

American Birkebeiner Ski Foundation
Board of Directors Meeting
April 18, 2011

Members Present: Bill Bauer, Don Becker (by phone), Scott Chapin, Dennis Kruse, John Kotar, John Leighton, Don Maher, Dave Nelson, Sue Scheer, Joe Timmerman, Mary Wingfield. Members not present: Tom Duffy, Paul Pederson. Also present: Shellie Milford, Ned Zuelsdorff, Steve Narveson, Bill Pierce, Fred Scheer.

Meeting took place a Weiss Community Library meeting room in Hayward, WI and was called to order at Noon by John Leighton, President and Chairman of the Board.

Approval of Minutes of Meeting of March 21, 2011

Early Start for Qualifying Skiers: Motion made by John Kotar to allow certain skiers to begin the race early. Second by Don Maher. Motion passed.

Waiver and Registration Procedures: Motion made to accept the recommendations as outlined by attorney Sandy Pendleton and to request resolution by Judgment from Sawyer County Circuit Court rather than by Arbitration was by Scott Chapin, not John Leighton. Second by Tom Duffy. Motion passed.

Red Bibs in race: Second by Sue Scheer. Motion passed.

Skier Discounts: Change regarding the amount of money we spent with Hidden Bay Graphics – Should read that the \$30,000 was a combination of Birkie Enterprises and Birkie, including hats, Trail Run T-shirts, etc.

Telemark Purchase Agreement

Ned Zuelsdorff made an overhead presentation regarding the potential purchase of approximately 300 acres of Telemark Land by the ABSF. Ned explained that there still exists a great deal of confusion surrounding the future of Telemark Lodge.

There is no way to get to county land from the current start other than by crossing Telemark property. Both Ned and Dave Nelson have searched for a route and found none exists. Ned proceeded to explain the trail route and land needed to guarantee the use of the existing start area and trail. Ned suggested that if the ABSF purchased this land it would send the message to the general public that the American Birkebeiner Race would always be at Telemark.

Ned went on to explain that if Telemark did not accept this proposal there is an alternate plan (referred to as the Hwy 63 Start). Additional land needed to acquire would be two 40-acre parcels currently owned by a second private party. In addition, the new trails would have to pass over Bayfield County land before reaching the current courses and County approval would be required.

Ned suggested that the Telemark property purchase might make it easier to raise funds to purchase the land because of the established tradition of the race going through Telemark for so many years. Ned's opinion is that we should make an offer to Telemark for the 298 acres. A major advantage of the Hwy 63 site is that the start area would provide a permanent start.

John Leighton then made a counter-proposal for this purchase. He stated that he has serious reservations about whether the ABSF should be in the real estate business. We need to make a decision soon, within

days, for the planning and securing the trail for 2012. John's proposal is to start the 2012 race in Hayward and go north for one year. This would reduce our transportation problem because people would no longer want to drive their cars to the start.

(Multiple comments were offered and substantial discussion resulted and is available in Minutes of Record.)

Dave Nelson moved that Ned present the offer to Telemark as prepared by Ned. Second by Don Becker. Motion failed on a voice vote.

Joe Timmerman moved to give Dick Short two weeks to sign the 2012 agreement which he has in hand in an effort to determine if the airport start is an alternative. Second by Sue Scheer. Discussion: Joe spoke in support of his motion; if Mr. Short does not agree with the proposal we could move ahead with an alternative immediately and protect our interests. Mary Wingfield offered a friendly amendment to read: in the event Mr. Short does not respond in two weeks, we create a committee to move forward. John Leighton said we already have a Trail Committee that could handle this situation if it arose. Don Becker added that Mr. Short already has had time to consider this and he is in favor of the one week timeline. Joe accepted a friendly amendment of going with a one week rather than two. New motion reads: Joe Timmerman moved to provide Mr. Short a window of one week to either accept or reject our proposal. Second by Dennis Kruse. Motion passed.

