



Ken Fuller, President

As we begin 2009, the Society finds itself in a solid position financially and we continue to provide a valuable service to our members and the industry. Even with the economic global downturn, we as a Society need to continue providing increased service and value to our members—to ensure our stability and growth now and into the future. In the past year we made significant steps to strengthen the core membership services. We had one of the most successful Annual Technical Conferences & Expos in recent memory. This achievement was due to the tireless work of our Executive Director Kimberly Maki and the headquarters staff, in addition to the leadership of our Board and the continued support from the Hollywood Section Board of Managers and volunteers. Also the Board of Governors and Executive Committee continue the ongoing work in reviewing and refinement of the Society's strategic plan and goals going forward.

The *Journal*, which is a key member benefit, has also shown major improvement in both the editorial content offered, as well as in support from advertisers. In 2009 we will launch a new page-turning and searchable .pdf format of the online *Journal*. This will be especially beneficial to our international members who will now be able to view the *Journal* online, as it is seen in the print format, without having to suffer the long delays of bulk mail.

This year, we will introduce a new associate membership level. The goal of this new level is to provide a cost-effective entry level to attract new members, which is key to sustaining and growing the Society.

We will also offer a new Web 2.0 environment—an online professional community of practice—which will allow for implementation of new membership connections and services. One of the initial implementations will be a User Groups offering. More information on User Groups is explained in Wendy Aylsworth's Engineering report.

As I mentioned, earlier the current global economic situation has offered growth opportunities; it has also taken a toll in one area where the Society had hoped to break new ground. The Society had great hopes for the partnership with the IABM in cooperation with the EBU to offer a Global Summit on Emerging Technologies this coming May in Prague. However, due to the uncertainty of the economy, this event has been canceled. We are still going forward with plans to offer three one-day regional events on the East Coast, in the May/June timeframe.



Peter Ludé, Executive Vice President

As Executive VP, I serve as chairperson for the Long-Range Planning Committee, which “addresses issues concerning future changes, additions, and enhancements to Society activities.” That's a tall order. But fortunately, substantial progress has already been made by Executive Director Kimberly Maki, outgoing President Bob Kisor, and my predecessor as Executive Vice President, Ken Fuller.

In the past year, SMPTE has succeeded in improving conference programs, professional development activities, and Section support. We've made great headway in broadening our international activities, improving our online presence and initiating programs to increase membership value. Now, with the ill winds of the economy touching all sectors of our industry, it is now more important than ever for SMPTE to accelerate these positive changes.

As financial conditions continue to challenge the broadcast, cinema, and production community, SMPTE is finding ways for members to “do more with less.” Examples include the move to regional conferences in 2009, the launch of a new membership level for early-career professionals, and the shift to more web-based resources. We must now look carefully at additional ways to grow the Society. During the next year, we will work toward evolving the Society to reflect the realities of new technologies, changing career trajectories, and the severe pressures for cost-cutting.

Now more than ever, we can all benefit from the SMPTE community by being cognizant of rapidly emerging technologies and remain competitive in the job market. As mentioned in Ken's message above, one initiative that holds great potential is the web. We will seek ways to provide more resources, training, and community interaction on the web, and not rely only on the legacy of local Section meetings, printed *Journal* mailings, and multiday national conferences.

With the dedication and help of the executive committee and the Board, the outstanding headquarters staff, and you—the membership—I am confident that 2009 will be a year of exciting evolution within the Society.

Wendy Aylsworth, Engineering Vice President

This year will be an important year of expansion and growth for SMPTE's Engineering branch. As we start the year, a new branch of Engineering is launching: SMPTE User Groups. User Groups will provide an impartial forum for users to share information on actual field implementations of moving imaging, television, motion pictures, and related technology that operate using SMPTE standards and related operational areas of business. The main focus is on information sharing, which may result in reports or user's tutorial manuals. The key here is that while Standards Technology Committees (TCs) operate for the benefit of standards developers and equipment designers, this User Groups forum is truly for end users who are operating a business based on the standards and related equipment.

More growth is also expected in the Standards TCs following on from last years' reorganization, which was accomplished to allow picture, sound, and their related components to be distributed across multiple channels of distribution; removing the constraints of limiting our work to only movies and television. Due out early this year are two important Task Force reports on Timing & Synchronization and 3-D to the Home. These reports will form the basis for new standards work to commence this year. The reorganization also opened the door for a new Technology Committee 23B focused on Broadband distribution of content to be formed. With two Work Statements approved at their first meeting, it appears this TC will have substantial work in 2009 and the coming years.

Maintenance of an organization's infrastructure is always important for longevity. To this point, I would like to draw members' attention to SMPTE's revised Intellectual Property Policy, which was published late last year, and reflects changes needed to maintain pace with other standards development organization policies and recent case law.

Paul Hearty, Editorial Vice President

One of the strengths of SMPTE derives from promoting the sharing of technical, operational, and other information from subject-matter experts throughout its community of professionals. This is accomplished through a variety of platforms such as the *SMPTE Motion Imaging Journal*, our conferences, plus current and planned professional development opportunities offered through SMPTE's Professional Development Academy, including our monthly SMPTE PDA Now educational webcasts.

This year, we embark on a new and exciting initiative, regional conferences, which will include one-day single-topic seminars on selected technology and/or operational topics, presented by experts at selected locations. A key ongoing objective in all of these information-sharing endeavors is to maximize the quality and relevance of the information we share. In the *Journal*, for example, we use a system of critical peer-review and are moving toward more topic-based issues. For the regional conferences, potential attendees were surveyed for their preferences among possible topics. Achieving objectives of relevance is, of course, a challenge, particularly considering the vast range of technologies that our members use, the great variety of operational settings in which they work, and the heterogeneity of





the members themselves. Our ongoing goal is to be the place to go for information on technology, for students, engineers, program managers, and executives, and to continue to identify innovative means to allow our community to have ready access to detailed, high quality, and timely technical and operational information—all technology, all the time.



