DRAFT MINUTES
2012-2013 BOARD OF GOVERNORS
June 6, 2012

ITEM

1. Call to Order
2. Adoption of the Agenda
3. Announcements
4. Report on Executive Session
5. Discussion Items
6. Items for Receipt
7. Items for Action
8. Dates of Future Meetings
9. Contingency Time
10. Adjournment
LIST OF APPENDICES

I. Board of Governors Retreat Preparation
II. Board Work Planning 2012 - 2013
III. Update HQ Task Force
IV. Update on Strategic Priorities
V. Update on K&C
VI. Update on Engagement Models
VII. EDESC Roster
VIII. Presidential Appointments
IX. By-Laws Revision B5.7
X. Initiative Fund Proposal – Member Engagement Model
1. Call to Order:

A quorum being present, the meeting was called to order by the President at 11:30 PM Eastern Time, June 6, 2012 at the Hilton Montreal Bonaventure Hotel, 900 de La Gauchetiere W., Montreal, Quebec, Canada. Attendance was as follows:

Board of Governors
President: Marc W. Goldsmith
Immediate Past President: Victoria A. Rockwell
President-Nominee: Madiha Kotb

Other Officers
Senior Vice Presidents: Kenneth R. Balkey, Standards and Certification
Dilip R. Ballal, Institutes
Thomas G. Libertiny, Knowledge and Community
William J. Wepfer, Public Affairs and Outreach

Vice Presidents: Luc Geraets, Technical Communities

Secretary and Treasurer: Warren R. DeVries

Executive Director: Thomas G. Loughlin

Assistant Secretary: John Delli Venneri (also General Counsel)

Assistant Treasurer: Michael Weis (also Deputy Executive Director)

Board of Governor-Nominees
Stacey E. Swisher-Harnetty
Andrew C. Taylor

Board Committee Chairs
Reginald I. Vachon Committee on Finance and Investment (COFI)

Corporate Counsel
John Sare

Other Guests
Leanne Agaman J.H. Cohn LLC
Gene Feigel Past President
Urmila Ghia Member
Amos Holt Past President
Jennifer Jarratt Leading Futurists LLC
Dean Krogman J.H. Cohn LLC
John Mahaffie Leading Futurists LLC
2. **Adoption of the Agenda:** The Board

   VOTED: to adopt the agenda as circulated on May 18, 2012.

3. **Announcements:**

   The President welcomed all to the meeting and recognized Past Presidents Gene Feigel, Amos Holt, Richard Rosenberg, Terry Shoup, and Reggie Vachon. The President briefly discussed ground rules; and thanked Victoria Rockwell for her past year of service, Thomas Loughlin for his continued service and staff for their hard work. President-Nominee Madiha Kotb gave thanks for her selection by the Nominating Committee.
4. **Report on Executive Session:**

There was a report given by Marc Goldsmith on the June 6, 2012 Executive Session of the Board of Governors. The following was reported: (1) Approval of the appointments of (a) Thomas Loughlin as Executive Director; (b) Warren DeVries as Secretary/Treasurer; (c) John Delli Venneri as Assistant Secretary; and (d) Michael Weis as Assistant Treasurer; (2) Approval of the EDESC recommendations on Executive Director’s performance objectives for FY13; (3) Reviewed the draft of the enterprise incentive objectives for FY13; and (4) Received the nomination of Karen Ohland as the Senior Vice President for the Knowledge and Community Sector and Bobby Grimes as the Senior Vice President for the Institutes Sector.

5. **Discussion Items:** The Board

   VOTED: to move into open session, as if in Committee of the Whole.

   The Board heard reports concerning and discussed the following items: Board of Governors Retreat by Marc Goldsmith and The Future Shaping Mechanical Engineering by Jennifer Jarratt and John Mahaffie (Agenda Appendix 2.4.1 and Minutes Appendix I); Board of Governors FY13 Planning Session moderated by Richard Benson (Agenda Appendix 2.4.2 and Minutes Appendix II); HQ Task Force update by John Delli Venneri (Agenda Appendix 2.5.1 and Minutes Appendix III); Strategic Priorities Update by the SET leaders (Agenda Appendix 2.5.2 and Minutes Appendix IV); K&C Update by Thomas Libertiny (Agenda Appendix 2.5.3 and Minutes Appendix V); and Update on Engagement Models by Roy Arbeit (Agenda Appendix 2.5.4 and Minutes Appendix VI). During the K&C Update, Libertiny announced his resignation as Senior Vice President.

   Following the close of the Discussion Items, the Board

   VOTED: to move into formal session.

6. **Items for Receipt:** The Board

   VOTED: to receive the following items: (1) EDESC Roster (Agenda Appendix 3.1.1 and Minutes Appendix VII); and (2) Presidential Appointments FY13 (Agenda Appendix 3.1.2 and Minutes Appendix VIII).

7. **Items for Action:** The Board

   VOTED: to approve the following items: (1) Proposed Student and Early Career Unit By-Laws for Second Reading (Agenda Appendix 3.2.2 and Minutes Appendix IX); and (2) Initiative Fund for New Engagement Model Market Test (Agenda Appendix 3.2.3 and Minutes Appendix X).
8. Dates of Future Meetings: The Board approved meeting dates and times as follows:

<table>
<thead>
<tr>
<th>DATE</th>
<th>DAY</th>
<th>TIME</th>
<th>LOCATION</th>
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<tbody>
<tr>
<td>July 18-20, 2012(a)</td>
<td>Wednesday to</td>
<td>6:00 PM July 18 to 9:30 PM July 20</td>
<td>Cambridge, MA</td>
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<td></td>
<td>Friday</td>
<td>12:00 PM – 1:30 PM Executive Session</td>
<td>New York, NY</td>
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<tr>
<td>September 13, 2012(a)</td>
<td>Thursday</td>
<td>1:30 PM – 5:00 PM</td>
<td>New York, NY</td>
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<tr>
<td>September 14, 2012(a)</td>
<td>Friday</td>
<td>8:00 AM – 1:00 PM Executive Session</td>
<td>Houston, TX</td>
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<tr>
<td>November 10, 2012(a)</td>
<td>Saturday</td>
<td>8:00 AM – 1:00 PM Executive Session</td>
<td>Indianapolis, IN</td>
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<tr>
<td>February 14, 2013(a)</td>
<td>Thursday</td>
<td>12:00 PM – 2:00 PM Web Conference</td>
<td>New York, NY</td>
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<tr>
<td>April 18, 2013(a)</td>
<td>Thursday</td>
<td>12:00 PM – 1:30 PM Executive Session</td>
<td>New York, NY</td>
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<tr>
<td>April 19, 2013(a)</td>
<td>Friday</td>
<td>10:00 AM – 11:30 AM Executive Session</td>
<td>Indianapolis, IN</td>
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<tr>
<td>June 23, 2013(a)</td>
<td>Sunday</td>
<td>12:00 PM – 4:00 PM</td>
<td>Indianapolis, IN</td>
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<tr>
<td>June 26, 2013(b)</td>
<td>Wednesday</td>
<td>10:00 AM – 11:15 AM Executive Session</td>
<td>Indianapolis, IN</td>
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(a) 2012-2013 Board of Governors (b) 2013-2014 Board of Governors

9. Contingency Time for Discussion:

The following items were covered during contingency time: (1) The for action based on the surveys completed; (2) The next COG meeting to include Julio Guerrero, Bernie Hrubala and Charla Wise; and (3) Edmund Seiders noted a budget request procedure that should be avoided in the future.

10. Adjournment: Meeting adjourned at 2:45 PM, June 6, 2012.

Warren R. DeVries
Secretary
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: April 18, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: (Sector/Unit/Task Force/Other) Marc Goldsmith
Presented by: Marc Goldsmith, Leading Futurists, LLC
Agenda Title: Board Retreat Preparation

Agenda Item Executive Summary: (Do not exceed the space provided)

This session will include:
- A review of the objectives and agenda for the Board’s July 18-20 retreat in Cambridge, MA.
- A presentation of a new environmental scan on “The Future Shaping Mechanical Engineering” by Leading Futurists, LLC. This scan was sponsored by the PAO Strategic Issues Committee.

Proposed motion for BOG Action: (if appropriate)
None

Attachments:
2: One deck on the retreat agenda, and one deck on the environmental scan
Preview
Board of Governors’ Retreat
“Integrating Strategy and Building a High Performance Team”
July 18-20, 2012
The Charles Hotel
Cambridge, Massachusetts

BOG Retreat Preview

Objectives

• Engage in strategic and generative discussions about ASME’s strategic priorities, with an emphasis on integrating the three strategic priorities with a vision for global growth.

• Gain knowledge about global trends and issues and how they may provide opportunities and threats for ASME.
BOG Retreat Preview

Objectives (cont.)

• Develop greater understanding of ASME’s growth opportunities and challenges and how they impact execution of the society’s strategic directions.

• Gain a deeper understanding of the value of an integrated strategy and the challenges, opportunities and implications for successful execution of the integrated strategy, e.g. the need for high performing teams.

• Facilitate Board and leadership team building and collaboration.

BOG Retreat Preview

Pre-Retreat: May

• Conducted Myers-Briggs online survey

• Held webinar to discuss aggregated Myers-Briggs survey results on May 21
BOG Retreat Preview

**Pre-Retreat: June BOG**

- Briefing on new environmental scan on emerging trends and issues expected to impact engineering and/or ASME
  - Leading Futurists, LLC
- Review of final retreat agenda

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BOG Retreat Preview

**Pre-Retreat: late June – early July**

- Conduct DISC online survey
- Hold webinar to discuss aggregated DISC survey results (July 9 at 11:00 Eastern time)
BOG Retreat Agenda

Wednesday, July 18
• Welcome reception and dinner at Charles Hotel

Thursday, July 19 (Morning)
• Group Culture Report and Discussion
  – Jess Dods
• Integrating ASME’s Strategic Priorities and Growth Objectives
  – Tom Loughlin: leveraging the mission/market mix
  – June Ling: standards, certification, accreditation & training
  – Roy Arbeit: member engagement and market intelligence
  – Mike Ireland: technical programs

Thursday, July 19 (Afternoon)
• Improving Strategy Integration and Execution:
  – Rob Peterson, Senior Vice President & Chief Innovation Officer, Wm. Wrigley Company
  – Paulette DeGard, Knowledge Strategist, Boeing Commercial Airplane Supplier Management
  – IEEE representative

• Review of Day 1 and Framing Day 2
• Clambake at the Boston Harbor Hotel
BOG Retreat Agenda

Friday, July 20 (Morning)

• Generative Discussions on ASME’s Growth Objectives
  Breakout Groups:
  • Opportunities and challenges for growth under different scenarios

BOG Retreat Agenda

Friday, July 20 (Afternoon)

• Breakout Group Reports and Reflections
• ASME’s Integrated Strategy and Strategy Execution
  – Discussion on implications of retreat learning on our strategic direction and execution on our strategy
• Reflections on the Retreat and Next Steps
  – Role of the Board in moving forward
  – Role of the SVPs/SMC in moving forward
• Group Dinner at Boston Athenaeum

ASME will be the essential resource for mechanical engineers and other professionals throughout the world for solutions that benefit humankind.
The Future Shaping Mechanical Engineering

*Results of an Environmental Scan Conducted for ASME*

Leading Futurists LLC
June 6, 2012

About the 2011-2012 Environmental scan

**The process**
- Performed by Leading Futurists LLC
- A qualitative survey of members, 226 responses
- Interviews with thought leaders
- Validation of the views expressed in the survey and interviews
- Review of current publications of interest to engineers, collation of current issues for MEs

**Results**
- Reporting on 31 transformations underway, globally shaping MEs and ASME
  - Global transformations
  - Emerging issues
  - Sectoral change
  - Social transformations
- The future of associations
- Four 2030 Scenarios
- Platforms for new opportunities for ASME
- Key conclusions
Transformations shaping engineering and ASME: a map of the transformations analyzed in the scan report

