

American Knife & Tool Institute
Executive Committee Meeting (BOR & Advisory)
Teleconference Call Monday, July 17, 2006 1:00 p.m. Eastern

The Executive Committee Teleconference meeting of the American Knife and Tool Institute on Monday, July 17, 2006 was called to order at 1:10 p.m. EDT by Regent CJ Buck (Buck Knives). Other Regents present: Les de Asis (Benchmade), Jack Igarashi and Jeff Goddard (Kershaw), A. G. Russell and Goldie Russell (A.G. Russell Knives), Eugene Shadley (Knifemakers Guild). Advisory members present: Spencer Frazer (SOG). Others present: Jan Billeb, Executive Director; David Kowalski, Communications Coordinator; Dan Lawson, Attorney (at 1:25 p.m.). Regents absent: AKTI President Mike Jones (Gerber), Tom Arrowsmith, (W.R. Case). Other: AKTI Vice President David Hall (United).

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

TSA – David Kowalski and CJ Buck

The Executive Committee was previously provided with proposals from: Barry McCahill, McCahill Communications, Inc. (referred by CJ. Buck); Michael Mitchell, Orion Strategies LLC (referred by Larry Keane at NSSF); Mark Barnes, Mark Barnes & Associates (referred by Wally Beinfeld); and Patrick G. O'Malley and James Jay Baker, Federal Capital Communications Corporation (referred by Christopher Conte at NRA).

David Kowalski reviewed a follow-up email from Barry McCahill regarding recent *USA Today* news articles. McCahill noted that cigarette lighters are the only item specifically banned by Congress. All other airline carry-on restrictions, including knives, are decided by the TSA. While there are definitely public relations and Congressional objections that will be encountered in any effort to initiate changes, McCahill felt there may be an opportunity to petition the TSA to allow "gentleman's" pocket knives using the same logic TSA was using with Congress to allow lighters because not doing so distracts from TSA efforts to focus on bombs.

CJ Buck noted that whether or not AKTI was successful the effort would impact a lot of people. Potential members would know that AKTI was taking a proactive stance instead of just being reactive. Discussion followed that this was a much more winnable battle than changing the switchblade laws. It was noted that this is clearly a consumer issue that affects everyone who travels by air, not just retailers, distributors or manufacturers.

Discussion followed regarding David Kowalski's recommendation to: 1) have Barry McCahill do an initial assessment; 2) let Mark Barnes or Mike Mitchell do their own independent assessment; 3) compare assessments; and 4) decide on AKTI's course of action. On reviewing the quotes from each firm, Kowalski noted that, due to timing, Michael Mitchell (who is the official lobbyist for NSSF and SAMI) did not have time to present figures. O'Malley is with James Jay Baker and they are former NRA/ILA legal department employees. Concerns were raised that lobbyists might have the perception AKTI's available resources are large.

CJ Buck moved to approve having Barry McCahill do the initial assessment not to exceed \$500. David Kowalski will be AKTI's point of contact. A. G. Russell seconded. Motion carried unanimously.

AKTI Marketing and Re-positioning – David Kowalski

David Kowalski noted that one of the discussion points at the Blade Show meeting was to revamp AKTI's current marketing message which is built around the concept of "Keeping Knives in American Lives." He advocated making it a more visual message with limited verbiage and also working on a new overall "positioning" concept. Kowalski explained the ideas behind his presented concept of ... "We're Your Neighbors. We Use Knives Every Day." An outline and examples of people using knives in everyday situations was distributed earlier by email.

A.G. Russell suggested that any such ads also include a "call to action" such as "call your congressman" instead of just directional information to AKTI's website. Goldie Russell noted that the concept she forwarded to Kowalski of "Imagine Your Life Without a Knife" could use the same visuals as "We're Your Neighbor. We Use Knives Every Day."

Dan Lawson suggested that a similar idea to the NSSF's "Step Outside" program could be used to invite people in the knife population to spread the word about knives, i.e. introduce people to pocket knives or to knife shows.

Discussion followed on whether the focus should be on everyday use of knives, i.e. kitchen knives versus pocket knives and outdoor uses. Gene Shadley pointed out that people need to think about knives in their lives in their homes and how they affect the majority of people in useful ways. Kowalski believes that both in-home and various recreational and work uses of knives

can be represented visually so the average person can make the connection. Kowalski noted that either he would do his own photography or get images purchased at reasonable prices.

CJ Buck suggested all companies have their marketing agencies come up with some concepts at no charge to AKTI. Jan Billeb suggested a deadline of Friday, August 11, for providing ideas to Kowalski prior to the next conference call. Kowalski will create a separate announcement alerting member companies about participating. Kowalski will also report on potential costs for launching an ad campaign in different market and media segments, including using our own newsletters to distribute the new messages via retail stores.

Model Legislation – Dan Lawson

Dan Lawson explained that the difficulty of introducing model legislation on the state level is that there is no common starting point. He believes AKTI's Approved Definitions should be used as the core in efforts to improve legislation through amendments. A second method of affecting change by introducing repealing legislation would be more difficult. A third technique is getting an amendment by court decision. To take advantage of the third technique, AKTI would need to be aware of a case pending in the appellate courts in a specific state but would not have much control over timing; these cases are rare since the majority of knife cases get settled prior to trial.

CJ Buck reviewed the circumstances regarding how changes to California's 653k amendment were accomplished. He feels AKTI made faster progress when they sat down with the opposition and tried to understand their position. Compromises with the District Attorneys Association allowed the amendment to pass easily. This was a proactive effort using the amendment technique that exempted most one-handed knives from the switchblade statute.

Les de Asis noted that AKTI needs to approach its legal issues as business and employment problems, ultimately, rather than simply as emotional issues.

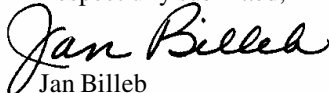
CJ Buck suggested AKTI needs to pick a state to start with and work toward success. Lawson questioned whether members knew if there was a state that had a higher level of possible success. A.G. Russell described Arkansas law that says that the knife is a weapon and that the burden of proof is on the defendant and questioned whether or not knives could be put under the protection of the Second Amendment. Lawson explained that the right to bear arms includes all weapons. Legislation based on blade length is arbitrary. Strangely, the bigger the blade, the more likely the carrier is under scrutiny. A.G. Russell made the point that the action should be the crime, not the possession of an item. A.G. Russell's suggestion was to start in the south and with a small state.

Kowalski and Lawson will look at which possible states would be good to consider for introducing amendments. Various states were discussed and Kowalski and Lawson will prioritize states and look at various strategies.

A conference call was scheduled for Monday, August 21st at 1:00 p.m. (Eastern time).

Les de Asis moved to adjourn, seconded by A. G. Russell. Meeting adjourned 2:10 p.m. Eastern.

Respectfully submitted,


Jan Billeb
AKTI Executive Director