

**MEETING OF THE BOARD OF GOVERNORS OF THE NATIONAL PRESS CLUB  
Dec. 19, 2007  
Sylvia Smith, Secretary**

Chairwoman Maureen Groppe called the meeting to order at 6:35 pm. Present were President Jerry Zremski, Vice president John Donnelly, Secretary Sylvia Smith, Treasurer Donna Leinwand, Membership secretary Mark Hamrick and Governors Joe Anselmo, Alan Bjerga, Gayela Bynum, John Gallagher, Keith Hill, Lou Priebe, Theresa Werner and Dipka Bhambhani and immediate past President Jonathan Salant. Also Governors-elect Jennifer Sergent and John Hughes. Also members Ted Rouse, Rick Dunham, General manager Bill McCarren and Library director Julie Schoo.

Groppe welcomed Governors-elect Sergent and Hughes.

**Smith moved and the board approved the minutes of the October meeting.**

**MEMBERSHIP**

**Hamrick moved and the board approved the applications of 20 members. (See attached list.)**

**Hamrick moved and the board approved retired dues status for 2 members.**

Hamrick thanked the staff for its work on the transfer to monthly automated dues collection. He said, however, that there is a low awareness of the change, despite articles that have appeared in the Record. He said two issues have arisen that need board discussion: the direct billing authorization form has a clause that was included at the advice of the bank. McCarren said it is a clause that most automatic billing applications include in their fine print: the applicant waives liability. He said the NPC's bank recommended that, because it is a membership organization, the clause be more prominent. He said NPC members still have the protection their credit card companies offer, but the clause protects the NPC from lawsuits stemming from the misuse of credit card numbers. Hamrick said he received a letter from a member who said he would resign because of the statement. Zremski said the section should either be dropped or better explained in a more friendly way. Smith asked what would be the worst that could happen if the form did not include the waiver. McCarren said he supposed the bank could refuse to handle the Club's credit card dues collection. He said removing the section is the opposite of the openness and transparency the board is striving for.

**BOARD AND COMMITTEE LIAISON REPORTS**

Scholarship - Reworked the form to reflect the board's stress on diversity rather than racial or ethnic makeup.

International Correspondents - Had a holiday brunch for its members.

Newsmakers - Had supreme allied commander of NATO, panel on the Hollywood blacklist. Slovenian ambassador is Jan. 15.

Book and Author - Was instructed to invite an author to balance the anti-Clinton advocate who had been scheduled.

Affiliate-associate - Received \$8750 in pledges for Centennial party.

Press Freedom - NPC put out a statement on FOIA streamlining legislation that was passed.

Broadcast - Will try to integrate more members outside the committee along the lines of a "member minute" to highlight careers of NPC members.

Events - Last taco of 07 party planned.

Professional Development - Covering a disaster panel was not well attended; it should have been webcast.

Communications/Marketing - Is planning centennial promo.

New media - Will fill in a template for on-line source book.

Speakers - Bill Cosby and Italian prime minister are maybes. Annie Liebowitz is booked.

Centennial - Heavily promoting the debut of the video; \$100,000 received from Aviva for distribution to J schools and programs. WETA likely will air the program.

Strategic planning - awaits the report from the survey research firm.

#### TREASURER'S REPORT

**Leinwand moved and the board approved an instruction to the general manager to make up the difference from Club funds between member donations for the employees' holiday fund and \$20,000.**

Leinwand noted that the 2008 budget reflect a change in the way costs are divvied up between the restaurants and catering to more accurately reflect reality. She said the budget also reflects 3 additional staff: webmaster, IT coordinator and an accounting position. She also asked committee liaisons to work with committees on their budgets.

#### GENERAL MANAGER'S REPORT

McCarren said there was a \$200,000 loss in November, largely due to November being a 3-payroll month. Revenue was about \$1 million in Nov, reflecting a strong early part of the month and a poor Thanksgiving time.

He said the 2008 budget proposal is presented without figures for the Library improvement project and would be revised if the project is approved. He said the other thing not addressed is the \$100,000 check for distribution of the centennial DVD. He said it would be listed as 2007 revenue against which there are no expenses because the expenses will be in 2008.

