

USSA BOARD OF DIRECTORS' MEETING MINUTES

Saturday, December 2, 2006
8:50 a.m. – 9:45 a.m.
The Pines, Beaver Creek, CO

USSA BOARD OF DIRECTORS' ATTENDANCE

Dexter Paine – Chair - teleconference

Foundation

John Bucksbaum, Treasurer

Andy Daly

Jeanne Jackson, Vice Chair

Kipp Nelson

David Pottruck - absent

Hank Tauber

Sport Representatives

Alpine Representative: Bob Dart

Snowboard Representative: Mike Mallon - teleconference

Freestyle Representative: Andy Wise

Cross Country Representative: Jon Engen - teleconference

Jumping/Nordic Combined Representative: Chuck Heckert - teleconference

Disabled Representative: Jack Benedick- absent

Athletes

Alpine Athlete: Andre Horton - teleconference

Snowboard Athlete: Lisa Kosglow

Freestyle Athlete: Mariano Ferrario - teleconference

Cross Country Athlete: Carl Swenson - teleconference

Jumping/Nordic Combined Athlete: Ryan Heckman - teleconference

Disabled Athlete: Clay Fox - absent

CEO

Bill Marolt

At-Large

Greg Boester

Ex-Officio/Non Voting

USOC Athletes' Advisory Council Representative: Nina Kempffel - teleconference

NSAA President/Chair: Michael Berry

SIA President/Chair: David Ingemie

FIS Representative: Bill Marolt

USOC Representative: Bill Marolt

Honorary

Dr. Bud Little - absent

Dr. Leland Sosman

USSA

Bill Marolt

Dick Coe

Mark Lampe

Annette Royle

Ted Morris

Alex Natt

Janine Alfano

Kelly Nielsen

1. **Chairman's Welcome & Call to Order: Dexter Paine**

Paine called the USSA board of directors' meeting to order at 8:50 a.m. Natt confirmed quorum. Paine recommended that all motions including Tom's be moved to the front so people would not be lost due to running late. Natt concurred and asked if it would be preferable to have Jackson chair the meeting since Paine was teleconferencing, to which Paine agreed.

2. **USSA Agenda Approval: Dexter Paine**

Jackson stated that, if she understood what Paine wanted done, it was to move the four motions to the front, which would be done. She asked for a motion to approve the agenda as submitted.

Motion #1: To approve the USSA Board of Directors' meeting agenda.

M/S/C – Dexter Paine/Andy Wise - approved by acclamation

3. **USSA Meeting Minutes' Approval: Dexter Paine**

Jackson asked for a motion to approve the USSA meeting minutes.

Motion #2: To approve the USSA Board of Directors' meeting minutes from May 2006.

Wise stated that in the spring when the motion was approved for rotations, the way it was printed in the book, you couldn't really understand how it went. The single inverts 1080 rotations should be next to J 4 and under and then the double inverts by the Juniors 2 & 3, triple inverts by J 1 and Seniors. Jackson asked if there were any other questions about the minutes. She asked for a motion to approve as amended.

M/S/C – Bob Dart/Kipp Nelson - approved by acclamation

4. **Foundation Bylaw Amendment: Alex Natt**

Jackson stated that the next item was to ratify the Foundation bylaw amendment that she had proposed, which had been approved by the Foundation, to expand the size of the board and the USSA board needed to ratify that and she asked for a motion to that effect.

Motion #3: To ratify the Foundation bylaw amendment as presented.

M/S/C – Andy Wise/Andy Daley - approved by acclamation; Natt confirmed that there was full agreement by all the board members teleconferencing.

5. **Chairman's Report: Dexter Paine**

Jackson asked Paine how he would like to address the chairman's report. He replied that the only thing that he would ask be repeated for this board, since they were not in attendance at the Foundation board meeting, was discussion of the approaching conclusion of the capital campaign and the beginning of construction for the building.

A number of folks were not on the board five years ago when the board approved moving forward with construction of a Center of Excellence in Park City. Those plans were put on

hold due to the challenges of acquiring land in Park City as well as 9-11 and the subsequent downturn in the economy. Since that time, Bill and staff continued to work very hard to build the Center of Excellence and the capital campaign was now at \$51.5 million for the Foundation. He said that he hoped that that would get to \$60 million by the end of the year. Once the pledges reached \$60 million, the organization was prepared to move forward and break ground on the Center of Excellence.

He described the Center of Excellence as an 85,000 square foot facility for all teams in Park City. A gift of five acres had been received on which the building would be built. Paine said that they were working very hard to conclude the Legacy campaign with the hope to break ground in April of this year and take occupancy of the facility in the Fall of 2008. Other than that, if Jeanne or Bill had anything to add, he would end his report there.

Jackson added that two \$1 million dollar gifts were added the prior day from people who saw the excellent presentation that was given by the staff so the total was now \$53.5 million and now they had a \$6.5 million amount to cover.

Paine asked Marolt if he had anything to add about the building. Marolt replied no, that there was a good understanding of where we were and what needed to be done.

Jackson said that she would make the offer to any USSA board members who were not as familiar with the project that if they wanted some of the materials that were distributed to the Foundation board the prior evening, she would be happy to share that after the meeting.

Paine thought it would be a good idea to share that information and asked Marolt to get that information out to all of the USSA board members.

Paine added that most people knew that USSA was working really hard on obtaining dedicated early on-snow training. He said that the organization had been working with Keystone and had had good fall training. He said they would continue to work with organizations in Colorado over the next year to solidify that for all the sports. Between the Center of Excellence and the dedicated early-season snow, those were two things that would allow the organization to take big steps forward.

6. Executive/Nomination Screening Committee Report: Alex Natt

Jackson asked Natt to address this. Natt explained that these were the proposals that came forth for reconstituting the for-profit boards of USSA. There were two for-profit entities, USST, Inc. and USSA Enterprises. The newly-constituted members were proposed to be Dexter Paine, as chair; Jeanne Jackson as vice chair; John Bucksbaum as Secretary-Treasurer and Bill Marolt as additional board member. He asked for a motion to approve.

Motion #4: To ratify the USST, Inc. and USSA Enterprises boards as presented.

M/S/C – Andy Daly/Kipp Nelson- approved by acclamation

The next agenda item that was dealt with was the USSA member fee structure for 2007/08, (See Item # 14.)

7. FIS Report: Bill Marolt

Paine asked Bill Marolt to proceed to the FIS report. Marolt stated that he always had television on his report because that was critical. The major development there was that a company in Switzerland had purchased Media Partners, an Italian based firm. This

consolidated all of the international broadcast rights to all federations, which he felt was a good step forward and provided an opportunity to start to do a better job of managing from the television perspective.

Marolt stated that anti-doping continued to be an issue that the FIS pursued vigorously and he appreciated the work being done there by the FIS staff as well as the way they coordinated with the national associations. In terms of Council decisions, he reported that there was nothing earth shattering. The members of USSA had access to the minutes from those meetings so he did not think there was anything of significance he needed to report.

