

American Philatelic Society
General Membership Meeting
Saturday, January 20, 2001
Presidio Plaza Hotel
9:00 a.m. Empire East Room
Tucson, Arizona

Minutes of the American Philatelic Society General Meeting

President Peter P. McCann called the General Membership Meeting of the American Philatelic Society to order on Saturday, January 20, 2001 at 9:05 a.m. in the Empire East Room of the Presidio Plaza Hotel in Tucson, Arizona.

President McCann introduced the members of the APS Board of Directors and APS Executive Director Robert Lamb, who in turn introduced members of the APS staff who were present. President McCann introduced local show committee members working on Nordia/ Aripex/ Ameristamp Expo.

President McCann and Executive Director Lamb distributed awards to those present who had been APS members for 25 and 50 years.

McCann: Presented a synopsis of the actions taken by the Board at the Board Meeting on Thursday, January 18. Two appointments were made and approved by the Board of Directors. Douglas Clark was appointed and approved to be chairman of the APS Committee on Conservation and Paper Preservation. Charlie Peterson had been serving as President and Chairman of the FIP Literature Commission. Charlie recently was elected to the FIP Board as Director at Large. Replacing Peterson to the FIP Literature Commission will be Ken Lawrence.

A couple of years ago the APS approved an Internet Plan to improve the APS website in a number of areas. Janet Klug reminded the Board that the final recommendation in the Internet Implementation Plan was that a review be conducted of the APS Internet presence every two years. A subcommittee was appointed to do that review and Klug will be chairing that subcommittee.

The membership of the APS has been declining over the past several years, as has membership in a number of societies, philatelic and otherwise. We are concerned about that. Director at Large Lloyd de Vries had a couple of proposals to increase our membership and promote the hobby. De Vries is chairing a subcommittee to address those issues and will report back to the Board at the next Board meeting. The Board as a whole is concerned about the membership phenomenon and is working on interesting, innovative, and effective ways to make the virtues of what we believe to be a fine Society more widespread.

The main discussion in the Board meeting was the status of the Match Factory. The Match Factory is a site in Bellefonte, Pennsylvania about ten miles from our present headquarters in State College. At our last Board Meeting in Providence, the Board approved initial implementation of trying to get the project going. Executive Director Robert Lamb appointed a Project Director in the person of Dennis Gilson who will manage the project for us. We have agreed with the Borough of Bellefonte on the actual purchase of the site. This purchase is dependent on a number of contingencies that Bellefonte must meet. One of the contingencies for us to go forward with the project is that we must have a major tenant on the site that would help defray the cost of the purchase and maintenance of the site. Lamb and APS Attorney David Flood have worked out the purchase agreement. We have put out a request for architects to bid to do this project. We had 17 firms actually submit proposals. We have those in house and are looking at them right now. An architect selection committee has been set up that will, in April, make a decision on these proposals. This committee is made up of McCann as chairman, Phil Bansner as Vice Chairman, Dona Goldman, who is President of Historic Bellefonte Incorporated, Ken Lawrence who was chairman of the original committee that looked at building expansion, Dr. Lawrence Sall who is director of University of Texas at Dallas Libraries, and George Kramer. We are going to prioritize the three top firms giving us bids for the project. The rankings will go back to both the APS and APRL Boards to review them and we will

pick an architect to move forward with the project. We committed to move forward as a step-by-step project. One of the key steps in this project will be the approval of the architect.

Those were the highlights of the Board meeting. If anyone has any questions they may ask them in the open question session in this meeting. We are trying to make this as open a process as possible.

Vice Presidents Report:

Gordon Morison: The Board of Vice Presidents of the American Philatelic Society is the conscience of the membership. We receive complaints from members. We investigate them and try to resolve the disputes we receive. A very capable Director of Complaints, Helen Bruno in State College, aids us. She fends off most of the problems that come in and seeks to get the two parties talking to each other. In so doing, there is often a resolution to the complaint. In many cases people don't want to talk with one another, but when they begin talking with one another they resolve the complaint. Then there are additional complaints that have to be heard by the Board of Vice Presidents. The three of us meet about 5 times a year to actually review and hold hearings on those complaints. The complainants can appear before the Board of Vice Presidents and provide their testimony. Based on that and documentation we make our rulings. Some will be suspended, some may be placed on probation, and some may be expelled. We probably handle 10 to 15 complaints at each one of our meetings. Those are the ones that have gone beyond the process that can be cleared up by staff at State College.

