

APS Board of Directors Meeting

Charlotte, North Carolina
Thursday, January 10, 2008

** Denotes motion and board action (for searches)

In Attendance: Nick Carter, Wade Saadi, Steven Rod, David Straight, Wayne Youngblood, Dan Walker, Robert Odenweller, Denise Stotts, Joann Lenz, Michael Dixon, Janet Klug, Virginia Eisenstein (APS counsel).

Staff: Peter Mastrangelo, Ken Martin, Rick Banks, Wendy Masorti, Dana Guyer

Visitors: Foster Miller, Lloyd deVries, Mark Banchik, Kurt Lenz, Steve Reinhard, Peter McCann, Irv Miller.

I. President's Welcome

Nick Carter: Called the meeting to order at 10:45 a.m.

II. Approval of Minutes, Phone Votes & Decisions Made in Executive Session

Motion to accept the October 23, 2007 Board Meeting Minutes moved by **Janet Klug, seconded **Robert Odenweller**.

**Vote: Unanimous

Motion to approve actions of the morning Executive Session moved by **Joann Lenz, seconded by **Wade Saadi**.

**Vote: Unanimous

III. Reports

Society Attorney Report (Eisenstein):

Eisenstein: Recently I have worked on a revision to the Privacy Policy, which is attachment 7 in this agenda, and we will speak of later. It is to facilitate the delivery of an e-newsletter. Other than that I drafted a proposed agreement with the Sescal organizers. This came to the board the last session. The Federacion Interamericana de Filatelia requested board approval for the United States to serve as host of the 40th anniversary of the FIAF assembly and this is the reason that we had drafted an agreement with Sescal organizers. They have not responded yet with a final version of their proposals.

There were two lawsuits that we have been concerned with over the past few months. One was brought against us from a member in the Boston area. It was a member who was dissatisfied with some materials he had purchased through the APS Circuit Sales Division. We defended this suit for two reasons. First, we are not a seller as far as the circuit sales goes. We facilitate the coming

together of a seller and a buyer through this program. The seller who fills the circuit book retains ownership of the stamps and we do not represent anything to the buyer. Buyers are able to examine the stamps in the books themselves, and if they have questions about the material they can send it for expertizing. Also, our Bylaws clearly state that any disputes brought between a member and the APS must be the exclusive jurisdiction of the Court of Common Pleas of Centre County, Pennsylvania, because the APS cannot be in a position of having to go throughout the country to defend itself. The case has been finalized. Tom Horn went to Boston and was able to enter into a satisfactory disposition with the individual who brought the suit. The reason I am bringing this up is because the APS can -- and must -- assert its position that we are not amenable to suit throughout the country and that attempts to do that will be met with resistance.

The other case, which is still pending, is the suit titled *Ken Lawrence, Plaintiff, against W. Danforth Walker, Nicholas G. Carter, Janet Klug, Peter McCann, Randy L. Neil, Wade P. Saadi, Steven J. Rod, David L. Straight, the American Philatelic Society, and individuals currently unidentified.*

We are defending against this case. The status is that a complaint was filed and we and the other attorneys who represent the individual defendants filed preliminary objections on legal grounds to that complaint, which we are entitled to do under Pennsylvania rule civil procedure. The plaintiff then filed an amended complaint two days ago. We are reviewing the amended complaint and at this time intend to file preliminary objections within the next 20 days.

David Straight: How many charges were in the amended complaint?

Eisenstein: There are 282 paragraphs, a total of eleven counts, only two of which are against the APS.

Saadi: 282 paragraphs against the APS and the other defendants?

Eisenstein: Yes, the 282 paragraphs are against the whole group. There are 177 paragraphs of background information before it begins with count one. Counts one through three go through 178-198. Count four is a defamation count against Saadi, Rod, Straight and the APS, which are paragraphs 199-213. The other count that is against the APS is count 11, which is against Klug and the APS, and is paragraphs 263-282.

****Motion to accept Society Attorney Report by Janet Klug, seconded by David Straight.**

****Vote: Unanimous**

Executive Director Report (Peter Mastrangelo):

Website

Mastrangelo: We now have technical specifications for our new website from which potential developers can prepare estimates for bids. There has been some interest from potential vendors. We hope to make that decision no later than the end of February.

We will have a web interface with our applications residing on our server, rather than having components residing on individual computers. The website will include many of the enhancements that we have talked about over the past few years including a members'-only

section, my profile section (where a member can update their information), Stampstore, eBay interface, and a shopping cart for members that will accept Paypal. The specifications that we received are in three major components: the website specifications, the eBay specifications, and our back-end specifications, which will tie into our membership database. We will review the specs next week and begin searching for a developer.

Dan Walker: What is the procedure and time frame from here on out?

Mastrangelo: First, we know that Link wants to bid. We have had interest from others who also want to bid. We will send specifications. We want to make a decision by the end of February.

Walker: Is that a 30-day turnaround to get a contractor to do the work?

Mastrangelo: No, that is a 30-day turnaround for them to review the material and provide us with bids.

Walker: So by the end of March we should have bids in?

Mastrangelo: I would hope that a decision would be made by then.

Walker: Do you have any idea how many may be bidding?

Ken Martin: One thing we have to determine is what type of qualifications we have for a bidder. Are you going to allow a company that is made up of two individual or are you going to require a larger staff, and are we going to ask for experience, etc.? Of course Link wants to bid and we have been contacted by at least two other companies. Whether they are qualified to do it I would have some questions.

Michael Dixon: There are three components to a website. Technicalities, which I believe we have been speaking of now, which are the linkages between pages, where you store things, etc; and there is the content itself. Thirdly, there is the design. Who is looking after the content and the design? In the presentation I will be making shortly, I shall be addressing some of those matters and I want to be sure that we have this lined up.

Straight: If we are going to hopefully have a contract by March, what are we looking at in terms of completion time with the project – six months, a year, two years?

Mastrangelo: We hope within nine months to a year after signing.

American Philatelic Center Development

Mastrangelo: I would like to provide an update on work in progress and recap some of the finances and challenges associated with the development.

For internal reasons beyond our control, the Smithsonian delayed the delivery of the final pieces of the Headsville post office until this week. These materials were delivered yesterday. It will now take a few weeks to complete Headsville, train our staff and get the operation up and running. We are looking at a late February or early March opening. Our tenants for buildings 15 & 16 are moving in at the end of this month. This will leave a vacancy of about 1,000 sq. ft. in building 18, which we hope to have rented by the second half of the year. Building 10 (the space

in which a previous restaurant tenant was slated to go) has generated new interest by other potential restaurant tenants, but none have panned out at this time. We may have to look into splitting up this space for renting. Discussions are in progress here.

I am going to ask the board to ratify a decision made on some repairs. First, I want to give you an idea of what we have spent on the APC up to this point. Our financing comes from the sale of our old building, fund raising, tenant income streams and loans. To date we have expended \$9 million on all phases, including those in progress. Sources of funds have come from the sale of our old building (\$2,336,000), various loans (\$4,705,000) and donations (\$2,000,430). Total square footage either fully or partially renovated is 67,500, of a total of about 100,000 sq. ft. Cost per square foot thus far is about \$134. Based on information from the architect, it is estimated that future renovations, including making space tenant-ready will exceed \$6.15 million, not including library furnishings or movable shelves and other bells and whistles. Thus, we are probably looking at a figure in excess of \$7 million to complete the project once all is said and done, for a total cost of around \$16 million.

The question is how we will get there? From the last few years, we can expect around \$600,000 per year from our members in donations, exclusive of estates. Now, a minority of those funds may be directed to other programs and services, but usually the majority of those funds is directed to the building program in some way, or are unrestricted gifts. Our priority has been to utilize these funds for the building program as needed; yet we do retain the authority to direct them for other uses if necessary.

In the beginning of December we had a conference call with the treasurers and the presidents of the Library and APS regarding repairs of roofs of the APC specifically building six roof replacement, and building 14 roof repairs. There are some structural issues that we need to attend to and the estimated costs for those fixes is \$202,000. We have these funds available from undesignated resources within the Campaign for Philately. We need to move forward to get these roofs repaired – there are gas and electric lines under these areas. Therefore, I am going to ask this board to ratify decision to allow funds to pay for roof repairs.

Carter: Can you give a specific breakdown of how much APS funds, how much APRL etc...? What are we voting on?

Rick Banks: APS undesignated, \$125,000; probably about \$35,000 Campaign for Philately undesignated; and the rest from the Library.

Carter: So we are voting on \$160,000 or \$125,000? Peter, what specifically do you want us to approve?

Banks: The total amount is \$202,000.

Carter: Yes, but we do not have jurisdiction of the library funds.

Motion to approve the \$160,000 of expenditure from our undesignated APS and Campaign for Philately funds to repair the roofs before we have a crisis, moved by **David Straight, seconded by **Dan Walker**.

**Vote: Unanimous

See Match Factory Building Costs Summary - .pdf available with meeting minutes posted.

Mastrangelo: Now the question of how we move forward to complete this building. A well-thought-out campaign and solicitation program is more amenable if you package it in a way that presents the case. But sometimes we do better if we have a specific project in mind. With that in mind, I believe now is the time to package this campaign with the goal of raising the funds necessary to complete our development.