Paine asked if there were any questions regarding FIS. Paine commented that he had attended the meeting last spring and he observed that having Bill serve as a representative on the FIS Council served USSA well. He mentioned that Bill was very highly thought of. He said that, while at times it was frustrating, he thought the organization was making reasonably good headway with the FIS.

Marolt concurred that he felt the relationship was good. Paine then asked him to give the USOC report.

8. USOC Report: Bill Marolt

Marolt stated that there were three things he wanted to highlight. The first was that USSA had a great staff-to-staff relationship with the USOC. USSA worked well with them in the planning process and the allocation of funds continued to grow and these, he had mentioned before, were critical funds because they were incremental to every program.

In terms of the NGBC, of which Marolt was chair, there had been little action other than to nominate four people for consideration to the USOC board. He confirmed that USSA had re-nominated Jim McCarthy, who had been on the USOC board for the last quadrennial and USSA was hopeful that he would be re-nominated. Marolt said that McCarthy provided valuable input and knowledge to that board. That, he said, concluded his USOC report.

USOC Athletes' Advisory Council Report: Nina Kempel

Kempel reported that the AAC report had just a few highlights that she would run through quickly. The AAC also had been fairly active in the anti-doping movement. They had conducted a fairly extensive survey with a large pool of athletes to help the USOC to tailor its education programs for athletes as well as some specific issues that they could improve upon to help them fine-tune their education materials.

Additionally, the AAC helped to obtain feedback on the past Olympics, summer and winter, regarding athlete concerns and issues such as athlete rooms not being finished at the beginning of the Summer Games and so the AAC coordinated with all of the athletes to provide feedback to the IOC.

She commented that they had just been asked to look into the issue of Olympic blogging by the athletes, an issue that was raised by the Olympic Press Corps. She reported that there were a number of other projects that the AAC had been asked to look into and she would be happy to talk off line on those. There was the formation an additional task force to focus on the roles and responsibilities of the AAC member representatives within their respective NGBs. Another project was developing a set of recommendations for the USOC code of conduct that set out procedures for the Games Administration Board. Another project was to continue to develop the AAC website. These comments concluded her report.

9. **Sport Committee Reports/Action Items:**

Alpine Sport Committee: Dart stated that there were only a few things that he wanted to go through. He said that number one was that they were very excited about working with the venue management plan that they had been talking about quite a bit. There were a few key phases to that. One was education, materials and supplies and the other homologation of courses. They would be working with those things that dealt with coaches, officials and resorts on the education side. They were inventorying the equipment in the field and getting equipment out there for the resorts to have and the homologation process had to do with the integrity of the points' list and what the officials needed to have for the events moving forward.

Another item he wanted to mention was that helmets were now required in all alpine sports. The other thing he was very excited about was the new committee members coming up, such as Paul Van Slyke in rules and tech, replacing Bruce Crane and Beat Hupfer in Mammoth on regional and quotas committees. He said he was very excited about what they had on the alpine sports committee coming up this winter.

Cross Country Sport Committee: Jon Engen reported that he had no action items from cross country at this time but he wanted to give a brief report. He said he appreciated the concern for the youth memberships and bringing more kids into USSA because that was crucial for recruiting.

He said that cross country represented the most substantial improvement potential. The nordic sports counted for one third of the Olympic medals. Cross country alone had 36 medal events. He stated that cross country was within striking distance of a couple of podiums. It would take time but he was confident that cross country would get there.

He said that the current U. S. competition system, the comprehensive development and performance plan, and expanded U. S. staff had provided the framework for expertise up and down the pipeline ladder. He said that the U. S. community was finally moving toward the center rather than fragmenting further, which had been a problem in the past.

Engen said that he had just returned from the domestic season opener in Montana and had witnessed an outstanding and competent field of 92 women and 129 men from across the country. He said that signified that the U. S. probably had the best recruiting and gene pool in the world and, "We needed to see the project through, even if it would take some time." He said that he was happy to entertain any questions or input, that his line was always open in Ketchum.

Disabled Sport Committee: Jack Benedick was not in attendance and no report had been submitted.

Jumping/Nordic Combined Sport Committee: Chuck Heckert – no report.

Freestyle Sport Committee: Andy Wise stated that the freestyle executive committee had met in the fall. They nominated three new people to the Judicial Committee: Glenn Eddy, Craig Rodman and Travis Mayer. All three agreed to serve.

The other item he wished to address was that freestyle definitely wanted an all-sport license for the younger kids. He said that they were there to advance skiing and, at that age, they didn't know what they wanted to do so USSA needed to give them the opportunity to get a taste of it all. That concluded his report.

Snowboard Sport Committee: Mike Mallon stated that he agreed that a multi-sport license was a very important option for the kids to try snowboarding or skiing. He stated that he didn't have any action items - just a couple of updates to report.

He discussed the changes to the staffing for the program. On the competition side, he mentioned the Grand Prix Tour was completely full and they were excited about the Revolution Tour, of which he reported that all the events but one were sold out. He said that was something that they had not anticipated and that they currently had wait lists for all their events. Next year, they would be looking to expand the Tour. That, he said, was his report.

Jackson said that the group had seen a snippet of the snowboarding DVD yesterday and that it looked fabulous.

10. Judicial/Legal Committee Reports: Alex Natt

Natt stated that he had a couple of things. He noted that, in the May minutes, he neglected to report the help from several members of the committee and outside counsel, Gordon Strachan, had provided in a very difficult team selection experience in the selection of the Snowboard Olympic Team last year. He thanked Lisa Kosglow, Mike Mallon and Gordon for participating in that process. Ultimately, the USSA selection of Tyler Jewel was upheld and he did go the Olympic Games. It had been a very delicate situation and well handled.

During the summer, there was one Judicial action in alpine where an athlete was challenging some participation criteria that he contended that he was being kept from competing and the committee initially prepared a report that denied his claim; he appealed, and the full alpine Judicial committee heard his appeal. Evidence was presented and the committee's initial finding was upheld. He exhausted his remedies within USSA and he did have the option to appeal to the USOC but USSA had heard nothing since, so he thanked the alpine sport committee for taking the time to hear that appeal.

On the legal side, USSA was the party in two personal injury lawsuits. USSA had been dismissed from the one in New Jersey. New Jersey's non-profit law was favorable and USSA could be dismissed as a non-profit out of that litigation. Mt. Creek remained a defendant in that litigation.

The other issue back to Gordon was that he was going to have an argument before the Utah Supreme Court on December 6th. The plaintiffs had claimed that ski cross was an ultra-hazardous activity. Natt explained, under the law that would put that event in the same realm as someone who manufactured explosives or handled wild animals. The more interesting and potentially damaging piece of the argument was that the plaintiff has contended that athletes should not be able to waive their prospective negligence claims before they engaged in any activity. This would not directly affect USSA but might affect the events run in the state of Utah. He hoped for a favorable result from Gordon the next week. That, he said, concluded his report.

11. Audit Committee: Greg Boester

Boester remarked that he had taken over the committee from Bill Bindley earlier in the year. He was happy to say that some of the issues of the past in terms of the creation of the financial reports and timely distribution of those had been resolved. The staff and, ultimately, the auditors did a great job in getting things moved up so that there was ample time to review them and have the necessary calls with and without the staff.