Robert P. Seidel, Financial Vice President

While 2008 was a challenging year for the worldwide economy, most companies, and individuals; the Society's Financials came through the year with a strong balance sheet and a positive Statement of Operations. The full year budget called for total revenue of \$2,871,600 and a total expense of \$2,903,417 for a small net loss of \$31,817. As of this writing, the Statement of Operations shows a positive variance from budget of more than \$280,000.

Some budget highlights:

- Individual membership (cash basis) is ahead of budget mostly due to more members opting for the three-year dues payment option. Having said that, we do have a slight increase in individual members.
- Sustaining membership (cash basis) is more than 11% ahead of budget.
- Gross membership margin is 13% better than budget.
- *Journal* advertising revenue is 20% better than budget and the *Journal's* gross margin is 4% better than budget.
- Test Films materials gross margin is behind budget by more than 17%, primarily due to decreasing film utilization and an increase in electronic production.
- The 2008 IBC conference gross margin is almost 27% better than budget.
- The Annual Tech Conference & Expo numbers are approximately 5.8% better than budget (which was a stretch to meet at the outset).
- Engineering Standards gross margin is still being finalized at the time of this writing, but we expect to end on budget or slightly better than budget.

As you can see, for 2008 the Society experienced a slight increase in Individual membership revenue, as well as a significant increase in Sustaining membership revenue. The two major conferences, IBC and the Annual Tech Conference & Expo, have performed better than budget and this—along with sustaining increases—are the main contributing factors for the positive budget variance.

As we have heard too often, 2009 is going to be a challenging economic year for many of our members and sustaining companies. We will be work very hard to ensure the Society rides through these difficult economic times with a minimum amount of impact. The Society has a strong balance sheet and reserve fund, which will help us to weather the economic storm in 2009 and beyond.



John Luff, Conference Vice President

Over the last past year, the Board of Governors and staff of SMPTE have put a huge effort into revitalizing our conferences and innovating new opportunities for members and others in our industry to benefit from quality technical conferences. Our 2008 Annual Tech Conference & Expo in Hollywood this October drew a significantly larger audience and a full Technical Exhibit. The content of the conference was well received, and our Annual Honors and Awards Ceremony was memorable indeed. In 2009 (October) we will again gather in Hollywood for our Annual Conference, which will also be held at the Hollywood Renaissance Hotel in 2010. Patricia Keighley has again agreed to be the Local Arrangements Chair and will be assembling a team soon. If you would like to be part of the Committee there are opportunities available.

Other events are scheduled throughout the year. As done in the past, we will be producing a two-day session at NAB. The Digital Cinema Summit is an event a large portion of our industry looks forward to each year. In July, the Australia Section will again present a regional conference, SMPTE09 Exhibition & Conference, which has always been quite successful.

Also in 2009, SMPTE will present three regional conferences in the Eastern part of the U.S. The sites and topics are still being decided. These conferences will create opportunities for members to attend an all-day event nearer to their homes. We hope this will create new interest in SMPTE membership and new venues for knowledge transfer and networking.

Finally, as in the past SMPTE will be an important part of IBC in Amsterdam in September, rounding out our worldwide conference activities.

J. David Siegler, Sections Vice President

The core foundation of our Sections is to provide educational and networking opportunities for our membership, and we are always looking for new and better ways to support these needs. To keep our Sections vibrant and strong we are listening and acting on feedback from our members. This has resulted in increased membership turnout and more regularly scheduled Section meetings.

Many of you are aware that we have already begun to invest in more educational efforts such as the SMPTE PDA, which has been well received. With the increasingly busy schedules of our members, Sections, such as Philadelphia, San Francisco, and Toronto have conducted trial webcasts of their meetings. We are also exploring methods for archiving these into an asset management system for members to access at anytime. The webcasts are being successfully used as a tool to augment meeting attendance in these large cities, where members are unable to physically attend a meeting due to traffic, work demands, and such.

New web tools will be available in the near future, to enable Sections to offer online registration for local paid events—and to download an increased offering of Section management tools. There will also be a professional social-networking component.

There is no substitute, however, for the face-to-face interaction at Section meetings. With SMPTE's 25 Sections, including 17 in the U.S., 2 in Canada, and 6 Sections across Asia, Australia, and Europe, most Sections meet regularly with stimulating speakers and topics—many meeting reports and photos are published in the *Journal*. A new portable display, now available from headquarters, promotes SMPTE membership and can be used at local events (or in booths that are manned by local Sections at other events).

Our members have expressed that keeping up with rapidly changing technologies is extremely valuable, and we strive to stay competitive in every way possible.

Patrick Griffis, Secretary/Treasurer

As I begin this new role as the Secretary/Treasurer of SMPTE, the U.S. economy is in the worst condition we have seen in years. The safety of the SMPTE reserve fund is a significant part of my responsibilities as Secretary/Treasurer and one that I take very seriously. The good news is that the funds are safe for now but one of my goals will be to make sure the funds are protected as a first priority consistent with the bylaws. The other good news is that the Society's reserves are at a healthy ratio relative to Society expenses and should hopefully be sufficient to weather a potential downturn in revenues. In looking to the future, I intend to work with the executive committee and Board of Governors to help fund new initiatives to help the Society grow and better meet the needs of our membership. Finally, as Secretary/Treasurer, I will work with the staff and Board of Governors to improve the governing documents of the Society.

