



PRESIDENT'S REPORT

47th ANNUAL MEETING OF THE MEMBERSHIP INTERNATIONAL ASSOCIATION OF MOVERS

October 10-13, 2009
Swan and Dolphin Hotel
Orlando, Florida

OPENING COMMENTS

As President of the International Association of Movers (IAM), formerly the *Household Goods Forwarders Association of America, Incorporated*, I am pleased to provide my 13th Annual President's Report to the Membership of the Association, the Executive Committee, the Associate Members' Management Board and the Management Board of the Young Professionals (YP-35) Group.

The information contained within this report and reports of other Association professional staff members, elected Association Officers and Standing Committee Chairpersons during the Annual Meeting, are provided to enable the Membership to obtain an overview of the current status of the Association. More important, these reports will provide information as to what the focus has been relative to the Association's energies, manpower and financial resources over the course of the last year, as well as our strategic objectives for the coming year.

NAME CHANGE

As most members certainly should be aware, the Membership considered and voted to adopt our new name, the **International Association of Movers (IAM)**, in October 2008, during our last Annual Meeting in Hawaii.

The name change became effective on January 1, 2009. There was a planned transitional period of one year, until December 31, 2009, to allow the Association and the Membership to incorporate the new name, acronym and logo in operations, advertising, documentation, websites, promotional material, etc.

All relating Internet domain name registrations, copyright protections, trademarks and other legal registrations of the name and logo have been successfully accomplished with the various State and USA Federal Authorities.

A special link was established on the Association's website to provide the new IAM logo in a variety of formats and colors, along with a Logo Usage Guide that provides guidance in the proper presentation and use of the name and logo.

Reminders on the use of the new name and logo have been periodically sent to the members via our electronic communications and with notices in *The Portal* magazine.

From my perspective, the acceptance, support and recognition of the new name by the Membership, Industry and related entities, as well as the Industry's accounts and customers, has progressed extremely well.

IAM MEMBER NEEDS SURVEY

Responding to and acting on the strong support from the Membership for the name change, the IAM leadership and professional staff felt it was the proper time to reach out to the Membership. We felt it was essential to solicit members' perceptions of the Association and seek input on what benefits and services could bring additional value.

In Spring 2009 IAM contracted with the McKinley Marketing Group to conduct a full-blown survey and analysis of membership perceptions and needs. McKinley, acting under my direction, held numerous phone interviews with segments of the Association's leadership and professional staff; Active, Associate and YP-35 members; and a select group of Associate members who are primarily vendors or suppliers of goods and services to the IAM membership.

From the phone interviews they developed a detailed electronic questionnaire which was distributed to all 2,000-plus members of the Association by email. Well over 30 percent of the members responded to the survey. Their responses and blind comments went directly to McKinley so as to provide an anonymous environment wherein the members could comment openly and honestly on their feelings toward the Association's services, programs, policies, leadership and staff, and the Association's perceived value.

McKinley preformed a detailed analysis of the membership's voluminous input, which ultimately lead to the generation of a report. This report included a variety of recommendations for enhancements and changes in the structure and operations of the Association. Some of the survey's data and findings were shared with the membership as a focus in the July/August '09 issue of *The Portal* magazine.

I am pleased to advise that the Executive Committee authorized me to move forward with several new initiatives, operational system upgrades and needed staff enhancements. I firmly believe these initiatives and proposed changes will help us achieve many of the recommendations derived from this unprecedented outreach to and input from the IAM membership.

I felt it best to mention the Member Needs Survey early in my report, as I will make reference to several of the initiatives and enhancements throughout my follow-on comments.

MEMBERSHIP

The Association currently has five Membership categories: Active, Associate, Student and Industry Veteran, with the Young Professionals (YP-35) group as an adjunct and fifth category.

Membership in the two primary categories of Active and Associate Members continues to show reasonable growth, despite the fact that our retention rate dipped slightly this year in the Associate Member category. This was anticipated due to the slowdown in the global economy, as well as the level of merger and acquisition activity within the industry. Fortunately, the loss or consolidation of some existing members is offset by a continuing stream of new incoming members, resulting in overall positive growth.

Our Active Member ranks remain our biggest exposure for membership growth and retention due to the continuing pressures of the new US Department of Defense Personal Property (DP3) Program and the Government's growing tendency to qualify a large number of carriers, but use as few as necessary. But, contrary to what others have predicted for well over a decade, the number of Active Members holds steady, with us losing some Active members yet gaining others over the course of the last 12 months.

The greatest fluctuation is in the Young Professionals group, which historically experiences an automatic reduction of members as they turn 36 years of age. And more recently there also appears to be an issue for renewals, but this trend may also be attributable to the economy and/or, as the survey would indicate, a lack of perception on the benefits for maintaining a membership in YP-35.

