To: H-Net Council
From: Peter Knupfer, Executive Director
Date: November 14, 2009
Subject: Executive Director Annual Report

This fiscal year has been an eventful and challenging one for our organization. After moving to Morrill Hall in July 2008, our Reviews office moved again to Natural Sciences exactly a year later. We began shifting our programming team away from major work on the Reviews Management System it had built the previous year, and toward the daunting problem of upgrading our web presence across the board. And as a consequence of a major decline in revenues from our traditional sources, we have begun to rethink the business model that had sustained us for so long and to make reductions in expenses to enable us to continue operating into the summer of 2009. Finally, we completed an agreement with the Department of History to share resources and provide us with an administrative headquarters while Michigan State University weathers economic crises of its own.

I am relieved to report that H-Net's financial and administrative condition has stabilized after the crisis of late winter and spring. Beginning in November 2008, revenues from the Job Guide fell almost 50% from $18,300 to $10,152, and remained close to $10,000 a month into the end of the fiscal year. Our cash reserves of $170,752 sustained us during that critical period, but without additional revenues we were headed to deficit by early summer. Our faithful readers came to our rescue when answering an urgent appeal in May, bringing in sufficient funds to hold us steady through the summer and to retain essential staff. Nonetheless, we were forced into some painful choices, cutting staff hours, reducing payments for important services from the University, eliminating travel expenses, suspending payments for nonessential software licenses, and otherwise implementing savings where we could. With the assistance of the History Department in the Fall of 2009, we have reduced our average monthly expenses from $27,139 to about $16,000.

The listserv activity trends I reported last year continue this year. We attract new subscribers, networks, and reviewers, but at a slightly lower *rate* than in the past. During the reporting period we received a dozen network applications, launched 1 new network, certified 21 (27 the previous year) new advisory board members and 74 (83) new editors. We have 136,667 unique subscription addresses, about 13,000 more than last year, while postings continue their downward trend to an average of 8480 per month from 2000 to the present. One measure of usage – outbound mail jobs – continues to rise, suggesting that the number of subscribers to whom we are directing the smaller number of postings is growing.

At the end of the reporting period, in July 2009, we were working on plans for replacing the top-level H-Net site and its inner network pages with a Wordpress or other flexible web installation. Our editors and users have requested the implementation of social media tools such as profiles, tagging, multimedia sharing, wikis, networking for small groups and organizations, which this upgraded platform could accommodate. Considering the highly customized and unique character of our individual network pages and the widespread desire to retain the email-based discussion fora, the legacy issues here are very challenging. This project also raises important policy questions concerning the editing and monitoring of discussions and content, let alone the problem of security, searchability, and access.

President Kelly Woestman again supervised a very successful 4th annual Teaching American History Symposium at the annual meeting of the Organization of American Historians, this time featuring a spirited and candid assessment of the program by Professor Sam Wineburg of Stanford University. We are grateful for the OAH's continuing support for this important event.

H-Net Reviews continues its breathtaking pace of publication, with approximately 1150 reviews published during the reporting period (with another 950 from our partners at H-SOZ-U-KULT). The new Reviews Management System has streamlined the inventorying, tracking, and mailing of books and our success rate in acquiring books has improved mar-

kedly. Vice President for Research and Publications Christopher Ball has admirably continued and strengthened the practice of having the Publications Committee advise him on editorial practices, the style sheet, and publications standards that is the hallmark of our Reviews program. I am especially grateful to Vice President for Teaching & Learning Trevor Getz for developing and presenting proposals to connect H-Net to teachers in Africa and elsewhere and thereby exploit the untapped potential of scholars at our networks to engage directly with teachers in under-resourced environments. It is our hope that the new platform – its wikispaces in particular – will enable us to carry through with his dream and reach this vast and eager audience.

As our readers and members well know, H-Net faces an uncertain future. The internet usages and customs of the generation that founded our organization are not the same as the generation now emerging in the Academy. Social networking – itself an outgrowth of the professional networking that H-Net has pioneered – has become rooted in the professional practice of hundreds of thousands of scholars, and, true to our strategic plan, H-Net is seeking to adapt the best of that model to the most cherished of our principles.
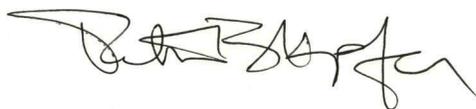
Such adaptation is expensive, however. Our host, Michigan State University, is implementing severe budget cuts over the next two years, while the State of Michigan struggles with a sputtering economy. Nonprofits and professional associations must grapple with critical obstacles to progress in times like these, as donations dry up, revenues fall, membership declines, and costs absorb more and more of an organization's dwindling finances. The H-Net Council and the membership will have to seek solutions to our revenue shortfalls that will diversify our funding sources and provide us with stable operating revenue. This task will test the commitment to open access and edited content that is at the heart of what we do.

After serving ably on the Council, Christopher Miller resigned in May 2009 in order to turn his attention to more pressing needs, and we regretted to see him go. Former president Kris Lindenmeyer kindly agreed to fill out his term until this Fall's elections. Karsten Borgmann, Anna Sheftel, David Silbey, and Joe Ferreira plan to rotate off the council when their terms expire at the end of this year, as does Trevor Getz. We offer our gratitude to all of them for giving their time and effort to advancing H-Net's mission.

Past President Frank Conlon will be rotating out of the leadership at the end of 2009, and on behalf of the entire organization I wish to extend our sincere gratitude to him for his selfless, candid, and dedicated service. As a founder and editor of H-ASIA, one of our oldest and most prolific online communities, Frank has demonstrated over and over again that big ideas conveyed with unfailing courtesy, a touch of wit, and an ear open to debate, will always draw a crowd willing to contribute and grow together. And his boundless patience with my occasionally errant and odd conduct of this office is especially appreciated. Thank you, Frank, we wish you well.

Finally, this August witnessed the departure of an old friend and leader of H-Net. Mark Kornbluh, a founder of H-POL and H-TEACH, chair of the executive committee, Executive Director, director of our computing host MATRIX, and chair of the History Department at MSU, has joined the University of Kentucky as its new Dean of Arts & Sciences. In 2000 Mark brought me from Kansas State to Michigan to help build H-Net, and in the end we had worked closely for almost fifteen years. He served as our friend and advocate at Michigan State, and ably provided resources and guidance that were vital to our survival. We wish him great success at his new home.

Respectfully Submitted,

Peter Knupfer
Executive Director