

**CHESS FEDERATION OF CANADA  
GOVERNORS' LETTER FOUR  
2006-2007**



Responses may be mailed, faxed or E-mailed to the Chess Federation of Canada,  
E-1 2212 Gladwin Crescent, Ottawa, ON, K1B 5N1, fax: 613-733-5209, E-Mail:  
[info@chess.ca](mailto:info@chess.ca)

**ATTENTION ALL GOVERNORS:** Anyone with an E-Mail address can have their  
Governors' Letter sent to them via E-Mail and save the CFC paper and postage  
costs. Please E-Mail [info@chess.ca](mailto:info@chess.ca) if interested.

**Deadline for submissions to GL#5 is Friday February 16th, 2007**

## President's Message

<<<not received by publication date >>>

### Message from the Secretary:

This is a fairly thin Governors' Letter as there are now no motions under discussion. I note the passage of the Code of Ethics while the other two motions failed to pass.

There is word that the Ontario Chess Association has notified the President that they will be unable to host the 2007 Canadian Championship.

Appendix 1 is a letter from the FIDE Continental President.

Former CFC Vice-President Joshua Henson has resigned as a CFC Governor for family related health reasons. On behalf of both the Executive and the Governors I'd like to wish him our best.

The deadline for this Governors' Letter is relatively early as there are no motions to be voted on this time.

### Message from the Past-President:

Work on the new website is progressing well. It is at the stage now where it needs to be put online for public testing - the ratings and events databases are fully functional and it's just a matter of moving static content pages over from the old one. At this point there is not much more that can be done without putting it online.

Since our current hosting plan is extremely inadequate, we require a new web host. We have researched and found one that will be far superior in capabilities as well as speed, including a professional shopping cart system. The cost is only slightly higher than our current hosting for the ancient site.

We are currently waiting for approval of this slight extra expense by the President and the Treasurer. Once approved and a cheque is sent out, the site should be up for public testing very quickly since it's just a matter of uploading it. Once online we can begin setting up the new online store.

Thanks

Christopher Mallon

## **RESULTS OF VOTING:**

### **Motion 2007-02 – Changes in length of Executive terms**

**Phil Haley:** I vote "No" on motion 2007-02. This motion has no redeeming feature. If an executive member is doing a good job then he or she will be re-elected...on the other hand if an executive member does not do a good job it would be awkward to replace that executive if serving a two year term.

Votes Yes: (1)McDonald

Votes No: (6) Barron, Craft, Craver, Haley, Nikouline, Smith

Abstentions: (3) Bluvshstein, Dénommeé, Gauer

### ***Motion Defeated***

**Lyle Craver:** I don't have a problem with the concept of this motion but the timing right here right now is simply all wrong. Once we deal with the current problems we can discuss it but right now...

**Patrick McDonald:** This motion is only secondarily to enable Executive members more time to accomplish goals, but primarily to maintain some consistency in the executive of the CFC where incoming new members will always have experienced members on the executive team to refer to when necessary.

**Maurice Smith:** This is just a bad motion. The events of the last six months give even more justification for the motion to fail.

**Motion 2007-03: (Pierre Dénomée / Lyle Craver)** "Be it resolved that the Chess Federation adopt the Code of Ethics as presented in Appendix 1 in GL#2"

Votes Yes: (5) Bluvshstein, Craver, Dénomée, Haley, Nikouline

Votes No: (3) Barron, Craft, McDonald

Abstentions: (2) Gauer, Smith

**Motion Passed**

**Phil Haley:** I vote "Yes" on motion 2007-03 although it is somewhat superfluous as FIDE has an extensive Code of Ethics which is applicable to all member federations.

**Patrick McDonald:** I agree with the intent of this motion, but it needs re-wording and to be broken down into individual parts for vote.

**Maurice Smith:** My vote is ABSTAIN. It seems to me that many of the items mentioned in the motion can be addressed and often are by the Tournament Director. However, the TD is not mentioned at all in the motion. I feel there needs to be some clarification here. Also, I agree with Lyle's comment that this whole thing could best be administered by the National Appeals Committee. For so few members and for such little action that the Committees will deal with, I think one Committee is better than two.

