

MID – YEAR BOARD OF DIRECTORS MEETING

February 28 – 29, 2004

AWI Central, Harrison, Oh

Executive Committee meeting

Meeting called to order by President Jack Kurdzionak

Invocation given by President Kurdzionak

Pledge of Allegiance led by President Kurdzionak-

Present:

Mark Butterworth, Treasurer

Alice Carpenter, Secretary

Jim Door, Vice President

Jack Kurdzionak, President

Guests:

Scott Gilligan. Counsel

Jim Lubic, AWI Executive Director

Rob Clark, Financial Advisor

Tom Pack, AWI Finance Director

Paul Wadsworth, Parliamentarian

Dennis Warner, Director

Joe Schrader, AWI member

Gary Richards, ELM Trust

Donna Baas, HT Managing Editor

Lucy Fuleki, Assistant Director

Vincent Schrader, Education Committee

Welcoming Remarks by President Jack Kurdzionak

President Kurdzionak gave a statement concerning our present Membership committee and the drop in membership; our trademark; the Certification and Education committee work, as well as our relationship with some of the watch companies; and the working of the organization and the cooperation of the board members. President Kurdzionak announced the resignation of Vice President Frank Poye, and the decision not to replace him until the elections.

Procedures and requirements for voting : given by President Kurdzionak

the only ones that can vote are the Vice President, Secretary, Treasurer, and the President.

Minutes of the annual Board of Directors meeting have already been approved by the board. Minutes of the mid-year meeting last year have already been approved by the full Board.

Rob Clark, Financial Advisory, gave out a print out of our portfolio. He gave the overall value of the portfolio. The portfolio is in excellent shape. Last year, he did a lot of swaps, made a profit, reinvesting, because of early turn-around of the investments with GNMA, due to the drop of interest rates. We are in good shape asset wise, but current income is down because of declining membership. The job of AWI is to manage the membership. The job of Rob Clark is to monitor the money.

State of the Association: given by Jim Lubic

There has been a steady decline in membership over the past few years. Jim is looking at a WOSTEP refresher type program instead of a full-time school. It would be put together for 20 weeks to support the skills to pass a Certified Watchmaker examination. The set-up would be much like the academy was in the past, where a watchmaker could come in one or two weeks to acquire help on the skills he needed. The goal is to have the Certification program set up ready to put in the June HT. The hope is to have tests scheduled around the REC schools so that a watchmaker, clockmaker, can take their certification there.

Right now work is going on with a pricing survey in progress, as well as a survey on spare parts availability.

The company that gave us a price for preparing our website at the annual meeting doubled their price, and so the project went back to the committee. As a result, Ron Price resigned from the committee, and has taken on the job of preparing the website.

Jim is looking into the possibility of doing seminar type stuff on the web for under 50-cents a minute to a large number of people. A speaker phone will be required to participate.

The main focus right now is working with Vince Schrader and the Education Committee.

Jack: We met with Chuck Berthiaume, Herman Meyer, and Bernard Stoeber at Lititz, Pa, to get a better understanding of what we should be looking for when we make up the Certification tests. There are five things that the Rolex people are looking for and what we should strive for: Watchmaker education, Cleanliness, Certification, Shop equipment, and Organization of the

shop. This will in no way mean that a watchmaker can be certain of receiving parts from Rolex, but will be a step in the right direction.

Jim Lubic: Vince Schrader became involved because he has a Ph.D. in education and is a Certified Master Watchmaker, and Jerry Faier is also a Certified Master Clockmaker.

The suspension of the clock certification was discussed. It was suggested that the clockmaker might take the practical part of the examination and the written part when it is completed. Vince Schrader did not like the idea of giving the examination in a patchwork manner. So the consensus was to delay the examinations until the work was completed.

5 minute recess

COMMITTEE REPORTS:

Constitution & By-Laws: Jim Door, Chairman

This committee has addressed the problem of replacing an officer; made changes to the Constitution allowing the IAB to have a vote; approved the Constitution of a new Affiliate Chapter; and made changes to our Constitution to allow past Treasurers to be on the Perpetuation Fund.

This committee has also voted to move some constitutional items to the by-laws. These changes will go out to the membership to be voted on after the Board votes approval.

Parliamentarian: Paul Wadsworth

Paul discussed the wording of a part of the code of ethics, and the board, with a great deal of help from Donna Baas' who came up with: "in business practices, each member will conduct him or herself in such a manner as will reflect positively on him or her, on the AWI, and the entire watch and clock repair industry, including all its participants"

Motion: from Paul Wadsworth, Chairman (motion #11) Requires no second.

to accept the wording: "in business practices, each member will conduct him or herself in such a manner as will reflect positively on him or her, on the AWI, and the entire watch and clock repair industry, including all its participants:"

Motion passed unanimously.

Finance Committee: Tom Pack reporting:

Tom sent out a report to the Board, and has received no comments. The report shows a shortfall on book revenues, dues, and overall investments, Tape sales have picked up. As for the expenses, the office has kept expenses a bit more in line. Overall, we expect a deficit at the end of the year. There is an annual audit going on at this time, which will be finished by the end of March.

