

## Official Minutes of the meeting 20 – 21 February 2009

### National Model Railroad Association Board of Directors Meeting 2009 Mid-Year Meeting 20 – 21 February 2009 Holiday Inn, Orlando, FL Minutes

- 1) President Brestel called the meeting to order at 9:00 AM, February 20, 2009
- 2) President Brestel recognized guests in attendance, Dr. Robert E. Chait, MMR, HLM, and John Stevens, Assistant Secretary.
- 3) The roll was called and all members were present.
- 4) The meeting recessed at 9:00 AM for an Executive session of the Directors.
- 5) The meeting reconvened at 10:57 AM 20 February 2009
- 6) MBOD 09022001 Motion was made and seconded to approve the Minutes of the July 11, 2008 meeting. Motion approved on voice vote.
- 7) Members discussed the nominating process.
- 8) MBOD 09022002 ALNAD Getz moved motion to remove his report, #51 from consent agenda, also to remove the proposed changes to Recommended Practices that were part of the Standard & Conformance Department Report. Motion seconded by CDD Thornton. Motion approved on voice vote.
- 9) MBOD 09022003 Motion by ALNAD Getz to approve the Consent Agenda for Director's, Officer's, Department and Committee Reports without items previously excluded. Motion was seconded by CDD Thornton. Motion approved on voice vote.
- 10) Department and Committee Reports:
  - MS&P Manager Wescott deferred to Dr. Robert E. Chait, MMR, HLM who exhibited the HO model of the G&D/ALPS Bulline Stock Car originally by John Allen and Whit Towers that is now being offered for sale to members. There will be six (6) cars in the set, five (5) of which will be numbered with the remaining car being unnumbered. Dr. Chait also reported that the convention car for the Hartford Convention will be a flat car with semi-trailer lettered for Hartford Convention. Cars will be offered in HO and N scales. ALNAD Getz complimented Dr. Chait on the work he put into getting the details of the Bulline car right. This action will satisfy the Howell Day Museum project to get copyright issued on the logos.
  - Publications Manager deYoung reported on the New Member Packet; The CD for new members is being updated – it will contain Standards and Recommended Practices but will not have Data Sheets at this time. ALWWD Koester and group are working on new Data Sheets and should have the first sheets ready in a week or two. A reminder to all that Data Sheets are now under the Publications Department.

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PDM de Young reported that we will be facing delivery cost increases including a postal cost increase in May. Also, the exchange rate is creating problems for A and B of the ABC. The Department is looking into alternative month or bi-monthly mailing of *Scale Rails* and the possibility of electronic mailing of *Scale Rails* as an alternative to paper issue.

Question was raised as to funding of *Scale Rails*; President Brestel responded that current policy is that *Scale Rails* is subsidized.

PDM deYoung noted that 2009 is the year for renewal of the Editor/Publisher contract. He will have a presentation for the Board at the July 2009 meeting

- 11) The Board recessed for lunch at Noon.
- 12) The Board reconvened at 1:04 PM
- 13) Department and Committee reports – continued:
  - ALWWD Koester added comment regarding Publications – we need to reconsider the whole package.
  - MAPDM Roberts indicated that he will resign from position upon election. He also expressed concern on continuing as head of Howell Day Museum but was advised by Counsel that there would be no conflict of interest as the Museum will be a separate entity. Mr. Roberts also indicated that if a Department wishes to run an ad or other notice, copy should be sent to MAPD and his team would make up the final copy for publication.
  - SCDM Voss reported that his group is pursuing updates to the Standards on couplers – six Directors agreed that it is necessary. Mr. Voss would also like to have approval to establish a revolving fund for product review; His Department is receiving fewer models to review and he would like to have funding to purchase models on the market for review. The question is what would be the source for such fund?
  - EDUCDM Lowrance reported
    1. John Wissinger has asked to resign his position. He continues to have problems getting clinicians to commit and feels he can better be used elsewhere.
    2. With regards to Modeling With The Masters; the report says they made a certain amount at Anaheim but this is not the full story – there is a problem with reporting.
    3. Mr. Lowrance discussed the on-going work to get approval for a trademark for Modeling With The Masters (MWTM).
    4. The Contest Chair, Bob Hamm, MMR, and AP Chair, Paul Richardson, MMR, and their staffs are working on changes to their policies on compatibility of both programs. They will get with Bob Amsler and Bob Gangwish for revisions to the EHB.
  - M&TDM Jordan discussed the Sacramento 2011 convention. It will probably be hosted by a private group. He is having a problem obtaining an agreement with the host whether it be a Region, Division or private group. The Board directed Mr. Jordan to issue a letter to the host group asking them to accept or reject the terms of the agreement with National and giving them a deadline of