**Motion 2007-04: (Pierre Dénomée / Lyle Craver)** "Be it resolved that the Chess Federation adopt the Tournament Rules as presented in Appendix 2 in GL#2"

Votes Yes (4): Dénomée, Haley, McDonald, Nikouline

Votes No (4): Barron, Craft, Craver, Smith

Abstentions (2) Bluvshstein, Gauer

**Motion Fails**

**Lyle Craver:** In my opinion this motion tries to do too much and would be better dealt with in fragments. I don't support most of the material dealing with digital clocks and controls but do agree with most of the rest of it.

**Phil Haley:** I vote "Yes" on motion 2007-04. I recognize that some parts may require change but motion 2007-04 provides a detailed starting point and any governor is free to submit motions for change to individual sections...each such motion should include first the original wording of the segment proposed to be changed followed by the proposed change in wording of that segment.

**Patrick McDonald:** I also feel that most of these rules are good, but should be broken down into individual components for vote.

**Maurice Smith:** My vote is NO.

Comments: I don't agree with all of it, especially the part on chess clocks. I do agree with Brian Profit and Lyle Craver's comments on this and would like to see it split up. I do commend the movers for putting so much thought and work in this. If it does not pass, I would be happy to see one or two amendments and then another vote.

**MOTIONS FOR FINAL VOTE:** None

**MOTIONS FOR SECOND DISCUSSION:** None

**MOTIONS FOR FIRST DISCUSSION:** None

## **General Comments from Governors:**

**Michael Barron:** I would like to say thank you to CFC Executives for keeping monthly schedule of Governors' Letters and providing reports and comments!

I appreciate the intent of the CFC President to provide such comments regarding CFC financials, and wouldn't ask any additional questions at this point.

But I have a question about promotion of the CFC approved tournaments. I assume that upon approval of the Assembly of Governors, the CFC Office should take care about promotion of such tournaments – Canadian Closed, Open, Women's, Senior, Junior and Youth Championships, including advertising on the CFC website, on the CFC forum, in the CFC magazine and in the CFC Governors' Letter. Am I wrong in this assumption? I ask the CFC Secretary, the CFC Executive Director and the editor of the CFC magazine to publish the approved GTCL bid for the 2007 Canadian Junior Championship or at least short information about this tournament.

If I need to do something else for it, please let me know.

I confirm this bid as a standing bid for the 2008 Canadian Junior Championship.

And a question about the 2007 Canadian Women's Championship:

Now, after finalising dates for the 2007 Canadian Open Championship, could we change dates for 2007 Canadian Women's Championship to avoid conflict with Canadian Open?

One more question about tournaments that were announced as FIDE rated:

Why no Canadian tournaments were submitted to FIDE for October rating list?

**Pierre Dénomée:** To Maurice Smith,

It has been decided not to donate anything to the foundation because we are risking to run out of cash.

**Phil Haley:** Bill Doubleday asks for suggestions...I will provide a few for consideration.

I believe that the decision to reduce the frequency of publication of Chess Canada to four times a year from six times a year should have first been discussed in the governors' letters with the advantages and disadvantages itemized and then voted upon by the governors. Electronic versions are not an acceptable substitute for the magazine. Other organizations recognize this...a view of the numerous magazines on sale at Chapters clearly confirms the fact that printed versions are not only not on the way out but are gaining in acceptance. One needs only look at the thriving number of magazines in areas such as poker, philatelics, travel, business etc. Although fewer issues per year will reduce costs, on the other hand the reduction in number of issues may have a negative impact on tournament participation and membership numbers.

Could I suggest that any time we publish financial data it should be accompanied by columns comparing the new data with both the budget and previous year's data. The financial information in the last governors' letter suffered from the lack of comparative data.

We keep hearing comments about the status of receipts for charitable donations but there has been a lack of information as to exactly what receipts have been challenged and on what basis. Has there been a change in practice in recent years? Procedures used to be quite rigid and closely followed.

The CFC catalog in the last Chess Canada leaves a lot to be desired as it is almost entirely a detailed list of what is available but with no suggestions as to what is new and good and no reviews of new books etc. It seems to make little effort to promote sales.

