

LNC Executive Committee Meeting

Teleconference

July 18, 2000

Present: Jim Lark, Chair
Dan Fylstra, Vice-Chair
Mark Tuniewicz, Treasurer
Steve Givot, Secretary
Ken Bisson (IN), At Large Representative (joined at the start of the discussion of the party's Financial Status)
Joe Dehn (CA), Region 2 Representative
Michael "MG" Gilson de Lemos (FL), Region 4 Representative

Also present: Dan Wisnosky (NV), Region 2 Alternate

Staff: Steve Dasbach, National Director
Ron Crickenberger, Political Director

Lark called the meeting to order at 8:34 PM EDT.

Item: Setting the Agenda

Fylstra requested that five minutes be added to discuss membership levels.

The agenda proposed by Lark with Fylstra's addition was adopted without objection.

Item: Chair's Comments

Lark said that he has received no response yet to the messages he has sent to the chairs of ALP and ALP, Inc.

Lark advised the Committee and staff that he will be absent from July 21 to July 29.

Item: 2002 Convention Planning

Dasbach said that this topic was covered in his written report.

Tuniewicz said that being in a media hub has been important in the past. He said that proximity to members is also important.

Dasbach said that good and inexpensive air transportation is also important. He said that it is also important that we find either (1) a hotel with a sufficiently large room for the convention floor or (2) a convention center which is inexpensive to use. He said that enthusiasm of the state or local party would also be a plus.

Lark inquired about the choice of dates. He said that there has been discussion about considering alternatives to the July 4 weekend.

Givot said that two important factors are the ability of people to take time off to attend and selecting a time when C-SPAN can cover the convention. He said that both tend to point to three day holiday weekends -- because attendees would likely have time off and because Congress is not likely in session.

Dasbach said that this is mostly correct. He said that the 1998 convention, held in DC over the July 4 weekend, produced only limited C-SPAN coverage. He said that if it is moved, he would expect those happy with the July 4 weekend will likely complain. He said that the Memorial Day weekend is probably a bad choice because school is still in session. He noted that holding the convention on July 4 has resulted in far more families with children attending. He said that if the convention is to be held earlier, it should not be held before April. He suggested that if the convention is to be held earlier, he would suggest holding it only a week or so earlier.

MG said that he feels that holding it just before July 4 was a good thing.

Tuniewicz said that possible additional criteria would be finding a family friendly, positive location.

Dasbach polled the committee on its choice.

Lark expressed support for continuing to schedule the convention on or near July 4.

Fylstra expressed support for continuing to schedule the convention on or near July 4 or a bit earlier.

Tuniewicz expressed support for continuing to schedule the convention on or near July 4 or plus or minus one week.

MG expressed support for continuing to schedule the convention on or near July 4 or plus or minus one week.

Dehn expressed support for continuing to schedule the convention on or near July 4.

Givot expressed support for continuing to schedule the convention on or near July 4 or perhaps one or two weeks earlier.

Crickenberger said that moving it a bit earlier might provide more time for ballot access.

Dasbach said that most of the states where ballot access would be affected are states where the drive is usually done with volunteers.

Item: Relationship with the Browne/Olivier Campaign

Dasbach said that he is working on a written agreement regarding exchange of prospecting information with the Browne/Olivier campaign.

Dasbach said that he is also working on plans for advertising. He said that Browne is about to embark on a nationwide fundraising tour to solicit donations to fund advertising.

Lark asked what the relationship between Browne and Olivier is.

Dasbach said that the campaigns are integrated, but that Olivier has his own scheduler. The plan is for Olivier to be kept on the road and that Olivier's fundraising on the road will need to cover his travel expenses.

Dasbach said that he will be talking to Olivier and his scheduler, trying to have Olivier available for radio interviews in response to news releases.

Fylstra asked Dasbach whether the campaigns are separate for purpose of the FEC campaign contribution limits.

Dehn asked about the terms of the agreement that Dasbach is drafting.

Dasbach said that each party will provide the names of prospects to the other party as they come in. He said that those names would be the property of both the campaign and the party. He said that contributor information would also be exchanged other than monthly pledgers.

Tuniewicz asked whether information relating to contributions to the LP during the campaign from people who were members prior to the nomination would also be shared.

Dasbach said that information about contributions to the LP would be shared except for dues renewals and monthly pledges.

Dasbach said that there has been no determination as to whether the amounts of such contributions will be shared.

Dehn asked if information about volunteers would be shared.

Dasbach said that he has no plans to exchange such information.

Dehn asked about sharing of email lists.

Dasbach said that he is uncomfortable with turning over email lists. He said that he would rather have the parties use each others' lists occasionally without giving each other copies of such lists.