The Association began the last Fiscal Year (08/09) on July 1, 2008, with –

122	Active Members
450	U.S. Associate Members
1,440	Overseas Associate Members
3	Student Member
5	Industry Veteran Members
120	Young Professionals (YP-35) Members

- Totaling 2,140 Members

The current Fiscal Year (09/10) began on July 1, 2009 with –

126	Active Members
452	U.S. Associate Members
1,483	Overseas Associate Members
3	Student Member
5	Industry Veteran Members
100	Young Professionals (YP-35) Members

- Totaling 2,169 Members

As of **October 1, 2009** Membership in each category is:

127	Active Members
453	U.S. Associate Members
1,517	Overseas Associate Members
1	Student Member
4	Industry Veteran Members
103	Young Professionals (YP-35)

Total Worldwide Membership as of October 1, 2009: 2,205
(In 170 Countries Worldwide)

PROPOSED BY-LAW REVISIONS/AMENDMENT

The Membership was recently provided formal notice by email and publication in *The Portal* magazine of proposed revisions to the sections of the Association's By-Laws addressing Membership (Article IV (Membership), Section 1).

Specifically, two of the five existing membership categories, Active and Associate, would be reclassified and renamed **Governing and Core Members**, respectively. A new and sixth category of **Supplier Member** is proposed to be included along with the existing **Student, Industry Veteran** and **Young Professional (YP-35) memberships**.

The Supplier category is being proposed to differentiate those current Associate members who are not directly engaged in moving, forwarding or relocation, yet desire to maintain membership for the purpose of promoting and marketing their products and services.

The reclassification of Active and Associate membership has been proposed to provide current and future members, who electively wish to maintain Governing status, an enhanced level of participation and voice in the governance, direction and focus of the Association.

Keeping with historical practice, those companies who are approved Transportation Services Providers (TSPs) to the US Government will still be required to maintain Governing (Active) memberships.

By incorporating members from the commercial and international segments of the IAM membership, along with the traditional military carrier stakeholders, we will build a stronger and more diverse Association. Without question, we will have an organization better positioned and financially supported to achieve the Association's primary objectives to be a strong advocate, and serve as a business development and educational resource for the Industry in addressing a wider variety of issues facing our Industry, now and in the future.

FINANCIAL

Overview Mr. Bel Carrington, IAM's General Manager, continues to oversee the financial and administrative operations of the Association.

Year End Audit The Association has just completed the official Annual Audit and Financial Review for Fiscal Year 2008/09 by our outside public accountants, Jones & McIntyre, PLLC.

A draft copy of the *Financial Statements and Independent Auditors Report* will be available for review and approval by the Executive Committee and Associate Members' Management Board during the Annual Meeting.

Revenues Total Revenues for FY 08/09 were \$3,207,445, which reflects a significant decrease of \$340,702 from the last Fiscal Year. Revenues were decreased primarily as a result of a drop in revenue from the Annual Meeting in Hawaii, which offset slight gains in revenue from Membership Dues and Initiation Fees.

Expenses Total Expenses were \$3,137,247, which reflects a substantial decrease of \$591,547 versus the \$529,489 increase of expenses seen the previous Fiscal Year. Again, the decrease in expense is primarily due to the lower costs associated with conducting the 2008 Annual Meeting. There were reasonable and anticipated increased expenses in staff related categories such as travel, payroll, payroll taxes, insurance and pension contributions.

Expenses for office rent and operations remain constant and as budgeted. A survey of prevailing rental rates in the Washington, DC area would indicate we are still paying well below market rate for similar space and location. Our current lease runs through April 2010. Plans have us focused on renewing the current lease arrangements and remaining in our current office location, assuming the go-forward rental fees remain reasonable.

Overall printing costs have been slightly reduced due to Annual Meeting material being web-based. For the first time in years we actually reduced printing cost due to our efforts to utilize electronic communications. Postage costs continue to climb due to the growth in page size and expanded global distribution of *The Portal* magazine, as well as two substantial US postal rate increases experienced in the last 12 months.

Web-related expenses were slightly higher as we try to maintain and enhance our presence on the Web. The Association manages websites not only for IAM, but also the YP-35 group, International Shippers Association (ISA) and the Alan F. Wohlstetter Scholarship Fund. A significant revamping and enhancement to our web presence is anticipated for 2010.

Legal Fees were significantly decreased (\$38,000) and brought back to normal levels as there was less activity and legal actions (GAO Protests) in FY08/09 directed at influencing the re-engineering of the DoD Personal Property Program.

