

**BMW MOA Board of Directors  
Open Session Minutes  
January 22, 2005  
St. Louis, MO**

Present: President Larry “Hawk” Hawthorne, Vice-president Deb Lower, Secretary Rob Nye, Director Greg Feeler, Director Chuck Manley, Director Karol Patzer, Director Linda “Helen Twowheels” Hedden, Chartered Club Liaison Robert “Koop” Cooper, Ambassador Liaison Don “The Kiltmeister” Faichney, Consumer Liaison Paul Johnson, 2005 Rally Chair Sue Rihn-Manke, Executive Director Ray Zimmerman, Managing Editor Sandy Cohen, Advertising Director Ted Moyer, Accountant Bill Knott, and Recording Secretary/Executive Assistant Marilyn Roberts.

**President’s Opening Remarks – Hawk Hawthorne**

President Hawk Hawthorne determined that a quorum was present; Treasurer Brian Mullins and Director Michael Friedle submitted signed proxies.

BMW MOA will begin exchanging complementary issues *BMW Owners News* with the president of the BMW Riders’ Association and the president of BMW Club Canada. Board consensus was to limit the exchange to the presidents of the two clubs and not provide complimentary issues to their editors.

Hawk introduced new Consumer Liaison Paul Johnson, and new Chartered Club Liaison Robert “Koop” Cooper and thanked them for volunteering for these important posts.

**Secretary’s Report – Rob Nye**

The November 16, 2004 teleconference minutes have been approved. During this call, the Rally and Events committee recommended that the board give the 2005 Rally Chair and the Executive Director authority to invite other marques to participate in our 2005 International Rally in Lima, OH. The motion, which was carried, read: The 2005 Rally chair and Executive Director have approval of the BMW MOA board of directors to invite other motorcycle manufacturers to the 2005 International Rally to offer demo rides.

As chair of the Nominating Committee, Rob gave an election update, reporting four nominations received and rumor of nine others. There are 3 nominations for vice-president and one for treasurer.

**Treasurer’s Report – Ray Zimmerman**

Ray presented the treasurer’s report in Brian Mullins’ absence. Highlights for the year 2004 included 1) an operating profit that was only slightly less than year 2003, which was the best year ever, 2) gains in the investment portfolio with a much lower risk factor, 3) the hiring of Bill Knott as full time accountant, and 4) a much improved monthly closing process that provides timely and accurate profit and loss statements. Objectives are refined monthly statements and the development of a formal risk analysis.

Deb **moved** and Greg seconded a motion to approve the 05 budget as submitted in Executive Session. Motion carried

## **Executive Director's Quarterly Report – Ray Zimmerman**

Ray reviewed the status of contracts: the Managing Editor's contract is in negotiation, the Advertising Director's contract began its second year this month, and the Art Director's contract expires with the March 2005 issue of the *BMW Owners News*.

Membership has been trailing off slightly since July but there are some months of each year that exhibit that trend. At its current rate, membership growth may be 2% for 2004. The purchase of new primary memberships in 2004 was the highest since 2002 when dues were raised and new members were given the option to join at the old rate.

The organization is preparing for enhancement to support Phase II of the website upgrade. Negotiations for an annual support contract with BSCI are progressing and BSCI is eager for a commitment. IMIS 10.4 database software has been installed, and there have been some problems with iBOs (custom processes) and stored procedures. These issues will be discussed in conference call between office staff, vendors and members of the C&M committee.

To market the BMW MOA and increase membership, the BMW MOA had a presence at Daytona Bike Week in 2004 and will do so again in 2005 from March 8th to the 12<sup>th</sup>. The booth will be located at the BMW of Daytona parking lot. To date, the 2004-05 Cycle World International Motorcycle Shows have been a success with a total of 93 primary membership years and 4 associate membership years in three shows, Long Beach, Seattle, and Atlanta. Three shows remain: New York, Minneapolis and Chicago. The BMW MOA was represented at the International Association of Fairs and Expos (IAFE) Conference in Las Vegas last December by Gray and Alison Buckley, Larry Stonestreet and Chris Hughes. The purpose of the IAFE conference attendance is to make contacts with fairgrounds managers for potential new International Rally sites. Out of 19 contacts made, 10 of them were good to very good contacts.

