A. Call to Order, Introductory Remarks

The USATT Board of Directors teleconference meeting was called to order at 7:02 pm EST on January 4, 2015 by Mr. Peter Scudner, Chairman of the Board.

B. Roll Call, Quorum Established, Conflict of Interest Statements

Roll Call was taken and a quorum was established. Mr. Ed Levy, Athlete Director, was absent. A routine call for conflicts of interest was made and there were no conflicts reported.

Members present:

Peter Scudner, Chairman of the Board (COB)
Anne Cribbs, Independent Director
Larry Hodges, At-Large Director
Ed Hogshead, Club Representative Director
Kagin Lee, National Organization Director
Carolyne Savini, Independent Director
Han Xiao, Athlete Director

Also in attendance:

Gordon Kaye, Chief Executive Officer (CEO) (joined meeting at 7:18 pm)
Dennis Taylor, General Counsel and Secretary
Carl Danner, Foundation Representative
Lee Kondo, Assistant Secretary

C. Review of 2016 Proposed Budget

The COB opened discussion regarding the 2016 proposed USATT budget. The COB explained that there is a projected $58,000 increase in revenues generated by the new membership fee schedule, whereby tournament processing fees will no longer be charged. Coaches and officials are required to be USATT members to maintain active standing.

USATT members have provided positive feedback regarding this change to delete tournament processing fees for members. While the annual membership fee was
increased, USATT members may compete in unlimited numbers of tournaments without additional fees assessed. Note that players from foreign countries still will be assessed a tournament processing fee. The Simply Compete computer program and the newly formed state and regional association programs both are anticipated to lead to increased number of new members added. The CEO noted that budget account categories were kept as previously denoted, however, these will be reorganized along with current line items after this meeting. Some account names will be changed.

The CEO joined the meeting at 7:18 pm.

National sponsorships (e.g., Butterfly, Joola), contributions and prize money categories briefly were discussed. Increased sponsorship revenues are anticipated this year. As previously mentioned, no Foundation grant was provided for 2016 since a large grant was received in 2015 at USATT's request. This budget was conservatively estimated, with a modest increase in club memberships estimated.

The U.S. Open and Nationals events, to be held in Las Vegas, were discussed, with the emphasis on prize money considerations and issues regarding sponsorship, local storage facilities fees (e.g., Brooklyn Bowl, storage), personnel per diem increases (i.e., headquarters’ staff, officials, volunteers), local contractor fees, and transportation (i.e., monorail).

The CEO anticipates having many international players (e.g., China, Germany) attending the U.S. Open in December 2016. Moreover, USATT intends to expand participation by an increased number of U.S. players (e.g., U1800, recreational). Mr. Lee and Mr. Danner mentioned that ITTF world ranking points may be important for U.S. players. For this reason, they suggested that the U.S. Open be placed on ITTF's calendar. Mr. Hogshead agreed that ITTF's $1500 “calendar-associated fee” would be a good investment.

On the revenue side of the budget, the CEO said that Brooklyn Bowl ticket numbers might be increased, along with merchandise sales at USATT’s online store. On the expense side, the CEO wishes to improve the quality of U.S. Nationals/Open awards and increase prize money amounts.

There was a net profit of $52,000 for the 2015 U.S. Nationals. For both the U.S. Open and Nationals combined, there was a net $100,000 profit, including $45,000 in sponsorships received. Ms. Cribbs commended this achievement as a positive step in the right direction.

Regarding contributions, the CEO noted that a sponsorship partner was being sought to fund a national team development camp as a youth’s program.
D. Closed Session

The Board entered closed session at 7:55 pm to discuss sponsorship issues. No
minutes are taken during closed sessions.

The General Counsel left the meeting at 7:58 pm and rejoined the meeting at 8:02 pm.

E. Open Session

The Board resumed open session at 8:02 pm.

Regarding special events, the upcoming North American Championships, Pan
American Junior Championships, and Ping Pong Diplomacy events briefly were
discussed. USATT is considering hosting the Pan American event, and we intend to
hold a Ping Pong Diplomacy event, perhaps seeking Chinese sponsors to participate.
The CEO requested that Ms. Cribbs assemble a task force to organize the Ping Pong
Diplomacy event.

The CEO left the meeting at 8:05 pm.

The Para sports program and sandpaper events were briefly discussed. Regarding
anticipated revenues, USATT's Insider newsletter, Ping Pong Depot Canada, and
equipment and apparel agreements were discussed. The USOC provided $30,000
to USATT for our Olympics Trials. Anticipated revenues from the upcoming Team Trials
event were mentioned. USATT's website has increased visitor numbers and is doing
well, thanks to Mr. Sean O'Neill.

The USOC is anticipated to provide funding for the High Performance Director and the
website director positions.

Budget issues for the Pan American Junior Championships were briefly mentioned.

USATT wishes to encourage an increase in junior and cadet circuit participation.
Athletes will be funded based on their performance. National team line items (e.g., High
Performance Director, Olympics, National Team Development Camp) and Para
program line items were discussed. There was a modest increase in the direct athlete
support program.

The new HP Director is anticipated to upgrade the elite athlete coaching program. A
slight increase in funding for officials' development was given.

Mr. Richard Finn's National Media Director compensation was a budget line item.

Less than $8000 was budgeted for the "Bring Back Our Balls" marketing program.
Ms. Cribbs left the meeting at 8:20 pm and rejoined the meeting at 8:37 pm. The CEO and Mr. Danner left the meeting at 8:35 pm.

Roll call was taken, and a quorum was noted to be still present.

Ms. Cribbs expressed the concern that perhaps anticipated sponsorship revenues might not meet expected projected goals. In response, the COB presented two options: The budget could be approved by the Board as presented. Alternatively, the Board could approve the budget with a request to review the financials at the end of the first quarter of 2016, and revising the budget (i.e., received revenues, future expenses) as needed.

**MOTION.** MOVED that the Board approve the attached 2016 USATT Budget* as revised today and that the Board review sponsorships at the end of the first quarter 2016 and consider revising the budget as needed.

Movant: Anne Cribbs  
Second: Carolyn Savini

Discussion: The CEO clarified details of the proposed 2016 Budget, and various income and expenditure line items were discussed.

**The motion passed unanimously, 7:0:0.**

*NOTE: The 2016 USATT Budget is attached below.*

**F. Adjournment**

The meeting was adjourned at 8:43 pm.

Respectfully submitted by,

Lee Kondo  
Assistant Secretary