

**EXECUTIVE DIRECTOR'S REPORT ON OPERATIONS  
APRIL 2012**

The executive director reviewed administrative operations and noted the following items for discussion:

**EXTENSION AND MEMBERSHIP DIVISION**

**Membership Results**

Overall membership results indicate a net increase of 13,623 members as of February 29, 2012; compared to a net increase of 9,208 for the same period last fiscal year. The improved results over the prior year are primarily due to a decrease in dropped members and cancelled clubs in all markets. However, the legacy markets of USA, Canada, and Europe are continuing slow membership declines. Of particular concern are the low number of new clubs that are being chartered in the USA and Europe. Even with the decrease in membership in the USA, Europe, and Canada, based on previous year trends, membership should end the year in positive territory. (Note: Preliminary membership results through March 19, 2012 show a net member increase of +17,500 worldwide.) Membership results through February vary by constitutional area and are outlined below.

Continuing current trends of late, four of the Constitutional Areas - Latin America, OSEAL, ISAAME, and ANZI - have membership numbers that are either positive or much better than same period last year.

Constitutional Area III - Latin America membership shows a net loss of -929, compared to -1383 for last fiscal year. New club formation is on track (51 new clubs) for this time of year, above the five year average of 39 new clubs. Based on previous year's trends, the last four months of the fiscal year is when 65% of the new clubs are chartered in Latin America; indicating a potential for the area to charter a total of 104 new clubs this fiscal year. What has helped stabilize membership growth in this area is an increase in average new clubs size with 31 charter members per new club compared to 26.2 charter members last fiscal year. Compared to last year, Latin America is consistent in total members added and dropped: total members added this fiscal year is 8,356 compared to 8,293 last fiscal year, and total members dropped 9,285 compared to 9,676 last fiscal year.

Constitutional Area V - OSEAL is showing a net increase 8,727 compared to 9,948 for last fiscal year. New members joining existing clubs has decreased slightly to 23,806 compared to 24,511 new members last fiscal year; and total membership drops has increased to 23,762 compared to 21,561 for the same period last fiscal year. What has helped increase membership growth in this area is an increase in charter members (28.7 per new club) compared to (27.6 per club) last fiscal year. New club formation has also increased to 209 clubs compared to 190 for last fiscal year. Of the 209 clubs chartered this fiscal year in OSEAL, 70% of new club formation is driven by China (90 new clubs) and Korea (58 new clubs).

Constitutional Area VI - ISAAME shows a net increase of 14,874 compared to a net increase of 8,992 for the same period last fiscal year. Again the biggest driver is a decrease in total members dropped (25,801 compared to 35,106 last fiscal year) and a decrease in the number of clubs dropped (308 compared to 665 last fiscal year). The decrease in dropped members and cancelled clubs over last year is partly due to the policy changes with the financial cancellation policy that temporarily increased cancellations last year.

Consistent new club formation has been a corner stone of this area's growth. However, new club formation in this area has decreased with 439 new clubs chartered compared to 528 last year.

Constitutional Area VII - ANZI shows a net increase of 69 compared to a net increase of 689 for the same period as last year, representing a tapering off from last year's out-sized growth. Total membership adds are down compared to last year for the same period (3,676 February 2012 compared to 4,222 February 2011), but membership drops are comparable to last year. New club formation is about 30 % less than last year (25 compared to 35 February 2011), but above the five year average of 19. What has been driving growth over the last two years is the chartering of new clubs in Indonesia (14 new clubs) and Australia (11 new clubs). Many of the districts in this constitutional area have the potential to be positive at the end of the fiscal year.

Constitutional Area I – USA; Constitutional Area II- Canada; and Constitutional Area IV- Europe  
The three areas with net membership losses at this time are Constitutional Area I - USA (-7,338 compared to -7,521 last year), Constitutional Area II - Canada (-499 compared to -473 last year), and Constitutional Area IV - Europe (-1,281 compared to -1,044 last year). All three areas are showing a decrease in total members added but a slight improvement in total members dropped compared to last year. It appears that previous year's trends are continuing: a steady increase of new members added to existing clubs, but not enough to offset the drops from the first half of the year and natural turnover in the clubs.

New club formation in the U.S. and Europe has unfortunately decreased. Both areas lag in chartering new clubs compared to their five year average: USA has 56 new clubs compared to five year average of 87.4, and Europe has 51 new clubs compared to five year average of 69.4. Of special note, Canada is ahead of their five year average for chartering new clubs (seven) with 10 new clubs chartered. On a more positive note, approximately half of the districts with net losses in Constitutional Areas, I, II and III have a current net loss of less than 30 members. These districts would benefit, and could reach net positive growth, from the chartering of one or two clubs. Staff is working with GMT Constitutional Area Leaders in these areas on ways to encourage and motivate District Governors who have not chartered a new club.

### **Women's Membership Initiative**

The number of new women members for this fiscal year is 34,853, for a total net gain of 6,864 women Lions. Total women membership now stands at 312,945 (23.3% of total membership) as of January 31, 2012. There are 1,620 all-women clubs. Continued gains are expected to continue this fiscal year and beyond, but the pace has plateaued over the past two years.

This year's Women and Family Membership Development Task Force is a welcomed opportunity to build on past success and to focus on overcoming issues that are dampening the growth of women and family members to become Lions. Task Force members have participated in various events and symposiums in places including Australia, Japan, the Netherlands, Kenya, the Philippines, Mexico and the DRC of Congo. The Task Force members will be pulling together and distilling their findings to develop recommendations for the Long Range Planning Committee.

### **Family Membership Program Updates**

There are now 18,567 clubs with at least one family unit and LCI now has a total of 211,195 family members (15.7% of total membership) as of January 31, 2012. Family members are present in approximately 56% of all co-ed clubs.

The Lions Family Cub Program, created to provide activities for younger children while their parents are participating in a Lions family club meeting and/or activity, continues to draw interest from Lions. Nevertheless, with the aging membership base in some countries, the association will need to increase this program's uptake.

We remain encouraged nonetheless that clubs are continuing to invite family members to join. Staff hears success stories on a regular basis about how a club found ways to engage families in their service projects, invited them to become a part of their club, and are now providing more service to their community and growing their membership.

### **Young Adult Programs**

Although Campus Lions club formation is increasing, more assessment is needed on how to improve the viability of campus clubs given the transient nature of their membership. A trend report was reviewed at the April 2011 board meeting, and LCI staff is looking at a comprehensive approach to inviting young adults (18 to 40 years old) to be Lions. This includes developing an overall strategy that includes Omega Leos, Leo Lions, Campus clubs, student and the "Millennial Generation".

Overall the Student Membership Program - which provides a half dues rate for eligible young people in both Campus and Traditional Lions clubs - has 11,230 student members who are actively certified with approximately 80% in campus clubs and 20% in other club types (i.e. Leo Lions clubs and traditional clubs).

The Leo to Lion program has 815 recently-graduated Leos who are currently part of a Lions club or formed a Leo Lions club under the half dues, no charter fee provision. Ten Leo Lions Clubs have been formed in 2011-2012, three Leo Lion clubs were chartered in 2010-2011, nine were chartered in 2009-2010 and six were chartered in 2008-2009. To generate more momentum, the Membership and New Club Programs Department is working directly with the Youth Programs Department to encourage and aid Leos in the transition from Leo to Lion through social media, such as the Leo, LCI and campus Facebook pages. Also for clubs that sponsor a Leo club will receive information on the development of a branch club for those Leos that are aging out. More direct marketing and communications to Leos approaching the upper age limit will be possible as the new Leo WMMR database is populated.

Additionally, based on the recommendations from the Long Range Planning Committee at the October 2011 board meeting, a Leo to Lion (District) Coordinator Pilot Program was developed. The purpose of the Leo to Lion Coordinator position is to educate Lions on how to successfully transition Leos within their district into existing Lions clubs, promote overall the Leo to Lion relations and form a Lions club branch or a new Lions club with groups of graduating Leos.