He confirmed that he now felt that there was a decent process to feel comfortable about the way things were presented. He said that he would like to see the auditors' engagement increased a bit and worked with staff get that accomplished. At the end of the day, he said, they'd provided an unqualified opinion regarding the soundness of the financial reports and the books and records and on USSA's policies and procedures.

Boester said that as a procedural note, they had discussed the creation of the financial reports and the numbers within, across the entities. They had discussed conceptually the process of revenue recognition with respect to pledges and otherwise, and the auditors were very comfortable that all the procedures were very much in line and very conservative in nature.

He reported that there would be a couple of other things that they would work on with the auditors and staff looking forward, "To make sure that the audit process and the linkages within the various organizations within the umbrella were anticipating the tremendous growth and increased visibility to make sure we were on top of things. Generally speaking, this had been a good transition between Bill Bindley's team to the existing team and that they looked forward to working with the staff to make it the best process possible."

Paine said that they appreciated his taking on what was probably a thankless job. He said that Mark and his staff had a good handle on the financial piece of USSA's business.

12. USSA Athletes' Council Report: Ryan Heckman

Heckman stated that he wanted to apologize for not being there in person. Due to weather-related travel difficulties from Dallas, Chicago and LaGuardia he had spent about 20 hours on runways including until 2 a.m. that morning.

He reported that the retirement process was the genesis of the spring meeting from the Athletes Council. There was a fair amount of discussion at that time around the code of conduct; and while the Council was very supportive, there was also a fair amount of discussion around athletes' rights in general, around the code of conduct.

Andre Horton had proposed an initiative to channel that in a positive manner and proposed that the Athletes Council review the retirement process as a way of giving back the same leadership standard to the athlete upon retirement. During the meeting there were three things discussed. One was that it was an inconsistent process among disciplines and individuals. There was a general lack of awareness related to resources that the organization had offered athletes and also just a general lack of appreciation for ending their careers and moving on without appropriate recognition.

In order to validate those views, the Athletes Council decided to undertake a survey to vet the feelings of athletes recently retired. There were approximately 35 athletes who retired over the last three years and that did not include those on development teams or other regional programs. Only 12 participated in the survey, representing 35% of the population of retiring athletes so he said this was more about where there was smoke, there might be fire.

Some of the statistics gleaned from the survey were that 75% who responded reported a less than 5 on a scale of 1 to 10 on their satisfaction with the retirement process. Only 8% responding to the survey felt appropriately appreciated. 17% were given an opportunity to provide feedback to the program and another 17% felt they were given appropriate transition support as they exited the world of athletics to the real world. T

he silver lining, according to Heckman, was that despite the negative sentiment as related to the retirement process, no less than 60% of those who responded reported wanting to help and participate on various programs.

He also stated that they had offered an open-ended question to provide some recommendations in terms of the retirement process and coupled that with some of the comments from the Athletes Council and looked at the retirement process in three segments: the recognition process, communication process and transition process.

On the recognition side, a simple personalized letter from the CEO with some tidbits about their contributions to the program was recommended. The second thing was some sort of legacy award for individuals who had contributed athletic and leadership contributions.

In this regard the Athletes Council felt strongly that, given some of the sticks embedded in the code of conduct, there might be a carrot and might provide some inspiration for athletes to make a valuable contribution on the leadership side. They also talked about gathering those folks together annually and recognizing them in a public setting and then simple things like a certificate or article of clothing to recognize athlete participation in the program, which he thought had been done in the past but inconsistently.

On the communication side, make sure to establish and deploy a consistent communication plan for retired athletes. Several survey participants highlighted that they stopped going to events, but some reported good feelings, which spoke to the inconsistency. Some wanted an exit interview or, at the very least, some survey or means of providing athletes an opportunity to share their feelings about the program in the hopes of providing some feedback to the management team for areas of potential improvement.

On the transition side, this fell on the side of packaging what was out there available for the athletes. As Lisa reported during the trustee meetings, there was significant appreciation for the education programs afforded athletes today. He felt that we could do a better job of packaging a really comprehensive package as part of a retirement process.

Those were the thoughts that they had wanted to share with the group. He could send the result of the raw survey to anyone who would wish it.

Paine said it was this kind of honesty that helped the organization to do a better job and that education would go a long way to correcting some of these things. He said that the organization recognized it had not done as good a job on the communication front. Tom, Bill and he had had an opportunity to talk about this and he said that they appreciated the work that had been done on this to correct some of these things. He said ultimately USSA wanted those folks to be enthusiastic and help increase participation at the youth level.

Heckman thanked Paine and Heckman said that that concluded the Athletes Council report.

13. Old Business: Dexter Paine

Paine said he didn't have any old business. He asked Marolt and Natt if they had anything that fell under the category. Natt replied that if anyone wanted to make a comment, now would be the time.

14. New Business: Dexter Paine

This agenda topic followed Item # 6 on the USSA agenda.

Natt stated that, on page 72 of the joint meeting book, the sport committees and staff had recommended an increase in the fee structure in particular sports, which Tom Kelly would address.

Tom Kelly discussed the USSA member fee structure for 2007/08. He said that, as in the past few years, management worked with the sports and sport committees to bring the fee recommendations to this meeting so that this could be completed in line with the spring renewal process. The system had worked very well over the last few years and he stated that the organization wished to continue with that system. Kelly referenced the schedule of fees which had been discussed with the sports and with the sport committees and he recommended passage of the fees for the '07/08 season.

Natt asked for discussion.

Bob Dart wanted to point out a couple of things with this. He said that number one, the sports did approve these in September but he still wanted to have these reviewed in the spring by the entire committee and not just the executive committee.

Dart also commented that the request for a multi-sport youth license had not been addressed and that had been asked for last December and again in the spring. He said that the sports wanted to see a multi-sport youth license for J 6 and under.

Jackson asked if there was a reason that this had not been addressed.

Kelly said that this had been addressed internally. A multi-sport license was very possible to do but the challenge was that it would represent fee increases of 50-60% for all sports but alpine. The average fees would be approximately \$53 to accomplish the same revenue level that the company was currently taking in. In principle, it was a good idea, but in order to get activated, it would result in a significant fee increase for all sports but alpine.

Jackson said that, as a parent of an athlete who did this, the parent would see a decrease since the parent only bought one license instead of two; she asked if she was missing something.

Kelly agreed that that was correct if you had someone wishing to do that. If the financial level were to remain the same, it would apply to all memberships regardless of whether the participant wished only to be in one sport.

Wise said there were many people in clubs who were not joining because of that and were working around the system. He hoped that providing a low introductory offer would get them hooked.

Jackson said that what would be useful would be in the spring to look at the data on this. How many kids were buying more than one license, how many would save money, and therefore have less money coming into the team? How many kids were in clubs and not buying licenses at all? Jackson asked if, with reviewing the multi-sport issue in the spring, Dart was comfortable with moving forward and approving this schedule now?

Dart said he would be all right with moving forward with the understanding that the multi-license conclusion being reached soon. Jackson asked if Paine was comfortable with that? Paine agreed that he was comfortable with that approach.