Secretary's Report: Janet Klug: The Secretary has taken the minutes at the Board Meetings and General Meetings of the APS and signed all legal documents of the Society according to the bylaws. Klug reminded members that minutes of the Board Meetings go up on the APS website as quickly as possible and suggested members read them and become active and interested in the business of the Society.

McCann: Our Board Meetings are open to the members and more and more members are attending. Sometimes they can be pretty boring, but it is nice when members come in and see what we are doing. Since McCann has been President he has made it a policy that if any members want to say something pertinent to the discussion they are permitted to do so. Several members took that opportunity this time. Members are urged to come and participate.

Treasurer's Report:

Nancy Clark: As Treasurer of the Society, Clark has reviewed the APS financial transactions and signed all vouchers on a monthly basis. APS has received the auditor's report for the Society and there has been an increase to the Society's assets of \$86,882 from 1998. The Society funds have been transferred to PNC Advisers in August and September 2000. The Finance Committee will have a conference in the near future to commence the budget review process. We will be considering further ways to increase income and further ways to reduce expenditures. It has been more than eight years since Society dues have been increased. This is a testimony to belt-tightening and good management at APS Headquarters and to the loyal service of our excellent staff.

Executive Director's Report: Robert Lamb: People here in Tucson have been very apologetic about the weather, but APS Headquarters in State College was closed yesterday because of an ice storm. They are predicting 6 inches of snow today.

One of the reasons APS is such a great organization is because of the support we have gotten from our membership. Clark talked about what sound financial health we are in. One of the reasons we are healthy is because of the generosity of the membership. Last year members gave us \$175,000 in cash and stocks as donations. A lot of our programs don't pay for themselves, and this allows us to do many of the things we do as services to philately generally. In addition, we received \$1 million in stamp donations. This is really a wonderful help to us. We use every stamp that is given to us. Bags of stamps we get in on paper allow us to support the All Star Stamp Clubs in our youth programs. It allows us to donate stamps to the National Postal Museum for their Grandparents Weekend. We support a lot of youth programs around the country. In addition, we get really nice stamps given to us that go into the Reference Collection. This collection is available to researchers to look at. Medium priced stamps also go into the Reference Collection. We have a lot of holes that are just ordinary stamps. We really like to get stamps that will fill the holes in the

Reference Collection. We are pleased with the way that is coming along. In December, one of our members gave us a collection of U.S. Postal Stationery cut squares. It wasn't a very expensive collection, but it is an extremely valuable collection to us because it gives us examples of envelope shades which can be difficult to sort out. Thank you very much for your generosity.

We lost about a thousand members last year. We see the role of the APS changing because of this. Historically, the APS has not really been on the front lines of philately recruiting people to the hobby. We have left it to other institutions of organized philately do that. People come into their stamp clubs or subscribe to newspapers or come into the hobby in other ways. Later, when they feel comfortable in the hobby, they come to the APS. We are finding more and more APS is on the front line of the hobby recruiting new collectors for the first time. We are experimenting with new ways to do that. One of the ways is through the Internet. We have been very active there. We found a lot of people who are collecting stamps and don't know a lot about stamp clubs, stamp newspapers, or stamp shows but they want to learn more about the hobby. We started beginning courses on the Internet. We have recruited about two dozen people into the hobby through this mechanism. We have had four sections of that course and every one has been oversubscribed.

We started our Internet Sales in early September. Here we brought a few new people in, but essentially we are offering our members a new opportunity to buy and sell their stamps. 4300 members are now enrolled in the Internet Sales Program. We are arguably the largest purely philatelic sales site already in less than four months. We do about \$1700 a day business on the site, and that is a 7-day week basis. We have in excess of 50,000 items for sale on the site. It is a wonderful place to shop if you are inclined to buy and sell on the Internet.

