978. It was touting STAMPSHOW 78 in Indianapolis, just a skip and jump from here. There were 62 dealers, about a third of the number that are here in Columbus.

" John Foxworth, from just up north in Michigan, was president. Jim De Voss was Executive Secretary, a position that is now Executive Director and held by Ambassador Bob Lamb. We had 44,000 members. We have more than that now!

" This stroll down memory lane has not been a frivolous exercise. I've been delving into the history of the APS a lot lately to learn what I could about the Society's growth and development. I was cheered by what I learned. Declining membership? That's not a new problem! Reduced finances and struggling to operate within the constraint of a tight budget? That's not new either. Neither is an aggressive building program, nor public controversy over issues both great and small. The APS truly has been there and done that.

"The Society has weathered all these crises and learned from mistakes, grown, and evolved into what it is today – the greatest philatelic organization in the world.

" My fellow Board members and I face many difficult challenges. In the weeks ahead we will launch the largest fund raising drive in the history of the APS. We will begin to address the problem of declining membership. Next weekend most of us will attend the grand opening of Phase 1 of the new American Philatelic Center in Bellefonte, and we will continue to oversee this project responsibly.

" With great challenges comes greater opportunity. Your new Board has agreed to approach all of these challenges with the realization that we all want what is best for the APS. With that in mind, the entire Board has agreed to work harmoniously to find the most effective resolutions. We do this knowing that this is what you expect from us, and indeed, what you deserve. We begin this process with a short board meeting immediately following this one. We invite you to attend.

" So on behalf of the new Board, I thank you for the confidence you have shown in us. I ask your patience, support, and expertise in the coming two years, as together, we address these challenges.

" Thank you, and have a really FANTASTIC day at STAMPSHOW!"

She introduces her husband Russ, and the meeting ends.

[Note: There was no formal adjournment at that point. The formal adjournment came during the banquet that evening, at 8:18 p.m., and was moved by member Bob Cunliffe.]