

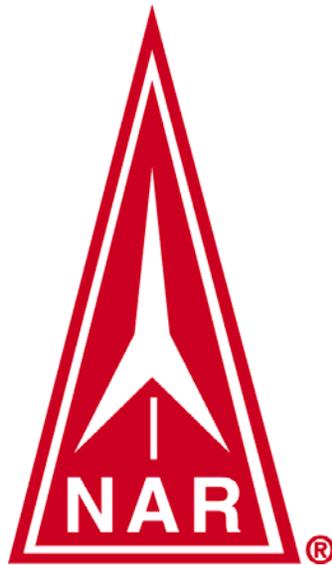
The State of Our NAR

August 15, 2009

Trip Barber

NAR 4322

NAR President





How Are We Doing?

- We just won the 9-year lawsuit to keep BATFE regulation out of high-power rocketry and convinced FAA to deregulate “large model rockets”
- We’re solvent with 6 months of cash reserves, excellent insurance and an OK headquarters operation
- Our magazine has the largest paid circulation, most ads, and most regular publication schedule in the hobby
- Our membership numbers have started improving
 - Since the BATFE verdict we have grown 8%, to 4750 members
- We have run the biggest and most successful student rocket contest in the world for 7 years in a row
 - A huge outreach and public-recognition success for the NAR
 - Spreading to additional countries

We are doing OK!



Areas of Concern

- Craftsmanship hobbies and hobby stores are steadily declining nationally
 - We have to increase the fraction of this declining pool of hobby fliers that joins NAR, just to stay even
- NAR demographics show we are still not attracting enough young members to sustain our long-term future
 - Our 4-H partnership and TARC are efforts to reverse this for Juniors
 - What we need most now is more young adults, ages 25 - 40
- Development encroachment and landowner fear of “safety” or litigation continue to threaten our access to launch sites
- We are short of the NAR volunteers needed to improve our services and programs, both locally and nationally
- And we are always just one serious safety incident away from disastrous publicity



Legal Situation

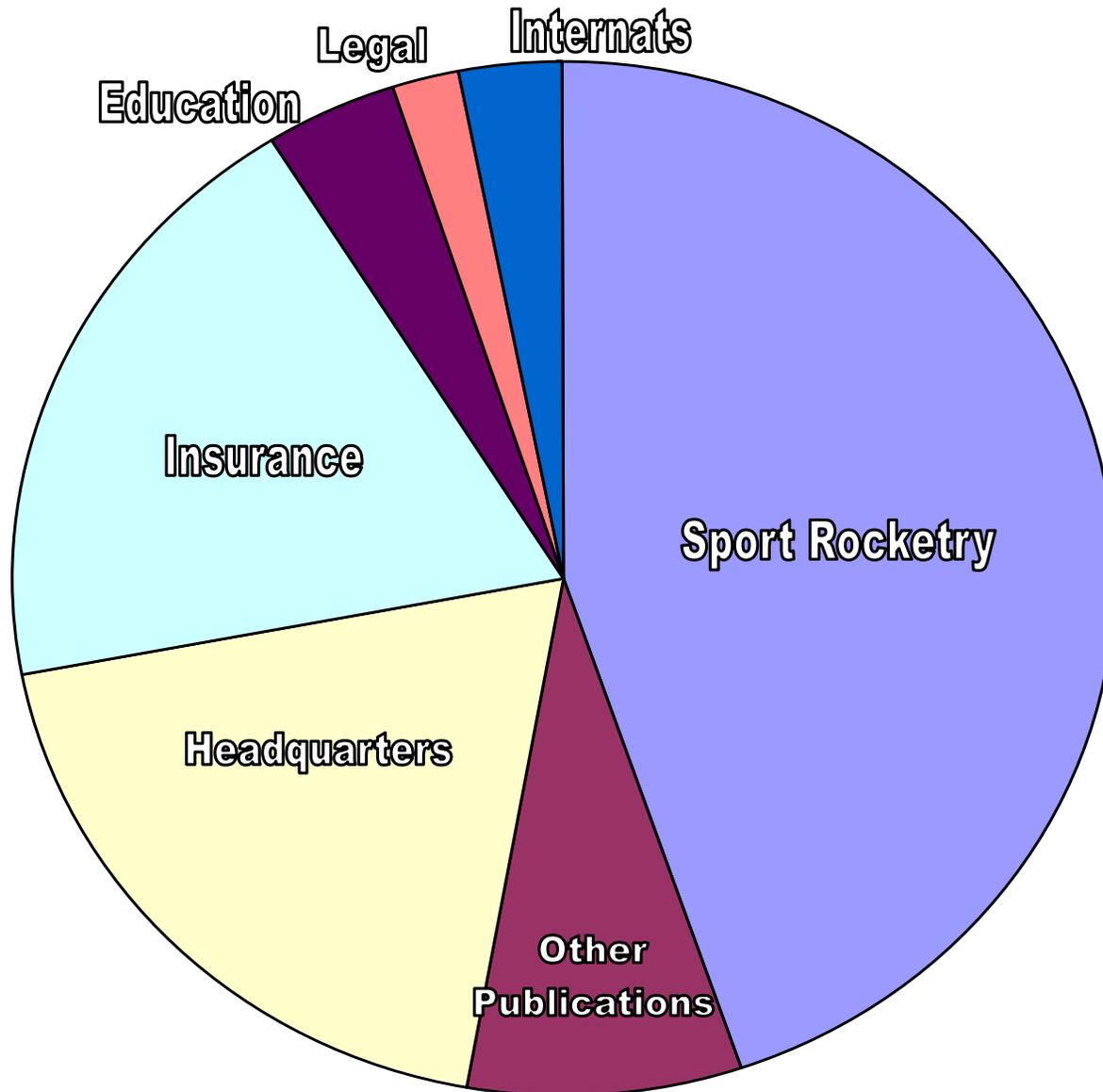
- The legal case itself is over and we **won**
 - Thanks for the donations that funded our victory!
 - APCP is now not an explosive and BATFE has no further jurisdiction over it; they have acknowledged this in writing
 - We are pressuring BATFE to publicly cancel their rocket regulations and remove APCP in their next annual Explosives List update
- We are now trying to recover the legally-allowed fraction of the \$700K legal expenses we and TRA incurred
 - Some chance of getting up to \$150-330K back (50% to NAR)
 - Our final brief to the court was filed 10 August – now we wait
 - Don't dream about how to spend what we don't yet have!
- Remember that igniters of some types and loose black powder are still regulated and require an LEUP plus BATFE-inspected magazine storage
 - NFPA Codes also require magazine storage of HPR motors and proof of current user certification to buy or use them