**GLOBAL**
- Global population growth: the master trend
- Rising prosperity around the world
- An emerging global middle class
- BRIC countries plus: The focus of global growth
- The Next 11: A new wave of economic advance
- The Bottom of the Pyramid wakes up
- Advancing in different stages of economic development
- Who is buying? The rise of new global consumers
- Who is selling? Rebalancing of global production
- Changing China
- Rising scientific and technological competitiveness around the world

**ISSUES**
- Chronic issues persist
- Peak everything
- Slowly growing embrace of sustainability
- A carbon-focused future
- Risky world and a culture of scrutiny and monitoring
- Global crises

**SECTORS**
- The transformation of manufacturing
- Entering a bio era
- Energy transformation
- Rethinking cities
- Building a programmed universe
- Rise of a post-industrial food model

**SOCIAL**
- Social entrepreneurship
- Rethinking education for the digital age
- Post-modern values emerge
- Work and worklife: leading from youth
- Global war for talent
- Transformation of work: several trends are reshaping worklife
- The social future of work
- Design, DIY, and maker culture

Example transformations

**Folding cars:**
Rethinking cities

**MOOCs:**
Rethinking education for the digital age (and the digital user): MOOCs
Takeways 1

• ME is a healthy profession, with rising numbers of students, and global growth

• Global opportunities and challenges will shape the future of mechanical engineering

• But ...

Takeaways 2

1. Incremental responses may not be enough for ASME and the ME profession when everything else around them is changing. Radical options must be on the table.

2. Engineers (and their associations) must advocate for political and social solutions to global problems, as well as being the go-to experts for the technical answers.

3. The ME “brand” of engineer will be immensely valuable—and possibly in short supply—in the future. ASME must own, champion, and defend that brand globally.
Takeaways 3

4. Business models for associations that are also publishers will have to change in an open source, open access world. Even trusted associations such as ASME must acquire a different set of assumptions to survive.

5. Tomorrow’s engineers will be looking for a different model in their engagement with an association, one that is looser, less formal, more on-line and virtual.

Changing modes of engagement

*Social and professional engagement in transition*

**THE DIGITALLY-ENGAGED PROFESSIONAL**
- Doesn’t want to climb a ladder
- Pay as you go, or free options
- Many weaker connections
- Social and professional
- Changeable interests
- Virtual participation
- 24/7 participation
- Global interests

**THE TRADITIONAL ASSOCIATION MEMBER**
- Local focus
- Fee-paying
- Life-long member
- Periodic attendance
- Face-to-face preference
- Plays in a hierarchical order
- Fewer, stronger connections
- Memberships connected to profession
The Association Well Curve: ASME in Transition?

Opportunity

The most for the least:
Touch all engineers, everywhere

Challenge

The big middle:
Traditional engineering society

Opportunity

Highly involved, smaller scale:
high end revenue?

Mass

The “drooping” of the middle, Jim Pinto http://www.jimpinto.com/writings/wellcurve.html

Specialized

Future opportunities for ASME:

Platform ideas: engines for new progress

1. Build a digital engineering society
2. “Engage from birth”—Nurturing youngsters
3. Embrace maker culture
4. “Crowdsourc” standards
5. Offer technician membership and track
6. Lead in building collaboration spaces, initiatives
7. Green focus engineering
8. Climate change response

Digital ASME
Reach Children
Maker Culture
Crowdsourc
Tech Track
Climate Change
Green
About scenarios

Scenarios for the future of ME and ASME

**Headlines of four exploratory scenarios**

1. **A global war for talent**
   - Global demand for high-quality engineering skills far exceeds the available supply
2. **G.S.M.E: Global Society of Mechanical Engineering**
   - Politically effective global engineering multi-national organization
3. **MY-VEA**
   - International, personalized, virtual engineering association
4. **The last surviving engineering publisher**
   - “Still at the same stand”
Date Submitted: May 2012  
BOG Meeting Date: June 6, 2012  

To: Board of Governors  
From: President  
Presented by: Marc Goldsmith  
Agenda Title: Board Work planning 2012 -2013  

Agenda Item Executive Summary: *(Do not exceed the space provided)*

Discuss as a Board the 2012 -2013 Work scope that the Board wants to address and resolve.  
Suggested topics might include:
- Integrated business strategy  
- Sector Reorganization principles, values and expected outcomes  
- Organic vs. inorganic growth  
- Membership models transitioning to a virtual model while maintain some face-to face  
- Social media policy  
- Revenue diversification  
- Open access threats  
- Branding and logo use  

Expected outcome:  
A Board generated work plan with priorities, scopes, people and committee assignments, deadlines, resource requirements, and direction for staff support as required.

Board would know the work schedule and responsibility; Teams would be formed to do the pre-work. And each Board meeting would address an issue.

Proposed motion for BOG Action: *(if appropriate)*

Attachments:
None
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 16, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: HQ Task Force
Presented by: Tom Pestorius
Agenda Title: HQ Task Force Update

Agenda Item Executive Summary:

Tom Pestorius will provide an update to the Board of Governors on the move to 2 Park Avenue.

Proposed motion for BOG Action:

none

Attachments:

PowerPoint slides
ASME HQ Facilities Assessment
Task Force

BOG Update – June 2012

Tom Pestorius

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ASME HQ Facilities Task Force
Phase 3 Update

- NYC HQ Project
  - Engaged General Contractor
  - Contract for Furniture
  - Starting Build-out
  - Proceeding on Schedule
Date Submitted: May 14, 2012
BOG Meeting Date: June 6th, 2012

To: Board of Governors
From: Strategy Execution Teams (SET)
Presented by: Dilip Ballal, Kenneth Balkey, William Wepfer, John Koehr, Michael Michaud, Shekhar Chandrashekhar, Michael Cowan
Agenda Title: FY12 Q3 Strategy Summary

Agenda Item Executive Summary: (Do not exceed the space provided)

The report is compiled quarterly by the Strategy Execution Teams (SET). It highlights the activities for the quarter focusing on the three BOG directed strategies of Energy, Global and Workforce Development.

The SET staff and volunteers will present this quarter’s report to the Board.

Proposed motion for BOG Action: (if appropriate)

No Action

Attachments:
One
Strategy Execution Teams Overview

ASME will foster a broader, competent, vibrant and more diverse engineering workforce with sustained engagement in ASME over all career stages.

