

American Knife & Tool Institute

Executive Committee Meeting (BOR & Advisory)

Thursday, May 29, 2008... 1 p.m.
Renaissance Waverly Hotel, Atlanta, GA

The Executive Committee meeting of the American Knife and Tool Institute on Thursday, May 29, 2008, was called to order at 1:10 p.m. EDT by AKTI President Goldie Russell (A.G. Russell Knives). Regents present, A. G. Russell (A.G. Russell Knives), AKTI Vice President Jeff Goddard (Kershaw) and Bill Raczkowski (Gerber). Regents absent: Les de Asis (Benchmade), CJ Buck (Buck Knives), Gil Hibben (Knifemakers Guild). Advisory members present: Scott Sherwood (SOG). Others present: Jan Billeb, Executive Director; David Kowalski, Communications Coordinator, Nick Trbovich (Ontario/Queen), Attorney Dan Lawson and other invited guests. The meeting was suspended and reconvened on Saturday, May 31, 2008 at 3 p.m. with Regents present: Goldie Russell, Jeff Goddard, Les de Asis, CJ Buck, and Gil Hibben, plus Jan Billeb and David Kowalski.

These minutes are formatted on a per-subject basis, not the chronological discussion.

AKTI President Goldie Russell began by emphasizing her intention as president to be very active and encouraged improved participation from the industry. In an effort to increase planning, set goals and track progress, she, Jeff Goddard, Jan Billeb and David Kowalski were planning monthly executive phone meetings.

Administrative – Jan Billeb, Executive Director

Minutes: CJ Buck moved, Jeff Goddard seconded, to approve meeting minutes of the February 5, 2008 meeting. Carried unanimously.

Future Meetings: The next scheduled meeting will be held at the SHOT Show on Sunday, January 18, 2009 (last day of the show) at 1 p.m. in Orlando, FL. Conference calls to be scheduled as needed.

Anti-Trust Document: The yearly anti-trust acknowledgement document was signed by all members present.

Document Destruction and Retention Policy: Goldie Russell resolved to approve the proposed Document Destruction and Retention Policy as developed by the National Council of Nonprofit Associations, seconded by CJ Buck. Resolution passed unanimously. A copy of the policy is attached to these minutes.

Financial – Jan Billeb, Executive Director

Financial Reports: Jan Billeb reported that the accounting firm McGladrey & Pullen was almost done with the review and 2007 tax returns. Income for the first part of the year was up on ambassador and associate memberships, but down on premier membership due to timing, being short one regent and one advisory board member from last year. Expenses were in line with expectations based on last year and anticipated increases.

Investment Policy: A second revision of the proposed investment policy will be sent for approval by email vote.

Membership - David Kowalski, Communications Coordinator

Corporate Memberships: David Kowalski commented on his ongoing efforts to get corporate memberships. He provided an AKTI Corporate Review report and it was reviewed for those members willing to make contacts to corporate prospects.

Retailer Newsletter Program Update: 8,000 copies were printed of the last newsletter and distributed to retailers. David Kowalski reminded members that the newsletter really is designed as an educational effort for AKTI, to help independent retailers provide more to their customers and are provided free to retailers willing to distribute them.

AKTI Revenue Test: David Kowalski is using an AKTI Revenue Test he designed for corporate solicitations. Essentially, the document asks recipients to look at how much revenue they have generated over the years due to AKTI's successful legislative wins in California, Boston, Florida, Arkansas and South Carolina (pending).

Grassroots Supporter: Companies are encouraged to pass information on to their employees to sign up as Grassroots Supporters and support AKTI's efforts with letters to legislators. Periodic e-mail messages are sent to the grassroots list regarding actions needed. Kowalski and Billeb will provide details to corporate members and prospects on the importance of enrolling their employees.

David Yellowhorse Knife: David Kowalski updated the committee on the donation of a one-of-a-kind knife customized by David Yellowhorse. This Buck Kalinga (valued at \$800 retail) was donated by Heritage Collectables to use in a drawing for renewals and new individual memberships. Posters are available to display in members' booths at the Blade Show. Members will be asked to provide a link to the AKTI website's page about the knife giveaway. AKTI will provide documentation to support potential collectability, as well as provide a copy of the display poster to the winner. Soliciting

additional knives for giveaway on a regular basis, hopefully on a minimum schedule of four times per year, was discussed. General guidelines will be developed for knife donations. Possible donations were discussed from Kershaw, A.G. Russell, Gerber, SOG and Queen Cutlery.

Grassroots Supporters will be encouraged to convert to paying members by sending the notice of the drawing and a photo of the knife. The same information will also be directed at various Forum participants.

Publicity - David Kowalski, Communications Coordinator

FAQs: David Kowalski is working on additional wording and re-writing of the FAQs on the AKTI website to update and make sure they are current.