Consultant's Fees were increased by roughly \$22,000. With the departure of our Director of Programs and Education, Boris Populoh, in January 2008, we expanded an existing contract with

The Trilogy Group to cover some of his former responsibilities. Also, IAM contracted with the McKinley Marketing Group to conduct the IAM Member Needs Survey and analysis, as mentioned earlier in this report.

Annual Meeting Revenues and Expenses As advised earlier, a significant revenue decrease was experienced from the lower attendance (1,540) and registration fees for the meeting in Honolulu, Hawaii. However, it is important to recognize several factors when making attendance and financial comparisons of the 2008 meeting in Hawaii to that of the 2007 meeting in New York. One needs to be mindful that in 2007 the global economy was still humming and the level of excitement for holding a meeting for the first time in New York, as well as the ease of travel for most, led to setting a record for attendance (1,879).

Conversely, expenses for the meeting in Hawaii, particularly for food, beverage and other hotel related costs, were dramatically less (\$548,000) than those same expense categories in NYC.

Total Annual Meeting costs for '07 NYC - \$1,407,888

Total Annual Meeting costs for '08 Hawaii - \$ 859,023

It is easy to see that Hawaii, as an IAM meeting venue, may not be the most ideal location because of the travel involved; yet, without question, over the last seven or eight years it has been the best income source and contributor to our operating funds.

Cash Flows At the end of FY 08/09, Net Cash Provided (Used) by Operating Activities was (a positive) \$182,518, as compared to a negative <\$259,165> drawdown to operating cash last year.

Cash and Investments Cash and Investments End of the Year were \$1,854,869 as compared to \$1,672,352 the year before.

Members Equity The return of Members Equity, or net change in Assets, is a positive \$70,198 for the Fiscal Year ending June 30, 2009, which is a vast improvement on the negative <\$180,647> loss in FY07/08 and the <\$183,757> loss recorded in FY06/07.

Net Assets Our Statement of Activities reflects that our Total Unrestricted Net Assets (*Retained Members Equity*) for FY 08/09 are \$2,037,304.

ISSUE and ACTION UPDATES

DoD Personal Property Program

Charles "Chuck" White, IAM's Director of Military and Government Relations, is the Association's primary individual dealing with the US Department of Defense (DoD) and its related entities involved in the Personal Property Program, including the (Military) Surface Deployment and Distribution Command (SDDC).

I believe all knowledgeable members would agree that Chuck White has done a masterful job in building and strengthening relationships with a wide variety of DoD stakeholders while simultaneously working diligently to protect the interests of the IAM membership and the TSP community as a whole. IAM, primarily through the efforts of Mr. White and the Executive

Committee, has recognizably become the voice of the Industry when it comes to military moving.

For the sake of brevity and avoiding duplication, I will not expend a great deal of time reporting on specific military or government related issues. I would encourage you to attend the variety of Annual Meeting sessions focused on military and government activities. Plus, I recommend you view the report of Chuck White and the various reports of the IAM Standing Committee Chairs who have an involvement with these programs. These reports, as well as all the government presentations, will be posted on our website shortly after the Annual Meeting is concluded.

I do, however, wish to share some of my personal perspectives on the future of the military programs. My role as President is to guide and support the staff and board members in our daily efforts to influence the military decision makers. But that role also includes a responsibility to be mindful of our weaknesses, recognize and utilize our strengths, and look ahead to identify opportunities and threats facing our Association and the Members, be they TSPs, agents, claims adjusters, suppliers, customs brokers, etc.

Best Value Acquisition The new Defense Personal Property Program (DP3) was built on the key premise of awarding shipments to the “Best Value” service providers. That best value was to be determined by input from the military service members by way of a Customer Satisfaction Survey (CSS). Early in the development process Industry was assured that there would be a minimum of a 60 percent return rate of those surveys. Although the return rate has fluctuated between 3 percent and 28 percent over the last two years, still today there is no real valid basis to make shipment awards judged on the true service level of the TSPs.

The pendulum for determining good service has swung full circle. In the old (TOPS) program carriers were scored on such things as on-time pickup, on-time delivery, frequency/severity of claims, etc., yet there was no measure of perceived quality from the service member’s point of view. In the new DP3 program, regardless of whether the shipment was picked up or delivered on time and/or in good order, the scoring and ranking of the TSP rests solely on the customer’s perception. However, the dramatic lack of customer responses (surveys) is hampering a true evaluation and thus has returned the DP3 Program to that of a cost-driven procurement.

I encourage you to read IAM Chairman Randy Groger’s article “*DP3: A Reality Check,*” which appears in the September/October issue of *The Portal* magazine. As Chairman Groger very appropriately points out, DoD needs to recognize and take action to ensure that “*the Customer Satisfaction Survey process must receive the focus and investment that will bring it up to ...the minimum standard...*”

Reduction of Carriers/Capacity Many members see the new Defense Personal Property Program (DP3) either as a threat or an opportunity, or perhaps both.

