



Chapter Partner Agreement Task Force
Wednesday, May 4, 2011

MINUTES

Attending:

Tony Zampello, Task Force Chair
John Drzik
Buck Crouch
Lyle Henning
Tom Geraghty
Wayne Collins
Ron Gilmour
Jim Timmons
Rick Leach

Eric Schaudt

Absent:

Erica Dickson
Dave Lehman

Staff:

Abe Eshkenazi
Pamm Schroeder
Henri Wingfield

Call to Order:

The meeting was called to order by Tony Zampello at 12:00 pm (central)

Board Update

Tony provided an update of his report to the board of directors at their meeting on Saturday, April 30, 2011. (Attachment 1)

Tony reported that the board discussion focused mostly on the status of chapters who do sign and what benefits will be available to them.

There has been no decision made regarding the status and benefits of chapters at this point but Tony noted that the board discussed the subject in some detail. The Board did not rule out the possibility that chapters who choose not to sign will lose all of the current support and services they currently receive.

It was noted that the key to this process is that the task force needs to come up with an agreement that all the chapters will sign. It was further stressed that the basic agreement will not change the way a chapter exists – with the exception of becoming a legal entity with the ability to sign a contract.

There were a number of comments relating to the legal status requirement. Abe Eshkenazi stressed the importance of legal status as the only way to limit the personal liability for chapter leaders. Whether the CPA is signed or not, chapters should recognize the risk they take by not obtaining legal status.

Tony reminded the group that they placed the legal status requirement into the agreement to ensure that the chapters are able to access the related protection and opportunities.

Benefits of Signing

The task force continued the discussion of the benefits that chapters will receive as a result of signing the agreement.

The board stated that a key benefit of signing is to maintain the current level of service and support provided by APICS.

There was discussion regarding the dues rebates for chapters who do not sign. While nothing has been decided, it is possible that the dues rebates will be redirected. Members located near a non-signing chapter will be assigned to the next nearest channel partner and the rebate would be distributed to that channel partner.

Tony reminded the group that these discussions are still premature and that all possibilities are still under consideration.

Pamm was asked to post a list of current chapter benefits to the community of practice. That list will be posted as soon as possible. It is a working document that will be reviewed and adjusted as necessary.

The task force discussed the potential impact on the member. If a chapter chooses not to sign and a member is reassigned to another chapter, will that impact his/her APICS experience? This question will be added to the list of questions and comments that Pamm is collecting in response to the distribution of the first draft.

Tony stated again that the ultimate goal is to strengthen the relationship between the chapters and APICS and to bring all parties into compliance. To that end, APICS will offer assistance to chapters who want to sign but are not of legal status.

Adjournment and Next Meeting

The meeting was adjourned at 1:15 pm (central). The next meeting will be held on Wednesday, May 11 and will focus on the list of open questions compiled to date.

Follow Up Items:

Staff:

Note that payment terms in the agreement draft should be longer than 10-days

Redistribute the open items list. (Attachment 2)

Create a "suggestion box" in the public CPA community of practice (done)

Taskforce:

Talk to the chapter leaders to address concerns.

ATTACHMENT 1



Channel Partner Agreement Task Force Update April 30, 2011

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Channel Partner Agreement Task Force

Chapter Representatives:

| | |
|--------------------------------|------------------------------|
| Ron Gilmour – Canada | Dave Lehman – Southeast |
| John Drzik – Great Lakes | Buck Crouch – Southwest |
| Lyle Henning – Heartland | Wayne Collins – Terra Grande |
| Erica Dickson -- PacWest | Jim Timmons – Northeast |
| Thomas Geraghty – Mid-Atlantic | |

Board Representative: Rick Leach

Task Force Leader: Anthony Zampello

Staff Liaisons: Abe Eshkenazi and Pamela Schroeder

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Process and Timeline - Requested

February – July, 2011

- Identify non-standard language sections to be added to the agreement
- Draft verbiage for the non-standard language sections
- Collect input from stakeholders and refine draft agreement

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Process and Timeline - Revised

May through July, 2011

- * Board decision on key questions:
 - * What are the benefits of signing
 - * What happens if a chapter doesn't sign

At the July Board Meeting:

- Task Force present draft agreement for Board approval
- Board decides on next steps – who, how, and when
 - Including answers to key questions
 - C-Bar Program revision discussion

