

NATIONAL PRESS CLUB BOARD OF GOVERNORS MEETING

JULY 19, 2004

By Sylvia Smith, secretary

Vice chairwoman Donna Leinwand called the meeting to order at 6:40 pm. Present were President Sheila Cherry, Vice President Rick Dunham, Secretary Sylvia Smith, Treasurer Jonathan Salant, Membership secretary Jerry Zremski and Governors Jerry Bastarache, Alison Bethel, Larry Bivins, Gayela Bynum, John Gallagher and Mark Hamrick, and General manager John Bloom and Membership director Julie Schoo. Absent were Membership secretary Jerry Zremski, Chairman John Donnelly and Governor Jack Cushman.

Zremski moved and the Board approved the following 22 membership applications:

Active: Myron Belkind, reporter, Associated Press; Fred Donovan, managing editor, McGraw-Hill; William Holland, associate editor, Platt's Gas Daily; Lori Nitschke, writer, Omaha World Herald; Joel Rothstein, reporter, Reuters.

Active under 34: Aki Naganuma, reporter, Tokyo-Chunichi Shimbun.

Active under 30: Brian Friel, reporter, National Journal; Jared Kindestin, news editor, CTV Canadian Television.

Active re-instatement: Gloria Minott, WHUR-FM Radio.

Active non-resident: Clara Padilla Andrews, publisher, El Hispanic News; George Irish, president, Hearst Newspapers; Jessica H. Ryen, reporter, The Observer-Dispatch.

Associate: Michael Bowers, senior VP, Science Applications Int'l Corp.; Claudia Peters, VP, Communications Public Sector, SAP America; Belford V. Lawson III, attorney, Federal Communications Commission.

Associate under 34: Ailis C. Aaron, marketing representative, Washington Post; Wendy B. Rosen, director of public affairs, Business Software Alliance.

Affiliate: Frank Kauffman, senior VP, Fleishman-Hillard; Alfonso Nieto, press secretary, Embassy of Mexico; Michelle Spivak, director of community relations, Washington Veterans Affairs Medical Center; Elena Troianovskia, former journalist.

Affiliate under 34: Kathleen Nelson, senior director of public affairs, International Dairy Foods Association .

Total members as of July 2004: 3,828. Total as of July 2003: 3,924 Associates on waiting list: 68

Zremski moved and the board approved reduced dues status for four members. He moved and the board approved a six-month dues waiver for one member.

Zremski briefed the Board on the situation with Knight Ridder, which stopped paying its employees' dues after moving from the National Press Building. He said he sent letters to each member, and Schoo called each one to encourage them to remain members. Of the 43 KR employees who were members before the move, 20 have paid to remain a member. Cherry said she talked with the KR bureau chief, Clark Hoyt, who has encouraged KR bureau employees to retain their memberships. Zremski also said he wrote to all non-member recipients of the NPC awards and invited them to join. He said

he wants to do another membership drive in November and asked Board members to recommend candidates. He said the membership drive will target international correspondents and embassy press attaches.

Bethel asked for an update about membership recruitment during the Unity conference in August. Zremski said the executive director has not returned messages. Bethel recommended trying other approaches that do not involve the executive director.

PRESIDENT'S REPORT

Cherry said there has been considerable notice taken of the NPC awards this year and suggested the creation of an awards logo that could be used in future years. Bastarache said he does not support the creation of a new logo and asked why the NPC logo could not be used. Cherry said it is because there are restrictions on the use of the NPC logo by others and that an awards logo could be a marketing tool. She moved the Club create an awards-specific logo. It was adopted 5-2.