Member participation in the roadside assistance program (Platinum Membership), provided through Nation Safe Drivers, continues to be high each month relative to the number of renewals in a given month. Nation Safe Drivers has proposed increased benefits, such as hotel and car discounts, and travel planning. Ray is working with insurance agent The Warren Group for group health coverage for the membership in the form of AD&D insurance. Ray is also working with two other insurance agencies for motorcycle insurance at a reduced rate, and perhaps provide other benefits to the organization, such as reduced rally insurance for the annual rally and for chartered club events. Ray outlined challenges in offering insurance benefits including the fact that no one company offers insurance in every state, the highest tally of states represented is approximately 40. While Ray is going to continue this effort he expressed doubt that we will be able to partner with an insurance carrier to offer member benefits.

In future issues of the *BMW Owners News*, members will have the opportunity to read about BMW MOA operations. Articles will cover topics such as an overview of the organization's structure, fiscal management, office operations, publications, and volunteer staff.

Due to the efforts of Bill Knott and a collection agency, over \$40,000 in bad advertising debts have been collected in 2004. This does not include two advertisers with large unpaid accounts, but BMW MOA is continuing to pursue them. Regarding financial status for year 2004, the BMW MOA was above budget on income, below budget on cost of goods sold, below budget in the first half of the year and on budget the last half of the year for other costs, and above budget for net income.

A new version of the strategic plan, Version 1.1 prepared on January 5, 2005, was presented with recommended updates in the areas of Internet/website publishing and membership benefits, BMW MOA Foundation programs, local club support, new events, marketing and BMW MOA headquarters infrastructure. The 2005 goal is to integrate emerging ideas into the strategic plan.

The 2005 membership survey will continue online until January 31, 2005 but preliminary, raw data from 1750 participants was presented. The weekly give-a-way sweatshirt has been well-received.

Since the awards' inception, 154 Helping Hand Awards have been given, three Exemplary Service Awards have been given and 39 members have received Honorary Lifetime Memberships.

BMW Motorrad USA has allocated an additional 2005 K1200S to BMW Motorcycles of St. Louis for purchase by BMW MOA for a Grand Prize at the 2005 Lima, OH rally. Ray is working with BMW Canada and BMW Motorrad USA for recognition of Canadian members who have ridden one million miles on BMWs. Don Faichney is also working with BMW Canada.

### **Managing Editor's Report – Sandy Cohen**

The magazine has been mailed on schedule for the last quarter. The December and January issues were mailed early because of the holidays.

In 2004: The average page count was 113.33 pages, which is an increase from 2003's average of 106 pages; per page printing cost was reduced; member feature contributors numbered 164, an increase of 30 over last year; 83 Chartered Clubs listed events in When & Where and 29 sent display ads totaling 48 ads. Sandy presented a U.S. map, which indicated the number of major contributors in each state. There were no contributors from Utah, Wyoming, Nebraska, Iowa, Arkansas, Mississippi, Alabama, Tennessee, West Virginia, Rhode Island and Maine. Canada was represented with 7 major contributors, and there were 8 other international major contributors.

Display ads sent by clubs should be camera ready; because the ads are free to Chartered Clubs, design services are not provided. The When & Where submission form is located online.

The 2005 *BMW Owners Anonymous* is on schedule to be mailed February 18, 2005. A 4-page advertising signature was added this year, and the book totals 264 pages. Sandy thanked Becky Weber and Marilyn Roberts for proofing the members section and the Chartered Clubs section respectively.

The *BMW Owners News* staff (Sandy, Ted Moyer and Michael Cohen) will attend the Indianapolis Dealer Expo February 18-20 and Daytona Bike Week March 7-12.

Sandy presented results of the November 2004 Reader Survey. Information will be used to improve the content of the magazine and to solicit advertisers based on member demographics. Of the 1202 surveys received, 707 were mailed and 495 were submitted online, which is a 3.2% response. A full report will follow in the *BMW Owners News*.

