

AMERICAN KNIFE AND TOOL INSTITUTE

Board of Regents and Advisory Meeting

February 11-12, 2001
Marriott Suites, Chicago, Illinois

Monday, February 11, 2001 meeting was called to order at 1 p.m. CST by AKTI president Les de Asis. Regents present: Les de Asis, D' Holder, Bob Bascom, Walter Gardiner, CJ Buck; Advisory members present: Rick Taggart, Les Edelstein, Doug Flagg, Jim Furgal; Others present: Jan Billeb, Executive Director, Dave Kowalski, Communications Coordinator, and Doug Hutchens, Gerber. Regent Al Pendray arrived approximately 2:10 p.m. Regents absent: Bob Miller, A. G. Russell. The meeting recessed at 6 p.m. and reconvened at 8 a.m. Tuesday, February 12 until 10:30 a.m.

These minutes are formatted on a per-subject basis, not chronological discussion. Meeting facilitators: Walter Gardiner and Les de Asis.

Administrative

Minutes: Buck moved and Gardiner seconded to approve the minutes of the September 27 and 28, 2000 Board of Regents Meeting in Dallas and the December 8, 2000 Conference Call. Unanimous.

Advisory Members: Advisory board members were welcomed and introduced. The role and responsibilities of advisory members was discussed. Buck moved, Holder seconded to establish the following parameters for "advisory members": (1) the word "board" be dropped and the combined advisory members and board of regents be called the "executive committee"; (2) advisory members be invited to every board of regents meeting; (3) advisory membership continues with a dues structure of \$5,000 per year; (4) members are expected to participate on committees; (5) members will sit in on and be heard at board meetings; (6) an Executive Committee meeting will be one at which a majority of regents must be present. Unanimous.

Billeb will develop an informational package for current and new advisory members to include the bylaws, current meeting minutes, and other relevant documents.

Photos: All regents and advisory members were reminded to provide Billeb with a photograph for publicity needs.

Future Meetings: Telephone conference calls to include regents and advisory members were scheduled for: Thursday April 5, 2001 at 2 p.m. EST and Friday May 25, 2001 at 2 p.m. EST. The Executive Committee meeting prior to the Blade Show was scheduled for Thursday, June 7, 2001 at 8 a.m. with the Annual Meeting at 4 p.m. An Executive Committee meeting was scheduled for Monday, September 24, 2001 at 8 a.m. in Chicago.

Vice President/Secretary: Buck nominated Bob Bascom to serve as AKTI Vice President/Secretary, seconded by Gardiner. Unanimous.

Financial

Current Reports: Buck reviewed the profit and loss comparison financial statement for 1999 and 2000. He listed those companies current with 2001 dues. Bascom presented a proposed budget for 2001 with a conservative income projection based on commitments Kowalski had received. The projected net income is approximately \$14,000. Gardiner moved to accept the budget as presented as a working document, seconded by Buck. Unanimous.

Fund raising: The proposed AKTI knife was put on hold and other fundraising ideas were discussed

including auctioning one custom knife per month. Al Pendray volunteered a custom knife and said he felt it would not be difficult to could get another 10 custom knives donated.

Shot Show Update

Kowalski reviewed the current corporate membership list and indicated he has a prospect list of approximately 30 companies or groups. He includes each corporate prospect in his monthly mailing to the knife and gun/outdoor magazines. Kowalski has contacted all members of NICA and added them to another list for monthly communication. He has added about 40 gun/hunting/outdoor/camping publications to another list for monthly communication. The knife publications have been receiving AKTI articles and news releases monthly beginning in November 2000. De Asis applauded Kowalski for his efforts and results so far.

Legislative Issues Updates

New York: Gardiner reported on New York Assembly Bill 2314 which would make possession of any knife with a length of 4 inches illegal. He explained that the Assembly is a solid Democratic group who raise knife-related issues every year and needs to be carefully monitored. However, a bill must pass both the Assembly and the Senate in New York to become law. There is a strong sportsman's lobby group with strong ties to the State Senators. Sportsman groups and AKTI members will stay in close contact with these State Senators because they are currently our best line of defense against anti-knife and anti-industry legislation. Gardiner's recommendation at each state level is to spend time getting acquainted with state representatives to help prevent anti-industry legislation from being passed. It is much more difficult to change current law than to prevent new laws from being introduced and enacted.

Florida: Gardiner explained that Florida has laws on the books that make selling a knife to anyone under 18 illegal. They have never prosecuted anyone and any attempt to get it off the books would highlight it and could create additional problems. The Attorney General's recommendation to Schrade was to not do anything about it.

Kowalski reported on ballistic knife case in Florida brought to his attention by Mike Turber. A dealer was charged with violation of a law regarding knives that project blades and the concern expressed was that case would now be applied to switchblades. According to Gardiner switchblades are illegal in Florida, but the laws are not enforced. Buck volunteered to call Turber for additional information.

California: Buck reported on the California situation regarding the redefinition of dirk and dagger, the ready use concept in the definition and the exemption that was added for knives designed to open with one hand. The current AKTI effort started due to the district attorneys' association intention to strike that definition. Based on meeting with the AKTI representatives Buck, de Asis and Miller, the proposed legislation was not introduced and the wording proposed includes a bias toward closing. The lobbying firm Carpenter Snodgrass Associates has found a sponsor for the legislation. Buck emphasized that this activity established that AKTI had more credibility in California than a single effort by Buck Knives. The district attorneys would like to introduce legislation with AKTI's support increasing penalties for crimes involving knives. De Asis made the point that AKTI represents a group of experts as a resource.

