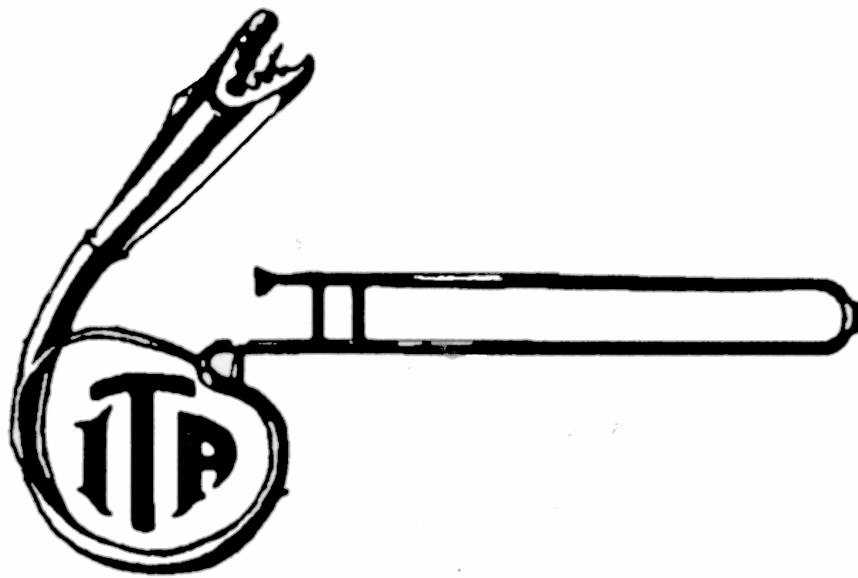


Executive Manager's Report

**International
Trombone
Association**



May 2001

Introduction

On accepting the interim position of ITA's Executive Manager in February 2000, my first request to ITA was a current job description. At that time, no suitable description was available. Indeed, the listing in the Constitution was not compatible with having an Executive Manager living outside of the United States due to the extensive membership management responsibilities. The appointment of Vern Kagarice as Membership Manager allowed these roles to be separated.

In many ways, the position of Executive Manager has been reinvented to match the actual requirements of ITA from its administrative team. More than ever, I am convinced of the need to separate the administration from the policy formulation.

The Executive Manager should serve (and advise) the Board and Officers who are deciding the mission and vision of ITA. These terms may seem out of place, but ITA is an organization that invested over \$1 million in trombone related activities from 1996 – 2000.

Since my appointment, I have been fortunate to visit our "home" in Denton on three separate occasions – this is in addition to my previous visits in 1999 and January 2000. Actually seeing ITA in operation has been a tremendous benefit in being able to appreciate the particular pressures of actually getting the job done. For all intents and purposes, ITA is a small-medium business with an annual turnover of c. \$200,000. We have around 4000 "customers" who expect a professional service and quality product from the world's largest trombone association.

ITA is no longer just a group of friends and colleagues – it is an organization that serves over 4000 trombonists worldwide – many of whom we will never meet. The digital revolution, due largely to the massive growth of the Internet, means that ITA is not the leading provider of trombone-related information. We are all aware of our current activities: quarterly journal, commissions, scholarships & competitions, ITA Press, International Trombone Festival, Assist an International Member, National Affiliates, ITA website, etc. Are these activities representing the wishes of our members? Asking the trombone community for its opinions is an excellent and necessary step. I am hopeful that we can gain useful qualitative and quantitative data from our questionnaire.

Elsewhere, I have offered ITA a revamped organizational structure. This new structure has been presented for one reason: so that ITA's "staff" can implement the policy of the ITA Board and Officers in a more efficient and effective manner.

In this report, you will find a brief listing of the association's activities during the last twelve months with particular focus on the financial year ending 31 December 2000. The relevant financial information has also been provided.

