

## May 2005 Council Summary

### TO: THE COUNCIL

**This summary is intended to help you review the highlights of the Council Meetings held in Boston on May 1, 2005.**

### ANTEC

Registration at ANTEC was 2658, (including participants in the seminars.) A total of 168 registrants attended 19 Society seminars.

Incoming President Len Czuba's SPE mantra is "Connect, Collaborate, Compete!"

### From the Council floor

#### Rebates:

The Council discussed the disposition of rebates and accepted the proposal drafted by a special subcommittee chaired by Bill O'Connell. Most changes to the rebates will take effect in 2007 with the one exception that rebates in 2006, while based on the prior system, will be paid quarterly.

The main differences between the old and new systems are as follows:

- Budgeting total rebate dollars – For example, if Council budgets rebates at \$350,000 and the actual calculation comes to \$315,000, every group would receive 111% of their calculated rebate. Likewise if rebates are budgeted at \$350,000 and the actual calculation comes to \$390,000, every group would receive 90% of their rebates. Furthermore, rebates will be paid quarterly in the same year they're budgeted. This provides Council and SPE with a couple of important advantages. First, spreading the rebate payments out helps with cash flow management. Second, paying them as part of a budget in the same year allows Council to make decisions about rebates closer to the time actual rebates will be paid, helping with balancing the budget. In the event there are catastrophic difficulties, Council has the flexibility to reduce the total rebate amount as it also reduces spending in other areas. Likewise, in times of plenty, Council would have the flexibility to distribute more funds to SPE groups.
- Paying rebates quarterly – As mentioned above, this helps tremendously with cash management and will be initiated in 2006 (so rebate payments in 2006 will be based strictly on the old calculation which is based on membership as of 12/31/05, and will be distributed quarterly).

- Making the 3 changes to the calculation – These are some minor “common sense” changes that do not greatly change the individual amounts. The changes are too detailed to present here, but please refer to the proposals sent to you prior to the Council meeting if you want to review them. Again, these changes will not be implemented until 2007.
- Paying rebates only for dues paying members – In the past, folks who paid no dues (unemployed members, distinguished members, etc.) were still included in the rebate calculations. The pool of these folks is small, especially when distributed across all of our groups.
- Dropping the rebate for the seldom-collected initiation fee – SPE’s initiation fee is more often dropped as part of a promotional incentive for new members. Since SPE does not collect these funds, the new system will take the small amount that was being distributed to groups out of the calculation. Again, no individual group is going to be materially affected by this change.
- Tiering Division rebates – under the old system Division rebates were not tiered the way Section rebates were. This makes the two systems more parallel.
- Having performance criteria for rebates. This is not entirely new. The current system requires a Board of Directors and the submission of the required financial statements. The three items below are new, and the idea here is to monitor how groups are serving members, and give the Sections/Divisions Committees a head’s up on any group that is failing to provide these basic requirements so we can work together to get things on track.
  - No rebates for sections and divisions whose council seat has been declared vacant by Council (non-attendance for 3 consecutive Council meetings)
  - Requiring communication with members (demonstrate regular communications to members)
  - Having a plan (helps to demonstrate that activities are ongoing)

For a full copy of the proposal, go to the SPE Leadership page at:  
<http://www.4spe.org/communities/leadership/0505/materials.php>

### **New Charters**

The Council approved the charter of the Flexible Packaging Division. Two new SIGs were presented to Council: Nanotechnology and Micromolding. A student Chapter was established at the University of Mississippi.

### **Awards & Recognitions**

In addition to the recognition of the retiring administration, two additional awards were given out. The Michael Cappelletti Excellence Award was given to Bill O’Connell and the James Toner Service Excellence Award was given to Tobi Gebauer.

Outgoing President Karen Winkler thanked her Executive Committee for their hard work. Incoming President Len Czuba introduced his Executive Committee. New Executive Committee Vice-Presidents are: Russell Broome, Héctor Dilán, Lance Neward, and

William Smith. Paul Andersen is the 2005-2006 Treasurer and John Szymankiewicz is the 2005-2006 Secretary.

**Presentations**

Composites Division

\$1,500 Harold Giles Scholarship

\$1,000 Foundation Scholarship program

Mold Making & Mold Design

\$1,000 Student Author Travel Fund

Detroit Section

\$2,000 Essay Contest

\$2,500 International Education Award in honor of Fred Schwab

\$5,000 Robert Dailey Scholarship

Color & Appearance Division

\$1,000 donation to The SPE Foundation

**NEXT COUNCIL MEETING**

The next meeting of the Council is scheduled for September 24, 2005 in Milwaukee, Wisconsin.



S. E. ODERWALD - EXECUTIVE DIRECTOR

SEO:ms

cc: Past Presidents, Section Presidents  
Division Chairpersons, Committee Chairpersons  
SPE Staff