



October 23, 2009

Greetings from the Great Falls Ad Club and the C.M. Russell Art Auction!

On behalf of the board, staff, and members of Ad Club, I thank each and every one of you for your concern and support of the C.M. Russell Art Auction.

Since the C.M. Russell Museum's decision to separate from the C.M. Russell Art Auction this August, there has been a slew of misinformation being distributed about Ad Club. I am writing today to help clarify some of these statements. This letter is not meant to "stir the pot" or fuel a new media blitz between Ad Club and the Museum; instead, it is my hope it will provide some closure to the situation so both parties can move on and plan their events scheduled for March 2010.

Ad Club has produced the C.M. Russell Art Auction as a benefit for the Club since 1969; in addition, a portion of the net proceeds was donated to the Museum. The donation amount is generated from 100% of quick draw sales and the net proceeds of the entire event. Over the years, this donation grew to be 75% of the net income, as detailed in a written Agreement of Mutual Collaboration between the Ad Club and the Museum. This net profit is the money remaining after all Auction-related bills (including over \$1.1 million in payouts to artists and consignors) have been paid. The donation to the Museum is NOT solely based on gross Auction sales, as the Museum has reported. While this year's overall net proceeds were indeed lower than previous years, the Museum still received their promised 75%. In fact, the Ad Club donated an additional \$12,000 above and beyond the guaranteed 75% in an effort to provide the Museum with as much money as possible. This additional gift came from the Ad Club's 25% of the net proceeds, as well as funds from Ad Club reserves. In the past 10 years alone, the Museum has received over \$2.8 million in donated funds while the Ad Club has retained \$1.1 million.

While producing the C.M. Russell Art Auction is a part of the Club's mission, it is not its sole purpose. Ad Club is a non-profit, membership based organization dedicated to furthering effective advertising, marketing, and public relations. Ad Club's roots go back to 1916, when the first Advertising Club of Great Falls was organized. From the beginning, the Club demonstrated its commitment to the community of Great Falls in a variety of ways. In fact, the Club sponsored the city's first rodeo, conducted a city-wide Easter egg hunt in the 1930s, and started the Pet and Doll Parade, which continues to this day. The Club took a break during World War II, but reorganized in 1957, continuing its role as a community-minded organization. I am proud to say that legacy continues today. Ad Club continually strives to educate its members and the community about the importance of advertising. We do this by providing monthly luncheons with guest speakers, as well as other programs that educate about our industry.

Another aspect of our mission is to engage in civic projects for the good of the Great Falls area. Certainly, the Auction fits this description, as do our in-kind Public Service campaigns, our high school and college scholarships, our support of the National Student Advertising Competition, and our Special Projects Grant, which last year accepted applications from area non-profits hoping to be awarded cash

sponsorships from Ad Club. A total of \$10,000 was donated to the Great Falls Rescue Mission and the Children's Receiving Home. While statements have been made criticizing the Ad Club's decision to support organizations other than the Museum, we stand by our choice to donate a small part of our overall Club revenue to these very worthy and deserving organizations. The money to support these donations did not come from Auction revenue, as reported by the Museum. Ad Club generates revenue from membership dues, monthly luncheons, programs and other fundraisers, which fund our Special Projects Grant. This donation was not taken out of the Auction proceeds, so it had no impact on the donation amount the Museum received in 2009.

As March 2010 draws near, Ad Club is dedicated, as always, to maintaining the integrity of our event, which has truly become a Montana tradition. We continue to travel to various art shows and sales throughout the country to promote our event and seek out buyers to come to Great Falls. Our presence at these events is for the benefit of all involved, especially our artists and exhibitors, who rely heavily on our event as a source of income. We take our responsibility to these artists very seriously, and work diligently each and every year to improve our event to their satisfaction. In addition, we work hard to please our patrons and buyers, who expect a level of quality, professionalism, and hospitality from the C.M. Russell Art Auction. The art sold in our live auctions is a combination of submitted art, which is juried by three professional art experts, and invited art. The art selection process has been conducted this way for many years, and has proven to be successful for our event.

I encourage you all to mark March 17-20, 2010 on your calendars. This is when Ad Club will proudly present the 42nd annual C.M. Russell Art Auction at the Heritage Inn in Great Falls, Montana. Festivities will begin on Wednesday, March 17th, with the Exhibit Room Grand Opening and Charlie's Birthday Party. Thursday, March 18th, will boast some new events. The "Magnificent Seven" artists in action event will feature seven of today's most popular artists, live and in action! This event will be free and open to the public. Our Thursday night reception will be held at the Heritage Inn, giving ticket holders a chance to view the live auction art and stroll through the exhibit rooms. Friday's schedule will once again contain the popular Chuckwagon Brunch and Awards Ceremony, a seminar, and of course, the quick draw and live auction. Saturday will feature the Blackfeet Indian Dancers, a special Artist and Author's Autograph Party, another seminar, and the final quick draw and live auction of our event.

We are very excited for this new era of the C.M. Russell Art Auction. We will be producing another fun-filled week of quality art and western hospitality; we invite you to join us once again to celebrate! I welcome any comments, questions, or concerns you may have regarding Ad Club and the C.M. Russell Art Auction.

Thank you, again, for your continued support of our long-standing, community wide tradition. On behalf of the 210 members of Ad Club, I look forward to welcoming you to the C.M. Russell Art Auction in March.

Best Regards,



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