

2012



Marine Corps
Association & Foundation

Advancing Leadership and Recognizing Excellence Since 1913

ANNUAL REPORT TO MEMBERS

MCA&F

The Professional Association for ALL Marines and their Dedicated Supporters

As we close the first century of operation of the Marine Corps Association, the Marine Corps Association Board of Governors, the Marine Corps Association Foundation Board of Directors, and the MCA&F management team are pleased to present the 2012 Annual Report to the membership.

The Marine Corps Association & Foundation continued to advance leadership and recognize excellence through our various programs, including the introduction of several namesake awards. New awards include the LtGen Lewis "Chesty" Puller Honor Graduate Award, The 1stLt Baldomero Lopez Honor Graduate Award, The SgtMaj Leland "Crow" Crawford Honor Graduate Award, and the SgtMaj Dan Daly Honor Graduate Award. In addition, and in keeping with the Commandant's mandate and the Corps tradition of education excellence, MCA&F established or enhanced several writing awards as well, including the SgtMaj of the Marine Corps Writing Award.

Our focus of a professional Marine Corps through our Commanders' Unit Library program continued to gain traction in 2012 with the delivery of 296 libraries affecting 94,000 Marines. Well-read Marines achieve success on the battlefield and ultimately save lives. We are happy to do our part and it is through the support of members, like you, and donors to the

Foundation that we are able to achieve these numbers.

Our dinners and events continue to attract more people, and we achieved higher numbers at many of our dinners including our second West Coast Dinner. In April, we recognized the contribution of our Wounded Marines with a reception at the National Museum of the Marine Corps and this new event is on the calendar for 2013. In an effort to expand our influence and bring MCA&F to our members and friends of the Corps, we will head to two new venues in 2013 – Milwaukee in May and Hawaii in October.

We continue to reach more and more people, not only Marines, but Friends of the Corps. This is accomplished through our publications, *Leatherneck* and *Marine Corps Gazette*, our blogs which have morphed into discussion and debate boards, our social media initiatives now with more than 60,000 friends on Facebook, and our websites which provide you with a daily glimpse of what you help us accomplish under the title of Mission Execution. It is important for you to know what we do, how it is accomplished, and why you should care.

As we enter into our second century as an organization, we realize the impact of the digital world, and the fact that we are able to reach many more people today through electronic delivery channels versus paper. In an effort to better serve our members, potential members, and

to tell our story to everybody, we are implementing a strategic initiative to enhance our websites.

In celebration of our first century, the MCA&F team created a video that celebrates our history and shows how the organization touches the lives of Marines today. Please take a moment to view the video on our website (www.mca-marines.org) to learn more about how your membership dollars, donations to the Foundation, and purchases at *The MARINE Shop* and www.marineshop.net make a difference to Marines.

Thank you for taking the time to read through the report. But more importantly, thank you for your membership. It is through your membership and support that we at the Association and Foundation are able to accomplish so much for our Marines.

Semper Fi,

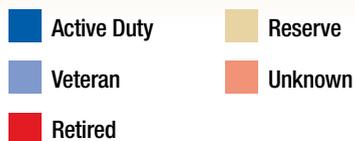
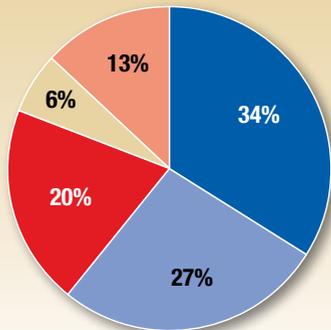


Edward Usher, Major General, USMC (Ret)
President & Chief Executive Officer, MCA&F

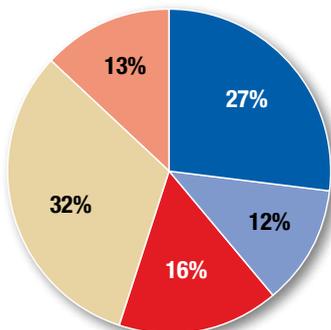
MEMBERSHIP



MCA Member Status



MCA Members by Age



MCA ACTIVE DUTY MEMBERS

Officers 4,523

Enlisted 21,023

MCA MEMBERSHIP

Total 76,193

Many members found value in joining or renewing for multiple years as the percentage of multi-year members increased from 45% in 2011 to 50% in 2012. Despite an increase in Foundation members by nearly 100% from the previous year (305 to 596), combined MCA&F membership decreased by 1.4% year over year. Our members are our best advocates. You can ensure support to Marines by:

- Renewing your membership in a timely fashion
- Opting for our automatic renewal program to prevent an interruption in service and invoices in your mailbox
- Keeping MCA&F up-to-date on your address and contact information by changing your record online or calling our member services staff at 866-622-1775
- Inviting friends and family to support Marines by joining MCA&F
- Giving a gift membership

Thank you for your continued support of Marines and the MCA&F.