Finances

- Our costs are well-understood and under control
 - The magazine, insurance, and headquarters ops are the big costs
- Our annual income of \$295K is sufficient to support current programs and a 48-page color bimonthly magazine
 - As long as we maintain 4700 members and \$6K/issue of ads
- Our insurance is good and its \$45K/year cost is reasonable
 - A big accident or a change in our Safety Code (e.g. going to EX) would change this
- We have about \$25K/year of “discretionary” funds for initiatives and programs after paying our fixed costs
 - \$5-10K has been going to legal expenses, but that should end now
 - Recent uses: safety grants, membership growth bonuses, Internats Juniors, NAR HQ equipment recapitalization, scholarships, extra Sport Rocketry pages
 - Member donations can augment this

Where NAR Dues Go





My Priorities

- Driven by the results of our member survey
 - 1211 NAR members responded in 2008 and the Board listened
 - NAR Board is systematically addressing what you told us
 - Will survey again mid-2010 to see how we did and what's next
- Improve our high-power programs
 - Simplified L3, updated all certification documentation, added competition program, increased magazine article coverage
- Improve the flow of communications to members
 - Increased website news, sending Electronic Rocketeer monthly
- Provide better national support to our local sections
 - Implemented safety grants, membership growth bonuses
 - Still need to increase support for outreach, new section start-up, and launch site access

Be safe, have fun, pay forward



Recent NAR Actions

- Won relief from all BATFE and some FAA regulations
- Welcomed 2 energetic new committee chairmen:
 - Art Upton for Sport Services
 - Carol Marple for Membership
- Initiated high power competition program
- Initiated section safety equipment grants and membership growth bonuses
- Published Electronic Rocketeers every month
- Put HPR content in every issue of Sport Rocketry



Upcoming NAR Actions

- Initiate membership drive to get us above our all-time peak of 5200 (10% above where we are now)
- Set other near-term growth goals: 120 sections (vs 108 today); 2500 HPR fliers (vs 2100 today); 500 competition fliers (vs 400 today)
- Implement annual High-Power Technology Achievement Award, first to be presented at NSL 2010
- Update Member Guidebook with high power content for 2010-2011 edition
 - Will shift to biennial publication/distribution
- Restructure NAR website to improve navigation
 - Significant amount of new content will be added as this is done
- Completely replace HQ database system in November
 - Members will be able to review their information online, renew for more than one year, etc.



What Can You Do?

- Recruit new NAR members, HPR certifications, and competitors
- Volunteer to help with your section or a national committee
 - Section Activities needs section mentors
 - Public Affairs needs a chairman now
 - NARTS will need a new chairmen in 2010
- Do community outreach to young people and those who work with young people
 - TARC, Fly50K, 4-H
- Donate to the NAR so we can expand our services faster
- But most of all, fly safely and ensure that others around you do the same