#### INTER CITY RAILWAY SOCIETY

MINUTES OF THE INTER CITY RAILWAY SOCIETY ANNUAL GENERAL MEETING FOR YEAR 2011 HELD ON SATURDAY APRIL 21st 2012 AT THE DERBY COLLEGE & ROUNDHOUSE COMMENCING 11.00

Present: Carl Watson, Simon Mutten, Gary Mutten, Trevor Roots, Mark Richards, Stuart Moore, Peter Britcliffe, Martin Hall, James Holloway, Brian Derricote, Christine Field, Roger Thomas, Nigel Farebrother, Lawrence McCormick,

## 1) WELCOME & APOLOGIES FOR ABSENCE

The Chairman welcomed everyone to the meeting. After 2 years holding the AGM at the Severn Valley this year we have come to the Derby Roundhouse and after the meeting there is a tour of the college and roundhouse which was previously part of the famous Derby works.

Apologies received from: Scott Yeats, George Palin, Michael Hillier, M.Robinson, Buckland Carveth, K.Bates, I.Sant, Peter Foster, M.Hayman, M.Cheskin.

#### 2) CHAIRMAN'S ADDRESS - Carl Watson

It's becoming a bit of a cliché but 2011 was another hectic and rewarding year with much change and many challenges for both ICRS and me personally.

Since being made redundant in July 2010, I've been self employed working as a website designer and also as a management consultant of sorts. The latter landed me, towards the end of 2011, with a more full time role as Process Manager for Knights Rail Services at Eastleigh Works. This role involves managing the team that decontaminates and disposes of redundant rail vehicles and gives me unique access to the goings on at the Works. You'll no doubt all have seen my regular Works Reports in Tracks. I was also able to use this access to get ICRS Members a visit to the Works on 15<sup>th</sup> March 2012 which was very successful.

Looking at the key areas of the Society, Membership has reduced slightly in what seems to be a continuing trend year on year. With a perceived lack of interesting subject matter in today's railways, an ageing Membership and the state of the economy I guess this is to be expected. It is, however, very reassuring to still be gaining lots of new Members and it suggests that we are doing something right.

Trevor's improved the magazine again with more pages and constantly improving use of colour and photographs which has received a lot of very positive feedback. We've also vastly simplified the distribution of Tracks.

Our Publications continue to do well. We've tweaked slightly here and there but retained the basis on which we were successful in 2010 and that has paid off in the most part for 2011. Early indications are that we will be just as successful in 2012.

It's important that we don't forget that the profits from Publications fund the colour printing of Tracks and only through continued success of our Publications will we continue to enjoy the vastly improved Tracks magazine.

The website remains useful, informative and busy and is probably the one area we've not made major changes in the last couple of years. I know Mark has plans to use new software to make updating simpler and give better functionality so we should expect to see it get even better.

At times it's forgotten by many that all of what I've just described is achieved by a dedicated team of volunteers and I'd like to thank each and every one of them for their time, dedication and sheer hard work to make all these good things happen.

This year is especially important in this respect as we say goodbye to Gary Mutten, our Treasurer since 2004 and Secretary since 2002. I'd like to thank Gary most sincerely on behalf of the Society for the massive contribution that he has made over the years.

Gary's proved so difficult to replace that we've had to find two people to do what he used to do! I'd like to warmly welcome Peter Britcliffe as our new Treasurer and Stuart Moore as our new Secretary.

# 3) MATTERS ARISING FROM THE AGM 16/04/2011 NOT COVERED BY THE AGENDA

There were no matters arising not covered by the agenda.

The minutes were adopted by the meeting.

## 4) ELECTION OF OFFICIALS FOR YEAR 2012

As indicated last year Gary is standing down form the Treasurer and Secretary positions.

Peter Britcliffe and Stuart Moore have been nominated for those positions respectively with all other Officials indicating that they were willing to stand for a further term of office. There were no other nominations so Peter and Stuart were duly elected and the other Officials were re-elected en bloc, all to serve for a term of 1 year.