One of the issues the Board has been wrestling with for a couple of years is how we guarantee our expertizing certificates. We have a strong expertizing service. For the past four years, each year it gets more business than the year before. Last year was another record year. We have worked very hard to bring scientific techniques into expertizing. We have equipment that has never been in the hobby before to examine stamps to determine if they are genuine or fake. We are doing a good job of helping to protect our members against faked or altered stamps. There are a lot of them out there. About 20% of the items submitted to us are faked or altered in some way. We want to go the next step. We have a lot of confidence in our scientific judgments and we want to find a way to protect a member. We want to find a way to indemnify our decisions. We have wrestled how we can do that in a number of our Board Meetings. The problem essentially is how to value the stamps. If we would guarantee all the certificates, that would be subject to abuse because we base our fees on catalog value. We all know that catalog value is often not a realistic estimate of the commercial value of a stamp. If we guarantee it in catalog value, we are often guaranteeing the value of the stamp in excess of the real value. Once we start doing that we open the doors to abuse. On the other hand, there are times when catalog value understates the real value of the stamp. We are trying to find a happy medium. We had a good discussion this Board Meeting and believe we will be able to come back with a good proposal of how to do this. Lamb urged all members to take a look at their collections with a critical eye for fakes and forgeries.

Lamb invited all members to come to State College for a visit. The Library is interesting. The Sales Division has great stamps. The Reference Collection is worth looking at. You could spend a couple of days there and want to come back. If we have time, we will take you out to Bellefonte and show you the Match Factory. Please come and see us.

New Business:

Jackie Alton: Presented a donation to the American Philatelic Society from World Columbian Stamp Expo that took place in Chicago in 1992. In the past, most of the donations World Columbian has given to APS have been without stipulations. This one is given in memory of Bette Herdenberg, who passed away last year. World Columbian wishes to remember her with a donation of \$5000 to APS earmarked for youth philately.

Gordon Morison: Noted that World Columbian made a generous donation to Nordia as well.

Question from the floor: Mention was made about guaranteeing certificates. It is a great idea, but kind of groundbreaking. Nobody else guarantees an opinion.

Lamb: Some of the foreign organizations do. There have been some experiments with it in the United States. They have not worked out well because the organizations have spent the money they get from the certificates. The innovation we would see would be setting aside a reserve fund to indemnify the certificates. This program would be self-insured.

Charlie Peterson: We would not be guaranteeing a certificate that would make it better than a normal certificate. What we would be doing is offering the person who submits it the opportunity to insure the expenditure he is going to make so that it is a warranty not a guarantee.

Question from the floor: Would there be a fee beyond the expertizing certificate?

Peterson: Yes, there would be an additional fee but it should not be thought of as a first-class guarantee as opposed to a second-class guarantee.

Question from the floor: During the period the APS lost 1000 members, what were the new memberships during that time?

Lamb: We picked up in excess of 2000 new members last year. The problem is that we are not getting enough new members to replace older members who become ill or die.

Question from the floor: There is only a four-month history on the Internet Sales Unit. Because it is only for members, is that bringing in new members? Anybody can look at the merchandise that is there. It should entice people to join.

Lamb: Believes it is bringing in new members. When we first opened in September we got about 35 – 40 new members then just because they wanted to use the site.

Ken Lawrence: Has been working on other members-only services, although it is not developed enough to present to the Board. It is an example of the thinking some of us are doing. Lawrence has worked for years with other collectors of first days and earliest usages to put together a database of earliest known usages of U.S. stamps and postal stationery. We have an enormous database, but it is unwieldy because it is not searchable yet. Once we have it so that it is searchable by date and Scott number, then we can post it on the website. It would be an enormous research tool and a powerful one for anybody who had access to it. We believe something like that ought to be a privilege of membership and an encouragement for more people to join. The more prestige we can get for services like that which can be made available, that is the way to the future of growth. Lawrence hopes to have a proposal for that in Chicago.

Question from the floor: Has a study been made of the age of the people applying for membership? How does this compare with the median age from years ago? The hobby as a whole is aging, but what about new members?

Lamb: We haven't done any analysis of new applicants. In the last seven years the median age of the Society has crept from 58 to 61.