ASME will serve as an essential energy technology resource and a leading advocate for technically sound energy policies.

ASME will collaborate to develop and provide locally relevant engineering resources that advance public safety and quality of life throughout the world.
Scope of workforce development efforts

- Teacher development:
  - Pre-college
- Engineering student development:
  - Undergraduate
  - Graduate
- Professional development:
  - Early-career
  - Mid-career
  - Late-career
  - Retired

Strategic impact areas influence by the workforce development efforts

- Competency Engagement Awareness
- E-mentoring program
- Books, training & certification
- WD1 - ME for Kids
- WD2 - Think Tank Summit
- WD3 - PDH Project (underlying infrastructure)

Existing programs vs. New WSET programs

FY12 Q3 - Dashboard

Existing Program Status - By the numbers:

- Teacher Development: Inspire Innovation workshop
- Pre-college Teachers are important multipliers of engineering awareness and thinking in students

- Engineering Student Development:
  - Student Competitions
  - Student competitions provide an opportunity for hands-on experience and team-based learning environment to engineering students

- Professional Development: E-mentoring program
- Mentoring is a key program that supports early career development and establishes knowledge transfer

- Professional Development: Training, Certification and Books
- Participation in training courses and workshops, becoming a certified individual or purchasing an ASME title are viewed as the key ASME measures for knowledge retention

Matching Effectiveness

- Mentoring Quality
  - Mentoring Quality
  - Mentor Satisfaction
  - Mentee Satisfaction

- Competitions vs. Target

- FY12 vs. FY13:
  - Q1 vs. Q1
  - Q2 vs. Q2
  - Q3 vs. Q3
  - Q4 vs. Q4
  - Target
Workforce Development
Q3 Highlights

Teacher Development
- 177 teachers and 48 engineers participated in the inspire innovation workshops

Engineering Student Development
- 156 students participated in various team based learning events

Professional Development
- 8023 registrants participated in ASME workshops, licensed courses & public courses

"Thank you for the materials and experience, I'm designing an enrichment program for girls"

"This sponsorship reflects MISUMI's commitment to proactively encouraging future generations of creative product design engineers..."

"All instructors were experts on their area, providing informative and thought provoking presentations on their area of expertise"

Workforce Development
Upcoming Activities

New WSET Programs:
- WD1 - Think Tank Summits
  Structure of Think Tank summits have been finalized and the first one is planned to be held in the September/October timeframe
- WD2 - Mechanical Engineering content for Kids
  Market Research in-progress and results will be distributed at the end of May
- WD3 - PDH Issuance and evaluation of Recording System
  Taskforce established

Existing Programs:
- Two Inspire Innovation Workshops and HPVC competitions are planned for Q4.
- Eight Student Professional Conferences will take place in the next two quarters
- Courses on subsea equipment, marine renewable energy, B31.3 and HDPE seminars will be offered in Brazil and UK
- Four more in-company courses with GE are scheduled
Energy Dashboard

Energy Q3 Highlights

• BSC Energy-Related Measures
  ▬ S3 – 16 new/ 14 updated energy products issued; 126 total
  ▬ I3 – Public Policy Index at 4,570

• Quarterly activities
  ▬ Carbon Management Technology Conference
  ▬ Presidential Task Force on Japan Nuclear Events presented during NRC’s Regulatory Information Conference (RIC)
  ▬ Congressional Briefings - Wind, Geothermal
  ▬ Launched new NQA Management System Certification program
  ▬ Finalized ASME Energy Indicators Scorecard report
  ▬ Energy Topic Page features on asme.org
  ▬ Energy-related ME Magazine features
Energy

Upcoming Activities

• Enterprise events
  – North American Waste to Energy Conference (NAWTEC)
  – Offshore Technology Conference (OTC)
  – Verification and Validation Symposium
  – Municipal Wastewater Reuse Best Practices Workshop
  – ASME TurboExpo
  – Nuclear Technology Seminar: Blueprint for New Build

• Other activities
  – Task Force on Japan Nuclear Events to issue final report
  – Congressional briefings planned
  – ASME Position Statements in progress
  – Energy Talking Points in progress
  – asme.org features planned
  – ME Magazine features planned

The ASME Global Impact Index

Summary:
The Global Impact Index is 1,110,497.

• Non US growth continues but is slowing.
• A dip in Q3 is expected as it is directly related to dropped members and the membership cycle.
Global Impact
Q3 Highlights

BSC Global-Related Measures

- **S1** — Non-US Certified Manufacturers grew by 151 (4.6%). The Q3 target was 189 or 5.8%.

- **I1** — The GII increased by 3.5% over Q3 FY11, falling well short of the 11% target.

- **L1** — External funding received for E4C through the end of Q3 totaled $468K vs. a target of $550K.

Global Impact
Q3 Highlights

- **Releases:**
  - The new B31.3 (Process Piping) was released in Spanish.

- **Partnership / Projects:**
  - UN's Sustainable Energy for All Initiative.
  - UNESCO

- **Delegations:**
  - UPADI meeting in Havana, Cuba
    - ME Vision 2030 Promotion
  - Sino-American Technology Conference in Beijing, China
    - Advanced Manufacturing Delegation
    - Forum on Disaster Prevention and Mitigation with the Chinese Academy of Engineering
Global Impact

Upcoming Activities

• Workshops/Conferences
  – Standards workshops in Mexico City and Brazil
  – Offshore Technology Conference
    • Meetings with Chinese Delegations
  – 2012 ASME Turbo Expo in Copenhagen, Denmark
  – 10th Costa Rican Congress of Maintenance Engineering
  – OMAE 12, July 1-6 2012 in Rio de Janeiro, Brazil
  – ESDA, July 1-4 in Nantes France.
  – PVP in Toronto, Canada

• The All-India conclave was tentatively rescheduled for October to better align with local industry support

Communications - Q3 Highlights

• Press Releases
  – ASME Task Force on Nuclear Safety
  – Turbo Expo 2012
  – EWeek 2012 & winners of DiscoverE Educator Awards
  – Carbon Management Conference

• ASME News articles
  – ASME Foundation
  – EWeek 2012 & Future City Competition
  – Engineering for Change
  – ASME Presidential Task Force on Nuclear Safety/Fukushima

• Social Media
  – Continued growth for ASME groups on Facebook and LinkedIn

• Videos
  – DiscoverE Educator Award winners
  – Human Powered Vehicle Challenge

• ASME.org articles:
  – Diversity and innovation
  – Cooking oil as energy source
More Information

• BOG website
  - http://strategy.asme.org/home.cfm
The ASME Global Impact Index

- Comprised of key indicators including:
  - Web visits, ASME Membership, Conference Registrants, Training Course Participants, S&C Committee Volunteers, and Certified Manufacturers.