Motion #6: To approve the USSA member fee structure for 2007/08 as presented.

M/S/C Bob Dart/John Bucksbaum

15. **2007 Meeting Dates & Closing Remarks: Dexter Paine**

Paine stated that the next time the board was scheduled to be together was at its next meeting in Park City in May, which was scheduled so as not to conflict with mother's day. He encouraged everyone to attend as much of that meeting as possible. He said that it was the one time of the year when the volunteers gathered together, as well as all of the disciplines, and it provided a good perspective on what the organization was about. He closed his comments encouraging the board to attend any and all of that meeting and he looked forward to seeing everyone in May. (USSA Congress 2007 – May 16-20, 2007.)

16. **Adjournment: Dexter Paine**

Natt asked for a motion to adjourn.

Motion # 7: To adjourn.

M/S/C Andy Wise/Bob Dart

In an effort to avoid duplication of agenda topics, the USSA President's report and others were covered in the Foundation board meeting, immediately preceding the USSA Board meeting. Those minutes follow.

Minutes prepared by Suzette, 12/10/06; Natt legal review, 12/11/06; Exec review, 12/15/06.
Sent to the USSA BOD 12/18/06 and posted to the web, 12/18/06.

U. S. Ski and Snowboard Team Foundation Board of Trustees' Meeting Minutes

Saturday, December 2, 2006
7:00 am – 8:25 am
The Pines, Beaver Creek, CO

Board of Trustees in Attendance:

Bob Beattie
Bill Bindley Jr.
Gary Black
John Bloomberg
Greg Boester
Erik Borgen
Michael Brooks
John Bucksbaum
Andrew Cader
J. Crandall
John Cumming
Andy Daly
Mark Dowley
Spence Eccles
Chuck Fetties
Harry Frampton
Martha Head
Robert Hoff
Jeanne Jackson
Scott Jarvis
Dennis Keller
Peter Kellogg
Doug Mackenzie

Kevin Mahaney
Thomas McGonagle
Andy McLane
Cindy Nelson
Kipp Nelson
Bill Nutt
Dexter Paine - teleconference
Paul Raether
Steve Read
Eric Resnick
Bob Reynolds
Jim Riepe
Mike Shannon
Tiger Shaw
Bill Shiebler
Dick Steadman
Steve Strandberg
Jim Swartz
Hank Tauber
Jamie Temple
Stew Turley
Dan Waters
Thom Weisel
Geoff Yang

Others in Attendance:

Bob Dart
Lisa Kosglow
David Ingemie
J. Leland Sosman
Gordon Strachan
Andy Wise
Michael Berry
Ryan Heckman

USSA:

Bill Marolt
Dick Coe
Mark Lampe
Annette Royle
Ted Morris
Janine Alfano
Kelly Nielsen
Alex Natt

1. President's Welcome: Jeanne Jackson

Jackson greeted everyone. She specifically welcomed the four new trustees: Steven Read, Eric Resnick, Kevin Mahaney and Bob Reynolds. She said that the new trustees represented geographic and interest diversity, which would be a benefit in the coming years.

Jackson stated that she wanted to comment on the Legacy presentation of the previous night. She said that the presentation had been inspiring and passionate. She shared that she appreciated the opportunity to meet the coaches, Luke Bodensteiner and Jeff Wintersteen. She complimented Emily Cook on her portion of the presentation and the other athletes.

She commented that she had received a great deal of input from the trustees over the last few days, for which she was grateful. She mentioned that Dexter ran the USSA board and she felt that the comments were helpful to both of them. Input, she said, was very valuable whether on governance or things we should be moving toward and she specifically mentioned the input on marketing. She stated that there had been a lot of emphasis on communications, whether foundation trustee communications or other and she thanked everyone for their input and emphasized its continuing importance.

2. Approval of Agenda: Jeanne Jackson

The first item of business was to approve the agenda and Jackson asked for a motion to approve the agenda.

Motion # 1: To approve the meeting agenda as presented.

M/S/C Chuck Ferries/Mark Dowley

3. Approval of July 2006 Meeting Minutes: Jeanne Jackson

Jackson asked for a motion to approve the minutes from July.

Motion # 2: To approve the Foundation minutes as presented.

M/S/C Andy Daly/Gary Black

Sosman commented on the length of service attributed to himself, Fraser West and Nelson Bennett.

4. Chief Executive Officer's Report: Bill Marolt

Marolt commented that it was great to have everyone here and that it was exciting and meaningful to get together at the Birds of Prey World Cup event and that it was always energizing for the staff and athletes to have the trustees in attendance. He said that it was clear that the trustees enjoyed being on the board and supporting the athletes and that was good for everyone involved.

Marolt said that his focus this day would be on the re-centering USSA and he planned to share his thoughts on the athlete management program, USSA in 2010, discuss some new training partnerships, and close out with comments on the Center of Excellence.

For the board members who attended the July meetings, this would be a bit repetitive, he said, but he thought that there were enough board members who weren't there to review what the staff did post-Olympics. In Martha's Vineyard, the vision, mission and goals and values had been discussed.

Post-Olympics, the staff debated the idea of best in the world and whether that was an appropriate goal. He said that the company still believed in that and that was where the organization should be, that it was the American way and he discussed that being the goal.

He said the pitch in future would be to win more medals in skiing and snowboarding in 2010. In terms of the vision, the shortcomings from Torino were discussed at length, and one of the main things to result was a re-focusing on leadership. "To make sure that we were leading 365 days a year and the mission statement reflected that, the mission of the USSA is to provide strong leadership that establishes and supports athletic excellence."

Leadership was one of the most difficult concepts for staff to understand and would be something that would be continued to be worked on, particularly with the coaching staff. He reviewed the goals that had been established for the organization:

- Athletic excellence
- Financial strength
- Organization growth
- Positive organization image
- Partnerships

Partnerships had been added to reinforce “where we came from.” The stakeholders were the athletes, staff, board, volunteers, donors, and sponsors - all the way down to the parents at the grass roots level. That was the partnership and regardless of where you were in that structure, it was particularly crucial to remember this at the elite level. He said it was crucial to remember the partnerships had created those opportunities for the athletes.

Another focus for the staff was the discussion of core values that were debated at length in Vancouver to put Torino behind and focus on the Olympics in 2010. In discussing with athletes and others the concepts of values and what individuals get from participating in athletics and with this sort of organization, he said that he had wanted to define the values and wanted athletes, coaches and staff to understand that these were the things that we stood for and took away from the organization once we left it. The core values were determined to be team, loyalty, integrity, respect, accountability and perseverance. He said those would serve the organization well as it drove forward to the 2010 Olympic Games.

Discussions continued in the spring about what to do going forward, and how to present the organization, which had been a discussion among the media and board members as well. How the organization had been perceived as teams and individuals had been reviewed and we decided that what we did going forward and what the image was for the organization, athletes, staff, etc. would be critical moving forward.