A total of 18 districts and 18 Leo to Lion Coordinators have been confirmed to participate in the three-year pilot, mainly in districts located in Europe and Asia. Results and progress will be closely monitored.

### **Global Membership Team**

At all levels, the Global Membership Team continues to work on membership development in a more strategic manner by closely monitoring trends and member metrics, promoting use of membership tools such as the Club Excellence Process and sharing ideas and best practices at forums and local conventions.

At the global level, area leaders submitted area assessments to their constitutional area leaders based on information received from district governors via a semi-annual questionnaire. Constitutional Area Leaders summarized this information in reports to the GMT international coordinator. A second semi-annual questionnaire is being developed for submission in April.

#### Summary of activity:

- Communications from LCI to all levels of the GMT continue. Polls and discussion forums have been posted to the LCI Teams/BoardEffect portal for GMT Constitutional Area Leaders and area leaders.
- An Extension and Membership Division Newsletter, The Membership Pulse, has been developed with its first publication scheduled for mid-May. This newsletter will cover all things membership with a spotlight on GMT.
- E-mails were sent the first part of February addressing clubs who have not added a new member this fiscal year, clubs who have added a member to encourage use of CEP, and districts that have not formed a new club this fiscal year. These e-mail messages were sent to each constitutional area from either the constitutional area leader or over President Tam's signature if preferred by the constitutional area leader.
- To encourage a strong year-end in Canada, a pilot Zone Chair Competition was initiated by GMT Constitutional Area 2 Leader Past International President Judge Brian Stevenson for the months of March - June, 2012 encouraging membership growth and extension of clubs.
- Conference calls to constitutional area leaders including GMT International Coordinator and Past International Director Drs. Ton Soeters as well as Extension and Membership Division staff took place during the months of January, February and March. Staff used information from these calls to target their support of the GMT.
- GMT Area Leaders were provided information regarding their responsibility in the 2012-2013 District Governor Elect Assignment #3 - Goal Setting.
- Staff continues to work on access to membership data for members of the GMT/GLT via the new MyLCI Web site.

- Staff continues to work on an automated reporting process for membership goals created by DGEs. Expected completion date is fiscal year 2013-2014.

Yet, while the early success of GMT since its launch in 2008-2009 is evident, especially in increasing the focus on membership development, there now exists a growing need to strengthen the teamwork between GMT and DG Teams at the district level and to put in place additional metrics (e.g. quarterly membership progress reviews) to heighten accountabilities and drive more action into concrete results. This will be a focus of the Membership Development Committee and division staff as GMT enters its fifth year in 2012-2013.

### **Club Excellence Process (CEP)**

Interest in and knowledge about CEP has increased greatly since fall 2011. There were 29 formal Requests for Resources submitted from October to January, and 24 Requests for Resources submitted from January to end of February.

In January and February 2012, the Extension and Membership Division conducted three CEP webinars. These webinars were attended by club members and focused on how clubs can schedule CEP for their club and also why they should consider doing so. Also in January, the Membership and New Clubs Development Department and the Leadership Administration Department hosted a webinar on the GMT/GLT role in CEP. All webinar materials were e-mailed to participants and posted on the CEP and GMT Web pages.

During this same time, CEP was the fourth, most searched for, item on the LCI Web site with 442 searches.

LCI still encourages all clubs to preview the CEP and to work with their zone chair and district GMT coordinator to complete and follow the instructions to apply for CEP using the Request for Resource Application (available on the LCI Web site in all languages).

Staff is continuing to evaluate the program and monitor results for future improvement. Comments from webinar attendees and Project Refresh provided staff with positive encouragement and suggestions for improvement.

### **Current Statistics for 2011-2012 fiscal year**

Number of workshop applications submitted: 53

Number of CEP clubs: 165

Number of participants: approximately 3,330

### **Project Refresh - the "Club Member Study"**

Project Refresh, a multi-phased marketing study of club success and member attitudes, is nearing completion. Detailed findings were presented to the Long Range Planning Committee in January.

Preliminary insights from the study show there are positive feelings and perceptions of most members to their club, including positive awareness of LCI by non-Lions, but here is an overwhelmingly clear indication that clubs need to evolve their operations, to move in new ways to become more diverse and open, and to refresh outdated customs and rituals.

The findings will shape membership and club development tactics in numerous ways, as well as pave the way for additional studies at the regional level to dig even deeper into “secrets of success” in growing clubs to benefit clubs in need of help finding a way to grow again.

An in-depth presentation on study findings to the entire LCI board will take place at the April 2012 board meeting.

## **Regional Initiatives**

### *North America Extension Program*

In past years, the goals for the program were to facilitate a certain number of club extension workshops. To this end, the general, annual goal is to average 1.25 clubs per workshop with a minimum of 100 new clubs in North America. Last fiscal year (2010-2011), 90 workshops were conducted with a total of 82 (91.15%) new clubs formed compared to the previous fiscal year (2009-2010) when 166 workshops were completed and 162 (97.6%) new clubs were formed. This fiscal year, however, only 42 workshops have been conducted to date with 11 more scheduled, resulting in 23 clubs (0.5 clubs per workshop) thus far. LCI's New Club Consultants are following up with the workshops that have not yet formed a new club and it is expected that the remaining 45% of the clubs will be formed before the end of the fiscal year.

LCI staff met with senior New Club Consultants at the end of February. This two-day meeting focused on the identification of obstacles of the Extension Program and proposed solutions. The theme was “Revitalizing Extension”. This meeting coincided with a Webinar, facilitated by staff and consultants, promoting the program. The Webinar invitation was sent to District Governor Teams and GMT coordinators, attracting more than 90 participants. Staff is actively following up with the districts that expressed interest in holding an extension workshop before the new year. Continued steps to jump start the program will be ongoing.

### *Latin America Extension Program*

New Club Consultants in Mexico have moved from the pilot program and now are fully functional in the Level 2 workshop (a train-the-trainer approach) that was developed in Mexico two years ago. The program continues to move forward for this area with eight clubs already developed in four of the nine districts.

Staff is in the process of developing workshop participant material similar to the North American version, with subtle changes for cultural differences.

The New Club Consultants held their meeting at the FOLAC Forum in Mazatlan, Mexico, January 2012. The consultants worked on promoting the Extension Workshop Program and also coordinated a membership booth at the forum, which was very successful. The consultants also conducted a seminar to promote membership within Constitutional Area III which was attended by over 300 Latin American Lions and which resulted in several workshop applications.

For this fiscal year 27 workshops have been conducted resulting in 17 new clubs thus far, and a total of 405 new members in Latin America.

*Australia, New Zealand and Indonesia*

Extension Workshops are still at a low level in ANZI, because more and more districts want to focus on promoting the Club Excellence Process, and strengthen existing clubs, rather than form new clubs.

Australia has had three workshops this fiscal year. With staff approval, consultants will be attending district conventions and council meetings to help promote this program. As of January, Australia has formed 11 new clubs; three of which are results from a workshop that was conducted last fiscal year.

The consultants in Indonesia have conducted two workshops, which have not yet resulted in any new clubs; however, Indonesia has formed 13 new clubs this fiscal year.

There has only been one consultant located in New Zealand for the last two years. With the guidance of the GMT Area Leader, two additional consultants have been identified. In March, all three have participated in a two-day training in Wellington, New Zealand with the senior consultant in Australia as well as the GMT Area Leader and GMT MD Coordinator. Together, they developed a plan to tackle ANZI's need for more extension. It is expected that the addition of new consultants, combined with a new strategic plan, will result in an increase of workshops in New Zealand. As of the end of February, there has not yet been any new clubs formed in New Zealand.

*Africa*

The number of clubs in Africa has been on the rise the last three fiscal years. It looks as though Africa remains on track for continued membership growth this year, though at a pace slower than desired to reach 30,000 members needed to be considered as its own constitutional area.

