

SPE Council Fall Meeting

November 14-15, 2019

SPE Headquarters (Bethel, CT)

1. Welcome, Anti-Trust, & Conflict of Interest Statement (B. Landes)

President Landes called the meeting to order at 15h00 EST. He reminded everyone that the meeting was held in accordance with the SPE Anti-Trust and Conflict of Interest policies.

2. Approval of Agenda (B. Landes)

The agenda was approved as published.

3. Roll Call (J. Lyons)

With 53 Councilors, 9 of which are proxies in attendance, a quorum was established to conduct business.

Council Attendance Fall 2019			
<u>First Name</u>	<u>Last Name</u>	<u>Affiliation</u>	
Kevin	Malpass	Akron Section	
Suresh	Shah	Automotive Division	
Lloyd	Martin	Blow Molding Division	
Tim	Haake	Carolina Section	
Kelvin	Okamoto	Central Indiana Section	
Dennis	Meade	Cleveland Section	
Dale	Brosius	Composites Division	
Paul	Uglum	Decoration and Assembly Division	
Sassan	Tarahomi	Detroit Section	
Matthew	Curran	Eastern New England Section	
Mridula (Babli)	Kapur	Engineering Properties and Structures Division	
Margie	Hanna	European Medical Polymers Division	
Barry	Morris	Extrusion Division	
Jennifer	Hoffman	Golden Gate Section	
Susan	Montgomery	Injection Molding Division	
Len	Czuba	Medical Plastics Division	
Matt	Bennett	Milwaukee Section	
Brian	Young	Northwestern Pennsylvania Section	
Justin	Lumbley	Oklahoma Section	
Maggie	Baumann	Palisades - New Jersey Section	
Nick	Deluca	Philadelphia Section	

Harrison	Yu	Polymer Analysis Division	
Ashok	Adur	Polymer Modifiers and Additives Division	
Albert	McGovern	Product Design and Development Division	
Daniel	Marginson	Quebec Section	
Adrian	Merrington	Recycling Division	
Glenn	Larkin, Jr.	Rotational Molding Division	
Brian	West	Smokey Mountain	
Robert	Portnoy	South Texas Section	
Jamal	El-Hibri	Southern Section	
Kim	McCloughlin	Thermoplastics Materials and Foams Division	
James	Waddell	Thermoforming Division	
Greg	West	Thermoset Division	
Michael	Arney	Upper Midwest Section	
Rakesh	Gupta	West Virginia Southeastern Ohio Section	
Brian	Landes	President	
Brian	Grady	Past-President	
Jaime	Gomez	President-Elect	
Jason	Lyons	Vice President- Divisions	
Lynzie	Nebel	Vice President- Young Professionals	
Jeremy	Dworshak	Vice President-Business & Finance	
Bruce	Mulholland	Vice President-Events	
Conor	Carlin	Vice President-Marketing & Communications	
Raymond	Pearson	Vice President-Technology & Education	
Sebastian	Fraas	Additives & Colors Europe Division	Proxy
Raymond	Wyer	Chicago Section	Proxy
Doreen	Becker	Color and Appearance Division	Proxy
Rick	Puglielli	Connecticut Section	Proxy
Kenneth	Forziati	Flexible Packaging Division	Proxy
Scott	Peters	Mold Technologies Division	Proxy
Alfred	Ulrich	Pittsburgh Section	Proxy
Mark	Maclean-Blevins	Virginia Section	Proxy
Carl	Olson	Western New England Section	Proxy
Patrick	Farrey	SPE CEO	
Kathy	Schacht	Staff	
Sue	Wojnicki	Staff	
Eve	Vitale	Staff	

4. Approval of Minutes (J. Lyons)

VP Lyons motions to approve the minutes from Council held on September 20, 2019. **Motion** is seconded by Councilor Haake and **approved**.

5. President's Opening Remarks (B. Landes)

President Landes emphasized that this Council meeting is a celebration of coming together. He thanked us for sacrificing time with our families and hobbies to join together to advance the mission of SPE. President Landes noted that this is our first meeting in our new HQ, which may just be a building to some, but to our Society it is the Foundation. He reiterated that we are here to advance knowledge and networking within the Plastics Industry and that we can do this more effectively when we are working together. At the end of the day, we may disagree with one another but we must maintain the respect that we have for one another as together we can change the world.

