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Briefing Package
(confidential)

Executive Committee Meeting
May 3, 2001
9:45 am – 4:30 pm

The Mellon Foundation Offices
140 E 62nd Street
New York

The Frick Collection and Art Reference Library
1 East 70th Street
New York

Prepared by J. Trant, D. Bearman and K. Richmond
AMICO Staff



Art Museum Image Consortium
www.amico.org

Executive Committee Meeting
May 3, 2001
9:45 am – 4:30 pm

10:00 am

Meeting at the Mellon Foundation regarding ArtSTOR

AMICO Executive Committee
William Bowen, President The Mellon Foundation
James Schulman, Executive Director, ArtSTOR

To take place at the Mellon Foundation Offices, 140 E 62nd Street, New York

11:430 (approximately)

AMICO Executive Committee Meeting at The Frick Collection

Agenda

1. **Call to Order (Sachs)**
2. **Review of Agenda (Sachs)**
3. **Minutes of Previous Meeting (Broun)**
Attachment: Draft Minutes from January 2001 Meeting **ACTION:**
Approve Minutes
4. **Review of Meeting with the Mellon Foundation**
5. **AMICO's Forward Plans** **ACTION:**
Adopt Strategy
 - **Scenarios for Future Action**
Attachment: Three Scenarios as Talking Points
 - **Distribution Agreements and Contracts**
Attachment: Update
6. **Budget Proposals for FY 2001/2002 (starts July 1, 2001)** **ACTION:**
Approve Budget
 - **Staffing Implications**
Attachment: Proposals for 2001/2002 and 2002/2003 budgets
7. **Forward Schedule (Sachs)** **ACTION:**
Confirm Deadlines
 - **AMICO Members Meeting June 20-22, 2001**
 - **Library Contributions, 2002**
Attachment: Deadlines and Schedule through 2002
 - **Next Meetings**
8. **Other Business**
9. **Adjourn**



Executive Committee Meeting

**Thursday, January 25, 2001
The Warwick Hotel, Houston, TX**

Draft Minutes

1. In Attendance

Present:

Max Anderson, Whitney Museum of American Art
Elizabeth Broun, Smithsonian American Art Museum
Jack Lane, Dallas Museum of Art
Harry S. Parker III, Fine Arts Museums of San Francisco
Katharine Lee Reid, Cleveland Museum of Art
Sam Sachs, The Frick Collection and Fine Arts Reference Library
Stephanie Stebich (accompanying Katharine Lee Reid), Cleveland Museum of Art

Regrets: Nancy Allen, Museum of Fine Arts, Boston
Ken Hamma, J. Paul Getty Museum
Eric Vanasse (representing Guy Cogeval), Montreal Museum of Fine Arts

Staff: David Bearman, Director, Strategy and Research
Carol DeNatale, Production Director
Kelly Richmond, Communications Director
Jennifer Trant, Executive Director

2. Call to Order

Chairman, Sam Sachs called the meeting to order at 4:10 pm and introduced the meeting agenda items.

3. Minutes of Previous Meeting

AMICO Secretary, Betsy Broun reviewed the October 2000 Executive Committee meeting minutes. Betsy Broun moved to approve the meeting minutes and Harry Parker seconded that motion. The minutes were approved unanimously.

4. Financial Issues

• **Treasurer's Report**

*1999/2000 Audited Statement
2000/2001 Budget and Year to Date Expenditures*

Max Anderson presented the FY 1999 audited AMICO Financial Statements and current fiscal year budget; he noted that due to a recommendation to accrue subscription income the audited final figures differed slightly from those reported earlier. Max Anderson moved to accepted the audited financial statements and Betsy Broun seconded that motion. The statements were accepted unanimously.

5. Membership Development Strategy

Kelly Richmond reviewed the current Membership numbers and discussed how we were behind plan on acquiring new Members. Executive Committee members reviewed targets adopted at the last Executive Committee meeting. AMICO staff developed a Membership Talking Points document for use when contacting potential Members. Kelly Richmond stressed that current members need to act

3. Minutes of the Last Meeting

as ambassadors for new member recruiting. Sam Sachs suggested that we approach museums that already have works digitized, so the membership proposition does not seem so daunting.