The Africa Steering Committee met in November and in February to evaluate their goals and progress towards them. The target is a net growth of 1,200 in Africa by the end of the fiscal year. Through February, Africa membership totals 21,567 with a net increase of +88. Statistics show that there is not a problem attracting new Lions; the problem is retention of existing members. At the All Africa Conference in February 2012, GMT/GLT, DG Teams and other Lions discussed the following:

- how to help clubs add new members
- how to promote meeting management and quality
- use of CEP
- inclusive/transparent leadership
- identifying community needs.

*Central- Eastern Europe Initiative*

The Central-Eastern Europe Initiative (CEEI) has made decent progress over the past two years since its initiation, increasing membership by roughly 2,000. This fiscal year, the countries that comprise the CEEI are showing a net loss of -177, but prior trends indicate a plus membership by year-end. Staff is in the process of updating the former Eastern Europe Project (EEP) Web site to include information relative to the new Central-Eastern Europe Initiative.

*China, Hong Kong, and Macau*

The fiscal year in mainland China and District 303 (Hong Kong/Macau) is continuing to stay positive with a net gain of 1,694 members, bringing total membership at the end of February to 11,496. Results through February 2012 for China are:

- District 303 had a net gain of 54 members.
- District 380 had a net gain of 96 members.
- District 381 had a net gain of 364 members.
- District 382 had a net gain of 562 members.
- District 383 had a net gain of 114 members.
- District 385 had a net gain of 175 members.
- District 386 had a net gain of 592 members.
- District 387 had a net loss of -15 members.
- District 388 had a net loss of -248 members.

**Life Membership**

The Membership Development Committee has received a proposal for a modified version of the Life Membership Benefit.

Current criteria: 20 years of service and 70 years of age

Modification: 15 years of service and 65 years of age

Research and analysis are underway to determine the number of active members the above modifications would encompass, the amount of revenue involved, and the determination of the one-time fee payable to LCI to adjust for loss of revenue.

**TREASURER**

The association posted a surplus through January 31, 2012, of US\$6.31 million for the General Fund. The comparison to forecast, budget and prior year is presented below.

**The International Association of Lions Clubs**  
**Statement of Revenue and Expense**  
**The Month Ended January 31, 2012**  
**All figures in US Dollars**

	<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>Prior Year</b>
<b><u>REVENUE</u></b>				
Net Dues and Fees	\$ 31,828,257	\$ 31,899,158	\$ 31,458,442	\$ 31,801,689
Other Revenue	5,487,956	3,718,869	3,441,770	3,160,709
Total Operating Revenue	37,316,213	35,618,027	34,900,212	34,962,398
Net Non-Operating Revenue	(845,277)	(2,517,301)	3,048,773	8,828,524
<b>Total Revenues</b>	<b>36,470,936</b>	<b>33,100,726</b>	<b>37,948,985</b>	<b>43,790,922</b>
<b><u>EXPENSES</u></b>				
Elected Officers *	5,807,266	5,825,099	6,196,699	4,474,268
Administrative	24,349,062	25,509,311	25,460,904	22,621,230
<b>TOTAL EXPENSES</b>	<b>30,156,328</b>	<b>31,334,410</b>	<b>31,657,603</b>	<b>27,095,498</b>
<b>Net surplus/(deficit)</b>	<b>\$ 6,314,608</b>	<b>\$ 1,766,316</b>	<b>\$ 6,291,382</b>	<b>\$ 16,695,424</b>

\* Includes expenses of elected international officers, district governors, district governor-elect seminar, and board meetings.

**Net Dues and Fees**

Actual year-to-date is relatively flat compared to forecast and prior year, and trending slightly better than budget. While total membership compared to last year is up by 9,532 year-over-year, the increase in revenue is modest due to the sustained growth in family members. The variance from budget is primarily growth in newly chartered clubs, partially offset by the trend in family membership.

**Other Revenue**

The favorable variance compared to all categories is largely due to the number of registrations for Busan. The total number of registrations is expected to slightly surpass 50,000.

**Net Non-Operating Revenue**

Net non-operating revenue is better than forecast by US\$1.68 million, and worse than budget and prior year by US\$3.89 million and US\$9.67million, respectively. The forecast variance is the result of better than expected investment results in January 2012. During January, the General Fund Investments increased in value by almost 3%, while the forecast assumed zero growth.

The reason for the budget and prior year variances is mixed. Over 60% of the budget variance is the result of losses on currency due to fluctuating exchange rates. During the first six months of the year, the US dollar was relatively strong against most currencies, with the exception of the Japanese yen. However, it should be noted that in January the US dollar fell slightly as measured by ICE U.S. Dollar Index. The ICE Index measures moves in the value of the US dollar relative to a basket of world currencies. The impact of currency on the prior year variance is significantly less, however, compared to the impact of lower investment results. Through January, the General fund recorded returns of 1.5%, compared to 15.8% for the same period last year.

**Elected officers' travel and office**

Elected officers' expenses (expenses of elected international officers, district governors, district governor-elect seminar, and board meetings) are less than forecast and budget by US\$17,833 and US\$389,433, respectively and exceeded prior year by US\$1,332,998. The variance from forecast and budget is primarily timing, as the cost for the International Convention, final board meeting and District Governors-Elect Seminar is expected to exceed the original budget by over 10%.

The unfavorable variance compared to prior year is the result of increased cost for officer travel, committee meetings, board meetings, DGE seminar and forums. The additional officer travel was anticipated based on officer location, and increased travel needs. Increased cost for board meetings and DGE seminar is due to location. The forum increase reflects the addition of ANZI this year and additional cost for the USA/Canada due to location.

**Administrative divisions**

Administrative divisions were lower than forecast and budget by US\$1.16 million and US\$1.11 million, respectively and worse than prior year by US\$1.73 million. The variances are primarily due to timing; however, an increase in expenses is anticipated on a year-over-year basis due to the location of the International Convention, planned IT projects, Project Refresh (the "Club Study"), and full implementation of the Global Leadership Team.

**Suspension**

As of February 24, 2012, the association had 90 clubs and 1,879 members on financial suspension. A summary by constitutional area follows:

	# of Clubs	# of Members
U.S. and Affiliates, Bermuda and Bahamas	3	53
South América, Central América, Caribeña & México	19	289
Europe	4	65
Orient and Southeast Asia	13	282
India, South Asia, Africa and Middle East	49	1,168
Australia, New Zealand, Papua New Guinea, Indonesia, S. Pacific	2	22
<b>Total</b>	<b>90</b>	<b>1,879</b>

## **CLUB SUPPLIES AND DISTRIBUTION**

### **Club Supplies Sales**

Gross margin (sales less direct cost) from merchandise sales through January 31, 2012, totaled US\$1 million, a decrease of US\$103,915 from prior year. On the bright side, a February promotion in the United States and Canada, offering US\$2.29 shipping on orders over US\$50 has been very successful, resulting in an increase in sales revenue of over 20% in a year-over-year comparison of the first 24 days of February. Staff is working on developing additional promotions to take advantage of e-mail marketing promotions and the new club supplies Web site.

Selling, general and administrative (SG&A) expenses were US\$782,264, a decrease of US\$66,239 compared to the prior year. This decrease was partially attributed to stabilization in oil and gas prices which dropped off from earlier high levels and in turn resulted in decreases in fuel surcharges imposed by our couriers. Another factor is revised shipping rates to customers which have brought shipping expense and recovery more in line with each other.

Improvements in shipping recovery were partially offset by increased expenses related to the Japan office. The Japanese yen continues to remain strong relative to the US dollar, increasing approximately 8% for the current fiscal year, impacting both sales and expenses for merchandise sold from the Japan Club Supplies Operation.

Club Supplies recorded a net loss of US\$162,023 through January 31, 2012, a decrease of US\$5,574 compared with prior year. Due to the cyclical nature of club supplies sales, it is not unusual to show a net loss at this point in the fiscal year. However, based on anticipated revenues and expenditures a net profit is forecasted for 2011-2012.

As noted previously Club Supplies Sales is working with one less staff member. A decision was recently made to utilize temporary staff for peak times and not replace the position in the foreseeable future. The results of the process and procedure review of the Club Supplies sales area was completed in early February. Overall, the results were positive, however there were several opportunities identified. The recommendations include an enhanced phone system for telephone orders and an electronic transmission of orders to vendors, etc. Staff is in the early stages of investigating the recommendations for implementation.