GENERAL MANAGER'S REPORT

Bloom said the sale of the building has been completed. What that means, he said, is that the National Press Building limited partnership will receive \$1,335,000. Members of the limited partnership will receive \$5,000 to \$6,000. Without the deal, they would have received nothing. The National Press Building Corp. (owned by NPC) will receive \$500,000 for deeding the land and \$165,000 for a note that has been on the books since 1983. NPC will receive \$500,000 to change the wording on the lease that we have the first right to buy the building. The NPC will net \$1,165,000 from this arrangement. As a result of the deal, the NPC is completely out of the real estate business and the Club and Library will be debt free. The lease remains \$1 per year through 2078. Bloom said much remains to be done, and that he is having meetings with attorneys to see how the Club's tax bill (as a result of the infusion of income) can be reduced. The deal also allows for tenant memberships to the Club, and Bethel asked about the implications. Bloom said the rules already allow for 50 tenant memberships, and the Board can act or not to increase that number if there are more requests than 50. He noted that the Board can also set the dues rate for tenant members. Bastarache asked why the new owner wanted to pay \$500,000 when the same arrangement would have taken place in 2006 anyway. Bloom said the current favorable interest rates made it advantageous for Quadrangle Development Corp. to execute the deal now. Bethel asked if the Quadrangle, as the new owner, could say that smoking is prohibited in the Reliable Source. Bloom said the Board sets the rules for Club space.

Dunham moved and the Board unanimously approved a motion to thank Bloom for putting together an agreement that will benefit the Club for decades to come.

Dunham moved and the Board approved a motion to thank attorney Alan Weiner for his hard work on the deal.

Bloom said in light of the additional income, he will ask Donnelly to reconstitute the Capital Improvement Committee. He said he also spoke to the Budget Committee about the need to think how the new resources will be used, particularly with the centennial coming up. He said the Board previously approved the documentary project and asked if

he should move forward. He also said the Board should think about an on-going centennial committee.

Zremski suggested it could be a committee of former presidents. Bloom recommended a committee of about five people. Dunham suggested taking time to think about how to configure it so future presidents are not tied; he recommended that future presidents be able to appoint the chair each year.

Bastarache broached the subject of a commemorative stamp for the NPC and said letters must go out in September. He said it has to be packaged by the Club president.

COMMITTEE AND BOARD LIAISON REPORTS

Smith said the House Committee had been informed that ice cream had been added to the restaurant dessert menus.

Dunham said the Travel Committee is working with a group interested in Civil War battlefields for free trips for members and their families. He said the 5K Committee is still looking for cash sponsors and that Bynum and Smith are heading the silent auction.

Bynum said the Holiday Bazaar will be Nov. 18; about 12 vendors have registered.

Bastarache said the affiliate/associate task force is continuing to work on a drive for a petition to have the affiliate/associate representatives on the Board have a full vote.

Zremski said the Book and Author committee had several successful events and a number of up-coming events.

Hamrick said Newsmakers Committee is busy.

Gallagher said the NPC picnic in Wheaton had a moderate turnout but is something the Club can build on.

Salant said the NPC softball team finished its season 4-11.

Leinwand said the Young Members Committee planned a speed networking event and a happy hour with the Canadian embassy.

OLD BUSINESS

Leinwand reported that an email had been sent to members asking them to switch their Record receipt to electronic; 200 responded, bringing the total to 500.

TREASURER'S REPORT

Salant noted that last year the Board said the 3.5 percent dues increase would be the first of two and that the Board needs to discuss that.

NEW BUSINESS

Leinwand said the Young Members Committee would like an additional \$500 for additional events. Various members said the committee should prepare a budget. Bloom said \$1,250 of the committee's \$1,500 budget was used on the Media Bistro membership event. Leinwand said the committee thought half of that expense would be borne by the Membership Committee. Bloom said he would reallocate the expenses.

Smith moved and the Board approved the minutes of the June meeting.

Cherry noted that, regarding the Knight Ridder dues situation, she was dealing with Clark Hoyt because he made the decision, and so she did not send a letter to Tony Ridder. She

said there was a miscommunication of sorts, because when Ridder thought he agreed to continue to be supportive of the Club, not necessarily pay employees' dues.

The next meeting is Sept. 13.

The Board moved into executive session to discuss a personnel matter. The Board then resumed open session and adjourned at 9:50 p.m.