Marolt said that there had been discussion of changing the culture, making it more structured and more disciplined. He said that the intent was not to be dictatorial but it was important that everyone understood his/her critical role in presenting the right image to the public. He said it was particularly important that the athletes remembered that they were role models. “At the end of the day, when you achieved international success, you were given special status and special responsibility and that was the strong message that was being delivered to the team.”

He said that in front of everyone was the 2006 Team Manual, which had been put together for the teams. The information had been distributed to the athletes in the past in different ways but this tool was created to contain all of the needed information in one place. He outlined the contents. This was given to the athletes at the time that discussions took place with them on changing the culture and what the levels of expectations were. He asked the board members to take the time to review the athlete agreement, the code of conduct, and the other contents within the manual.

This was a tool of the athlete management system around which he wanted to create the support and direction necessary; and, to achieve that, a new associate director of athletic services had been hired, Todd Wyant. He described Wyant’s background in athletics. Wyant would become the person in Park City who would be the contact for issues. He would focus on communications with the athletes on a regular basis.

Marolt said he was excited about this new direction and that it would take time to make this cultural change and it would not always go smoothly but, at the end of the day, this was where the organization needed to be.

Marolt said that looking at the company in 2010, he had put out some very aggressive targets for revenue growth. He wanted to have a \$34 million company and the sources of revenue would be fundraising and sales & corporate sponsorships. The core focus would remain on athletic performance with the elite programs, supported by sport science and medicine and invest heavily in the development systems and on education. He said that when he discussed education, it was in the broadest of terms, coaches' education, athlete education, staff education etc. Finally, he wanted to finish out the Legacy campaign.

He said that he also wished to discuss a couple of other exciting projects. He stated in looking at the preparation period on snow, that a good job was done all through the summer months and into the fall going through the southern hemisphere but that, from late October through Thanksgiving, there was a void in finding good snow.

A decision was made to talk to the areas in Colorado that had the altitude to make the snow. Staff visited with Copper and Keystone and, ultimately, created an early skiing situation in Keystone this year that was ready to go in early November and was exclusive to the team and made the snow at the density and consistency that was required. It was a partnership between York snowmaking, USSA and Keystone. "It was an effort where a group of people got together and made something happen – from initial discussions to getting on snow was 30 days and included the installation of snowmaking equipment, testing it and blowing the snow and that provided the best training in the history of the program for that period of time." He said that he wanted to expand this concept to create a speed venue. This also provided opportunity for the freestyle and snowboard programs in combination with Keystone and Copper.

The final partnership was a contract with the Trentino area in Italy (south of the Brenner Pass) with a lot of skiing and the people were interested in USSA using that as their home base, providing housing and on-snow training and conditioning space. The whole idea of upping the ante, these partnerships were part of that going forward.

Marolt said these would pay huge dividends with the elite and development programs. Elite teams would be in Keystone between 12-14 days and the development teams would have an additional month of training – access for all the USSA clubs around the country.

In closing he wanted to discuss a few things about the Center of Excellence. He said that everyone had heard a lot about the project this week. After the evening's presentation, Jim Swartz gave a million-dollar gift and another million-dollar gift was donated by someone who wished to remain anonymous. He thanked them and said that the goal was to start the plan the first of January and start moving on the building in April. The boards approved the project a number of years ago and, as soon as the \$60 million was reached, the organization would move with the planning and execution of where we wanted to be by the Fall of 2008.

5. Financial Review: Mark Lampe

Lampe mentioned that the financial packet was being distributed with the consolidated audited financial statements as well as the foundation audited statement and the executive summaries for the year ended as well as the current six months. In addition, an investment fund report was included.

Lampe touched upon where the company finished off last year, which was with a \$163,000 operating surplus for the 11th year of operating with a small surplus. Lampe stated that it was due to all their help that this had been achieved.

For a comparison between last year's and this year's projected financials, there were a few highlights that he stated were worth mentioning. He said this was the first year in its history

that there was a post-Olympic increase to the athletic budget. He commented that it was almost a \$2 million increase. There had never been an increase and, usually, a drop in funding in the post-Olympic year.

Lampe said that those who had been around after Salt Lake were aware of that. The downturn of the economy also created a very tough environment in 2003. The teams, he reported, were very excited. He stated that they had filled out their programs and a lot of sports added development activity to continue to build to 2010 and these were made possible by adding this increase.

Lampe stated that it wasn't without its challenges. The main two revenue areas, the marketing department and Foundation, had significant growth targets. They were well on their way to achieving those targets. He said that, "We might not be hitting budget on those targets yet because they were such a stretch but year-over-year growth in revenue streams were showing growth in both of those departments." The rest of the information, he said, both departments would be reporting on so he closed his report.

6. Investment Committee Report: Lampe/Swartz

Swartz explained the source of the funds and stated that the balance was approximately \$27 million at this time. He said that there had been a number of adjustments over the year.

The Investment committee had moved away from absolute return of funds and fund-to-fund, which were moved into four years prior to stabilize the portfolio, to a gradual increase of the risk in the portfolio, going more into direct hedge funds and with direct investment managers. He stated that there had been a pretty good return this year, which to date was 11%.

In general, the committee would continue to look for good high-quality managers who would bring excess returns to the portfolio. He said they'd gotten good ideas in the committee meeting and he challenged the trustees to continue to bring good ideas to the group and they would try to execute them. He then reviewed the current allocation and the investment earnings from 2003 through 2006.

7. Athletic Committee Report: Schoon/Steadman

Dale Schoon stated that he appreciated the opportunity to present to the group. He remarked that he had been with the company for eight years, seven of which he worked with Alan Ashley in managing the athletic department.

In a post-Olympic season, he said, they anticipated a certain amount of turnover and he said that he wanted to review how they were currently managing the overall athletic department. He would touch base on the transition of the sports in a post-Olympic season and review a few sport highlights, closing with the critical success factors.

He reviewed the roles of Andy Walshe and his role and did a quick overview of the organization with the addition of Todd Wyant. He then showed a slide that highlighted where the changes had taken place in sport management in all of the sports, including new hires, changes in positions, etc.

Schoon then reviewed the service support departments of sport science, coaches' education and medical and reviewed the changes that had taken place to date, including those positions that were yet to be filled.

He highlighted the Medical program, which had been started from scratch by Melinda Roalstad, who had built the program into a world-class program that was second to none with

other federations in the world. He stated that he was working with Roalstad on a transition plan to replace her position as soon as possible.

In sports highlights, he said that they were moving forward with a very good group of veteran and young athletes. He touched on the new opportunities provided by the partnerships with Keystone and Trentino. He said that the athletes and coaches were ecstatic with the opportunities for training in Keystone. He said that both sites were interested in providing opportunities for the freestyle and snowboard athletes as well.

In cross country, he said that a good group of athletes was being led by Kris Freeman, Torin Koos and Andy Newell. In Jumping, he said that there were now 14 athletes with the addition of women to the team. In nordic combined, he indicated that the current team would be supported with a World Cup B team. In Jumping, he also commented, that they had contracted with the National Sports Foundation at the Olympic Park in Park City for coaches to head up the men's and women's jumping teams. He said that the IOC had decided not to add the women's program to Vancouver and that USSA would continue with the program in anticipation of its addition in 2014.

