



Tidewater Section
American Society of Naval Engineers
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Gentlemen,

At recent meetings of the executive board of the Tidewater Section of our Society, our members devoted a lengthy period discussing the dire financial situation in which our venerable organization is immersed. Though we believe that our Society provides valuable service to our members and to the broader maritime community, we feel without significant change to our managerial approach, its future is at risk. Specifically, without significant financial revitalization, our Society will soon be insolvent and will have little choice but to close its doors.

Thus, we offer the attached suggestions in a positive manner for your consideration. Implementing them will require assistance from the Society's staff, officers, council members, regional councilor members and committee chairmen. The Tidewater Section is prepared to discuss each in detail at a time of your choosing. Thank you.

Sincerely,

Jeffrey A. Brooks
Section chairman

American Society of Naval Engineers

Suggestions to improve the Society's Financial Vitality

Submitted by the Tidewater Section December 13, 2006

- Immediate actions to stem the dangerous outflow of the Society's cash:
 - Conduct monthly financial closings and provide Society management with timely and accurate information that tracks budget-to-actual expenditure, providing a balance sheet monthly
 - Cancel ASNE Day 2007, paying required termination cost
 - Ascertain re-financing choices for the headquarters building
 - Aggressively seek a tenant for the lower floor
 - Reduce staff numbers, soliciting volunteers to assist with the functions of those terminated
 - Reduce staff travel
 - Reduce inventory of publications by offering via web site
 - Solicit charitable donations from individual members via e-mail. Given the looming end-of-calendar year, time is of the essence. The solicitation must include a frank assessment of the Society's financial status
 - Solicit staff for additional initiatives
 - Attempt to eliminate mailings. If at all possible, use e-mail instead. For example, membership renewals can be made via e-mail solicitations.
 - Temporarily reduce the number of Journals published or publish jointly with SNAME or use their publisher to reduce expenses.
 - Request excess funds from the Sections
 - Visit all corporate supporters to explain our financial situation, detail our plan to resolve it, and ask for their help
 - Visit key government and other business entities to reintroduce them to ASNE, find out how the Society can be useful to them, and ask them to encourage professional membership by their employees. (Mike D'Amato put together a great Power Point Presentation on professional membership in ASNE)
 - Get volunteers to research Surface Navy Association and Sea Air Space to find out what they are doing right so that we can benchmark their success
 - Assign someone to push forward each of the ideas the Council decides to pursue to recover from this financial situation
 - Senior ASNE staff needs to be focused on recovery outreach and long-term planning rather than being bogged down in symposia planning
 - Give monthly report to the Sections of the actions taken and the progress made to date. Make sure the Sections are included in the solution.

- Intermediate and longer term actions:
 - Responsible budgeting: The Ways and Means Committee should be tasked soonest to establish a balanced budget for the Society's forthcoming fiscal year
 - Staff compensation: though a sub-set of responsible budgeting, this needs to be reviewed to ensure that:
 - We are doing what is needed to attract and retain the right people
 - Our financial situation can sustain what is required
 - Explore available cost and benefit of a consulting service whose focus is assisting non-profit organizations with their management challenges. Copying another organization's solution is a compliment
 - Tie executive compensation the achievement of specific goals (such as revenue generation, cost cutting, membership increases, etc) rather than a flat percentage increase
 - Continue to visit key government and other business entities to find out how the Society can be useful to them, and ask them to encourage professional membership by their employees.
 - Fund raising:
 - Implement annual solicitation of charitable donations from individual members
 - Develop a planned giving and bequeath program. There are many financial service firms who would be pleased to obtain this opportunity. They know how to approach older members with estate planning strategies that benefit them and our Society
- ASNE Day:
 - Examine periodicity; i.e., are we saturating the market with annual occurrence. Increased density in our industry via mergers and acquisitions has reduced the pool of exhibitors
 - Who are our customers and where is the best location to serve them
 - When must it be held to achieve maximum participation, precluding interference with competing events that "pull" the same audience
 - What events should it contain? Is the present format in touch with the customer?
 - This will require effective liaison with Navy, other government agencies and with private firms
 - Develop a small advance planning group for out-year ASNE Days so that preliminary planning (theme, location, co-sponsors, etc.) can be underway while the main group focuses on the near-term ASNE Day

- Event planning:
 - Expand the planning horizon
 - Push symposia planning out to the local sections to the maximum extent possible. Rely on these volunteers to carry the heavy lifting, with augment from core planning teams noted below.
 - Establish several core planning groups to grow the expertise and augment the local planning teams; e.g.: one group for the closest event; one for the following event; one for the next distant event
 - Use volunteers vice paid staff to the maximum extent possible
 - Ensure the web site contains meaningful data for use of potential exhibitors; e.g., booth fees; registration fees; points-of-contact; etc
 - Establish the best number of events for our Society to sponsor. Span of control and market saturation are two concerns here
 - The Programs Committee should develop symposia/event ideas and request Sections sponsor those events
 - The Programs Committee can create workshops that can get put on in several different Sections – Create once and produce many times to maximize revenue and minimize cost.

- Membership:
 - Given the number of naval engineers employed, naval shipyards are worthy of special focus
 - Ditto for the Navy's regional maintenance centers. These new organizations reflect a regional concentration of naval engineering expertise and resources
 - In order to grow our future members, we should place a big focus on college students, specifically, the Naval Academy, the Coast Guard Academy, and ROTC students
 - We should immediately come to a joint agreement and implement a recruiting strategy on student members with SNAME
 - We should expedite working with SNAME or by ourselves on a mentoring program for college student members
 - The Coast Guard, though smaller, has similar centers of engineering excellence and should receive the Society's attention
 - Ditto for the Department of Transportation's Maritime Administration
 - Focus on members whose membership is soon to elapse with personal e-mails and telephone calls. Retaining an existing member is less expensive than developing a new one