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March 31, 2009, to respond. If there is not a signed contract as of close of business on March 31, it will be considered as a refusal of our terms. This does not have the unanimous support of the Board. ALNAD Getz volunteered to help Mr. Jordan with negotiations with Sacramento. Mike Brestel commented that part of the M&TDM report reflected a study being done by the Executive on using other technology solutions for registration as called for in MBOD 071118; the conclusion of this report was that 26% of registrants used online registration in 2008. Currently costs related to other technology solutions for registration based on the current utilization is not cost effective. Approximately 50% of registrants need to use online registration for third-party online system equal to current online system in costs. If utilization picks up, then a changeover would be cost effective.

- Insurance Program: John Roberts, MMR, HLM, reported that he is getting a few inquiries each month with a few coming from RPM-type groups. Mr. Roberts indicated that we may need some insurance provisions for those responsible for health insurance and 401 (3) (B) coverage as well as some policy coverage for crimes against members or organization. There was no Board objection to his pursuing such changes.

- Nominating Committee has completed its activities for the 2009 election. Note is made that in the Agenda Package for this meeting the Secretary erroneously listed Mr. Roberts as Chair; Mr. Roberts stepped out of this position last year and the current chair is Frank Koch, HLM.

- SIG Committee: ALWWD Koester reported that he has talked with Marlin MacLaughlin, the NMRA SIG Program Manager, regarding the SIG policy, suggesting that we need a re-write of the policy to put it in more positive terms. We also need a staff member to follow up with SIG contacts. The names of John Wissinger and Paul Myers were suggested for possible staff members.

- TAMR: CAND Kooning reported talking to the Teen Association of Model Railroads (TAMR) and found they are very favorable to linking up with the NMRA. Mr. Kooning will follow up with this contact.

14) The Board recessed at 2:50 PM.

15) The Board reconvened at 3:19 PM.

16) Department and Committee reports – continued:

- NMRA 75<sup>th</sup> Anniversary Committee: Tony Koester reported talking to Jim Sacco of Classic City Miniatures who has come up with a simple design which has a suitable logo for the anniversary which can be made into a pin for sale to members. Several other activities are in the process of development to recognize the 75<sup>th</sup> Year of the NMRA.

17) Directors agreed to move discussion of the proposed budget to tomorrow, February 21.

18) Unfinished Business:

- Report of Large Scale Working Group – No report.

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- Status of CIO (Chief Information Officer) Recruitment: President Brestel reported that he has found a potential candidate within the past week. Mr. Brestel asked who on the Board the candidate could talk to and it was suggested that the candidate talk to PDD Jensen who would be the best given his background in IT.
  - Discussion of the BOD Convention Committee Report was moved to February 21.
- 19) New Business:
- Status of the NMRA database: ADM Hendricks reported that they are opening the database to Regions as they are assured that the individual Region can handle the duties involved. As of now, four Regions have been able to do online changes. It should be noted that the changes from these Regions still must go through Headquarters for review before they are posted. This is a quality control mechanism. Headquarters is presently looking at May 1 for a full roll-out of Regions being able to update membership information online.
  - ABC Rules of Engagement: PDD Jensen mentions a problem with overseas credit card processing. A possible alternative to consider is for an area like the Australasian Region to pay Chattanooga with an advance or use PayPal®. Further discussion was postponed until February 21 when the Board discusses proposed Agenda Motion D.
- 20) SCDM Voss discussed two problems:
1. Project issue of digitizing.
  2. Federal regulations regarding lead/solder in modeling material and the potential impact on the hobby; should NMRA take a position on the applicability of these regulations to the model railroading hobby?
- 21) President Brestel, the Board and staff discussed the election ballot issue. The ballot form that went out with the March 2009 *Scale Rails* issue has been declared invalid as the printer failed to provide a peel-off membership label. Headquarters will send out a letter to all eligible voting members with a new, corrected ballot and a label they can use for returning the ballot.
- 22) MBOD 09022004 Motion by ALNA Getz, second by PDD Jensen, to place an emergency motion on the agenda. Motion approved by voice vote.
- 23) MBOD 09022005 MBOD 09022005 was corrected to read "Motion by ADD Clarke, second by CAND Kooning to suspend for this year the requirement for ballots to be received by April 1, accepting those postmarked April 10, to make the postmark deadline May 1, but to count any ballots received by May 15 that also had the May 1 or earlier postmark. Motion approved by voice vote.
- 24) There were no Resolutions to consider.
- 25) MSTDM Jordan reminded the Board that a decision needs to be made regarding accepting bids for future conventions. The Board suspended such action at a previous meeting. The Board agreed to discuss this matter on February 21.