### **Advertising Director's Report – Ted Moyer**

A recap of current sales showed the total sales in dollars YTD 2005 (January through March issues of the *BMW Owners News* plus the *BMW Owners Anonymous*) to be only 5.9% less than all of year 2004. Ted already has under contract 85.7% of his 2005 goal. Twenty-three new advertisers have been added through the March issue. There are 7 color ads in the 2005 *BMW Owners Anonymous*, which is double that of last year.

Ted's upcoming priorities are the Dealer Expo in Indianapolis, Daytona Bike Week and 2005 Rally Program sales. Appointments are being scheduled in Daytona with other brands' marketing managers. Another trip will be made to Lima and Ted hopes to line up a local representative to sell Rally Program ads.

### **Awards & Recognition Committee – Karol Patzer, Chair**

The committee is working with Don Faichney to produce a job description for the Ambassador Liaison.

The committee recommended the presentation of BMW Club Jackets to all past International Rally chairs. The chair's name, the rally name and the year will be embroidered on the front of the jacket, and a small BMW MOA logo will be embroidered on the back just below the collar. Cost of the jackets is approximately \$196 each including embroidery charges, resulting in a total cost of approximately \$6300 for all rally chairs to date. Karol Patzer **moved**, seconded by Greg Feeler, to accept the committee's recommendation. Motion carried. Greg Feeler **moved**, seconded by Karol Patzer to amend the motion to include all past and future rally chairs. Motion carried. Karol clarified that International Rally chairs will continue to receive a Kermit Chair in addition to the jacket.

The committee is investigating a nomination for the BMW Friend of the Marque Award, and will present the nomination for board approval at the next board meeting.

### **Rally and Events Committee – Deb Lower, Chair**

Since October meeting the Committee has, with significant staff support, produced the local rally manual. The new Local Rally Manual will be distributed only from the BMW MOA headquarters and will be available to clubs by March 1, 2005. It will be sent by request in hard copy, bound in a loose leaf form so that local rally chairs can add their own documents and notes if desired, or easily make copies of lists from the manual. Distribution of the manual will be tracked so that a follow-up can be made to determine if the manual has been useful and to solicit changes. The manual will be a living document. Karol Patzer requested that the minutes reflect thanks to Marilyn Roberts for a job well done in compiling and gathering materials for the manual.

The BMW MOA Foundation's Ride SMART proposal was considered and tabled by the committee for review of BMW MOA's strategic planning. Deb will outline the proposal's problems and the committee's questions in a letter to Foundation president Dave Celento. There is some question whether the Foundation is honoring the license agreement with BMW MOA in regard to insurance; Ray Zimmerman will look into it.

Entering into contractual obligations by the International Rally chairs was discussed. Following the approved rally budget, the chair has authorization to sign contracts up to \$1000 without approval or advance notification of the Executive Director. Contracts in value from \$1000 to \$5000 the chair shall provide written notification of the contract to the Executive Director prior to signing. No contracts above \$5000 are signed by the chair. Signature authority follows 202.1.3 of the Operations and Governance Manual for those contracts. Rob Nye **moved**, seconded by Helen Twowheels to accept the recommendation. Motion carried.

The 2006 International Rally will be held in Burlington, VT (specifically Essex Junction, VT) at the Champlain Valley Exposition July 20-23.

The committee recommended that in the future International Rally awards not be personalized and that they be given at the rally closing ceremony. This will facilitate the timely receipt of awards by the winners, which has been a problem in recent years.

The Rally Site Selection Liaison will present future sites to the Rally and Events Committee, which will consider the site and make a recommendation to the board.

A recommendation was made to offer online pre-registration for Chartered Club local rallies through the BMW MOA's iMIS system as soon as the technology is available. Chuck Manley **moved**, seconded by Rob Nye to accept the recommendation. Motion carried. Funds—from Mastercard and Visa only—will be forwarded to clubs along with a list of pre-registrants.