Conceptually, I have been working along the following lines:

Campaign Target: \$7 million

Sources:

Government and Foundation Grants: \$3 million

Large Individual Gifts: \$3 million

Other individual Giving: \$1 million

Government and Foundation grants being reviewed are predominantly matching gifts. A potential donor may be more inclined to donate if there is the possibility that his or her gift may be matched. While these ranges may vary, it will take significant grant funding and large individual gifts to move the project significantly forward in the shortest time possible. In executive session I have briefed the board on my initial contacts to explore how we can package this campaign as we go forward.

Our immediate need, as far as the development of the APC, is to stabilize the rest of the undeveloped structure. By that I mean replacing the roofs on those portions that are undeveloped at this stage. We are attending to these things as we go along, but if we can package something shortly and go after grants we could tend to at least the next phase.

Walker: How much will it cost to stabilize the roofs?

Mastrangelo: Including the \$200,000 you have already authorized our preliminary estimates are somewhere between \$1.2 and \$1.5 million. There are structural issues on some of the buildings that need to be addressed.

Relationship with eBay

Mastrangelo: In their efforts to improve the system-wide reporting mechanism for fraudulent and misidentified items, eBay is rolling out a new reporting tool and is in the process changing the manner in which it works with “community watch” groups, including the Stamp Community Watch (SCW). Thus, our relationship with eBay is changing.

For a number of years APS has had an agreement with eBay that outlines our role in managing the stamp community watch process in concert with eBay SCW expert volunteers. As you know, we contract with Frank Sente to manage this process. eBay has confirmed to us that they are doing away with all “industry-specific” agreements in 2008. Our agreement will end in June of 2008.

While the new reporting tool may be an improvement, our initial review of it reveals that it needs additional work to meet the needs of the stamp community. During our conversations with eBay representatives over the past few months, Mr. Sente has outlined some of our concerns and we continue to have input in this regard. Hopefully this will result in a tool that will be more user-

friendly for Stamp Community Watch members to report items.

The role of the SCW experts will also change. The SCW is essentially an eBay committee. Per our agreement, though, Mr. Sente has managed the review process of the SWC experts, communicating with sellers prior to an item being taken down giving them a chance to change a listing, while educating them about the questionable item in the process. In this manner, we have helped clear the community of questionable items, and the seller is given the opportunity to change a description prior to it being taken down. EBay takes items down on the recommendation of Mr. Sente and the SWC experts. EBay has so much faith in its new reporting tool and their various experts that they may now automatically take down an item when questioned by an expert without the vetting and education process that Mr. Sente's services have provided. They indicate that there will be an appeal process incorporated into their new system.

In effect, rather than have a value-added service, which works with a seller before an item is taken down, it looks like now they will take the item down and inform the seller where they can get additional information. While we may not have any formal agreement with eBay, we have tried to impress upon the representatives we are talking with them of the importance to maintain a working relationship with the nation's leading stamp collectors' organization. During our discussions we have and will continue to explore how referrals to such services as APEX and Quick ID can be made through their new processes. This is still evolving. We will keep you abreast on our continuing conversations.

Lloyd deVries: Does eBay have a stamp category manager?

Mastrangelo: They have no category managers anymore in the collectibles area as far as I can tell. They have changed internally.

Straight: All of us know that we have been tagged too often with blame for things eBay did that we weren't responsible for. I think as we go forward we need to be careful and thorough, as well as inform our membership so they and eBay's community understands so we do not get tagged with things that are not ours.

Mastrangelo: That will be worked out during the transition.

Election Policies and Guidelines (Mastrangelo)

Mastrangelo: As you know, President Nick Carter appointed an ad hoc committee, chaired by Dwayne Littauer, to review our present Election Policies and Guidelines. This committee has been corresponding by e-mail and has held one telephone conference call to date. It is anticipated that the committee's report will be available for board review and consideration in the spring. We anticipate draft recommendations in February. They will be posted to our website so as to allow other review and input in preparation of drafting the final report to be considered by the board at a special meeting to be scheduled in May.

2007 Highlights (Mastrangelo)

Mastrangelo: Here are highlights of this past year by function or department:

- Campaign for Philately: We have finished another successful fundraising year. Once the accounting is completed we expect to post in excess of \$650,000 in cash contributions

from more than 4,800 gifts. A full report will be printed in a special section of the April issue of the *AP*.

- Shows and Exhibitions: Positive feedback was received from our 2007 shows in Riverside, Calif., and Portland, Ore. This continued as we hosted Aerophilately 2007 and the second annual Postal History Symposium in Bellefonte. For our show in here in Charlotte we have more than 85 dealers.
- Editorial, Media, & Publishing: Advertising in the *American Philatelist* experienced a five-year high. “In the Know” column highlighting APS programs and services was introduced; two new books were produced and others added to our inventory for sale; The *Philatelic Literature Review* remains popular with library subscribers; about 50 press releases were produced during the year.
- American Philatelic Research Library: We now have a more user-friendly online search engine for the library catalog. Along with the APS, the library hosted the second annual Postal History Symposium, co-sponsored with the National Postal Museum. The library also received a small grant to process the Daniel Hines Air Mail archives.
- Education: About 70 members attended a successful Summer Seminar in Bellefonte last June. We started to expand APS education programs with the “Essentials of Aerophilately” course last October, and a schedule of offerings in 2008 takes us “on the road” at various shows and exhibitions throughout the country. Youth activities remain in the forefront with the internet-based Young Stamp Collectors of America (more than 700 members) that offers online programming for young collectors. There are also 35 All Star Stamp Clubs with about 800 members. A youth beginner’s kit has also been developed.
- Circuit Sales: More than 4,000 members receive sales circuits, purchasing stamps from more than 750 sellers. We estimate there are about 4,500 users. The number of circuit books and inventory levels has remained stable in recent years. As of Dec. 31, current inventory is 41,345 circuit books (40,586 last year) with a value of \$8.65 million (\$8.51 million last year). The average value per circuit book is \$209. Circuit Sales has replaced its microfilm record of sales circuits with digital. More than 60,000 images of sales book pages are now stored on DVDs. This move will enable sales circuits to sell to foreign markets where mailed approvals have not been feasible. By mid-summer we hope to have the details worked out on this effort. It will be somewhat experimental at first, essentially establishing circuits to foreign members through the use of images on CD or through e-mail. We’ll keep you abreast of the planning as we move forward on this.
- Stamp Store: Our member-to-member Internet stamp sales continues to grow. The year 2007 set records in the amount of sales and items submitted. Submissions increased 24% in 2007. We experienced a 15% increase in orders that resulted in a 15% increase in sales. Presently Stamp Store lists more than 267,000 items with catalog value exceeding \$8 million and a sales price of almost 4.3 million. Gross sales topped \$1.5 million (not including returns at 2.2%) compared to \$1.3 million last year. Our highest seller realized about \$70,000 in sales last year.
- Expertizing: More than 6,000 items, received from 1,425 clients, were expertized by APEX in 2007. Average turn-around time is 42 days. More than 700 images were submitted for Quick ID. A total of 82 families of deceased APS members took advantage of the Estate Advisory Service in 2007.
- Membership Administration: As of Dec. 31, 2007, we have 42,865 members, a 3.4% decrease from the prior year. There were 3,273 new additions to our membership rolls and 4,725 losses. Our website remains our biggest recruiting tool, with 1,158 applications received, followed by our business reply card program with 380 applications received. We conducted a variety of member prospect mailings, including the five-, 10- and 25-

year anniversary mailing, post-show mailings to non-members and former member reinstatement mailings. We issued 3 *Chapter Newsletters* and reinstated our dealer newsletter.

Lastly I'd like to provide a quick update on certain items that are still pending from previous board discussions:

- Planning for the coupon book program for new members is progressing. We are passing out samples of what we have in mind. This is not finalized. Once we institute the program, the coupons are good for new members. Also starting in January, we are promoting monthly specials in the *American Philatelist* for existing members. Presently we have some challenges in accepting some of these coupons and promotions online, but it will be included in our capacity on our new website.
- Artwork for our 25-year pins is presently at our vendor. We are awaiting quotes.
- We are still in exploratory discussions with the American Numismatic Association regarding a potential joint show in 2012 in Rochester, N.Y., as proposed at our last meeting.
- We will update you regarding the status of our e-newsletter (related to a previous discussion on email blasts) later in agenda.

Straight: Can we see the artwork for 25-year pin?

Mastrangelo: The artwork is submitted to a vendor for a quote. Basically it is our logo that says "25-year member" underneath.

Martin: We submitted a request for a bid to a company in China that did the Friends of Bob Lamb and the Washington 2006 pins. Both of these ranged about 65 or 70 cents each. We asked for a bid of a quantity of 5,000. It is a three-color enamel 3/4" square pin. These pins will be provided to everyone as they become a 25-year member – not going retroactively, but forward.

****Motion to accept the Executive Directors Report made by David Straight, seconded by Wade Saadi.**

****Vote: Unanimous**

Treasurer's Report (Dan Walker)

Walker: Operations statistics for the year end are still not available. I am going to give you statistics through November 2007.