It would have been desirable to have a full page advertisement for the 2007 Canadian Open in the last issue of Chess Canada which arrived in mid-December...many players have to plan their vacations well in advance so that early publication of Canadian Open advertisements helps boost attendance...hopefully the advertisement will provide details relative to nearby hotel accommodations etc...not every player will want to stay in a university

residence...and detailed information about playing schedule, prizes, tournament hall etc. We should probably be able to achieve greater participation from US players than we do as well as greater Canadian participation. I personally do not agree with spending money for participation of relatively obscure European players and doubt if this leads to an increase in number of entrants...it is preferable to have the participation of leading Canadian players including the Canadian champion and Olympic team members and exciting players such as Lawrence Day and Duncan Suttles.

The covers of Chess Canada should be in a distinctive bright colour with a different colour each month in order to help promote bookstore sales...perhaps a picture of an event or of a leading Canadian player on the cover would attract more attention than the present cat and chessboard.

Finally, I would like to support the proposal of Berik Balgabaev re the World Championship. FIDE has lost a lot of status as a result of its frequent changes in world championship format...it seems to me that Mr. Balgabaev's proposal has many positive features and hopefully will be accepted and left unchanged for many years.

**Alex Nikouline:** I was surprised to read about rating system adjustment announced in the GL#2. First of all I was surprised to see the scale of adjustment. It looks too drastic to me. Players on the top on the most active players list will have 200 or more points added to their rating. We'll see few new national masters all of a sudden. Are they really of master strength now?

Secondly, I am surprised with the way this adjustment was made. We have discussed and voted on adjustments that changed practically nothing in the system, but now when the changes are so dramatic, Governors not only were bypassed but we were not given any justification for the changes either.

I know that ELO system has built-in error correction and the current distortions will be eventually digested. Unfortunately players trust in the rating system is not as robust as the system itself. And loosing this trust would affect CFC financially, therefore such kind of changes must be discussed and voted on by the Governors. I hope that your decision can be reversed and discussed thoroughly with a proper analysis presented to the Governors.

In my opinion discussing motions in GLs is a slow process, especially when GL is delayed. I suggest to discuss the motions in the Governors forum and leave GL only for the final vote. Even before someone sponsored an appropriate motion, could you (probably Secretary) open a new topic in the forum for every new motion and give a link to the topic in the GL? Also with such a turbulent time ahead could our President give us updates more frequently? The governors forum is the best place for them, but emails also would be fine.

*(I don't currently have this level of access to the CFC Forum but have forwarded your response to the President with the suggestion that I get the level of access required to do what you suggest – ed.)*

**Maurice Smith:** I have been a CFC member since 1976 and a CFC Governor since the early 90s. In all that time I have never seen our organization in such a bad financial situation as it is today. I wonder if the Executive and other Governors realize just how serious it is. The cash flow is minimal. The bank account is so low that any new initiative is limited due to the lack of funds. Yet there seems to be a lack of urgency in the Executive towards the situation and what action to take. Maybe they see it as a bad dream that will just fade away. Instead it is becoming their worst nightmare.

There are three main sources of revenue for the CFC. They are membership dues, rating fees and sales of chess supplies. However, the key is undoubtedly memberships. When our membership declines so do our sales and rating fees. So the top priority has to be recruiting new members and keeping the ones we have. Why are we losing so many members? The answer is simple. There are no incentives for the class players and they just turn to the internet. Juniors stay for a while hoping to become masters one day. When they realize that either due to a lack of talent or time or commitment they are most likely not going to reach that level, they turn to the internet. Not much point to keep playing in weekend tournaments just to subsidize the masters. The high rated players tend to stay around longer hoping for titles and awards. So what is the answer? The CFC and organizers must provide incentives to keep class players in the Federation. The following is my list of actions to be taken to help

revitalize the CFC. Some are short term, some are long term and some probably cannot be done right away due to lack of funds.

a) Contact the 400 or so members we lost during the last year. Find out why we lost them and what it would take to bring them back.