Givot said that he believes that all contribution information should be shared, without conferring ownership. He said that this includes new member contributions, membership renewals, and monthly pledgers.

Dasbach said that the Browne/Olivier campaign will be able to mail to the entire LNC contributor list without charge.

Lark asked whether the campaign had asked for anything else.

Dasbach said that there had been some discussion of LNC staff helping with graphic design and news releases.

Item: Financial Status

Dasbach said that in the next 30 days he will learn if the contribution pattern experienced in 1996 is repeating itself. He said that in 1996, 34.8% of all 1996 contributions were received in the first half of the year with 65.2% received in the second half.

Dasbach said that in June 1996, the LNC was more than \$100K in the red and that it was not until October that the LNC was back in the black. He said that currently the LNC is slightly in the black.

Dehn said that he is confused over what needs to be accomplished in the next few months. He said that, traditionally, financial reports are provided early in the meeting

so that the Committee would understand what was available to fund projects under consideration.

Dasbach said that in the next 30 days, the top priority is to complete ballot drives. He said that the second priority is to do as much advertising as possible. He said that, if all goes well, \$250,000 will be spent in the next four weeks on advertising by the LNC and Browne, combined. He outlined various fundraising efforts planned for the coming month to fund this.

Dehn asked whether or not the EC needs to know what funding will be in order to make these decisions now.

Dasbach said that Dehn had past personal experience in making such decisions and that those decisions were made on a week-to-week basis based on immediately-available funds.

Tuniewicz said that he agrees that the next 30 to 45 days will tell the story. He said that Dasbach's July 16 report outlines many of the things that will have to be dealt with during this period.

Givot said that he understands that staff already has the budgetary authority to spend the amount of funds it is talking about spending, except perhaps for the AZ ballot drive.

Dehn asked whether the EC should be discussing the relative priorities of a large direct mail piece and an initial large ad campaign.

Dasbach strongly urged the Committee to proceed with the advertising first, then move on to direct mail later. He outlined strategic reasons for doing so.

Lark asked Dasbach how much he anticipates the Browne campaign will spend on advertising.

Dasbach said that he does not know what will happen in the long term, but that this week the Browne campaign is spending \$10,000 on advertising and the LNC is spending \$30,000 on advertising.

MG asked whether the LNC has made any payment for production of Browne's ads.

Dasbach said that, to date, the LNC has spent nothing. He said that LNC expenditures will be limited to buying air time.

Dasbach said that he hopes that the battered voter ad will be made available for other candidates.

Givot asked Dasbach to explain the Reserve Fund policy to MG and to report on the current status of the Reserve Fund.

Dasbach advised the Committee that the current Reserve Fund requirement is about \$100,000, that it is calculated as \$60,000 plus 2% of cumulative contributions during 2000, and that the LNC currently has cash well in excess of \$100,000.

Lark asked where the \$137,000 from the banquet fundraising in Anaheim is.

Dasbach said that it is deposited along with other funds. He said that it is not segregated.

Givot asked Dasbach if he requires additional budgetary authority to carry out current ballot access plans.

Dasbach said that an adjustment will almost certainly be needed, but not prior to the next EC meeting. He said that no action is required currently.

Dasbach said that there is a need to increase budgetary authority for affiliate support. He said that the LNC's action in December 1999 to give \$25,000 from the estate of Karl Wetzel to LPMO was not accompanied by a budgetary adjustment. He said that the affiliate support line item is out of money.

Givot moved to transfer \$5,000 from contingency to affiliate support.

Dehn seconded.

The motion passed on a voice vote.

Item: Advertising Budget

Dasbach said that the immediate targets are buys of \$40,000 this week, \$100,000 over the next week or so, and \$250,000 within the next month. He said that this includes purchases by both the LNC and the Browne/Olivier campaign.

Fylstra said that there is a goal of spending \$1 million in media advertising. He said that there was no determination as to how the money would be spent. He recalled that Dasbach had suggested possibly matching advertising funds with certain U.S. House and U.S. Senate candidates.

Dasbach said that using candidate ads will significantly reduce costs because candidates qualify for discounted broadcast ad rates. He said that national ads tend to produce the lowest cost per viewer. He said that some money may be spent on non-presidential candidates.

Fylstra asked Dasbach if he wants the authority to allocate ad spending between the presidential race and other federal races.

Dasbach said that he already has that authority.

Fylstra asked what, if any, criteria will be used to allocate those funds.

Dasbach said that he expects that criteria will be established prior to allocation.

Fylstra said that he would like to know what criteria are established for this allocation when they are established.