McCarren said the 2008 budget projects a profit of \$500,000. The budget projects revenue of about \$13 million. He said the increase comes from an increase in prices, not expanded business because the Club is maxed out on space rental. Bhambhani asked what the increase in revenue would be if the Fourth Floor space were used for rental not library. McCarren said not as much as the proposal because the Fourth Floor space is windowless and is not adjacent to other space that is for hire. Bjerga asked about projected tight cash flow times in 2008. McCarren said there is always a struggle in seasonal times but that receiving membership dues on a monthly basis will help with that. Leinwand noted that the Club must make money because the budget is premised on 5,000 members, but there are 3,400. She said the 2008 budget is also different from the past in that it presumes the Library will pay its own expenses.

McCarren noted that the Second Century Fund is \$376,000 and represents all the cash reserves of the NPC. He said profits must increase so as to add to the Club's reserves.

**Salant moved and the board agreed to move into the Committee of the Whole. Leinwand moved and the committee agreed unanimously that the committee approve the 2008 budget and recommend its approval by the board. Leinwand moved and the committee approved that the Committee dissolve. Leinwand moved and the board unanimously approved the Committee of the Whole's recommendation for approval of the 2008 budget.**

#### PRESIDENT'S REPORT

Zremski asked if there are any questions about the \$100,000 donation from Aviva for the DVD distribution. In a communication with the board prior to the meeting, Zremski reported that Aviva USA, the American arm of a British-based insurance company, had committed \$100,000 for the marketing, promotion and distribution of the DVD. He said Aviva's North American president, Tom Godlasky, met with Smith, Rick Dunham and others. He said Aviva will receive recognition at the documentary's premiere and credits at the end, much like sponsors do on PBS.

Salant said he objected to outside sponsorships in the past when there was nothing of value that the NPC gave in exchange. He said, however, that if the film is aired on PBS, that is something of value. Groppe asked why Aviva is interested. Zremski said it's one of the oldest insurance companies in the world but has not fully established its US presence. Smith said she was impressed with the values expressed by the CEO. McCarren noted that Aviva would be funding the distribution of the film and a public education campaign, not the film itself. Donnelly asked if there is a contract. McCarren said it's a letter of agreement.

Zremski moved and the board unanimously approved a warm thank you to NPC member Tony Culley-Foster for doing the legwork to get the NPC and Aviva to this point.

#### OLD BUSINESS

Zremski offered the following motion:

The board authorizes the general manager to negotiate a lease for additional space on the Fourth Floor of the National Press Building and the hiring on a competitive basis of a designer/architect to plan for moving the Eric Friedheim National Journalism Library to that space. The designer shall also design a conference room in the space now occupied by the library and shall also do a comprehensive space utilization study of other aspects the Clubhouse space on the 13th and 14th floors , and shall submit ideas for the better utilization of the Club's space and its capital improvement needs over the next five years.

Zremski said that his reasons for offering this resolution at this meeting are several. He said, "First of all and most importantly, I have concluded that the idea of moving our library to the fourth floor and expanding it, while building a conference room in the old library space, is a good idea. We will end up with a far better library, in a far more sensible space for a library, next to our archives, where our library staff will be united again. On top of that, this idea should stabilize the Club's finances. On top of that, I fear that we can't wait, lest we risk losing the chance of leasing the fourth-floor space that is available to us now. Finally, I don't think it is fair for us to punt this issue to the next board, given that we have been discussing it since October. It is our responsibility and we should handle it.

"That being said, I acknowledge that this is a difficult decision and a tough call. Several ex-presidents and some other members have very strong emotional arguments for keeping the library on the 13th floor -- and I admit some reluctance to make this move myself, for those same emotional reasons.

"But I refuse to confuse my own emotional ambivalence with the facts -- and the facts all stand strongly in favor of this move. In fact, many of the arguments against it are, in the end, very weak.

"First of all, there is the argument that there is an important symbolic reason to keep the library on 13. Well, friends, to that I will say two things. For one, the symbolic value of having a great library training program like the kind we can have in a new, expanded library -- the kind of training program that will be advertised on the Jumbotron -- is far greater than the symbolic value of a sign saying 'Eric Friedheim National Journalism Library' on the door to your left as you enter the Club.