In freestyle, there were a number of retirements of elite athletes. He reviewed those. In snowboarding, he said there was a very strong halfpipe and boardercross team and he expected the same effort from them over the next four years as had been exhibited in Torino for Vancouver.

He stated that the critical success factors for athletics including maintaining the leadership of the elite teams to maintain that success. He said it was also very important to create and maintain a professional environment to enhance the participation from the stakeholders, including the resorts, clubs, athletes, the trustees, parents, etc.

He said it was important to continue to recognize that development was a critical aspect of what athletics did and that would impact the future and maintain success in athletics over the next decade. He said that they would continue to focus on the EPM and the strategic planning process so that the programs in place continued to be effective in achieving goals.

Finally, Schoon said, "The Center of Excellence was the concept that would pull everything together, the passion and commitment from everyone under one roof to become the best that we could be and, ultimately, the best in the world."

Dick Steadman said that Melinda's leaving would be difficult but also an opportunity. When you thought of the importance of the medical side, three of the four people in the top 10 in yesterday's race, he said, had had significant injuries and came back. He said that we needed to look at the possibility of going to an even higher level.

8. Legacy Campaign Committee Report: Alfano/Kellogg

Kellogg commented that, at one time, there had been a study on how much money could be raised for this organization and the number had been defined at \$16 to \$18 million as a goal and, if very lucky, \$20 million could be achieved. He said that they had never let anyone know that. He said that the goal was never set until recently, until, "We were sure we could make it." He thanked everyone saying that it was amazing that the dollar amount had not been set early and, "We'd gone out and just continued to ask people for money."

Kellogg said that he'd made a lot of friends doing this and he said that \$10 million had been achieved over the summer and a couple million over the weekend. He said that the second gift was an additional \$1 million gift. The last \$6 million or so would be the most difficult to achieve, he said. He stated that all the board members needed to sign up and that the staff

had also participated in this. He said that, in a conversation about how much money should be given to this operation, someone once responded that you should give until it hurts.

Kellogg said that if any of the trustees had not seen him or Trisha or Bill or Janine, it was probably because they were new to the board. Unfortunately, he said, capital campaigns never stopped. If new to the board, he warned, they would be seeing him eventually but he wanted to thank everyone for their commitments not only to the Center of Excellence but also to the endowment.

Sosman commented that in the old days, raising \$100,000 had been considered a huge success and that what had been achieved here was just fantastic. Jackson agreed.

9. Resources & Special Events Committee Report: Alfano/Raether

Alfano stated that they were excited to be reporting on forecasting to raise more money than in the Olympic year and that was with great thanks to the talented Foundation staff and all of the tremendously supportive trustees and donors in this room.

She said that they had budgeted to sell all 400 gold passes this year, which resulted in an additional \$115,000 in revenue. The number sold as of this date was 377 passes.

In special events, the forecast was to be \$300,000 ahead of last year. She thanked John Bucksbaum for exceeding budget in Chicago and Thom Weisel in San Francisco to help make budget this year. The New York ball provided over \$1 million in revenue. The Silicon event was tremendous and the New England event had had a lot of energy. She thanked Becky Woolley, who had managed the events flawlessly and the expenses very well.

In major gifts, the forecast was to be up from last year with six major gift managers across the country. She listed the six. She said there was a gap in that budget and to please talk to the managers in their areas to help bridge that gap, whether by selling gold passes, helping to obtain major gifts, participating in Team Vancouver, or travel to the World Cup – there was a great portfolio of ways to give.

In direct marketing, there were approximately 13,000 donors. She thought that there would be some improvement to \$200,000 this year. She then discussed the Team Vancouver program. She said this program promised to be even better than Team Torino. There were currently 36 members signed up of 50. She said that there was good feedback in the resources committee meeting about possibly doing some hybrid between Vancouver and Whistler. She said if they had thoughts on any of the programs to just let her know.

Raether commented that, with Trisha out for maternity leave in the fall, the Foundation still had not missed a beat with Janine stepping in and taking over. He said that showed depth and great people. Jackson confirmed that it was a very impressive job that had been done by the Foundation staff.

10. Education Committee Report: Alfano/Shaw

Shaw said that they had had a great meeting, which had been well attended and he thanked everyone. He said that there was a lot of support from a lot of areas and he would recap these as briefly as possible today.

He reported that the growth over the last five years had been staggering. He said the ability to support the athletes had grown two- or three-fold. He said more athletes were benefiting every year. He said that the alumni support had been extended from one year to two. He hoped that that could be extended into more years.

He reviewed the various programs: tuition reimbursement, the Hoyt Dartmouth language program, laptops for learning, Westminster and Utah Electronic College. He said all of these were working very well and would tie in well with the Center of Excellence. The connection with the Utah education partners would become especially strong.

He said there had been a lot of discussion about a mentor program that would be initiated. The idea was to assign trustees to athletes to help counsel and guide them with their academic plans and tie in with Todd. He said that Todd would be asking athletes to present an academic and career plan to the team as part of the requirements of being on the team. The idea was to have Todd have an understanding of what the athletes' plans were.

He related that Dick Coe had cornered certain athletes and quizzed them on their plans and completely turned them around into planning an educational program that would result in a degree. He stated that many athletes weren't necessarily thinking in that way nor were their parents. He said this would provide the unique position of helping those athletes.

He said that they were very excited about the addition of Todd to the staff and he wished to thank him in advance for all the work that he would undertake.

He thanked the individual supporters of the education committee's programs. The endowment had added to the funding stability and ability to keep the programs going year after year and he thanked Janine for the amount of time devoted to this program as well as Dick Coe, who had put quite a bit of time into this since coming on board. He said that he and Janine had the mentor forms for any trustees who were interested in that program.

Shaw closed thanking all for their support. Jackson commented that if Todd were to do everything on his list, he would need a 120-hour week, that there were a lot of expectations on his contributions.

Lisa Kosglow commented that she had retired in January and that she was taking advantage of the tuition reimbursement program that the Foundation had offered. She wanted to thank everyone who had donated to that program and made that a possibility for the athletes, and that extending the program for two years benefited those who had committed 100% to their athletic careers and were just now focusing on their education. Jackson thanked her for reminding the group of why they were there.

11. Marketing Committee Report: Morris/Dowley

Jackson stated that Pottruck had been at the committee meeting but had had to leave for this father's 80th birthday.

Morris started by reviewing the major events for 2007. The newest site was Tamarack, ID and that USSA was excited about bringing a snowboard event there in February. Morris stated that the revenue goal was forecast at \$7.8 million, which was \$13.8 million of gross revenue from the department, which would be a 2% increase over the Olympic year.

The main contributors were 17 renewals that needed to be achieved post-Olympics. To date, 13 renewals were completed and resulted in an increase of 2% on those dollars, which was fantastic in a post-Olympic year. He mentioned that there were seven new partners and they represented \$500,000 in new revenue. He said that they were currently 75% sold on TV sales on NBC. That left \$500,000 to obtain.

