

**Summary Minutes of the ICF  
Governance Board Meeting**  
15-16 January 2015

**Location:** Grand Hyatt Hotel, Drawing Room, Hong Kong

**Members Present**

Alan G. Hassenfeld, Co-Chair  
Chair

Synésio Batista da Costa  
George Irwin  
Jane Nelson  
Kenneth Ting  
T.S. Wong

Maria Livanos-Cattai, Co-

Gary Hutchens  
Alan Munn  
Pär Stenbäck  
Auret van Heerden

**Members Excused**

Roland Earl  
William Reese

Peter Eio  
Arnie Rubin

**Ex Officio**

Frank W. Clarke, Acting Managing Director

P.W. Ip, General Manager,  
Operations

**Secretariat**

Harriet Mouchly-Weiss

Hilary He

**Observers**

Carmel Giblin  
May Liang

Carter Keithley  
Edena Low

**Action Items:**

Action items are marked with an asterisk (\*)

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**Thursday, 15 January**

Co-chairs called the meeting to order.

The September 2014 New York Executive Committee meeting minutes were approved.

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## **Committee Reports**

### 1. Nominating and Governance Committee

The Committee Chair and the CEO/President suggested ways forward to balance the GB with a more equal representation of the key stakeholder groups: active industry, retailers, manufacturers and licensors. GB members agreed that it should be discussed further in committee and recommendations presented to the GB when ready.

The Committee will propose GB members for re-election and new members for election at the Annual General Meeting tomorrow. It was noted that James Walter had resigned and his resignation was received with regret.

### 2. Oversight and Appeals Committee – Maria Livanos-Cattai, Chair

No appeals rose to the board committee level since the last meeting. The GB was reminded that all applicants for certification will be notified of their right to appeal decisions of ICFAL to this committee.

### 3. Education, Training and Grants Committee

The Operations Director described the difference between functional training, which is paid for by the factories, and worker development & empowerment training, which is part of the remit of ICTI CARE. The CEO will create a training strategy for review by the Committee, taking into account the recommendations made.\*

### 4. Finance, Audit and Fundraising Committee

The Committee Chairman presented the consolidated financial results through November 2014 and the 2014 full-year forecast. These were approved.

The preliminary 2015 Budget was presented as approximate, giving the new CEO the opportunity to adjust it, as deemed appropriate, for final approval at the May EXCOM Meeting. \*

## **Joint Management Report**

### 5. Acting Managing Director Report

The AMD summarized key issues and accomplishments in 2014, as detailed in the report provided in the board book.

## 6. Operations Director Report

Operations Director gave an overview of activities in 2014, topics included were; “demo” factories, categorization of seals, training, China Office establishment, BEPI, BTEX (volatile organics) issues, and social security in China.

Concerns were expressed regarding factories in the Shantou region. The CEO will work with Operations and CTJPA to further understand the region and agree on how best to engage factories there. \*

## Discussion with TAC

### *Operational and Technical Issues*

7. The benefits and challenges of the Pass/Fail seal grading system were discussed. As the ICTI CARE program is one that supports a continuous improvement model it was requested that ways to enable greater transparency of the status at a factory at any given time be investigated by the CEO and Operations with updates on program development being provided to the GB as appropriate.\*
8. The importance of the quality of the auditing process was discussed.
9. Program development. Ideas discussed included training for buyers to understand the implications of their actions.

### *Other Recommendation*

10. Stakeholder Engagement: All agreed that effective Stakeholder engagement is critical for ICTI CARE. The CEO will create an updated NGO strategy.\*

## Strategic Planning and Communications

11. Awareness of the ICTI CARE program and its achievements and benefits for all parts of the supply chain should be communicated effectively to build greater participation, understanding and advocacy.
12. The strategic plan should be revised to reflect how the ICF has developed and continues to develop beyond auditing and monitoring to achieve lasting change.\*



**Friday, 16 January**

**Annual General Meeting and Resolutions**

13. Board members Bill Reese, Gary Hutchens, and T.S. Wong were re-elected.
14. May 2014 New York EXCOM minutes were approved.
15. The Governance Board expressed its appreciation to Carter Keithley on the occasion of his upcoming retirement as President of the US Toy Industry Association. They particularly stressed his many contributions to the ICTI CARE Process as an Observer at GB meetings and in leading the rest of the industry in its support of the program. They wished him well in his retirement.

16. Financial

2014 preliminary financial report and forecast are subject to revision with December results and final approval in the May EXCOM meeting. Preliminary 2015 budget is subject to CEO's review and re-presentation at the May EXCOM meeting

**Next Meetings**

The next EXCOM meeting will be held in New York on May 12.

The EXCOM meeting in October 2015: CEO to recommend to Co-Chairs among London, Geneva and Shanghai (to coincide with 2015 China Toy Expo).\*

Location for the next Governance Board meeting in January 2016 to be chosen from Hong Kong, Shanghai, Shenzhen.