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Process and Timeline

August - December, 2012

- Board and Individual Chapters implement [negotiate and sign] contracts

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Key Dates Summary: February 2011 to December 2012

- March 19th, 2011: Task Force meeting in Chicago
- April 21st, 2011: Draft to chapters
- May 15th, 2011: Final comments received
- July 8th, 2011: Draft to Board
- July 29th, 2011: Board decision
- **December 31st, 2012: All chapters signed**

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ATTACHMENT 2

Questions and Comments Regarding APICS North American Channel Partner Agreement

Section 7. PROPRIETARY AND CONFIDENTIAL INFORMATION

7.1

- If this information is confidential, how can it be used to deliver education to customers. Examinations, Licensed Products and other APICS Materials are considered part of the product and education process that APICS sells and is based upon the APICS Body of Knowledge derived from successful operations of manufacturing businesses and the documentation of those processes, thus a combination of contributed public and private information. How can APICS assume ownership of publicly derived information.
- If Confidential materials does not include those that are to be used in the delivery of education, and the student materials as part of that to its customers, much of the confidentiality clauses have to be changed in my mind.
- What constitutes confidential information about APICS?

7.5

- "... except as necessary for performance under the Agreement or under another agreement between the parties." It has been stated in the task force meetings or in our call between Abe Eskanazi and Tony Zampello, that this CPA replaces and supercedes any and all existing agreements either in writing or by handshake between the chapter and APICS. This seems to conflict with those comments.
- Points 2, 3, 4 and 5 under Proprietary and Confidential Information – I do not see any reference that Society will be given confidential and proprietary information from the chapters that it needs to protect. Shouldn't this agreement protect both sides and be so worded. I have always thought a partnership agreement has to address both sides.

7.6

- The wording needs to be changed to reflect that the Channel Partner may have information in writing and past, present, or future research, technology

development plans, business plans, client lists, business operations, finances, transactions, agreements, or proprietary products, materials, services, or technical knowledge, and other similar information that from the Channel Partners point of view would be considered confidential and that the APICS organization would be required to treat with the same respect and degree as APICS expects of its own.

7.7

- Does APICS have binding obligation of confidentiality form for the chapters to use? Can someone define the word agent? Does APICS now require anyone associated with a chapter to sign binding obligation of confidentiality form before they can be given APICS courseware? The way this statement now reads a student in a CPIM class is receiving confidential information. Will a student need to sign this form before attending a class. Does it also mean that he/she cannot discuss the APICS courseware with his/her boss?
- On the section concerning Non Disclosure - because the Chapter is a separate legal entity, will it be responsible for the actions of a rogue Board member who decides to disclose sensitive information? Will the chapter need to have it's Board Members sign a confidentiality agreement?
- Points 7 and 8 – Does this same point apply to chapters if APICS misuses Chapter information. Remember this is a partnership agreement and both sides have to be addressed or it's not a partnership per the APICS body of knowledge. APICS shall have the right to cease production of any Licensed Products and/or Examinations by Chapter at any time. This seems to mean that APICS could discontinue the APICS CPIM and CSCP courses tomorrow without giving any warning to a Chapter. Perhaps this should show a time period to allow a Chapter time to plan in case this action is taken.
- Not a problem but noteworthy that in the section Proprietary and Confidential subsection 7, we are required to have NDA paperwork in place with anyone we disclose info to such as instructors

Section 8. ASSIGNMENT AND TRANSFER OF RIGHTS

- Again not a problem but noteworthy that Under Assignment and Transfer, we cannot "lease" the materials to any third party, this third party will have to teach under the chapter name/authority.

Section 9. ETHICAL STANDARDS

- Searched the APICS website for a Code of Conduct and couldn't find anything. They referenced a Code of Ethics for the examinations.
- What is the Code of Conduct and whom does it apply to?
- Is it the intent of the APICS Society to impose direct financial and operational control over chapters (channel partners) to force chapter non-volunteers to abide by the APICS Society Ethical Standards and superpose any chapter (channel partners) internal standards?
- The APICS Standards of Conducts applies only to APICS professional staff, board of directors, and committees. Is it the intent of the APICS Society to impose the APICS Standards of Conducts over chapters (channel partners) and chapter members, volunteers, paid staff and non-volunteers?
- The APICS Code of Ethical Principles and Standards of Conduct applies only to APICS professional staff, the board of directors, and volunteers (to the APICS Society?). Is it the intent of the APICS Society to impose direct financial and operational control over chapters (channel partners) to force chapter non-volunteers to abide by the Chapter Partner Agreement?