Kelly Richmond reminded the Executive Committee that a Membership Committee had previously existed and suggested it be reinstated. Max Anderson volunteered to Chair the Membership Committee and Stephanie Stebich offered to assist on the Membership Committee. Stephanie Stebich recounted several discussions she had had recently with potential targets. Likely members suggested by Ms. Stebich and the rest of the group included the McCord Museum, NY Historical Society, NY Public Library, International Center of Photography, and the Museum of Fine Arts, Houston. Betsy Broun had suggested that the Freer/Sackler would be a good target. She said that she had spoken to Doreen Bolger at the Baltimore Museum of Art and they were not ready. Ms. Broun stated that barriers to membership were money and amount of work. Ms. Broun also suggested that once AMICO Membership reached a significant numerical milestone that AMICO should emphasize this with a major press release.

As the Committee reviewed the Membership Talking Points Betsy Broun suggested that the educational mission be the first point to stress. Also, it was suggested that under the educational mission section a bullet should be added that AMICO hits an overlooked educational segment, those community members that have moved beyond school programs, but not to the lifelong learner level (age group 14-24). These are otherwise outside much museum programming. It was agreed that the revised Talking Points would be distributed to the full Board.

Kelly Richmond also reviewed recent meetings in the United Kingdom with the National Museums of Scotland, Scottish Cultural Resource Network (SCRAN), The British Library, and the Museum of London. It was stressed that AMICO need to capitalize on the JISC agreement and overseas subscriptions to make overseas membership possible as well.

6. AMICO Library Growth

Carol DeNatale reviewed the promised annual submissions from members for the 2001/2 AMICO Library. It was pointed out that only nine members had met their 500 annual minimum contribution targets. Also, it was noted that ten members had still not reported their planned number of works, even though planned contribution lists were due to AMICO on October 15, 2000.

Discussion ensued about the need to push the TMS export function forward. Jennifer Trant reminded the Committee that out of 12 members that are TMS users, only 1 other member co-signed a letter that Max sent to pressure Gallery Systems about export creation. Committee members agreed that this letter needed to be resent with full participation.

Ms. DeNatale reviewed the Antenna Audio process for signing off on the incorporation of clips and stated that only one member out of 12 potential users of Antenna Audio had signed off on their list. This needed to be remedied as soon as possible. There was also discussion of what members were Acoustiguide users. It was determined that Fine Arts Museums of San Francisco and The Frick Collection were users.

Also, the lists of Library user requests and the textbook concordance survey were reviewed. Members were servicing these requests on a rate of 54% and 40% respectively.

Betsy Broun brought up the incorporation of multimedia and how important it was to distinguish the AMICO Library from a slide library. Broun stated that her institution had 56 video clips that could be contributed, and wondered if others also had similar materials. The Antenna Audio agreement was hailed as a model that we might want to pursue with other organizations as well.

It was agreed that facilitating the technical aspects of AMICO Library contribution was a priority. As a significant number of members now have contracts with Gallery Systems it was agreed that we

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should act as a group to ensure that they produce the promised export report from TMS (which has not yet been forthcoming). Max Anderson agreed to draft a letter to Gallery Systems President Jay Hoffman, stressing the importance of this capability to AMICO Members. Several others around the table who were also TMS clients agreed to sign.

7. AMICO Library Distribution and Subscription

David Bearman discussed several distribution options and agreements that were in the pipeline. It was noted that several options had arisen with commercial distributors. It was confirmed by the Executive Committee that, based on the principles adopted during the Encyclopedia Britannica discussion, pursuit of commercial distribution was an accepted option.

One such possibility is the pursuit of individual subscriptions in partnership with an organization like Questia; AAMD museums' member's subscription could be offered through this kind of alliance, which would be a potential additional individual subscriber universe of 1.2 million.

8. Other Distribution Issues

The ARS agreement to provide worldwide distribution rights was reviewed. The agreement would not go into effect until the next release of The AMICO Library on July 1, 2001. It was noted that that parts of the agreement would only apply to U.S. museums, including clearance to use images on member web sites and publishing the AMICO Library from servers outside the US. How this would impact our Canadian members and potential overseas members would have to be further addressed.

