

**Minutes of the Meeting of GALA Europe
9 & 10 November 2006, Lisbon**

In attendance:

| | |
|---|--|
| Brinsley Dresden (BD) (UK) (Chair) | Laurent Fisch (LF) (Luxembourg) |
| César Bessa Monterio (CBM) (Portugal) (Host) | Sallo Ugyvedi Iroda (SUI) (Hungary) |
| David Wolberg (DW) (Israel) | Michael Plogell (MP) (Sweden) |
| Duncan Grehan (DG) (Ireland) | Michel Béjot (MB) (France) |
| Ewa Skrzydlo Tefelska (EST) (Poland) | Peter Hofer (PH) (Switzerland) |
| Gerhard Volz (GV) (Spain) | Rudolf du Mesnil de Rochemont (RMR) (Germany) |
| Jan Ravelingien (JR) (Belgium) | Soren Pietzcker (SP) (Germany) |
| Daisy Deraymaeker (DD) (Belgium) | Stefan Kofler (SK) (Austria) |
| Aleksander Bijelic (AB) (Croatia) | Bilge Saltan (BG) (Turkey) |

Apologies:

| | |
|-------------------------------|--|
| Felix Hofer (FH) (Italy) | Kriton Metaxopoulos (KM) (Greece) |
| Johan Loje (JL) (Denmark) | Femi Olubanwo (FO) (Nigeria) |
| Mladen Vukmir (MV) (Croatia) | Brenda M Wood Kahari (BWK) (Zimbabwe) |
| Chris Job (CJ) (South Africa) | |

| No. | Matter | Action Point |
|-----|--|--------------|
| 1 | <p>Welcome by BD and CBM.</p> <p>Introductions of those attending the meeting.</p> | |
| 2 | <p>De-brief Toronto</p> <p>It was agreed that the GALA event in Toronto had been a great success.</p> <p>We discussed the desirability of having the GALA AGM at the INTA venue. There seem to be pro's and con's depending on the location of the host city. We agreed that if INTA is going to be on the West Coast in a city with little or no advertising industry, we would rather have the meeting in New York, either immediately before or immediately after INTA. That way, those attending INTA can combine the trips, and those not attending INTA will not have so far to travel. We can also make better use of the assembled GALA membership in New York.</p> | |
| 3 | <p>Tomorrow's seminar</p> <p>Cesar briefed us on the event, which is about ambush marketing. We reviewed the attendees. CBM is expecting 10 or 11 clients including</p> | |

| | | |
|----------|---|---|
| | Sony, BMG and Coke. | |
| 4 | <p>Amsterdam seminar.</p> <p>BJD briefed the meeting about a possible seminar in Amsterdam on 25th January 2007. This would be at 180 Communications, having previously been at Wieden & Kennedy. BJD asked for GALA members to attend and speaker, as well as to network and profile raise for GALA.</p> <p>Expressions of interest were given by JWF; JR and Daisy; BJD, MB and SP.</p> <p><i>Note: The date at the end of January has been vacated but Chris Barrand is still keen to fix something for later in the Spring.</i></p> | BD to finalise arrangements with Chris Barrand at 180 |
| 5 | Report on Financial / Structural Matters. | |
| 5.1 | Regional presidency: BD retires as Regional President at the end of 2006, after which MB will become Regional President. RMR is Regional President Elect. | |
| 5.2 | BD thanked RMR for assistance in sorting the transfer of the EEIG from Munich to London. The EALA EEIG bank account currently remains in Munich and there was some doubt about whether it is worth the effort of moving it given the amounts involved. We may be able to arrange to give Heuking's offices as the contact address. The EALA EEIG remains dormant, with the registered office staying in Germany c/o Heuking. | BD and RMR to finalise arrangement re bank account |
| 6 | Discussion of Future Meetings | |
| 6.1 | Global Meeting: May 2007, Chicago [N.B. INTA meeting April 28 th to May 2 nd 2007] GALA meeting Thursday 3rd and Friday 4th May 2007 | All members to make travel plans |
| 6.2 | Regional Meeting: Autumn 2007: Venue: London – need to agree a provisional date [N.B. INTA Leadership Meeting November 7 th to 10 th 2007] | BD to fix date |
| 6.3 | Global Meeting: May 2008, Venue: Berlin [N.B. INTA meeting May 17 th to 21 st , 2008] | |
| 6.4 | Regional Meeting: Autumn 2007 Date and Venue to be confirmed [N.B. INTA Leadership Meeting November 12 th to 15 th , 2008] | |
| 6.5 | Global Meeting: May 2009, Venue to be confirmed [N.B. INTA meeting is in Seattle, May 16 th to 20 th , 2009] | |
| 7 | Discussion of Working Practices | |