Section 10. APICS' RIGHTS AND RESPONSIBILITIES

- Therefore, any issue, concern, statement not defined in writing can be changed by APICS at any time. I guess that this could mean that APICS could dissolve a Chapter at any time because it's not defined, change rebates to chapters, take away members, etc. This wording should be changed or the committee needs to do a better job of defining everything.
- APICS shall have the right to cease production of any Licensed Products and/or Examinations by Channel Partner at any time". There has already been some pushback that there should be prior notification of the plan to discontinue a Licensed Product or Examination of some agreed upon interval to Channel Partners to assist in marketing, planning and inventory control.
- all rights and/or licenses not specifically expressly granted to the Chapter in the Agreement are reserved by APICS. Therefore, any issue, concern, statement not defined in writing can be changed by APICS at any time. I guess that this could mean that APICS could dissolve a Chapter at any time because it's not defined, change rebates to chapters, take away members, etc. This wording should be changed or the committee needs to do a better job of defining everything.
- I think that if they are going to cease production of courseware there should be some type of warning prior to implementing that. Chapters may need some time to react to changes if they have ongoing programs with customers.

Section 13. PROPRIETARY RIGHTS INDEMNIFICATION

- A portion of the APICS courseware has been copied from textbooks, other courses, or consultant presentations without showing a source. Does this mean if APICS and Chapters are sued that APICS will be solely responsible for any financial damages and not the Chapters?
- I do not see any reference that Society will be given confidential and proprietary information from the chapters that it needs to protect. Shouldn't this agreement protect both sides and be so worded. I have always thought a partnership agreement has to address both sides.

Section 14. WARRANTIES

- Under Warranties, subsection b, it looks to me to say that we cannot revise any sections of any APICS material, this would mean we could not add material, we could not correct mistakes without violation here.
- a Chapter instructor will no longer be permitted to enhance or correct the APICS courseware unless they are willing to have the changes licensed by APICS. As an instructor, I will not provide APICS with any of my enhancement, practice questions, exercises, etc. This means that I will have to teach the CPIM or CSCP courses as written or create my own courses (that will not violate APICS copyright). This may force instructors to teach APICS certification courses without the APICS material and/or courseware. This may result in a loss of revenue to APICS and the Chapters. Is this the intent? If not, then this wording has to be changed to allow instructors to make changes.
- APICS has the right to demand a chapter's customer list if APICS products and services are being sold. This is not acceptable unless Points 2, 3, 4 and 5 under Proprietary and Confidential Information gets changed to protect Chapter information.

14.1.4

- This clause will not preclude discussion of erroneous practices and procedures which negatively impact Channel Partner operations or business. Discussions should be conducted in a typical business-like manner on the part of the Channel Partner and APICS representatives
- We will use professional etiquette during all training classes, but until HQ corrects their overpriced policy for its Non Value Added CFSCM, Lean Enterprise

and GS workshops, and the convoluted language contained in its Performance Check and certification exam items, we cannot agree to refrain from pointing out obvious errors. Any acknowledgements of content errors casts our materials in a negative light from the students' perspective. This clause is unenforceable.

- Reprinting is not allowed under violation of copyright. If copy of copyrighted APICS education materials is allowed, that allowance must be provided for and documented under the standard boilerplate language. The request in g. from APICS should be supported only when the APICS HQ organization has viable and documented and shared information of illegal activities and is presented with a court ordered or legal discovery request.
- Channel Partners, and Chapters more specifically, resell and distribute Licensed Products in the delivery of education to customers. Is the position being taken now by APICS, that chapters no longer have permission to sell APICS educational material?. Licensed Products are protected from resale without further action by chapters as is stated, or should be stated in license language and other than restating the obvious, chapters should have no further responsibility in that regard. Third Party materials are subject to same law regarding resale of copyright materials. I am not sure under what conditions a chapter comes into possession of APICS Examinations but they would fall under the realm of copyright or licensure regulations.
- Under Warranties, subsection [2.4], I do not think we can take reasonable measures toward our students to keep them from selling the materials (books) when they are finished with them. In fact, some do re-sell them to chapters, Amazon, etc. I think this statement should be deleted.
- Chapter will no longer be permitted to sell APICS products or services to third parties unless licensed. I don't know what licensed means? Is a Chapter licensed? If not, then a Chapter can no longer purchase or sell APICS courseware or services (exam vouchers) as they would be in violation of the agreement. It also means that a Chapter cannot see courseware to a third party instructor. The 3rd Party Instructor would have to purchase the material from APICS. The Chapter would lose a source of income.
- DC Metro intends to continue collaborating with its neighboring Chapters to combine quantities of materials and exam vouchers in order to achieve volume discounts. The way I'm interpreting this clause, it would make it illegal for us to continue that collaboration.
- We have been selling the CSCP Learning System to our members at a discount. This was authorized by APICS early on as a way for the Chapter to make some additional revenue off the sale of the product. This statement sounds like that will not be allowed under this agreement. We will need clarification. Also I do not like the statement that says the Channel Partner will take appropriate and reasonable