Net Operations so far last year was up \$12,000 (\$12,000 of what I call profit is now called net assets), versus in November of 2006 -- a negative \$92,000, so we are doing better.

Sales Division through November 2007: The income is down 7% versus budget, down 5% below 2006. Peter currently says the inventory of the Sales Division \$8.65 million versus \$8.5 million the year before.

Internet Sales through November 2007 income is up 5% over budget, 16% over the year before. The November 2007 inventory value was \$4.2 million for internet sales versus \$3.5 million last year.

Expertizing net revenue is 4% under budget, and 7% below 2006.

Insurance Fund ended November with \$1,050,000, the same as last year.

Lost Claims through November 2007 were \$45,000 versus November 2006 of \$90,000. I believe that Rick said that one of the major reasons for that reduction was the way that things are being mailed by signature confirmation.

Campaign for Philately so far through November 2007 is \$408,000. Peter mentioned a number of \$600,000 per year – I just gave the number for the Campaign for Philately I did not give the number for other funds, and December is obviously a big month for contributions.

Investment Funds are \$157,000 less than 2006. If you look at January 2007 to November 2007 it is down \$143,000 in investment funds, but there was a \$200,000 loan to the APRL in November 2007 which explains a lot of that.

Cash -- and I don't have the explanation for this -- November 2007 versus November 2006 it is negative \$183,000.

Tiffany Fund is at \$447,000 in 2007 versus \$366,000 in 2006.

Office Equipment No real change.

Computer Equipment We invested \$108,000 for computer equipment in 2007.

APS Unrestricted undesignated funds show an additional decline of \$35,000 in November 2007 versus 2006. Permanently restricted, \$81,000.

Straight: Internet sales are up, and the circuit books sales declined? Taking them as sales total, are we gaining in totals volumes?

Banks: We are up. Sales Division is down slightly and ISU is up.

Motion to accept the Treasurer's Report by **Wayne Youngblood, seconded by **Janet Klug**.

**Vote: Unanimous

IV. Old Business

Interim Report on Membership Survey (Michael Dixon)

Power Point presentation shown providing the following information:

Dixon: At its October 2007 meeting the APS board established a committee to review the findings and recommendations of the Hart Survey, so as to propose the way forward for the Society in two phases: (a) recommendations that can be quickly introduced and which will have minimum cost and disruption to Society employees, i.e., the so-called "low hanging fruit;" and (b) recommendations that will require a longer-term introductory period.

Committee Membership:

Janet Klug, FRPSL

Cheryl Ganz, PhD, FRPSL

Jerome V. V. Kasper

Thomas Fortunato

Donald J. Sundman

Michael D. Dixon, PhD, FRPSL

Objectives:

➤ *Stop the attrition in membership*

➤ *Grow the membership*

How to do it:

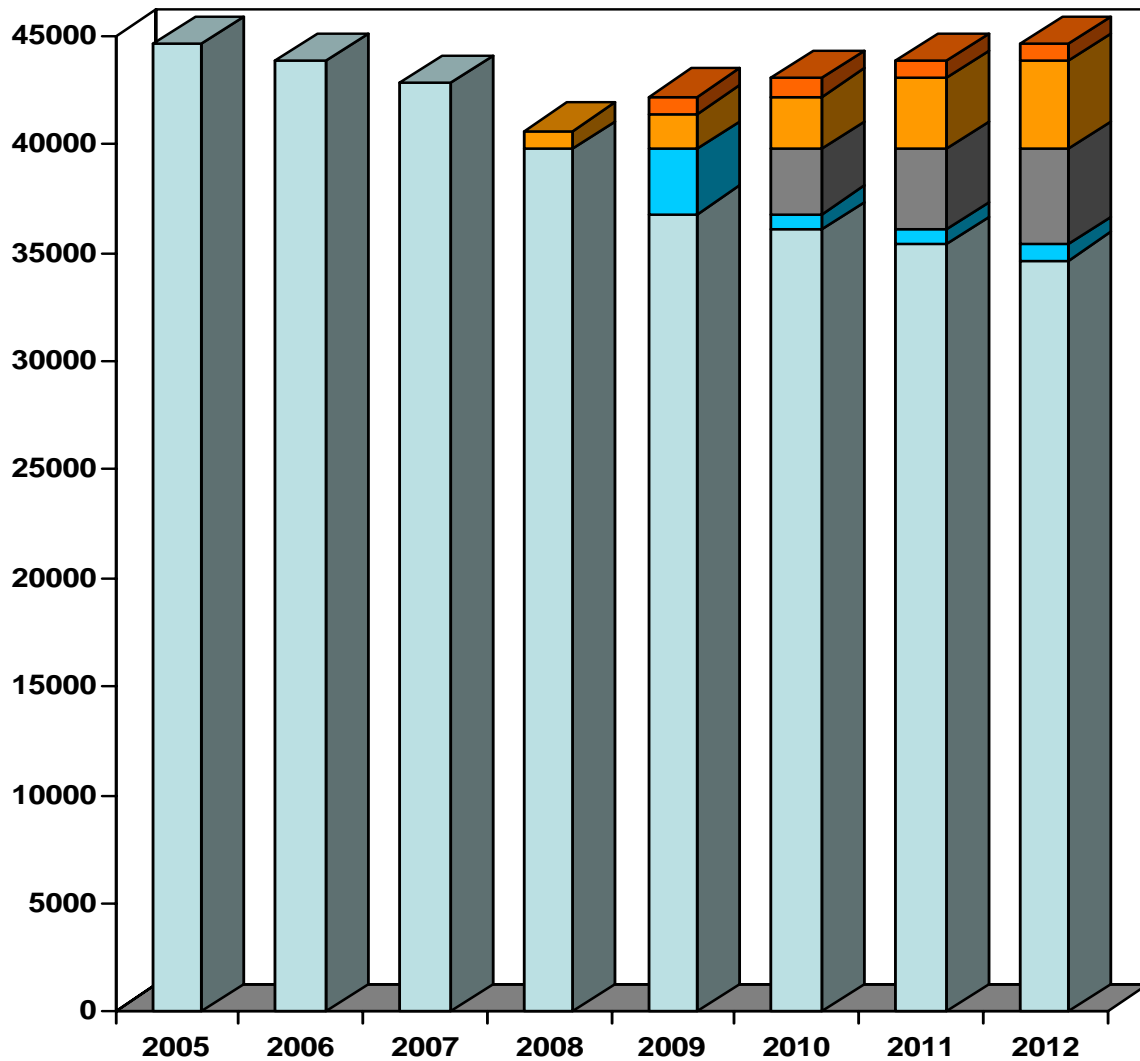
- *Make membership more attractive to collectors*
- *Make known the Society's services*
- *Move with the times and technology*
- *Listen to collectors*
- *Be responsive to collector's requirements of a Society*

Loss of Members:

Approximate Loss = 2% per year

Year	September Membership
2005	44,652
2006	43,847
2007	42,837

Stem Losses and Grow Membership:



- Previous year's membership
- New members needed to maintain previous year's level
- Cumulative new members to maintain previous levels
- Annual new members needed to achieve 2005 level by 2012
- Cumulative new members to achieve 2005 level by 2012

Pathways to Success:

➤ *Communication*

- Transition to and adapt to using electronic mail and the Internet as the *primary* vehicles to communicate with members
- Make more use of www.stamps.org

What's in a Name?

- *Minimize use of "philately" and "philatelic"*
- *Maximize use of "stamps"*
- *Describe APS as "America's Stamp Club" (or similar) so as to harmonize with www.stamps.org*

1-800-4-STAMPS

- *Obtain a toll-free telephone line, preferably with a "catchy" number*
- *Offer access to APS via toll-free number to ALL callers*
- *Assimilate any additional costs*

An information and learning resource

- *Stress APS as a resource to HELP collectors learn and glean information about their stamps and collections*
- *Position APS as a catalyst to facilitate stamp information interchange (meetings, shows, seminars, publications and library)*
- *"Learn More, Do More through the APS"*
- *See Nick's recent AP President's Column*

Geriatrics and near-Geriatrics

- *Advertising in publications such as those of AARP is cost-prohibitive*
- *Submit unsolicited articles for publication dealing with the benefits of stamp collecting*
- *Stress value of stamp collecting to minimize stress and to educate and to expand interests*
- *Try through other media, e.g., some health care companies*
- *Flyers for public libraries, post office counters, etc.*

www.stamps.org

- *Website should become major tool to communicate with members*
- *Needs a lot of work in:*
 - *Design*
 - *Content*
 - *Linkages and other features*
- *Should NOT be user friendly*
- *Should, however, be user seductive, to make them return and return and return...*
- *Members versus non-members pages?*
- *Put a "hit" counter on pages to see which pages are popular and monitor usage*

Current news versus old information:

- *Divide into two distinct “sections”*
- *Update news continually as material becomes known/available*
- *Move some AP content to website:*
 - *Lists of applicants (change By-laws)*
 - *Showtime*
 - *Other columns*
- *Some content should be both printed and web:*
 - *President’s column*
 - *Executive Director’s “page”*

StampStore:

- *Add additional search parameters*
 - *Cover*
 - *Date range*
- *Employ more effective and proficient search engine*
 - *Right hand truncation searching*
 - *Wild characters (? or *)*
 - *Range searching*
 - *Boolean logic (A and B but not C)*

Expertizing and QuickID:

- *Promote, promote and promote again, and again!*
- *Use testimonial advertising (here and elsewhere)*
- *Redesign promotional material (here and elsewhere)*
- *Keep an eye on grading “fad” and, if need be, offer grading service*

The American Philatelist:

- *Consider making The American Philatelist a subtitle to a title that emphasizes stamps (Stamp Monthly?)*
- *Move some content (news items) to website*
- *Fill opened space with more articles*
- *Put older articles online*

Membership Incentives:

- *We have spent much effort in defining what membership is “worth” to the collector*
- *We need to know what the member is worth to the APS. What is the incremental value (\$s) the Society receives for each new member?*
- *When that is known we can make decisions on incentives: discounts, sales vouchers, free expertization, etc.*

e-Bay:

- *Hart survey indicated that most popular web purchasing site is e-Bay*
- *We should review what it takes to place banner advertisements on e-Bay*
- *Look at e-Bay for best practices and see how they could be used to enhance StampStore and QuickID*

Payments to APS:

- *APS has had a PayPal account since 2005*
- *Irrespective of potential extra costs and steps to process PayPal payments over, say, credit card payments, APS should open the option for members (and non-members) to remit payments to the Society*
- *Recent sales of back-issues of AP on e-Bay have offered this option*

Promotional materials:

- *Redesign both content and appearance to a uniform attractive “template”*
- *Prepare and print new materials for ALL services:*
 - *APEX*
 - *QuickID*
 - *StampStore*
 - *Estate services*
 - *Membership*
 - *APRL*
 - *etc., etc.*
- *Design materials so they can form the basis of display advertisements on website, in AP and in other publications*

Who will and who should Promote? – Professional, experienced marketer

- *Do not confuse “marketing” with “selling”!*
- *Equate marketing more with “promotion” – and that, we believe, is what the Society needs to do: Promote itself and its services*
- *Should we consider using the skills and services of an expert experience marketing executive?*

Full time, or on a consultancy basis?

Questions and discussion

12:30 break for lunch

1:03 back in session

Questions/Comments to Survey Presentation

Denise Stotts: I have one strong objection. I would hate to see the “Show Time” not be in the printed magazine. There still is a lot of membership that does not have internet access and are reading this through the magazine. It is a service to the clubs. I think it should remain in print and continued to be available on-line as it has been for some time.

Youngblood: Along the same lines, the new membership applicants should absolutely remain in print. This is an opportunity for the members to see somebody who should not be in the Society and be able to object to them.

Mastrangelo: That is a decision in our control and would require a lot of discussion by the board as well as a bylaw change.

Carter: I think Michael’s point was that the information printed in the *AP* is sometimes outdated.

Dixon: As for membership, how many times do you get someone contacting the APS saying I saw a name in the *AP* and object?

Martin: We get dozens of questions a month relating to the *AP* listing. Some want addresses to send local club information; some have objections. People are definitely reading this section. We always know when the magazines are received, because that is when headquarters staff receives a flurry of questions related to the membership directory.

Dixon: So what is the problem with it being online?

Carter: Despite what the research shows, not everyone is online.

Dixon: I am not saying do it overnight, I would recommend you transition it from one to the other over a year.

Odenweller: I am online, but the membership report is not something I would read online. The magazine is a permanent record that will be bound and kept; where as online it will disappear or be difficult to locate. I agree it could be put online, but I think it still should remain in the magazine.

Carter: The new generation does not go near printed material, so we will need to have this stuff online as well.

B. Membership Renewals and Follow-up (Wade Saadi/Peter Mastrangelo)

Saadi: As of Dec. 31 we have 42,865 members. During the past year we added 3,273 members either through reinstatements or new additions. Conversely, we lost 4,725 members through resignations, death, non-payment and expulsions.

Traditionally with a dues increase we experience a higher number of resignations. We instituted some measures to counter this effect. First and foremost was the dues transition fund. By the end of December, 2,102 members had taken advantage of the offer for a total impact of about \$21,000. Conversely, 436 individuals have donated to the fund with \$11,572 donated.

It is still premature to assess the total impact of the dues increase on our membership levels. We will be conducting three additional dues follow-up mailings starting at the end of this month, then in the February and March time frames. The number of members not renewing at these times will help us better analyze the impact of the dues increase.

Yet we do have information from members who have chosen to resign. As of the beginning of January we have received 569 resignations (most of which are included in the Dec. 31 numbers). Some have chosen to let us know why they have resigned. We have tracked the major reasons as follows:

American Philatelic Center	1
<i>American Philatelist</i>	5
Dues Increase	105
Election/Politics	10
Health	60
Lack of time	28
Other	37
Personal Finances	50
Stopped Collecting	120
Unspecified	<u>153</u>
Total	569

In December, board members volunteered to contact those who resigned primarily due to the dues increase and the elections. We have also sent out questionnaires to those unspecified resignations asking their reasons why and encouraging them to reconsider.

We will continue that contact process with the board or through the mail over the next few months. Additionally, all non-renewals and resignations receive reinstatement mailings each year for three years from which many do rejoin.

As far as renewals are tracking, we have recorded payments from 24,760 members, plus we also have 6,143 life members. So as of Dec. 31 we have 11,962 members yet to renew. As of Dec. 31 last year, we had 10,665 members yet to renew. Since dues renewals went out a week and one half later this year than last, it is felt that this is not substantially different than what we have experienced to date. We'll keep you updated.

Steven Rod: A total of 105 dues increases on this list are because they did not join the 2,102 who took advantage of the dues transition fund?

Saadi: Correct.

General discussion regarding the board phone calls.

Saadi: We need to look at the reports from each of the board members on these calls to see how many actually renewed, because if we made 60 phone calls and only received 1-3 renewals, it may be a waste of time.

Martin: After a full review of the reports we can make a decision to continue or not.

Foster Miller: A year ago we offered a deal for chapters that club members could join at a discount. Are there statistics available on this?

Martin: Yes there are preliminary statistics. As of Dec. 31 we had a slightly better renewal rate of those individuals who joined through the club than the entire membership at large. Which is very good, but it is still early. By the May meeting we can give you exact measures after the April drops.

C. Interim CANEJ Report (Steve Reinhard)

Reinhard: The Accreditation Committee has undertaken three major initiatives this year. The first is a study of the entire WSP exhibiting process from beginning to end. We have a task group that is led by Phil Stager, with Jim Graue and Daryl Ertzberger, and is assisted by David McNamee. As part of the study phase, we sent out about 980 questionnaires to WSP exhibitors on record, which many of you received. Of these, approximately 500 were returned for a 50% return rate. We are still working on putting together a report based on what was in those returns, but it is safe to say that the major thing that exhibitors seem to want is more feedback on how they can improve their exhibits. Many exhibitors feel that the way we do things now, they are not getting enough feedback from judges on how they can improve their exhibits. This will, of course, be part of our final report coming up with methods of doing this for Hartford. After all, isn't this the most important part of the whole judging situation -- helping our fellow exhibitors?

This task group is also working on uniform criteria for judging philatelic exhibits that will include the generally accepted principles of treatment and importance, research and knowledge, condition and rarity, and presentation. What this will do is allow a framework for discussing how to improve an exhibit and it will also lead to a more consistent judging, since we will all be on the same page when we are judging. It is yet to be determined whether points will play any role in all of this. I have to say, it may not be the way I feel, but I have to say that the survey showed that most exhibitors and judges feel that points by themselves are of little value. So we have to consider that when we work this in our final recommendations.

The second group that we have working is studying the whole WSP show program with a goal of helping some of our smaller winter shows survive. None of us want to see any show go under. All show committees were contacted by phone or in person, with a fixed set of questions that were asked of them as a basis for further discussion. Additionally, Tom Lera, who is heading up this task group, will hold a roundtable for show chairmen on Saturday at this show, where they will be brought up to date on where we are and will seek their suggestions on where we should be going. Individual letters were sent to each show chairman inviting either that person or a representative to attend this roundtable. The other accreditation committee members on Tom's task group are Al Kugel and Bill Schultz.

On Sunday morning, I will attend the dealers' breakfast and make sure that the dealers know who I am and offer to talk to any of them on Sunday and thereafter to get their concerns about changes in the WSP program. After all, without the dealers we don't have a WSP program and we have to understand this.

The third group is working on a new edition of the *Judging Manual*. Tim Bartshe is heading that up with Kent Wilson and David McNamee. They are working with the other two groups and of

course they cannot finish that job until they see what comes out of the other two groups. Ken Martin tells me we are getting close to exhausting the current supply of the 5th edition of the *Judging Manual*, with about 40 copies left. Our goal is as soon after Hartford as possible to get out the new edition.

