

# Minnesota Entrepreneurs, Inc.

## Outgoing President's Report

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### **Synopsis**

As the Minnesota Entrepreneur's ("MEI") begin a new year with new officers and a strong slate of talented directors, it is appropriate to reflect on the past three years and the tremendous changes that have occurred in this non-profit organization. This report is the outgoing President's report of Edward G. Palmer to the Minnesota Entrepreneur's Board of Directors. It can be used as a reference for the February 2003 Strategic Planning session and includes my observations and recommendations.

### **Background**

I became a member of the Minnesota Entrepreneur's Club in 1987 when the organization met at the Business Technology Center ("BTC") in downtown Minneapolis. From 1987 to 2000, the organization met in the City of Minneapolis. When the BTC closed down, the organization shifted to St. Thomas University at the Minneapolis campus. During the stay at St. Thomas, the organization was incorporated as a 501(c) 3 corporation with the goal of obtaining a better financial underpinning. In 2000, St. Thomas University asked the Minnesota Entrepreneurs to leave. The organization's meetings were relocated to the Minnesota Business Academy ("MBA") in downtown St. Paul in February 2001. We have been meeting at MBA since that time.

I volunteered to join the board in 1998 for the purpose of helping move the organization into the 21<sup>st</sup> Century by designing and building a usable web site. That was my goal as a director. It was accomplished. During 1999, I accepted the invitation to become Vice President after Chuck Prescott resigned. After the shift to St. Paul, Jerry Robinson was unable to attend the majority of the meetings and I found myself providing leadership for the organization with only a limited board membership at the time. In August 2001, Jerry resigned and I was formally elected as MEI's President. My term officially ended with the election of Eric Strauss in November 2002. During early 2001, Mary Martin Mason who served 14 years as our Executive Director resigned and Kathy Gatliff was brought in as her replacement. She came highly recommended by Bill Lehnertz, a board member and prior President of MEI.

### **Focus of Presidency**

It was obvious to me that the organization needed a more solid foundation in which to precede forward. The focus of my MEI presidency was to provide that solid foundation. In that regard, I did not feel it was important to have an Entrepreneur of the Year Award, as it would take away valuable time and resources from the board. This limited board did not possess the resources to accomplish that huge a project.

## Accomplishments

Under my leadership the following accomplishments occurred without regard to order of importance:

1. MEI's First Web Site was developed on UNIX Server
  - a. Ed Palmer developed first complete web site presenting MEI.
  - b. Ed designed and built MEI's site using CGI scripts and HTML pages.
  - c. Ed Palmer has born all the expenses associated with MEI's web site to date as a donation from him and his company SolarAttic, Inc. estimated at \$11k or more in economic value.
  - d. The domain is owned by SolarAttic, Inc. and can be transferred as needed by Ed Palmer. Ed is the current administrator of the domain.
  - e. FIRST search page for site
  - f. FIRST online survey form for site
  - g. FIRST online feedback form for site
  - h. Tou Thao took over site briefly and upgraded the graphics. He tried to convert the site to Java Script for feedback forms, etc. This effort met with failure and the functionality of the UNIX CGI scripts was lost. This left MEI with no feedback forms, search forms, etc.
  - i. Thao left the site upgrade unfinished and the site was then reverted to the prior design by Ed using new graphics.
  - j. While the MEI site is fully functional, it is still a static site with minimal interactivity. It is our desire to manage all membership functions online.
  - k. Aestiva HTML/OS was implemented by Ed to turn MEI's site into a dynamic environment for all membership functions.
  - l. An attempt to use a MBA student to implement an Aestiva database failed.
  - m. Ed has agreed to maintain the current web site until the new site is ready.
2. MEI's Second Web Site development was commissioned
  - a. Eric Strauss agreed to donate the use of his Cold Fusion template to MEI.
  - b. A committee was formed to launch the next phase of MEI's Internet presence using Eric's template.
  - c. Next Phase of MEI's Internet presence will include full interactivity and management capabilities online vs. an individual's pc.
  - d. Eric obtained hosting and other development support free of charge.
  - e. Joe and Brian Betz are now responsible for finishing the new web site.
  - f. MEI's web location will be transferred to new site IP# when site is ready.
3. MEI's first Email Broadcast system was developed
  - a. Ed Palmer developed MEI's first email broadcast list and system.
  - b. The list was built up to over 400 names in MS Entourage on a MAC.
  - c. The list was exported to Kathy's PC during September 2002.
  - d. Kathy now manages the email broadcasting directly from her pc.
  - e. This email list will be transferred onto the new web site when ready for management via Eric's cold fusion template and server.

