

**STATE BAR OF MICHIGAN  
BUSINESS LAW SECTION  
COUNCIL MINUTES**

**December 2, 2006**

This meeting of the Council of the Business Law Section of the State Bar of Michigan was held at Jaffe, Raitt, Heuer & Weiss, P.C. in Southfield, Michigan on December 2, 2006 pursuant to notice duly given. Council members present: Diane Akers, Judy Calton, Dee Dee Fuller, Mark High, Michael Kennedy, Michael Khoury, Paul Marcela (via telephone), Patrick Mears, Richard Sundquist, and Cynthia Umphrey. Committee members present: Eric Lark, Roger Mali, Daniel Minkus, Cyril Moscow, Mark Peters, and Jerome Schwartz. Others present: James Cambridge, James Carey of Cooley Law School, and Terri Shoop, Section Administrator.

1. Call to Order and Determination of Quorum. Section Chairperson, Mark R. High, called the meeting to order at approximately 10:20 a.m. and determined with the other officers present that a quorum existed.

2. Approval of Minutes of September 26, 2006 Council Meeting. Mr. High called for a motion to approve the Minutes of the Meeting of the Council from September 26, 2006. Pursuant to motion duly made and seconded, the Minutes were unanimously approved.

3. Treasurer's Report. Ms. Fuller discussed the financial situation of the Section. A written Treasurer's Report it attached to these minutes.

4. Chairperson's Report.

(a) Update on Initiatives. Mr. High stated that he is continuing to work on his three initiatives: (i) outreach, (ii) raising the visibility of the Section, and (iii) energizing the Section's committees.

(i) Outreach. The Small Business Forum is doing a great job in reaching new people. Many of the people who attend the Small Business Forum events are newly active Section members. The regional events that were held in November in Kalamazoo and Midland had mixed results. The Kalamazoo event was a success with over 25 people attending, but the event in Midland had a poor showing, most likely because it was scheduled on November 15, the opening day of deer hunting season. A third event was planned in Holland but it was cancelled due to lack of interest.

(ii) Raising the Visibility of the Section. The Small Business Forum has been a great opportunity for the Section to raise its visibility. The publicity surrounding the Schulman Award helped with raising visibility. Articles about the award have been in several newspapers and publications. Mr. High reported that he received a call from Inc. magazine regarding doing a story on the Schulman Award. Mr. High stated that the Section is working with Theresa O'Dea regarding a PR campaign. Ms. O'Dea has provided the Section with an outline, but the campaign could be expensive and we need to determine the most efficient way to get the job done. Mark High, Eric Lark, and Dan Minkus will work on the PR campaign.

(iii) Committees. Mr. High reported that some changes in committee leadership have taken place. Jerry Schwartz is the new Chair of the Regulation of Securities Committee. The Agricultural Committee is in flux. Will Tishkoff has resigned as co-Chair of the Committee. John Dresser is term limited off of the council and he is deciding whether or not he wants to chair the committee. Mr. High indicated that he wants to participate in as many committee meetings as possible. He reported that he attended the Financial Institutions Committee meeting several weeks ago. Please let Mr. High or Terri Shoop know when a committee meeting is taking place so the information can be added to the calendar on the Section's website. Committees should also send notices of their meetings to the listserv in an effort to draw new members.

(b) Review Need for Lobbyist. Cyril Moscow has looked into updating recent legislation on the Business Corporation Act. Some of our committees have legislative ambitions, but we are doing this work on an ad hoc basis. The Section has no system for getting legislation adopted. Upcoming legislation includes the Uniform Securities Act, the Nonprofit Act, the LLC Act, the debtor creditor exemption, the LPA, and the ULPA. There is not a great chance of getting these items passed without a sponsor to push them through and it is important that the Section get help. The Real Estate Section uses Karoub Associates and they spend \$2,000 per month on lobbying activities. Michael Khoury reached out to Craig Rousch, Nancy Cassis, and Mike Bishop to find out from legislative policy people the best way to interface. Feedback has been limited. A problem is that everyone in the legislature is term limited. It was suggested that a formal committee be formed for lobbying. The committee would include Mark High, Jim Cambridge, Cy Moscow, Eric Lark, Ann Baker and Mike Khoury.

(c) Committee – Chairs/Budget. The Committees and Directorships have requested the following funds for 2006-2007:

Agricultural -	\$0
Commercial Litigation -	\$2,000
Corporate Laws -	\$2,500
Debtor Creditor Rights -	\$3,000
Financial Institutions -	\$150
In House Counsel -	\$150
Nonprofit Corporations -	\$1,000
Regulation of Securities -	\$1,000
Uniform Commercial Code -	\$500
Unincorporated Enterprises -	\$5,000
Programs -	\$23,010

Small Business Forum -	\$7,500
Section Development -	\$9,000
Liaison to Law Schools -	\$4,500
Ad Hoc Committee on LLC -	\$5,000

(d) PR Strategies. See (a)(ii) above.