The desire to build on the ARS agreement through agreements with other rights societies was reaffirmed, and will be follow-ed-up on once the ARS agreement is in place.

9. AMICO's Management and Future Plans

David Bearman and Jennifer Trant reviewed the AMICO Business Plan developed during our planning phase, and summarized the "scorecard" that compared plans to reality. This review highlighted how the organization was doing vis-à-vis past projections. It was noted that despite lacking a planned initial \$5M funding, that we were not too far off the plan.

Trant and Bearman reaffirmed the desire of Archives & Museum Informatics to remove itself from active day-to-day management of AMICO at the end of the current contract, which runs through June 2002. Planning now will make a transition smooth, and enable AMICO to continue active growth and a robust agenda of activities. Several scenarios for the future were touched on. It was suggested that a Transition Team be put into place with possible members being Max Anderson, Sam Sachs, Stephanie Stebich, Scott Sayre, and Betsy Broun. It was agreed that recruiting materials for a future Executive Director needed to be developed and that a special meeting to discuss this should occur in NYC very soon.

AMICO's current management will assist in developing these materials and in identifying candidates. A full professional staff should also be in place by next spring, so that it will no longer be necessary to rely on partial time from A&MI technical and administrative staff.

Jennifer Trant brought up the fact that as AMICO changed shape an elected board be more appropriate. To aid in the transition from Trant/Bearman management it was suggested that an Advisory Group to the organization of outside professionals would also be helpful.

10. Schedule and Deadlines

Sam Sachs reviewed the upcoming deadlines for AMICO contributions and future planned meeting dates. He urged attendees to encourage their Project Teams to keep on track with contributions – due March 31, 2001, and to ensure that they were represented at the upcoming Members Meeting.

11. Adjourn

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Sam Sachs adjourned the meeting at 6:30pm and Max Anderson seconded this.



Scenarios for Future Action

Scenario 1: Close-down - Near Inactivity for FY2002, Cessation in 2003

- June 2001: AMICO bills its members and services its distributors for 2002.
- Spring of 2002: accept contributions for the 2003 library which are submitted as valid files (or involve absolutely minimal effort to incorporate into new Library).
- Spring 2002: Distribute a slightly enhanced Library for 2003 to JISC to receive final year of contracted payment.
- June 2003: Not in a position to continue for next year; no staff and no member involvement – just a final year of the product life.

Staffing Implications:

- Lay-off of at least three staff
- No Bearman involvement
- Half time Executive Director.

Budget Implications:

- Total cost of operations <\$100,000
- Total income from reduced membership and distribution activity min. \$320,000/max c.\$450,000.
- End of year status – paid back most of debt

Scenario 2: Status Quo – Maintain Level of Activity and Direction

- AMICO seeks to continue in direction set during planning process, despite challenges in marketplace.
- Membership
 - Retain membership by accepting that some are not contributing
 - Work with voting/participating members to recruit museums interested in full participation
 - Accept a likely response of c.2 new members p.a. from North America only.
- Distribution
 - AMICO services distributors and seeks new subscribers
- Subscription
 - Back off major marketing or product development
 - Over time lose existing and potential subscribers in higher education to ArtSTOR
 - Replace this income with K-12 and public library subscriptions
 - Possibly expand distribution outside North America
- Library Development
 - Actively solicits augmented textual commentary in 2002 Library contributions and members updates of past contributions
 - Work to acquire multimedia assets and Antenna files.
 - Processes and distributes a deep content resource for 2002-3.

Staffing Implications

- No staff layoff or hires
- Recruit Executive Director

5. Scenarios for Future Action

Budget Implications:

- o Total cost of operations c.\$380,000; total income from all sources probably \$430,000-650,000.
- o Some pay back on debts in first year with remainder in year two
- o Positioning for continuation without explicit shift in focus.

Scenario 3: Build Basis for Long-Term K-12 services

- AMICO redirects itself as a museum developed K-12 educational resource
- Strengthen membership commitment to integrated schools services
- Could build a strong foundation for future organization and distribution services.