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- 26) Treasurer Draper reported that the Hartford Train Show booths sales were at 79% as of now. There will be 227 booths at Hartford. Right now we are 24 ahead of Anaheim at a similar time frame last year.
- 27) MBOD 09022006 EDD Feeney moved, CDD Thornton second, to approve Agenda Motion A, revising the definition of Mid-Central Region (MCR) to include the County of Clinton, Pennsylvania, previously part of Mid-East Region (MER). Motion approved on voice vote.
- 28) MBOD 09022007 RACD Ferguson moved, second by ALNAD Getz, to approve Agenda Motion B amending the definition of Sustaining Member. Board discussed that part of ALNAD report (#51) proposing redefinition of several classes of membership. Mr. Ferguson and Mr. Getz will work on refining those definitions and report at the Hartford meeting. Motion approved on voice vote.
- 29) MBOD 09022008 Motion by RACD Ferguson, second by ALNAD Getz to approve Agenda Motion C to correct the EHB listing of membership dues rates as of January 1, 2009. Motion approved on voice vote.
- 30) The meeting recessed at 5:21 PM.
- 31) The meeting reconvened at 8:48 AM, February 21, 2009.
- 32) The meeting recessed for an Executive session and Operating Committee meeting at 8:50 AM.
- 33) The meeting reconvened at 10:30 AM.
- 34) The Board discussed Agenda Motion D regarding expiration dates for members of the ABC group. ADM Hendricks indicated that this has not been a big problem. There have been some problems with AR regarding forwarding membership applications in a timely manner; this has also been a problem with a few US Regions. RACD Ferguson accepted amendments to the motion such that the revised motion would amend Section H 9.1 of the EHB by adding:  
“2 f. The membership expiration date for members residing in the ABC shall be that date as determined by the respective ABC Administration Departments, rather than the date the information was eventually transmitted. The membership expiration date recorded in the NMRA membership database shall be manually entered to ensure that it coincides with the membership expiration date determined by the respective ABC Administration Departments. By agreeing to these dates the NMRA does not accept additional charges.” [Underscored sections added to original motion.]  
Thereupon, MBOD 09022009, Agenda Motion D, was moved by RACD Ferguson, seconded by ALNAD Getz. Motion was approved on voice vote.
- 35) MBOD 09022010 Motion by ALNAD Getz, second by CDD Thornton, to table Agenda Motion E. Motion approved by eight (8) Directors, opposed by RACD Ferguson, motion passed.

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- 36) MBOD 09022011 Motion F, moved by ALNAD Getz, second by CAND Kooning to approve adoption of new RP-2 setting Standard Gage for O Scale. Motion approved by voice vote.
- 37) MBOD 09022012 EDD Feeney moved, seconded by CDD Thornton, to approve the Budget Report with recognition of the deficit contained in the Report and with amended assumptions as discussed in Report. Motion approved on voice vote.
- 38) Meeting recessed for lunch at 12:02 PM
- 39) Meeting reconvened at 1:10 PM.
- 40) Treasurer Draper indicated he will modify budget assumptions under the Assumptions section of the Proposed/Approved Budget.
- 41) Audit Committee Chair Dave Thornton will see to posting a Summary Page from the Auditors Report to the NMRA website and for *Scale Rails*.
- 42) The Board discussed the BOD Convention Committee Report. Chair Peter Jensen summarized the Committee's findings and recommendations.
- 43) MBOD 09022013 Motion by PDD Jensen, seconded by ALNAD Getz to adopt the recommendations of the BOD Convention Committee as provided in the report of February 2009, items 1- 12 and 13. Motion approved on voice vote.
- 44) By agreement among the Directors, the BOD Convention Committee was dissolved having completed its tasks.
- 45) The Board agreed that a committee be established that will review the options of using third party to run the NTS. The Committee will report back to the Board at the Hartford meeting. The Committee will consist of Miles Hale, MMR and Tony Koester.
- 46) MBOD 09022014 Motion by ALNAD Getz, second by PDD Jensen, to lift the moratorium on considering bids for future conventions after 2012. Motion passed on voice vote.
- 47) ALNAD Getz moved to adjourn in recognition of the services of EDD Kevin Feeney who is not seeking re-election, and in honor of the memory of Brad Draper, late son of long-time Treasurer Tom Draper, HLM, DSA. Motion approved, meeting adjourned at 3:01 PM, February 21, 2009.