### **Communications and Marketing Committee – Greg Feeler, Chair**

To provide guidance for the board and the Executive Director on questions concerning access and dissemination of BMW MOA documents, the committee recommended the following policy:

#### Document Access and Dissemination Policy

The Board of the BMW MOA has indicated that with respect to the organization's documents that its control policies should lean toward transparency, not obscurity. However, there are practical issues that must be considered with respect to making documents available to the membership at large and to the public. These include the privacy of our employees, contractors, suppliers and advertisers, plus the Board's right to discuss issues off the record (executive session, White Paper). Commercial and competitive interests are also a factor, the International Rally Manual being an example. Other issues include the staff time and effort required to meet requests for information as well as the possibility of that information being misinterpreted or misused.

The purpose of this Document Access and Dissemination Policy is to provide guidance as to what documents (including copies thereof) may be shared, with persons or institutions other than the MOA's directors, officers and Executive Director, who have access to all documents. Other persons including employees, contractors and member volunteers serving as MOA committee persons may have access to certain documents on an "as needed" basis to be determined by the Executive Director. **However, it is important to note that having access to a document does not convey the right to disseminate it to any person or organization not having a specific and reasonable use for it.**

This Policy classifies documents as privileged and therefore barred from dissemination for the following reason(s): **individual privacy, organizational privacy, commercial or competitive advantage, possible misinterpretation and staff time required to**

**provide the information.** It is likely that many documents can be classified as privileged for more than one of these reasons. The Executive Director and the Secretary shall maintain a representative list of documents that have been classified privileged in accordance with this Policy. Although the list is not intended to be all-inclusive, it will serve as a guide to the principles that should be applied other documents when questions of control arise.

There may be reason to provide excerpts from privileged documents to members and others who request them from time to time, for example meeting a member's request for a copy of a particular policy contained in the Operations & Governance Manual. The Executive Director or Secretary may approve such requests on a reasonable basis.

If there is a question about whether a particular document is privileged and there is no similarity to any of the documents on the list maintained by the Executive Director and Secretary, any decision as to privilege shall be made jointly by the Executive Director and the Secretary.

Helen Twowheels **moved**, seconded by Karol Patzer to adopt the Document Access and Dissemination Policy as recommended by the Communications and Marketing Committee. Motion carried.

To address concerns about the ownership and disposition of items of value received by the BMW MOA, officers and directors, employees, or contractors, the committee recommended adoption of the following policy:

**Donated, Contributed, or Gifted Goods and Services Policy**

Any goods or services provided without charge to the BMW MOA, its publications, officers, Board members, or employees by outside parties are governed by this policy.

Items given to the BMW MOA itself, or those of significant monetary value gifted to officers, Board members, or employees, will be considered property of the organization. For purposes of this policy this threshold is defined as a retail value exceeding \$50.00.

The use and disposition of goods and services provided to the BMW MOA media for review purposes will be administered by the Editor, or other designated party, for the best overall value to the organization consistent with professional standards, the needs of the publication, and whatever provisions may be imposed by the provider, subject to oversight by the Executive Director.

Chuck Manley **moved**, seconded by Helen Twowheels to adopt the Donated, Contributed, or Gifted Goods and Services Policy as recommended by the Communications and Marketing Committee. Motion carried.

The Communications and Marketing Committee in cooperation with the Executive Director is beginning a major project to define a comprehensive plan for the coordination of print and web media, called the Media Content Coordination Project. The project goal is to describe in sufficient detail the near-future media and information experience for members, and provide an estimate of required resources and a timetable for implementation.

In reviewing new content options for a post-split (members/non-members) website, one of the most requested features is the addition of an online version of the Flea Market for members-only classified advertisements. Current board policy, section 304.4 from the Operations and

Governance Manual, is ambiguous in this area. The Communications and Marketing Committee requested board approval of current policy through modification of policy 304.4. The revised policy would read as follows (modification in bold italics):

304.4. Advertising Links: Links from the BMW MOA web page to advertisers will be allowed. Advertising links will not be used as an income source. Only advertisers in the *BMW Owners News* will be allowed a link. A link will be offered free of charge to any advertiser who signs a contract with BMW MOA to advertise in the *BMW Owners News* 12 consecutive times (one year). Policy can be modified if needed to accommodate a new advertiser or renewing advertiser as the Advertising Director and Executive Director decide. Advertising in the *BMW Owners Anonymous* will be offered but not required. ***Personal listings by members will not be considered as advertising under this policy.*** ~~The Executive Director is empowered to implement & revise this policy as needed.~~

Rob Nye **moved**, seconded by Karol Patzer, approval of revisions to 304.4 as stated by the Communications and Marketing Committee. Motion carried.

