



AMERICAN CONTRACT BRIDGE LEAGUE

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Hawaii Fall Board Meetings

Hawaii is certainly a “paradise”, but unfortunately an expensive paradise, resulting in a lower than expected number of tables. The estimate had been 10,000 but only 8,606 tables were in play. Part of the reason could have been all of the other attractions which kept people away from the bridge tables.

Baron Barclay Bridge Supplies

The sale of the ACBL Product Store to Baron Barclay Bridge Supplies was one of two significant actions taken since my last report. It appears that the transition has progressed remarkably smoothly with few, if any, complaints.

Baron Barclay is the leading expert in the bridge book market. Service to ACBL members appears to have remained excellent and should continue that way.

At the same time, there will be significant savings to the ACBL in 2007 and beyond, as a result of the sale. The number of ACBL employees has decreased by about 14%; there is no need to own a large warehouse facility. The seven-year agreement gives Baron Barclay exclusive licence to the ACBL name and logo but at the same time the ACBL will receive significant royalty payments.

This is a win/win scenario for both parties.

Real Estate

The second item of note since my last report is that progress has been achieved regarding the sale of the ACBL building in Memphis. By the time of the 2007 St. Louis Spring NABC, I expect to be able to report that the deal has been finalized.

The new ACBL office will be smaller, with fewer employees and no requirement for large warehouse facilities (see Baron Barclay above). The ACBL will be getting out of the business of being a landlord. There will be a transition period, during which time ACBL Headquarters will remain in the same location.

Financial Matters

The 2006 ACBL budget was supposed to break even. The report presented to us in Hawaii estimates that 2006 expenses will exceed revenues by about \$116,000. As a result of the below budget attendance in Hawaii, I expect the final 2006 loss to be closer to \$200,000. One of the

biggest unbudgeted 2006 items was the ACBL-wide insurance coverage that was purchased last July. This was a prudent decision to protect all ACBL units and officers despite the impact on the budget. Another factor contributing to the estimated loss was the closing of the ACBL Product Store. Income from sales stopped in mid-September, but it was decided to keep the affected employees on the payroll through the end of the year.

Notwithstanding the above, the ACBL remains sound financially. Prior to 2005, the ACBL enjoyed several very profitable years, and is well within all the financial guidelines it utilizes to determine its financial health. Tournament attendance is up, good attendance is anticipated for the 2007 NABCs, staffing levels will drop as a result of the elimination of the product store, investment income should be up, and board expenses will be down.

The only increase will be per session Tournament Director charges, which are going up by 8% effective April 1, 2007. Four per cent of that increase goes towards salaries, while the other 4% is “catch-up”. The latter 4% is an internal issue related to fully allocated cost accounting procedures. It is not money going into the hands of any tournament director.

In order to break even (and cover the 4% TD catch-up increase) per table sanction fees will DECREASE by approximately 6%, effective April 1, 2007.

	<u>2006</u>	<u>2007</u>
Open/Senior Regional	\$4.39	\$4.13
I/N Regional	3.04	2.86
Open/Senior Sectional	3.04	2.86
I/N Sectional	2.04	1.86

The per session sponsor fee for tournament directors, effective April 1, 2007 will be:

	<u>2006</u>	<u>2007</u>
National TD	\$143.00	\$155.00
Associate National TD	143.00	155.00
Tournament Director	131.50	142.00
Associate TD	107.00	115.55
Local TD	85.50	92.35

Board Actions and Other News From Hawaii

1. Effective January 1, 2007, clubs are no longer required to run a charity game for the benefit of the ACBL Charity Foundation. The first charity game, if any, plus at least every other subsequent Charity game held at a club must be for the benefit of the ACBL Charity Foundation or, in Canada, the CBF Charitable Fund. Carried unanimously.
2. The European Bridge League asked the ACBL to sanction the European Open Bridge Championship and allow ACBL members the opportunity to win masterpoints. Their request was denied by 6-19 vote. I voted in favour. The last European Open Championship in Menton was sanctioned and masterpoints issued. There were no problems. I believe in

keeping good relationships with our bridge-playing friends around the world. The practical effect of approving the request would have been minimal. I am saddened by what I perceive to be an anti-world, anti-WBF sentiment among some ACBL Board members.

3. A motion to allow part-time ACBL TDs to serve as elected or appointed unit or District Board members was defeated 4-21. I voted in favour. Management was adamant that they perceived a conflict of interest if an ACBL employee was an elected or appointed official member of a unit or District Board. Nonetheless, many ACBL TDs regularly attend unit/District meetings, serve on committees, and perform valuable functions. There is no problem in doing so as a volunteer.
4. This was not an ACBL Board action, but I'm pleased to report that the ACBL website now lists all sectional and Regional tournaments that overlap into two months in BOTH months. (Previously you could only find the tournament information in the month that it ended.) This will make it much easier to find the tournament information you are looking for.
5. At the Dallas Board meetings (spring, 2006), the ACBL approved hosting a World Junior Individual event to be run by the World Bridge Federation (WBF) at the Summer 2007 Nashville NABC. A junior bridge camp was expected to follow. The ACBL WBF representatives have now reported that the WBF has cancelled all plans to hold either event. In my view, their decision is a setback for junior bridge. I can only hope that the WBF reconsiders its actions.

Looking Forward – Possible Major Issues in 2007

1. Every five years, the ACBL reviews the entire masterpoint structure and makes recommendations. The Masterpoint Review Committee started its work in 2006 and is expected to present its final report for approval next summer. Second reading would be in the fall, and any masterpoint award changes would take effect January 1, 2008.

The entire club/on-line masterpoint structure, awards for bracketed knockouts, and pair game awards are all being reviewed.

2. Just prior to the start of the Hawaii NABC new state regulations went into effect banning smoking virtually everywhere. Hotel staff even came into the ACBL President's suite and removed ashtrays from the balcony!

Those who haven't been able to quit smoking yet, be warned! In 2007, all three NABCs will be at Marriott hotels, which are 100% non-smoking. If you are looking for a worthy New Year's resolution...

My best wishes to all of you for a happy, healthy and peaceful New Year.

All the best in bridge.

Dick

Dick Anderson
District 18 rep on ACBL Board of Directors