  Growth indicators measure percent of growth over same period in previous FY. Shows positive or negative growth.
  Global Impact
  15%
  1,124,011
  Outside North America. Data is also available for all ASME, by region, by country or by focus area.

  Volume indicators measure current value. Tracks numbers, not dollars

  Collected quarterly, totaled by country and adjusted by weights.

*Percentage reflects growth Q4,FY10 – Q4,FY11.
Value reflects current (quarterly) volume.
Company Proprietary

Energy Public Policy Index for Energy

- Weighted index of ASME Public Policy activities (weighting factor indicated):
  - ASME Position Statements (50)
  - ASME Coalition Position Statements (75)
  - Congressional Briefings (100)
  - ASME Federal Fellows (100)
  - Congressional Testimony (75)
  - Energy Events (100)
  - Interactions with Members of Congress and Agencies on Energy (25)
  - Action Alerts - Energy Policy (50)
  - Energy Policy Articles (10)
  - Impact - Legislation Aligned with ASME Energy Policy (50)

- Calculated as sum of (number of occurrences) x (weighting factor) for each activity above
- FY11 Baseline: 5,030
- FY12 Target: 5,282
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: 2012 May 15
BOG Meeting Date: 2012 June 6

To: Board of Governors
From: Knowledge & Community Sector
Presented by: Tom Libertiny
Agenda Title: K&C Sector update

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Agenda Item Executive Summary: *(Do not exceed the space provided)*

Update on K&C Sector
  1) Sector redesign
  2) Student and Early Career Sector (K&C and PA&O sectors)

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Proposed motion for BOG Action: *(if appropriate)*

None

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Attachments:
Date Submitted: April 27, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: Marketing & Sales/Membership Development
Presented by: Roy Arbeit
Agenda Title: Update on Engagement Models

Agenda Item Executive Summary: (Do not exceed the space provided)
We will provide an update on our ongoing work effort to develop and test new engagement models.

Proposed motion for BOG Action: (if appropriate)

Attachments:
Engagement Model Update

Roy Arbeit
June 2012

The Journey We’re On

• Our Starting Point... A Board generative discussion focused on re-imagining membership to drive breakthrough growth

• You provided financial support for a world-wide research study

• Research has provided key insights which inform the construction of a new membership engagement model

• Today, I’ll share our thinking with you on a new engagement model construct and plan for market testing

Your continued encouragement and support are appreciated
Our Starting Point

• With encouragement from the Board, a cross-sector staff group began an effort to imagine a new approach to membership that could lead to breakthrough growth.

• Hypothesis:
  – In a global and digital world, engineers have a variety of needs and seek differing sets of value from their relationship with ASME
  – Our current one-size fits all member value proposition is limiting. Thus...

An Approach based on Engagement

• Develop an approach that:
  – Offers multiple ways to engage with offerings that are based on market needs and
  – Allows each person to choose the level or depth at which they would like to interact with ASME based on their individual needs and
  – Isn’t limited by artificial constraints such as traditional membership definitions or immediate revenue
Brief Recap of Research

- **Qualitative Research:**
  - Live focus groups conducted in the US, UK, China, Brazil, and India, and several online bulletin boards in the US.

- **Quantitative Research:**
  - 1,513 surveys conducted in the US, Canada, China, India, Colombia, Argentina, Brazil and Peru.

- **Conjoint Study:**
  - Conducted as part of the Quantitative phase and based on statistical techniques
  - Helps determine what combinations of features/attributes are most influential in respondent choice ... and therefore guides our decision-making on marketability and pricing.

Conclusions from the Research that Informed the Model Construct

- People are not joining professional associations like ours at the same rate as previous generations
- Of greatest interest to almost every engineer interviewed is information sharing & content
- Engineers are looking for on-demand information sources and the internet now provides many alternative ways to access information and connect digitally
  - About one-half of surveyed engineers have Linked-In profiles and a quarter of surveyed engineers contribute engineering-related content on Linked-In
Other Considerations

- International markets hold our greatest growth opportunity along with multiple challenges, i.e. language, locally relevant content, marketing accessibility
- Our revitalized web platform provides basis for meeting engineers’ content, information and community needs while breaking down global barriers
- Engineers are highly price sensitive when it comes to engaging with organizations like ours
- Their expectation is that some features would be free of cost
- Some features, like the job board, need critical mass to be valuable/successful
## New Model Construct – Package Summary

<table>
<thead>
<tr>
<th></th>
<th>Package A</th>
<th>Package B</th>
<th>Package C</th>
<th>Package D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requirements</td>
<td>Registration on asme.org</td>
<td>Registration on asme.org</td>
<td>8 years of experience or a 4-year university degree, and registration on asme.org</td>
<td>Enrolled in a degree-seeking program, and registration on asme.org</td>
</tr>
<tr>
<td><strong>Summary</strong></td>
<td>.org-based package with access to a series of interactive community features</td>
<td>.org-based package with added access to a range of content-based features</td>
<td>Traditional &quot;corporate member&quot; package with enhanced digital service offerings</td>
<td>Traditional Student Member package with enhanced digital service offerings</td>
</tr>
</tbody>
</table>