Obviously if you look at all of this we are trying to bring as many people as possible into this change process. It is something that we are not going to say that 13 members on a committee are going to come out with these recommendations on their own without talking to people or without asking for peoples' input. This committee from the very beginning decided that we were going to get as much input from various segments of our exhibiting and judging population as possible. In addition to these three initiatives, we have Rich Drews, who is not a committee member, working on a manual on new show committees. When new people come on board they often have no idea the preparation necessary to put on a successful show. We have been running into that problem with a couple of our smaller shows where new people have taken over and don't really understand what needs to be done. And we hope that this manual -- which will not be a requirement -- (it will just be there if somebody wants to read it) will be of value to new people coming on to show committees.

We are in the process of developing a whole new seminar program to offer at the two APS shows each year. The first four seminars in this new program are being offered here for the first time, one is "Judging Criteria Part I," which is a seminar on treatment and philatelic significance. In other words, what exhibitors should know so that they are on the same wavelength as the judges, who also have to be helped with these concepts. The second is "Judging Criteria Part II," which will be on philatelic and related knowledge, personal study, research, condition, difficulty and presentation -- the other things that we will consider when we judge an exhibit. The third new seminar will be "So You Want to be an Apprentice Judge." We need more apprentices and, hopefully, by offering this new seminar we can entice some of our exhibitors to apprentice as judges. And we are going to have a seminar on "Exhibiting and Judging Post Card Exhibits" which is a new development since you approved it at your last meeting.

To be offered at Hartford for the first time will be "So you Want to Become a Chief Judge," and we are going to offer "How to Judge Philatelic Literature." This may have been done in the past, but it has not been done for a number of years and we are going to develop a new seminar on this.

So you can see that this is an active committee. We have a lot of things going. While we do not have any action items for you at this meeting, I can assure you there will be a considerable packet of action items for you to deal with in Hartford. Along with a lot of other things we do dealing with the selection of judges, complaints about judges, problems with shows, etc. Believe me, this is a 40-hour job.

Mastrangelo: Are you going to do a written survey with dealers?

Reinhard: Yes, I want to talk with Jim Dempsey about doing that.

Walker: What is happening with the shows? Are there fewer exhibitors? Are there fewer people willing to do the work to put on a show?

Reinhard: It is a combination. One of the big problems is that at the smaller shows all of the work is falling to one or two people and they just cannot do it. I don't know that there are fewer

exhibitors, but getting exhibitors to show at these smaller shows is becoming more and more of a problem. Chicagopex doesn't have a problem, Westpex doesn't have a problem, but many of the smaller shows do and we are going to have to find a way of getting exhibitors to show more at these particular shows. I cannot tell you over the past several months the amount of time I have put in trying to get exhibits for some of the smaller shows who call me up with a month to go and say we only have 100 frames of exhibits, what do we do? I have jumped in and done a lot of work for them, which I shouldn't have really had to do.

Straight: During Washington 2006 some of us were involved with an effort to rewrite the manual for shows and show committees, what became of the work that was done and has it been shared with this committee?

Martin: We have copies of all that and I don't know that it has been shared at this point.

Straight: I don't want to take anything away from what they are working on, but you should make use of the work that was done.

Straight: Another question. There are some people judging who probably should no longer be judging because they are offensive to the exhibitors. We need a mechanism to gracefully retire them and make them emeritus, or if they don't want go gracefully, push them.

Reinhard: I am aware of probably some of these same people, and I can honestly say that it is a very small portion of the judging. We do have rules for example, if you don't judge within a two-year period, we can ask you to go emeritus. There are perhaps 10 people who right now of the 129 judges who have fallen to that situation, and I will be contacting them individually.

Rod: I have had an experience the last few years. I help people in Omaha every spring and summer, and they have 12–15 people knocking themselves out so that is not the problem, but they could never fill the frames. I am wondering if there is any feedback or education that you could provide of what does that mean.

Reinhard: It is a small show and a small market, without any national organization holding their meetings there. One concept that we have been talking about is trying to get more of our national societies to hold their meetings at some of these smaller shows because national societies bring a large number of exhibits with them. We will continue to look into this.

Dixon: One of the reasons I believe that the frames do not get filled is the cost. I am wondering if it is time to revisit the suggestions that have been made over time to totally change the algorithm for getting exhibitors to pay fees. In other words, that you have a flat fee per exhibit, whether it is one frame or 10 frames of let's say, \$25, and then just \$2 or \$3 per frame after that.

Reinhard: I understand what you are saying, but what you are going to do is quickly send about seven or eight of our small shows into bankruptcy. There are a number of the smaller shows where \$200 could mean the difference between putting on the show or not.

Youngblood: I am wondering too about the inability of the smaller shows to fill their frames. Is there maybe a need or desirability of publicizing more the fun of exhibiting versus exhibiting for hardware? I think some of the smaller shows are not getting exhibitors because they cannot offer the same level of hardware as larger ones.

Reinhard: Hopefully this booklet that Rich is going to do will suggest PR ways of helping out these shows also. You see, a lot of it falls on the show. We do not run these shows, APS only has certain things that they do at these shows and a lot of it is based on the exhibiting process. And other than that we really do not have any direct input into how these shows are operated. So, yes, if we can provide this type of information to them, fine -- but if there is nobody locally that is going to take this information and use it, I really don't know what we can expect.

Stotts: With some of the shows there is nobody on the committee who is national. They don't go anywhere except their own show. They are not out there meeting society people and others. They don't have enough dealers to draw society to that show. So they have a very local mentality and those are the shows that are hurting for exhibits -- because they are not out there beating the bushes for exhibitors and judges from these other places.

Reinhard: The issue is there are some of these smaller shows where you have to ask yourself if they are really WSP shows or in reality are they local or regional shows. That is an issue that we looked at the very beginning, but we found little support from any sector into factoring these shows off in one way or another into another category. So we dropped that whole concept early on because of that.

Mark Banchik: That brings up a set of related issues, in that some of the shows either don't have the resources -- whether its manpower, money, space or the ability to attract dealers -- but want to remain in the game. So a consideration is a dual track. One you suggest a national qualifier and then international qualifier, where an international qualifier would be essentially what we have is a WSP show now three days, a certain number of frames, a certain number of judges. In addition it would probably be required to have judging seminars or other educational experiences and apprentice judges. Then you have your national qualifiers who would be two days, three judges, a fewer number of frames and not required to have an apprentice or some of the seminars even though they could if they want and that would take some of the burden off the shows. And then the shows could alternate years with international or national qualifiers. But to get to international qualifier you first have to make it to national qualifier so to still keep a steady flow of exhibits to the shows.

Reinhard: We have really considered a lot of these ideas, although nothing yet is written in stone. Try convincing the organizers of some of our smaller shows that they are going to be a second-tier show. Try doing that and you may change your mind. This is probably our biggest issue of what to do with these shows that are having difficulty and there is no easy answer. Because, for example, one idea is allowing some of these shows to go to two-day shows if they want to. Now you go to the dealers and there are some dealers that would love that, they hate going to shows where they have to stay there on Sunday and do no business. But you go to Southeast Stamp Show, they had a one-year exemption this year to be a two-day show and the dealers came to them and demanded that they go back to three days. So they are not even going to come back to us to request another two-day show. So there is no easy answer to any of this and this is going to be our hardest problem to deal with.

Carter: This is a very good report. You are obviously dealing with some tough issues.

D. Awards Committee Update (Joann Lenz)

Lenz: In the front of each board packet there is another list of the committees. On page two there are other committees that have been assigned under the award committee. There are now four committees: 1) Hall of Fame Committee, 2) Ernie Kehr Future of Philately Award Committee, and two new committees 3) United States Stamp Society Barbara Mueller Award Committee, and 4) the Volunteer Recognition Awards Committee. These are briefly explained in the writeup. The Volunteer Recognition Award Committee is divided into four groups 1) National, with up to five awards that could be given annually, 2) Local, with up to 10 awards to be given, 3) Young Adult, a person 25-40 years old with one award, and 4) A Young Philatelist, 15-24 years old and that is also one award per year.

The staff liaison to the entire committee is Ken Martin, who has been very helpful to us in many ways. One in which was to get the wrapper for the January issue inside cover, the two new awards are explained as well as the Luff award, Hall of Fame, and Kehr award.

The USSS Barbara Mueller Award is for the outstanding article in the *American Philatelist*. The membership will be able to nominate, and the top five articles that they nominate, plus the top five articles that the editorial staff nominates, will be mulled together and then the committee that consists of Peter Butler, Cheryl Ganz and Kent Wilson will be making the final decision as to which of those articles actually receives the award (\$1,000) A plaque will be put up. There used to be a similar type of award many years ago and it was thought last year to re-establish this type of award.

The Volunteer Recognition Award, which I previously explained, has four groups. It was suggested that there be at least three members on each committee, one would be a person who is involved at that level. The National level is Jim McDevitt, who deals with the affiliates. For the local, it is Tom Fortunato, who is the Chapter Activities Representative. The Outstanding Young Adult Philatelist is Mary Ann Bowman, and she is involved in Kehr awards. Cheryl Edgcomb is doing the Outstanding Young Philatelist. Along with that it was suggested there be a board member on each committee, as well as a staff person, which are all on the list provided.

Also in your January issue the staff has an article called "Make 2008 the Year of the Collector," and at the very end they also describe the awards. So we have quite a bit of information in the January issue. I really appreciate the willingness of the people that I have contacted -- no one turned me down.