Proposed by Gary seconded by Simon and approved by the meeting.

#### 5) PRESENTATION OF OFFICIALS REPORTS

#### a) Financial & Subscription rates for 2011 - Gary Mutten

Gary presented the Society accounts (attached) which showed a largely break even situation on the years business.

It was not easy to draw comparisons with the previous year as we changed the accounting period and the previous accounts were for 16 months however there is plenty of capital in the bank and it was a solid year considering the current economic climate.

The closing balance showed the society in a strong position going forward.

Because of action taken by Officials to mitigate the swingeing rise in postal charges it was pleasing to report that Officials had agreed that membership subs would be held for another year at the current rate, however there would have to be a rise in the following year as it would not be possible to absorb the postal costs going forward.

Adoption of the accounts was proposed by Martin seconded by Simon and approved by the meeting.

On a personal note Gary said he had been a member of the Society for 30 years and an active Official for many of them which had seen some very good and some very dark times however it is testament to the success of the Society that the current Officials are probably the most dedicated and professional team he has had the pleasure of working with and wished Peter & Stuart good luck in their new roles.

In recognition of his service the Officials presented Gary with a 5 year membership card.

## b) Magazine Editorial - Trevor Roots

What a year!

With increased profits from the sale of publications we were again able to increase the size of Tracks from 32 to 40 pages as from September 2011. The photo on the front was also enlarged to fill the cover, though this now requires a bit more work in production as the cover is a separate document from the text. The feedback from members has been encouraging with the size, full colour and quality of Tracks much appreciated. Though the membership rate does not cover the production and distribution costs of £18.48 pa, (rising to £19.08 from May 2012) it is hoped that the current format can continue with support from book sales. To reverse the improvements, though perfectly feasible and financially correct were other income not available, would now be a retrograde step, as new members are joining on the basis of the current format.

Several changes occurred in the distribution of Tracks during the year due to the joint arrangement between ICRS and GBBG ending. From the May issue the GBBG magazine Trident increased in weight by using a heavier gauge paper. It was therefore no longer cost effective to distribute both magazines together as it was cheaper to send them out separately. This then triggered the ending of Joint membership (see Membership Report). From May, distribution was undertaken separately and this continued for

four months with Pete Britcliffe having to now deal with the full complement of issues. At least this made the complicated splitting of address labels etc easier to administer. Thanks must go to Pete for his sterling work (his redundancy didn't last long !!). However with the increase in numbers to distribute and the proposed page increase causing the bulk weight to shoot up by 25%, the amount of work needed from September was not sustainable. We decided to sub-contract the distribution to our printers Henry Ling. This change also allowed us to introduce a more professional looking wrapper with each issue going out in a polybag with a pre-printed carrier sheet. The costs were virtually comparable as HL could use the cheaper bulk business postal rate of 28p plus 13p for polybag and carrier sheet, compared to our previous costs of 36p postage plus 2p envelope and label. So a 3p increase per copy but a huge saving in time and effort for our beleaguered volunteers, a good trade off. The look has been welcomed. However with an A5 size 40 page Tracks being right on the limit, one downside has been Royal Mail and their rigid quidelines for thickness, as the polybag sometimes falls foul of this by snagging in the automated system. Consequently out of the blue we get charged at the next rate of 43p, which is an extra 15p per copy, not good on budgeting. In the six months to February 2012, that situation happened twice and although HL tweaked the polybag to try to overcome this, we may still be at the mercy of Royal Mail vagaries in the future.

On postal prices, though it was not known at the end of our financial year, Royal Mail are putting up prices substantially from 1<sup>st</sup> May 2012, as they have been allowed more freedom to recover costs. Knowing this would definitely affect fixed distribution as well as variable admin costs and could potentially trigger a membership rate increase or change in the format of Tracks, much thought has been given to reducing costs (more on the admin solution in the Membership Report). The postal rate cost of distributing Tracks will rise to 33p, a 5p increase, but better than 14p for a normal stamp. A good stock of 2<sup>nd</sup> class stamps has been purchased so effectively maintaining any extra postage costs at 36p for the next couple of years.

