

December 4, 2008 Luncheon Meeting Minutes
Submitted by Amy Czerwinski, Chapter Secretary

The Nashville Area Chapter held its December monthly meeting at the Nashville City Club. President Kathy Anderson called the meeting to order at 12:00 p.m. by welcoming everyone in attendance. Scarlet Sneed offered the invocation. Kathy asked for any changes to the November luncheon minutes. No one suggested changes so the minutes were approved.

The president introduced the head table: Jennifer McClendon, Mark Floyd (speaker), Karen Hale, Sandra Tulloss, and Jeff Hughes. Kathy welcomed the guests and thanked the new members of AGA Nashville Chapter Sandra Patterson and Reynolds Worthington. Subsequently, Jennifer McClendon introduced the guest speaker Mr. Mark Floyd, CFO, Nashville Predators. This luncheon meeting offered 1.0 hour of cpe to those in attendance, who signed the sign in sheet.

Mr. Floyd spoke about the Predator's deal with the City of Nashville when faced with the difficult decision to prevent another franchise to buy and relocate the team to Toronto, Canada. Mr. Floyd stated that one of the reasons why the team was primarily established in Nashville was due the economic impact to the city and how it attracted people to move and visit Tennessee. Some facts provided by Mr. Floyd about the Predators included 88 games won since work stopped. Mr. Floyd reiterated that the Predators have a very successful track record at home games. Currently, management and coaches are working with the players to win more games outside of Tennessee.

Mr. Floyd stated that the Predators return (donate) money to the community and help set roll models for youth and children of Tennessee. One of the challenges from the financial are of the Predators was to show a positive cash flow on the team's financial statements. Finance is a big part of the team, and no material revenues derive from consignment or sales or advertisement agreements. The team is primarily funded by the attendance of fans to the games via agreement which require 14,000 people attend each game. This are called collecting bargaining agreements.

Mr. Floyd further explained that the lease agreement made between the franchise and the City of Nashville helped tremendously and was the primary deal breaker which allowed the team to stay in Tennessee, instead relocating to Toronto. "This is a tough business" Mr. Floyd explained "you sign the players and then you are stuck with them." Unlike the NFL that can trade players, and make revenues from major deal advertisements, he explained. Additionally, expenses to run and manage the team are extremely high. He explained that 90% of Titans revenue comes from television advertisement contracts. Unlike the Predators 10% of revenues are generated from these types of contracts. Furthermore, the Predators split 50/50 from sales and admission revenues. Mr. Floyd closed by saying that once a city loses a team, a stigma stay within the city. This negative stigma drives and affects the economic development of future venues in Tennessee.

The president thanked the speaker and provided a small donation of \$25.00 to his charity of choice the Nashville Rescue Mission.

Subsequent to the speaker, announcements were made by Jennifer Lewis from the Membership Committee, Rusty Lacy from the Education Committee, and from Scarlet Sneed from the Nominating Committee.

The \$25 door prize was won by Chas Taplin. David Sturtevant & Alla Cox each won a pair of predator tickets and Rhonda Williams won a hockey puck.

Meeting was adjourned at 1:00 p.m.