Straight: Will the new awards Barbara Mueller and Volunteer Awards be presented at the Summer Show? Will summer be the normal target for presenting these awards?

Martin: Summer is the normal target, although as we have seen with the Kehr Award, the normal target can be challenging. I think in the last 12 years have we actually been able to get the Kehr winner to the winter show only twice.

Carter: The Barbara Mueller Award may be difficult for 2007 because we are going to have to encourage readers to go back and read the articles in order to nominate. We will need to encourage people from this point on to nominate an article just as they read it.

V. New Business

Carter: I have one item of new business for which I want to get this board's approval. You know that we have been talking from time to time about bringing the two organizations together;

the Library and the APS. We took a look at it and there are all sorts of tax and legal issues why we need to keep the organizations separate. In talking to Ken Grant, he made a proposal, which I immediately agreed to, and that is that the President of each organization be made an ex-officio member of the other board. I would like your approval for this.

Eisenstein: If you are serious, this would require a bylaw change. So if you are making this motion you should pass it in terms of moving to amend the bylaws.

Saadi: Are we talking about a voting member of the board?

Carter: No, ex-officio. That would not be a voting member.

Rod: So does ex-officio connote or denote presence at board meetings?

Carter: Presence with input and deliberation, but no vote. No presence in the executive session.

Eisenstein: Technically ex-officio member means a member who is a member of the board because of his position elsewhere. It does not indicate whether or not that person is a voting member. Sometimes people who are ex-officio members are indeed voting members. So you would have to specify if they are voting or non-voting in this motion.

Walker: So to get around the bylaw change, we are not talking about an ex-officio member. We are talking about a non-voting representative?

Carter: Correct.

****Motion that the APRL President becomes a non-voting representative of the APS Board of directors by **Dan Walker**, seconded by **Janet Klug**.**

****Vote: Unanimous**

A. Affiliate Application

Wreck and Crash Mail Society - Attachment 4 Ken Martin

****Motion to accept the Wreck and Crash Mail Society moved by **Janet Klug**, seconded by **Wade Saadi**.**

****Vote: Unanimous**

B. Future APS Show Location (Dana Guyer)

AmeriStamp Expo 2011 - Attachment 5

Dana Guyer, APS Director of Shows and Exhibitions, provided information on six show sites for APS AmeriStamp Expo 2011 as follows:

- 1) Chattanooga, Tenn. – Feb. 25 – 27
- 2) Portland, Ore. – Feb. 11-13, Feb. 18-20, or March 4-6
- 3) Baton Rouge, La. – Jan. 7-9
- 4) Springfield, Mo – Feb. 11-13 or Feb. 18-20
- 5) North Charleston, S.C. – Jan. 14-16 or Feb. 11-13
- 6) Biloxi, Miss. – Feb. 11-13 or Feb. 18-20, or March 4-6

A memo from APS Dealer Representative, Jim Dempsey was also shared. Chattanooga is Dempsey's first choice, and Charleston is his second choice.

It was pointed out that Biloxi does not have a main hotel for us at this point and cannot commit. They also proposed a hotel block using seven different hotels with 30 – 50 rooms in each hotel. Hotel prices varied and were high.

Walker: I agree with Jim that Chattanooga and Charleston are the best choices. For Chattanooga I think the number of airplane non-stop destinations is relatively low. But the only other one that is really better is Portland and it is too soon. We should consider Chattanooga.

Martin: Chattanooga would be my first choice except for the dates. There is a conflict with the St. Louis Stamp Expo dates, and we have no knowledge of Chattanooga having any other dates available.

Straight: You are correct. They are the dates of the St. Louis Expo. I agree with Dan, Portland is too soon, and we need to remember that summer 2010 we are in Riverside, Calif., so that would be two in a row for the West Coast. It was nice for you to include Springfield, but they cannot handle a show. In summer 2010 we are in Richmond, Va., so we are in the same geographic region when we talk about Chattanooga and Charleston. What are the pros and cons for Baton Rouge?

Martin: We are concerned about the dates being very early and concerned with hotel costs.

Walker: David how difficult would it be for St. Louis to change their dates?

Straight: Without talking to the hotel, I couldn't tell you. We just signed a five-year contract. I'm not averse to taking a look at it. We moved before because of ASDA. Once we move, we stay permanently there because we would stay clear then.

Martin: We promised the ASDA that we would do anything possible to stay clear of March. Some of these cities would have had alternative dates in March, but we don't want a reoccurrence of moving our show.

Rod: Would an airport with a small number of non-stop flights be a deterrent for a lot of people who would normally come? People these days refuse flights if they are not non-stop. Chattanooga has no non-stop flights. This is a concern.

Lloyd deVries: In 2011 when is Presidents' Day? Airfare is way up on Presidents' Day weekend. Please keep this in mind when selecting dates.

Banchik: Maybe we should reconsider Portland as we are having two back-to-back shows on the East Coast.

Walker: What are the draw backs of going to the West Coast for the APS staff?

Martin: Greater expense for shipping materials, and its more challenging to take staff in regards to airfares.

** Motion to select Chattanooga, Tenn., Feb. 25-27, 2011, based upon the metropolitan population base and whether convention costs are reasonable. Motion made by **Janet Klug**, seconded by **Dan Walker**.

Saadi: I don't think it is a good idea to have it in Chattanooga with the airport. I just checked five carriers from major cities and no one seems to fly there directly unless you go to Houston.

Straight: What are pros and cons of Charleston?

Martin: Charleston has no local stamp club, the nearest local stamp club is about 100 miles away. Air service is better in to Charleston, S.C. It is close to Richmond, which is where the proceeding show will be held.

Saadi: I know a lot of dealers and exhibitors that do not want to go to shows that are difficult to get to.

Martin: A vast majority of our dealers do not fly to our shows. The people who attend by flying are a very small proportion of the total attendees. I would be much more concerned about the 100-250-mile radius population for people who drive. The people in this room are the ones that are likely to fly. If you look back at other winter shows, there have not been many with good air connections.

Rod: Are there different considerations for StampShow versus AmeriStamp?

Martin: StampShow we are generally looking at larger metropolitan areas, which are going to have better air access. Summer shows out of 4,000-5,000 attendees I would not expect more than 750 of them would fly in. The winter show I would be surprised if we had 300 fly.

Rod: I agree with Wade. If we want to encourage flyers to winter show and we anticipate 300, I think you could lose a large percentage of those the way the culture is changing if it is a double-flight setting.

Youngblood: For most of us there is no such thing as a direct flight.

Stotts: My concern with Chattanooga: I'm not worried about flights; but unless St. Louis is able to change their dates I don't think it is fair to select these dates to be in conflict with them. Could we table this decision until we find out if they can move their show? Also I didn't hear any complaints about Portland.

Klug: Question for Dana, do you have any additional information for later dates in Baton Rouge?

Martin: I spoke to the Baton Rouge Visitors Bureau on Monday and they have no other dates available in January or February. They have no dates available in 2012 because they have an international bowling conference. They would be happy to provide a proposal for 2013.

Saadi: What are Dana and Ken's top choices?

Guyer: Chattanooga would be my choice, but I don't want to push the St. Louis folks.

Martin: Portland might not be completely out of the question. We do have most of the shows coming up on the East Coast.

Walker: Again I come back to Jim Dempsey, our dealer representative, who thinks Chattanooga is the best and Charleston is the second best. I think it is important that we at least listen to that.

Martin: It is just not fair to the WSP show to have conflicting dates.

Youngblood: Both times we were in Portland we were very pleased. I want us to look at Portland again, but if we are doing Winter 2010 in Riverside, this is close proximity, so perhaps we take Portland off for this selection.

Motion Withdrawn – **Janet Klug Withdrew motion of Chattanooga.

Mastrangelo: Should we give the staff flexibility to look else where? Perhaps loosen winter criteria and see what they come up with?

Martin: We could search for other locations.

Lloyd deVries: What are the problems with Charleston?

Stotts: No local club support.

Martin: Concerns about planes, but this is better than the Chattanooga planes.

Youngblood: Dana, at this point would you prefer us to look at one of these locations or do you want time to look at other locations?

Guyer: That is up to the board.

Motion for Charleston, South Carolina for February 11-13, 2011, made by **Janet Klug, seconded by **Joann Lenz**.

**Vote: Unanimous.

C. Board Ethics Guidelines - Attachment 6 (Janet Klug)

Klug: This is an attempt to codify some long-standing policy that does not appear in writing, regarding confidentiality of the board matters and disciplinary matters by adding a new section to the Board Ethics Guidelines, which is on page three of Attachment 6 – underlined, called matter of confidentiality.

Which reads:

Matters of Confidentiality:

From time to time, matters of contract, personnel, legal or other concerns within the scope of the APS Openness Policy may be deemed confidential. Members of the APS Board of Directors are required to keep these matters confidential.

It is also the policy of the APS not to disclose details of complaints and associated disciplinary actions adjudicated by the Board of Vice Presidents and/or the Appeals Tribunal other than the findings and the penalties imposed, if any, which may be published in *The American Philatelist*. Members of the APS Board of Directors are required to keep details of all disciplinary actions or complaints against any individual(s) confidential. Inquiries regarding disciplinary matters should be directed to the Complaints Manager or the Executive Director.