Competition

Dennis Kruse explained that last year we had very deep competition at the start line. Dennis now thinks we should focus on these strong skiers and attempt to bring them to the Birkie. Dennis would like continue this trend and bring skiers with support. He suggested that we keep the \$40K purse. We could create partnerships to help pay for the support we provide for top competitors to appear at the Birkie. Dennis will be going to the spring conference at USSA and he will work to host the National Distance race here. The minimum is only \$3,900 to support that. If we budgeted \$50K for the total cost we could cover everything proposed. The subject of FIS points came up and was discussed. John Leighton suggested that Dennis and his committee can work this out and need not be discussed at the board level. Dennis announced that the AGM meeting is coming up in June and anyone going should be booking a ticket at this time. John Leighton said he would like to delegate Dennis Kruse to represent the ABSF at the June meeting. No objections were heard.

Dave Nelson presented a plan for building an additional 3-3 ½ kilometers at 00 which would then make for an additional distance at that site. Also, if we needed to shorten the Birkie for any reason, we could make up some of the distance with this loop. Bill Pierce passed around a document "Five Year 00 Park Vision and Planning Document". He stated that for this to happen the board must vote to approve and support this project.. He went on to explain that to become a bona fide course it must be sanctioned with homologation. John Leighton then posed a question of Dave Nelson: Couldn't we bring the trail up to standards with the addition of a few kilometers of trail? Dave agreed that we could probably attain what we need with the addition of 3-3.5 kilometers of trail. John suggested that if this were possible, we could use this trail to loop back to the start in the event of a low-snow year. Bill Pierce interjected that the 00 site could be the stage on which to host more events. He said the first thing he would create is a training and sledding hill for the community. John Leighton then asked for a resolution to move forward with the plan. Joe Timmerman moved that we move forward with the plan. Second by Dennis Kruse. Discussion was that we plan everything to completion before we move any dirt for any trail. Motion passed. (In-depth comments and discussion available in Minutes of Record.)

Should the Trail Tour Be Considered as a Birkie Completed

John Kotar presented the dilemma some long-time Birkie skiers are facing. The Birkie coincides with other races in Europe. Some skiers would like to do these European races and not lose their Birkie completion string. Now that there is a Tour, some skiers have requested that they be allowed credit for a Birkie by skiing the Tour. Dennis Kruse voiced opposition to this plan because the Tour is not a race. John Leighton stated that he would not open this up for everyone. Perhaps a once in a lifetime exemption, or a skier with over thirty consecutive Birkies, or some other criterion should be used. John Kotar presented his final argument without a motion. (More in-depth discussion is available in Minutes of Record.)

Partnership with CXC

John Leighton explained that he has been in contact with Yuri Gusef from CXC regarding partnering on sponsor acquisition. If one organization procured a sponsor, the other would receive 25% of the revenue and vice versa. One of the first sponsorships we would partner on would be with Camelback. John explained that through networking with his acquaintance, he has obtained what looks like a substantial sponsorship. He believes Camelback is positioned to be a very significant sponsorship. Camelback has no ties to the USSA or any other ski organization and this would be a perfect fit for CXC. Yuri has the experience on what needs to be done to create a successful partnership with a sponsor. He studies the sponsor and learns as much as he can about the company's marketing plan before he approaches them with a plan of how their sponsorship will help the company market their products. Ned interjected that he needs to see what the package is to make sure the level of benefits coincides with other sponsors at the same level. John assured him that he would be interfacing with Ned throughout this process. Currently we have two Gold Sponsors and no Title Sponsors.

Yuri will put together the package. Joe suggested that we have two things on the table. One, CXC partnership and two, who is responsible for getting sponsors. He went on to say this discussion has come up from time to time, but in this case this is a win-win situation and he is in favor of it. If Camelback comes to the table and CXC puts the deal together, what's to lose? Joe asked John what he wanted from the board, approval to accept the sponsor or approval to give CXC 25% of the total? John replied that he wants approval of the concept. (More in-depth discussion is available in Minutes of Record.)

