

MEMORANDUM OF AGREEMENT

This MEMORANDUM OF AGREEMENT is made this 21st day of November 2000 by and between Blackwell Publishers, Inc., 350 Main Street, Malden, Massachusetts 02148 USA (hereinafter referred to as 'the Publishers') and the International Council for Small Business, presently c/o Jefferson Smurfit Center for Entrepreneurial Studies, Saint Louis University, 3764 Lindell Blvd., St. Louis, Missouri 63108 USA (hereinafter referred to as 'the ICSB') and the West Virginia University Research Corporation on behalf of West Virginia University (hereinafter referred to as 'the Corporation'), 886 Chestnut Ridge Road, P.O. Box 6845, West Virginia University, Morgantown, West Virginia 26506-6845 in respect to publication of the *Journal of Small Business Management* (ISSN 0447-2778), (hereinafter referred to as 'the Journal').

CONFIDENTIALITY: The ICSB and the Corporation and their agents and the Publishers and its agents shall keep the information and terms of this Agreement strictly confidential during its negotiation, term, and in the event after its expiry, and shall not disclose the contents to any third party in part or in whole without the approval respectively of the Publishers or the ICSB and the Corporation, unless such disclosure is required by the terms of this Agreement or by law.

WHEREBY it is mutually agreed between the two parties for themselves and their executors, administrators and assigns (or successors as the case may be) as follows:

1. The Publishers shall produce and publish the Journal four times a year in January, April, July, and October and shall be responsible for the production (copyediting, composition, and proofreading) and manufacture (printing and binding), international marketing, sales and conference attendance, advertising sales, subscription administration for non-member subscribers (database management and renewals), distribution and fulfillment to non-member subscribers, customer service and back issue management (including sales, claims, and inventory control) for non-member subscribers, distribution of member copies to ICSB members and affiliate offices as outlined in Clause 7 herein, and the administration of permissions and subsidiary rights. The first issue of the Journal to be published pursuant to this Agreement shall be Volume 39, Number 1 to appear in January 2001.
2. The ICSB and the Corporation shall jointly own all rights in the Journal including copyright and trademark in the title, copyright in all material published in the Journal, the subscription lists to the Journal (including both institutional and ICSB members), digitized article files and header information, and all copies of the Journal (printed and electronic, if any) produced under the terms of this Agreement. The ICSB and the Corporation shall grant to the Publishers for the term of this Agreement the exclusive world-wide right to publish, sell, and distribute the Journal in any form whatsoever, including printed form, disk, or electronically after consultation with and approval of the ICSB and the Corporation. The Publishers shall duly register each issue of the Journal for copyright in the name of the ICSB and Corporation with the United States Copyright Office.
3. It is the understanding of the Publishers and the ICSB and the Corporation that the Journal shall be made available online to libraries through the Publishers' ongoing electronic publishing programs, unless the ICSB and the Corporation together decide at any point to withdraw in which case it shall notify the Publishers no later than 30 June to allow the change to be made for the following year. The Publishers may include the Journal in additional electronic publishing initiatives, in consultation with and with the approval of the ICSB and the Corporation.