Moved to accept the addition to the APS Board of Directors Ethics Guidelines by **Steven Rod, seconded by **Wayne Youngblood**.

Dixon: In view of early comments this states specifically that the penalties imposed will be published in the *American Philatelist*. Can we delete “in *The American Philatelist*” and replace it with “per APS policies?” We may sooner or later want this online, so we should cover that here.

Klug: Amended motion to read “per APS policies” rather than “published in *AP*”.

**Vote: Unanimous.

Rod: What if a Board member violates this?

Mastrangelo: The information is shared with the APS president and the president determines whether it is actionable and it is then shared with the board. There is a procedure in the Bylaws and the Ethic Guidelines.

D. Privacy Policy - Attachment 7 (Mastrangelo/Eisenstein)

Mastrangelo: We added some wording to the APS Privacy Policy on page two, as underlined. The APS staff has been reviewing vehicles to facilitate the delivery of an e-newsletter and are considering the use of a third-party vendor. In order to do this a change in our privacy policy is necessary.

The suggested change is underlined as follows:

The Society's policy prohibits the release of members' phone numbers and email addresses to third parties, other than to the Society's providers, as needed, who agree to hold such information confidential.

****Moved to accept change to the APS Privacy Policy by David Straight, seconded by Dan Walker.**

****Vote: Unanimous**

E. Statement on Soakability of Stamps - Attachment 8 (Peter Mastrangelo)

Mastrangelo: A number of months ago I read an article in *Linn's* about soaking stamps. We are a stamp collecting organization and we do soak off stamps to collect them. I talked with John Hotchner [*APS liaison to the USPS and member of the Citizens' Stamp Advisory Committee*], who is not happy with the idea and he spoke with Dave Failor [*executive director of Stamp Development for the Postal Service*]. We have therefore drafted a statement as we have provided here and recommend that you approve this to be communicated with the USPS.

Statement reads as follows:

The American Philatelic Society

Statement On The Need For The USPS to Find A Solution To Allow For Used Self-Adhesive U.S. Stamps to be Removed From Envelopes By Soaking

Since the advent of stamp collecting in the United States in the 1850s, the vast majority of collectors have begun with used stamps. Used stamps offer individuals — especially children, beginners and those of limited means — a way to enter the hobby in a manner that requires nothing more than a keen interest in collecting. Many such collectors, of course, go on to assemble significant collections of valuable stamps, but the ability to start with attractive, sound canceled stamps soaked off the daily mail is a time-tested gateway to the great pastime of philately.

The overwhelming success of the self-adhesive postage stamps has been one of the great changes in the Postal Service and the hobby over the past two decades. Early issues of self-adhesive stamps included a water-soluble primer to enable the collectible stamp, when immersed in water, to soak cleanly away from the self-adhesive backing. Yet, recently issued self-adhesive stamps are difficult if not impossible to soak off without damage to the stamps.

APS has expressed its concern through inquiries made by staff and our USPS Liaison, John Hotchner. While we have been told that the problem stems from a diminished number of paper suppliers, we have also been assured that the USPS has not abandoned the production of stamps that can be soaked off paper and that it continues to search for solutions.

The American Philatelic Society, on behalf of its 42,000 members, calls upon the United

States Postal Service to produce stamps that can be immersed in water, reliably removed from paper intact, and added to collectors' albums, as U.S. stamps of the past 160 years traditionally have been collected.

Walker: What do you think the USPS response will be?

Mastrangelo: I am not sure, but we have a responsibility to go on record with our view.

Youngblood: What happened here is that there is a change in specifications. Typically you have paper manufacturers and paper finishers. Manufacturer A may have his paper finished by finisher a, b, or c. It is a huge process, but they all have to follow the specifications very strictly that are given to them. Now, there is a wide tolerance in terms of composition of paper, composition of recyclability, all of these types of things. But something like the leaving out of an entire layer of water-soluble material is a change in specifications. It is intentional.

Stotts: Even though the odds of getting the USPS to care anything about this are low, I think it is crucial that we as a presence for our membership send this statement and make sure the membership all see it so they know we are trying to do something about this.

Motion was made to approve the sending of this statement to the USPS, signed by all APS Board members, and to publish in the *American Philatelist* by **Wayne Youngblood, seconded by **Dan Walker**.

Walker: How much do they save by leaving out the step of adding the water-soluble layer?

Youngblood: It is minimal. They want to save time and effort to streamline the paper processes, but there are no major savings for them by leaving it out.

Rod: I am worried about the difference between managing change and leading change. Do we have the potential of succeeding here? If we do not have a great potential for the USPS to change their mind, do we have a greater obligation to the membership and the hobby to share ideas how to collect them?

Mastrangelo: There are many out there who have experimented in different way to get these off.

Youngblood: I think we need to go on record for our membership.

**Vote: Unanimous

The statement will be sent to Postmaster General Potter and a copy to Failor.

F. MILCOPEX Request for Change of Dates (Steve Reinhard/Ken Martin)

Attachment 9

Reinhard: The APS has received a request from the organizers of Milcopex 2009 to change the dates from Sept. 18-20 to Sept. 25-27. The reason for the request is that the original dates conflict with the Jewish Holy Days of Rosh Hashanah.

The problem here is that the Southeastern Stamp Show (SESS), located in Marietta, Ga., is scheduled for the same weekend. The "Rules for Shows in the World Series of Philately" state in section B2, Exhibition Dates, that

"Before finalizing show dates or date changes, the Exhibition Committee must secure the approval of the APS Director of Shows and Exhibitions to avoid conflicting with other WSP show dates. In the event of conflicting dates, a show may request the APS Board to grant permission for two shows on the same dates within 1,000 miles of one another."

The APS board must decide whether to grant or deny the Milcopex request, due to the fact that the locations of the two shows are about 800 miles apart.

Research and Input

To gain further input, contact was made with the organizers of SESS for their response to the Milcopex request, CANEJ members were polled and further research conducted. These are summarized below:

a) Scott Mark, SESS General Chairman, writes:

"The organizing committee of the Southeastern Stamp Show has discussed the ramifications of moving the 2009 dates of the Milcopex show to coincide with those identified by the Southeastern Stamp Show. Please be advised that our organizing committee, and I as show chairman, **strongly oppose the granting of such an exemption.**"

As part of their response they review their plans for strengthening the Southeast Stamp Show. They are returning to a three-day show with increased bourse fees. They have faced directed competition with bourses in Florida and Texas in recent years. With higher bourse fees and recent bourse competition, they are concerned that recruiting dealers will become very challenging to assure a break-even operation. The prospect of competition with another national show, in this regard was not one they planned for. They point out that they have contended with scheduling shows in 2004 and 2006 over the Jewish Holy Days.

They are "concerned" and find the request "disheartening." They point out that the "thousand-mile" rule "is supposed to be in place to protect us from such externalities, so that at least one show issue can always be removed from the equation, and we can work on the core issues that affect our show." It was pointed out that they have "observed WSP rules to the letter of the law, with the one exception of moving to a two-day show in 2006 after learning of a 30% venue cost increase." They "respectfully request that the APS and APS board deny this request for an exemption from Milcopex."

b) Additional research was conducted by Ken Martin of dealer lists as printed in the program for the last three shows for Milcopex and the 2006 and 2007 SESS shows. Only one dealer was found to be in common for the two shows in 2006 but neither show in 2007.

c) CANEJ has also considered pros and cons of the request. While they find that there has been no significant dealer overlap, rejecting the request could institute a bye request from Milcopex for 2009. Yet, Milcopex should have checked dates before booking the show. Milcopex should be able to deal with this matter within published rules. SESS has had challenges in recent years and does not need even a minor additional hurdle at this time.

While CANEJ is split on this matter, it is the recommendation of CANEJ that the APS Board reject the Milcopex request to schedule its 2009 show on the same weekend as that of SESS.

Klug: I have heard a number of times throughout the day various shows being called weaker, and smaller. That is a terrible message that we are sending to these shows to be considering them weaker and smaller and of less significance in some way or another. Find a different adjective for these shows. It looks to me like someone on the Milcopex committee messed up and made the wrong dates, they then discovered that and they tried to make the best of a bad situation and now they are being penalized for that. We had the same thing happen to us with this show, something got messed up which was out of our hands and we made the best of a bad situation. I can understand both sides, I understand the Milcopex side and the SESS side of the equation and I wonder if the Accreditation Committee considered the ramifications of this board approving what the committee is recommending that we not approve the Milcopex request for the change of dates. The requested date change for Rosh Hashanah, do you not think that this is going to look like the APS is anti-Semitic?

Reinhard: Milcopex did not explain to us why they could not change to other dates. I don't know how they came up with only the suggestion to move to the SESS dates. There is no explanation of why they could not find another date.

Martin: There are a couple of factors happening. One, they are changing venues. Two the dates may have been scheduled when they had a different general chair. Their new general chair is Jewish and the reason they are going to ask for bye if they don't get the date change is that their general chair will not do it if it is over Rosh Hashanah. So there is a combination.