It was explained that dues are down because of a decline in membership. The academy revenue is off because of the change in presenting classes. Classified ads are down because the person hired to sell ads has resigned.

However, one of the covers of Horological Times has been sold, with an accompanying article to be in the magazine. This is different from our usually paying someone for a picture for the cover.

It was pointed out that ads were difficult to sell because of the limited reach of our magazine. Ways of bringing in dues and ads were discussed.

Motion made by Jim Door (motion #12) Seconded by Alice Carpenter

to go into executive session.

Motion passed unanimously. No minutes were taken of this meeting.

Adjourned for lunch at 11:50:

Reconvened at 12:45

Motion made by Jim Door: (motion #13) Seconded by Mark Butterworth

“ I move that we use our line of credit for material and supplies for certifications.”

Motion passed unanimously.

ELM Trust Report given by Gary Richards

Mr. Richards reported that one of his goals exceeded expectations this past year: that of putting AWI in the news, and on radio. The second goal has not met expectations: fund raising, and grant writing.

Mr. Richards announced that tickets for \$25 to raffle the use of the vacation home of Jack and Terry Kurdzionak for one week will be offered to AWI members only, the time to be determined, the money going to the Trust. The winners will be selected by a person not affiliated with AWI, with newspapers in attendance, probably in the museum, to gain attention to our organization. Only 100 tickets will be sold, with a limit of four tickets per person.

Second prize will be free registration for the annual meeting to be held in Maine this year. Third prize will be one year membership in AWI.

The dinner at the annual meeting will be on a privately owned island, and partially funded by Rolex. The price of the dinner: \$60, including taxes and gratuities. All proceeds over cost will go to the Trust.

There will be a ½ hour island tour, a boat ride over, and the dinner and tour will be about three hours long.

Mr. Richards noted that the Foucault pendulum now has informational, and dedication plaques around the rails and he noted that all visitors immediately are attracted to the pendulum.

A bid for the material in the movement bank went for \$4200. This goes to the Trust Fund. There were 51 digital pictures taken of the material and sent out by email to seven bidders for sealed bids. Charlie Cleves was the high bidder.

Jim Door announced that we have a display in the museum for one year from Citizen and plan to have a rotating display there each year.

Mr. Richards will address the Friends of the Trust in the next newsletter.

President Kurdzionak reported that Fred Burckhardt is resigning from the Trust and President Kurdzionak will finish filling in Fred's term, with an appointment to the Trust at the annual meeting. The terms for the Trust begin with the annual meeting.

Motion: made by Jim Door (motion #14) No second required

“to nominate Mark Baker to the ELM Trust”

Mark Baker will be installed at the annual meeting.

Motion passed unanimously.

Judicial Committee report given by Jim Door

They have had no activity this year.

Nominating Committee : report given by Glenn Gardner, Chairman

The following have been nominated to run for the Board:

Mark Baker

Ron Iverson

Gene Bertram

Mark Butterworth

Gerald Jaeger

Joe Juare

Steven Settle

Doug Thompson

These have already been voted on and approved by a prior vote of the full board.

James Dodson Perpetuation Fundnothing to report at this time

Education Committee, Jerry Faier, Chairman

A summary given by Vince Schrader gave in detail the certification titles, the division of work that will be required for each, and discussed the methods for testing these.

He also reported that the committee had met with Dominic Whelan, and Herman Meyer at Lititz, Pa, for a discussion on what should be included in our certification testing. William O. Smith is working with this committee in an advisory position.

The draft of the document Vince is working on will be pulled together with another document that AWI will produce called the Questions and Answers for the Watchmaking Profession.

The document will be named "Official Standards and Practices for the Preparation in Education for the Certification of the Twenty First Century Watchmakers"

and will have a forward by William O. Smith and a message by Jack Kurdzionak.

We hope to invite a couple of students from Lititz to come and take the test to give us an idea if the tests are on the right track.

We hope to have a local person monitor the test.

We will dissolve the Certification Committee . The Education Committee will provide educational standards and the examinations, and will appoint a board of examiners. The Board of examiners will do the grading.

Jim Lubic, in answer to the question about those who have passed the certification tests in the past: "They are grandfathered, all certifications will be recognized."

Note: at a later meeting, it was clarified that the clock exams will resume and that Jerry Faier will have a free hand to do whatever is needed to satisfy himself that the applicant is qualified or not.

Motion by President Kurdzionak (motion #15) Requires no second

to appoint Tony Riggio to the Education Committee.

Motion passed unanimously.

President Kurdzionak announced that he had received the resignation of Ron DeCorte from the Certification committee. The position will remain vacant.

Honor Awards Committee: Dan Spath and Gerry Kincaid

There will be no exam awards this year. Awards will be given to out-going Board members.

Acronym Committee

President Kurdzionak appointed a committee to study this at the annual meeting last August, but before the committee made its findings public, a board member made a motion to change AWI to AWCI. This vote was taken via email, (This was motion #5 of the year), and because it was not unanimous, a teleconference call was necessary, and on Feb 16, vote was taken by teleconference call. The motion passed by 8 to 4. President Kurdzionak reassigned the work to the committee, and a vote will be rescheduled, or put on the ballot when the voting for the new Directors goes out so that all members can vote.