NON-MEMBER SUBSCRIPTIONS AND MEMBER COPIES

4. The Publishers shall be responsible for maintaining subscription records for all non-member subscribers and for collecting all revenue therefrom. The Publishers shall provide the non-member subscriptions list (in paper or electronic format) to the ICSB and Corporation up to once per year, at a time to be mutually determined.
5. The Publishers shall by July 1st of each year, in consultation with and with the approval of the ICSB and the Corporation set non-member subscription rates for the following year. The Publishers shall sell single issues of the Journal at a price they consider to be attractive to purchasers. Unless otherwise mutually agreed, the non-member subscription rates for Volume 39 (2001) shall be (in U.S. \$): U.S. institutions \$121; Rest of World institutions \$138; U.S. individuals \$65; Rest of World individuals \$80. The Publishers acknowledge that the Corporation has advertised the following rates (in U.S. \$) for Volume 39: U.S. institutions \$115; Rest of World institutions \$130; U.S. individuals \$70; Rest of World individuals \$75. The Publishers agree to honor these rates in determining deferred revenue due as outlined in Clause 27 herein. Unless otherwise mutually agreed, the non-member subscription rates for Volume 40 (2002) shall be (in U.S. \$): U.S. institutions \$130; Rest of World institutions \$148; U.S. individuals \$74; Rest of World individuals \$84 with no multi-year subscriptions.
6. The Publishers shall be responsible for sending renewal notices to all non-member subscribers for the year 2001 beginning with Volume 39 of the Journal and thereafter for the term of this Agreement. The Publishers acknowledge that prior to signing this agreement, the Corporation has sent renewal notices for Volume 39 (including multi-year subscriptions). The Corporation warrants that it shall not send any additional renewal notices after signing this agreement.
7. The Publishers shall, at the ICSB's expense (as detailed in Clause 26 herein), distribute each issue of the Journal via: bulk shipments to ICSB affiliate offices outside the U.S. (for distribution to individual members by these affiliates); and via U.S. mail to individual members of the ICSB's U.S. affiliate. In the case of bulk shipments to affiliate offices, the ICSB shall be responsible for providing the Publishers with addresses of ICSB affiliate offices and quantities of journals to be shipped to each. In the case of individuals, the ICSB shall provide the Publishers with mailing labels for the dispatch of each copy of each issue of the Journal. The ICSB shall send the affiliate addresses and quantities and the mailing labels for the U.S. affiliate ten days prior to the scheduled mailing date for each issue of the Journal. It is the understanding of the Publishers that the ICSB has fourteen (14) international affiliate offices and one U.S. affiliate office at the present time.
8. The Publishers shall provide to ICSB without charge up to 2,000 individual copies of each issue to ICSB members, via bulk shipments to affiliate offices outside the U.S. and via individual distribution to members of the ICSB's U.S. affiliate. For copies above 2,000, the ICSB shall pay the Publishers, on a schedule to be mutually agreed, eight dollars per individual ICSB member (or individual at member institutions) per Volume year (each member shall receive four issues of the Journal per Volume year). Payment by the ICSB to the Publishers for members' copies of the Journal shall not be included as revenue in the annual account for the Journal as detailed in Clauses 21 and 22 herein. Likewise, any fee paid by ICSB members to the ICSB for membership benefits shall not be included as revenue in the revenue account for the Journal as detailed in Clauses 21 and 22 herein. The Publishers and the ICSB shall notify the Corporation as to the number of Journal copies provided to the ICSB by issue during the year.

THE EDITOR(S) AND THE ICSB

9. The ICSB and the Corporation shall be responsible for appointing the Editor(s) of the Journal, for the editorial content and policy of the Journal, and for appointing members of the Editorial Board.

10. The Editor(s) shall be responsible for consulting with the Publishers on all matters relating to the production of the Journal and for the supply of complete and final copy in electronic and hard copy of the Journal to the Publishers, including table of contents and index (if any). The Editor(s) shall correct and return proofs with due punctuality in accordance with a mutually agreed annual production schedule for each Volume of the Journal so as to satisfy publication of each Volume of the Journal in accordance with the annual frequency set out in Clause 1 herein. A production schedule shall be mutually agreed upon to ensure that the Journal publishes and mails to non-member subscribers and ICSB affiliate offices by the last week of the month in the month preceding the dates agreed upon for publication in January, April, July, and October issues of the Journal.
11. The amount, if any, by which the cost of authors' or editor(s) alterations to the text and to the artwork, other than printer's or draftsperson's errors, exceeds 10% of the cost of composition of the text or production of the artwork, shall be set against any sums due to the ICSB and the Corporation under the terms of this Agreement. If an author's alterations appear, in the Publishers' judgement, to exceed 10% of the budgeted composition cost, the Publishers shall notify the ICSB and the Corporation prior to accepting such alterations.
12. If the Editor(s) fail to provide complete and timely copy for two consecutive issues of the Journal, the Publishers shall be entitled to call a meeting with the ICSB, the Corporation and the Editor(s) to discuss resolution of these difficulties.

PRODUCTION

13. The Publishers, in consultation with and with the approval of the ICSB and the Corporation, shall be responsible for copyediting, proofreading, composition, design, paper, format, printing, binding, and cover of the Journal. No changes shall be made to the appearance of the Journal without the approval of the ICSB and the Corporation.
14. The format of the Journal shall be six inches by nine inches (6" x 9"). Each issue of the Journal shall not, unless otherwise mutually agreed between the Publishers and the ICSB and the Corporation, exceed 112 pages per issue or a total of 448 pages per Volume. Four pages of each issue shall be reserved for paid advertising, and mailing permits. The remaining pages (108) shall be available for editorial matter, including front matter and the index (if any). The length of individual issues may be varied but the Editor(s) shall endeavor to work as far as possible to economical page workings as advised by the Publishers.
15. The frequency of publication and the number of pages in each Volume may be increased and the publication months of each issue may be altered by mutual agreement between the Publishers and the ICSB and the Corporation in the year preceding publication of the Volume concerned and before the subscription rates for that Volume have been set. Should a frequency or page budget increase be agreed between the Publishers and the ICSB and the Corporation, the Publishers reserve the right to renegotiate the ICSB member fee as outlined in Clause 8.
16. During any given Volume year, pages beyond the agreed page budget for editorial matter may be purchased by the ICSB and the Corporation in minimum quantities of four and shall be charged to the ICSB and the Corporation at the actual production cost (to consist of the additional cost of copyediting, proofreading, composition, printing, binding, and paper) and actual additional distribution costs consequent on the increase in weight.
17. The Publishers shall take responsibility for the reproduction of line drawings from camera-ready or electronic files supplied by the Editor(s) and for the reproduction of half-tones from camera-ready black and white prints, transparencies, or electronic files as supplied by the Editor(s). The Editor(s) shall also be responsible for obtaining, or having the contributor(s) obtain, written permission for the use of all copyrighted material published in the Journal.