measure to ensure that its customers do not resell or distribute licensed products. This will be impossible for us to enforce. If someone purchases a CSCP Learning System, or any other piece of courseware from us, we have no control over them trying to sell it in Ebay or other types of online auctions or sites that sell used merchandise.

14.1.6

- Under Warranties, subsection i, it references in the Geographic Area.....I don't see where any Geographic Areas are defined in the agreement.
- What is meant by a not-for-profit organization? Does this now mean that every chapter must be incorporated (in the US)? Does this require that all Chapters be incorporated as a 501 C6; Can a Chapter be incorporated as a 501 C3? This needs to be clarified.
- What is meant by Geographic Area?
- What is the definition of a Geographic Area?
 - o Within 10, 20, 50, 500 miles of another chapter
 - o Will it be based on the chapter mailing address zip code
 - o Is it within the same state
- How will chapter web based classes be impacted
- What happens if a customer wants a chapter / instructor to teach classes in another chapter's territory
- How will a territory be defined if multiple chapters exist (NONJ, TAPZ, WJER, PTSJ, LISL and CENJ are all within 60 miles of each other)
- Will a member / enterprise members be based on the work or home address
- How does this affect Society certification classes, which may be given in another Chapters geographic area?

14.2.1

- need a definition of defect that is acceptable to chapters. I do NOT think it refers to damages in shipment of product or late delivery.

Section 15. LIMITATION OF LIABILITY

- Chapters will need a definition of liability in this instance and examples to help understanding.

Section 16. TAXES, DUTIES

- Needs to include Examinations in Licensed Product example list.

Section 18. INTELLECTUAL PROPERTY

18.1

- Why would a chapter be required to add a copyright notice to any APICS promotional materials? APICS is the holder of copyright on licensed product and anything it puts in print and is responsible for marking its promotional or any of its materials. Only the copyright owner can claim copyright. Use of the notice is the responsibility of the copyright owner and can't be assumed by one who is not the copyright owner. If APICS wants to license or assign ownership to its materials, then Chapters might assign notice where HQ has not.
- I think it is probably not practical to put the APICS copy write notice on all marketing, advertising and promotions materials.
- is this even required in the contract as copyright law states the form of the declaration with adjustments regarding copyright in other countries. Also, use of the copyright notice is optional but use provides for different infringement claims. But since the notice is standard, and not the responsibility of the Chapter, I do not understand why its inclusion would be part of the standard boilerplate.
- Would this apply to chapter presentations made by APICS officers or staff?
- Materials, presentations made available to chapters and members via the APICS website shall be considered approved by APICS since much would be considered in the public domain or readily available to any member.
- Under the IP section, subsection 4, I don't see where we are authorized anywhere in the document to use the logo, trademarks, etc. It prohibits us using them except as expressly authorized. Since I cannot find it, it may not be expressed clear enough
- How is this section relevant? We are all APICS (Chapters and HQ)? We all use the APICS name?
- Under General, subsection 1, it has a similar statement about trademarks like IP subsection 4. Same comments.
- They have provided a number of marketing tools on the website for Chapter's to use to promote education programs with. I'm assuming that those will still be available and will be authorized in the future?

- As previously commented in a prior submittal to the Task Force, APICS is responsible for all copyright notices as the holder/owner of copyright. Copyright should already be included on all APICS published material including marketing material. Chapters have no responsibility as to copyright regarding APICS materials, licensed product and/or examinations or marketing materials provided by APICS. If the chapter develops, produces and delivers material materials, education products independent of APICS content, the Chapters hold copyright on those materials.
- It is impossible for DC Metro to include this statement in every Web page, Newsletter, Course Data Sheet, Constant Contact Event Page and the 2300+ event invitations we email per month.