Youngblood: Is the SESS truly aware that there is virtually no overlap between the shows? It seems to me if there is no competition between the two

Walker: Steve, why does SESS not want to have the overlap?

Reinhard: They are fearful that there will be ways of overlap whether it is getting exhibits or dealers – the loss of a couple dealers could make or break their show. Their feeling is that they do not need any additional problems.

Stotts: Does this mean we will allow Milcopex to move their dates all over depending on the holidays?

Dixon: I am very worried that if we say to Milcopex they can't have a bye, you will have an anti-Semitic suit on your doorstep.

Saadi: Has there been a verbal communication with the Milcopex people or has all of this been done by mail or e-mail?

Martin: Communication with mail, e-mail and phone.

Mastrangelo: So you think their dates may not be flexible at all either?

Martin: That is what they have indicated on Virtual.

deVries: From Virtual – the problem is that Rosh Hashanah is the entire weekend Saturday and Sunday. The weekend that they would like to move to Yom Kippur that evening – they can deal with that. They moved to Mount St. Mary's College and they are not sure their new choice is even still going to be available by the time the board acts. Then they will request a bye. It is not that they don't get what they want, it's that they don't have any flexibility.

Saadi: I suggest you phone Milcopex and find out if there is another alternative.

Dixon: I think we should accept the proposal to move the show to some other date but not the dates that will form a clash, and in the event you cannot find anywhere else we will allow a bye.

Bob Odenweller: I would agree with that, only on the basis that the SESS has been struggling; it is doing well and it is getting there. I think the problem is in the lack of exhibits and that would cause them a great problem. I would say that we grant Milcopex an option that it cannot be on the same weekend as the SESS and grant them a bye if that does not work - this would solve the problem.

Peter McCann: Let's go back to SESS and say we have to do this, but let them know the APS will step in to help with exhibits and provide a strong presence.

Walker: I also think some of the board members should contribute an exhibit.

McCann: Really make an effort, we are going to go above and beyond the call to help you.

Motion to accept Milcopex request to change dates for 2009 show made by **Dan Walker, seconded by **Denise Stotts**.

Dixon: How are you going to deal with SESS now that you are giving Milcopex the same dates as SESS?

Martin: First, we gave SESS a shortened show last year, so we recognized a need that they had and we tried to address that. This year we will try to go out of our way by encouraging board members and others if they have a problem with exhibits. We will try to make sure that both shows are successes. Just as we showed SESS courtesy last year, we feel we prefer to have two successful shows and will try to establish that.

Odenweller: I think we are sending the wrong message here. We have rules established for

shows to run by. When someone comes up with an “oops” situation, I think they are the ones that should try to bend. I think the bye option is better.

Youngblood: If we force them into a Bye situation and they go a year without having an annual show, how close will this put them to being in a crisis position?

Martin: I think Milcopex would survive, I don't think it would be a critical blow to them for one year.

Banchik: As an umbrella organization that is encouraging the growth of the health of the hobby throughout the entire country, we recognize that each show has individual circumstances which may or may not be totally in their control. Try to encourage and nurture them continuously so that the emphasis is focused on how can both of them succeed. Steve already told us that there is really no dealer overlap between the two shows, and with Peter suggestion of assisting SESS – let's have two successful shows.

Vote: Yes by all but two, **Odenweller and **Dixon** against.

Rod: There is the law and the spirit of the law, and then the interpretation of the law. I think the struggle that we just went through exemplifies the problem here that we could extend a warm, reaching, encouraging hand to both groups under the circumstances. Go out of our way as individuals, we cannot go out of our way as a board of directors that would set a precedent. But each of the people in this room can go out of their way collectively to support both of those shows and that message should be given to them. That each of us cares enough that we will do whatever we can to go out of our way that year to help both of those shows.

Youngblood: Can someone send a letter to SESS?

Steve Reinhard and **Peter Mastrangelo** will make the phone call together.

G. SESCAL/Americas 2008 - Attachment 10 (Peter Mastrangelo)

Mastrangelo: APS has been asked to endorse a FIAF Continental Exhibition in conjunction with Sescal to be held Oct. 9th-12th of 2008. This request comes to us from James Mazepa on behalf of FIAF. They may also seek FIP recognition. Based upon preliminary input from the board, we asked that a more detailed plan of funding sources and expenses be prepared. FIAF has voted to hold its General Meeting just prior to the exhibition (see attached). Discussions and a meeting have been held with Sescal. A draft agreement between APS and Sescal/Americas' 2008 has been presented to the organizers for their consideration. The agreement recognizes that there will be no APS financial exposure and includes other protections with regard to the APS in providing its endorsement.

Their biggest challenge is obtaining additional exhibit space. Originally they wanted to see if they could obtain space for 500-600 frames, but the hotel was going to charge an additional \$12,000 for that. Mazepa indicates hotel arrangements have been finalized and they will only be able to accommodate 450 frames. Prior to that Jim did send a very rough budget and I made note of that, but he does say in his letter now that they know what the space requirement they have, they will be moving very quickly to finalize their budget, etc.

They are asking for our endorsement of this show, and of course it would have to be pending the execution of a mutual agreement.

McCann: One of the things that is important about this is that Jim and the people of Sescal are wildly enthusiastic about this. They see that this will bring an influx of exhibitors and also more dealers. They are not concerned about the budget. I know from what Jim has told me that they probably have 90% of the money organized and if they don't get the rest they already have people who already said they would step up to the plate to fund it. There is absolutely no financial request to the APS. They are only asking APS to be aware of this.

** Motion made by **David Straight**, seconded by **Wade Saadi** that we endorse the show as presented, with the possibility of FIP recognition if it's feasible within the budget.

**Vote: Unanimous

H. Texpex/AmeriStamp Expo 2009 (Ken Martin/Steven Reinhard) Attachment 11

Martin: The Texpex information we provided is just for your information. We have had considerable correspondence with the Texpex committee and I believe that we have reached an agreement with them and CANEJ, that there will be a combined Ameristamp Expo/Texpex in February 2009 in Arlington, Texas. We will add about 100 additional frames to what we would normally have at AmeriStamp Expo to accommodate 100 general-class multiple frames limited to Mexican-related material, which, according to the rules, is doable with the permission of the chair of the Accreditation Committee. It will go under the name of both AmeriStamp and Texpex. Texpex will still be represented in the World Series, which seemed to be one of their great concerns. The APS will take the lead for the financial obligations and the income, recruiting the dealers etc.

Banchik: On behalf of MEPSI I would like to thank all the efforts of the CANEJ, staff and the Texpex show committee to get this to work out in a way that everyone comes out happy.

I. Discussion on Volunteer Opportunities (David Straight) Attachment 12

Straight: The rationale of providing volunteer opportunities is to make use of volunteers and have camaraderie among members. I think something that would be interesting to consider would be the possibility of some kind of volunteer work week over the summer. At this point it is just for discussion and exploration of what the possibilities would be.

Carter: Are you talking on-site or off-site volunteers?

Straight: There are a lot of library opportunities off-site. With the use of computers data entry can be done virtually anywhere. The proposal to the library board is to get a volunteer indexer in every society and as each journal is published, that data goes into the database. We will be creating a template to make sure things get entered properly for searching – so that staff does not

have to clean up or proofread.

****Motion** that the sense of the board is to expand our work on the volunteer opportunities as per the report moved by **Steven Rod**, seconded by **Dan Walker**.

****Vote:** Unanimous

Open the Floor:

Irv Miller: As discussed with Jim Dempsey, I would like to make a proposal that we increase the dealer membership dues for the organization. It has many pluses and only a few minuses. First, I propose that they increase it to \$75 and part of the increase would go to a special membership card that could be laminated and sent to the qualifying dealers each year. We have a big problem on the floor that everyone is a dealer. Everyone comes up and wants the dealer discount, saying they are an APS dealer. If the APS issues these dealer membership cards and someone has to pay for that through the APS, they may not be so gung ho to acquire a dealer status for false pretenses. I had someone walk up with a business card once and say I'm a dealer and I knew the guy whose business card it was. I called the guy and said is this guy working for you, he never heard of him before.

It would be advantageous for the few dealers who are legitimate and do these shows, to weed out some of the people that are just saying they are dealers.

Youngblood: Have you discussed this amongst the other dealers?

Miller: Everyone that I have talked to on the floor seems to be on board. The ASDA is \$300 a year.

Lloyd deVries: I wonder how NSDA, which is \$75 a year, wouldn't cover this. NSDA requires that the members be APS members.

Miller: But there are a lot of APS dealers who are not NSDA dealers.

By the dealer having the card – it is another way to say that they met APS dealer requirements and paid the fees. Charge an annual fee in addition to the dues, \$30, and the intent is to dwindle the 1,500 APS dealer to 900 legitimate dealers, with a dealer membership card issued each year. Not sure how the ASDA would like this. Concern of how you handle part-time vs. full-time dealer status.

Carter: Remand this to staff for further investigation and report back.

Adjourn meeting at 4:09 p.m.:

****Motion** to adjourn moved by **Robert Odenweller**, seconded by **Wayne Youngblood**.

****Vote:** Unanimous