



Executive Committee Meeting

Tuesday, January 26, 1999

10:00 am - 12:00 p.m.

Minutes

Coast Room

Museum of Contemporary Art

La Jolla, California

Attendance: Harry Parker (chair),

Maxwell Anderson, Robert Bergman, Vishakha Desai, Hugh Davies, Samuel Sachs

Regrets: Malcolm Rogers

Staff: Jennifer Trant (Executive Director), David Bearman (Director, Research and Strategy)

Guest: James Michalko, CEO, Research Libraries Group Inc.

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 - **Artists Rights Societies Negotiation Framework**

1. Call to Order

Harry Parker III convened the meeting at 10:00 am.

2. Minutes from Last Meeting

*Minutes of the meeting of September 28, 1998 at the Whitney Museum of Art were approved on a Motion - Bob Bergman
Second - Vishakha Desai
Approved unanimously*

3. Executive Director Report

Strategic Issues:

Executive Director, Jennifer Trant, reported on strategic issues facing AMICO in the coming year, focusing especially on the need for continued growth in membership as a basis for growth in the size of the Library and solvency. She also pointed to a need to bring contemporary works into the Library under agreement with artists rights societies and to expand AMICO member services so that members perceived the organization as valuable to them. Achievements of the past year and upcoming milestones for the next six months were reviewed.

Projects:

Progress on a variety of AMICO Projects was reported. There was discussion but no actions were taken.

- *The University Testbed Project press notices and upcoming research conference call for papers were introduced.*
- *The nature of the IMLS grant, a collaboration between AMICO and IUPUI (Indiana University, Purdue/University of Indianapolis) was discussed. The IMLS Project is to get underway this spring with the establishment of Advisory Committees, hiring of a project director, and awarding of mini-grants to K-12 educators who will be developing curriculum materials based on the AMICO Library in conjunction with AMICO museum education staff who will serve as experts on both the content and aspects of multimedia curriculum development.*
- *The public Web Site of AMICO was described and plans for its enhancement introduced. The searching features of the public site were demonstrated.*

4) Financial Issues

Treasurer Maxwell Anderson and Executive Director Trant presented AMICO's current financial situation and a proposed 1999-2000 budget. Projections for growth of membership and of the Library were drawn into the discussion of these financial matters though scheduled under a separate section of the agenda. After review of AMICO finances, the Executive Committee was encouraged that current expenditures seemed to be lower than had been budgeted but concerned that income was also off. It was agreed that the current facts could not support adoption of a future fiscal year budget - this was put off until the June Executive Committee and Board meeting. Management was urged to continue to hold off on expenditures as much as possible.

The Art Museum Network transfer of obligations to the Whitney was acknowledged and the Executive Committee expressed its "appreciation to Archives & Museum Informatics, the Art Museum Network and Michael Shapiro for fronting expenses and acknowledged again that repayment of these debts when AMICO is able is a goal".

Motion Hugh Davies

Second Sam Sachs

Approved unanimously

5) Membership Agreements

Executive Director Trant summarized issues of indemnification and insurance coverage first raised by the Walker and since by LACMA. The Walker signed the AMICO membership agreement with reservations. LACMA has not signed. Briefly the issues are:

Indemnification is seen as potentially dangerous to the museum members since their resources (AMICO having few if any) will be subject to any suits brought against AMICO

The level of insurance acquired by AMICO is inadequate to cover such risks (LACMA requested \$5-10M)

Trant pointed out that mutual indemnification had been seen as a fundamental principle in the planning of AMICO, and that our insurers had declined to increase AMICO insurance above the \$1M level because the organization has so little income/assets.

After discussion, the Executive Committee agreed that the current indemnification clause in the membership agreements should not be changed, and another review of AMICO insurance should be undertaken when AMICO income (and the insurance company) permitted it.

The Executive Committee reviewed the revised membership agreement. It was understood that no member with a current agreement in place would be required to sign the new agreement, although they could, but that all future members would be required to sign.

6) Member Services

Jennifer Trant reported on the decision taken after the last Executive Committee meeting in New York by the sub-committee (Maxwell Anderson, David Galligan) proposing a framework for negotiations with the Artists Rights Society and other rights holders. They agreed that AMICO income from subscriptions should be subject to a 'royalty' in proportion to the number of copyright protected works in the Library represented by any rights agency. This royalty should recognize that the museum, the artist, AMICO and the photographer all contributed value in the creation of the AMICO Library digital image.

After substantial discussion, in which Sam Sachs was particularly concerned to ensure that Hugh Davies and other contemporary museums he might speak for were comfortable with the framework, the Executive Committee agreed to proceed with negotiations on this basis with a royalty of no more than 50% of the revenue attributable to the works of contemporary artists.

Motion - Bob Bergman

Second - Hugh Davies

Approval - Unanimous

7. Adjournment

The meeting was adjourned for lunch with James Michalko and other members of the Board at 12:10pm.