### **Merchandising and Licensing Update**

Income derived from licensing programs through January 31, 2012 totaled US\$220,796, up by US\$130,136 compared with the prior year. As noted in previous reports the favorable variance will continue as a large licensee deferred payment from last year to the current year.

Three new License Agreements have been granted year to date in 2011-2012, bringing the total number of licensees to 108 with one additional license agreement pending finalization.

In an ongoing effort to improve and maximize licensee royalties all licenses are being reviewed and modified, where applicable, to allow the licensees to broaden their marketing areas and expand product lines.

As a part of our overall marketing and revenue enhancement effort selected licensees and suppliers were again offered the opportunity to purchase a page, or pages, in the 2012 Club Supplies catalog. A total of nine vendors made a commitment for a combined total of 21 pages in the 2012 catalog.

Club Supplies is introducing approximately 50 new items to market both online and in the 2012 catalog. New items, added to our product line within the last three years, year-to-date, have generated total sales of US\$207,927. The 2012 Club Supplies catalog will be available in digital format similar to last year. The print version of the 2012 catalog is scheduled for mailing on or around March 9, 2012, the introduction of the online digital catalog will coincide with the mailing date.

### **Distribution Update**

Ongoing utilization of Logica (an independent freight audit firm) will enable the association to continue to recover refund credit funds from courier services. In fiscal year 2010-2011 just over US\$30,000 in refund credits was recovered from courier vendors. Through ongoing negotiations with courier services, consolidation of courier services, continued refund credits over \$30,000 in projected savings is anticipated in the current in fiscal year.

Club Supplies continues to strengthen its marketing efforts through the increased use of mass e-mail promotion and marketing campaigns directed toward district, club and general membership levels. Response and results have been very encouraging.

### **Club Supplies Web site**

The new updated Club Supplies online store has been operational since May 19, 2011. Results through end of January 2012 have been very positive. The online store accounts for roughly 70% of all orders received in Club Supplies Sales.

## **CONVENTION DIVISION OPERATIONS**

As of March 1, 2012, requests for 49,015 advance registrations and 3,204 guest rooms have been received for the 2012 Convention in Busan, South Korea. The top countries registered are Korea (39,254); Japan (3,072); MD-300 Taiwan (1,359); USA (983); India (829); and China (736). We have officially reached the highest pre-registration figure of any convention over the past 94 years. The closest comparison is the 2002 Osaka, Japan Convention, which had a final registration of 48,431.

These higher registration figures are having a significant impact on the Busan Host Committee's budget, which includes a number of incentives for convention attendees. Because the higher registrations and forecasted attendance have increased some of the expenses traditionally met by the host committee and/or host city, the Busan Host Committee has asked the LCI Convention Committee to review the offers in the original convention bid and consider reducing some of the items being provided to LCI free of charge.

Ticket sales for the Melvin Jones Fellows Luncheon are strong. Currently, 415 tickets have been purchased. Sales for other ticketed events are as follows: Membership Key Awards Ice Cream Social-128; DG/PDG Banquet-177; PIP/PID Banquet-194; and Leo/Lion Summit-27.

Due to the registered convention attendee demographic being primarily from the OSEAL region, LCI has formed a Seminar Planning Team to develop a program tailored to the needs of this audience.

The Seminar Planning Team has determined that four language-specific interactive seminars will be offered in Busan, where attendees will discuss and share ideas on service, membership and leadership with regional Lion presenters. Additionally, language-specific presentations will take place in the exhibit hall using regional Lion presenters. Topics will include LCIF, Online Learning and Social Media Success Stories.

The Convention Division staff continues to have frequent conference calls with the Busan Host Committee and local suppliers to ensure that arrangements are progressing effectively. We expect to receive updated exhibit hall design plans soon.

LCI staff has been notified of shipping dates to Busan, with the majority of items leaving on a mid-April ocean shipment. Our plan is to send as many items as possible with an ATA Carnet, which is an international customs document allowing for the temporary admission of goods into Korea without incurring duty charges. The Convention Division will review all packing lists to ensure that the documents are correct, in order to secure the greatest possible savings for the association.

Outside of Busan preparations, the Registration and Housing Department has met with several top registration software companies to identify new registration/housing software to allow more self-registration through an online system in multiple languages. Our plan is to identify, purchase and install the new software in time for the 2013 Hamburg Convention.

The Travel Department has improved communications with two preferred vendors, Carlson Wagonlit Travel and Carey/Embarque Transportation by providing access to a secure FTP portal. This process is being used to streamline distribution of information, including DGE Travel/Registration Forms and Carey/Embarque Reservation Requests and Confirmations.

## **DISTRICT AND CLUB ADMINISTRATION DIVISION**

### **Club Cancellation and Status Quo**

There was a significant decrease in overall club cancellation and club reorganization which was mainly due to the accelerated suspension policy.

MONTH: - FEBRUARY	2011	2012	Change	Percentage
Number of Clubs	45,867	46,178	311	0.68%
Clubs Cancelled	1,327	846	(481)	-36.25%
Clubs in Status Quo	98	59	(39)	-39.80%
Clubs Reorganized	1,174	739	(435)	-37.05%

As noted below, most areas had a decrease in cancelled, status quo and reorganized clubs. ISAAAME and Canada reduced cancellation by 53.68% and 47.62% respectively.

MONTH: FEBRUARY	Cancelled Clubs				Status Quo Clubs				Reorganized Clubs			
	2011	2012	Change	%	2011	2012	Change	%	2011	2012	Change	%
US and Affiliates	265	192	-73	-27.55%	15	15	0	0.00%	89	54	-35	-39.33%
Canada	21	11	-10	-47.62%	3	0	-3	-100%	27	3	-24	-88.89%
FOLAC	102	99	-3	-2.94%	20	6	-14	-70%	203	131	-72	-35.47%
Europe	100	101	1	1.00%	4	2	-2	-50%	113	52	-61	-53.98%
OSEAL	142	113	-29	-20.42%	2	5	3	150%	130	104	-26	-20%
ISAAAME	665	308	-357	-53.68%	53	31	-22	-41.51%	604	389	-215	-35.60%
Australia/New Zealand	32	22	-10	-31.25%	1	0	-1	-100%	8	6	-2	-25%
TOTAL	1,327	846	-481	-36.25%	98	59	-39	-39.80%	1,174	739	-435	-37.05%

### Club and District Health Assessment Report

The Club Health Assessment Report continues to be sent the second week of each month to the District Governor Team in all languages and is posted on the “Board Effect” Portal for members of the International Board as well as GMT and GLT members. The club report has been amended to highlight club presidents that have served more than two consecutive years which might bring light to this unhealthy trend. The club report also notes the clubs that have participated in the Club Excellence Process. The district level report has been amended to track districts that are in transition, indicate district governor team vacancies and include the number of zone chairs that have been recorded.

### E-Clubhouse

The e-clubhouse continues to gain momentum. As of March 1, 2012, there were 6,979 clubs with e-clubhouse and it continues to grow. The United States leads with 3,274 sites, followed by India with 1,034 sites and Canada with 499.

### E-District House and Special Sites

The e-district house has also been released in all languages to provide districts and multiple districts with their own Web site. Similar to the e-clubhouse, the site features a home page, a calendar of events, a projects page, and a photo gallery. The site also features a members-only section and allows up to seven additional pages to be customized for district functions or news. The format is very flexible and may be used for a variety of applications. As of March 1, 2012, there were 149 district sites. The United States leads with 64 district sites, other leaders include India with 22 district sites and Canada with 11 district sites.

To further promote both programs, a special area of the Internet Café in the exhibit center will be staffed with volunteers to help clubs and districts design sites while they are attending the International Convention. Nearly 100 sites were launched last year during the 2011 convention. Staff is also looking into the feasibility of allowing Lions projects and foundations to set up their own e-clubhouse style Web sites, as part of the association's ongoing efforts to connect all Lions organizations into a more robust, searchable online network.