Assuming there are no major changes in the DP3 Business Rules and current policies of DoD, undoubtedly and over time there is going to be a significant reduction in the number of service providers DoD will choose to qualify and/or utilize, both domestically and internationally.

Judging from some of the phone calls to IAM and my own observations at industry meetings, many of our members have invested the necessary time and energy in educating themselves on understanding the rules, as well as learning how to work within the automated Defense Personal Property (DPS) System. Conversely, there are many carriers who have not made those same investments. Perhaps, those companies actually believed “re-engineering” would never happen or thought it would be business as usual, just under a different program name. Neither is true.

This predicted reduction in capacity, service providers, etc., over the long term is a direct threat to ensuring competition, the affordability of competitive rates to the government and is an indirect threat to the foundation of our Association.

DoD – Industry Communications Another threat we must be mindful of is the DoD’s developing mentality for not centering its communications and interaction with the primary industry associations, IAM and the American Moving and Storage Association (AMSA). Over the past couple of years, due to personnel changes and various legal proceedings, the DoD and specifically the office of the Judge Advocate General (JAG) for SDDC have been recommending the Command return to the old policy of communicating with the Industry through the Federal Register process.

Under current business rules and procedures, the Industry conducts more than 80 percent of the administrative and operational support in a PCS move. There exists an environment of shortsightedness and reluctance on the part of the Government to recognize that the Industry needs and wants a coordinated voice. The lack of a coordinated voice with the ability to present the Industry’s issues and recommendations is not going to make it any easier for us to work cooperatively with the government in making improvements and enhancements to the personal property program. Ultimately, this will be to the disadvantage of the military service members we both serve.

Managed Carriers Although not all the IAM leadership agrees, I foresee another threat to the Association – that being the proliferation of “managed carriers.”

There are over 900 DoD-approved TSPs. Just over 11 percent of those entities (TSP/Carriers) choose to maintain membership in IAM. Many of the individuals and entities who manage those carriers might hold one Active membership and/or might just be an Associate member. The ones who do maintain membership receive and channel all our communications to numerous non-members. Those same non-members directly benefit from the efforts of the Association, yet they provide no financial support to continue those efforts.

The lack of engagement and support of the Association by these managed entities, or the companies doing the managing, also undermines the coordinated voice of the associations and just provides that much credence to the government’s position for wanting to communicate through the Federal Register.

I do not know the answer. But as traditional single-entity TSPs dwindle and/or come under the control of a handful of management entities, IAM is going to need to find a way or new membership/governance model to supplement its resources to continue the good fight. Proposed

changes in the IAM By-Laws may facilitate an environment that would be conducive and financially practicable for these non-member TSPs to join our ranks to the mutual benefit of everyone.

Outsourcing Another threat—or opportunity—is the growing potential for DoD to consider outsourcing the Personal Property Program. Or, at minimum, outsource the management and further development of the DPS system.

Most people are aware that for several years senior DoD leadership has expressed that moving was not a core-competency for the military and should be managed by third-party providers. We've seen that mentality repeatedly show up in various tests and pilots.

More recently, the DoD, under the auspices of the *Defense Transportation Coordination Initiatives (DTCI)* has, through a sole-source contract, (successfully?) outsourced a large portion of DoD's freight (non-HHG) movements within CONUS.

Increased speculation on outsourcing DoD household goods and unaccompanied baggage is now fed by several factors. The Office of the Secretary of Defense (OSD), who initiated and ran a pilot testing the DTCI concept, is now investigating what other types of DoD cargoes might be managed under DTCI, or a DTCI-type model. Several large defense contractors with divisions focused on logistics are researching various possibilities, and presumably are encouraging OSD, USTRANSCOM and SDDC to look at outsourcing the management and movement of personal property.

Just recently, it was learned that the new Director for the Joint Program Management Office for Household Goods Systems (JPMO-HHGS) was formerly the Director of the DTCI program.

(For the record, in speaking with that individual, he emphatically denies any connection between his previous posting and his new assignment overseeing HHG systems for USTRANSSCOM. I believe him. However, as he spends more time in his new position and sees firsthand the lack of efficiencies in the DPS system, he may be impelled or tasked to seek or recommend other alternatives, one of which is outsourcing the System or the Program in total. Only time will tell.)

Nonetheless, the Association and Industry must be prepared to react, or even be proactive, with our own alternatives if there is a heightened sense of where DoD might be going with its outsourcing efforts. In that vein, the Association has developed its own model for a public-private partnership to assume responsibility for managing military and other government relocations.