Bill Bauer moved that we go ahead with a partnership with CXC contingent upon a business plan in place in 120 days. John Leighton said he would prefer to wait until after we established a sponsorship and he would work with Yuri. There is a great deal of trust involved. He said he feels the details may get in the way of getting something done and the kinks can be worked out later on. He said he is willing to give CXC much more than they expect. It is a relationship. It is the same kind of relationship he hopes to create with Scott Keenan of Grandma's Marathon. Bill Bauer withdrew his motion and restated his motion asking the Board to sanction a partnership with CXC for fundraising. Second by Mary Wingfield.

Discussion: Joe Timmerman said he has serious reservations about giving the Board President unfettered freedom to negotiate any contracts without Board approval. John Leighton said what he is looking for is approval to start the process of a partnership with the idea of splitting the revenue providing 25% to CXC. John Kotar said he can see where John is going with this concept. He understands Yuri has the ability to do the work necessary to make a sponsorship work. He sees the value of going with CXC because they have the expertise to work out the agreements. (More in-depth discussion is available in Minutes of Record.)

John Leighton asked for restatement of the motion. Bill Bauer moved to permit the ABSF to enter into a partnership and create a business plan with CXC wherein the Birkie will pay CXC 25% from this partnership for producing that revenue and vice versa, the Birkie would do the same for CXC. Second by Dennis Kruse. Point of information by Mary Wingfield: If Yuri gets the Camelback sponsorship and puts it together for \$100K, and we give CXC \$25K. Dennis said he trusts John's wisdom to handle this and work out the details later. He said all three parties must communicate through the process. John said he is not working out the details, as that will be up to Yuri. Sue said she still feels uncomfortable with not knowing how the potential sponsor will be retained and since that is where the work lies, she doesn't know how the revenue will be handled in the future. Motion passed.

Registration Fees

Joe Timmerman moved that the 2013 race fees and possible cap be developed at the Finance Committee level and be brought to the full board for approval at the April, 2012 Board of Directors Meeting. Second by Sue Scheer. John Leighton stated that the Finance Committee already has that authority and a motion may not be necessary. Joe said he always thought that but this year the Finance Committee was superseded and had no opportunity for input. Bill Bauer asked if he could offer a friendly amendment to include "as a matter of board policy". Joe agreed. Motion to read: As a matter of board policy, race fees and possible cap will be developed at the Finance Committee level and be brought to the full board for approval at the annual April Board of Directors Meeting. Motion passed.

Questions for the Treasurer

Mary Wingfield thanked Joe and others for the opportunity to clarify many of the issues discussed today.

Questions for the Executive Director

Dennis Kruse complimented Ned for the Birkie Video. Ned returned the compliment for Dennis' narration. Dennis asked if sales have gone well. Ned responded that about 100 have been sold. Dennis said he visits the website almost daily and he wonders if sales would improve if we had a splash on the website immediately following the Birkie.

Bill Bauer said at the last meeting a board member asked if Ned could create a list of problems preventing a higher cap and a list of the solutions for those problems. Bill asked if such a list has been created. Ned responded that he has begun a list, and the first thing he will do is to get aerial photos of the finish area and plan out how we can alleviate some of the congestion and create a better flow of people. Perhaps we can add more tents. He said we recently completed a survey from skiers asking where they spent time following the race. Also, he and Dave Nelson have begun working on prototypes for baggage racks. From about 11:30 on there are about 20 skiers finishing every minute for the next several hours.

John Leighton asked about the busing issues he brought forward to Ned. Ned said he hadn't done anything with buses yet.

Sue Scheer asked about the next meeting of the Trail Committee. The next board meeting is scheduled for May 16th or May 23rd (Meetings are generally on the 3rd Monday of the month and this must be clarified.). Dave Nelson said there will be a meeting prior to the board meeting.

Ned asked if Mr. Short does not accept our offer, should we proceed ahead on the Hwy 63 concept? Answer from several board members was “yes”. Ned asked if anyone has an opportunity for distributing Trail Run posters, they should take some with them now.

Adjournment

Meeting adjourned at 3:08 PM.