### **Zone Chairperson Support**

At the direction of the District and Club Service Committee the division launched a new Web page specifically designed for zone and region chairpersons. These Web pages provide key positions with links to training, materials and information to support their efforts. As noted, the District Health Assessment Report tracks zone chairpersons so local Lion leaders can ensure these positions are recorded, allowing the District and Club Administration Division to reach them directly with important updates and support.

### **Club Rebuilding**

A webinar for North American Lions was conducted in December featuring success stories and tools to rebuild cancelled or failing clubs since the region has the highest amount of disbanding clubs, due to the aging base of clubs in many districts. The webinar was well received and attracted 381 registrants and 194 attendees. In January research was conducted to identify districts that have used the Guiding Lion concept to help failing clubs with the goal of club rebuilding. Based on the research, staff has developed a module for the Certified Guiding Lion Course that will help a Guiding Lion adjust the support they would provide to a cancelled or failing club based on the specific needs of the club. An assignment form has also been created allowing the Guiding Lion assignments to be tracked and to allow LCI to provide the Club Health Assessment Report to the assigned Guiding Lion. The module and assignment form will be made available over the next few months. The committee sees many advantages to assigning a qualified and trained Lion leader to weak or failing clubs and feels that the training provided to Certified Guiding Lions will be beneficial in this regard.

### **Redistricting**

The redistricting proposals for Multiple District 325 has been approved and will take place after the close of the 2012 International Convention. District 324-A1's redistricting request is nearing the level of clubs in good standing needed to be placed before the board. Redistricting proposals have also been received from MD 16, which will be reviewed by the committee in April.

### **Language Operations**

TRADOS, LCI's translation database and software system, was launched in fiscal year 2008-2009 and continues to be utilized by the language departments. The system improves the consistency of both in-house and outsourced translations and reduces the cost of translation by retaining and using previously translated phrases to reduce the number of words in the document that require translation. It also streamlines the production of publications going through the Graphics Department. Additional enhancements include dual monitor screens and new monitor mounts that allow the staff to easily see the documents that they are translating.

The system was successfully upgraded from the 2007 to the 2009 version of TRADOS in October. This was an important upgrade featuring a major redesign. Training was conducted in October and full utilization took place following the training. The new system integrates additional tools to help translators manage documents more effectively. The system is continually being updated and now 100% of the staff has been updated to TRADOS 2011.

Translation requests have also increased. As of March 1, the division has translated 849,183 words setting a new record and a 42.53% increase in translation over the previous three-year average and 29.34% increase over same time period one year ago. Translation requests are expected to continue to increase this year due to several new programs, the increased need for translation for the convention in Busan and the re-translation of the Board Policy Manual. Outsourcing has also increased due to increased demand, staff shortages and the timing of requests.

## **INFORMATION TECHNOLOGY DIVISION**

### **Windows Upgrade Project**

Microsoft Windows "XP" is currently used on our personal computers. Now that the Novell system replacement has been completed, an upgrade to Windows 7 and Office 2010 is planned. Due to its complexity, a phased-in approach will be utilized, and the new service will be rolled out by department in order to minimize impact. Initial trial rollout should begin in July.

### **Wireless Infrastructure at International Headquarters**

New equipment has been installed, and wireless access is operational for guests to connect to the Internet. We are currently testing Wi-Fi access for staff to log on to our internal network. This portion requires additional safeguards to protect the headquarters' enterprise network from virus and security threats.

### **Mumbai Office System Improvements**

The upgrade of infrastructure and connectivity to internal systems at headquarters has been completed. The next phase, which will consolidate the number of stand-alone printers with fewer multi-function printers, is being reviewed.

### **New Online Directory, Vital and Club Locator**

Since this new feature went live, a number of club and district officers have commented on its vast improvements. As with any new software introduction, a number of e-mails and phone calls seeking assistance with registering for a password were received. The Help Desk has now returned to a normal level of support calls. The second release that included an improved search feature went live November 7, 2011. The latest release of the system with Google Maps interface support is now "live." The next phase will be to include additional Lions' entities (e.g. local Lions foundations and charities), which will begin following the international convention.

### **MyLCI (WMMR Redesign)**

The MyLCI project, designed to allow all members to eventually have their own LCI information account, is significant in size and will contain multiple releases over a period of time. The first release is targeted for May 2012. Prior to this an interim release to WMMR will allow clubs to opt out of receiving a paper statement mailed to clubs since clubs can view their monthly statements and per capita invoices online. The first phase of MyLCI will be "MyLCI for Officers," which will allow club and district officers to access most of the features currently in WMMR. New features will support multi-cultural address standardization formats and improved data validation. The system will also allow DGE's to enter their region and zone chairpersons before their year as district governor begins, giving them a jump start. The new MyLCI system will be the unified system to support both Lions and Leos.

### **Mobile Device Management**

We are beginning a new project to implement a mobile device management system to better manage popular mobile devices such as iPhone and iPad. With this system in place, those devices could be used to access the association's internal data, such as e-mail, etc. It will also provide us with a better tool to support those devices including wiping out information from it. Planned testing rollout will begin following the international convention.

### **SERVICE ACTIVITIES DIVISION**

The Service Activities Division is focusing on developing and improving service programs of relevance and interest to Lions. Technological tools including the Service Activity Report and Web tracking software such as Google Analytics are being used to measure what service areas, programs and materials are of high or low interest to members. Modifications to programs and related resources are being made accordingly. The division is also focused on raising Lions profile and service impact through partnerships including the European Union, WHO, Aga Khan Foundation and through initiatives such as the Lions Commemorative Coin Act in the US.

### **2011-2012 Million Tree Planting Campaign**

A significant emphasis this year is on supporting President Tam's challenge to Lions to plant one million trees demonstrating the vastness and strength of Lions' global network, to provide a fun-filled hands-on project that any club can do, and show Lions growing commitment to the environment. As of March 22, 2012, Lions have well exceeded the target by reporting more than 7.18 million trees being planted in over 88 countries, which equates to more than seven trees planted for every Lion member. An interactive map depicting photos, stories and the total number of trees planted to date by Lions around the world is posted on the Web.

### **2011-2012 Global Service Action Campaigns**

Three of the four Global Service Action Campaigns: "Engaging our Youth" (August), "Sharing the Vision" (October), and "Relieving the Hunger" (December/January) are now complete.

Below is a breakdown of campaign-related service activities (reported through the Service Activity Report as of February 22, 2012):

<b>Campaign</b>	<b># of Participating Countries</b>	<b># of Activities</b>	<b># of Service Hours</b>	<b># of People Served</b>
Engaging Youth	97	10,320	928,546	2,349,228
Sharing Vision	87	7,791	683,011	5,022,324
Relieving Hunger	85	7,451	718,485	8,241,758
Total		25,562	2,330,042	15,613,310

The fourth Global Service Action Campaign "Protecting our Environment" will be held in April to coincide with Earth Day.

### **Lions Service Activity Report**

The Service Activities Report is becoming an increasingly robust tool for Lions and staff. Clubs are able to report on their service activities and impact in real time. Clubs can also share their service report entries with clubs all over the world and search the report system for project ideas. Searching for project ideas is a highly desirable tool for members as many Lions have expressed an interest in learning more about what other Lions clubs are doing in the area of service.

As of February 22, 2012, a total of 22,726 clubs (49%) have entered nearly 600,000 activities and uploaded over 60,000 photos/images. This compares with only 34% of clubs who used the old system (despite being in place for many years), and the usage is increasing each week. District leaders can now download summary reports of clubs' activities, including club involvement in the tree planting and global service action campaigns. Reports are now being developed for multiple district and constitutional area leaders and staff. Options are now also being explored to capture data on large scale service projects (e.g. district level projects, Lions foundations' projects, and LCIF projects).