Having wished for a bigger Tracks and had that realised, for reasons highlighted above on thickness and costs, it is highly unlikely we will increase the size of Tracks again in the near future, certainly at A5 size. Though filling each issue is no longer a problem, the very practical issue of trying to edit 40 pages whilst also writing interesting articles each month is not without its headaches....and we won't even go into the editors domestic situation!!!

To finalise it has been another 'turbulent' but successful year for **Tracks**, but I now foresee a period of stability, thankfully, with little to change in the coming year. But who knows what innovations might come for our 40<sup>th</sup> anniversary in 2013,

#### c) Publication Sales/Production: - Carl Watson

2011 was the second year of producing our publications in house and so gives us some good data, at last, on how our sales compare from year to year. We always expected 2010 to be tough on sales with us changing so much, having to compete with HB and not having any real sales data from previous years on which to base our plans.

Sales Figures (2010 and 2011)

Here is the comparison between 2010 and 2011 sales figures. It's important to remember that the figures are total sales for books dated in the respective years, rather than sales for the calendar year. This is an important distinction due to the overlap of books from one year into the next and the fact that we do sell small numbers of back issues from time to time.

2010 Sales	Members	Non- Members	Trade (lan Allan)	Direct (Open Days)	Total
01 - Pocket	124	103	384	36	647
02A -	161	115	40	0	316
Combine					
02B -	52	37	130	40	259
Combine					
03 - Wagons	158	129	55	8	350
04 - Names	18	5	0	3	26
05 - Locos	8	7	0	8	23
06 - DMUs	5	5	0	1	11
07 - EMUs	7	4	0	1	12
19 - Irish	23	15	0	7	45

2011 Sales	Members	Non- Members	Trade (lan Allan)	Direct (Open Days)	Total
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01 - Pocket	98	73	277	11	459
02A -	147	72	161	12	392
Combine					
02B -	79	47	116	0	242
Combine					
02C -	58	32	91	29	210
Combine					
03 - Wagons	174	109	148	16	447
04 - Names	Not Published in 2011				
05 - Locos	18	3	23	4	48
06 - DMUs	7	1	26	1	35
07 - EMUs	8	2	26	1	37
19 - Irish	13	9	31	9	62

Sales Summary

Worryingly, sales of the Pocket Book dipped significantly in 2011. Sales of Combines and Wagons increased significantly and sales of individual books also

improved to profitable levels, albeit still very small sales numbers. The Irish book also increased sales.

In 2011 we tried doing three versions of the Combine and this could be one reason for increased sales, although if you exclude the third version completely then sales were still up on 2010. The extra work to create a third edition was too much and so for 2012 onwards we have gone back to two versions.

The individual Loco, DMU and EMU books sold poorly in 2010 but in 2011 we sold them through Ian Allan as well as pushing them strongly ourselves. They all produced a modest profit.

Profit and Loss Figures

The following figures show Profit/Loss for each book. Included are all direct costs such as printing, postage, advertising and PayPal fees.

Profit/Loss	2010	2011	
01 - Pocket	2379.04	720.51	
02A - Combine	1458.95	2017.62	
02B - Combine	1341.88	960.82	
02C - Combine	Not Published	696.59	
03 - Wagons	1646.09	2284.06	
04 - Names	27.69	Not Published	
05 - Locos	5.92	97.35	
06 - DMUs	-65.02	36.09	
07 - EMUs	-86.80	41.33	
19 - Irish	108.03	158.64	
Total	6815.78	7013.01	

Despite a drop in profit on the Pocket Book due to lower sales and increased costs to print, the other books have increased profits and we've made a slightly higher profit in 2011 compared to 2010. Costs for books printed by Minuteman have remained pretty static, some even reducing slightly due to more copies being ordered. The Pocket Book, however, increased significantly due to selecting a more robust binding method following problems with the 2010 version. Postage increases in 2011 also reduced our profit margin as we didn't increase the price of the books themselves.