Respectfully Submitted,

Robert V. Gangwish,  
Secretary

Appendix A Abbreviations used in these Minutes

Appendix B Full text of BOD Convention Committee Report as amended (MBOD 09022013)

**APPENDIX A  
ABBREVIATIONS USED IN THESE MINUTES**

<b>ADD</b>	<b>Atlantic District Director</b>
<b>ADM</b>	<b>Administration Department Manager</b>
<b>ALNAD</b>	<b>At-Large North America Director</b>
<b>ALWWD</b>	<b>At-Large Worldwide Director</b>
<b>CAND</b>	<b>Canada Director</b>
<b>CDD</b>	<b>Central District Director</b>
<b>EDD</b>	<b>Eastern District Director</b>
<b>EDUCDM</b>	<b>Education Department Manager</b>
<b>FRDM</b>	<b>Fund Raising Department Manager</b>
<b>HCC</b>	<b>Honors Committee Chair</b>
<b>HDMCC</b>	<b>Howell Day Museum Committee Chair</b>
<b>HLM</b>	<b>Honorary Life Member</b>
<b>KMLM</b>	<b>Kalmbach Memorial Library Manager</b>
<b>MAPDM</b>	<b>Marketing, Advertising &amp; Promotions Department Manager</b>
<b>MSPDM</b>	<b>Membership Services &amp; Promotion Department Manager</b>
<b>MSTD</b>	<b>Meetings &amp; Trade Shows Department Manager</b>
<b>PDD</b>	<b>Pacific District Director</b>
<b>PDM</b>	<b>Publications Department Manager</b>
<b>RACD</b>	<b>Regional Advisory Council Director</b>
<b>SCDM</b>	<b>Standards &amp; Conformance Department Manager</b>
<b>WDD</b>	<b>Western District Director</b>



## **BOD Convention Committee February Report**

**Version 1.1**

**Dated: 7<sup>th</sup> February 2009**

*Warning: this document is written in Australian English!!!*

### **About this Document**

#### **Purpose**

This document is the Report of the BOD Convention Committee to the BOD, at their midyear meeting, February 2009.

#### **Objectives**

The objectives and scope of the Committee was established and defined in the motion passed by the BOD at the 2006 Detroit BOD annual meeting. The enabling motion follows:

"A Board Committee is established consisting of 3 persons appointed by the Board to critically examine the NMRA Convention/NTS model and at the earliest opportunity, report to the Board and convention committee on its findings, concerning recommended changes for each.

As a further measure - a survey be conducted of both NMRA members and non-NMRA members, using a professional service, if necessary, to determine why people attend or do not attend the National Convention/NTS to provide data to assist the Committee/Board in its deliberations. Survey to be managed as delimited by the Committee."

The Committee shall report to the Board at each meeting on its progress."

The members of this committee are:

- Peter Jensen PDD (Chair),



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- Ray deBlieck Former Director, and
- Kevin Feeney EDD

Sounding boards used by the committee include Bob Amsler and Charlie Getz.

### Document History

Version	Date	Author	Change Description
V1.0	5 <sup>th</sup> February 2009	Peter Jensen	Release version
V1.1	7 <sup>th</sup> February 2009	Peter Jensen	After committee review and comment

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### **BOD Convention Committee February 2009 Report**

#### **Background to this Report**

The objectives and scope of the Committee was established and defined in the motion passed by the BOD at the Detroit BOD meeting.

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### Anaheim Meeting

At the 2008 Anaheim meeting, this committee put several motions to the BOD. Those motions were passed unanimously. Paraphrasing those motions (Appendix 1 has the full details), they are:

1. Definition of the Mission Statement, Goals and Target Audience of a national convention,
2. That the Convention Committee undertakes a survey of rail modelers,
3. That the M&TS conduct exit surveys of conventions,
4. That the National Convention be opened to non-members,
5. That the cost structure for conventions be reviewed in detail,
6. That the M&TS Department report to the next BOD with a review of the current operations and plans for the future,
7. That the M&TS Department implements a real-time online registration process. The process to validate and accept credit cards real time and to allow for tour selections.

The Convention Handbook is to be updated to reflect these changes. Both surveys have been completed.

### Review of the Convention Committee Survey

A lot of interesting information has been gathered in this survey. It is interesting to note that there was little that was “new”. There were a lot of strong opinions expressed.

#### General Demographics of Respondents

The survey was conducted from mid October through to the end of November. There were 1831 responses. The committee feels and accepts that this is a very good sample of modelers.