| | | |
|-----|--|--|
| 7.1 | <p>BD introduced the various issues listed in the Agenda, which reflect a number of points raised by FH, which BD felt should be reviewed among all the members, if desired.</p> <p><i>(1) Do members find that instructions are insufficiently detailed?</i></p> <ul style="list-style-type: none"> • A brief might indicate roughly how long the instructing firm anticipates the work should take. <p><i>(2) Are members being provided with sufficient materials, e.g. draft terms and conditions to enable them to estimate their fees accurately?</i></p> <p><i>(3) Do members find it difficult to agree fee estimates with the information provided?</i></p> <ul style="list-style-type: none"> • Some members do not like being presented with pre-agreed fees, but some kind of pre-agreed default estimate which the recipient can accept, reject or amend is acceptable. • A further problem is that clients then ask follow up and supplementary questions which mean that the fee estimate is exceeded. <p><i>(4) Do members find that they are not given enough time to respond?</i></p> <p><i>(5) Do members get invoiced promptly and accurately?</i></p> <ul style="list-style-type: none"> • One solution is for instructing firms to get money on account from the client, particularly in relation to the fees of the other firms. This will help cash flow and credit risk. • There is a separate issue about prompt payment, which could also be helped by getting money on account from the client. • Our shared experience is that US law firms and clients are very slow to pay. <p><i>(6) Can we compete against individual firms offering a fixed rate per country?</i></p> <p><i>(7) Do instructions provide enough clarity about the degree of detail required in the advice?</i></p> <p><i>(8) Are instructions needed about whether to cover recurring issues such as jurisdiction, applicable law, personal data handling, meaning in/translation into local language?</i></p> <ul style="list-style-type: none"> • These are points that should be clarified with the client. • Good practice to expressly warn that further advice on areas not covered in the advice sent may be needed e.g. data protection, jurisdiction , applicable law. <p><i>(9) Is it an issue for either the member giving or the member receiving instructions if the referring member's client makes contact direct with the receiving member?</i></p> <p><i>(10) What is a realistic timescale for providing advice?</i></p> <ul style="list-style-type: none"> • Firms need enough time to conduct conflict searches. <p><i>(11) Are the members sending out the instructions doing enough to help the members providing the advice do so as quickly as possible?</i></p> <p><i>(12) Does the member sending out the instructions feel able to charge the client for this co-ordination effort, and if so, what rate of recovery is achieved?</i></p> <ul style="list-style-type: none"> • John Feldman says he works out the total costs estimated by | |
|-----|--|--|

| | | |
|------------|---|-------------------|
| | <p>members and then adds a percentage for management time.</p> <ul style="list-style-type: none"> • JF distinguishes fee agreements with agencies and advertiser. The former is package oriented. He explains the process of a global clearance for a flat fee where Reed Smith works out what they need from it and then fixes agents fee at the max rate that the client can bare. • Reed Smith practice is not to disclose details of the local counsel but rather to present a general advice drawing from local counsel advice. <p><i>(13) Is feedback from clients communicated back to the members providing the advice, and if not, why not?</i></p> <p><i>(14) Do members encounter difficulties when dealing with junior colleagues from their opposite number's firms?</i></p> <ul style="list-style-type: none"> • General Point: People do not like being asked to give advice on a 'non-binding' basis as if this should therefore mean that advice is given for free or at a low cost. In reality, if people give negligent advice they will be held to account for it. | |
| 7.2 | New Forms | |
| | BD explained his Pan European Advice Request Form, formatted in Word. The purpose is to ensure clarity of scope of instructions, of retainer and fee agreement. Service selling point is transparency of invoice where all GALA agents' fees are listed in lead member's invoice to client. | |
| 8 | Law Firm Membership | |
| | <p>The Current Strategy: Concentrate on Russia Discussion of possible members for Russia Other territories: Czech Republic, Baltic States</p> <p>We agreed that we should ask SB to consult with Associate members about whether they know firms in Russia that might be suitable members.</p> | Ask SB to consult |
| 9 | Associate Membership | |
| | <p>Who do we have? Who have people targeted? Future approaches</p> | |
| 10 | Meeting and Publications since Toronto | |
| | <p>Event coverage - past and future Recent Opportunities</p> <ol style="list-style-type: none"> 1. World Federation of Advertisers: BD reported on contacts with WFA; 2. EACA: We will ask SB to consult with our members about | |

| | | |
|----|--|--|
| | <p>whether they have had any problems uploading information on to the system;</p> <p>3. European Advertising Standards Alliance: BD to ask Doug Wood about the current status of relations with Arthur Prober and the possibility of a companion volume to the Blue Book;</p> <p>4. PMA Law Book: members are generally willing to do another edition but only if there is a greater return on the investment for our members e.g. a reasonable number of free copies for members to give to clients and contacts.</p> <p><i>Note: At the PMA Law Conference in December 2006, BD spoke to Ed Kabak, director of legal affairs at the PMA and asked for 20 copies per member as an opening gambit. Ed said that was a lot but he would consult and let us know, and that he is generally keen to republish the book.</i></p> | |
| 11 | Electronic Newsletter | |
| | Report provided by Stacy Expectations from Members Lists Frequency | |
| 12 | Business Plan | |
| | See GALA EMEA Business Plan in Powerpoint format | |

Brinsley Dresden
9th & 10th November 2006