- Membership
 - o Could see in drop-outs from membership not interested in K-12 focus
 - o Could build stronger commitment of remaining members.
- Distribution
 - o Actively seek and partner with K-12 service providers and users
- Library Development
 - o Actively develops software and schools oriented distribution services and seeks funding for schools based activity.

Staffing Implications

- o Recruits new Executive Director with educational resources orientation to carry organization forward.
- o New internship opportunities;
- o Likely reconfiguration of staffing plans based on increased multimedia focus.

Budget Implications:

- o Total operations \$470,000-525,000.
- o Some overlap period and recruitment expenses.
- o Extensive activity in fund raising.
- o Income from all sources \$450,000 – 650,000.
- o Not likely to pay back much debt in first year unless foundation support is received.

Both Scenarios 2 and 3 have differing levels of risk and budget implications.

5. AMICO Library Distribution Update

As agreed with the Executive Committee in January, we have been working on identifying and developing relationships with additional distributors, who will be able to make The AMICO Library available to a broader range of users.

All of our negotiations are based on model Distributor's Agreement. Our current discussions, and objectives are outlined below:

	Research Universities	RLG	being renegotiated; terms close to agreement; Awaiting a draft from them
	State & Regional Networks	OhioLink	contract to June 3, 2002
	Small Colleges, State and Regional Networks	H.W. Wilson	Agreement in Principle; contract language being developed by their counsel
		Library System Vendor	Letter of intent from VTLS
	Canada Higher Ed.	one/more of above	RFP expected fall 2001
	UK - Further Education	SCRAN	Trials Underway for Key Users.
	Art Reference	HWWilson	Agreement in Principle; contract language being developed by their counsel
	Broad public access	AnswerBaseCorp	
	Integrated with Catalog	Library System Vendor	under discussion
	U.S. States, K-12		
	UK schools network	SCRAN	Cooperative Agreement in place
	Single person subscription	Questia	initial idea floated

5. AMICO Library Distribution Update

We have reached an agreement with the Artists Rights Society that allows AMICO members to contribute documentation of works of art in their collection that are under copyright, and represented by the Artists Rights Society, without any prior rights clearance.

The following conditions apply:

- AMICO Members indicate which works are covered by this agreement by including a standard value in their catalog records Object RightsField. Members MUST follow the required conventions
- AMICO submits to ARS a list of works that are to be covered by the Agreement
- ARS reviews the works, assures AMICO that they do indeed represent the artists and /or estates, and provides AMICO with an appropriate rights statement to be included in the works catalog record.
- AMICO pays ARS a flat fee of \$24,000 for the first 2,250 works contributed. Thereafter a fee of \$12,00 applies for a dditional work.
- The term of the agreement is One Year.
- Members may use works from their own collection included in their AMICO Library contribution on their own public web sites without further clearance provided:
 - a. Such images are no greater than 600 x 800 pixels
 - b. Numerical limitations regarding the number of works that can be used by certain artists are respected
 - c. The appropriate copyright / credit is used, as provided by ARS
 - d. The work is not used on the Home Page, or as a clickable icon

without the prior written consent of ARS on behalf of the artists, the artist's estate or the authorized representative of the artist.

7. Schedules and Deadlines

Schedule for 2000-2002

The following schedule outlines key activities through 2002. Critical upcoming dates are shown in **bold**.

Year	Date	Event
	June	Possible Executive Committee Meeting in Milwaukee
	June 20 - 22	AMICO Members Meeting*
	July 1	Year 2001 AMICO Library Released
	October	Executive Committee Meeting
	October 15	List of Contributions Due to AMICO
2002	February	Board Meeting: coincide with the AAMD Midwinter Meeting planned for Feb 3 - 10, 2002 in Hawaii.
	February 15	Core Data Fields for all submissions due to AMICO
	March 31	Completed Member Submissions due to AMICO
	June	Executive Committee Meeting
	June	AMICO Members Meeting
	June 30	A&MI Management Contract ends
	July 1	Year 2002 AMICO Library released.

* The 2001 Annual AMICO Members Meeting will be held on June 20-22, 2001 at the National Gallery of Canada, Ottawa, Canada.