To allow consideration of the widest possible range of options, the Communications and Marketing Committee requested board approval to authorize the Advertising Director to review the pros and cons for integrated and coordinated programs to include both print and web advertising. Hawk Hawthorne tabled this request to committee.

Under the arm of the Communications and Marketing Committee an ad hoc volunteer committee formed to define the range of services available at the Cyber Café (including wireless access) at our International rallies and recommend the best options for providing them. The committee is composed of Greg Feeler from the Communications and Marketing Committee, Brian Curry, past and current Cyber Café committee chair, and other Cyber Café volunteers. The target for submitting recommendations to the board, and the 2005 Rally Chair, is March 1, 2005. If the recommendation is to acquire some, or all, of our own equipment, board approval will be required no later than March 31, 2005. Sue Rihn-Manke strongly requested that this committee keep her in the loop so that she does not duplicate completed work and arrangements.

The iMIS e-modules have been in service and providing secure e-commerce functions for members for approximately nine months. During this time they have improved members' web experience, provided for secure transactions, and greatly increased online membership joins and renewals. However, there are still occurrences of problems with on-line data entry, and periodic feedback from members suggesting possible improvements to the iMIS eModule interface. Successful implementation of a single-login process which validates against the live iMIS member database will require a better understanding of the limits and capabilities of the various iMIS eModules. To develop this knowledge, validate the acceptable performance of the current modules, and determine the feasibility of implementing any interface enhancements, the Communications and Marketing Committee, along with the Web Technical and Content Teams, members of the headquarters staff and Executive Director, and our primary iMIS vendor will conduct a performance and technology review. This is necessary for any further progress on the integration project so it is given a high priority, with anticipated completion before the next board meeting.

Rob reported on the efforts of the web technical team on developing the member / guest site split. A demonstration of such a site using the forum database for authentication was presented in Executive Session.

## Old Business

Motions to amend the bylaws were approved by the board at its October 2004 meeting. The suggested changes were published in the December 2004 issue of the *BMW Owners News*; no objections or comments were received from the membership.

*The proposed changes are in italics.*

### Article III, Section 2. Election, Term of Office, and Term Limits

The members of the board of directors shall be elected by the general membership of BMW MOA as provided in Article IV, and shall serve for a term of three years or until their successors are elected. The term of office shall begin during the board of directors meeting at the annual BMW MOA National Rally following the election. The end of incumbency will be announced as the first agenda item during that meeting. Should a BMW MOA National Rally not be held, the term of office will begin during a board of directors meeting open to the general membership in July following the election. Both incoming and outgoing officers and members of the board of directors will be invited to attend this meeting. An individual member of BMW MOA may serve as a member of the board for an unlimited total number of terms of office, but may not serve for more than three consecutive terms of office. *Should a member be appointed to fill a vacancy under Article III section 5, where there is more than 1 year and six months remaining in the term, this shall count as a term for the purposes of determining a term limit. A "term" shall be defined as more than one year and six months of the three year term.* No compensated employee, contractor or contractor's employee may serve as a member of the board. No member of the board may apply for a compensated employee, contractor or contractor's employee position while serving as a member of the board.

### Article III, Section 4.2. Special Meetings

The president or any four members of the board of directors may call a special meeting of the board. The purpose of the meeting shall be stated in the call. Written notice of a special meeting shall be sent to all members of the board, and as directed by the president, to the Executive Director, Managing Editor, and Volunteer Staff of BMW MOA not less than thirty days prior to such meeting, or by announcement by the president during a regular board meeting and noted in the minutes of that meeting. Special meetings may be conducted by conference telephone call. *The President may for the sole purpose of approving the minutes of a board meeting schedule a conference call. This date must be announced at the board meeting. This conference call shall be exempt from the 30 day notice rule.*

### Article III, Section 10. Treasurer

The treasurer shall be the chief financial officer of BMW MOA and shall exercise those duties customarily assumed in that office, including the preparation of financial reports as the board of directors may direct, and such other duties as the board may assign. The treasurer shall cause to be published in BMW Owners News semiannual reports of the financial status of BMW MOA, of which one report shall be as of the end of each fiscal year.