6. Financial Update (J. Dworshak)

VP Dworshak started by thanking those that are part of the Finance Committee before explaining their charge, including review of the monthly statements and other financial topics that arise. Year to date (September), we are running a deficit operationally which is being offset by a strong investment portfolio, making us favorable to budget year to date. The results are ahead of budget due to diligence in controlling expenses as revenue is slightly lagging. The 2020 budget was presented showing an operation deficit of \$492k. VP Dworshak noted that we continue to see declining membership, lower event revenue and higher expenses. We are surviving but not thriving and we have been negative operationally every year since 2013 (with the exception of 2018). VP Dworshak challenged Council as to what we can do as a whole to put SPE in a better financial position.

There were questions regarding investments and how they should not be the savior and everyone agrees. This begs the fact that we MUST drive top line growth of the Society.

There were other questions about membership renewal and VP Dworshak teed up the fact that the Finance Committee is exploring putting everyone in the Society on the same renewal schedule so that membership dues could be budgeted more effectively.

Councilor Baumann suggested that we explore training as a form of revenue and Councilor Young proposed having SPE vet and recommend training that could be listed on the website that perhaps we could take a cut of the revenue. Councilor Gupta brought up the training that used to exist at ANTEC and asked if something similar could be revived in the future.

7. CEO Update (P. Farrey)

CEO Farrey discussed his trip to K and how he met with the chair of a European Division and asked him why they never show up to Council and the reply was difficult to stomach...that we are arguing about the same issues that we did years ago and that the answers will still be the same. There is clearly a disconnect in the communication channel between staff/EB/Council that needs to be addressed.

CEO Farrey reminded everyone that every Councilor's name is on the 990 that is submitted to the IRS every year. He noted that we just saw and accepted a \$500k deficit budget and that no one asking a question about it is extremely disheartening. It is our (all of Council's) responsibility to help identify and more importantly implement solutions to this problem. We can do anything but we can't do everything so let's work together to find solutions.

CEO Farrey then introduced the new HQ building and the history behind it and mentioned that we will be touring it shortly. He commented that over 10 years, the new HQ will only cost \$10k more and we finally have a building that is in line with the history and pedigree of SPE. He went on to talk about the success at K and upgrades to our software programs including event apps and paper submissions.

CEO Farrey then discussed the HQ Services update. He noted that this is one of the most difficult problems that he has had to tackle in his professional career. He reminded Council that the intent of this task force was to

replace the existing 12% HQ service fee. Somewhere along the line, Chapters began receiving services for discounted rates and in some case free, despite HQ incurring a significant cost. The intent of this program was NOT to create a profit center and NOT to achieve full cost recovery. CEO Farrey thanked the team and reviewed the targeted timeline the team was working against. The original proposal was 3 pre-determine packages that Chapters could choose from with some ala carte options available upon request. When this proposal was presented to the task force, it was rejected because often times the Chapters needed something between the three options. Based on this feedback, CEO Farrey then delivered a second revision to the task force which is being reviewed prior to being presented to Council.

CEO Farrey finished with an update on Plastics for Life. The program commenced in 2014, recognizing plastics products that protect life, enhance the quality of life, and/or sustains life. The winners of the Chapter Awards will advance to ANTEC for a final, global competition. To date, only 5 Chapters have competitions in place and staff has a goal of 12 (2 outside of the US) to hold annual competitions. The ask is for a Task Force (Councilors Czuba and Brosius) to be created to standardize the competition and define the criteria for becoming a champion.

General Q&A focused mainly around ANTEC and the desire to improve the quality of the product being delivered.

8. Governance Task Force Phase 2 Presentation (B. Mulholland)

VP Mulholland reviewed the proposal made by the Executive Board at the September meeting and the proposal put on the Chain by Past President Cameron. He summarized some of the comments that were mentioned on the Chain to set the stage for the task force's work in addition to data that suggests that a smaller governing body is ideal for a Society of our size.

VP Mulholland expanded on the earlier comments by CEO Farrey related to the duties of office for a governing body (Duty of Care, Duty of Loyalty and Duty of Obedience) and how this puts the members of Council in a potential predicament/conflict in their roles. He went on to suggest that decision making becomes sluggish due to the size of our 90 person governing board and the body's time is better spent discussing strategy rather than governance. VP Mulholland reviewed the charge of the original governance task force and the results that came from that work.