### **Lions European Union Steering Committee**

The main goal of the Lions EU Steering Committee is to strengthen and optimize relationships with key EU government agencies such as Civil Society, Youth, Health or the Environment. Based on the recent success of Lithuania's Ministry of Education awarding EURO 360,000 to implement Lions Quest, the EU Steering Committee has outreached to the European Commission, in conjunction with the LCIF Lions Quest European Coordinator, to explore additional funding for Lions Quest.

### **Commemorative Coin Legislation**

The *Lions Clubs International Century of Service Commemorative Coin Act, S. 1299/H.R. 2139*, was introduced by Senator Jerry Moran (R-KS), a Lion, and Representative Peter Roskam (R-IL). The passage of the commemorative coin legislation would highlight a century of service Lions have provided to people in need, and also provide funding to support Lions global service projects for the visually impaired, disabled, youth and those affected by major disaster.

Passage of the coin bill requires securing 290 sponsors in the U.S. House of Representatives and 67 U.S. Senate sponsors in order for the U.S. President to sign it into law. Notable progress has been made. As of March 22, 2012, we have achieved 201 co-sponsors in the House, including 10 current/former Lions and 40 co-sponsors in the Senate, including five current/former Lions. A current list of co-sponsors and state progress can be viewed at [www.lionsclubs.org/coin](http://www.lionsclubs.org/coin). The desired goal is to reach full sponsorship requirements by December 2012.

### **Lions Medical and Humanitarian Aid Missions**

Based on recommendations from the board and input from Lions active in missions, the mission Web pages have been revised and are now posted on the Lions Web site. In addition, resources including a missions planning guide and sample action plan have been developed to assist Lions. On-going feedback from Lions will be used to further refine the site and related materials. To locate the pages on the LCI Web site, type "missions" into the upper right hand corner search box.

### **Leo Club Program**

The Leo Club Program as of January 31, 2012 comprised 5,987 Leo clubs, a net increase of 96 clubs since the same time last fiscal year. The program represents an estimated 149,675 members in 139 countries. There are 2,502 Alpha clubs and 3,485 Omega clubs. Alpha clubs represent 42% of all Leo clubs worldwide; Omega clubs represent 58%.

### **LeoMMR and MyLCI Development**

The integration of LeoMMR into the new MyLCI platform is currently underway and once completed, will serve as the main self-service site for Leos to report club, member and service activity information beginning in FY 2012-2013. Through this integration process, a number of additional features will become available including: access for Leo club advisors and sponsoring Lions club officers to view and update their respective Leo club and Leo member information; reporting of Leo service activities and projects (similar to the reporting already in place for Lions clubs); and access for district and multiple district officers and chairpersons to view relevant information about the Leo clubs in their respective district or multiple district. Security and privacy concerns regarding Leo data are important considerations and the MyLCI team is working closely with the Legal Division and the Youth Programs Department to address these issues.

### **Leo Lion Summit at Busan Convention**

A Leo Lion Summit is being organized for the 2012 Lions Clubs International Convention in Busan, Korea. This special forum will bring together Leos and Lions from around the world for a day of celebration and dialogue about Leos being part of the Lions' family. The event will also serve as a venue to strengthen the Leo-Lion relationship and encourage Leos to become Lions. Lions are requested to sponsor Leos to attend.

### **Leo-to-Lion Transition**

Nearly 200 Leo Completion of Service Certificates have been awarded this fiscal year which represents more than the total number of certificates granted in FY 2010-2011. The certificate enables Leos who are interested in joining a Lions club a charter/entrance fee waiver and reduced international dues.

Realizing the potential of bringing younger members into Lions clubs who already have an interest in service, options to potentially reduce the Omega upper age limit and incentives to encourage Leos to join or charter Lions clubs continue to be reviewed. Additional feedback is currently being solicited in this regard and input will be further discussed at the April 2012 board meeting.

### **Leo Leadership Grant Program**

To date this fiscal year, five Leo leadership conferences have been approved: Canada (District 19A), Italy (District 108IA1), Korea (District 354B), India (Multiple District 323), and Nigeria (District 404A).

### **Youth Camp and Exchange Program**

A total of 200 district and multiple district chairpersons from 53 countries and 119 Lions youth camps in 43 countries have been reported to the Youth Programs Department for FY 2011-2012. Updates to the directory are generally posted twice per month. The YCE Directory continues to be one of the top downloaded materials from the Association's web site.

### **Diabetes Awareness and Action**

Staff is currently rebranding the Lions Strides Program. The Strides logo is being refreshed and the name of the program has been changed from: "Strides: Lions Walk for Diabetes Awareness" to: "Strides: Lions for Diabetes Awareness." Removing "Walk" from the program title allows for greater flexibility regarding the various types of events Lions can organize to raise awareness for diabetes –in addition to walks- such as running and bicycling. Collateral material including a program guide is also being updated.

### **Lions Services for Children Worldwide Symposium Program**

To date, symposiums in Lebanon (District 351), Turkey (District 118-Y), Iceland (MD 109) and India (District 322-C3) have been approved for FY 2011-2012.

### **Lions Eye Banks**

According to reports received from 43 Lions Eye Banks to date, 10,546 eyes were provided for research and education and 23,742 corneas were provided for corneal transplants in FY 2010-2011.

### **Lions Eye Health Program (LEHP)**

Health and Children's Services staff attended the 2012 North American Conference of Lions Foundations (NACLF) to present the new LEHP materials and promote eye health resources. In addition, staff networked with foundation participants to learn more about their involvement, challenges and future activities related to health and children's programs.

### **Lions Eyeglass Recycling**

Plans are currently underway for the board approved Lions Eyeglass Recycling Center (LERC) meeting to be held at LCI Headquarters on May 15-16, 2012. The purpose of the two-day meeting is to identify best practices, and discuss trends of operation.

For fiscal year 2011-2012, 2nd Quarter, 17 of 18 official LERCs report that they have:

- Collected nearly 3.4 million pairs of used eyeglasses
- Distributed over 1.5 million pairs of processed/recycled eyeglasses to mission teams and permanent clinics for people in need
- Received nearly 307,000 pairs of glasses collected from Walmart Vision Centers in the USA. Overall, since the Lions/Walmart co-branded collection began, the LERCs report receiving more than 845,000 pairs of recycled glasses from Walmart.

**LEADERSHIP DIVISION**

**Lions Leadership Institutes**

The 2011-2012 schedule of Faculty Development Institutes is underway. Recommendations for both potential faculty and qualified participants are solicited from the Global Leadership Team. Applications for this program to date exceed capacity by more than 115%.

<b>2011-2012 FACULTY DEVELOPMENT INSTITUTES</b> (as of 3/1/2012)					
<b>United States of America,                      Affiliates, Bermuda &amp;                      The Bahamas,                      Canada</b>	<b>South America,                      Central America,                      Mexico &amp;                      Islands of the Caribbean                      Sea</b>	<b>Europe</b>	<b>The Orient                      &amp;                      Southeast Asia</b>	<b>India, South Asia, Africa                      &amp;                      The Middle East</b>	<b>Australia, New Zealand,                      Papua New Guinea,                      Indonesia &amp;                      the Islands of the South                      Pacific Ocean</b>
March 9-12, 2012 <b>Ottawa, Ontario, Canada</b> Capacity: 30 participants Applications Rcvd: 58	March 30 – April 2, 2012 <b>Montevideo, Uruguay</b> Capacity: 20 participants Applications Rcvd: 84	March 2-5, 2012 <b>Copenhagen, Denmark</b> Capacity: 20 participants Participants 23 from 19 districts + 1 undistricted Applications Rcvd: 39	April 13-16, 2012 <b>Manila, Philippines</b> Capacity: 40 participants Applications Rcvd: 67	April 20-23, 2012 <b>Kathmandu, Nepal</b> Capacity: 20 participants Applications Rcvd: 58  AFRICA February 8-11, 2012 <b>Kinshasa, DR Congo</b> Capacity: 20 participants Participants: 16 from 11 districts Applications Rcvd: 20	January 13-16, 2012 <b>Adelaide, Australia</b> Capacity: 20 participants Participants: 20 from 11 districts Applications Rcvd: 42

A new approach to participant selection process was piloted in Constitutional Area 7 (ANZI) this year. The Global Leadership Team Constitutional Area Leader and area leaders selected the most qualified Lions to participate. This approach was evaluated positively, as the participant group was very well qualified for this type of training and is expected to make use of their enhanced skills as trainers. In addition, the ANZI curriculum program was modified to include a requirement of post-institute action in the form of service as an instructor at a Lions training event. The presentation of FDI Certificates of Completion was made at the conclusion of the institute itself; however, the presentation of FDI pins will occur only upon completion of the post-institute action requirement. This revision is also evaluated favorably; however, a final report will be reviewed in June 2012 to determine effectiveness and potential for worldwide roll-out.