## New Model Construct – Primary Features

<table>
<thead>
<tr>
<th></th>
<th>Package A PARTICIPATION Package (asme.org Participant)</th>
<th>Package B PARTICIPATION PLUS Package</th>
<th>Package C FULL Package (Corporate Member)</th>
<th>Package D STUDENT Package (Student Member)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requirements</td>
<td>Registration on asme.org</td>
<td>Registration on asme.org</td>
<td>8 years of experience or a 4-year university degree, and registration on asme.org</td>
<td>Enrolled in a degree-seeking program, and registration on asme.org</td>
</tr>
<tr>
<td><strong>Primary Features</strong></td>
<td>• Online profile/directory*</td>
<td>All Package A features, plus...</td>
<td>All Package B features, plus...</td>
<td>All Package A features, plus...</td>
</tr>
<tr>
<td></td>
<td>• Personal dashboard*</td>
<td>• e-Library</td>
<td>• Print ME Mag (and digital*)</td>
<td>• e-Library</td>
</tr>
<tr>
<td></td>
<td>• Access to online groups*</td>
<td>• asme.org article archive*</td>
<td>• Discount on pubs, conferences &amp; courses</td>
<td>• asme.org article archive*</td>
</tr>
<tr>
<td></td>
<td>• Commenting on articles*</td>
<td>• X free digital library downloads*</td>
<td>• XX free digital library downloads*</td>
<td>• ME Magazine (digital)*</td>
</tr>
<tr>
<td></td>
<td>• “Pushed” news &amp; info feeds (e.g. Capitol Update, asmeNews, ME Today)</td>
<td>• ME Magazine (digital)*</td>
<td>• SG/550 journal article pack</td>
<td>• SmartBriefs*</td>
</tr>
<tr>
<td></td>
<td>• Basic Job Board &amp; career resources</td>
<td>• SmartBriefs*</td>
<td>• Leadership Opportunities</td>
<td>• Enhanced Career Center/Job Board*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Mentoring</td>
<td>• Voting rights</td>
<td>• Mentoring</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Competitions, Scholarships, Loans, Internships (e.g. WISE)</td>
</tr>
<tr>
<td><strong>Summary</strong></td>
<td>.org-based package with access to a series of interactive community features</td>
<td>.org-based package with added access to a range of content-based features</td>
<td>Traditional &quot;corporate member&quot; package with enhanced digital service offerings</td>
<td>Traditional Student Member package with enhanced digital service offerings</td>
</tr>
</tbody>
</table>

*New or enhanced feature
## New Model Construct - Pricing

<table>
<thead>
<tr>
<th>Package</th>
<th>Annual Cost</th>
<th>Requirements</th>
<th>Primary Features</th>
<th>Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Package A</td>
<td>FREE</td>
<td>Registration on asme.org</td>
<td>Online profile/directory*</td>
<td>.org-based package with access to series of interactive community features</td>
</tr>
<tr>
<td>Package B</td>
<td>$36</td>
<td>Registration on asme.org</td>
<td>e-Library, asme.org article archive*, X free digital library downloads*</td>
<td>.org-based package with added access to a range of content-based features</td>
</tr>
<tr>
<td>Package C</td>
<td>$144</td>
<td>8 years of experience or a 4-year university degree, registration on asme.org</td>
<td>Print ME Mag (and digital*), Discount on pubs, conferences &amp; courses</td>
<td>Traditional “corporate member” package with enhanced digital service offerings</td>
</tr>
<tr>
<td>Package D</td>
<td>FREE</td>
<td>Enrolled in a degree-seeking program, and registration on asme.org</td>
<td>e-Library, asme.org article archive*, ME Magazine (digital)<em>, SmartBriefs</em></td>
<td>Traditional Student Member package with enhanced digital service offerings</td>
</tr>
</tbody>
</table>

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## In-Market Test of New Model Packages

- **Focused on two key markets – India and Peru**
  - Foreign markets represent best opportunities for growth in engagement and these are two representative global growth markets
  - Existing infrastructure and partner support will be helpful
  - Peru to serve as “proxy” for Spanish-speaking Latin American countries
  - Testing new packages in foreign markets minimizes risk of lost revenue from existing members “trading down” during the test phase
  - Two markets are optimal from a learning standpoint ... balanced by bandwidth/resource considerations
In-Market Test of New Model Packages

- **Key Test Objectives include:**
  - Measure “take rate” of new model offerings and preferences based on purchase patterns
  - Learn what marketing strategies and tactics can be employed to drive engagement growth
  - Test operational aspects, service delivery, ability to service larger number of members and others.

- **Longer Term Considerations**
  - How can we influence Package A and B purchasers to deepen engagement and become active volunteers?
  - Does free student membership translate into greater numbers of professional members?

We Continue Our Journey...

- Board approval requested of COFI recommended Initiative Funds Proposal to fund in-market staged test phase

- A go-to-market strategy and plan will be developed including:
  - Identification of operational, systems and new/enhanced product development requirements
  - Marketing plans
  - Budget
  - Timing
  - Measures

- Ongoing progress updates to the Board will be provided
Questions?
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 16, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: Marc Goldsmith
Presented by: Marc Goldsmith
Agenda Title: FY13 EDESC Roster

Agenda Item Executive Summary:

FY13 EDESC Roster

Victoria Rockwell, Chair
Marc Goldsmith, ex officio
Presidential-Nominee/Elect TBD, ex officio
J. Robert Sims
Charla Wise
Bernard Hrubala
TBD, At-Large

Proposed motion for BOG Action: (if appropriate)

For receipt.

Attachments:

None.
ASME Board of Governors  
Agenda Item  
Cover Memo

Date Submitted: May 16, 2012  
BOG Meeting Date: June 6, 2012

To: Board of Governors  
From: Marc Goldsmith  
Presented by: Marc Goldsmith  
Agenda Title: FY13 Presidential Appointments

Agenda Item Executive Summary:

1. BOG Liaisons to Standing Committee
   
   Committee on Finance & Investment (COFI)    John Elter
   Committee on Honors (COH)                   Richard Laudenat
   Committee on Organization and Rules (COR)    Bernard Hrubala

2. Appointments to Standing Committees
   
   Executive Director Evaluation & Executive Staff Compensation (EDESC)  
   FY2013 – FY2015    Bernard Hrubala
   
   Executive Director Evaluation & Executive Staff Compensation (EDESC)  
   One year at-large term    TBD
   
   Committee on Governance (COG)                   Richard Laudenat
   FY2013 – FY2015

Proposed motion for BOG Action: (if appropriate)
For receipt.