Education – Dan Lawson

Attorney Dan Lawson is working on redoing the “Understanding Knife Laws” pamphlet material into a format that will not be outdated. Copy will be shorter, more concise, and published on the AKTI website.

Legislative – David Kowalski, Communications Coordinator

SC Update – David Kowalski will give a report Saturday evening at the Blade banquet on AKTI’s South Carolina initiative and AKTI’s successes. He will also participate in a seminar on Saturday morning 10 a.m. with Evan Nappen and Doug Ritter of KnifeRights.org.

S 968 Going to Governor. The AKTI-introduced bill S 968 with modified amendment language was accepted by the full House and is headed to the SC governor for signature. South Carolina is not a pocket veto state so if the bill is not signed or vetoed within five session days it will automatically become law. As a recap, in 2008 AKTI decided to tackle the South Carolina weapons law that any blade longer than 2” was a violation. South Carolina was #12 on the ranking list of revenue from the U.S. Fish and Wildlife Service 2006 National Survey and generates \$1.9 billion per year in fishing and hunting revenue. AKTI’s strategy for passage has included a strong appeal to protect hunters and fishermen/women from unexpected knife prosecutions. A last-minute amendment was tacked onto AKTI’s bill, forcing AKTI lobbyist Palmer Freeman to negotiate new language acceptable to the Senate that would allow lawmakers with gun carry permits to be able to lock their firearms in the glove compartment of their automobiles while on government property or on legislative grounds.

David Kowalski noted that AKTI is refining its legislative strategy to incorporate the hunting and fishing revenue numbers, search for an appropriate lobbyist (not all lobbyists are willing to deal with knife issues), formulate model letters, and encourage letter writing at various stages of the process.

Other States – To help in the decision process of which state(s) to consider next, David Kowalski provided a summary and ranking of revenue from the U.S. Fish and Wildlife Service 2006 National Survey and laws from the top ranking states (Texas, Florida, Pennsylvania, California, Minnesota, Michigan, Wisconsin, Missouri, Ohio, New York, Georgia, South Carolina, North Carolina, Alabama).

Dan Lawson expressed the opinion that Missouri would be the easiest law to revise because it is over-broad. Jeff Goddard noted that Bass Pro was located in Missouri and offered to contact them for membership and support of any efforts.

Oregon is also being considered due to the presence of member companies and expressed concerns by Bernard Levine regarding recent cases focused on citing defendants based on the centrifugal force phrase in the current statute.

In general, Dan Lawson noted that prohibition/ concealment laws were derived from times when people openly were armed. He said any laws that include “intent” in their language should be eliminated from consideration for possible revision efforts at this time.

It was agreed that David Kowalski would research possible lobbyists in Missouri and Dan Lawson would write a proposed amendment. At the same time efforts will be made to research concerns in Oregon through both Bernard Levine and defense attorneys he has worked for.

Goldie Russell asked David Kowalski to look closer at the Texas laws (but further research confirmed their statute includes a five-inch blade-length restriction so they are not a likely legislative target).

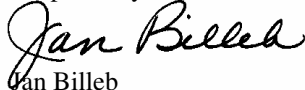
NY – David Kowalski has been in contact with Matt Goldsmith, Legal Aid Society, New York regarding continuing problems in interpreting the state’s gravity knife statutes. He provided them with the names of James Furgal and Joe Szilaski as expert witnesses in a mid-May Supreme Court case that was declared a mistrial.

TSA – As background information, Kowalski reminded members that twice AKTI has visited the question of trying to get knives back on airlines. A feasibility study was done by Barry McCahill in mid-2006 and reviewed by him in late 2007.

He determined the main opposition would be from the flight attendants' union and that a 2007/2008 effort was still not guaranteed success. David Kowalski had agreed to conduct a preliminary survey to find out passengers' opinions in light of TSA's current carry-on rules that allow knitting needles and pointed metal scissors. He did a survey at the Duluth (MN) airport (copy of results distributed at meeting) and provided a summary of results to Jake Nichol, president of Leatherman (OR) and Rick Taggart, president of Victorinox Swiss Army (CT). They have jointly hired Zippo's lobbyist (that succeeded in getting cigarette lighters back on airplanes in 2007). Their key strategy has been focused on getting support from U.S. Senators and Congressmen in Oregon and Connecticut, to date, asking TSA to re-evaluate its policy of knives on airplanes. They do not seem to be interested in public opinion, and instead have used the visuals of comparing knitting needles and scissors to small tools and knives in face-to-face meetings with lawmakers. Kowalski will contact Leatherman and Swiss Army to ask for talking points to be used by AKTI members when contacting their congressional representatives. Concern was expressed that no member does anything prematurely that might jeopardize the effort.

CJ Buck moved to adjourn, seconded by Jeff Goddard.

Respectfully submitted,



Jan Billeb

AKTI Executive Director