

PRESIDENT'S REPORT

Annual Meeting of the British-American Business Council

Saturday, April 26, 2008

Members of the British-American Business Council:

Before presenting my Report to you, please allow me to thank Saul Caisman, Chris Brenkus and all their colleagues on the Board of BABC Chicago, for the outstanding Conference that they have just hosted for us. As a past-President of BABC Chicago myself, I was very proud of the excellent program they hosted, and of the courtesy and the efficiency of their arrangements.

I would also like to express a big thank you to all our Conference Sponsors, and in particular our Conference Title Sponsor British Airways. BA has for many years been one of the strongest and most valued supporters of the BABC, and its support for this Conference was critical to its success.

I am also delighted that all of you joined us both for our Conference, and for this meeting. We very much appreciate your participation and support.

I was honored to be elected as your President, a year ago – having previously been involved with the BABC for more than 10 years, initially through our chapter here in Chicago, and subsequently as the BABC's Legal Counsel, and then as your Vice-President.

10 years ago, the BABC was a loosely formed group of business organizations with virtually no income, no benefits to offer its chapters or its members and a lack of coordinated direction. Today, we are by far the largest transatlantic business network with more than 20 chapters; many benefits to offer our members; an excellent Secretariat; effective governance and management systems; strong partnerships with both the UK and US Governments; a strategic direction; and substantial assets and annual revenues.

Over the past couple of years, we have also developed in another critical respect. In its early days, the BABC developed on the principle of ‘letting 1,000 flowers bloom’. At that time, we focused on encouraging the local activism and enthusiasm that is critical to the development of a grassroots organization like the BABC – without paying too much attention to the establishment of common standards throughout our network.

This was the right and necessary strategy for our early days. But any organization is only as strong its weakest link.

If each of us, in our local chapters, is going to promote the BABC to our members, and encourage them to take advantage of the benefits and the extended business network that it offers; and if we are to present the BABC as a serious business partner to our member companies and to the UK and US Governments -- we need to have confidence in the ability of all our fellow-chapters to deliver what we are promising, including a substantial business program and a substantial corporate membership.

Under the leadership of my predecessor, John Hancock, we established – and have since maintained – a process to ensure that all our chapters fulfill certain minimum standards. This was not an easy or comfortable process to initiate. It involved a close review of certain of our chapters and those chapters that did not meet these standards are no longer full members of the BABC – a position that we hope is temporary.

We look forward to welcoming new chapters to the BABC – whether they have a history with the BABC, or not. I am delighted that we have indeed been able recently to welcome two strong new chapters to the BABC – in Palm Beach and Miami. We look forward shortly to electing their representatives to the BABC’s Board of Directors.

Thanks to the efforts of both the BABC Secretariat and of our chapters, we now offer a substantial package of benefits and services to our members. But the success of these benefits depends on effective execution and promotion at the local chapter level.

For example, our Online Membership Directory and Online Calendar of Events are great resources for all our members. But they are only as good as the membership and event data that are fed into them by our chapters. So I would strongly urge you all to update them on at least a monthly basis. As you know, we recently further improved the functionality of our Online Membership Directory, providing all our chapters with an enhanced ability to use it to communicate with your own member companies.

We have also recently circulated marketing pieces to help all our chapters promote some of the BABC's membership benefits to your members, including our Corporate Databases, Marketing Opportunities and our J1 Program – which also offers our US chapters the opportunity to generate some significant income. These are important benefits, and useful marketing tools and I would urge you all to promote them actively and frequently at the local level, to enhance your business proposition to your own members.

This January, we also launched a new and exclusive branding and marketing platform for our members: the opportunity for prestige and visibility within the BABC's membership as a whole, in particular through the home page of the BABC's website, by becoming a "Patron" of the BABC. It's a great deal, and its price point is designed to appeal to middle-market companies as well as major multinationals. My firm recognized the opportunity, and became one of the BABC's first Patrons; and you will find our first group of Patrons listed on the BABC's home page. I would encourage you all, both to consider taking up this opportunity for your own company, and to promote it actively to all your members.

In my time with the BABC, I have always felt that we – as chapter Presidents, Executive Directors and Board Members – have a great deal to learn from each other. None of us has all the answers; but all of us have some of them. So I was delighted when, in the Fall of 2006, we held our first Annual Workshop in New York, providing a useful

learning and networking experience for our chapter Presidents, Executive Directors and Board Members. Our second Annual Workshop, in the Fall of 2007, was very lively and productive; and all the participants agreed that they wanted to continue with this in the Fall of this year. To me, this was the best possible testament to its value and success. We will hold our '08 Workshop, in New York, on September 26 and 27. I encourage you all to join us.

We all face new challenges in the coming year, not least because of the deteriorating economic environment.

But this is also an opportunity for organizations like ours. When times are good, and companies have as much business as they can handle, they sometimes have less need for the business development and marketing platforms that we offer. When times are tough, they need us more. And no other organization can match the breadth and depth of our offering such as:

- The opportunity to connect with close to 3,000 companies, in more than 20 major business centers, with a shared commitment to transatlantic business and to doing business with each other, and to participate in the programs of all our chapters;
- Substantive business offerings, like our Online Directory, Event Calendar, Corporate Databases, J1 Program, Membership Discounts and Economic and Policy Updates;
- Our Annual Conferences that bring us and our members together;
- Our strong relationships with both the UK and US Governments, and the policy initiatives that these relationships enable us to undertake on behalf of our members;
- A strong and effective governance and management system.

So I would urge you all to take full advantage of this opportunity over the coming months, by promoting these benefits – as well as all the benefits that you offer your members at the local level – as actively as possible to your members.

In conclusion, I would like to thank you all for your support over the past year, including:

- our Chairman, John Hancock, and all the members of our Executive Committee;
- our CEO, Richard Fursland, Tamra Spector, and the other members of the BABC Secretariat in New York;
- and most of all, you -- the Presidents, Chairmen, Executive Directors and Board Members of our chapters and affiliates.

Ladies and Gentlemen, that is the conclusion of my Report to you, so I have pleasure now in handing off to Richard Fursland.