After an hour of lively discussion, CEO Farrey suggested that we stop trying to provide solutions and first agree that there was a problem that needed to be addressed. CEO Farrey, by a show of hands, asked how many people felt that the existing model of governance needed to be tweaked and a sizeable number of people in the room raised their hands. CEO Farrey then asked how many people, by a show of hands, felt that the system was perfect just how it is and no one raised their hands. With this, CEO Farrey suggested that we continue to discuss our thoughts over dinner and drinks but for the time being, we need to break to walk upstairs to participate in the historic ribbon cutting ceremony for the new SPE headquarters.

9. Council: RECESS to RECONVENE at 9:00AM (B. Landes)

President Landes **motions** to adjourn until Friday, November 15, 2019 at 9:00AM. Motion is **seconded** and **passes** unanimously.

10. Welcome back and Anti-Trust, & Conflict of Interest Statement (B. Landes)

President Landes called the meeting to order at 09h00 EST. He asked all first time Councilors to introduce themselves before asking everyone to sign their white cards in front of them so quorum could be established.

11. Governance Task Force Phase 2 Continued (B. Mulholland)

VP Mulholland began by recapping yesterday's conversation including our fiduciary responsibility to SPE and the results of the show of hands which unanimously concluded that the current structure needed to be "tweaked".

He then went on to lay out the goals for today which include: 1) the ideal number of Councilors, 2) how to assure that Council retains some level of control to prevent the governing body from going rogue and 3) the role of Council moving forward. Councilor Marginson reminded everyone that there may be possibilities that solve the issues identified by the Executive Board without necessarily selecting one of the two proposals that have been identified by EB.

After considerable discussion trying to get to the heart of the matter at hand, Councilor Brosius addressed Council and stated that there needs to be a level of trust between Council and the Executive Board and any feelings of old that pre-date CEO De Vos need to be forgotten. He described how his level of involvement over the years has never wavered yet he continues to see a drop in membership and attendance at events. He emphasized the level of competition for members' attention from a host of other sources. He stressed the importance of Council focusing on strategic initiatives to reverse this trend less on governance, which slows the organization down tremendously. He stated that Council needs to set the vision of SPE and let the Executive Board execute that vision.

Councilor Haake **motioned** that the composition of the Executive Board remains the same and becomes the governing body of the Society per Bylaw 8.1.1 and other related bylaws as long as safeguards remain in place that enables Council the ability to reverse any bylaw change made by the Executive Board with a 2/3rd vote. Motion is **seconded** by Councilor Marginson. The motion **passes** with two oppositions (Councilors DeLuca and Wyer) and one abstention (Councilor Tarahomi).

12. Council Committee of the Whole Recap (B. Kapur)

Councilor Kapur summarized yesterday's conversation related to Sustainability and stressed that it is important to drive further and come up with actionable items. In addition, there needs to be more sharing of best practices of what is working in the area of Sustainability with all interested parties.

The second topic discussed the struggle for sections to effectively cover their entire areas and bring in new membership in today's ever changing world. Some best practices were shared from sections that are reaching out to local universities and involving them in their Boards while other sections mentioned that they have more open meetings without obligations to lure people in, allowing them to discover the value by themselves.

Councilor Tarahomi came back to the podium and asked for volunteers to make his proposals actionable. Several volunteers were identified and they will work directly with Councilor Tarahomi and other respective leaders.

13. ANTEC Update (P. Farrey)

CEO Farrey updated that ANTEC is well underway and it will be held in beautiful, not-snowing San Antonio. Per Council's suggestion, pre-conference workshops are back on the schedule on Sunday from 1-4PM before the awards reception that night. If there is interest in teaching one of these workshops, please reach out to CEO Farrey. Due to several requests, student posters are back at ANTEC and will be held in conjunction with the awards ceremony. On Monday, the conference will officially start with the general structure of keynotes in the morning, lunch in the exhibit hall and traditional ANTEC papers in the afternoon.

CEO Farrey presented the conference fees for ANTEC and encouraged all Councilors to register early. He pointed out that Board Members have a slight cost increase from last year that is offsetting the addition of free meals and extra receptions that they will enjoy. The cost of each attendee for staff is \$600 without marketing, G&A, etc.

14. Student Centric Event Update (J. Gomez)

President-Elect Gomez talked about the experience that students have at ANTEC and he questioned whether it was living up to their expectations and providing the maximum value. As such, he wants to develop a student centric event, potentially held at HQ, which may include the following:

- A) Poster/presentation session for student
- B) A chance for companies to present themselves
- C) Speed interviews

President-Elect Gomez captured other Councilor feedback via a brainstorming exercise that he will publish on the Chain for further comment.

