



Report from Henry Kessler, Treasurer / Finance Committee:
Wednesday, July 27, 2011

I would like to start by making a comment about how cooperative Tom Pack and Jim Lubic have been over the last several months. Like most accountants, in my opinion, Tom is both detail oriented, while also keeping an eye upon the big picture – and as Jim has mentioned in the past, Tom wears many hats. Tom has also been happy to respond to any accounting and finance question openly and completely, and he is involved in many aspects of AWCI. Jim works as our visionary, pushing for progress on every front endlessly.

Over the last several months, there has been a change in the way AWCI operates. In the past, the Treasurer and Finance Committee had a tremendous amount of control. Clearly, this was necessary in our recent past under Jack Kurdzionak's direction, in order to pursue a focused change in the way projects were selected, supported and pursued by AWCI, while insuring that our organization managed to operate within a budget that allowed for no bleeding. Today much of that control has shifted to the entire Board of Directors – who rightly so, is ultimately responsible. But, the work of the Finance Committee remains important, and the BOD counts upon this Committee's hard work understanding and better managing the process of spending.

There are concerns that membership and ad revenue is shrinking, and the volume of students needing to take CW21 examinations could also be shrinking. Our Finance Committee along with our BOD and AWCI management must continue our efforts to improve the value of Horological Times to its readers and advertisers, while promoting awareness and knowledge of our organization within the American watch and jewelry industry, creating demand for additional well trained watch and clockmakers within our industry, while growing the training and certification programs we offer - all while building value to our members. No simple task; but progress on every front is well underway!

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From a financial perspective, progress has been tremendous.

- We have managed to launch an all-new Horological Times, moving from black and white to full color - with an updated design – all without increasing costs to our organization.
- We have managed to get out from under a viable, yet complicated and relatively risky financing arrangement with 5/3 Bank, moving to Merchant's Bank.
- We created and together with the BOD, passed yet another balanced Budget.
- We approved spending money on updating our classroom technology, making our current capabilities high-tech even by today's standards – thanks to the support of the Rolex Challenge Funds.
- We approved funding for redesigning our clockmaking and polishing rooms, to allow for the creation of new training programs without diminishing our capabilities of existing programs – also with the help of funds generated from the Rolex Challenge.
- We approved funding of updated software for our membership and school, leaping several generations forward at one time.
- Together with our Industry Advisory Board, we supported the Trade Show and Marketing Committees work on nationally promoted Membership Poster and marketing research projects – both underway in August 2011.
- We continue to exhibit in at least 2 major trade shows, JCK Las Vegas and the Chicago InStore Smart Show. Next year, AWCI and our instructor will be promoted by JCK as a training sponsor, drawing additional buyers to the show, while growing awareness of our organization.

And more work underway. All in all, I would say we have been successful and very busy!

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