"And even if you disagree with that, there is this cold harsh fact: we cannot afford sentimental symbolism. We have lost 20 percent of our membership in the past decade and a half. We can't responsibly keep things the way things are for the members who remember the way things were. We have to find new and cost-effective ways of developing our resources so that they appeal to far more communications professionals in Washington and far beyond -- and a big, modern library/training center, subsidized by one more conference room, will do just that.

"While I acknowledge that the symbolism issue has some power, I also want to deal with an issue that I think is totally bogus: this notion that this idea has not been properly vetted. I first mentioned it at the October general membership meeting. I wrote about it in my October Record column. The Board of Governors, the library board, the capital improvements committee and the House Committee have all reviewed the proposal and given their blessing. I met with Mrs. Friedheim and she heartily endorsed the idea. I put all the details of the proposal out on the Words list. And we called two public meetings to discuss the

idea -- and both were very poorly attended. To top it all off, I have prided myself on my accessibility as president, and everyone knows that -- and yet you have seen all the public comments that I have gotten on this proposal. In other words, there is no majority outcry about this idea. There is an impassioned and very sincere and very small minority fighting against it.

"Finally, let me say this: Please remember that it is our job, as a board, not to make decisions on a purely emotional basis but to do what is truly right for the long-term future of the Club. And I honestly think this move could not be more right. Making this right move may make some people very angry at us. But I believe it is our responsibility as board members not to minimize anger but to maximize the Club's future, and by supporting this move, you will be maximizing our future."

Groppe asked for comments from board members and other attendees, and moved around the table.

Hill said that his question for people who argue against the project on the basis of symbolism is: The symbolism buys what? If it's membership, fine. If it just makes people feel good, then it's not a reason to keep the Library on the 13<sup>th</sup> floor.

Bynum said evolution is the way things go, and now is time to change the Library.

Donnelly said he is overall extremely supportive of the project. He said if the new meeting room could generate \$750,000 in income, there must be a good reason to tell members why their dues should make that up. He said he wants to make sure there is a reading room available.

Leinwand said there is very little Library usage, on average 60 people walk in each month. She said research requests are 8-16 hours a month. She said there is a natural marriage between how journalists now work and having the Library and training space nearer the broadcast studio. She also noted that the reading room is more a Club function than a Library function.

Sergent said she is in favor of the project. She said she works in a bureau that has eliminated its library, so she uses the NPC Library a lot. But she said she always calls for assistance, never goes in in person. She said the physical location does not matter.

Hamrick said his inclination is to support the proposal but the board should be sensitive to the idea of a shrinking clubhouse. He said the board has to do a better job of communicating and must make the physical space more inviting.

Dunham (president of the Library board) said his goal is to create a larger and more useful Library for members. He said the classroom is too small, not flexible and is limited by desktop computers. He said more than 80% of Library visitors use the Library for computer access, but the Library hours limit the availability of them. He said it's good to have computers in the Library but also in the Club. He said the reading area is not comfortable.

Rouse said there are two issues: improving/expanding the Library and where to put it. He asked why the project is contemplated for during the Club's centennial. He said the board has not considered other options, such as moving the 13<sup>th</sup> floor staff offices and using that space for the Library or more meeting rooms, or moving the gym to the Fourth Floor. He said members should be canvassed and allowed to decide. He said the Newseum may cut into the NPC business. He said if the project is passed, there will be a revolt within the Club that he would lead. He said Art Wiese located the Library where it is as a symbol of the Club.

Anselmo said he is inclined to support the project but is troubled by talk of railroading. He said he doesn't think the project was railroaded, but is troubled by that talk.

Bhambhani said she is on the fence. She said there is some value in keeping the status quo. She said it comes down to money, but at what risk?

Werner said it's a vocal minority that opposes the project. She said the biggest obstacle is the symbolism argument. But she said the project would not eliminate the Library, just move it.

Gallagher said it's a good idea but that Zremski should respond to the concerns. Zremski noted that it was brought up at the Oct. general membership meeting, he wrote about it in his Record column, two meetings were called but few people attended them and he distributed all the material - including pro and con statements from former presidents - on the listserv.

Hughes said all members could have been emailed, not just those on the listserv. He said he is disappointed that the board intends to vote on the proposal at this meeting because the board is getting ahead of the members.