The completion of the Senior Lions Leadership Institute in Kinshasa, DRC signifies completion of the 2011-2012 Senior Lions Leadership Institute schedule. Applications for this program, designed to prepare Lions for leadership responsibilities at the district level, exceeded capacity by 53% overall.

2011-2012 SENIOR LIONS LEADERSHIP INSTITUTES (FINAL)

United States of America, Affiliates, Bermuda & The Bahamas Canada	South America, Central America, Mexico & Islands of the Caribbean Sea	Europe	The Orient & Southeast Asia	India, South Asia, Africa & The Middle East	Australia, New Zealand, Papua New Guinea, Indonesia & the Islands of the South Pacific Ocean
November 17-20, 2011 <b>Oak Brook, IL, USA</b> Capacity: 100 participants Participants: 96 from 80 districts Applications Rcvd: 180	October 20-23, 2011 <b>Brasilia, Brazil</b> Capacity: 50 participants Participants: 40 from 21 districts Applications Rcvd: 96	October 17-20, 2011 <b>Maastricht, The Netherlands</b> Capacity: 75 participants Participants: 73 from 57 districts Applications Rcvd: 106	November 10-13, 2011 <b>Fukuoka, Japan</b> Capacity: 100 participants Participants: 93 from 82 districts Applications Rcvd: 166	September 22-25, 2011 <b>Pune, Maharashtra, India</b> Capacity: 99 participants Participants: 90 from 54 districts Applications Rcvd: 145  AFRICA February 8-11, 2012 <b>Kinshasa, DR Congo</b> Capacity: 34 participants Participants: 32 from 8 districts Applications Rcvd: 52	September 13-16, 2011 <b>Gold Coast, Australia</b> Capacity: 50 participants Participants: 33 from 17 districts Applications Rcvd: 34

In an effort to deliver only the most relevant training programs, the Global Leadership Team (GLT) Constitutional Area Leaders were asked to select the types of institutes to be offered during 2012-2013 in their area, based on GLT training and development needs assessments. The following two institutes were selected by each constitutional area:

- USA: Senior, Emerging
- Canada: Senior, Emerging
- South America: two Senior
- Europe: Senior, Faculty Development
- OSEAL: Senior, Faculty Development
- ISAAME: Senior, Emerging
- ANZI: Senior, Emerging
- Africa: Senior, Faculty Development

Based on this input, staff is developing the 2012-2013 institutes schedule including Senior Lions Leadership Institutes to develop district level leaders, Faculty Development Institutes to enhance the skills of instructors, and a re-launched Emerging Lions Leadership Institute program, designed to prepare Lions for leadership responsibilities at the club level.

The curriculum for Senior Lions Leadership Institutes, Emerging Lions Leadership Institutes and Regional Lions Leadership Institutes is being redeveloped to present a comprehensive training continuum, ensuring coverage of the most relevant topics for each program while minimizing redundancy. In addition, in an effort to achieve even greater cost efficiencies, the programs have been modified to reduce the program duration and the number of instructors comprising each faculty team has been reduced.

### **Technology-based Learning: Leadership Resource Center**

The Leadership Resource Center, accessible via the LCI Web site, makes LCI leadership development programs and resources accessible to leaders and potential leaders around the world. During 2010-2011, the total number of page views was over 249,000, an increase of approximately 40% over 2009-2010. The number of views in 2011-2012 (July - January) exceeds 143,000. Google Analytics capabilities now allow staff to more accurately measure visits to the Leadership Resource Center and will help to identify areas of primary interest to our Lions audience.

The LRC continues to be used successfully. Members of the GLT are directed to the LRC for training materials, which can be easily adapted to suit their specific area needs. The "GLT Coordinator Center" houses relevant tools, forms and information designed for use by the GLT in one easy to access, easy to locate place. To build awareness, a webinar tour of the new Leadership Resource Center has been developed. In addition, the Leadership Resource Center was the focus of seminars at area forums and at the All Africa Conference.

### **Webinars**

Webinars continue to grow in appeal to Lions members around the world. Several leadership webinars have been or will be presented during the second half of 2011-2012 in English and in Spanish. Topics include:

- *Recruiting Members (EN: January 11, 17, 20; SP: February 23, March 1):* how to recruit new members and promote club activities.
- *Managing a Service Project (EN: February 29, March 6, 9; SP: February 9, 16):* how to effectively coordinate and manage a service project.
- *Developing Leaders-Mentoring (SP: March 15, 22):* how to develop leaders through mentoring; participating in the Lions Mentoring Program.
- *Club Secretary Training/MyLCI-WMMR (EN: April 24, 27, May 2; SP: July 19, 26):* the role of a club secretary, how to login, submit membership and service activity reports, and use club member data.
- *Club Treasurer Training/MyLCI-WMMR (EN: May 9, 15, 18):* the role of a club treasurer, how to login, run reports, download billing invoices, submit payments online.
- *Club Officers Teamwork (EN: June 6, 12, 15; SP: September 6, 13):* how club officers can work effectively as a team to plan, establish goals, communicate, manage projects and achieve excellence.

Additional webinars are being developed and conducted based on identified needs. In addition, facilitators continue to be trained in an effort to expand the pool of Lions capable of presenting an interactive webinar effectively. Recommendations for webinar facilitators continue to be solicited from the GLT.

### **Global Leadership Team**

Working in tandem with GMT, the GLT provides a needed focus on active leadership development and encompasses representation at the international, area, multiple district and district levels. This comprehensive structure, which includes district governor teams, provides a global platform for developing more qualified leaders from the club level up, while encouraging regional training and development approaches to address local needs. As the end of the first year of the initial three year term approaches, GLT leaders are evaluating performance to identify necessary adjustments to maximize effectiveness. Area leaders will review all requests for GLT appointment changes at the multiple district and district levels to ensure proposed changes are based on performance and to provide guidance in the reappointment and orientation process.

Development is ongoing relative to the tools and resources for Global Leadership Team (GLT) use and is based on needs identified in GLT quarterly reports. Communications are being disseminated to remind the GLT to make use of these valuable resources as they develop their plans to meet the training and development needs of their area:

#### *Second Vice District Governor Training*

Second Vice District Governor Training Program is designed to train second vice district governors in the specific responsibilities of the position and the leadership skills necessary to succeed as part of the district leadership team. The program consists of two phases: an online, self-study training module and an instructor-led workshop.

#### *Zone Chairperson Training*

The new Zone Chairperson Training includes an online component followed by an instructor-led workshop, and is designed to address the primary responsibilities of a zone chairperson, including those related to the GMT and GLT, along with leadership skills necessary to serve effectively in this position. This training highlights the role of a zone chairperson as a “club consultant”.

#### *Regional Lions Leadership Institute*

The Regional Lions Leadership Institute program allows multiple and single districts to apply for funding and curriculum to support a locally facilitated leadership institute at the multiple district or single district level. As of March 1, a total of 62 Regional Lions Leadership Institute Funding applications have been approved for 2011-2012, representing 48 multiple districts and 14 single districts. Fifteen are first time participants in the program. The total amount of funding approved is US\$390,245, although the actual amount of funds dispersed will be less. An additional 5 applicants remain on the waiting list, as the total available budget for 2011-2012 has been exhausted.