ITA Scholarships & Competitions

Applications for the 2000 Scholarships & Competitions fell by over half on 1999. This was almost certainly due to the fact that the Festival took place in The Netherlands.

| | Total No: of Applications |
|-------------|----------------------------------|
| 1997 | 82 |
| 1998 | 80 |
| 1999 | 116 |
| 2000 | 49 |

Vern Kagarice has expressed concern over the current administrative process in relation to confirming ITA membership status of all applicants. It is hoped that an online application system may alleviate this problem.

The application form requires revamping so that a single one page form can be used to enter all competitions, making sure that information such as e-mail, term time and home addresses are also obtained. In addition, allowing CD recordings as well as cassettes should be considered.

Centralizing the administration of all the competitions and scholarships to one person (possibly paid), would probably allow greater control of the current system. In addition, consistency in the judging criteria and methods could then introduced.

For the first time, the 2001 winners were featured with short biographies and photos on the ITA website. The Webmaster has expressed interest in providing such information of all past scholarship winners online.

Alessi CD Project

ITA's licence to distribute this CD expired on 31st December 2000. A dozen or so CDs remain in stock for archival purposes. ITA received \$10,000 sponsorship from Edwards and has received \$2,696 income from additional distribution.

The total project cost including distribution was \$30,363 and therefore, ITA's net contribution to the project was \$17,667. In 1998, membership dues reached \$145,689 (almost \$39,000 more than in 1997). The distribution of the Alessi CD is the prime factor for this increase. Unfortunately, we were unable to retain these members as dues fell back to \$108,083 in 1999.

Of course, the cost of providing a membership for these new members in 1998/9 was considerable. In this case, it is likely that the additional dues income covered ITA's project cost and allowed us to share a burden of overhead across the larger membership. Also, ITA has coordinated a project of considerable artistic value. If future projects are considered, then ITA would be advised to think long term offering a series that encourages people to remain members rather than to just join for a one-off "perk". In addition, external sponsorship would be vital for a similar size project to the Alessi CD.

Journal Advertising

Journal advertising revenue represents 25% of ITA's income. In the last five years, ITA's net cost of journal production and distribution has been reduced by over \$250,000 because of advertising revenue.

The major problem is relevant to payment terms. Advertisers are often not good at paying on time and because of their considerable importance, it is difficult to exert too much pressure on such a vital revenue stream. A possible solution is only to allow ad insertion when funds have been received i.e. payment up front. I am sceptical that this would benefit ITA in the long term. Outstanding debts are usually settled, if not in a timely fashion. But we do need to address payment terms and develop a suitable formal procedure for collecting outstanding revenue.

A change in design personnel at Buchanan Printing resulted in some confusion over technical specifications and ad placement management. These have been resolved by the Ad Manager and seem to be running smoothly again.

Finally, a restructuring of Advertising Rates for 2002 would be prudent to cover increased production costs. I would recommend increases of between 2.5% - 5%

ITA Press

ITA Press has developed into an impressive catalogue of over 30 titles for trombone. Since 1996, it has made an overall profit of \$575 (3.8%) on a gross turnover of \$15,011. Moving the operation from Missouri to University of Texas at Austin, following the ITA Press Manager, seems to have had no real impact on sales for 2001. As with most publishing companies, the considerable start-up costs will mean that the Press should become more profitable in future years.

A new CD of Eric Ewazen titles, featuring a number of ITA Press titles should create further interest in the catalogue. ITA Press does not retain the copyright of its pieces, only a licence to print the works. It is hoped to develop an online ordering and shopping cart system via the website in the near future.

Membership Dues

The attached chart shows cumulative dues income for ITA since 1998. As previously discussed, ITA has been unable to repeat the increased income brought about by the Alessi CD offer in that year. Nevertheless, calculations taken at the beginning of 2000 and compared to the beginning of 2001 shows that ITA has a drop-out rate of over 40% - up to now this rate has been covered by new members, however the number of new members is decreasing.

