

MARCH 2006

SCCA has a new President! Jim Julow is a graduate engineer from Purdue who has worked for the entire big three with his last stop being as a vice president of Daimler- Chrysler in charge of the Dodge division. Jim brings a wealth of experience to our Club. He is the man who brought Dodge back into NASCAR. His industry connections will enhance this club and may find us some new partnerships in the future. Once you meet him, I think you will agree that he is indeed the right man at the right time for this club.

Earl Knoper also joins us as the new president of ProRacing. He comes to us from Toyo tires. In the space of less than five years he brought that brand from almost nowhere to being the number one sports enthusiast tire in the marketplace. His tireless work ethic is just what Pro needs. We believe that he has the skills to right this leaky ship and enable it to sail on its own.

The 2006 convention has come and gone, but as always it was a huge success for all who attended. Barb Lundquist once again organized some over the top safety symposiums. I look forward to receiving the DVD, and I hope to find an opportunity to share them with those of you who were weren't able to attend the convention.

The 2006 Convention also featured a Board of Directors/Regional Executives meeting. Over fifty Regions were represented at the meeting. There was a lot of communication, and an opportunity to address gossip and rumors with the fact. This was a valuable meeting that should be part of the agenda for future.

We missed John Forespring in Kamas City, but an opportunity to watch the Seahawks in the Super Bowl after thirty years of waiting cannot be missed. Too bad the score wasn't better, but I would like to think that they were just warming up for the next Super Bowl.

The first huge tip-of-the-helmet goes out to Team Seattle for raising more than two million dollars in contributions for Children's Hospital during this year's twenty-four hour race in Daytona. The next tip-of-the-helmet goes out to the Northwest region for hosting a great awards banquet. When John is in charge, the hospitality is always top drawer.

Colan Arnold reports that membership decreased by 3857 for the year. Of that, 1800 were due to the phase-out of the Subaru program. The rest of the decrease comes from Performance Rally. The Dodge partnership could reverse these numbers. Colan and the Membership Department are undertaking a new demographics study soon. It has been close to four years since the last demographics analysis. Currently, the membership breakdown is: 67% individual, 9% spouse, 23% family (about 3300) and 1% First Gear. Gee do you think first gear needs to get going?

There are some disturbing trends in worker licensing numbers. There are 655 Timing & Scoring licenses, compared to 821 in 2001. There are 2,010 Flagging & Communications licenses, compared to 2,381 in 2001. There are 258 Starter licenses, compared to 285 in 2001. There are 697 Registrar licenses, compared to 718 in 2001. There are 329 Emergency Services licenses, down from 554 in 2001. Race Control licenses have decreased from 1,272 in 2001 to 1,031. There are Pit & Paddock 417 (2005) compared to 554 in 2001. There are 165 Sound Control licenses compared to 174 in 2001. The only specialty that has not experienced a decline is Tech, which has held steady at 435 licenses. Every Region needs to pay attention to these numbers, and begin to recruit workers. I heard that a SEDIV Region was

forced to cancel a regional race event last season because there weren't enough workers to put it on. Let's make sure that doesn't happen here.

The Membership Department has met its service goals since mid-May. This translates to faster more efficient service for our members. Colan and his crew are to be commended. Colan also reports that the fixed costs for a membership amount to \$24.

That is the cost of SportsCar, the membership card, postage ect.

Revision of the General Competition Rules is ongoing and expected to be finished by January 1, 2007. Rumor has it the 'new' version will be UNDER one hundred pages. (I hope so).

As I have stated before, December through February the club budgets for a loss due to the fact to few events are put on and huge expenses like the annual insurance premium due. With that said, the operating loss for December was about \$34K less than projected, which left SCCA Inc at close to \$178K net income for 2005. However, cash flow is still a concern. Non-operating activities resulted in a loss of \$17K against a budgeted income of \$12K. The variance is primarily due to under performing investments and a correction of the unrelated business income tax for the year. Insurance income was off by 5%. Miscellaneous income was off by \$59K, due to the Spec Miata tire testing. Cost control measures put into place early in the year, are keeping most expense line items under budget. Any member who wishes to see a more complete picture of the club financials can request a copy of the IRS form 990 from Jeff Dahnert.

Enterprises recorded a profit of over \$70K, and will start making principal payments (as opposed to interest only) in 2007.

In the 90's Tom Foster and Chuck Billington of Team Tracer set the party standard for the club. I will never forget the sock hop at the 1997 Run-Offs, or the hot tub that came with them on the back of a trailer. Chuck Billington, owner of machine shops, always arrived at the track with a fully stocked machine shop on board. There were many times he saved the day or the weekend for a fellow racer. It was with a heavy heart that I recently heard of his passing. Mr. Billington was a racer and a gentleman to the end. I would like to think that he and Tom Foster are together again, taking Team Tracer to a new venue.

It also pains me to hear that Snake River and the Montana gang have lost the site for their divisional rally but they promise that it will return in 2007.

The 2007 convention (and the following two) will be in San Antonio TX on the River Walk. I hope to see you there!

In closing, I want to thank Chairman Introne for my recent appointment to the SCCA Foundation board.

Director Duck-Out