Priebe said he has been a member since 1971 and the symbolism of locating the Library where it is was necessary in the mid 1980s because the Club was a drinking club. He said just as those Club leaders were forward-looking then, this board must also consider the needs of the future.

Salant said Zremski has done a yeoman's job of spreading the word, but there is still the perception that the project is being railroaded. He said he doesn't know anything else Zremski could have done aside from walk in front of the building with a sandwich board. He asked if there is a reason the vote could not be held for a few months. Zremski said if the board waits until February, the project could not be completed by September, which is the beginning of the fall busy season. If that season is not captured, there would be no income from the project in 2008, only expenses. Also, he said the space is available now on the Fourth Floor but might not always be.

Bjerga said it doesn't appear that a decision can wait. He said he is in favor of it, but perhaps it could be presented at the general membership meeting.

Smith said she strongly favors the project and reached that position by examining the four aspects of the Library and asking herself if the members are getting the best service from each of them. She said the training room is cramped and unable to be used for anything other than computer training, so moving it to a larger, more flexible space would benefit members. She said the computers, which get a lot of member use, are available only from 9 am to 6 pm when the Library is open, 7 hours less than the Club is open. So relocating most of them to a space in the Club would benefit members with more access. She said the reading room space is uncomfortable and also only available when the Library is open, so moving reading materials to places where there is comfortable furniture (such as the Truman Lounge) would benefit members. She said that leaves the research desk part of the Library. Noting that others have already mentioned that most research requests are made through email or phone calls, she said it matters greatly that an NPC Library exists, but it does not matter so much where it is.

Thus, she said, in all aspects, members' needs are improved or not disserved by the project.

She said she has a great deal of respect for the work of Wiese and others who fought the battle to put the Library in its present location, supplanting the smoky bar. She said at that point in time, it was necessary to change the public image of the Club from a drinking club to a professional organization where news

is made. She said, however, that that battle has been won. The NPC image is one of professionalism, and it will not change as long as the programs of the Club - both for members and the news events - keep their focus.

Zremski said some people have suggested closing the Fourth Estate and using that space for the Library or meeting space. He said the Fourth Estate is very popular among members, even if they only use it a few times a year.

**Priebe moved and the board agreed to move into the Committee of the Whole. Zremski restated his motion. The committee approved it unanimously. Groppe moved and the board agreed to dissolve the Committee of the Whole. Zremski moved that the board adopt the motion as recommended by the Committee of the Whole. The board unanimously agreed.**

#### NEW BUSINESS

Anselmo reported the results of the Dec. 14 Club election: President: Sylvia Smith, 289; Wayne Madsen, 65. Vice president: Donna Leinwand, 320. Secretary: Maureen Groppe: 330. Membership secretary: Mark Hamrick, 330. Treasurer: Alan Bjerga, 325. Board of governors, three-year terms (two chosen): John Hughes, 261; Jennifer Sergent, 224; Myron Belkind, 192. Board of governors, one-year term (one chosen): John Donnelly, 214; Ron Baygents, 140. Board of governors, two-year term: Gayela Bynum, 22.

Officers and governors will take office on Jan. 18, 2008.

**Leinwand moved and the board accepted the election report.**

**Bhambhani moved and the board approved waiving the one-year waiting period for memorialization.**

Salant discussed a proposal to name the Club's online journalism award for his late wife, Joan Friedenber. He said Friedenber was the founding editor of the Online Newshour, the web site of the Newshour with Jim Lehrer, and did the web interactive DVD for Robin MacNeil's PBS special. "Do You Speak American?" He said her involvement with the NPC began when then-President John Aubuchon asked her to help develop the proposals for the Club's website. She also was involved in the redesign of the web site. He noted that donations in Friedenber's memory will be made to the awards fund for the online award.

**Salant moved and the board unanimously agreed to rename the NPC online journalism awards in memory of Joan M. Friedenber and to set up a dedicated fund under the auspices of the Eric Friedheim National Journalism Library to receive contributions.**

Dunham said the Library board approved the creation of a fully funded award named for former Aviation Week and Space Technology writer and editor Michael Dornheim, who was killed in a car accident in 2006. He said McGraw-Hill and Dornheim's family have already donated \$50,000 and expect to raise an additional \$50,000. He said the amount of the award would be based on the amount of the endowment.