I will not cover any specific details of that model in this report for two reasons. First, we do not want to facilitate DoD moving toward outsourcing unless we determine that as being in our best interests. Second, we certainly do not want to potentially reveal strategies and tactics that might be adopted or copied by competing entities.

My purpose in raising this as a topic is to simply make you aware that the IAM Executive Committee and professional staff are monitoring the situation and looking out for all

contingencies with an aim to protect the interest of the Industry—particularly IAM members who pay their fair share of dues.

Recent - Future Meetings (Military & Government Related)

National Defense Transportation Association (NDTA) - Annual Forum

September 19 -23, 2009

Nashville, Tennessee

Claim Prevention and Procedure Council (CPPC)

October 4-6, 2009

Nashville, Tennessee

IAM 47th Annual Meeting

October 10-13, 2009

Orlando, Florida

International Shippers Association (ISA)

(Annual Membership Meeting)

October 11, 2009

Orlando, Florida

SDDC - Personal Property Forum (PPF)

IAM – AMSA sponsored “PRE-Forum Meeting”

November 3, 2009 (Industry Only)

Actual Personal Property Forum

November 4, 2009

Scott AFB, Illinois (St. Louis, MO)

GSA/AMSA Education Conference and Expo

February 21-25, 2010

Phoenix, Arizona

SDDC-HQ Annual Training Symposium

March 8-10, 2010

Atlanta, Georgia

SDDC – Pacific Training Workshop

October 17-21, 2010 (Tentative Advised Dates)

Honolulu, Hawaii

(SDDC Europe now alternates its Workshop with SDDC Pacific every other year)

In addition, see the Industry Calendar in *The Portal*, or at IAMovers.org/calendar.html; the SDDC calendar of events is at www.sddc.army.mil/Public/Home/Events

General Services Administration (GSA)

The Association continues to maintain contact at various staff and management levels within the divisions of GSA that manage both the GSA CHAMPS Program and the Transportation Audits Division.

Annual Meeting attendees will be provided an update on GSA activities and future program objectives during the GSA presentation at the Government and Military Affairs Panel. Slides from the Panel's presentations will be posted on the Association's website after the meeting has concluded.

IAM staff regularly attend and present topics at the quarterly meetings of GSA with its Federal Agency customers, and at separate meetings held with the GSA approved Transportation Service Providers (TSPs). Once again IAM has been invited to make presentations at the GSA Conference in February 2010.

The Association's General Counsel and staff, along with several TSPs, have initiated and been engaged in a number of legal actions and law suits involving the GSA Transportation Audits Division. These cases stem from a reversal of policy on the pass-through billings and payment of various surcharges for security and congestion at military aerial ports.

Mr. Jim Fitzgerald, the long time Director of the GSA Transportation Audits Division, recently retired.

Congressional and Government Representation

The Association continues its long-standing professional services contract with Pace Government Relations, formerly known as The Pace Companies. **Jim Wise**, a principal with Pace, holds the responsibility to monitor, promote and advocate on behalf of IAM in all federal legislation, regulations and programs that could possibly have an effect on the Industry and the members of IAM.

International Shippers Association (ISA)

The IAM professional staff continues to coordinate and provide administrative support to ISA under a management agreement. Revenues generated to IAM under this agreement average \$18,000 per annum.

The ISA continues to have a consulting agreement with **Mario Rizzo**. Mr. Rizzo works on a number of issues related to the shipping of military household goods in both the Atlantic and Pacific trade lanes. He is also actively exploring options and opportunities for expansion of ISA's commercially oriented Preferred Vendor program.

ISA continues to maintain its relationship with the TAAFLO and TPAFBO Ocean Shipping Conferences and all the American Flag ocean carriers. The ISA General Counsel oversees negotiations for Service Contracts with the Conferences for rates and services capabilities.

Activity in the ISA Military and Government traffic sector remains relatively strong, but does show a marked decline of volume from the past several years when there was a concentrated drawdown of US military personnel out of Europe and military installation closures in Iceland.

ISA continues its Agency Service Agreements with its two Shipping Agents for military/government traffic in the North Atlantic trade lanes. Those contracts run through 2012.

A Patronage Dividend totaling \$45,000 was recently distributed to 124 participants in ISA's mil/gov group based on their 2008 through-put in the North Atlantic.

Earlier in 2009 ISA was successful in establishing an ISA Service Contract for military/government shipments moving in the Pacific trade lanes. The arrangement is similar to that which is currently in place for shipments moving over the Atlantic trade lanes, with the exception that there is only one Shipping Agent involved due to the significantly lower volumes of traffic involved.