1. 1831 respondents (with one giving no answers)
2. 72% were members (1164)
3. 12% were previous members (197)
4. 63% had attended a National Convention (1158)
5. 45% had attend 1 to 4 conventions (821)
6. 53% of members attend a convention when it is in their vicinity (615)
7. 58% thought that SIGs were the most valuable activity

**Observation:** The biggest majority of attendees have attended less than 5 conventions. This is despite most responding members being long term members. For this reason, we must expand our audience, and encourage previous attendees to return.

#### Key messages

Several key messages have come from the survey, they are:

1. General format of the convention (clinics, workshops, layout tours, prototype tours, non-rail tours) is accepted and liked.
2. Cost of attending is the key inhibitor.
3. Location and length of the convention are also inhibitors. Many say that location and length are the causes of the cost issues.
4. The bus vs self-guided tour debate is really a non issue. Most thought both should be offered.
5. Online registration and tour booking is extremely important (80% indicate that it was important or higher).

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6. The N scale fraternity is disenchanted and quite vocal with what they feel is a “bias” at the convention.
  7. Prototype modelers are also disenchanted and quite vocal about their lack of recognition.
  8. Our members seem to be very prototype/SIG aligned.
- These points will be discussed further.

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### Convention Cost

This was the underlying theme from the survey.

1. 68% believed the cost to attend was excessive and was, therefore, not good value for their money.
2. 55% thought the registration fee was excessive.

Question 36 asked about the one change to make the event more rewarding. Of the 740 respondents to this question, 300 wanted cost issues resolved with another 105 indicating locality and length of the convention was an inhibiting factor.

While the cost of attendance at the convention was a key issue, there was some dissention in the responses. Over two-thirds of the responses stated the cost was too high but notable only fifty-five percent thought the registration was too expensive. This indicates that if the registration can be held as low as possible, and the hotel costs and associated parking fees can be reduced or eliminated participants at the convention would perceive more value for their money.

Likewise, the cost of the additional items such as tours was problematic. The membership, in general, like the tours but the cost is viewed as not a good value.

### Convention Bias

Many respondents talked about biases at the convention. The N Scalers and the Prototype Modelers were the most vocal, while others were saying that N Scale received too much attention. Importantly, there are perceived biases that must be addressed. We, as the NMRA, should be seen as agnostic to scale and prototype. Obviously we are not seen in this light.

While the NMRA has started publishing the modeling scales of the directors and officers in Scale Rails, and the last three NMRA Presidents have been O Scalers, we need to sell and demonstrate this and make a point that all scales are welcome. The management of these perceived biases could be assisted by promoting specialized clinic streams for the various scales and interests.

The survey highlighted that some attendees were not entirely satisfied with the convention. Modelers, such as narrow gaugers, RPM, OpSIG, and LDSIG members, are drawn to prototype fidelity and we are seeing a separation in the hobby of these factions into smaller, but formidable, movements. These scale modelers see more benefit in attending functions associated with their interests than they see in attending our National Convention. This modeling focus is largely due to the higher skill levels and interests of long term members.

We should see these biases as an opportunity. As there is no National RPM convention, embrace, change and market ours to attract them.

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### Convention Date

Many suggested avoiding the summer months for the convention because it is often too hot and impinges on the summer vacations. The very clear message is to **avoid the July 4<sup>th</sup> weekend**. There were many reasons offered, such as summer (in the US) is the most expensive time to travel, it is too hot, and it is a family vacation time.

Unfortunately, two of the next three are already planned for the 4<sup>th</sup> July weekend. The convention committee suggests that a formal review, with input from subsequent exit surveys, determine what is the most suitable time to hold the convention.

### Where to from now?

In the July Report for Anaheim, the committee stated that *“to successfully execute and grow our conventions, the NMRA must consider the following:*

1. *The total cost of attendance – While making money is an appropriate goal, the convention must not be seen primarily as a profit centre. It is far more important that we provide the attendee’s **value for their money**.*
2. *The convention must not be a **profit centre**. It is a service to our members, and modellers in general, with our goal to provide a venue for learning and sharing of (model and railroading) information. While not a profit centre, it must not be a financial liability.*
3. *The program offered must **appeal to the widest audience** – beginners through to the experienced modeller.*
4. *We must start to **market the benefits** of the convention to all model railroaders so that we consistently exceed their expectations.”*

The survey has reconfirmed these points and the actions required will be discussed below.

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### **Value for Money**

“Value for money” cannot be achieved by any one action. It will be achieved with the successful packaging of the event through a combination of:

1. Effective cost management – Accommodation, tours, venues, transportation, parking, meals, services and so on.
2. Providing additional benefits which could involve add-ons such as tourist/family destinations and tours.
3. Providing a family registration package to the event.