Motion: by President Kurdzionak (motion #16) Requires no second

“to replace Frank Poye on the Horological Times Committee with Manuel Yazijian”

Motion passed unanimously

Horological Times Committee, given by Donna Baas,

The cover of Horological Times has been sold for \$500, with a technical article to go into the inside of the magazine. This is a better situation than paying someone \$250 to make a picture for the cover.

Ethics Committee: by Paul Wadsworth

Already covered a portion of the bylaws earlier today, will move forward with the other policy, etc.

Book Review Committee: by Bob Porter

The committee has reviewed several books.

Spare Parts Committee : Manuel Yazijian, Chairman - Report was given by Jim Lubic

The committee is working on putting survey together of watch companies, to find out what the different policies are towards parts distribution, restrictions, case parts, credit cards, etc. This has turned out to be a big job. The findings will probably be put in booklet form and offered to members.

Technology Committee : report given by Jim Lubic

A talented person on the committee, Ron Price, has resigned from the committee, to take on the job of making a website for AWI., after the original company, which was approved by the Board at the annual meeting, doubled the price they had quoted to us. The target date for completing the website is the annual meeting.

Price Survey Advisory Committee Tony Riggio, chairman. Jim Lubic, gave the report. There was a shortage of clock information, and this was asked for and responses have been received. This needs to be put in the document and emailed to the members for approval. The information has been broken down to regions of the country. Included will be how to figure a shop rate of return.

Membership Committee : Terry Kurdzionak, Chairman

Terry quoted our declining membership, and the aging watchmaker population, as a problem to membership in AWI. She reported that one affiliate chapter suggested that the office staff was top heavy given the low number of members.

Terry also reported that the new affiliate chapter in the Detroit Area , the Mid-West Horological Society, has submitted all necessary paper work to the AWI and the Constitution and By-Laws has been approved by Paul Wadsworth, Parliamentarian.

Motion: by Terry Kurdzionak, Chairman (motion # 17) Requires no second

“I recommend that we vote to accept the Mid-West Horological Society as an Affiliate chapter of AWI.”

Motion passed unanimously.

Jim Lubic took the opportunity to thank Jack & Terry for work on next annual meeting, which will be held in Maine. Jack was given the option of having the annual meeting in his home town, but chose Portland, Maine because the Democratic National Convention will hold their meeting in Boston, which would make a meeting there a bit difficult.

Publicity Committee: Jim Zimmerman, Chairman The Report was given by Jim Lubic. The AWI seal of approval program is in the works.

Ron Decorte is traveling to Switzerland and will review watches of six or eight companies while there. Ron will write a product review of these watches to be published in Horological Times. After they are reviewed, we hope to sell tags of approval back to the companies, to be put on their watches. This will help put AWI in the public eye.

The committee will get with Jack and come up with standards for the “seals of approval:” and write an article in Horological Times. Tony Voight, who is on the committee will provide the equipment to test the watches. This was the idea of Burt Kalisher.

Internet Training, Jim Sadilek, Chairman

The written report was read. No questions were asked.

Meeting recessed at 5:05 pm

Meeting reconvened at 9:15 am

OLD BUSINESS

Alice: gave out copies of the motions voted on so far this year. Everyone was asked to please send their votes to the Board email network and save the office time. If a board member sends their vote to the office, they have to forward it to her so she will have a record. It was also explained that the motions that are listed as #5a, and #6a, were the motions #5, and #6, that did not pass unanimously, and had to be voted on with a teleconference call.

Mark: regarding our reports, suggests that we often leave out the clockmaker in our wording and we should make every effort to make them feel a part of AWI by including them, when we refer to the “watchmakers” in our regular reports.

Jim Lubic: stated that we must have committees to do a lot of the work that the office builds their work on. When our members are on a committee and do not do their work, then the office has to try to fill the gap by doing the reports for the committee members. This takes away time they should be doing the business of AWI. One such incident is the calling of members that have not renewed their membership. The board members are not doing a good job of this and it takes a lot of time away from the office staff to make the calls. This is something the volunteers are not doing a good job of.

Dennis Warner suggested that maybe the nominating committee should make the point when they interview nominees, that they must be willing to do the volunteer work they accept.

NEW BUSINESS

It was discussed that the motion to have every candidate to state their age and give a picture no more than two years old has passed and how this is to be done was also discussed. It was pointed out that a place to state their age will be made, and if they refuse to state their age, it will remain blank.

Jim Door stated it wouldn't be a bad idea to give out what we expect out of a director, before accepting names, that way they would know what is expected of him/her when his name is given in.

President Kurdzionak pointed out that the Finance, Education, and Membership committees has really worked hard the past six months.

Jim Lubic stated: we will start every other year moving the annual meeting, and maybe every other year move the mid-year meeting. We plan to have several presentations for the members and by this maybe offset the expense of the meeting.

Meeting adjourned 11:15.