



To: ASCnet Membership Community
Fr: Lisa Parry Becker
ASCnet Chair
Re: Charting a New Course for Your Association
Date: February 25, 2010

The ASCnet leadership last week approved a plan to relocate our headquarters to suburban Chicago by the end of 2010. This move will occur after the hiring of a permanent CEO.

While a move is the correct decision for us—and now is the optimum time for it—we realize this has consequences for our valued employees. And you, our community members, likely have questions. Please allow me to summarize the underlying reasons for our decision:

Unprecedented challenges

The relocation is part of a multi-year effort to sharpen ASCnet's value proposition to our community. Like many other associations, ASCnet is facing financial pressure. Years of soft property-casualty pricing and a depressed economy have taken a toll on independent insurance agencies and brokers like you—our core source of revenue. That, in turn, has resulted in fewer members and decreased attendance at TENCon, our premier event. Agent and broker mergers and acquisitions also have put pressure on new member and renewal counts.

Furthermore, the very nature of how volunteers and members interact in associations is changing. New generations of members have different expectations for how communications, education and services are delivered. Every association, including ASCnet, must evolve to meet those demands.

Central location

We have called the Orlando area home since the mid-1980s, so this was not an easy decision. Yes, our current situation is stable—operations are running smoothly and the Florida climate is desirable for business travel. And some or all of our high-quality staff could depart in this transition.

On the other hand, most ASCnet leaders must travel greater distances to get to Florida, resulting in higher governance costs. And we are farther than we should be from our many local chapters and members around North America. Locating to the Chicago area enables us to centrally locate leadership and training conferences.

Strategic partner

This move also provides valuable proximity to Applied Systems, based in the Chicago area. Of course, Applied Systems is our key stakeholder; ASCnet is first and foremost a user group of Applied Systems' software platforms and products. For 25 years we have worked hand-in-hand to

solve industry issues, and our core mission remains to enhance our members' value and profitability through education, effective use of technology, and advocacy.

This new proximity won't hinder our ability or willingness to advocate for our members with system enhancements and pricing issues. We will maintain our professional independence.

Timeline & staffing

The timing for the relocation is ideal. Our lease on the Altamonte Springs office continues through the end of the year, and we will begin the transition to suburban Chicago in advance of that date.

Our employees have been offered a bonus to remain through TENCon until September 30, 2010. The new CEO will determine potential relocation or remote employment for existing staff.

We currently are announcing widely—in insurance industry, association, and Chicago-area circles—the CEO search and our plan to relocate. We will identify and interview candidates between March and May, with a final selection and start date by June 1.

Thank you

In summary, I am deeply grateful to you, our ASCnet community, as we look forward to a smooth transition over the next 10 months. And I join our entire volunteer and staff leadership in promising you the future will be exciting as we work to continue to be a strong business partner to you, our valued members.

Thank you for your commitment to your firms, your association, and the Independent Agency Channel.