30% of members now pay on-line and over 70% have an email address. The initial forecasts for 2001 look favourable, but as experience shows past performance does not guarantee growth. ITA has a database of over 6600 names and address of people with just over half being current members.

The most important issue to ITA is how it can retain its current members whilst also recruiting new ones. At a meeting in January 2001, Robert Blaine, ITA's new Membership Development Coordinator

presented a plan focusing on an Instant Renewal System whereby online credit card subscriptions are automatically renewed on an annual basis.

Based on this issue, a large focus has been facilitating a totally new online management system for ITA, based on the model used by the Percussive Arts Society. Using a specialized web consultant, it is hoped the fully integrated system will be online over the summer. The primary benefit will be the reduction of administration work since database management will occur automatically when recorded or updated online. The technical specifications, in terms of membership service, mean that a completely new system must be built and tested for ITA.

ITF2000

On an artistic scale, the festival in Holland during July 2000 was the most artistically diverse that has ever been produced. Although an initial loss of over \$25,000 was expected, a recent conversation with the festival host reveals that a large tax rebate has brought the loss down considerably. ITA has already met its commitment to cover \$5,000 of the loss from its 2000 budget.

As always the cost burden and facility restrictions of a non-US university provided limitations on the number of free spaces provided to ITA. In future, all these issues should be finalized so that any commitments are expected and not assumed.

ITF2001

This year, ITA has broken from tradition, and taken on complete financial and organizational responsibility for the festival. In addition, the festival organizer has been paid appropriate remuneration considering the work involved. A provisional budget spread over the 2000 and 2001 fiscal years shows a small profit for ITA. Based on current income projections, it is expected that the profit will be larger than anticipated.

ITF2002

Continuing to break away from tradition, an artistic planning committee was formulated to develop an artistic outline for ITF2002 to be held at the University of North Texas. Tony Baker (assistant Professor, UNT) has accepted the position as Festival Director (ITF2002) working for ITA to organize and manage all aspects of ITF2002.

Internal Revenue Service

The failure of ITA to present timely submission of the 1996 and 1997 tax return has led to cumulative fines of over \$10,000. A letter in April 2000 by then Executive Manager, Vern Kagarice resulted in the 1996 penalties being waived. A further letter from myself in August confirmed the removal of the 1997 penalties. In addition, fines for unfilled Employers Federal Tax Returns have since been waived. All subsequent forms have been filed on time and there are no outstanding items with the IRS. The

accountant filed an official extension for submission of the 2000 Tax Return earlier this month (now due in August).

National Affiliate Societies

Following a suggestion from Vern Kagarice, an approach was made to Jason Redman (President, Australian Trombone Association) to include ATA as an affiliate of ITA. This application was accepted by ATA, and the first 16 ATA members joined ITA as affiliate members in 2000.

An approach from IPV to allow a reduced payment of ITA dues for 2000 was accepted in order to assist them with some financial issues. The current affiliate rate of \$25, and additional distribution cost to the majority of these European-based members means that ITA is making a loss on each membership. An increase in the affiliate rate to \$30 from January 1, 2002 would be prudent. In addition, the current policy and administration of National Affiliate Society members needs restructuring so that the methodology is consistent.

Web

The ITA website was re-launched in September 2000. In addition, a few past journal articles were launched online for the first time. In preparation for the new online system, the website was moved to Media3 servers on recommendation of the web consultant.

The current online credit card processor, Paybutton, has continued to provide an adequate service in the main, with periodic failures resulting in downtimes of up to 10 days. A new online processor, Cybercash, will be brought online with the new membership system in the summer. Our new ITA Webmaster, Joshua Brown, proposed another online payment service Paypal. This system will allow ITA greater diversity in the online systems it can offer in terms of the ITA Press, ITF Registration, Back Issue sales, etc. The ita-web.org domain name was recently renewed for another 2 years.