The ISA website is located at <http://www.isaship.org/>

Membership in ISA is open to both IAM and non-IAM members. As of October 1, 2009 ISA has a total Membership of 202.

Young Professionals (YP-35) Group

The Young Professionals Group, or YP-35, is currently open to all IAM Members 35 years and under. This group serves as a focused networking group for those new in their careers and the Association.

The YP-35 Management Board (YPMB) structure is aligned in its seven geographic regions to be identical to those of the Associate Members' Management Board (AMMB). The one difference is that the YP-35 MB consists of one representative per region and the AMMB has two representatives per region.

Conducting the proceedings online, the YP-35 group elects its leadership, a Chairman and Vice Chair, to serve two-year terms. Currently **Stephan Geurts, Jr.**, serves as the Chairman of the YP-35 Group and is in the second year of a two-year term representing the interests of the YP-35 membership on the IAM Executive Committee. **Paula Colmenares** serves as the Vice Chair.

The YP-35 Chairman, working in consultation with his Vice Chair and the IAM President, has responsibility for appointing the seven Regional Representatives to the YP-35 Management Board. For the first time, the YP-35 officers and all seven Regional Representatives on the YP-35 Management Board have been invited to participate in the Executive Committee and

Associate Members' Management Board Senior Leadership Breakfast on the opening day of the IAM Annual Meeting.

The inclusion of the YPMB at the Senior Leadership meeting is aimed at developing better synergy of all IAM governing bodies and to foster a greater level of understanding on what each category of membership looks for in its participation as an engaged and supporting member of the Association.

Also this year, in addition to its normal social mixer event, the YP-35 group is hosting a new Welcome Reception for its members on the opening night of the conference. It is hoped this will facilitate introduction of fellow YP-35 members and provide a great kick-off to their Annual Meeting activities.

The YP-35 Membership Meeting should also be a special event this year as representatives from The World Bank and the Inter-American Development Bank are speaking to the group on what aspects and qualifications a large multi-national organization requires of and expects from its moving and relocation service providers.

The YP-35 website, www.yp-35.org, offers its members a variety of useful information on the activities and programs of the group. In addition, there is a full page in *The Portal* magazine dedicated to reporting news on the YP-35 activities.

The YP-35 group assists in promotional fund-raising efforts for the IAM Scholastic Assistance Program and the *Alan F. Wohlstetter Scholarship Fund*.

As of October 1, 2009 **the YP-35 Group has a total Membership of 103.**

IAM Scholastic Assistance Program /Alan F. Wohlstetter Scholarship Fund

The AFW Scholarship Fund, named in honor of long-serving IAM General Counsel Alan Wohlstetter, was established as part of the Association's 40th Anniversary in 2002, with an initial endowment of \$35,000 provided in the name of the full IAM membership.

The current balance of the AFW Scholarship Fund exceeds \$300,000.

Over the past seven years the Fund has established itself as a viable entity with its own corporate identity and Board of Directors. The IAM professional staff provides the administrative support for the AFW Scholarship Fund free of charge. The staff receives its direction from the Fund's Board of Directors, which is comprised of a number of individuals from the IAM Executive Committee, AMMB, Commercial Affairs Committee and the Association's Membership.

Ms. Heather Engel serves as the President of the AFWSF and **Ms. Jackie Agner** is Secretary of the Fund. The AFWSF Board of Directors is actively engaged in a variety of fund-raising activities, as well as an outreach program to numerous colleges and universities that offer curriculums focused on transportation and logistics as careers. The Board of the AFWSF also

serves as the Selection Committee, which reviews applications and determines the scholarship awardees each year.

This year the Scholarship Fund awarded a total of five (5) \$4,000 scholarships to IAM Member company employees and/or their dependants. Scholarships are available on a worldwide basis and not just for education in the USA. Two of the five awards this year went to students pursuing academic studies outside the United States.

In the past the AFWSF Board and YP-35ers have held a variety of fund-raising activities. This year a special AFWSF Fund Raising Committee, chaired by **Sandra Rowe Maier**, was established to better coordinate the Fund's fund-raising activities. The AFWSF Board and the new committee set a lofty goal of raising scholarship donations of at least \$100,000 to honor and recognize the pending retirement of Alan F. Wohlstetter as IAM's General Counsel. It would appear they will meet and exceed their goal, which is a great testament of the Association members' well-founded respect for Mr. Wohlstetter; and to the diligent, hard work of the AFWSF Board and Fund-Raising Committee.

During the Annual Meeting, a special reception is being held by the AFWSF Board to honor Mr. Wohlstetter. Attendance at the reception is open to invited guests and those individuals or companies making donations to the Fund at the Silver (\$1000) level or higher.

