NEWS FROM NATIONAL

FROM: Wynne Smith, Executive Director
TO: BMW CCA National and Service Officers, Chapter Presidents, Newsletter Editors
DATE: September 24, 2007

MEMBERSHIP STATS as of 09/24/2007

<table>
<thead>
<tr>
<th></th>
<th>Full</th>
<th>Associate</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Membership</td>
<td>66,387</td>
<td>9,838</td>
<td>76,225</td>
</tr>
<tr>
<td>Last Month’s Membership</td>
<td>66,249</td>
<td>9,844</td>
<td>76,093</td>
</tr>
<tr>
<td>Monthly Net Gain (Loss)</td>
<td>138</td>
<td>-6</td>
<td>132</td>
</tr>
<tr>
<td>Monthly % Change</td>
<td>0.21%</td>
<td>-0.06%</td>
<td>0.17%</td>
</tr>
<tr>
<td>Last Year’s Membership</td>
<td>66,167</td>
<td>9,735</td>
<td>75,902</td>
</tr>
<tr>
<td>Annual Net Gain (Loss)</td>
<td>220</td>
<td>103</td>
<td>323</td>
</tr>
<tr>
<td>Annual % Change</td>
<td>0.33%</td>
<td>1.06%</td>
<td>0.43%</td>
</tr>
<tr>
<td>2005’s Membership</td>
<td>65,792</td>
<td>9,151</td>
<td>74,943</td>
</tr>
<tr>
<td>Net Gain (Loss) for 2 years</td>
<td>595</td>
<td>687</td>
<td>1,282</td>
</tr>
<tr>
<td>% Change for 2 years</td>
<td>0.90%</td>
<td>7.51%</td>
<td>1.71%</td>
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New Members 09/07 1,264
Renewals 09/07 49.46%
Roundels Mailed 67,200

RAFFLE 2007

The final raffle tally reveals that 8,221 members purchased 23,503 tickets for a final drawing of 8.1 cars.

ELECTIONS 2007

Positions available: President Executive Vice President North Atlantic Regional V.P. South Central Regional V.P.

The BMW CCA National Board represents the BMW CCA membership and as a group is tasked with soliciting and employing up-to-date information and best business practices in carrying out their responsibilities with integrity, honesty, truthfulness and an adherence to the absolute obligation of safeguarding the members’ trust. They make sense of new information about the club as it may affect the organization and demonstrate concern for the interests and well being of individuals affected by their actions.

Candidates must be nominated by a member who has been a member for at least six months prior (the nomination must include the BMW CCA membership number of the nominating person and the candidate's acceptance of the nomination should be countersigned on the same page (including the candidate's own membership number). Nominees for Regional Offices, and those nominating them, must reside and be a chapter member in the specific region. In order to run for election to the position of BMW CCA President, a member must first have served as a member of the BMW CCA Board of Directors in one of the other national officer positions.
Nominations should include a candidacy statement of no more than 300 words and an appropriate photograph of the candidate. Those wishing to help in refining the CCA’s strategic framework: its values, vision, mission and broad goals; those wishing to help formulate and refine policies that govern our practices should send their nominations, acceptances, candidacy statements and photographs to be received at the National Office before 5 PM EST October 31, 2007.


At the June Board Meeting in Denver, one of the board members raised the idea of term limits for all positions (currently only the president is limited to how long s/he can hold office). We sent a survey invitation to a random group of 4,800 BMW CCA members. 1,717 individuals responded. Our resident board statistician, Bruce Hazard summarizes the responses as:

- Of the 1717 respondents less than 17% have ever volunteered at the chapter or national level.

  For those that did their motivation 48% just wanted to contribute, 2.6% had a specific issue(s) they wanted to affect.

  Of the ones that decided not to run 5.3% either knew the incumbent and or didn't want to run against the incumbent, 25% didn't think they could win on the National level. The remainder 68% had various reasons: the largest group was didn't want to, didn't have time or was a new member; there was a rather significant group that didn't know what was involved, not familiar with national business, don't know the responsibilities, etc. Then there were the few that were too old and, those that simply didn't care.

So now it’s time for a second survey. All of the arguments for term limits are premised on the costs of incumbency advantage. There is little disagreement about the importance of incumbency advantage and its increase over the past decade.