Finally, the Webmaster has been granted a tuition waiver to attend ITF2001 so that he can provide daily reports & photos about the festival on the website.

Information Technology

As well as providing a website, online technologies are also developing new management systems for ITA. A number of email lists have been set-up to facilitate communication between ITA's key bodies. A similar list was also set-up for ITA members. A malicious virus attack sent after the first message resulted in the list being closed down until the web server can guarantee technical security.

At this point, it is highly probable that a computer belonging to that of a Spanish ITA member sent the virus. Investigations are continuing.

Marketing

Marta Hofacre represented the ITA at the Midwest Show in December 2000. Although the show brought in over 30 new members, the cost attributed to such a major event mean that it is probably not cost-effective for ITA to attend – but a worthwhile experiment nonetheless. By contrast, a similar booth at the Eastern Trombone Workshop proved equally successful both in terms of new members and ITA Press Sales, with less cost for ITA. It would be worthwhile attending ETW2002.

Insurance

A review of ITA's policy revealed a lack of appropriate cover, especially in terms of Director's & Officers' liability, where no cover was in place. A suitable policy was set-up in 2000 and should be reviewed annually. In addition, the General Liability policy was unchanged since being set-up for the 1991 International Trombone Festival in Rochester, NY. A new policy to cover liability and the festival has recently been placed in time for ITF2001.

Rent

In September 2000, a leasing agreement was signed between ITA and McCullar Realty in Denton, TX. A small single room office was rented for \$300 per month in order to centralize as much ITA materials as possible, especially past journals that had been stored by Buchanan Printing. It is hoped to develop the office for administrative work and membership management, tasks currently undertaken on the ITA computer housed in Vern Kagarice's office at the University of North Texas.

Legal Representation

Following the appointment of an accountant in 1999, ITA has just agreed terms with the legal firm Brobeck Phleger & Harrison to cover ITA's legal requirements. Representation will be based on a \$2,500 retainer for 2001 and further \$2,500 retainer in 2002. The retainer is serviced depending on the work undertaken by the firm on ITA's behalf.

Thus far, the firm has advised on the use of soundclips for the website and also an Author Release form for Journal material.

Pioneers in Brass

Following an approach by Paul Jackson, ITA negotiated a deal with the producers of a new CD-Rom based on the book "Pioneers in Brass" by Glen Bridges. The discs are sold to ITA for a 60% retail discount (\$12 each). Including a processing fee, shipping and handling, the discs are available to all ITA members for \$19.95, a \$10 discount off the recommended retail price. It is hoped to develop similar schemes with other manufacturers.

Journal Shipping

ITA continues to be the only brass organization to offer the same dues rates for US and non-US members. In January, a new contract was negotiated with DHL under their "Worldmail" system. International postage is now shipped at only \$3.48 per pound. The Spring 2001 Journal was shipped to all 583 international members for the equivalent of \$2 each. This system, which includes pick up from our mail centre, offers considerable saving on the new USPS rates introduced in January 2001.

Conclusion

Much of the work thus far has been developing ITA's activities to a more solid business base. Appropriate insurance and legal representation is vital for ITA. In addition, we must continue to embrace the advent of new technologies to reduce our costs and improve efficiency. By the end of 2001, we hope to have many of these new systems in operation.

The greatest concern is the high rate of drop out of members – clearly we are able to attract people but not retain them. Various experimentations regarding renewal notices have had both a positive and negative impact. Once the lists are running again, email will provide a quick and cheap way in which to encourage members to renew – or find out why they do not want to. Is another membership project needed?

ITA will need to consider the information of the questionnaire and try and establish if we are providing a current product that is relevant to today's needs. As information is more widely available, should ITA take on other priorities?

It is important that the ITA Board establish its short and long-term objectives to address these, and any other questions. Drawing up a plan, and implementation will ultimately become the responsibility of the Executive Committee and the administrative staff.

Respectfully submitted,

STEVEN GREENALL

15TH May 2001