**Anselmo moved and the board approved the creation of the Dornheim Award.**

**Hamrick moved and the board approved waiving the initiation fee for the first 101 active members in 2008 to promote the Club's centennial.**

The board moved into executive session to discuss two ethics matters and then resumed open session.

**Hamrick moved and the board approved the following resolution:**

Whereas former President Jonathan Salant and former Chairman Joe Anselmo have served the Board of Governors and the National Press Club with distinction, Whereas, both are completing a decade of service and are leaving the Board, Be it resolved that the NPC Board of Governors 1) Thanks Jonathan and Joe for their many contributions; 2) Urges them to continue to lend their talents to the Club, remaining fully engaged; 3) Instructs that a copy of this resolution be posted at the Club and printed in The Record.

**Smith moved and the board approved the following resolution:**

Whereas President Jerry Zremski has served with distinction as membership secretary, treasurer, vice president and president, and whereas Jerry is completing a successful year as president of the NPC during which a new general manager was hired, the first full year of operation of the broadcast operations center was successful, the foundation was laid for the Club's centennial and the strategic plan was begun, be it resolved that the Board of Governors 1) commends Jerry for his dedicated service to the Club and 2) requests that he remain active in the Club.

Zremski said he was very proud to have served with the board and proud of the action taken regarding the Library project. He said the vote and discussion was evidence the board looks at tough issues and makes tough decisions.

Salant said the meeting was his last after 10 years on the board. He said the board he leaves is very different from the one he was elected to: It looks at operations in new and different ways. He reminded the board members that they are stewards of one of the most important and respected institutions in Washington and asked them to protect the Club's reputation and integrity. He said he wants to stay active in the Club. He said the Club remains an important part of his professional and social life and thanked the board and Club for the confidence they showed in him for the past decade.

Priebe notified the board's Constitution and Bylaws Committee that the Affiliate-Associate Task Force intends to pursue changes to allow full voting representation on the board.

Groppe asked board members to be sure to contribute to the employees' holiday fund. She reminded the board of the Jan. 4 documentary screening and the Jan. 18 general membership meeting, followed by the board meeting to elect a chair and vice chair.

The meeting was adjourned at 9:45 pm.

Approved membership applications:

**Active**

Kenji Bando	Mainichi Newspaper Bureau Chief
Soo Hyun Cho	MBC-TV Inc. Senior Deputy Editor
Sang Chul Kim	MBC-TV Inc. Correspondent



Nobuyuki Sato  
Jiji Press  
Bureau Chief

Mark E. Segraves  
WTOP News  
Investigative Reporter

**Active Reinstatement**

Alvin Felzenberg  
University of Pennsylvania  
Adjunct Professor, Communications

David Kramer  
Physics Today  
Washington News Editor

**Request for Active, Non-Resident Status**

Gretchen Wintermantel  
Scranton, PA  
The Scranton-Times Tribune  
Staff Reporter

**Affiliate Non-Resident**

Floyd E. Vasquez  
Albuquerque, NM  
New Mexico Department of Veterans Services  
Public Information Officer

**Affiliate Reinstatement**

Edward C. Bou  
Bou & Bou Law Offices  
Attorney

Michelle Spivak  
Department of Veterans Affairs  
Director of Community Relations and Public Affairs

**Associate**

Heather Evans-Keenan  
Keenan PR, Inc.  
President

Michael McGarry  
AdvaMed  
Executive Vice President, Public Affairs

Matthew Mlynarczyk  
Advocatus Group, LLC  
President

Rebecca L. Shambaugh  
Shambaugh Leadership  
CEO and President

Perry Allen Stambaugh  
National Rural Electric Cooperative Association  
Editor

Edward Walker Dean

Self-Employed

Lobbyist

**Associate Non-Reinstatement**

Sherry Conway Appel

National League of Cities

Director, Media Relations

Robert E. Gaudian

MediaForce, LLC

President

Mary F. Hanley

National Association for Biomedical Research

Executive Vice President

Kevin M. Wiggins

Wyeth

Assistant Vice President, International Public Relations