MARKETING

18. The Publishers undertake to promote the Journal conscientiously in conformity with the standards of academic and scholarly publishing and to use their best endeavors to retain existing subscribers and to attract new subscribers to the Journal worldwide. The Publishers shall provide a report of marketing activities annually, at the time when the accounting of revenue is rendered (see Clause 21 herein).

ADVERTISING

19. The Publishers shall be responsible for seeking paid advertisements and renting the non-member subscription list for the Journal, for setting advertising and list rental rates in accordance with a general policy to be agreed upon in advance with the ICSB and the Corporation. Revenue from such sales (less advertising agents' commission) shall be treated as forming part of total revenue for the Journal as defined in Clause 22 herein.
20. The Publishers shall be entitled to make use of any blank pages at the end of each issue free of charge, but shall bear the costs of setting any such advertisements. The ICSB and the Corporation shall similarly be entitled to make use of any blank pages but shall bear the costs of setting such advertisements and shall give notification of its desire and provide copy for setting at least eight weeks before the publication date of the issue concerned. In the event of space being limited, the advertising requested by the ICSB and the Corporation shall take precedence.

FINANCES

21. A final accounting of revenue in conjunction with the Journal shall be presented to the ICSB and the Corporation annually, such an account to be made up to the 31st day of December in each year and rendered within three months of this date.
22. Revenue shall be defined as total net receipts from whatever source and shall include all sums received from non-member subscribers, subscription agents, sales of single and back issues, bulk sales, consortia sales (net of administration commission), paid advertising and rental of subscription lists (net of agents' commission), copyright and other subsidiary rights and permissions fees, electronic rights, and offprint fees. In the case of reprints, one half of the permission fee shall be paid to the contributor and the other half considered as part of the total revenue. Revenue in the account shall be allocated on a pro rata basis for each issue in the Volume year of the Journal. Such revenue shall be recognized upon the actual publication of each issue of the Journal.
23. The Publishers shall pay to the ICSB and the Corporation a total stipend of \$20,000 in 2001, to be divided equally with \$10,000 to the ICSB and \$10,000 to the Corporation. In subsequent years of the agreement, the total stipend shall rise by the Consumer Price Index (as of December 31 of the previous year) and shall be divided equally between the ICSB and the Corporation. The Publishers shall also pay to the ICSB and the Corporation a total annual royalty of 30% of all non-member subscriptions revenue, and a total annual royalty of 50% of all non-subscriptions income (including reprints, copyright and other subsidiary rights and permission fees, and sales of offprints, but excluding revenue from ICSB member copies). Royalties due shall be divided equally between the ICSB and the Corporation.
24. For Volume 39 (2001), the stipend shall be paid upon signature of contract; for future volumes, the stipend shall be paid in January of the volume year, the first such payment being in January 2002 (for Volume 40).
25. For each volume year, the Publishers shall provide an advance of fifty percent (50%) of estimated royalties due. Such a royalty advance shall be paid on July 1 of the volume year, the first such payment being on July 1, 2001 (for Volume 39). The Publishers shall provide with such payment a draft statement of estimated revenue for the volume year. The balance of royalties due to the ICSB and the Corporation shall be rendered with the account as set out in Clause 21 herein.

26. The ICSB and shall reimburse the publishers for the cost of shipping the Journal to ICSB affiliate offices. The cost of shipping shall be deducted from the royalties due to the ICSB for each Volume year.
27. Deferred subscription revenue collected by the ICSB and the Corporation or any third parties for issues of the Journal beginning with Volume 39, Number 1 and following shall be remitted to the Publishers by December 1, 2001. This deferred subscription revenue shall be treated as forming part of the total revenue under Clause 22 and represents an equal apportionment of the collected subscription revenues among all issues of the Journal for unfulfilled subscriptions beginning with Volume 39, Number 1 and following.
28. The Publishers and the ICSB and the Corporation shall maintain adequate and proper business records of revenue, expenditure, membership, and other such records as may be necessary to verify amounts payable under this Agreement. Such records shall be open to inspection by duly authorized representatives of the Publishers or the ICSB and the Corporation during normal business hours on reasonable notice. The Publishers or the ICSB and the Corporation may copy or make abstracts of such records if reasonably necessary for verification. Such inspection and copying shall be at the Publishers' or the ICSB's and the Corporation's expense.