### **Not a Profit Centre**

We stated in the last report ...

*“While the convention must never be a cost centre, it must not maximize profit at the expense of providing “value for money”. Putting this another way, “value for Money” is more important than profit!!”*

This is now even more important. NMRA expenses must be constrained and reduced to lower overall costs to provide real value to our customers. More responsibility for the flavour of the convention and duties necessary for hosting the convention must be returned to the local host committee in order to substantially reduce the number of NMRA staff required to operate the convention and the resultant costs for these staff members.

### **Appeal to the widest audience**

In Anaheim, it was decided that the audience of the national was to be “Model railroaders of all scales”. This allows for modellers of all scales and gauges, as well as all prototypes. This is a big task. By accepting this definition, it helps with planning what must happen at a convention.

As an example, to broaden the appeal, an approach would be to provide specific clinic streams.

One of the write in comments regarding RPM meets is that they are all regional and there is no body to organise a National Prototype meet. This is our opportunity to dedicate a stream to these modellers and inviting the best of their presenters. We must also run their type of model contest.

We should be targeting other groups in the same way.

## **Ongoing Discussion Initiatives**

These initiatives are for discussion only and are included for comment only.

### **Length of Convention – Discussion Point Only**

The survey gave no clear direction about the length of the convention. There were many for leaving as it is, and many wanting it cut to 4 or 5 days. The following is an idea from personal attendance at many business conventions.

The idea is to cut the convention to four days, but provide “add-ons” for additional two or three days. This is shown below:

1. The Convention starts on Tuesday evening with an opening session and clinics.

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2. Wednesday, Thursday and Friday will be bau with NTS, tours and clinics.
3. Friday night banquet
4. Saturday will be NTS, tours and clinics.
5. Monday and Tuesday will have MWTM sessions and any specialised events (mainly tours). Attendees will pay extra for all activities on these days
6. Sunday would again be extra fare activities.

Walk-ins would be discouraged on the extra fare days as everything should be pre-paid and pre-booked. Attendance on these days would likely be less. The core convention days would (hopefully) have additional patronage.

### Convention Family Registration – Discussion Point Only

Create a family registration package to make it attractive for families to attend with their children. This hopefully will also create modelers of the future and also attract families to attend the event.

As an example, the package could be for one adult and one child, or could be for one adult, one non-modeling partner and two children.

The definition of a child will be important, and children under (say) 16 must be accompanied at all times by their registered adult.

## Conclusions

### Strategy Initiatives

The convention committee believes that, for the long term viability of the National Convention, it is critical that the following strategies be implemented:

1. Put more value into the convention for the attendees. This means to add services to the convention, not to reduce services.
2. Restructure the management of the event to reduce costs. The best means of doing this is to reduce National's involvement by giving the host committee more ownership in the event. This also means appropriate reporting and control for operational and financial matters.
3. Place new emphasis to embrace all scale modellers and encouraging all modelling groups to attend.

### Recommendations

The following recommendations will be presented as Motions to the BOD in Orlando:

1. The National Convention will be managed predominately by the Host Committee. More duties must be transferred to the Host Committee and its volunteers, and at the same time reducing the number of National volunteers of the NMRA needed to run the event.

**Rationale:** This will encourage the use of host volunteers (rather than fly-in, expensive volunteers). The Convention shall control its costs by reducing its personnel, cutting travel and accommodation costs

2. The National Convention and the NTS will become separate business units and will be managed independently of each other, both operationally and financially.



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**Rationale:** This will allow each event to make informed, uncompromised decisions on the best facilities for their customers. The convention attracts a different audience than, and requires different management skills from the NTS.

3. The M&TS Department will become a “Guidance Committee”<sup>1</sup> to oversee and ensure good management (both operational and financial) of the National Convention and NTS.

This committee will be chartered to ensure that:

1. NMRA policy is applied,
2. Good management is applied,
3. Cost management and containment is applied,
4. That the Convention and NTS work together, and
5. That both events provide good value to their audience.

Areas to be reviewed include all hotel accommodations with an emphasis on more economically priced accommodations even involving multiple hotels in a small area. The convention will move away from being an industry trade show with the attendant cost structure, and return to a modeler based event. The NTS aspect will look to appropriately sized venues within reasonable commuting distance from the convention hotels. The NTS sites are not required to be in large and expensive downtown venues but should be sized appropriately taking into consideration the number of convention attendees, the number of the public expected to attend, the cost of the venue, and the number of displays and vendors at the venue.