4. Meeting location was switched from Minneapolis to St. Paul.
  - a. Our first Internet survey was conducted to measure the impact.
  - b. Many Minneapolis members stopped showing up.
  - c. An offsetting number of St. Paul members started showing up.
  - d. The location does affect membership composition.
  - e. Finding a suitable location for MEI meetings is a difficult task.
  - f. Caution should be used in any relocation due to limited space options.
  - g. The change was necessitated because of St. Thomas politics.
5. Meeting day was switched from the first to the second Tuesday.
  - a. A second Internet survey was conducted to measure the impact.
  - b. The board favored the second Tuesday since elections, July 4<sup>th</sup> and other events seemed to constantly require a changed meeting date.
  - c. The second Tuesday did not interfere with other organization meetings.
  - d. A limited number of members stopped showing (Estimated at 1-4 total).
  - e. The meeting date has not had to be rescheduled since this change.
  - f. The change to the second week was effective.
6. New Executive Director was brought in to run organization.
  - a. Mary Martin Mason left during January 2001.
  - b. Kathy Gatliff was brought in during February 2001.
  - c. MEI's records were in paper state with limited supporting computer files.
  - d. Kathy's main task was to completely organize MEI and provide MEI with a professional meeting presentation along with computerized records.
  - e. Kathy has been paid \$675/mo stipend, which was equivalent to what MEI paid Mary. However, Kathy's professional input to the organization during the time she has taken over would be estimated at over \$3k/month.
  - f. It is not reasonable to assume that the organization can run smoothly without an Executive Director to handle the miscellaneous day-day stuff MEI needs to deal with.
  - g. The Executive Director is the glue that holds MEI together from one administration to the next.
7. Articles were Updated and voted upon by the board and membership.
  - a. New Articles allow the board some degree of change over Bylaws.
  - b. Some politics from the different opinions surfaced during the process.
  - c. Amended Articles remain true to original documents.
8. Bylaws were Updated and voted upon by the board and membership.
  - a. A certain member on the board [who later resigned when the board at large disagreed] brought up philosophical issues.
  - b. The updated Bylaws provide an honorary membership to past presidents. However, few past presidents attend MEI at this time and the change is more symbolic than affecting the membership budget.
  - c. Amended Bylaws remain true to basic operating philosophies over years.
  - d. The update took 18 months and involved some difference in opinions as to the direction MEI should be taking and considerable work.
  - e. New Bylaws are now functional for conducting MEI's business.

9. Board of Directors was expanded from 3-4 attendees to 12-15 attendees.
  - a. A strong working board is the vitality of MEI.
  - b. Constant board recruitment efforts need to be maintained.
  - c. The bylaws allow for up to 18 board members.
  - d. I believe that a strong working board with a distributed workload lies in the 15-18-membership range.
  - e. I recommend that the board continue to expand as needed by Director action filling in all vacancies until the next annual election.
  - f. There is no requirement to have members vote to accept or ratify additional members of the board added to fill vacancies in the board.
  - g. I recommend accepting board members who may not be able to attend all board meetings but can be highly functional in specific work tasks like “educational chair”. I.E. Finding the educational speaker.
10. Educational and Inspirational meetings were permanently combined into one three-hour program.
  - a. After considerable experimentation with dual meetings, the board voted to combine the programs into one expanded member meeting.
  - b. Meetings would then feature: Education, Inspiration and Networking as the three critical needs.
  - c. Jerry Robinson began using this concept with “Double-Header” Meetings in 1998-1999. The educational meetings during this time helped fund MEI’s operations and were focused on Internet issues.
11. Membership dues were increased to reflect the expanded programming
  - a. The new dues reflect the increased value that is represented in comparison to other organizations like the “Minnesota Home Based Entrepreneurs”.
  - b. The new dues simplified meetings by eliminating the collection of two fees; one for each meeting time.
  - c. The new dues simplified non-membership access by bringing MEI into line with other non-profits in that membership dues for non-members are basically two times membership dues. This is a common non-profit pricing strategy. A \$5 discount (add-on) was implemented to pre-sell tickets via the web.
  - d. Pre-selling tickets has met with limited success. This would be expected to increase when web credit card acceptance is implemented.
  - e. The new price structure simplifies meeting night admission.
12. MEI obtained its first 10 foot wide Professional Trade Show Booth
  - a. The booth has been used at meetings and was first deployed at the Strictly Business Show in Minneapolis during first half 2002.
  - b. Trade booth was donated by Xtra-Lite displays and its design was by board members Eric Straus and Jeffrey [Slava] Thaler.
13. MEI’s First Annual Board Retreat
  - a. Held first strategic board retreat in February 2001 at MBA
  - b. This needs to be a regular annual planning event for MEI’s board

14. Provided Leadership to MEI during the 9/11 Event

- a. Meeting set for 9/11 was immediately cancelled. Web site and email capabilities were placed into first crisis use to accomplish communications with the members during this critical time in the country's history.
- b. Subsequent President's letters dealt with the issues of fear facing entrepreneurs and the rest of country.