Col Wes Fox book signing.



The MARINE Shop at Quantico, VA



Retail Manager, Aisha Gurganus, presented Pfc Colton Bailey-Stoots with a donated Kindle at The MARINE Shop at Camp Lejeune before deployment to Afghanistan.



Gathering books for Unit Libraries.



MARINE CORPS Gazette

Professional Journal of U.S. Marines

Leatherneck

MAGAZINE OF THE MARINES

Gazette —“The Professional Journal of U.S. Marines” provides articles of professional interest to active duty Marines and enables veteran Marines to remain current on the issues that affect the Corps.

The print edition remains the cornerstone of the way we deliver professional content, but now the issues that are debated and the professional conversation about the Corps have moved online to our blog and to the comments section after articles that are published. Additionally, our digital edition contains significantly more content than is in the print edition.

Join in the debate and conversation at www.mca-marines.org/gazette.

Leatherneck—“The Magazine of the Marines” continues to focus on delivering quality content, telling the Marine Corps story—yesterday, today and tomorrow—in our print edition, our digital (online) edition and on our website.

While our printed issue remains the centerpiece of our *Leatherneck* efforts, our digital edition allows us the opportunity to incorporate multimedia, including video, photo slideshows and audio recordings, and links to archived articles relevant to the subject. In addition, our *Leatherneck* website is frequently updated and provides access to even more current operations and Marine Corps history.

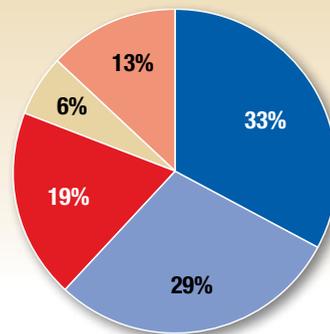
Check us out at www.mca-marines.org/leatherneck and don't miss our frequently updated “Corps Daily News” at www.mca-marines.org.

We continue to cultivate an ever-growing community of digital readers through enhanced content in our digital editions and in an expanded, frequently updated Internet presence on our *Leatherneck* and *Gazette* websites and through social media such as Facebook, Twitter, and Pinterest.

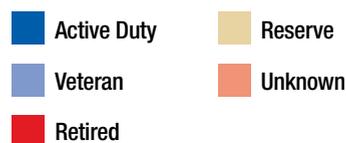
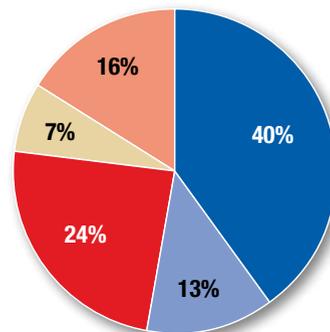
This past year, the *Marine Corps Gazette's* blog presence has garnered tremendous interest and seen phenomenal growth as the professional exchange of ideas for the good of the Marine Corps has shifted more and more to the digital world.

Looking to the future, we continue to position our Association publishing resources to more efficiently produce magazine content that is easily accessed on portable reading devices, like tablets and smartphones. We recognize that the current 15,000 online-only readers will increase, and our publishing plans allow us to meet that growing online focus with easily accessed, quality content.

