

October 20, 2004

To: All GALA Members

From: Executive Committee

Re: Report on Executive Committee Meeting

The Executive Committee convened telephonically at 8:00AM U.S. EST on October 19, 2004. Attending were Brinsley Dresden, Michael Plogell, Peter Le Guay, Patrick Mirandah, Doug Wood, Valdir Rocha, and Stacy Bess. Silvia Rico was unable to participate.

1. Associate Membership

On October 1st the Associate Member “focus group” consisting of eight in-house counsels from Reebok, Turner Broadcasting, Gillette, Nokia, IPG, SC Johnson & Co., Western Union, and Leo Burnett were sent a survey on what they expect to gain from GALA as an Associate Member and what they can offer GALA as Associate Members. Along with the questionnaire, they were also sent the GALA Articles, May 2004 Country Reports, and the handout on International Advertising Clearance. Those members who referred this group had some initial contact with them since they were approached and most feedback was positive. Stacy Bess will be following up with the “focus group” this week to inform them that the target date for returning the questionnaire is November 1st. It was decided that an extra Executive Committee Meeting will be held in mid-November to discuss the results of the questionnaires and to work out a proposal for Associate Membership. The goal is to begin admitting Associate Members before the end of 2004.

2. Policy

All members have paid their 2004 dues with the exception of one. That member's Regional President will address the issue with the member and explain that the dues must be paid by November 1st or their membership will be terminated.

The GALA Articles of Alliance requires attendance at one Global and one Regional Meeting every two years. There are several members who are in breach of the Articles for non-attendance at meetings. These members face removal from GALA should they not attend the Global Meeting in NYC in May 2005. These members will be notified in the coming weeks by their Regional President if this applies to them.

The GALA member from Israel has given up his private practice and has joined a larger firm Kuperschmit & Goldstein & Co. There was a unanimous decision to have David Wolberg continue as a member without change in status.

3. Dues Structure

The Committee reviewed the dues structure of the Alliance and determined that the dues levels for Germany and Japan will remain the same for 2005 despite initial plan to raise them. Germany appears to be on par with other European markets of the same

size. Additionally, Japan's market is proportionately larger than some others in the same dues bracket, however, the decision was made to keep Japan constant as the Japanese advertising market is very localized .

4. Stacy's Challenges

As the organization grows, members will need to have more accountability for actually taking GALA forward. There seems to be several members who do most of the work and others who sit back and expect growth to happen on everyone else's efforts. Members need to communicate to Stacy Bess ideas for potential full and associate members and potential target sister organizations.

It is also important for written minutes of all Global and Regional Meetings and telephone conference calls to be created promptly, spelling out the action points that arise, and who is responsible for their completion. This will ensure momentum is maintained between meetings.

5. Election of Officers

The current Regional Presidents' terms end on December 31, 2004. The Regional Presidents Elect will take over on January 1, 2005. A successor for ROWALA was elected in Atlanta, we still need to elect someone for AALA and EALA. This will be done at the next regional meetings.

6. Global Surveys

The idea of doing some sort of Global Survey to use as a vehicle for Public Relations coverage was proposed. We will be researching the cost of this and other PR efforts to coincide with the launch of the Associate Membership.

7. Update on Competitors

We are still dealing with two competitive organizations. The first, ADLAW is an alliance of advertising lawyers much smaller than GALA that are infringing on a Reed Smith trademark. Darren Cohen of Reed Smith has been working with Johan Loje of GALA Denmark to deal with this. On Johan's suggestion, our next move will be in May 2005 when the five year period ends for the last European registration, they will then file a cancellation for non-use of the trademark.

The second group the Global Lawyers Alliance is a threat to GALA's brand and appears to "borrow" a great deal of GALA's appearance and descriptive content. Darren Cohen has been trying to contact Roberto Arochi on this as the group is based in Mexico but has not heard a response. He will attempt to contact Roberto by telephone this week.

8. Other Business

8.1 The committee renewed its discussion of the inquiry from a member concerning another member's expansion into his country through an affiliation with another firm. The member was concerned that the expanding member understood that it could not use the GALA goodwill, logo, and intellectual property to promote its

expansion into his country. The Executive Committee requested such confirmation from the expanding member. Thusfar, the Executive Committee regrets that it has not received satisfactory confirmation. It was agreed that a member of the Executive Committee would speak personally with the expanding member in an attempt to resolve the issue amicably.

8.2 The International Advertising Association has appointed a new CEO named Frank Cutitta. Douglas Wood met him at the IAA Global Meeting in China in September. Frank proposed the idea of a "GALA call-in advisory time" where a different GALA member would give a live phone presentation on an advertising topic for IAA members. Additionally, the IAA has agreed to be one of the sponsors of the seminar to take place in NYC in conjunction with the May 2005 Global Meeting. The ANA has also agreed to be as sponsor. We will also approach the AAAA's to sponsor the event.

9. Next Meeting

The Committee agreed that we will hold an emergency meeting in mid-November to put together a proposal for Associate Membership. The following meeting will be in January 2005 and will be attended by the new members of the Executive Committee. The meeting concluded at 9:18AM U.S. EST