Minutes of the November 11, 2011 Meeting of the UCLA Communications Board

Board members present: Thomas Atkins, John Bollard, Jennifer Frehn, Brent Gaisford, Erik Peña, George Pierce, Raiyaan Serang, Michael Sondheimer, Arvli Ward

Board members arriving late: Lys Mendez, George White

Board members leaving early: Michael Sondheimer

Board members absent: Nancy Calderon, Jodi Levinson

Guests: Lauren Jow (DB Editor in chief), Alexa Smahl (DB Managing Editor)

I.   Call to order (Serang)
Serang called the meeting to order at 5:38 p.m.

II.   Approval of the agenda (Serang)
Sondheimer moved to approve the agenda. Bollard seconded the motion. The motion passed by unanimous consent.

III.   Approval of October minutes (Serang)
Ward made corrected the October minutes to reflect that Serang called the meeting to order and not Bollard. Atkins moved to approve the amended minutes. Gaisford seconded the motion. The motion passed by unanimous consent.

IV.   Executive Committee Report (Serang)
Serang said he met with Ward to discuss the Media Director's goals. He said they will be discussed in detail in item IX on the agenda.

V.   Operations Committee Report (Gaisford)
Gaisford said the Operations Committee met for the first time on Wednesday, October 5th. Gaisford said he learned that the magazine editors were already holding a weekly meeting and that none of the magazines had applied for funding through CSP. Ward said that he met with Justin Sedor of OutWrite who reported that he had applied for funding. Serang asked Gaisford if he had contacted the editors who did not attend the meeting. He said he sent an email to all the editors, attached the minutes, and encouraged the absentees to attend the next meeting. He said if the same editors did not attend the next meeting he would personally reach out to them.

VI.   Finance Committee Report (Peña)
Peña said that the Finance Committee met on Thursday, October 6th to discuss the financial statements. The committee also discussed professional service development contracts. He said they wanted to be more informed of what projects the contractors were working on, and they were going to meet again next week.

VII.   Media Director's Report (Ward)

Ward did not present a report and said he would proceed to discuss the Communications Board September financial statements.

Discussion Items

VIII.   September Communications Board Financial Statements (Ward)
Ward distributed select pages of the September financial statements, which were still awaiting Finance Committee review, in order to give the board information about current budget conditions.

Ward said September net revenue was $6,768 better than plan. Budgeted net revenue was $116,237 while actual net revenue was $123,095. While total revenue was down almost $8,000 to plan, there was a total savings to expenses of almost $15,000. Display advertising sales remained sluggish and were down by more than $19,000 to plan for September, but Kiosk advertising was strong and was up more than $16,000 to plan for the month. While Professional Services was overspent by more than $9,000, total Controllable Expense was just $1,600 over budget.

Ward said that Professional Services were overspent year-to-date by about $19,000. Ward said that he had anticipated drawing down development expense by this point but thought it was important to finish current projects since they were critical to the future of the organization. Ward said however that he intended to make sure that these expenses fit within current cashflow, which was largely accomplished for September.

October Forecast
Ward said October revenue appeared to be ahead of budget. He said there were strong kiosk and national sales.

New Business/Action Items

IX.   Media Director Special Performance Goal (Serang)
Ward said he was proposing just one Key Priority Goal for 2011-12: To meet the budget goal for Local Research.

He said this goal was important because the organization's financial planning was staked on Local Research becoming successful. Ward said that the organization's strategy was to build a new generation of digital and mobile products while working to maximize new products like outdoor and web banner advertising and maintain the print franchise through improved sales techniques and management.   Ward said that much of the plan was working. Both kiosk and online banner sales were showing strong growth and were able to offset the inevitable declines in print.

We were being saved at the moment by good work in selling non-print channels like outdoor (kiosks) and online banner ads. He said both had great potential, but they too would be maximized because we had limited inventory.   Ward said that most of his

time was consumed with managing the development, staffing and management structures associated with Local Research. Ward shared some statistics about the student demographic and mobile engagement, including:.

- Fifty three percent use smart phones to find store locations.
- Students tend to check their phones at least once between each class period.
- Local mobile ad revenues were projected to grow from $200 million to ten times that amount in just two years, which was an annual growth rate of between 50-60 percent.

The budget plan for Local Research was $83,400, which equaled about 70 annual contracts.

Ward said that the board should hold him accountable for creating a return on the investment of about $200,000 over the last two years to develop the Local Research and its related technologies. Local Research, Ward explained is a large structured database of local businesses that is capable of supporting a number of new products, including search and mobile applications. Development also included a related database for clients and sales management, which is called the AdSalesEngine.   .

Ward said that Local Research makes it possible to build an ecosystem of applications that will eventually become a new advertising network capable of replacing the diminishing strength of newspaper advertising.   The apps in the ecosystem would consist of business apps and campus apps of varying kinds that were all connected, allowing for a loop that carried ads to app end users and feedback and communications to businesses and campus entities.

Serang asked if the apps were built by students or by professional programmers. Ward said that the apps were built in a system where students created the content displayed on the app, but that the assembly of individual apps was done by a professional. Ward said that over time students could be trained to implement this part of the process. Bollard asked if the app downloads would be free, to which Ward replied yes.   Bollard asked how clients would be persuaded to continue to pay for the services after the annual contract period expired. Ward said clients would be sold renewals and upsold to new products, such as "guide" apps, as well. Gaisford asked if the system had analytics to determine app usage. Ward said that such systems were being planned and built now. Atkins asked who would provide app content. Ward said the interns would. Peña asked how Ward would convince UCLA students to download apps in order to compete with Yelp or Groupon. Ward said that while Local Research was not designed to compete with Yelp or Groupon, he'd hoped to create apps that were relevant to student life and market them through our other media.   Peña asked how Ward planned to generate revenue through Bruinwalk apps, to which Ward replied that Bruinwalk apps would be monetized by advertising. Pierce asked Ward how many clients Local Research had. Ward said about a dozen. Mendez asked how these new sales would affect the sales reps who sold print advertising. Ward said that while new commission structures were designed to

integrate apps into the sales of all other products sold by Daily Bruin sales staff, newer reps were focused on selling Local Research and its apps first. Serang asked Ward if he'd planned to apply for grant funding to help fund the new products. Ward said that he did not have plans to apply for grants.

Serang moved to approve the 2011-12 Media Director Key Priority Goals. Mendez seconded the motion. The motion passed by unanimous consent.

X.   Adjourn (Serang)
White moved to adjourn the meeting. Bollard seconded the motion. The motion passed by unanimous consent. The meeting adjourned at 6:54 p.m.

Submitted by Doria Deen