**Rationale:** Cost and value were the chief factors used in determining attendance at a convention. Moreover, the universal complaint is that hotel and parking costs are an increasing obstacle to attendance especially when other opportunities arise competing for their budget. The other opportunities are rising and will most likely increase with the balkanisation of the hobby. The NTS seems to have increasing costs to vendors compared to similarly sized train shows and it does not seem to have the draw of other shows or even what it has drawn in the past. Attendance appears to be dwindling and yet the space and costs remain as if the attendance and vendor support is as it has always been. Many of the smaller vendors are no longer attending as it is too expensive for them.

This committee will provide the checks and balances required to ensue good management and business processes. It will also act as a review for all decisions and provide guidance and counseling. It is not to take a direct hands-on function.

4. The Convention and NTS departments will, in association with Legal Counsel and the Guidance Committee, undertake the negotiation, signing and ownership of all facility and transportation contracts.

**Rationale:** As the signing of contracts is committing the NMRA to often large future expenditure and penalties, it is important the contracts go through a due diligence process to mitigate risk. All contracts should furthermore be reviewed by the “Guidance Committee”. These reviews are really the oversight process to identify the business and financial risk. At this time, the BOD has no understanding of the risks

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<sup>1</sup> “Guidance Committee” is a working title for the BOD/Executive committee. This is the committee that was voted on and recommended in Sacramento and is yet to be established.

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involved in any contracts and what the further risk would be if we broke a contract due to a projected financial disaster.

5. The Convention Department will be responsible for:
  1. Facility and transportation contracts (with advice of the host group),
  2. Registration, and
  3. Facility Management.

All other national participation is in a support role.

**Rationale:** These are the high risk areas and should be managed appropriately.

6. Only a Region and/or a Division can apply for the right to hold a convention. The Region and/or Division can create a body or group to represent them and to conduct the convention.

**Rationale:** The National Convention is a National event that is conducted by the organising committee on behalf of the NMRA. National takes the risk and needs to ensure that the surpluses and conduct is becoming of the National organisation.

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7. An equitable profit-sharing formula is to be established between the Host Committees and the NMRA. The recommendation is nominally for a 50/50 split of the operating surplus. This split of operating surplus will be determined on a sliding scale and will be dependant on the tasks undertaken by the host committee. The maximum split is 80/20.

**Rationale:** As this is an NMRA event, it is the NMRA on show, and the NMRA is taking the risk for the financial viability of the event.

8. The National Convention and the NTS will each appoint an independent Treasurer who shall be approved per procedures set forth In the Regulations and EHB.

Each treasurer will present detailed budgets for their group for approval before contracts are signed. These budgets are to be audited by the National Treasurer and ratified by the “Guidance Committee” before presentation to the BOD.

The convention and NTS budgets, as well as all department financial records and books, must be totally integrated within the NMRA finances in reporting, budgeting, and operations. Moreover, all financial statements and procedures must meet generally accepted accounting principles.

**Rationale:** It is important that due diligence is performed when committing the NMRA to potential large expenditures.

9. The NMRA Executive will immediately appoint a “liaison officer” to work with other model rail groups.

**Rationale:** With the goal of removing any perceived biases within the NMRA and the Convention, this person will be charged with making it attractive for all groups (N Scale, RPM, etc) to attend and join with the NMRA at the National Convention. It is expected that each group will be encouraged to have clinic streams to focus their interest.

**Note:** The liaison officer is not the SIG Coordinator

10. The National Convention will use clinic streams to create an environment that can focus on niche interests within the hobby.

**Rationale:** These streams, or courses, will involve multiple clinics on a theme and will help these groups to find value at the convention.

There is a growing and influential aspect of the hobby involving prototype accuracy that continually seeks information on prototype information. Subjects should be similar to those discussed and presented at the Sunshine Meet in Naperville Illinois or Coco Beach Florida. The clinics should be in depth and focused on prototype information and the modelling, designing, and operational aspects of the subject.

All rail groups should have the same opportunity to pursue and market their activities.

11. The NTS shall advertise itself outside of the NMRA in the host city to the same target audience as the World’s Greatest Hobby or Trainfest.

**Rationale:** The NTS has two target audiences. The first is the modeller and this can be successfully advertised within the modelling community. The family interested in trains is the second audience which should appear in larger numbers and in a pricing structure similar to World’s Greatest Hobby as well as a support structure similar to World’s Greatest Hobby.

