

American Knife & Tool Institute

Executive Committee Meeting (BOR & Advisory)

Sunday, January 14, 2007 2:30 p.m.

Room 304E - Orlando Convention Center, Orlando, FL

The Executive Committee meeting of the American Knife and Tool Institute on Sunday, January 24, 2007 was called to order at 2:40 p.m. EDT by AKTI President Mike Jones (Gerber). Regents present: Les de Asis (Benchmade), A. G. Russell and Goldie Russell (A.G. Russell Knives). Advisory members present: AKTI Vice President David Hall (United). Others present: Jan Billeb, Executive Director; David Kowalski, Communications Coordinator; Jim Warick, (Vice President New Product Development & Marketing - Gerber). Regents absent: CJ Buck (Buck Knives), Jack Igarashi and Jeff Goddard (Kershaw), Tom Arrowsmith, (W.R. Case), Gil Hibben (Knifemakers Guild).

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

Administrative – Jan Billeb, Executive Director

Minutes: Approval of previous meeting minutes postponed until next meeting due to lack of a quorum.

Future Meetings: The next scheduled meeting will be Thursday, June 6, 2007 (day prior to BLADE Show) at 1:00 p.m. in Atlanta, with the annual meeting scheduled at 5 p.m. Conference calls to be scheduled as needed.

Current Officer Status: Mike Jones reported that due to his position change to General Manager of Brunton, Jim Warick would be the Gerber representative on the AKTI Board of Regents beginning with the end of Jones' term as president in June 2006.

Financial – Jan Billeb, Executive Director

Year-end Finances: The 2006 profit and loss and balance sheet reports were emailed with the agenda. Jan Billeb reviewed that income was down slightly from the previous year, mainly due to timing on membership payments. Legislative advocacy fees were up \$7,500 from 2005 due to the contract with lobbyist Preston Bynum on the Arkansas effort. Meeting expenses were up as Bob Miller had paid for the 2005 SHOT Show meeting. The cost for membership was increased due to purchasing life membership plaques (although we have received several life memberships). A new credit card machine was purchased, and the AKTI fax machine had to be replaced. Website administration was down from 2005 when the site had been redesigned. The increase in professional fees from 2005 reflects the increase approved for David Kowalski's additional responsibilities.

Conflict-of-Interest Policy: Billeb reminded the committee that the accounting firm suggested the board adopt a conflict-of-interest policy. She will re-distribute the standard IRS policy for members to review and for possible input from their attorneys.

Investments: Both the accountant and financial advisors whom Billeb contacted for investment ideas to increase the return on AKTI's money market account funds suggested the first step should be for the board to adopt an investment policy, including guidelines on how much cash to maintain in the money market fund and how money can be invested. Billeb will find sample policies to forward to the board for review.

Membership - David Kowalski, Communications Coordinator

Corporate Memberships: David Kowalski reported on positive contacts with potential corporate members including Leatherman, AlMar, Blade Tech and Emergency Preparedness Products (new owners of ProCut distribution business) during SHOT with positive results. Members were encouraged to individually contact Jake Nichol (503-253-7826) at Leatherman to encourage his decision and answer any questions. It was suggested that Wenger be encouraged to join as a separate member from Swiss Army. Kowalski noted that C.A.S. Iberia is under the new ownership of Paul Chen (with Barry Ross returning as CEO) and was preparing to rejoin.

AKTI Newsletters Distributed Through Retailers: Kowalski reported on the success of a Moteng flyer in their catalog mailing in early December encouraging retailers to distribute free AKTI newsletters. For the first distribution more than 11,000 copies were printed and shipped to 42 retail stores (focused on topic of knife maintenance, storage and sharpening). Retailers visiting AKTI's booth at SHOT expressed a lot of interest in this opportunity. This program will be expanded to additional retail members, which will undoubtedly increase individual memberships. Each newsletter will include an application form to join AKTI.

Individual "Grassroots Member" Program: Billeb and Kowalski suggested AKTI develop a membership category of "grassroots supporter" to be solicited on the forums and have them register on AKTI's website. This category would be knife owners willing to be contacted by email with information about possible legislative action needed in their state. They would be asked for a donation, but not have a specific dues amount. Kowalski will formulate a proposal for them that will

include receiving the AKTI newsletter in electronic form A.G. Russell offered to include an announcement in his weekly email newsletter to encourage people to register on the AKTI website.

Publicity - David Kowalski, Communications Coordinator

Booth: A pop-up display was purchased to use in the SHOT booth this year costing approximately \$1600. Space was provided free by NSSF after AKTI joined at the \$200 organization member level. Interest from retailers was good. Opportunities to partner with other organizations, shooting instructors and firearms safety people were discussed.

New Ad Program: Kowalski showed the first of a series of visual ads created showing people using knives in everyday life situations. They will be built around the themes of ... We're Your Neighbors. We Use Knives Every Day ... and ... Imagine Your Life Without a Knife.

Luggage Tag: Jan Billeb showed samples of a luggage tag distributed by the International Hunters Education Association and suggested AKTI design one to distribute to members and at shows that has the AKTI logo and information about knives on airlines. She will research costs.

Kniferights.org: Doug Ritter, who launched the United State Knife & Tool Association in 2006, has now officially changed the name of the organization to Knife Rights and was at the SHOT Show soliciting corporate funds for his consumer knife rights organization. We also received reports that he has been misrepresenting AKTI's nine-year history that includes serving individual knife owners as members and getting various state laws amended to help the individual knife owners in those states as well as knife owners visiting those states. Kowalski will reiterate who AKTI is, provide an accurate history on the various forums and update our website FAQs. AKTI has persisted in its message through 9-11 and a series of other knife-negative events and will continue to build an organization that serves all of its member groups in an efficient and effective manner.

Legislative – David Kowalski

NY - David Kowalski has sent information packets to 4-5 more defense attorneys in New York. Former AKTI president Jim Furgal agreed to be an expert witness on one case. Kowalski will also include a revealing story about one of the recent arrests for possession of a gravity knife in the next newsletter. He noted individuals and attorneys from various states are locating AKTI and we have provided several information packets and referrals to consulting counsel.

AK – Preston Bynum reported to Kowalski on Friday that the revision bill will be introduced first in the House, probably on Tuesday the 16th, and that 7-8 other house members are interested in co-sponsoring it. Most congressmen contacted didn't realize the restriction on knife blade length existed and recognize the liability to state residents and tourism, particularly visiting hunters and fishermen who frequently carry knives with blades 3 ½ inches or longer. Bynum is more confident than before that the AKTI-sponsored bill amending the current statute will be passed.

Other States – Kowalski will ask attorney Dan Lawson to look at which states to consider next for possible legislative action. A.G. Russell suggested they be southern states with small populations, strong rural populations and gun-friendly. He suggested MS, AL, LA, TN, WY, SD and also advised that NY, CT, and MA should be the last states to consider.

New Business

General Education Newsletter Material Needed – Kowalski noted he needs informative materials suitable for knife consumers to use in upcoming AKTI newsletters. If any AKTI member company has information with a generic component that could be used (perhaps in modified form), it will be noted that it is compliments of the contributing company. Future newsletters are expected to have print runs approaching 15,000 copies for distribution in retail stores and through select training centers and sales outlets.

A.G. Russell moved to adjourn, seconded by Les de Asis. Meeting adjourned 4:00 p.m.

Respectfully submitted,

Jan Billeb
AKTI Executive Director