Section 19. APICS LINK AND LOGO

- I thought the discussion in the Wednesday call indicated that the Chapters could/should not use the APICS logo but use the Chapter form of the logo instead following the APICS branding and website guidelines..
- A time frame an appeal process should be defined rather than just say immediately remove or revise.

Section 21. ENTIRE AGREEMENT

- It appears that APICS has given itself the right to change the agreement in the future with Chapter involvement. Is this the intent?
- If this is a partnership agreement than both parties need to agree to any changes

Section 22. SEVERABILITY

- The prior agreement was under Virginia court of competent jurisdiction. Does this make any difference? Does the committee understand the impact of changing it to the Illinois court from the Virginia court?
- Here's a good example where the document favors the national organization as it specifically states that an Illinois court has to be used.
- I believe many chapters will find the clause listed below and other clauses referring legal matters and discussions to the State of Illinois to be onerous to chapters located outside the state of Illinois. While I can understand, APICS HQ desire for such a clause, I believe it would create an undue burden on chapters to protect their legal rights should a dispute warrant such actions. I site the following reasons:

- 1) Most chapters do not do business within the state of Illinois
- 2) APICS HQ is significantly larger than any chapter setting up a David and Goliath scenario
- 3) Very few chapters have the financial wherewithal to pursue legal action especially outside their home state
- 4) Very few chapters have the financial resources to defend themselves in out of state litigation
- 5) APICS HQ regularly employs a lawyer while most (if not) all chapters do not.
- 6) This agreement thus far has been drafted with the assistance of APICS HQ lawyer. Chapters have not had legal representation to this point.

- Illinois court notwithstanding, I will argue for a clause of jurisdiction more in favor of the chapter. When the defendant is a corporation, it is always subject to personal jurisdiction in the courts of the state in which it (the chapter) is incorporated. From the standpoint of APICS HQ position, a corporation that solicits business in other states or maintains offices in other states may be subject to suit in those states, even if the corporation is not headquartered or incorporated in those states. A corporation's transaction of business in a foreign state is a sufficient contact to establish personal jurisdiction. So where APICS sells memberships and education programs or events outside of Chicago, it will be subject to a change in where it mayfile the suit.

The clause as submitted is one that is a result of contracts APICS enters into with IA's and AEP's outside the US.

Section 24. GENERAL

24.1

- What constitutes a "Third Party"? Are chapter board members other than the President a 3rd party? Are general APICS members a 3rd party? What are we afraid of sharing with our membership? Why are we not wanting to be transparent?

24.4

- Once again they are stipulating that all legal actions have to be held in the State of Illinois.

24.6

- The way the agreement now reads a Chapter cannot use the APICS name and/or trademark for any purpose without APICS' prior written approval. I guess that every PR release, every flyer, brochure, website change, banner, etc. has to be approved before being used. Will APICS be able to quickly respond to this inflow of requests? Point 2 regarding publicizing this agreement. The Society is already in violation as it posted it on COPS where any member can view these documents. What will be the penalty for violation of this agreement?
- Here's what I want to know. Does APICS national have any rights to the money in our treasury if the Chapter were to close? What would we do with the funds if we shut down? I think that we should define what we would do with the funds and then make sure that we could dispose of them as we have predefined. I don't want APICS to be able to claim that we are in violation of an agreement, come in and shut us down, and take the funds to use as they see fit. I don't see anything in here that addresses that issue. Maybe we need address that through legal counsel in our by-laws if it hasn't already been addressed.

ADDITIONAL COMMENTS (not directly related to a specific section of the agreement)

- What will APICS do and or how will it execute the decertification of a local chapter in order to protect the Brand? I used the case of the Detroit Chapter and I did not hear a complete answer to this. I feel it is important to have this in the Standard Language so that all Chapters, who are also invested in the APICS brand, understand how they are benefiting from APICS protecting the Brand.
- would suggest at least of one additional area be considered part of standard language. Since this should be common to all chapters, I think it appropriate to be included in the standard boilerplate.
- This area should be the performance, process improvement, and goals/metrics directed at the HQ organization to meet the needs and problems between HQ operations and the chapters. These should be developed with the input of all Chapters across all Districts to document and communicate operational performance issues and measures as well as frequency.
- I would suggest the Chapters and not just this District nor HQ should prioritize those issues and identify performance resulting goals. It does not make sense to have each chapter negotiate its own metrics for HQ as all chapters should benefit and those metrics should be considered part of that common experience model mentioned as part of the justification for this process.
- Seems to me that there needs to be a section titled "rights and authorities of chapters"