Morris said it was still a challenging marketplace out there and he asked for any help if the trustees knew of any companies that would be interested in supporting the programming on

NBC. For content distribution, there would be 10.5 hours of coverage on NBC. The time buy fees were reduced by 11% for the next four years.

Renewal for Versus (formerly OLN) was concluded for two-years for 45 hours of coverage with a consistent time of 5 p.m. on Sunday evening – domestic events only. WCSN.com would be broadcasting all World Cup races in every discipline for a \$49 fee. He mentioned that the link access from the web site was on the right hand side of the screen. There would be \$40,000 in rights fees from them this year. The last tier was Lat 34 and Studio 411 that would have clips of athletes. Sprint would also be distributing video content on their phones from USSA events.

From a branding standpoint, they were driving traffic to totaldisruption.com. There were also new commercials that would also drive traffic there. He indicated that brand lines would be developed that the athletes would buy into and there would be further separation of the USST and US Snowboarding brands. He said that more and more partners were targeting either the USST or US Snowboarding and that would allow splitting categories between the two brands further.

Focus groups had been conducted with consumers and athletes and the most critical thing in developing the brand lines was getting the athletes to buy in. He showed the group a couple of commercials that would drive people to totaldisruption.com.

Tom Kelly discussed the fan base that was started in '03 to develop a tangible list of fans. That list had grown to over 100,000 names in the time period. The new strategy was to look at the quality of lists, the demographics, to use this for the on-line shop. He said that since November, when USSA took over the shop, 5,000 customers had come in and USSA had doubled its revenue. The next phase would be to understand the demographics so that meaningful leads could be passed on to Foundation's major gifts program.

He reported on media training, which was an area that had not been systematically addressed by the organization. He stated that the organization wanted to develop a comprehensive program from now until Vancouver and beyond, that would provide training and direction and education to the staff, athletes and also provide strategic planning consultation to the organization.

This fall, the staff looked at firms around the country and selected a firm from San Francisco called Xanthus Sports, an athletically based agency. He said that one of the principals was in Beaver Creek for the weekend to observe and that a program would be customized for the organization moving forward.

Mark Dowley stated that we should be incredibly proud to have the revenue going up post-Olympics, which was really remarkable. He stated that he did not believe that there was an NGB out there who had accomplished that.

He said that, from a macro perspective, the organization was at a marketing crossroads both internally and externally. Everything you read and saw confirmed that media was in an unbelievable amount of systemic change.

He said that the challenges of marketing effectively in today's environment for USSA and its partners created enormous challenges ahead in terms of reaching consumers effectively and spending their money wisely. He said that we wanted to be that friendly environment to help the partners spend their money in the most effective and creative way possible.

He commented on having to have an athlete sport agency and being involved in media training was coming to the realization that USSA does not own its brands, the public did. The public perception of what snowboarding and skiing were would determine the success of the organization from a marketing standpoint as well as a perception standpoint.

As we moved forward from a strategic standpoint, he said, you had to look at everything that made up the brand, whether public relations, athletic performance and most importantly the athletes themselves. To the best of this organization's ability, to enable and facilitate positive messages from a marketing standpoint down to working more closely with the partners would make the difference between failure and success. This would need to be examined in a world with a lot of media changes.

Jackson stated that Mark had taken on vice chair responsibility with David for the committee. She said that his input would be very helpful in guiding the staff over the next few years and thanked him for taking that on.

Andy Daly commented that there was a mention of separating the ski program from the snowboard program, giving both stronger identities. Morris confirmed that the sales were already being structured for U. S. Ski Team or U. S. Snowboarding. He said that the key difference was that there would now be two different brand lines, one for each.

Comment that some trustees would be proud to wear the U. S. Snowboarding jacket.

Comment that in looking at the list of sponsors, they seemed very logical for Ski Team sponsors but, if you looked at snowboarding, there were a lot of people marketing to extreme and game players and he wondered if there was an effort to get those on board.

Weisel commented that Bing Gordon was not in attendance, but as the technical head of EA (Electronic Arts), he was totally plugged into the genre of this demographic and Bing was someone who should be involved in this activity of positioning and marketing this side of the house. Jackson thanked them for their input.

12. Foundation Nominating Committee Report: Natt/Paine

Alex Natt stated that there had been a very busy and productive nominating committee meeting. The first item was the position description for a new trustee being proposed, David Henley, sponsored by John Townsend and Paul Raether.

Raether spoke to the nomination, saying that Henley was a long-time partner at Goldman Sachs and subsequently had started his own firm; he was very active in skiing, and a friend of Townsend. He was also very active at the New York Ski Ball. Raether confirmed that he thought Henley would make a great contribution to the board.

Natt asked if there were any discussion. Hearing none, he asked for a motion to approve his ascension to the board.

Motion # 3: To approve the nomination of David Henley to the Foundation board of trustees.

M/S/C Michael Brooks/John Bucksbaum

Natt also stated that the board had the great pleasure to nominate the active and emeritus trustees listed on page 11 of the meeting book (See Addendum I).

Motion # 4: To approve the slate of active and emeritus trustees as presented.

M/S/C Andy McLane/Martha Head

Natt stated that there were new Foundation officers. Vice President, John Bucksbaum; Treasurer, Doug Mackenzie; and Secretary, Geoff Yang. Natt asked for a motion to approve the slate.

Motion # 5: To approve the slate of officers as presented.

M/S/C Andy Daly/Kipp Nelson

Jackson then mentioned that the trustees had heard from all the committee chairs earlier and that the only change in chairs was with Dexter moving up to chair the Nominating Committee but that there had been some changes to those accepting responsibility for the vice chair positions.

She then listed the changes. Mark Dowley vice chair for marketing; Paul Raether for resources; Bill Bindley would remain with Dexter on nomination; Jim Frank the new vice chair assisting on education. Athletic remained the same with Dr. Steadman and Mike Brook; Jay Crandall had agreed to take on vice chair for Investment; and Peter Kellogg and she remained on the Legacy Campaign.

Motion # 6: To ratify the slate of committee vice chairs as presented.

M/S/C Chuck Ferries/Spence Eccles

13. NSAA Report: Michael Berry

Berry reported that last year had been a record year in the number of tickets sold. Every region except the Northeast performed above their ten-year average, due in part to increased snowfall which allowed for more days open and operating both early and late season. The last five years had seen the longest period of sustained growth in the history of the industry and this was across the board – not just in destination.

There were approximately 490 resorts across the country. Snowboarding had played a key role in that. There had been huge growth in season pass sales, strength in the youth segments and increased targeting of that segment, and baby boomers and early retirees were remaining active in the sport.

He mentioned innovations in snowboarding and in equipment and apparel had helped to increase the numbers. He said that, “A lot of you guys were ripping around on 171’s, not having to get around on 215’s, and so he offered two words of advice to them...slow down.”

The focus on improving the beginner experience, adding a significant amount of capital to maximize that experience, as well as paying a lot more attention to customer service and the quality of the experience had all been designed to send the customer away happy and to have them recommend the experience to their friends and family.

The average age of alpine skiers decreased for the first time in years, with greater participation in the 25 to 44 ages. Snowboard had remained stable at 24 years of age. The retention of baby boomers was always hugely important.