(e) MSU College of Law Funding Request. Mr. High received a request and the Section will not participate.

Mr. High reported that he received a letter from Judge Witbeck regarding how to better court procedures.

7. Committee/Directorship Reports.

A. Standing Committees.

(i) Agricultural Committee. No report.

(ii) Commercial Litigation Committee. A written report of the Commercial Litigation Committee is attached to these Minutes.

(iii) Corporate Laws Committee. A written report of the Corporate Laws Committee is attached to these Minutes.

(iv) Debtor/Creditor Rights Committee. A written report of the Debtor/Creditor Rights Committee is attached to these Minutes. Ms. Calton reported that the Committee needs a lobbyist or someone to help with legislative issues. The Committee wants to start working on a project regarding wireless computer access with the United States District Court Bankruptcy Court.

(v) Financial Institutions Committee. A written report of the Financial Institutions Committee is attached to these Minutes.

(vi) In-House Counsel Committee. No report.

(vii) Nonprofit Corporations Committee. A written report of the Nonprofit Corporations Committee is attached to these Minutes.

(viii) Regulation of Securities Committee. A written report of the Regulation of Securities Committee is attached to these Minutes.

(ix) Uniform Commercial Code Committee. A written report of the Uniform Commercial Code Committee is attached to these Minutes.

(x) Unincorporated Enterprises Committee. A written report of the Unincorporated Enterprises Committee is attached to these Minutes. The Committee is focusing on the LPA.

B. Ad Hoc Committees.

(i) Uniform Securities Act (2002). No report.

(ii) Task Force on Attorney-Client Privilege. A written report of the Task Force on Attorney-Client Privilege is attached to these Minutes.

(iii) Business Court. No report.

C. Directorship Reports.

(i) Legislative Review Directorship. A written report of the Legislative Review Director is attached to these Minutes.

(ii) Nominating Directorship. A written report of the Nominating Director is attached to these Minutes. A motion was made to elect Cynthia Umphrey as a member of Council. The motion was seconded and passed unanimously.

(iii) Programs Directorship. A written report of the Programs Director is attached to these Minutes. Ms. Fuller reported that the Business Law Institute program is close to being finalized. The Boyne facility should be very good. The Directorship needs to get sponsorships approved. There will be a luncheon for families following the program on Saturday. There will be a nominal charge for the lunch.

A. Small Business Forum. A written report of the Small Business Forum is attached to these Minutes. Ms. Umphrey reported that the Forum will hold quarterly events to attract business lawyers, owners, bankers, etc. A \$15 per event fee will be imposed to ensure attendance. Two events were held last year in Southeast Michigan. The Forum had enough Southwest Michigan interest to establish dual events in both Southeast and Southwest Michigan this year. A Step by Step Guide to Selling a Business will be held on January 31 at the Community House in Birmingham. The second event of the year will be about valuation, the third about identifying distressed businesses, and the fourth event will be coordinated with ICLE's Closely Held Businesses program in October and will focus on marketing and client development issues. Jim Carey of Cooley indicated that Cooley has distance education rooms in Oakland County and SBF events may be able to be held there. Ms. Umphrey will follow up with Mr. Carey.

(iv) Publications Directorship. A written report of the Publications Director is attached to these Minutes.

(v) Section Development. A written report of the Section Development Director is attached to these Minutes. A discussion ensued regarding whether or not section development events should be coordinated through the Programs Directorship. For the time being, these events will continue to be planned by the Section Development Directors.

(vi) Technology. A written report of the Technology Director is attached to these Minutes. Mr. Khoury had a discussion with the State Bar of Michigan and learned that the Business Law Section is the heaviest user of their web services. The Young Lawyers Section has web casts and audio casts. If we'd like to do something similar, we'd have to do it on our own. A discussion ensued regarding developing an electronic newsletter for the Section. The newsletter would provide information about what committees are doing, events of interest, and what is happening in legislation. It was agreed that a newsletter would be worthwhile. If the newsletter is to be successful, committees must be diligent about sharing information.

8. Liaison Reports.

(i) Law Schools. A written report of the Law Schools Liaison is attached to these Minutes.

9. Other Business and Announcements.

a. LLC Act Amendments. Jim Cambridge and the Limited Liability Ad Hoc Committee have begun to undertake LLC amendments. Jim Carey will be the official recorder. Mr. Carey has a long-term commitment to the project and will be paid a small stipend.

10. Announcement of March 22, 2006 Meeting. The next meeting of the Business Law Section Council will be held on Thursday, March 22, 2006 at 4:00 p.m. at the State Bar of Michigan headquarters in Lansing.

11. Meeting Adjournment. There being no further business to come before the Council of the Business Law Section, upon motion duly made, seconded, and unanimously approved, the meeting was adjourned at approximately 12:15 p.m..

Respectfully submitted,

By: \_\_\_\_\_  
Diane L. Akers, Secretary