Information for the 2012-2013 RLLI program was distributed to GLT-MD coordinators and GLT-SD coordinators in January with an application submission deadline of April 30, 2012. GLT Area Leaders review and approval of all applications is required prior to consideration. As of March 1, five applications have been submitted.

*Multiple District Funding Support Program*

The 2011-2012 Multiple District Funding Support Program provides limited funding to support first vice district governor and second vice district governor training. This funding is disseminated on a first come, first served basis, and curriculum guidance is provided by the Leadership Division. Submission of applications for this program begins during the second quarter of each fiscal year. As of March 1, 84 applications have been approved for a total of US\$72,850, exhausting available funding.

*GLT District Funding Program*

The new program, launched in November 2011, makes funding available to the GLT at the district level to support three specific training programs, each designed to support and promote club health: CEP Facilitators Training, Certified Guiding Lion Training and Zone Chairperson Training. As of March 1, 53 applications have been received.

*Club Excellence Process (CEP) Facilitators Training*

A package for training Club Excellence Process (CEP) facilitators to effectively conduct the initial CEP workshop. As of March 1, 36 requests for materials have been fulfilled.

*Webinars*

GLT webinars have been delivered to GLT Area Leaders focusing on the practical mechanics of how to *Facilitate a Webinar*. Several area leaders are conducting their own targeted webinars in their area. The GLT has also provided assistance in the identification of new webinar facilitators, and promotes other leadership webinars.

**District Governors-Elect Seminar**

Division staff continues to work under the guidance of First Vice President Wayne Madden and 2012 DGE Seminar Chairperson Past International Director Cliff Heywood to complete program development for the 2012 DGE Seminar in Busan. This year's seminar program uses an Indianapolis 500 racing theme to interject some light-hearted fun related to Vice President Madden's home state of Indiana.

Regional curriculum was provided to multiple districts in October 2011, followed by the individualized pre-seminar assignments distributed directly to all DGEs of record the second week of January 2012. To encourage thorough preparation, the 2012 DGE Seminar Group Leader Guides were sent to each of the 28 group leaders in early February. Concurrently, the overview of the 2012-2013 international theme and downloadable logo was posted on the LCI Web site (DGE Seminar Information page). Development of the 2012 DGE Spouse/Companion Guide, scheduled for distribution in March, has also been completed.

A new approach to district governors-elect training has been designed, taking advantage of the opportunities presented by the GLT and by technology. An overview of this plan, which includes training at the multiple district and GLT area levels, independent technology-based learning, and a motivational DGE seminar immediately preceding the International Convention, was presented to the Long Range Planning Committee in January. This plan will be reviewed and refined by the Leadership Committee in April, with implementation beginning in 2012-2013.

## **LEGAL DIVISION**

### **Board Meeting Minutes & Board Policy Manual**

Approved board meeting minutes are posted on the association's Web site and are available to all international and current district officers (members of the International Board of Directors, Past International Presidents, Past International Directors, and current District Governors) by password protection in the "Online Directory". Future board meeting minutes will be posted in the same location after the minutes are officially approved by the International Board of Directors. Board members may also access the minutes in the "Resources" section of the BoardEffect portal.

The Legal Division has updated the Board Policy Manual with all revisions adopted at the October 2011 Board Meeting. The entire, updated manual has been posted on the association's Web site and BoardEffect in English. As soon as the official language translations are available, they will be posted to their respective Web pages.

### **Contract Review**

The Legal Division continues to work with numerous departments and divisions on contract review and approval. Contract management is now available through SharePoint. Contracts may be submitted, stored and reviewed electronically through the new Contract Management Site powered by SharePoint. Since July 1, 2011, the Legal Division has reviewed and processed 228 contracts.

### **Trademark Protection & Enforcement**

The trademark policies are posted on the association's Web site in all official languages.

The Legal Division has renewed several trademark registrations and continues to monitor and oppose potential infringement of association's trademarks. Since July 1, 2011, the Legal Division has reviewed and approved 32 new Lions-sponsored foundations.

### **Dispute Resolution Procedures & Complaints**

Since July 1, 2011, the Legal Division monitored and reviewed 26 club disputes, two multiple district disputes and one constitutional complaint, which were filed under the dispute resolution procedures in the Board Policy Manual. The constitutional complaint was reviewed and decided by the Constitution and By-Laws Committee and the International Board of Directors in October 2011. One multiple district dispute was concluded in November 2011, and the other multiple district dispute is pending in Multiple District 103 (France) and involves the election of the council chairperson for 2012-2013.

### **Pending Claims/Litigation**

The following litigation involving the association has been resolved:

### *India Tax Litigation*

The association appealed tax assessments levied by the India Tax Office and an order in favor of the association on the appeal was issued. The India tax authorities appealed the order to the India Tax Tribunal. The India Tax Tribunal held hearings on the appeal in June and July 2010. The India Tax Tribunal issued its decision in October 2010, which overturned all of the tax assessments previously levied against the association and granted a limited remand to the India Tax Office to reassess the open tax years in accordance with the detailed legal standards and principles set forth in the tribunal's decision concerning the taxation that may be applicable to the association's operations in India. In December 2011, the India Tax Office finalized the reassessment of the association's operations in accordance with the tribunal's decision and issued favorable assessments concluding that no additional taxes are due by the association. The Legal Division continues to work with the India office, local legal counsel and tax advisors regarding the formation of a branch or other legal entity and securing tax exemption for the association's operations in India.

The Legal Division is managing the following pending claims/litigation involving the association:

### *District 301-A1 (Philippines)*

Litigation was filed in District 301-A1 (Philippines) against the association and several of its officers challenging the Executive Committee's district governor team appointments for 2011-2012. Five clubs have been placed in status quo and/or cancelled for conduct unbecoming a Lions club for their members' involvement in filing and/or supporting this litigation. The Legal Division is working with the Multiple District 301 Council Chairperson and the district governor team in an attempt to resolve this litigation and several underlying issues. The Legal Division has also engaged local legal counsel for the defense of this litigation.

### *Fremont, Ohio, USA, Litigation*

Litigation was filed against a club in Fremont, Ohio, USA, individually named club members and the association relating to an airplane crash, which apparently occurred following the club's breakfast fundraiser held at a local airport. The pilot of the airplane, who was a member of the club, and five other individuals died in the crash. The association's general liability insurance carrier has denied the claim. The Legal Division is working with the association's risk management firm and local legal counsel to formally challenge the insurance carrier's denial of the claim and in the defense of this litigation.

### **2012 International Office Candidates**

The list of endorsed and certified international office candidates for the 2012 International Convention as of March 1, 2012, is appended to this report.

## **PUBLIC RELATIONS AND COMMUNICATIONS**

Project Unify is an ongoing project at LCI to connect and network all Lions organizations through interconnected Web sites and a robust, searchable electronic portal on LCI's Web site. It also includes a strategy to use social media to connect clubs with each other and to the general public. The social media component is now in a piloting phase. We have set up an online social media "lounge" whereby a select number of Lions who have indicated their interest in social media can share ideas and learn. The idea behind the lounge is to get a relative few Lions trained, who can then spread social media to other clubs/districts/multiple districts.

Project Visibility (advertising) has begun in earnest, with the first round of Web banner ads appearing in eight states and the province of Ontario in December. We will soon be analyzing data. Ads will appear in January, February and March, with final analysis in April/May. Traditional billboard ads begin this month and will continue through April in the United States, Canada, England, France, Germany, Italy, Korea, Japan, India, Australia and Brazil.

Staff is working to create a public relations portal on the LCI Web site. The goal is to create a section that will assist clubs, districts and multiple districts with easily downloadable photos, videos, press releases, and more tools for locally produced "do it yourself" capabilities. Staff is also working to update the Web site home page and member center section in order to make information more readily accessible.

A new digital version of Lion Magazine will be available on the association's Web site after July 1. For the first time, the digital version will have added content compared to the print version, providing our members with more information.

Initial planning is underway for the 2012 Lion Magazine editor's conference to be held in Brussels, Belgium three days prior to the EUROPA Forum. With 17 of the 31 editors from Europe, holding the conference in Belgium is cost effective.