BMW MOA checks and negotiable instruments shall be signed by any two of the following: the president, the vice-president, the secretary, the treasurer, or their

authorized agents approved by the board of directors. *For the International Rally account only, the treasurer may authorize the rally treasurer to be the single signature for checks not to exceed an amount to be specified by the board.*

Greg Feeler **moved**, seconded by Deb Lower to adopt the bylaws changes approved at the October 2004 board meeting. Motion carried.

### **2005 Rally – Sue Rihn-Manke, Chair**

Sue will add the following to the waiver, and suggests that future rally chairs do the same: I hereby grant permission regarding all photographs taken of me or my minor children to be used for illustration, promotion, and advertising.

All committee chair positions are filled except for Awards & Tally and Sewing. Helen Twoheels will transport some heavy duty sewing machines to the rally site, which will allow for sewing to be done by a local group without machines. The BMW MOA Foundation is organizing the ERC courses, with Rick Ahlstrom in charge.

Ducati, Triumph and KTM were invited to provide demo rides but only Ducati has shown any interest. Polka music will be provided along the parkway each afternoon. A big-name entertainer, to be announced in the March *BMW Owner News*, will perform on Friday evening at 6pm, and other bands will perform each day the rally.

Due to contractual requirements, early admissions to the rally grounds are not possible. The entry schedule will be posted as a sticky on the website Forum. Sue stated that there will be a no taping policy, i.e. attendees and Clubs may not rope off or “reserve” space. If a club wishes to do camp as a group they will be directed to a non-shaded area. The Ambassador Dinner will be held Wednesday evening at the Convention Center in Lima.

Thirty-two showers are onsite and an additional 16 will be provided in a Porta-Kleen shower trailer. Showers will be open 24 hours. The Grand Door Prizes are a 1975 R90S and a 2005 K1200S; both will be painted Daytona orange. The vendor registration form is located on the BMW MOA website.

### **Ambassador Liaison – Don Faichney**

Five new Ambassadors were appointed during the board’s closed session. They are Bob Still, Heidi Still, Chris Hughes, Jackie Hughes and Guy Timmerman.

### **Mileage Contest – Karol Patzer**

Participation in 2004 was 2100, which was up from the previous year. Marilyn will order the 2004 finisher pins. For the 2005 contest, the BMW MOA headquarters staff will receive, open and file the beginning forms. The web team will have database access for Karol by April, and they are working on getting the finishers posted on the website. Finishers are appreciative to see their names in the *BMW Owners News*.

### **Consumer Liaison – Paul Johnson**

Paul sees his new job as having two functions: resolution and mining of data. There are currently 4 open issues.

### **Chartered Club Liaison – Robert Cooper**

Koop plans to speak with club presidents to find out what they want, and to find out what the board wants, and see if there is some overlap. His goal is to change the club news article in the *BMW Owners News* into the most-read column instead of the least-read.

The board adjourned to closed session, and resumed open session for announcements.

Rob Nye gave an overview of closed session business. Rob reported that much of the activity in executive session was reported by the respective committees in open session such as the jackets for past and future rally chairs and the C&M report. Other items from executive session were discussions on future rally sites, Ambassador Nominations and compensation for the MOA office staff.

Rob made note that while he is typing notes and motions on his laptop he is very grateful for the assistance of Marilyn Roberts, Recording Secretary, for also taking the minutes of the open session at each board meeting which is helpful in ensuring accuracy and providing the membership with the most complete minutes possible.

### **New Business**

A meeting schedule was determined:

February 8, 2005, 7 p.m. CST – Teleconference to approve the minutes of this meeting.

February 24, 2005, 7 p.m. CST – Teleconference to discuss rally Cyber Café and other technology issues.

May 7, 2005, – The next quarterly board meeting. St. Louis, MO

Rob Nye **moved**, seconded by Greg Feeler, to adjourn. Motion carried.

Respectfully submitted,

Rob Nye  
Secretary