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12. Finalise the online registration system as passed in Motion MBOD 071117. The M&TS/“Guidance Committee”, must continue to develop an information technology solution that meets the business needs as outlined by the BOD:
1. Accept Credit cards, real time on line,
  2. Allow for the registration of tours real time,
  3. Do not allow clashes in any tours, and
  4. Order additional merchandise (Banquet, clinic books, convention cars, etc) real time.

The new software shall either be “off the shelf” or hosted by a company which specialises in such hosting. The new software shall not require a volunteer or paid staff member to operate by entering the data for every attendee but shall instead be truly automated and accessed by the attendee over the internet with real time tour and activity availability and instant sales with confirmation. This software should be linked with the NMRA databases to ensure membership data is included.

**Rationale:** The survey highlighted the fact that online registration is a requirement of our members. While we have some degree of online registration, it does not meet the business requirements as outlined by the BOD. The current software requires a paid employee of the NMRA to enter data retrieved from the internet portal into the computer program. This function was at one time a volunteer position but now the salary and benefits for one-half day of a paid NMRA employee is used in entering the data. Moreover, the program is not commercially available but rather a member developed product. This represents a risk to the NMRA.

13. The BOD should establish a committee that will review other options to using a third party to run the NTS, said committee to report back to the Board at Hartford Convention.

### Appendix 1: Anaheim Motions

#### 40) MBOD 071111

PDD Jensen moves, that the Board of Directors formally adopt the following Mission Statement, Convention Goals and Target Audience:

**The mission statement** for each National Convention will be:

*“Our national convention will educate scale model railroaders by providing a social setting for modellers to meet and share their modelling experiences.”*

**The goals** for the National Convention will/should provide the following outcomes:

- A. Provide a social gathering for modelers of all scales and exposure levels.
- B. Provide an environment where modelers of all skill levels and all scales can learn and expand their knowledge.
- C. Promote and grow the hobby.
- D. Challenge the skill level of attendees.
- E. Make an operating surplus for the organization.
- F. Provide an experience that exceeds customer expectations.

**The target audience** of our National Convention is:

*“Model railroaders of all scales”.*

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The EHB and Convention Handbook will be updated to reflect this mission. Motion seconded by EDD Feeney and passed on voice vote.

### 41) MBOD 071112

PDD Jensen moves that the BOD authorizes the BOD Convention Committee to conduct a survey of the National Convention, as outlined in the Convention Report. This survey will use a professional web-survey group (such as Survey Monkey) to conduct the survey. All survey results and raw data shall be analysed by the BOD Convention Committee. ALNAD Getz seconded motion and motion passed on voice vote.

### 42) MBOD 071113

PDD Jensen moves that the BOD require that an exit survey be conducted at each and every National Convention by the Meetings & Trade Show Department. This survey is to be conducted in a similar fashion to the Hartford survey conducted after the Detroit Convention. It must ask what was done “right” and what was done “wrong.” The results of this survey must be presented to the BOD when the survey closes. RACD Ferguson seconded the motion and motion passed on voice vote.

### 45) MBOD 071114

PDD Jensen moves that non-NMRA members should be allowed to attend the National Convention to the extent permitted by regulations and under such conditions as may be reasonable. Their registration fee will attract a \$25 surcharge (to cover insurance liabilities, etc.). If they join at the convention, they will be offered a discount at least to the value of the surcharge from this point forward. ALNAD seconds, motion passed on voice vote.

### 46) MBOD 071115

PDD Jensen moves that the BOD formally adopt the approach that the total cost to attend a National Convention must be such that it is value for money for an average scale modeller to attend. This requires that M & TS Department consider the following features:

- A. Include lower cost accommodation options.
- B. Considers non-downtown venues.
- C. Considers unlinking the convention and the NTS.
- D. Be measured against a **Rule of Thumb** for an “average” attendee attending the convention. The proposed Rule of Thumb total cost is \$1,000.00

ALNAD seconded, motion passed on voice vote.

### 47) MBOD 071116

ALNAD moves that the BOD formally requests that the Meeting & Trade Show Department, with input from all other applicable Departments, report back at the Mid-Year 2009 meeting possible changes/impacts for discussion purposes only, for future conventions.

RACD seconded the motion. Motion passed on voice vote.

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### **48) MBOD 071117**

PDD Jensen moves that the Meetings & Trade Show Department implement a real-time online registration process at the earliest reasonable time. This process must validate and debit all credit cards real-time (i.e. the registration fails if the credit card validation fails or there are insufficient funds). It must also link with the HQ database to validate a member's name and address (i.e. real-time interface with NMRA member database) and must provide real-time schedule conflict resolution such that registrants avoid scheduling two or more events at the same time.

ALNAD seconded the motion. Motion passed on voice vote.