COPYRIGHT

29. The Editor(s) on behalf of the ICSB and the Corporation, shall make it clear to the contributors of the Journal that a condition of publication is that the contributor shall transfer copyright of his or her material to the ICSB and the Corporation in writing. The Publishers shall provide the Editor(s) with a supply of Transfer of Copyright Forms, which shall have been approved by the ICSB and the Corporation and the Editor(s), for signature by the contributors. Contributors shall retain certain rights in the material as set forth in the Transfer of Copyright Forms for the time being in force.
30. The Publishers shall be exclusively responsible for registering copyright, administering and setting fees for reprinting, anthology, translation and all other subsidiary rights (which shall include publishing in any electronic form, including but not limited to CD-ROM, on-line transmission, document delivery, disks or diskettes, photocopying, or publishing in any electronic network) in accordance with a general policy to be agreed upon in advance with the ICSB and the Corporation. Permission will not, however, be given to any third party for major re-use of material in works unrelated to the Journal without the contributor's consent. (Permission is assumed to have been granted if the Publishers have not heard from the first-named contributor within thirty days of writing to the last known address).

BACK ISSUES

31. The Publishers shall maintain stocks of and sell the current and previous two volumes of the Journal. The cost of transfer of a quantity (to be determined by the Publishers) of copies of back issues of the Journal from the Corporation to the Publishers' warehouse will be paid by the Publishers to the Corporation. The Publishers shall also compensate the Corporation for the printing costs of the copies provided at a rate to be mutually agreed upon between the two parties. Revenue from such sales shall be treated as part of total revenue as defined in Clause 22.
32. The Publishers shall have the exclusive right to administer all subsidiary rights in relation to back issues such as reprinting, electronic transmission or storage, microfilm and translation. All revenue received by the Publishers or the ICSB and the Corporation from such sales shall be treated as part of total revenue as defined in Clause 22.

WARRANTIES

33. The ICSB and the Corporation warrant to the Publishers that no issue of the Journal shall in any way violate any existing copyright, or any right of privacy, or other personal, proprietary or statutory right, that no issue shall contain anything obscene, libelous or defamatory or otherwise unlawful, that all statements contained therein purporting to be fact are to the best of the ICSB's and the Corporation's knowledge and belief true, that the ICSB and the Corporation have full legal power to make this Agreement and will be legally responsible for any infringement of copyright, libel or other claim, arising from a breach of this warranty. This provision shall survive the termination of this Agreement. This warranty and indemnity shall not prejudice the rights of the ICSB and the Corporation, the Editor(s), or the contributors' to the Journal to benefit from the provisions of any insurance arranged by the Publishers.

TRANSFER OF THE SUBSCRIPTION LIST

34. It is understood that the terms specified in this Agreement are based on the Publishers receiving from the ICSB and the Corporation a list of the names and addresses of at least 1,400 paid non-member institutional subscribers to each issue of the Journal in Volume 38 at the 2000 full institutional subscription rates and 47 paid non-member individual subscribers to each issue of the Journal in Volume 38 at the 2000 full individual subscription rates. The ICSB and the Corporation shall provide the 2000 Volume subscriber lists, including names, addresses, dates of expiry and paid status, to the Publishers by November 22, 2000 to enable the Publishers to send out in good and timely order the subscription renewals for Volume 39.
35. The Publishers shall have the right to perform due diligence on the list of names and addresses of paid institutional subscribers to each issue of the Journal at the 2000 full subscription rates by March 30, 2001. If due diligence reveals that the number of paid subscribers at the full 2000 full subscription rates is less than the paid transfer number set out in Clause 34 herein, then the Publishers at their option shall have the right to renegotiate the financial terms set out in Clauses 21 to 27 herein. The Publishers and the ICSB and the Corporation shall undertake any such renegotiation in good faith.

GRATIS COPIES

36. The Publishers shall provide the first-named contributor of each article in the Journal with five (5) gratis copies of the relevant issue of the Journal. Contributors shall have the option of purchasing additional copies of the Journal at a price agreed between the Publishers and the ICSB and the Corporation.
37. The Publishers shall provide twenty (20) gratis copies of each issue of the Journal to both the ICSB and the Corporation. In consultation with the Editor(s) and the ICSB, the Publishers shall also send out a reasonable number of additional gratis copies of the Journal for promotional, sales, review, abstracting, indexing, publicity and humanitarian purposes.