Tuniewicz asked if it is fair to say that the LNC will be spending more on congressional campaign advertising than in prior years.

Dasbach said that the LNC had not funded congressional campaign ads in the past.

Tuniewicz suggested that a condition for providing funding for other federal candidates be that the candidates provide national with a contributor list or something similar.

Dasbach said that was an excellent suggestion.

Givot suggested that Dasbach give the broadest possible notice of when the Browne-Olivier ads are running so that as many members as possible can see for themselves the quality of the ads. He said that this would promote further contributions to fund airing the ads.

Dasbach outlined some of the criteria he is considering for matching ad spending with other federal candidates.

Item: Direct Mail Prospecting

Dasbach referred to his written report.

Givot asked what the targeted roll out date is.

Dasbach said it would be as early as late August and as late as early October.

Tuniewicz asked Dasbach whether, if revenues fall below projections, he would prefer cutting prospecting instead of cutting advertising.

Dasbach said that he would prefer that choice, but only to some extent. He said that the portion of the mailing that targets lapsed members and registered Libertarians is not something he would likely cut. He said that he would be more likely to cut direct mail to others.

Dehn said that in the past, direct mail has always had a target date. He said that he is concerned that there is no target date associated with this batch of direct mail.

Dasbach said that there are other things going on which lead him not to commit to a specific target date. He said that his top priority is ballot access and his second priority is television advertising purchased prior to the middle of August. He said that his strategy is based on his assumption that Buchanan will rush to spend much of his federal funding in early September in an effort to be included in the debates. He said that our small advertising budget would be drowned out by Buchanan's anticipated efforts in September.

Dehn said that this approach appears dangerous to him because direct mail may be put off indefinitely.

Lark asked Dasbach how much money he believes he can raise from major donors to fund a large direct mail piece.

Dasbach said that, at this time, he is unsure. He said that he believes it is inappropriate to spend a large sum of money on direct mail when the central theme of fundraising is television advertising.

Item: Membership Levels

Fylstra said that there has been an online discussion of membership drop-off in June. He said that membership is down year-to-date. He asked whether this pattern is similar or dissimilar to 1996.

Dasbach said that it is similar to 1996 but that the larger size of membership amplifies the swings. He said that the number of spontaneous, unsolicited inquiries has not increased proportionally and that this has had a negative effect on membership levels.

Fylstra said that he has been thinking about what can be done to increase first year membership renewal rates. He said that although the LNC's first year renewal rate is comparable to other non-profit organizations, he would like to increase that renewal rate.

Dasbach said that it is difficult for the national party to push up the retention rate. He said that creating a more realistic set of expectations on the part of new members would likely result in fewer disappointments by new members as their first renewal date approaches.

Fylstra said that he has had email discussions with Dasbach about this. He described some of the details of those discussions. He said that Dasbach's feedback on some of his early ideas has not been encouraging, given the results of previous efforts to stimulate activism from the national office. He asked other members of the Committee to think about ways that this problem might be approached.

MG said that LPFL has been working on this for about a year. He said that LPFL has considered various alternatives. He said that getting local people motivated to do something about this should be possible.

Dasbach said that the impetus for experimentation needs to come from the local level. He said that sharing news of successes and failures is one thing that national can do to help in this regard. He said that there is no substitute for someone at the local level spearheaded the effort.

Givot said that he believes that the national party can provide affiliates with suggested experiments which seek to increase retention rates.

Dasbach said that national knows about some things that do work and have worked in practice. He said that it is difficult to get people to implement these activities.

Fylstra said that one thing that we should be doing is trying to identify serious activists. He said that he would like to see counts of true activists.

Dasbach said that there is information on who holds certain positions, but we have no information about which of these people actually does engage in activist activities.

Dehn said that LPCA has some of the same problems as the national party because of its size and the size of CA. He said that LPCA has been discussing way to encourage membership retention efforts by its local regions.

Dasbach said that he can produce a listing of people identified as activists in the database. He said that when an affiliate wants to try an experiment, it is possible that national can provide information in support of that experiment.

Item: Other Business

Tuniewicz informed the Committee that Republican senatorial candidate Robinson in MA was now back on the ballot, but that there may be an investigation regarding this.

Dasbach reported on certain regulations which will not affect the LNC, but may affect some of the LNC's affiliates. A new regulation has been passed which requires certain disclosures. He said that affiliates which raise more than a certain amount of money and do not file with the FEC will have to file with the IRS.

Item: Future Meeting

Lark informed the Committee that the next meeting would be on August 1 at 8:30 PM EDT.

The Committee adjourned 10:11 PM EDT.