We recognize that incumbents are more likely to be re-elected than challengers, they have higher margins of victory, and they participate in more unopposed elections than do challengers. In the world beyond the club, term limits are opposed primarily by elected officials and the special-interest groups that depend on them.

What are the costs of incumbency advantage and consequent lengthy terms? Term limit proponents say that the incumbency advantage creates board members who shirk their responsibilities and deviate from the wishes of the voting members. As re-election becomes more likely, politicians can afford to ignore the wishes of the voters. A second and related theory states that even a superior challenger cannot replace an inferior incumbent. This doesn’t necessarily mean that the incumbent serves the membership less well in the 5th term as in the first term; it just means that even if the quality of service remains constant, incumbency advantage implies that it is difficult to replace an incumbent with someone whose skills go well beyond the incumbent’s.

Proponents of term limits stress that term limits will reduce the power of special interests. A better argument (in my opinion) is that term limits increase the cost of bargaining and making commitments. As the costs of bargaining increase, the amount of special interest targeted decision-making is reduced.

In addition to making it more difficult for Board Members to bargain with those having special interests, as well as among themselves, term limits increase the costs of committing the Board through time. Term limits work towards reducing the power of special interests. Lengthy terms, however, are only one way of producing long-term bargains. Incumbents have independent power bases and can afford to ignore the wishes of the membership if they deviate from their own.

Imagine that there are two rival coalitions (or special interest groups) in a region and that each fears the other will gain and hold on to power for an extended period of time. For instance, a group of Club Racers versus a
group that that's more interested in Oktoberfest. The Club racers will want more pages of coverage in Roundel; the Oktoberfest contingent will want tons of coverage of the event before, during and after.

The fear each group has can be motivated by two factors. First, the longer a particular group expects to be in power the more likely it is to exploit the other coalition. Or, to put the issue another way, the greater the expected rotation of power the less likely the presently ruling group is to exploit other groups.

Term limits are one method of increasing the rotation of political power. When a Board member's term is over, the election for the open seat is more competitive than it would be if an incumbent were running. By increasing the number of open-seat elections term limits increase the rotation of power. Looking at it this way, the benefit of term limits is not the termination or limitation of current politicians but rather the expectation that new politicians will rotate into power.

If you made it this far, then you may want to travel to the most recent survey being offered to club members. The survey takes last month’s queries about why members have either run for national board positions or have decided not to run and expanded them to a series of questions about term limits. Let me know and I will email the URL to you.

**SEARCH FOR THE NEW E.D. OF BMW CCA**

The National Board has formed a search committee comprising Scott Blazey, Paul Dunlevy and Bruce Hazard and has hired an Executive Search firm. For anyone interested in applying for the position of E.D., the job description and details of how to apply can be viewed by visiting:

http://asi.careerhq.org/jobdetail.cfm?job=2655705&keywords=&ref=1

**BMW CCA WEB 2.0**

The goal is clear: Make bmwcca.org the pre-eminent online website for BMW enthusiasts, as *Roundel* is now in the print world. Attendees at Oktoberfest in Fort Worth will get a sneak preview at the awards banquet Friday night, Oct. 5. They'll see forums covering every current and past model BMW, a gallery for your favorite images, and places to pose technical questions and find lucid answers from BMW CCA's technical service advisors and other leading lights of the club. And they'll see plenty of places to swap ideas, tech tips, and good-natured insults.

Now’s the time to share ideas with Bill Howard, Editor-in-Chief bmwcca.org. To send Bill suggestions – write to b.howard@bmwcca.org or better yet post it as Web Site Feedback so others can see and comment. If it’s a technical issue about something that doesn’t work right, please send a copy of your message to webmaster@bmwcca.org. If you’re a BMW CCA chapter officer and want more coverage for a local or regional event, Bill will be happy to walk you through what’s possible, including in the next few weeks before BMWCCA 2.0 goes live.

Despite being short time here, I would dearly love to see more Chapter news, and coverage of chapter events appearing on the national site, and the only thing stopping that from happening is chapters failing to send photos and info to Bill. So many of you host really fun events – it’s a shame not to share them with the rest of the club and visitors to our site.

**The National Office will be closed Monday, October 8, 2007 for Columbus Day**

And as always, best regards-

Wynne