- Areas that should be considered by all chapter presidents and other chapter officers, are whatever recurring problems chapters have in the HQ processes and products. Topics such as billing and payment issues, membership processing, access to information and integration into chapter processes, quality issues with instructional and student material, access to HQ resources to answer questions, marketing assistance in materials and communication among others, should be addressed in contract language for chapters.
- What happens to Chapter Logos, Materials, and other parts of their developed business presence?
- What are Chapter rights to offer non-APICS materials?
- This is not an exhaustive list, but our Chapters believe these items should be in the contract and they may start others thinking.
 - Define territories
 - Exclusivity to the chapters for sales in their territories
 - Definition of territory process
 - Definition to serve APICS Corporate Customers
 - Material priced according to market
 - Logo Exclusivity for Chapters – others market APICS material using the APICS logo
 - Changes to contract must be negotiated 90 days in advance of implementation
 - Chapters have the right to develop, market, and sell their own products and/or products of other organizations
 - Corporate will provide materials for local marketing
 - Credit to chapters for people who live in their territory who received education
 - Current clauses in the current version should work in both directions
 - APICS Corporate protection should extend to protection of the chapters
 - Chapters should be enabled to lead meetings with corporate customers in their area
 - First right of refusal to business in their territory
 - Remediation process of contract disputes alternatives to tort
 - Chapters ability to modify APICS content with notification
 - If no modification, then there must be a rapid and robust response from corporate to correct
 - Product maintenance and development schedules and commitments
 - HQ accountability and metrics on:
 - Materials on time delivery.
 - On time payment of expenses
 - Time to answer to requirements
 - Information sharing (Members, materials, etc. and by state or zip code)
 - Time to process exams applications (Paper and pencil), memberships, etc.

- Non-compliance issues and consequences will be addressed to the satisfaction of both parties
- The contract is supposed to help prevent duplication of effort and provide for a common customer/member experience, when that has not been spelled out.
- Have we thought about including the logic and definition of how we will charter new chapters who want to join us if we start to grow?
- Missing key points like accountability and KSI's.
- Under chapter names, multiple chapter names, and/or district name, will we be able to develop and promote our own education programs like workshops/seminars in addition to our APICS offerings? Or will we be required to get HQ approval? If it is in there, please point out the specific wording within the contract that allows us to continue to do this.
 - (2) Under the chapter name, multiple chapter names and/or district names, would we be able to put on an event and/or conferences such as 6Packed? Or will we now be required to get HQ approval? Please point out the specific wording within the contract that allows us to continue to do this.
 - (3) The contract contains language that sounds like HQ would be entitled to information regarding attendees, etc on an event outside of the APICS education offerings. Please validate where there is a clear line.
 - (4) Will a chapter be able to cross their "geographical boundary" to deliver a APICS course like CPIM through face-to-face instruction? Please show me the latest revision in the contract that addresses this.
 - (5) Does the membership of a "channel partner" need to be comprised of members of APICS? I know that there are instructor and potentially instructor organizations that are not.
 - (6) What are the rights, privileges, and legal requirements of an APICS member? Since a member can obtain and disclose APICS information, how is it determined whether such action is performed as a member of a "channel partner" or of "APICS"?
- In private discussions after the formal meeting a number of attendees expressed concern about introducing the "Channel Partner" term rather than continuing use of "Chapter" in the standard language.
- Regarding changing the designation Chapter to channel partner - The IA and AEP as well as instructor and college, etc. channel partners retain their individual and unique identities even though they are all channel partners perhaps the chapter should keep that identifier even though it too is a channel partner. The CPA itself appears to be jolting enough, perhaps forcing the chapters to change their generic identity to channel partner might be an area of contention we don't need.