b) We now have certificates for masters once they reach that level. Well how about certificates for each of the classes as they reach the next level. When a player hits the rating level of the next class, send him a certificate as a recognition of the achievement. Also, send him an unsigned certificate of the next highest level, so he knows what the goal is. Make each certificate more attractive than the previous one.

c) Provincial organizations should hold class tournaments four times a year, once in each season. Local organizers can do the same thing. Contact schools in the area and advertise the tournament there. Advise students that they can become CFC members and play in the "D" section to begin with. The problem here would be to inject some life into several of the Provincial organizations. Ontario seems to be trying and there are one or two others. However, if you check the website, most of them seem to do little.

d) Organizers holding weekend tournaments that are played in sections should keep the prize fund not too heavily weighted in favour of the top section. If they keep asking the class players to subsidize the masters, then they should also organize tournaments that are fairer to everyone. Otherwise, the organizers are just driving players to the internet. The facts speak for themselves.

e) The CYCC is not working the way it was intended. A little history is needed here. When I became Vice President I pushed hard for the CFC to become more involved in Junior chess. I felt that as the only National chess organization in Canada that was recognized around the world, we looked bad in having only a token interest in Junior chess. In my first year as President the CYCC was formed. It was created by Joshua Keshet the Junior Coordinator along with Troy Vail the Executive Director with input from the Executive. There were many disagreements within the factions, but a workable model was finally formed. Basically it was that there would be Regional tournaments for the youth groups.

Then there would be qualifiers from those tournaments to the next level which was the Provincial Championships.

Then qualifiers from there would go on to the National

finals now known as the CYCC. The promise was that young players all over the Country could get involved and gradually become CFC members. Also with varying entry fees for each level tournament, this would help the CFC to provide more services for Juniors including looking after travel expenses and even eventually lowering entry fees.

The first couple of years it worked to some degree and it looked like with some tweaking and refining it was a good model to build on. However, Joshua and Troy left their respective positions and the Executive changed. The original concept was left to die, so that now with the odd exception, we are just left with the one tournament in July.

This is a long way round of saying that we should try and revive the CYCC and make it what it was supposed to be. One way to do this is get the schools involved. We have a network of schools that we sell chess supplies to. Any school can hold a Regional CYCC tournament. Or schools can get together and hold a Regional tournament. But this has to be marketed and advertised by the CFC to the schools. Also this has to be done aggressively. We also need to get organizers onside. I don't want to hear any talk that this interferes with Chess N'Math. In Toronto, Chris Field has for several years run both CYCC and Chess N'Math tournaments quite successfully. If a CFC Governor who is also an organizer and is committed to the CFC, he should have no problem in running a CYCC qualifier.

So the CYCC should be revitalized and in turn it will revitalize the CFC. For this to happen we need the people best qualified for the positions involved.

f) Both David Cohen and Nava Starr have suggested we hire a fundraiser to be paid by commission. I fully support this idea. The difficulty is finding the person who has the skills that would want to do this for the CFC. How hard has the Executive been looking for this kind of person I wonder.

g) The auditor has suggested selling off slow moving inventory. Well now that Christmas is over, let's get down to business and start doing this.

To summarize, I think that all of the above will help, although in some cases not right away. Also, to clarify things, I have no objections in having tournaments for masters. Actually I think we should have more of them. However, they should not have to be almost fully subsidized by other players. So now we will see what ideas the Executive have and what action they will actually take. After a year and a half of doing virtually nothing that has had any impact, almost anything would be welcome.

### **General Comments from others:**

*David Cohen:* Hi, we met decades ago, when I played tournaments in the Ottawa area; one time, you gave me a ride back from Kingston, I think it was.

You asked for input on helping to improve the CFC's financial picture. Here, in the words of Lucy van Pelt, is my destructive criticism.

#### 1. Competent management

I have a Master's degree in Management from Yale University, specializing in the management of non-profit organizations. The CFC is a non-profit organization, and the most poorly run non-profit which I have ever encountered in my life. The CFC Governors are completely incapable of managing the CFC's affairs. Honestly, I never know whether to laugh at the CFC Governors' huge incompetence at running the organization; or to cry at how poorly they have left the state of organized chess in Canada. So, my first suggestion is that you bring in some people who actually know how to run an organization in general, and a non-profit organization in particular.