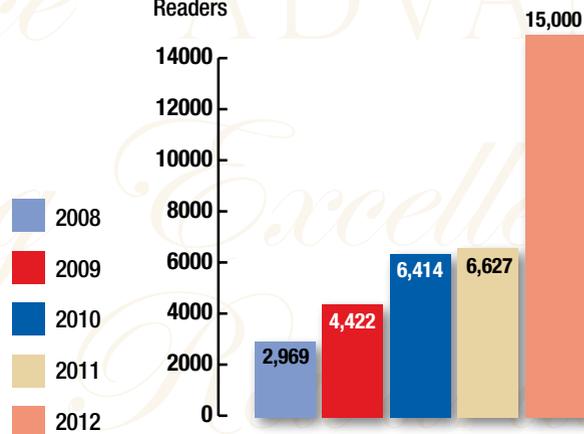
Leatherneck Readership



Marine Corps Gazette Readership



Number of Readers



Average Online-Only Readership Per Year

MCA&F RETAIL



*M*embers receive **Member Value Pricing** at *The MARINE Shop* in Quantico and at our store at Camp Lejeune as well as online at www.marineshop.net.

2012 *Highlights*

Annual sales	\$6,534,327	last year \$7,106,069
E-Commerce sales	\$1,278,614	last year \$1,171,330
Online customers	26,652	last year 22,406
Overall customers	78,584	last year 85,003

Despite the fact that uniform sales are down because of the downsizing numbers of commissioning Lieutenants, retail was still able to contribute a significant sum of money to support our programs. It is also noteworthy that 2012 was the first year that *The MARINE Shop* at Camp Lejeune operated out of a new location. Please visit us at our stores in Quantico and Camp Lejeune when in the area or online at www.marineshop.net when it's most convenient for you.

RETAIL OPERATION'S PROFITS SUPPORT MARINES THROUGH MCA&F PROGRAMS INCLUDING:

- The Marine Excellence Awards Program
- Commanders' Unit Library Program
- Commanders' Forum Program
- MCA&F Professional Events

MCA&F EVENTS



*O*ur dinners and events experienced enormous growth in attendance during 2012 with the fourth quarter introduction of free seats for active duty and activated Reserve Marines. MCA&F added the Professional Dinner in September which provided General Martin Dempsey, USA, Chairman of the Joint Chiefs of Staff, the opportunity to meet MCA&F membership and the Marine community.

We proudly honored the winners of awards at the Ground Logistics Awards, C4 Awards, Ground Awards, Intelligence Awards, and Ammo Tech Awards Dinners and introduced the first Wounded Warrior Awards Reception for the Wounded Warrior Regiment held at the National Museum of the Marine Corps to honor two Marines and a civilian. The West Coast Dinner, held during the first quarter of the year, and the Camp Lejeune Dinner, held during April, continues to build upon attendance numbers first established in 2011. As we enter 2013, the Foundation will introduce a new dinner to be held in Milwaukee on 18 May with three MCA&F board members leading the charge. Of course, the unsung drivers behind our many events remain our individual and corporate sponsors and we thank them for their support.



MARINE CORPS ASSOCIATION FOUNDATION

The Marine Corps Association Foundation continued in the organization's quest to advance leadership and recognize excellence through the expansion of the Commanders' Unit Library Program and the Marine Excellence Awards. This work could only be accomplished with the generosity of our members, donors, organizations and corporate sponsors. We received donations from 16,211 donors and 31 organizations during 2012 totaling close to one million dollars.

Several namesake awards were introduced in 2012 to honor the memory of a past Marine and the legacy of that individual. The "Chesty" Puller Recruit Company Honor Graduate Award made its debut as did the 1st Lt Baldomero Lopez Honor Graduate Award recognizing the Company Honor Graduates at The Basic School. Other new awards include the Daly Award presented to SNCOA Honor Graduates and the Crawford Award presented to Drill Instructor and Recruiter School Honor Graduates.

MCAF participated in the Combined Federal Campaign for the first time in 2012 and raised over \$23,000 to support MCA&F programs. The Foundation earned additional recognition when Independent Charities of America named it one of the "Best in America."

Thank you for your support of these programs and for your gifts throughout the year.



From left to right: The Puller Award, Lopez Award, Daly Award, and Crawford Award.



Master Sergeant Charles C. Arndt NCO of the Year Award was awarded to Corporal Raymond H. Lindsey at the 2012 MCA&F Intelligence Awards Dinner.

2012 Highlights

Number of Commanders' Unit Libraries provided – 296 impacting 94,000 Marines.

Number of awards distributed through The Marine Excellence program – 10,988 awards impacting 8,775 Marines.

Number of Commanders' Forums – 11 forums impacting 1,073 Marines.



MCA&F members and friends continue to visit our websites frequently. In 2013, we plan on making significant upgrades to our websites to make them more user friendly, more vibrant, robust, and interactive. We reach more people through our websites than any other means of communication.