- I think there needs to be a definitions page. For example, a definition of “Confidential Information” would be good since it is referred to a lot.
 2. This agreement or the rights cannot be transferred. Yes, this needs to be here but how will it work when a chapter uses consultants to teach courses for them, are they not assigning some rights to the contractor? May need more words
 3. Not sure what government approvals or licenses would be needed, this may be left over from the international wording
 4. I am concerned that if a board member has an issue, and says anything negative, it could be taken as a violation of 1.e that says you are agreeing that the chapter will not disparage the APICS name.
 5. I have concerns in providing detailed information pertaining to the sale or distribution of APICS materials. We know at the time, but do not have detailed records from the past about who was in classes. To be able to do this on request would require more detailed record keeping.
 6. I have a concern that it says a chapter cannot resell or distribute licensed product unless authorized.....isnt that what we do, I do not see where it says specifically we are authorized. It also says we will try to ensure our customers do not resell the licensed materials....in fact, they do resell to each other, to amazon, and back to us in some cases (usually student guides)
 7. Mexico may have a problem with being a not for profit organization,
 8. Under intellectual property, it speaks of listing that it is the Copyright of APICS.....this sounds like it would be required all class documents and catalogs, www, etc. seems like overkill to list this out everywhere we use the terms CPIM and CSCP to put this sentence following it.
 9. I see it is governed by the IL courts, is the up for discussion?
 10. Where does it say in the agreement that APICS name and trademarks can be used. It says they cannot be used unless authorized, but I don't see where it is authorized.
 11. I see that APICS in no way is liable for any delays, I think this is fine, but it has been noted by district management that there would be performance clauses for delays in materials

- The Chapters within the Pacific Western District currently offer a wide range of services and programs for their constituencies—certification review courses, PDM, seminars, facility tours, custom written courses, etc. Some Chapters use a different strategy and are very focused in only one or two of these areas (very much like a focused factory). Will the CPA adversely impact those ‘focused factory’ chapters?

- Can the document be written in plain English instead of “Legalese”? (See Microsoft license agreements for reference)

- Can the contract form address the needs of both parties as well as the protection for each party as per standard contract language?

- Do we need to define every detail? Can the details be in other APICS handbooks and documents?
- Can this document be used to address proper distribution channels and protect the entities for their areas?
- Can the agreement help prepare Chapters for contingencies and/or succession planning?
- Will the agreement help to address disputed territory issues. If disputes happen what will corporate do to help or is it only for the chapters to discuss?
- What are the consequences for either party not meeting the agreement (or sections of)?
- If a current Chapter chooses not to sign the CPA, what are the consequences of the absence of a CPA agreement to the Chapter?
- Will the CPA touch on rebate program for e-learning courses?
- What are the limitations to branding issues and/or affiliations for selling through websites (ads, banners, etc), advertising/providing/accepting payments for courses, PDM, plant tours, seminars, etc. including non-branded items?
- Will electronic services, forms be charged on basis of usage or wholesale?
- Does the CPA apply limits to liability for chapters and officers of chapters?
- How will the CPA apply to academic professionals/organizations?
- Will the CPA address/clarify who can volume buy (chapter, company, only CPA signatories, non-signatories, etc)?
- Can corporate assist with volume buying for chapters, including chapter credit levels, brokering deals and collections?
- Does a reply to certification status requests require certified individuals to give consent prior to release of status? Will the CPA address this area?
- What are the requirements for and how do chapters determine what bylaws are required? Will corporate supply assistance (including with taxing authorities)?
- Does the CPA address general liability and/or D&O insurance mandates or recommendations?
- Can a letter of assertion be included as part of letter of compliance?

- Branding issues have been a topic that has attracted quite a bit of attention. Will corporate provide a timely mechanism for getting pre-approval through APICS marketing for custom, Chapter generated marketing materials? Will this be required, or only provided as a service upon request?
- There are numerous things in the document that will foster future volunteers to lose their interest in being a part of this organization. Not having this agreement till now has been a comfort zone for many volunteers. Almost all of APICS value added materials (including our entire CPIM program) were created by volunteers at no charge to APICS. This will definitely change with an agreement of this nature.
- Does this agreement, in any way, help solve a larger issue about our previous membership being 70,000 and a current membership of ~33,000 (depends on who's list one views)? Professionals from other societies view it as hindering rather than helping.
- Does the agreement supercede the licensed product warrenty specifically on the product material...
- section 15 is leagal lease, and is hard to understand. Can this been extended to North America? Specifically 15.2.4
- Is electronic communication an acceptable and legal form of notice?
- Do Enterprise members sign any agreement? Or do they get the benefit to buy stuff with no agreement?
- If there are going to be Chapters and Channel Partners (different classes of entities) we need to change the top of the agreement.
- Why is an Enterprise Member afforded more benefit (pricing/volume) than a regular member.