He stated that snowboarders represented 30% of the tickets sold nationwide. He commented that he approved of the separation of the U. S. Ski Team and U. S. Snowboarding.

The west coast had 99% sales to snowboarders, which was reflective of the community. He said that was a quick summary. He stated that the industry was good, and, he closed reiterating that operators across the country enjoyed participating in the gold pass program.

14. **SIA Report: David Ingemie**

Ingemie stated that SIA represented all the suppliers of equipment and apparel. He confirmed that SIA had been involved with USSA for a very long time. He said that SIA's mission statement was smaller than USSA's. The SIA wanted to be the best in North America, and not necessarily the world. The interesting fact was that these were competing companies working to promote snowsports, which made it a little more interesting and sometimes a little more difficult to get things moving.

Ingemie said that 450,000 units a year were sold in snowboard at retail, which was a pretty good number but had leveled off a little as people were not replacing their equipment as often. One of the things that was of concern was the small number of racing skis sold at retail (14,000 in '05/06) – a very small number and it was difficult for some of the companies to provide the funds for racing since not much stock was being sold. He said one of the bright spots had been the 70% increase in twin tips in the last year (33,000 pair).

The state of the industry, he reported, had seen an amazing August through September, and that through the end of October, the entire country was at 14% increase in retail sales and that was very big for them. He said that he did not know if this would hold due to the lack of cold weather in the east but it had not been this strong in a long time.

The orders in this year per shop were the lowest in a long time so the inventory levels would be very low and most of the top product would be out of stock by Christmas – the first time in a very long time. The total market for SIA was \$2.3 billion and had been roughly flat for the last four or five years. The numbers of units were going down but the prices were going up.

He then brought up the trade show in Las Vegas. Last year, the alpine announcement was made at the show, which was quite a media event and he appreciated USSA doing that with them.

He also mentioned that the fashion show was brought back last year thanks to John Bucksbaum because he owned an incredible mall in Las Vegas which was where the fashion show took place and had been an amazing hit for SIA.

There also had been footage from the USSA of the ski team and snowboard team playing out on the strip so millions of people were seeing the exposure of the teams pushing on to the Olympics. This year the Ski Hall of Fame induction would take place at the show.

He then focused on consumer marketing, saying that SIA had been putting a lot of pressure on USSA, FIS and the IOC to get ski cross and ski pipe into the Olympics. Ski cross had been accepted and that would be good to help get more television coverage. He said that there was more work to be done on ski pipe and he thanked USSA for help in getting some of this done.

He discussed the *Winter Feels Good* program for kids. This program focused on the physical education teachers, who actually impacted 7 million kids. USSA was very helpful with David McCann on education and this program had 26 sponsors behind the program.

Ingemie then described the *Locker Project*, which was another interesting way to approach kids. This was an actual locker that contained what an athlete in reality used for a particular activity. He said that SIA was working on developing a national high school tour with these lockers and that this program had just been unrolled.

Jackson thanked both Berry and Ingemie for providing an update on the world that we lived in. Jackson also commented on something that Andy Walshe had said about being the custodians of Olympic snow sports. She said that separating some of the focus under that

umbrella whether development team for skiing, or a different snowboard focus, or how we approached skiercross – how we addressed these were really important topics.

Question asked about the trends of skier days in Europe. With the negative population growth in Western Europe, the industry in Europe was concerned about who their customer base would be in future. The traditional resorts in Austria and Switzerland were looking to the emerging economies of the former Soviet states and Russia for the future alpine customer.

15. Bylaw Amendment: Alex Natt

Jackson said that there was one administrative detail to take care of to bring on the new trustees and that was to enlarge the board.

Natt stated that the proposed amendment would modify Article IV (3) of the USSTF Bylaws, which, as currently constituted, limited the number of USSTF trustees to a maximum of sixty (60). The proposed amendment would increase that upper limit to seventy (70) trustees.

Motion #7: To ratify the Foundation bylaw amendment to increase the board size as presented.

M/S/C Andy McLane/Andy Daly

16. Old Business: Jeanne Jackson

None.

17. New Business: Jeanne Jackson

Jackson commented that some things would happen between now and March. She felt very confident that Team Vancouver would sell out and commented that that experience had been tremendous for those who had participated in both Salt Lake and Torino.

The work on the brands split between snowboarding and skiing should provide some rich discussions. She said that she appreciated the input. The media and communications work that would be done between now and March would be reported on.

She said that she hoped USSA would have closed out the \$60 million Legacy campaign. She said when this occurred, an e-mail would go out to let everyone know that the design phase could then begin and that by March the discussion would be on who would be attending the ground breaking. She said that last year the questions were along the lines of why were we doing this and now the questions were... Is it big enough? Can we incorporate some other NGB's? Should we have a pool? There had even been interesting discussion on what should be on the banners in the entryway so it was a good place to be and she wanted to thank everyone for that.

18. Closing Comments & Adjournment: Jeanne Jackson

Jackson thanked everyone for attending and noted that, after a short break, the USSA board meeting would take place.

Minutes prepared by Suzette, 12/8/06; Natt legal review; 12/11/06; Exec review, 12/15/06.

Addendum I – Active and Emeritus Board of Trustees

Active Trustees	Year Joined	Term Expires
1. Bill Bindley	1988	2006, Fall
2. Gary Black, Jr.	1997	2006, Fall
3. Michael Brooks	1997, Fall	2006, Fall
4. Craig Brown	2003, Fall	2006, Fall
5. John Bucksbaum	1997, Fall	2006, Fall
6. Andrew Cader	2001, Fall	2006, Fall
7. Jake Burton Carpenter	2000, Fall	2006, Fall
8. Andy Daly	1994	2006, Fall
9. Spence Eccles	1985	2006, Fall
10. Martha Head	1997, Fall	2006, Fall
11. Peter Kellogg	1991	2006, Fall
12. Jay Kemmerer	1997, Spring	2006, Fall
13. Andy McLane	1997, Fall	2006, Fall
14. Dr. Richard Steadman	1981	2006, Fall
15. Hank Tauber	1985	2006, Fall
16. Dan Waters	2003, Fall	2006, Fall

Emeritus	Year Joined	Year Elected	Term Expires
1. David Arnold	1976	1996	2006, Fall
2. Nic Cohen	1982	1997	2006, Fall
3. Dick Goetzman	1968	1997	2006, Fall
4. Hal Kroeger	1994	1994	2006, Fall
5. Jeff Mann Sr.	1991	1996	2006, Fall
6. John McMillian	1973	2002	2006, Fall
7. Andy Mill	1997	1997	2006, Fall
8. Whiting Willauer	1980	1997	2006, Fall
9. Sam Zell	1993	1996	2006, Fall

USSA Board of Directors' Rotation Schedule

	Term Expires Spring
1. Dexter Paine, Chairman	2008
2. Jeanne Jackson, Vice Chair	2008
3. John Bucksbaum, Treasurer	2008
4. Andy Daly	2008
5. Kipp Nelson	2008
6. David Pottruck	2007
7. Hank Tauber	2008