#### 2012 Publications

The first 2012 books had been released by the end of the 2011 financial year and sales are strong across the board. The Combine sold out very quickly and we had to get extra copies printed. Minuteman did a deal on the unit price being the same as the main batch so it was possible to have a further 100 books without increasing unit costs.

We've increased the prices for all 2012 books but also increased the Members discount so that the increase is minimal for Members. The aim was to increase the both profit from non-Members and the small profit from lan Allan sales, who receive a 35% trade discount.

Help Wanted

Being a Compiler, Publications Manager and Distributor of our books, not to mention Chairman, means that I have a huge workload. This is increasing as we sell more books and with my change in circumstances to full time employment once again, means I have been struggling to keep up with this workload and have often fallen behind in dispatching orders. This situation cannot continue so, as a matter of urgency, I need some help by way of person or persons who can take some or all of this workload off my shoulders. If anyone has any suggestions or thinks they can help, then please get in touch.

#### d) Membership: - Trevor Roots

## What a year!

Having decided to relinquish the post in January 2011 I must thank Mark Richards who took over and presented this report at last year's AGM. However as Mark somewhat fatefully stated, the role of Membership Secretary is varied and time consuming and unfortunately post AGM, Mark found the role too arduous to combine with the commitment of a busy full time job. Therefore having had a four month 'break' I took back the post from May 2011. Again thanks to Mark who was in charge for the start of the past financial year.

Probably Mark was glad I took it back at that point as it got more complicated with the decision to end Joint Membership due to changes made by GBBG. As GBBG had increased the weight of their magazine Trident, the postage savings of distributing both magazines together for Joint Members was lost. Therefore Joint Membership ceased at the end of June 2011, though all such memberships were honoured for the year. At the time of cessation there were 148 Joint Members (out of 629) of which 78 have renewed separately to ICRS as of 28th February 2012. As of that date, 52 were outstanding still to renew. So as can be seen, 18 have been lost, but this is not significant compared with total losses of 52 from June - February 2011 considering that 11 of the 18 (60%) were only Joint Members for a year (see below). The fear that the loss of the Joint Membership option would be detrimental has not materialised and in fact of the 41 Joint Members who were members of GBBG first, 24 have so far renewed to ICRS with just 8 remaining, a normal 20% loss rate. The renewal of Joint Members is much appreciated as they have more to lose.

The one big plus of losing the Joint Membership option has been the simplification in membership rates, the membership database and financial arrangements with GBBG, which were at times often fraught with problems.

From a high in 2009/10, membership dipped to 617 at the end of 2011 but a strong surge in new members at the start of 2012 has maintained an average steady state over the whole year, so that by 28<sup>th</sup> February 2012 the figures were as follows compared with the previous two years:

	2009/10	2010/11	2011/12
Total	646	634	627
included in total:			
New Members	106	110	74
% of above compared with 2009/10 & 201	0/11 ?	17%	12%
Members left (including died / ill health)	105 (5)	122 (4)	82 (6)
% of above compared with 2009/10 & 201	0/11 ?	19%	13%
Members leaving after only one year	?	36	40
% of above compared with 2009/10 & 201	0/11 ?	34%	33%

The current membership mid April 2012, is 631 with a further 14 new members having joined.

It is interesting to note that consistently one third of new members leave after just one year. This could be that they are only interested in the discount on the books. More interestingly 11 of the 18 Joint Members lost had only been a member for a year so again may say something for their reasons for joining, or because we promoted it heavily.

One significant reason for the dip in membership over the last two years, from comments received, has been the effect of the economy with members cutting back on spending. Other reasons have been more to do with the age profile ie. deaths, which have remained static thankfully and loss of interest in the hobby, which is now commonly cited.

The surge in new members has definitely been as a result of the increased quality of **Tracks** and the release of our flagship books in recent months. Whilst some resistance was seen in the past to the books being a bolster for the Society, it now has to be accepted we couldn't continue with low subs or with a quality monthly magazine without that financial support.