15. MEI explored synergy with the MBA student body

- a. In a web design program, MEI had formed a committee of four board members to support a MBA student on updating the existing web site using the Aestiva HTML/OS technology.
- b. The student did not complete his tasks and instead left for Colorado abandoning the project.
- c. This was the first and only major interaction with a student at MBA.
- d. The MBA student body is generally NOT inclined to attend or participate in MEI meetings.
- e. I have personally felt that MBA represented a unique untapped opportunity for both students and MEI. However, this has yet to materialize in the almost two years MEI has been meeting at MBA.
- f. MBA during this same time has been focused on "getting" students. I believe that since this task has been overcome, further synergy between the two organizations maybe possible.
- g. To date, attempts to get a mentor program going have been unsuccessful.
- h. MBA does not charge MEI for meeting. However, it would like to see some minimal donation come in. This would be in the area of \$150/mo.
- i. MBA is a friendly environment with both sides recognizing the potential for some great synergy between the organizations.

16. MEI explored shifting the meeting to the Venue in downtown St. Paul.

- a. The Venue has agreed to subsidize the meeting substantially.
- b. A meeting shift to a more professional location would be useful.
- c. However, available space for MEI meetings is highly restricted within the entire twin cities. Space is tough to secure and often highly expensive.
- d. I recommend that making the switch be highly thought out and considered.
- e. I recommend that making the switch be delayed until after the sponsorship program has been implemented. I believe that there is synergy from being at MBA, which is also useful in obtaining an initial round of sponsorship.
- f. I recommend NOT making the switch UNLESS MEI can ascertain that this is a long-term location, which will last at least 3 years. What happens if MEI misses 1-2 monthly payments? This won't happen if sponsorship is properly addressed first.
- g. I recommend NOT making the switch UNLESS MEI first considers a fall back location in case the Venue does not work out. What happens if they go out of business? Other organizations like Vezone did.
- h. MBA represents a low cost [none at the moment] and friendly location albeit the relationship seems to be tensing up. Leaving MBA will be a one-way trip. Once gone, there will be no returning.

- i. MBA still represents a huge untapped synergy between aspiring young entrepreneurs and MEI members.
- j. I recommend NOT making the switch UNLESS MEI has first dealt with the now tenuous Executive Director issue. Note: It is more important for MEI to have a full-fledged “professional” Executive Director than a new location at the moment.

17. Supervised Kathy Gatliff, who was directly responsible for the following:

- a. Translated paper based records into a cohesive membership database
- b. Sorted through over 1,000 ACT records to determine actual members
- c. Established membership renewal notification program
- d. Created MEI materials to showcase at meetings
- e. Created membership attendance tracking program
- f. Created membership name badges
- g. Established speaker recognition plaques, letters, etc.
- h. Followed up for months of speakers until directors could be obtained to split this workload away. I.E. Both educational & inspirational speakers.
- i. Instrumental in the updates of both the Articles & Bylaws
- j. Tracked Cameron’s Bylaw changes and provided her insight into association management.
- k. Provided board minutes and agendas until a secretary was located.
- l. The above items barely scratch the surface of Kathy’s contributions.

Kathy Gatliff served as Executive Director during my MEI Presidency and she is directly responsible for bringing MEI meetings up to a much higher level of professionalism. I congratulate Kathy on a job well done during an extremely stressing time of change.

**SUMMARY**

**THREE PRIMARY GOALS FOR THE MINNESOTA ENTREPRENEURS, INC.**

My first goal was to establish a web site and its accompanying Internet communications tools. I.E. Online feedback, search and other interactive forms. The second goal was to establish a more solid board of directors with more depth of fresh ideas, talent and energy. The third goal was to transfer leadership to a new generation of entrepreneurs.

I am pleased to report that all three goals have been accomplished and that MEI is now in the hands of a talented board of directors under the leadership of Eric Strauss. My best wishes to the Minnesota Entrepreneurs, Inc. as the new board continues the journey that was started in 1981 to educate and inspire Minnesota entrepreneurs.



Past President, The Minnesota Entrepreneurs, Inc.