Attachments:
None.
ASME Board of Governors
Agenda Item
Cover Memo

Date Submitted: May 09, 2012
BOG Meeting Date: June 03, 2012

To: Board of Governors
From: (Sector/Unit/Task Force/Other) Student and Early Career Task Force; Public Affairs & Outreach and Knowledge & Community Sectors
Presented by: Stacey Swisher Harnetty, Tom Libertiny and Cynthia Stong
Agenda Title: Proposed Bylaws for Student & Early Career Development Sector

Agenda Item Executive Summary: (Do not exceed the space provided)

Student & Early Career Taskforce will present the proposed bylaws for the newly approved Student & Early Career Development Sector. The proposed bylaws list 1 VP for the Board on Leadership & Recognition and 2 Board Chairs for the Board on Student Programs and the Board on Career Development. The Student & Early Career Taskforce recommends for the Board Chairs to be VPs for the respective boards as well. However this item merits a discussion to consider all ramifications. The Committee on Organization and Rules endorses further discussion to consider all ramifications.

Proposed motion for BOG Action: (if appropriate)
Action is requested to approve the following Motion:

To endorse the Student & Early Career Development Sector Bylaws.

Attachments:
Two
Proposed Student and Early Career Sector Council

Stacey Swisher-Harnetty, Tom Libertiny and Cynthia Stong

What is a proposed composition of the Sector Council?

- Student and Early Career Development Sector Council
- Committee on Collaboration
- Committee on Global Perspective
- Committee on Communication & Marketing
- Board on Career Development
- Board on Student Programs
- Board on Leadership & Recognition
Student and Early Career Development Sector Council

B5.7.1.2 The Student and Early Career Development Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; one member-at-large; the Vice President for the Board on Leadership and Recognition; the Board Chairs of the following: Board on Career Development, and Board on Student Programs; and the Chairs of the following: Committee on Partnerships, Committee on Global Perspective, Committee on Communication and Marketing. The Director, Student and Early Career Development is a non-voting member.

Board on Career Development

B5.7.2.2 The Board on Career Development, under the direction of the Student and Early Career Development Council, is responsible for the activities of the Society that relate to career development of the early career engineers. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

Board on Student Programs

B5.7.2.3 The Board on Student Programs, under the direction of the Student and Early Career Development Council, is responsible for development of programs for students. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

Board on Leadership & Recognition

B5.7.2.4 The Board on Leadership and Recognition, under the direction of the Student and Early Career Development Council, is responsible for activities of the Society that relate to the leadership and recognition of students and early career engineers. The Board shall consist of a Vice President*, Leadership and Recognition as Chair and a membership as determined by the Student and Early Career Development Council.

Committee on Collaboration

Committee on Global Perspective

Committee on Communication & Marketing

Committee on Partnerships

Committee on Communication & Marketing

Committee on Global Perspective

Committee on Partnerships

Committee on Communication & Marketing

* - VP position moved from PAO

Motion

• To approved the Student & Early Career Development Sector By-Laws
B5.7 STUDENT AND EARLY CAREER DEVELOPMENT SECTOR

B5.7.1.1 The Student and Early Career Development Sector, under the direction of the Board of Governors, is responsible for meeting the needs and providing a voice for students and early career engineers. The Student and Early Career Development Sector will maintain a current Sector Operation Guide that will contain operational details of the Student and Early Career Development that are not in these By-Laws.

B5.7.1.2 The Student and Early Career Development Sector shall be led by a Council that consists of the following voting membership: a Senior Vice President as Chair; one member-at-large; the Vice President for the Board on Leadership and Recognition; the Board Chairs of the following: Board on Career Development and Board on Student Programs; and the Chairs of the following: Committee on Collaboration; Committee on Global Perspective; Committee on Communication and Marketing. The Director, Student and Early Career Development is a non-voting member.

B5.7.1.3 The incoming Senior Vice President, Student and Early Career Development shall be nominated by the Student and Early Career Development Council from among its past or present volunteer members for appointment by the Board of Governors for a term of three years. In the event that a past or present volunteer member is not available from the Student and Early Career Development Council, then the Council shall defer to the Board of Governors for the selection. Vice Presidents who have been elected to a term that extends more than one year into a new term of the Senior Vice President of the Student and Early Career Development are not eligible to become the Senior Vice President.

B5.7.1.4 The member-at-large shall be appointed by the Board of Governors, upon a recommendation of the Student and Early Career Development Council. The term of the member-at-large shall be one year.

B5.7.2.1 The following Boards will report directly to the Student and Early Career Development Council: Board on Career Development; Board on Student Programs; Board on Leadership and Recognition.

B5.7.2.2 The Board on Career Development, under the direction of the Student and Early Career Development Council, is responsible for the activities of the Society that relate to career development of early career engineers. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.

B5.7.2.3 The Board on Student Programs, under the direction of the Student and Early Career Development Council, is responsible for development of programs for students. The Board shall consist of a Board Chair, appointed by the Senior Vice President and a membership as determined by the Student and Early Career Development Council.
B5.7.2.4 The Board on Leadership and Recognition, under the direction of the
Student and Early Career Development Council, is responsible for
activities of the Society that relate to the leadership and recognition of
students and early career engineers. The Board shall consist of a Vice
President, Leadership and Recognition as Chair and a membership as
determined by the Student and Early Career Development Council.

B5.7.3.1 The following committees shall report directly to the Student and Early
Career Development Council: Committee on Collaboration; Committee on
Global Perspective and Committee on Communication and Marketing.

B5.7.3.2 The Committee on Collaboration, under the direction of the Student and Early
Career Development Council, is responsible for building the right partnerships
with local schools and organizations to sponsor and grow new programs. The
Committee on Collaboration will consist of a Chair, appointed by the Senior
Vice President, Student and Early Career Development and a membership,
as determined by the Student and Early Career Development Council.

B5.7.3.3 The Committee on Global Perspective, under the direction of the Student
and Early Career Development Council, shall provide insight on the
development of programs for students and early career engineers globally that
further ASME strategic objectives. The Committee will consist of a Chair,
appointed by the Senior Vice President, Student and Early Career
Development and a membership, as determined by the Student and Early
Career Development Council.