I've spent the past few years watching the CFC spiral downwards, while my suggestions have been ignored. I will repeat my previous suggestions below, just in case you or someone else decides to listen to my advice for a change. In addition to my education, I do have 30 years of experience with organized chess, 11 of those as CFC Governor.

Just as an example of the Board's incompetence at management, look at the very first motion that was passed this year. The financial statements showed a long and severe decline in revenues. Yet the very first motion capped the possible revenues from rating fees! By capping the rating fees from an event submitted on-line, you hand the amount over the ceiling to the local chess club, and deprive yourself of much needed revenue. If you think that this amount will be small, then you are admitting defeat.

#### 2. Keep your registered charity status

This is actually a new suggestion, as it is a new problem. To be brutal about it, I think you will cease to exist if you lose your status. You are not nimble enough to recover from this blow. There are alternatives, such as obtaining government funding; charitable foundation funding; and corporate sponsorship. I highly recommend that you get into these areas anyway. But for now, you know nothing about these areas.

Just as an example, the non-profit organization which I founded when I left the CFC Board of Governors, called Chess Institute of Canada, collects charitable donations. These are given to the CFC, which turns around and grants us the money. The difference between us and others who do this? Only we give the CFC a portion of the funds we collect. So, we are partners with the CFC in attracting money to chess. The CFC benefits from the work we do. But all that will stop if the CFC loses its status.

Critical to keeping your status is for the federal government to see that you are taking some action. I think the most important point here is for the government to see that it will not happen again. This means that the people RESPONSIBLE for the breaking of the rules that caused the trouble in the first place MUST LEAVE THE CFC EXECUTIVE. I refer to the President, the Treasurer, and the Junior Co-ordinator who occupied these posts at the time. I don't know who they are or if they are still on the Executive, just that they better not be there when the government hears the CFC's case. Otherwise, the government will assume that no corrective action has been

taken.

### 3. Hold the Canadian Youth and Canadian Open Championships in Toronto

To get members, you need to hold your major open tournaments where there are players: Toronto. In 2003, I made the long trip to Kapuskasing to present the CFC Governors with my plan to save the CFC: a Toronto bid for the Canadian Youth and Open Championships that would attract as many new, returning and existing members as possible to the tournament and hence into being CFC members. I was not pleased when Maurice Smith accused me at the meeting of trying to kill the CFC, when I had purposely made the trip to save the CFC. Since then, you've seen the results (actually, a full 11 years since the Canadian Open in Toronto, 1995, had over 300 players) of rotating the Canadian Youth and Canadian Open Championships around the country: steeply declining memberships. The CFC has done a fine job of killing itself, completely without my help.

### 4. Fundraising

Nava Starr is credited in the Governors' Letter with the idea of having a Director of Fundraising, but I made the suggestion long before she did. My original idea was that since the Vice-President has no duties, the V-P should be a Director of Publicity and Fundraising. However, I now think you should simply hire someone on commission. Their job would be obtaining government funding; charitable foundation funding; corporate sponsorship; and magazine advertisements. The best part: it costs you nothing.

### 5. Board member commitment

It is normal practice in non-profit organizations for Board members to commit to a specific minimum amount of time that they will devote to the organization each month. When I was Vice-President in 2002-3, I spent up to 5 hours/day on Board and Executive matters, yet I had no official duties. When Halldor told me at the AGM in Kapuskasing in 2003 that he planned to devote 5 hours per week to the job of President, I knew the CFC was headed for trouble. You need to specify the minimum for the Executive, and the minimum for the Board. To put this into practice, you cannot permit anyone to be elected or named to these positions until they have signed a contract agreeing to this. This will also help solve the problem you noticed in 2005-6: almost no one volunteered to serve on a Committee. Note that you don't need to be a CFC Governor to serve on a Committee; you can tap the larger chess community for volunteers.

Hope this helps.