In addition to accepting direct donations to the Fund, during the Annual Meeting raffle tickets will be sold for a variety of prizes, with the final drawings for raffle winners to be conducted at the Closing Banquet. One not need be present to win, so everyone is encouraged to purchase tickets in support of this worthwhile effort to educate and attract new talent to our industry and Association.

In response to member's requests, you may now make donations or purchase raffle tickets by credit card. As a special bonus, purchasers of five or more raffle tickets will be given one of the new IAM logo pins to proudly show both their support for the Scholarship Fund and the Association.

IAM Programs

As most members are aware, **Boris Populoh**, IAM's former Director of Programs and Education, resigned from the Association at the beginning of the year to assume the duties and responsibilities of Managing Director of the **FIDI Global Alliance** in Brussels, Belgium. Boris's background and experience with IAM positions him to succeed in his new role. With Boris in a leadership position at FIDI, I am encouraged that it will improve communications and strengthen the relationship of our two organizations.

This summer **Brian Limperopulos joined the IAM professional staff as its new Programs Manager**. Brian comes to the Association with an excellent academic background and has worked for the past few years within the international moving industry, so he has a grasp of the terminology and an appreciation for the industry's diverse culture, scope of work and issues. In the short time he has been with the organization, Brian has shown a willingness to accept the

challenges his position provides and a desire to engage the membership in addressing and meeting those challenges. A profile of Brian is included in the September/October issue of *The Portal* magazine.

In his new role, Brian will continue to monitor and disseminate information to the membership on a wide variety of topics, with a concentrated focus on security issues and other new enforcement regulations that potentially impact the Industry and shipping in general, both on a USA and global basis.

During this year's Annual Meeting, Brian will moderate a special session focused on two new regulations that will have a huge impact on the membership.

Receivable Protection Program (RPP) The Association initiated the RPP in 2007 and currently fewer than 100 IAM member companies participate; 2008 is the first year in which claims under the program were considered. There were eight RPP participating companies who submitted claims involving 96 separate invoices. Of those submissions, 24 claims were judged to be valid under the rules of the program, with a total of \$9,300 paid out to those members to cover unpaid receivables/losses.

A large majority of submitted RPP claims were found to be invalid because they were either submitted after the deadline and/or were for invoices billed to still viable operating entities and were determined only to be under dispute for slow payment.

Participation has been slow to grow in the RPP and this has frustrated the Association's plan to expand the services of the RPP to track and control slow payers and/or offer payment dispute arbitration services. Not until such time that the member's participation increases in the RPP do I see it financially feasible for the Association to invest in the administrative resources to bring online these additional services.

The IAM Member Needs Survey revealed that there is a lack of understanding and many misconceptions relative to the RPP program. In order to address those issues, the Association is conducting a Knowledge Lab session during the Annual Meeting to clarify policies and procedures and to further educate the membership on the value of participating in this benefit offered by the Association.

Technology Partnership IAM, through its *Technology Partnership*, is actively pursuing the development of international Standards for the moving industry's exchange and archiving of electronic shipment data and tracking information. Last year the Association was approved and received certification by the *American National Standards Institute (ANSI)* as an accredited Standards Developer.

Gordon Keene, the Chair of the Association's Technology and Communications Committee, has been working to finalize and submit the Standards to ANSI for review and approval. The development of the Standards is being accomplished as an Industry-wide initiative through a globally based Consensus Committee made up of representatives from such industry trade

associations as AMSA, FIDI, PAIMA, CAM and several IAM member companies involved in technology.

The overall objective in pursuing the common global Standards is to insure there is a level playing field as well as an open and common set of Standards for the application and development of technology in the moving and relocation industries.

IAM Hall of Honor

The IAM Hall of Honor (HoH) was established to permanently recognize individuals, companies, products or services that have made outstanding contributions to our Association and/or have had a profound effect on the moving, transportation, forwarding and relocation industries.

Last year the Association inducted its Inaugural Class of HoH Honorees. There were 16 deserving inductees who were recognized by their peers during a special luncheon at the Annual Meeting in Hawaii. This year the Association will recognize its second group of Inductees, with 13 HoH Honorees being inducted during a special presentation luncheon in Orlando.

John Day was appointed by the President and continues to serve as the Chairman of the Hall of Honor Selection Committee. The HoH Selection Committee is made up of a variety of members, including Active, Associate and YP-35 members from the USA and overseas who solicit, review and make determinations on the nominations.

Ms. Catherine Goodrum, a consultant to the Association, currently serves as the HoH coordinator and supervised this past year's nomination and selection process. Brian Limperopulos has recently assumed responsibilities for the HoH program.

The call for nominations for 2010 Honorees will be announced later in the year, with induction to be held during the 48th Annual Meeting in San Diego, California.