The membership rate of £16 pa is now far lower than the **Tracks** production and distribution costs of £18.48 pa which will rise to £19.08 from May 2012. Given the desire to keep the sub at a low level, so as not to drive members away, book sales must be accepted to cover the shortfall. This is even more significant given that post May 2011 admin costs of posting Renewal forms and membership cards pushed the average cost per member to £19.42. One of the downsides of the revised **Tracks** direct distribution from the printers was the loss of the facility to use the same envelope for Renewal forms and membership cards, which were posted separately from June 2011. This was an acceptable trade off against the time needed to do this with voluntary effort and whilst stamp prices were relatively low. The problem has been it is a variable cost with members requiring multiple reminders. On average 30% of members require a Reminder and 18% a Final Reminder. This means on average it was costing 56p per member to post out renewals/reminders plus another 38p to post a membership card to each member, a total on average

of 94p per member per annum. These figures do not fully take account of 5 year memberships.

Ways of reducing our admin overheads were introduced with emails replacing posted Renewal / Reminder forms from January 2012 for those with email addresses (only 67% of members have access to email). But this process has proved time consuming and imperfect, especially when email changes are not notified and still requires significant numbers to be then still contacted by post. So though some money was saved the overall time taken has risen and the process made more complicated. Having trialled this scheme ahead of the busiest month of April when nearly 100 renewals are due and with it known that Royal mail is to put up prices dramatically from 1st May 2012 a very good cost effective solution was urgently required. The answer was to revert to using the distribution of **Tracks** by printing a Renewal form on the reverse of the carrier sheet which does not add any paper or increase the marginal thickness/weight. This costs a mere 2p extra per copy or on average 3p per member per annum, a huge saving of 53p. Reminders will no longer be so costly, though still unwanted. Although 2<sup>nd</sup> class postage is to rise to 50p a good stock has been purchased so effectively removing any extra postage costs for the next couple of years. The total admin cost, if cards are maintained is therefore 41p per member per annum. The total cost of providing Tracks plus fundamental admin support will therefore be £19.48 from May 2012, but this is without other overheads included and artificially low postage. The new scheme has been introduced with the April round of renewals. The success of this new system will be reported on in the 2012/13 AGM report.

Whilst being useful, especially for new members who come via the website, another unfortunate loss of income is the use of PayPal as each transaction costs us a fee. This is currently £0.74 for the annual rate and £2.75 for the five year rate. The outcome is that the average membership income is actually only £15.73. In fact the recent use of emails has exacerbated the issue with more use of PayPal forcing the figure down 5p per member since December 2011. PayPal usage currently accounts for 28% of all new applications / renewals. One solution to this is to allow members to pay by standing order and direct BACs transfers, particularly for renewals. A new bank account opened at the start of 2012, primarily to allow ease of use by officials throughout the UK and operable from April will allow this to be offered. This option is now shown as the preferred payment method on the new Renewal form and hopefully members will switch to this.

The 5 year membership rate of £75 is still good value and whilst it stood at 72 members at the start of the year it had fallen to 65 by December but a surge leaves it standing at 72, a not insubstantial 11% of membership. It says something that many members still feel confident to pay 5 years in advance and whilst saving money, feel we have a product to satisfy them and that we project stability going forward....not sure about the sanity though of some of us!! One advantage to the society of the 5 year option is the saving on admin of £1.52, though this is now only on sending annual cards, which offsets the loss of income of £5.

We have two international members who pay the extra cost of posting to Europe. Both are expected to remain members though the postage increase will rise significantly to be virtually double the membership rate at a cost of £30. To discourage others from joining from abroad, this option is no longer offered as standard on the website and there have been no enquiries.

For a bit of interest, I have as part of my more detailed analysis, allotted every member an area in the UK (the code is shown on my membership database) and it is interesting to see where members are located and in comparison over the previous two years. No huge swings are apparent though the northeast and southeast have lost the most.