From the floor: A lot of people return to philately via their children. We all collected as kids, then at some point when in our 30s, a child of 8 or 9 might draw our attention to an interesting stamp, and we are off and running again. This is a classic evolution. Is there a way to take advantage of that and target people between the ages of 35 and 45?

Peterson: That is perfectly correct for the present generation of 35-year olds but based on anecdotal experiences, that kids of today are not interested in stamp collecting.

From the floor: What have you people done to get young people interested in stamps? Does anyone ever go to a school to give a talk?

From the floor: We have the experience of trying to go to schools and the school administrators tell us the kids aren't interested and they don't have time for that kind of program.

From the floor: This speaker's experience was just the opposite. He went to junior high schools with a 2-hour program. He made a map with countries and had stamps available for kids to put in the right places and helped them complete the maps. There was tremendous interest.

From the floor: Schools say kids aren't interested in stamp collecting, but teachers value stamps as a tool to help teach history lessons, geology, or other subjects.

From the floor: Summer seminars in June are wonderful. Members who haven't been there for them haven't lived.

From the floor: When most of us started collecting stamps they were of a different nature. Many of us collected British stamps with pictures of the King on them. Now most countries are issuing topicals. The stamps appeal to kids because of the topicals. Is there an opening for APS to get into that? Are there any studies of the American Topical Association and how they are doing recruiting younger members?

Triggle: As a member of both ATA and APS, I know the ATA is suffering in the same fashion. This is an across the board problem. Young people do like to see something interesting on a stamp.

Bud Sellers: Is currently a director of the Postal History Foundation. The genesis of that organization was to involve young people in stamp collecting. It was done by working with classroom teachers and going into the classroom. They would use stamps to help teach history and geography. This program was very successful for a good number of years but recently has had some difficulty. The problems center around the fact that schools have a lot of obligations now. Many of them feel as though they are occupied with sidelines to their teaching activities. They are not as interested in undertaking this sort of thing because it does take time outside of their normal classroom to prepare for it. Efforts were made a few years ago to export this program. It works beautifully when adults participate. The key to bringing youngsters into the hobby is not just to expose them to stamps; you have got to have some adult leadership.

From the floor: We'd all like to interest children in stamp collecting. The need for collectors is not 30 years from now; the need for new collectors is now. There is a recent example of successful reinvigoration of a hobby with coin collecting. The U. S. Mint launched the state quarters program. This has been an unbridled success. Literally hundreds of millions of quarters have disappeared out of circulation. Everybody is collecting them. It has created enormous grassroots enthusiasm for coin collecting. There were many in the hobby who preached to the Mint that they needed a program that delivered coins conveniently at face value. How could we apply that program to stamp collecting? Our Postal Service and the world's postal services could do something about it. One of the problems with stamp collecting today is that almost nobody uses stamps. The primary reason why stamps are issued is to satisfy needs of collectors, not to satisfy needs of mailers. How do you get people interested in stamps? How do you get everybody interested like the quarters program? Bulk mail uses the shiprock stamp or the tail of a Cadillac. One way to reinvigorate the hobby is to persuade the Postal Service to start using those categories of stamps that are widely used by direct mailers to create more varieties. Instead of having a two or three year program that uses the same stamps, that every five or six weeks the Postal Service changes the design of the bulk rate stamp. The reality is there could be instant collections. There could be stamps for each of the 50 states. There could be state seals, state capitals, and presidents of the United States, all the astronauts, and milestones in space. There could be all sorts of series. Suddenly people would have something to look for in their mail and everybody gets lots of bulk rate mail. People would start looking for them and start collecting them. This is a mass marketing approach to get people interested in the hobby, just as they are doing with the coins. The coins are successful because they are available. You see them every day in your change.

Lamb: That was Jim Helzer of Uncover in Cheyenne, Wyoming. Uncover has been very supportive of the APS and we are very grateful.

From the floor: Humanity is the same everywhere. We have the same problems in Europe as exist in the United States.

From the floor: The success of the quarters is because during the whole duration of the program the Mint is not producing any other kind of quarter.

Adjournment: Bernard Hennig moved to adjourn sine die.

The meeting adjourned at 10:10 a.m.

Respectfully submitted:

Attest:

Janet Klug, Secretary

Peter P. McCann, President