B5.7.3.4 The Committee on Communication and Marketing, under the direction of the
Student and Early Career Development Council, shall influence consistent
marketing and communication messages and effective delivery channels for the
programs serving students and early career engineers. The Committee will
consist of a Chair, appointed by the Senior Vice President, Student and Early
Career Development and a membership, as determined by the Student and
Early Career Development Council.
Date Submitted: May 11, 2012
BOG Meeting Date: June 6, 2012

To: Board of Governors
From: COFI
Presented by: Reginald Vachon
Agenda Title: Initiative Fund Proposal
Member Engagement Model – In-Market Staged Test Phase

Agenda Item Executive Summary: (Do not exceed the space provided)
Marketing & Sales presented a funding proposal requesting $350,000 of financial support from the ASME Initiative Fund. The $350,000 will be used to fund an in-market test of a new member engagement model as the next step in this ongoing project. The work effort will commence immediately upon funding being granted.

This proposal is recommended to the BOG as a consent item.

Proposed motion for BOG Action: (if appropriate)
Consent Item: COFI recommends approval of $350,000 of Initiative Fund support for the in-market test of a new member engagement model.

Attachments:
Background:
As an outgrowth of the FY ’11 Board of Governors Retreat, the organization took up the challenge to re-imagine “membership” at ASME and explore new models and approaches that would help fuel dramatic and significant growth for ASME.

A cross-sector staff team was formed and multiple brainstorming sessions were conducted which generated a number of concept ideas. Ultimately, a hypothesis was developed and embraced by the team that envisioned using the new asme.org (just then in the early stages of development) as the cornerstone through which multiple opportunities for engagement could be offered on a global basis.

In order to test this hypothetical engagement approach and determine the motivating factors and needs that would draw engineers and others from around the world to engage with ASME, a two-stage research project was developed. A presentation was made to COFI and to the BOG and funding for this effort was approved.

The first stage of this effort was qualitative research, consisting of multiple focus groups across the US and in key countries around the world. This research confirmed that engineers were seeking services that provided information/content useful in their jobs and careers and the opportunity to share and acquire information through communities of their peers. These findings also reinforced the correctness of ASME’s content driven strategy as well as the importance of our web site as a delivery and support vehicle for this strategy. This phase of the research was completed and an update presented to the Board.

The second phase is quantitative research in which we conducted surveys with a far larger number of engineers in both the US and key global markets. The goals included:
• Test/measure various components of an engagement continuum in order to understand which components are most highly valued and encourage engagement
• Answer questions of “marketability” of various hypothetical and existing individual service offerings as both standalone services and as parts of bundled offerings in both the U.S. and international markets
• Help to more fully define and understand potential key entry points on an engagement continuum

**Current Project Status:**
The quantitative research has just been completed with over 1,500 surveys and interviews completed. A preliminary report with some early findings was presented to the Board in April. A more robust report on the findings as well as recommendations for a re-imagined approach(s) to engagement will be presented to the Board for in June.

**In-Market Staged Test Funding Request:**
As called for in our original project plan, our next step following the June Board meeting is to refine our plans based on BOG feedback for one or more new approaches to engagement and embark on an in-market staged test phase. This test will be focused on a defined set of target engineers/specific market area and will provide further validation of the research findings and a basis for measuring/understanding the impact of the new approach before making a commitment to roll-out to the wider global engineering community. Funding for this staged test will be necessary, and as a result, we are requesting $350,000 from the ASME Initiative Fund for the work effort that will begin in early June. This fund request is exclusive of staff and operational costs in the M&S FY ’13-15 budget. The initiative funds will be used for product/service model development, any systems or web modifications required as well as marketing & promotion costs. A detailed breakdown is as follows:
## In-Market Staged Test Budget

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product/Service/Model Development</td>
<td>$90,000</td>
</tr>
<tr>
<td>IT Systems/Web Modifications</td>
<td>$80,000</td>
</tr>
<tr>
<td>Marketing Strategy and Communications</td>
<td>$150,000</td>
</tr>
<tr>
<td>Legal</td>
<td>$30,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$350,000</strong></td>
</tr>
</tbody>
</table>

If this request for initiative funding is approved, test development will begin immediately following the June BOG meeting with a more detailed timetable to be determined based on factors such as the results of the research and decisions regarding number of models to be tested, product and systems work necessary to support the tests, etc.

Appendix A outlines the major steps in the project to date as well as thoughts on steps to be taken beyond these tests in FY ’14 with our best current cost estimates. Appendix B provides assumptions used in creating the budget.
Appendix A

New Member Engagement Model
Projected Timeline and Costs

**FY ‘11**
- Project Kickoff
  - Hypothesis developed
  - Research plan developed
  - Phase 1 research executed

**FY ‘12**
- Phase 2 Research
  - Planned & executed
  - Results analysis underway
  - Recommend model test to BOG in June

**FY ‘13**
- In-Market Staged Test Phase
  - Plan and execute

**FY ‘14**
- New Engagement Model Rollout
  - Seek approval for By-Laws changes (if needed).
  - Additional rollout with significant marketing activities

**FY ‘11 & FY ‘12 Activities**
Cost: $430K approved by COFI and BOG in FY ‘11

**FY ‘13 Funding Request**
$350K from ASME Initiative Funds

**Model Rollout Estimated Cost:**
$750K from ASME Initiative Funds

**Total Estimated Incremental Project Cost:**
$1.53M

Note: There may be potential systems & service enhancements required that are not part of this estimate.
Appendix B

Budget Assumptions

- Market test membership offering with four package options to choose from
- Market test in two markets launched in FY’13

Additional Budget Assumptions

- Product/Service Development – new services/products anticipated will require product development with the use of outside service providers $90K
- Additional IT systems and web modifications to accommodate alternative member package options, capture and discrimination within Personify and Customer Care and segregation from other visitors to the web site $80K
- Development of a strategic communications construct with messaging, new materials and funding for promotion, mailing list rentals, etc. $150K
- Contingency to cover potential legal fees in reviewing new service/product construct and ensure compliance with local market regulations $30K

Total $350K