We continue to expand our reach and tell the MCA&F story on the web through our Mission Execution Stories and videos of our many events. In addition, 2012 marked the first time that we live-streamed events. For our centennial, we created a video that celebrates our founding and history, but more importantly demonstrates how our members inspire, connect and support Marines!

2012 Highlights

MCA&F Facebook Friends reached a new milestone of **60,000**.

The MCA&F E-Commerce sales **increased by 20%** over 2011.

Site traffic from all sites reached **1.6 million users** up from 1.4 million.

Page views topped **8.5 million** which is up from 8.2 million.





FINANCIAL REPORT

The MCA&F continued to achieve financial success in 2012. Building upon the economic efficiencies, cost controls, and targeted efforts of 2011, the organization was able to generate the needed revenue to further enhance the myriad programs that support Marines.

MARINE CORPS ASSOCIATION MARINE CORPS ASSOCIATION FOUNDATION CONSOLIDATED STATEMENTS OF FINANCIAL POSITION December 31, 2012 (Preliminary Results) and 2011

	2012	2011
Current Assets		
Cash	\$1,779,120	\$1,346,986
Accounts Receivable	184,964	294,063
Inventory	1,626,853	1,845,362
Prepaid Expenses	176,606	170,421
Total Current Assets	3,767,543	3,656,832
Investments	8,672,826	7,907,640
Property and Equipment	4,271,501	4,406,408
Total Assets	\$16,711,870	\$15,970,880
Current Liabilities		
Accounts Payable	\$470,807	\$545,821
Employee Taxes and Benefits	363,271	319,966
Total Current Liabilities	834,078	865,787
Long-Term Payables		
Loans Payable	34,225	71,250
Deferred Revenue	3,034,574	2,885,953
Total Long-Term Liabilities	3,068,799	2,957,203
Net Assets		
Unrestricted	12,519,275	11,776,576
Temporarily Restricted	234,618	316,214
Permanently Restricted	55,100	55,100
Total Net Assets	12,808,993	12,147,890
Total Liabilities and Net Assets	\$16,711,870	\$15,970,880

MARINE CORPS ASSOCIATION & FOUNDATION *Board of Governors*



MCA Board Chairman
MajGen Harry W. Jenkins, USMC (Ret)



Vice Chairman
Mr. Michael Hegarty



President & CEO MCA
MajGen Edward Usher, USMC (Ret)



General Counsel
BGen Joseph Composto, USMC (Ret)



LtGen Ronald Coleman, USMC (Ret)



LtGen Earl B. Hailston, USMC (Ret)



MajGen Jim Lariviere, USMCR



MajGen Gordon Nash, USMC (Ret)



MajGen Eugene G. Payne, Jr., USMC (Ret)



Col William R. Costantini, USMC



Col Daniel P. O'Brien, USMC (Ret)



Col Helen Pratt, USMCR



Col Greg Reeder, USMCR



Col Stephen D. Waldron, USMC (Ret)



LtCol Maria McMillen, USMC



SgtMaj Kim E. Davis, USMC (Ret)



MGySgt Steve Williams, USMC



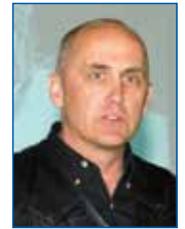
Mr. Thomas Corzine



Mr. Jay Holmes



Mr. Jake Leinenkugel



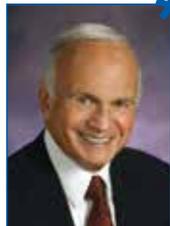
Mr. John Lowry, III



Mr. Michael Martz



Mr. James A. Mosel



Mr. Burton "Skip" Sack



LtGen Robert Blackman, USMC (Ret)



BGen Thomas V. Draude, USMC (Ret)

EX-OFFICIO

* *Marine Corps Association Board of Governors members who are also on the Marine Corps Association Foundation Board of Directors.*

MARINE CORPS ASSOCIATION FOUNDATION *Board of Directors*



Gen Peter Pace, USMC (Ret)



SgtMaj Richard L. Arndt, USMC (Ret)



Mr. M. L. "Buzz" Hefti

MCA DOD LIAISON



SgtMaj Micheal Barrett, USMC