15. VP Marketing and Communications Update (C. Carlin)

VP Carlin reminded the board of membership calls to do something as it relates to sustainability. As a result of this charge, more people are getting involved as evidenced by the surge in activity on the Chain as it relates to sustainability. VP Carlin informed Council of President Landes' efforts with the Alliance to End Plastics Waste and how discussion is ongoing to leverage SPE's ability to provide un-biased, data-driven knowledge sharing.

Additionally, VP Carlin formed a global team passionate to the efforts of Sustainability to draft a positioning statement for SPE. As such, they recommended:

"SPE, the leading society for global plastics professionals, is fully committed to environmental stewardship and sustainability through three major areas of focus: 1) the continued research and development of plastic materials, technologies, and products that minimize negative impacts on the environment while remaining fit for purpose: 2) a dedication to objective and data-driven education programs for governments, NGO's, academia as well as public and private stakeholders: 3) the creation of local, regional, and international networking events to promote the exchange of best practices across the entire plastics value chain."

Questions were related to how the statement can be used in the future and CEO Farrey mentioned that the marketing team is developing a release strategy and once complete, it will be disseminated to Council so that there is a unified and consistent message being delivered to all of our constituents.

A comment was made about practicing what we preach and VP Carlin mentioned that upon moving into this new facility, staff has worked with the building ownership to put in place practices that will enable us to do so.

16. VP Divisions Update (J. Lyons)

VP Lyons took care of some housekeeping issues and **motioned** for Council to approve a charter to the Building and Infrastructure Division-in-formation. There was a question related to what they do and Councilor Gupta talked about pipes, siding, tanks and anything related to the building and construction industry. As there is overlap with several existing Divisions, they are focusing on joint sessions to enhance member value through collaboration. They have been a SIG for 7 years and are up to 70+ members. The motion was **seconded** and **passed** unanimously.

17. VP Sections Update Report (T. Haake)

Councilor Haake took care of some housekeeping issues related to SPE sections. He **motioned** that the following sections be moved to provisional status: Israel, Korea, New York, Kansas City, Smokey Mountain and Tennessee Valley and that the following sections move from provisional to abandoned: Toledo and Great Salt Lake and that Council approve the establishment of the Lakehead University Student Chapter. The motion was **seconded** and **passed** unanimously.

Councilor Haake strongly encouraged all Councilor's to present the findings of Council meetings to their constituents as there is word circulating that this is not always the case. Additionally, Councilor Czuba asked for

President Landes to re-instate time for Sections and Divisions to meet at Council. President Landes responded that with less governance moving forward, this could easily become a reality.

18. SPE Foundation Update (E. Vitale)

Foundation Director Vitale re-stated the mission of the Foundation for newer Councilors. Eve talked about the primary focused of the Foundation which includes: scholarships, grants, Hopkits and PlastiVan. She noted that there is a 30% increase in scholarship applications across more than 20 universities. The 2019 scholarship winners came from a variety of schools and 50 were given totally \$113,250?

The statistics for PlastiVan were highlighted, showing favorable growth across the board. Director Vitale showed an increase of 18.2% for students served, 10.1% for schools involved, 19.0% for visits and 17.2% for sponsors. PlastiVan is introducing wonder to young students and changing the perception of plastics one class room at a time. In talking to students, you have to make it about them..."what do I give up if I give up plastics", which opens their eyes quite a bit. Additionally, they ask questions related to innovations, salaries and impact on their everyday lives.

Director Vitale is asking for help in donations from our respective chapters and companies. There will be a Giving Tuesday campaign and she asked for everyone to consider joining her in this effort. Additionally, she is requesting Ambassadors to promote this in their areas. When discussing this aspect, there were questions related to resources that are available, particularly videos and cheat sheets that enable a scientist to change their angle of approach to make more of an impact within the classroom. Additionally, there was a suggestion to create a list of references/resources/goodies that could either be shipped or downloaded by interested parties. Doing so, it potentially lessens the burden placed on an extremely small staff without impacting the reach of the services provided.

19. Old Business / New Business (B. Landes)

For old business, there was a question related to the mentorship program and CEO Farrey said the champion of the program resigned and staff is looking for a volunteer to help evaluate and move the program forward.

For new business, there was a suggestion to evaluate having Council after ANTEC and staff will look into it and see what is possible for future ANTEC's.

20. Adjournment for Next Meeting (B. Landes)

Present Landes **motioned** for adjournment at 12:17PM and noted our next meeting will be held in San Antonio on March 28-29th, 2020. The motion was **seconded** and **passed** unanimously.