RENEWAL AND TERMINATION

38. Any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by mediation. Each party will name a mediator who will jointly agree upon a third party to act as a mediator in the dispute. Mediation costs will be shared equally between the Publishers and the ICSB/Corporation. This Agreement shall be governed and interpreted in accordance of the laws of a court with competent jurisdiction.
39. This Agreement shall remain in force for an initial period of five years to cover publication of Volumes 39 to 43 (inclusive) of the Journal. Thereafter, unless terminated by not less than twelve months' notice in writing by either party, i.e., by 31 December 2004 (such notice to take effect from the end of Volume 43). This Agreement shall automatically renew for further five-year terms unless either party shall give notice in writing to the other party not less than twelve months' prior to the

expiration of the then current five-year term (the notice to take effect from the end of the Volume). In the event that the ICSB and the Corporation shall give notice and decide to offer publication rights to another publisher, then the ICSB and the Corporation shall in good faith notify the Publishers of the terms being offered. If within 60 days the Publishers fail to offer the same or better terms for all aspects of the publishing service (finances, marketing, electronic publishing, subscriptions management), the notice shall come into effect. If the Publishers succeed in offering the same or better terms, then this Agreement shall be amended and deemed to be renewed on such terms.

40. Notwithstanding Clause 39 herein, if the Publishers or the ICSB and the Corporation breach one or more of their material obligations under the provisions of this Agreement and fail to cure such breach, including by arbitration as specified in Clause 38 herein, within three months of receipt of written notice indicating the nature of any such breach, then the Publishers or the ICSB and the Corporation may call an Extraordinary Meeting to resolve the matter. If the matter is not resolved at the Extraordinary Meeting, then the Publishers or the ICSB and the Corporation shall have the right to terminate this Agreement by immediately giving six months' written notice.
41. In the event of termination, the Publishers shall promptly transfer at their expense to the ICSB and the Corporation all deferred subscription revenue for the Journal and all non-member subscription records for the Journal in such a manner as not to impair the continuous publication of the Journal. The Publishers shall likewise transfer to the ICSB and the Corporation back-stock of the Journal. The ICSB and the Corporation shall be responsible for the cost associated with the back-stock transfer.

COMPETING PUBLICATIONS

42. The ICSB and the Editor(s) shall not, during the continuance of this Agreement, write, edit, or publish, or cause to be written, edited, or published, any other edition of the Journal; revised, corrected, varied, enlarged, abridged or otherwise modified, or any other work on the same subject which directly competes with or injures the sales of the Journal without first obtaining the written consent of the Publishers; such permission shall not unreasonably be withheld.

NOTICE

43. Any notice given under the terms of this Agreement shall be in writing and sent by certified mail, postage prepaid, and shall be deemed delivered seven days after the mailing as follows:

To the Publishers: Gordon Tibbitts, President, Blackwell Publishers, Inc., 350 Main Street, Malden, Massachusetts 02148 USA.

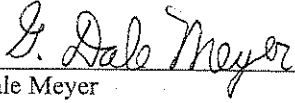
To the ICSB: President, International Council for Small Business, c/o Jefferson Smurfit Center for Entrepreneurial Studies, Saint Louis University, 3764 Lindell Blvd., St. Louis, Missouri 63108 USA (or current address)

To the Corporation: West Virginia University Research Corporation, P.O. Box 6845, 886 Chestnut Ridge Road, West Virginia University, Morgantown, West Virginia 26506-6845 USA

CHANGES IN AGREEMENT TERMS

44. This Agreement constitutes the complete understanding of the parties. No modification or waiver of any provision shall be valid unless in writing and signed by the Publishers and the ICSB and the Corporation. Any waiver, express or implied, on any one or more instances by any of the parties of any such breach by any other agreement shall not be considered a waiver of any succeeding or previous breach.

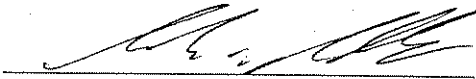
AS WITNESS the hands of the parties hereto:



By G. Dale Meyer
President
For the International Council for Small Business
Federal ID # 278.32-2869
Date: 11/30/00



By William W. Reeves
Secretary
For the West Virginia University Research Corporation on behalf of West Virginia University
Federal ID # 550665758
Date: 11/25/00



By Gordon Tibbitts
President
For Blackwell Publishers, Inc.
Date: 12/5/00