Regards,

David Cohen  
Former CFC Governor (1982-87, 1999-2005)  
Director, Chess Institute of Canada  
[www.ChessInstitute.ca](http://www.ChessInstitute.ca)



## Appendix 1: Letter from FIDE Continental President



**FEDERACIÓN INTERNACIONAL DE AJEDREZ**  
**CONFEDERACIÓN DE AJEDREZ PARA AMÉRICA**  
Zempoala 415 Col. Narvarte  
Deleg. Benito Juárez C.P. 03020 México, D.F.  
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January 19, 2007

Dear Members of the Continental Bureau and Distinguished Guests:

I would like to begin this report by thanking the Chess Federation of Panama, specially the effort made by this federation's Directory which has allowed us to reunite in this friendly country.

Also I would like to express my gratitude for your attendance to this meeting. We appreciate your commitment and the fact that you are making a financial effort.

This is the first time the new members of the BC elected in Turin are gathering, we must make a synopsis of the progresses of the Confederation of Chess for America in the past four years and analyze the future.

In the last years, we have been creating and establishing a series of new events which have fortified our bases, such as Regional Pan-American Youth Championships, College's events and a Junior Tournament for South America. These events have been offering the opportunity to participate internationally to numerous chess players who previously could only play in the Pan-American events. This task could not be accomplished without the decisive support of our Federations and their members that warmly welcomed the organization of these competitions.

Also we have experiencing an increase in the number of participants in each event; in some case the total of participants has exceeded the most optimistic projections.

We have surpassed initial difficulties in finding a location for these events. Now, we see that more than one federation shows interest in bidding for these events.

Women's in Chess, weak point in other places, has been showing an increase in Central America. In terms of Scholastic and Youth Chess many national Federations shares a success in this area, there is not an absolute superiority of any federation over the others. National Federations such as Bolivia, Peru, Ecuador and Venezuela faced on equal basis more established and consecrated Federations such as Argentina, Brazil, Cuba, and the United States, to only give an example.

Concerning, the support to the developing Federations, through CACDEC, we are very fortunate to count with the valuable contribution of Mr. Allan Herbert who is the Chairman of this important FIDE's commission. CCA has been able to practically offer aid to all the Federations, we can say that in the last four years we were the Continent that provided the most technical seminaries, distributed the largest quantities of chess equipment and gave direct technical assistant to new organizers.

In the financial aspect, which will be explained by Mr. Herbert, we can say that from the moment of our economic autonomy we have been operating in black numbers, we have fulfilled all our obligations and we do not have pending

debts. I want to give recognition to the invaluable work done by Mr. Herbert, Treasurer of CCA.

We all know that in the past year there were general elections of all the positions in FIDE, nevertheless this not affect the unity that has characterized us. Common interest has been keeping us united in a systematically way. We could now affirm that in the post-electoral, our Continent has been fortified, Mr. Blanco and Mr. Herbert occupies top positions in two important Commissions of FIDE: Chess in Schools and CACDEC. Also for the first time, three members of the Continent belong to the FIDE Presidential Board.

In reference to the five Zones in the Americas, there is a remarkable dynamism in the 2.3 Zone for Central America and the Caribbean; the 2.4 Zone which includes Brazil Bolivia and Peru; and the 2.5 Zone of South America. It's especially notable the number of events held in these Zones.

Speaking of the future, we must maintain and increase the rate of our success by increasing the number of events and the participation in such. Continuing with the program of CACDEC for the developing federations, this support cannot be modified. Therefore, we must pay attention to the events world-wide which may impact us directly or indirectly.

Finally, I would like to express my gratitude to: The members of the BC, their essential work its necessary to accomplish our tasks; The National Federations for their efforts and the dedication; and specifically to its Presidents and Directors who have fulfilled their commitment to chess with their work; and the Chess Federation of Panama for giving us the opportunity to meet here.

Many thanks to all,

A handwritten signature in black ink, consisting of several loops and a long vertical stroke extending upwards from the top left.

**Jorge Vega Fernández**  
**Presidente Continental**

**Motions for Final Vote:**

None

**Motions for Second Discussion:**

None

**Motions for First Discussion:**

None

**Deadline for submissions to GL#5 is Friday February 16th, 2007**  
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**[info@chess.ca](mailto:info@chess.ca)**