INTRODUCTION AND WELCOME

Mr. Hall convened the meeting at 9:45 a.m. and welcomed the group. He invited attendees to introduce themselves with a brief background.

RECENT EVENTS AND REPORTS OF EXPERIENCES

Mr. McLester reported on continuing mediations for Cendant, with a success rate of about 50%. Mr. Shah reported that there is a change in attitude among franchisees, being more open to the idea of mediation. Mr. Broun discussed the particular obstacles of the CPR-administered mediator provider program (sometimes perceived as a pro-franchisor program with expensive and over-qualified neutrals), and said that particularly the smaller franchisee is more comfortable dealing with a mediator that is local rather than one provided by CPR.

Mr. Aronson took notice of a controversy that arose around the selection of speaker at a recent AAHOA conference, provoking many hotel representatives to boycott the conference. Mr. Valentino emphasized that a franchisor’s decision to build mediation into the agreement, pre-dispute, is the best way to ensure its usage, and Mr. Rosen and Mr. Purvin agreed. Mr. Purvin also felt that the legal community was the appropriate focus of the program. Mr. Broun responded that some franchisee attorneys find it in their interest to dissuade clients from
mediation, which Mr. Rosen also noted with regret. Mr. Chernow agreed that lawyers can sometimes act as an impediment to mediation. All agreed that the client needs to be educated on the nature and benefits of mediation as a business option. This is particularly true, as Mr. Broun noted, when the franchisee doesn’t introduce the lawyer to the process until the dispute has ripened into a crisis.

Mr. Phillips noted that CPR has changed its name to imply a more international scope and a mission that includes prevention as well as resolution of disputes. He said that CPR's interest in the Program was to support its work and provide resources and information, rather than to realize revenues from the administration of individual disputes.

APPROVAL OF MINUTES

The Minutes of November 5, 2004 were approved as submitted.

DISCUSSION OF STRATEGIC OBJECTIVES OF THE PROGRAM

The group considered a memorandum that set forth on a “big picture” standpoint the future direction of the Program. Mr. Hall addressed the content of the memorandum, which he said laid out a public service, “think-tank” concept for a Program that offers services broadly, irrespective of sources of revenue, like public television does. The group discussed opportunities to collect and disseminate best practices in managing disputes. Mr. Valentino noted that disputes are symptoms of system flaws. Mr. Rosen also emphasized the value of avoiding conflicts rather than merely resolving them. The group agreed that the measure of success of the Program should not be the number of CPR-administered cases, but the amount of learning and take-up on the practice of mediation, irrespective of who administers particular mediations.

Mr. Hall went through a list of proposed projects to create products and tools that would further the mission of the Program in a tangible way. It was agreed that the Rules would be reviewed by a subcommittee and proposed changes brought back to the group as a whole. The group discussed the survey instruments at length and also considered both the data being sought and how to get reliable and indicative responses from franchisees. It was decided to go forward with the franchisor version of the survey through the IFA, and to keep working on the franchisee version through a subcommittee on the questions of what data should be gleaned and what method should be used to collect it.

Mr. Valentino noted that the Program might be of more value if it focused on dispute management generally, rather than mediation only. The concept of a subscribed (and accredited) group of training products was discussed. Mr. Hall and Mr. McLester presented sample power point presentations that could be part of a package that would constitute a “standard message” of the Program that Committee members could use to make presentations. The group also discussed whether the package should include sample contract language.
The Committee discussed the viability of a new name, new logo, and stand-alone web site as part of an effort to brand and promote the Program. After some discussion, it was agreed that ideas should be directed to Messrs. Phillips, Hall and McLester, who would report back to the group.

The Committee briefly discussed whether the products that are being planned would constitute the basis for a revenue stream that would maintain the viability of the Program. For the immediate future, some individual members of the Committee undertook to make contributions to supplement the current account of the Program. The Committee also discussed the methods whereby the body can grow larger and more inclusive and influential.

With thanks to all, the meeting adjourned at 2:00 p.m.

Respectfully Submitted,

F. Peter Phillips