Customs: Kowalski presented a question from Bob Shelton of Joy Enterprises who believes that customs may be targeting knife manufacturers and asked about an AKTI presentation to the federal level customs office. Gardiner indicated field offices have a great deal of autonomy and first efforts should always involve developing good relationships with the local field office. The federal level

functions more as an appeals court, as it did in the Columbia River case. Kowalski will get back to Shelton.

AKTI's responsibility and involvement in New Hampshire: Discussion followed regarding the recent murder in New Hampshire of two Dartmouth professors who were killed, purportedly with a SOG knife. SOG is reportedly cooperating with the FBI providing sales history and contact names. Rick Taggart suggested AKTI issue a document or statement that would clarify what AKTI can and cannot do for corporate members in similar situations.

Legislative Action Plan

Kowalski reported that he has received no negative response to the proposed Legislative Action Plan. He is actively working with Colorado manufacturers for a possible presentation to legislators in April. Columbia River has also offered to supply all research on the market in general that they used with their October 2000 presentation to U.S. Customs.

Kowalski raised questions about proposed state presentations, i.e., who does it, costs, and a general plan of attack for other states. De Asis gave a summary of the AKTI-organized meeting in Oregon in May 2000 with Congressperson Darlene Hooley, who (with Senator Gordon Smith) subsequently came to the aid of Columbia River Knife & Tool.

State Presentations: (1) It was generally agreed that Kowalski will act as a facilitator and resource. He will use this opportunity as an AKTI recruiting effort, as well. (2) Local company executives will actually do the presentations. (3) The companies that make the presentation should make a decision about whether companies/AKTI members from other states are involved. (4) Preference was stated that the knife press be involved only after the presentations to help ensure that dialogue between companies and lawmakers be as frank and straightforward as possible. (5) Kowalski will put together some general guidelines on the presentations. (6) Bascom made the point that it was important to have products at the meeting that can be seen and handled. (7) Importance of decorum and doing a practice presentation was stressed. Lawmakers have very busy schedules and we want to create a professional image of our industry.

Targeted states include: California, Tennessee, Colorado, Connecticut, New York, Colorado, Pennsylvania and Florida.

Committees

Committee composition was reviewed and committee projects discussed:

Finance: Bascom (Chair), Buck, Billeb

Membership: Gardiner (Chair), Kowalski, Miller, Furgal, Flagg, Edelstein, A. G. Russell

Discussion about increasing membership and raising funds focused on the question of what can AKTI do for members. Ideas included: (1) developing standards for the industry; (2) awards/scholarships for engineering students; (3) printed materials for dealers; (4) Silent auction of knives; (5) AKTI knife series; (6) manufacturer's prototypes available for purchase by collectors; (7) providing insurance to collectors; (8) using reps to promote AKTI membership.

It was generally agreed that the plan of membership recruitment needed to stay focused on the collector and above categories.

P/R Communications: Kowalski (Chair), Hall, Hutchens

Education: Holder (Chair), Miller, Billeb, Taggart, Hutchens-Bascom

The knife safety pamphlet was reviewed. Billeb will send all members a supply of about 20. Additional quantities will be purchased for printing costs plus shipping.

The potential for an AKTI film was reviewed again. Gerber has in-house facilities and

Hutchens will check on costs.

Rick Taggart offered contacts to spearhead AKTI efforts with the Boy Scouts.

Legislative: Buck (Chair), Miller, Kowalski

Buck reviewed State Net service. Billeb will send all advisory members the password. Discussion on the model law originally written by Dan Lawson was discussed as a major objective of the committee.

Internet/E-commerce: Edelstein (Chair), Russell, Billeb, Flagg, Hutchens, Taggart - (webmaster from Swiss Army)

The internet committee will develop a plan of what would be optimal to have on the web site, design a manageable plan and check out having monthly auctions. The current web site is hosted by A. G. Russell, was designed by Billeb and is maintained by her college-age son Curt. It was suggested several members had resources to assist with web site development.

2001 Communication Plans

Kowalski reported on the communication plans he and Billeb have formulated for 2001. These include:

- (1) Next issue of newsletter to be printed prior to Blade Show. A second newsletter for the year will be prepared prior to the Shot Show (as it was in 2000).
- (2) Arranging for booth at the Blade Show.
- (3) Changing advertisements in the major publications.
- (4) Developing the AKTI logo with two or three additional lines of information or phrases that more clearly identify and position AKTI's goals and mission in the industry.
- (5) Continuing with current monthly mailing to publications. Will add knife clubs and show promoters. Furgal volunteered to put together a list of knife clubs to focus on. It was generally agreed that law enforcement organizations, police officer organizations, district attorney organizations be considered "phase two" after club membership recruitment.
- (6) Proposed AKTI position papers to include: appropriate knife naming, how to measure knife blade, and going on an airline with your knife. These position papers would be "advisory" in nature.
- (7) Develop a synopsis of what has happened in England and Australia, re: losing knife rights.
- (8) Re-wording of membership forms.
- (9) Re-wording of web site information.
- (10) Kowalski will continue to monitor Bladeforums and Knifeforums sites and respond where appropriate.

Bascom moved, Buck seconded to adjourn.

Respectfully submitted,

Jan Billeb
AKTI Executive Director