Early in the HoH process it was recognized that there would be a catch-up period to honor those deserving individuals who have contributed to the success of the Association over the past 40-plus years. With two large classes of Inductees now in enshrined in the Hall of Honor, the IAM leadership and the HoH Selection Committee will be reducing the annual number of inductees for 2010 and beyond.

IAM Publications and Websites

In late September of this year the Association brought onto its staff **Janet Seely as our new Director of Communications and Member Engagement.**

Ms. Seely comes to IAM with a very diverse and experienced background in overseeing organizational communications, publications and public affairs. A more detailed biography of Ms. Seely is included in the September/October issue of *The Portal* magazine.

In this newly created position, Ms. Seely will work under the direction of the President and be focused on developing standards to enhance the Association's image, brand and editorial style, as well as to improve communications to and from the membership. Ms. Seely will also be assessing needs and working with the staff to identify future requirements and resources to enhance our presence on the Internet. These planned enhancements will improve access to information and add online capabilities to perform transactions and increase the level of member engagement in all IAM programs and services.

The Portal Magazine The Association's magazine, ***The Portal***, a bi-monthly full color publication averaging over 100 pages per issue, remains the most widely read publication within the Industry. It is estimated that over 10,000 people view or read each issue of ***The Portal***.

Participation of the Membership in extremely cost-effective advertising opportunities has allowed the magazine to continue its expansion in size and scope. The magazine regularly incorporates focused articles that, according to our Survey and direct member feedback, are deemed to be extremely timely and educational for the members, as well as the accounts and customers they serve.

All the back issues of ***The Portal*** for the last six years are archived and available for research or download from the Association's website.

Electronic Newsletters and e-Blasts The commercially oriented ***e-Portal*** and the government and military focused ***Gov/Mil e-Portal*** electronic newsletters continue to provide the Association with a viable and cost-effective means of keeping the membership informed on a variety of topics, issues and events affecting the industry.

The Association also has developed enhanced capabilities to send "e-Blasts" or broadcasted emails to the members providing alerts and information on a real-time and urgency basis.

The Association has the ability to send these newsletters and/or direct the eBlasts to all registered points of contact (POCs) in our membership database. There are also well over 300 special subscribers within the membership ranks and/or other individuals or entities interested in the operations and activities of the Association.

IAM Websites The IAM website (**www.IAMovers.org**) contains useful information both for the membership and the consumer. The website and the Online Directory afford Members the opportunity to maintain up-to-date contact information on their company's listings in both the online and printed versions of the IAM Membership Directory.

The Association continues to develop useful information for the ever-expanding interest of the Consumer and National Accounts in seeking information on international moving via web-based or Internet searches. In addition, IAM continues to partner with a number of State Moving Associations and US Federal Agencies who have expanded their guidance for the shipping public over the World Wide Web.

The Association also manages a dedicated Meetings website (www.IAMmeetings.org). This website is the “one-stop-shop” means of providing electronically available information, attendee/hotel registrations, as well as the exhibitor and sponsorship opportunities for the membership participating in the Annual Meetings.

Moving to an all-electronic format for the Annual Meeting material has saved the Association well over \$275,000 in printing and mailing costs since we went digital four years ago. The acceptance and positive response by the membership to these expanded online services is greatly appreciated. We hope to gain further savings by migrating more of our activities to an online and electronic means of communications and payment system.

IAM Job Board The IAM online Job Board provides the Membership with a cost-effective means to facilitate new job postings and solicit resumes for individual seeking employment within the industry. Job seekers may post resumes free of charge.

Dates and Venues for Future IAM Annual Meetings

2010 - IAM 48th Annual Meeting

Manchester Grand Hotel
San Diego, California
** September 29 - October 2, 2010

2011 - IAM 49th Annual Meeting

Denver Hyatt Regency
Denver, Colorado
** September 12 - 15, 2011

2012 – IAM “50th Anniversary” Annual Meeting

Gaylord National Resort and Convention Center
National Harbor, Maryland
(Washington, DC)
October 10 – 13, 2012

**** Please not the earlier September timeframes for 2010 & 2011**

Beyond 2012, the Association’s staff is researching a variety of cities, including Vancouver, Canada; Anchorage, Alaska; Ft. Lauderdale, Florida; Long Beach and San Francisco, California; Las Vegas, Nevada; and Dallas, Texas, to name a few possibilities.

Additional information relating to past, current and future activities and programs of the Association will be provided during the Annual Meeting in the formal reports of the Standing Committee Chairpersons, as well as other Officers and Staff of the Association.

TERRY R. HEAD, President

INTERNATIONAL ASSOCIATION OF MOVERS