		2009/10	2010/11	2011/12
England				
SE	(London, Southeast & East Anglia)	190	194	185
SW	(Southwest)	59	57	62
Mid	(Midlands)	165	158	160
NW	(Northwest)	102	102	100
NE	(Northeast)	92	82	79
Channel Is	lands	0	0	1
Wales				
W	(incl English / Welsh borders)	19	23	23
Scotland				
ScoN	(North & Islands)	3	2	3
ScoS	(Central Belt & Borders)	14	13	12
Internatio	nal			
IRE	(Ireland)	1	1	0
EUR	(Europe)	1	2	2
RoW	(Rest of the World)	0	0	0
Total:		646	634	627

#### e) Website: www.icrs.org.uk - Mark Richards

This is my seventh year of running the ICRS website and I am pleased to report to the AGM that our website still remains a popular destination for both members and non-members alike. As in previous years, I would like to share with you some of the key changes and notable statistics from the last 12 months.

# Flickr Gallery

At the last AGM, I reported that the Fotopic site which had hosted all our Photo Galleries along with many thousands of photos by other railway enthusiasts had suddenly and unexpectedly gone off-line. Unfortunately, Fotopic was not to return and thus I spent some time looking at alternative sites to host our Photo Galleries. Fortunately, Flickr, which is part of the Yahoo Group proved to be just what we were looking for.

Although the number and breadth of photos on Flickr is not close to approaching what we had on Fotopic, I hope that the site is proving of interest to members and I try to keep it topical. The Flickr site is viewable by anyone not just ICRS members and it allows comments and ratings to be left on the photos and I would encourage our members to look at the site and submit their photos for inclusion. Any railway subject will be considered and all photos are credited to the photographer.

# ICRS Website

I am pleased to report that on average we have 10,000 visitors to the website each month, which is largely in line with what I reported at last year's AGM.

Analysis of all visits to the website show that 72% (up 2% from last year) are from direct requests either by entering the domain in the browser or via favourites, 17% from referrals on other websites and 11% are referrals from search engines such as Google or Yahoo

Apart from our homepage (where most visitors will enter the website) our most frequently viewed pages are publications, rolling stock, wagon updates and events and open days. These represent what seems a continual appetite for news and information amongst enthusiasts about the current railway scene. It is also pleasing to see that a lot of visitors are coming to our website to view our publications and make purchases.

# Yahoo Group

The ICRS has a long established Yahoo discussion group where both members and non-members can post sightings and information on current workings around the UK railway network. I am pleased to see that in recent months that the volume of traffic has increased considerably and we currently have 323 members.

I am grateful to Steve Revill who has been doing a sterling job running the Yahoo Group and moderating messages.

Finally, as in previous years' reports I would like to remind the membership that the website is there for your benefit and I welcome feedback, positive or negative as well as your contributions and suggestions on how to improve the website. I would be particularly interested to hear from members who

would like to contribute articles or photos specifically for the main website or Flickr and the more topical the latter, the better!

#### 8) AOB

Carl said the Society's 40<sup>th</sup> Anniversary was now rapidly approaching and any suggestions as to how we can celebrate this landmark would be welcomed.

Some ideas were:

Loco naming

Articles in the national railway press (which could have a knock on for publications)

Visits - where?

We want as much feedback and ideas from the membership as possible.

## 9) Close of meeting - President Simon Mutten

Simon closed the meeting by thanking the attendees for coming and saying that following on from Carls comments on the 40<sup>th</sup> anniversary, it was a great achievement that we have nearly reached that milestone.

Due to the Officials hard work and commitment which is all voluntary and takes up a lot of time (in addition to family and job commitments), the Society is in a stronger position than it has ever been and has a sound footing going forward. However we do need people to come forward and help share the load - the ICRS is run by members for its members and the Society's continuing success depends on the support of our membership.

Simon wished everyone a safe journey home and hoped members enjoy the tour around the old works.

Meeting closed at 12.50