



Wetlands America Trust, Inc.

President
John W. Childs

Chief Operating Officer
Dan Thiel

Secretary/Treasurer
Robert S. (Bob) Hester Jr.

WETLANDS AMERICA TRUST: THE NAME SAYS IT ALL

Trust, according to *Black's Law Dictionary*, is “a right of property held by one party for the benefit of another; an obligation arising out of a confidence reposed.”

That certainly describes WAT in the most literal sense, but to serve on the board of Wetlands America Trust is more than a right. It is an honor, a commitment, and a responsibility entrusted to us by the world's leader in wetland and waterfowl conservation—Ducks Unlimited.

As trustees of Wetlands America Trust, we hold much more than Ducks Unlimited's property. We hold DU's confidence, reliance, and in many respects, its future.

Ducks Unlimited sought your leadership as a WAT trustee not only because you are capable of *administering* a trust but because you are worthy of *holding* DU's trust in the most basic sense of the word—the kind *Merriam Webster's* describes as an “*assured reliance on the character, ability, strength, or truth of someone.*”

For nearly 75 years, those values have formed the foundation of Ducks Unlimited, and as trustees of DU's foundation, it is our honor to carry those same values forward in the name of conservation.

The following report is a testament to the strength of Ducks Unlimited and the commitment of our supporters. From the prairie potholes to public policy, from the boreal forest to the bottomlands, our efforts are making a difference for North America's wetlands, waterfowl, and hunting heritage.

On behalf of Ducks Unlimited, thank you for lending your character, abilities, strength, and integrity to further DU's conservation mission. As president of Ducks Unlimited, I am confident that we have put our trust in good hands.

Sincerely,

John W. Newman
President, Ducks Unlimited



Wetlands America Trust, Inc.

THE WAT REPORT

News and Updates for WAT Trustees

Fall 2011

I hope you enjoy this first edition of The WAT Report, a quarterly newsletter focused on keeping you informed of WAT committee activities, important news from Ducks Unlimited's leadership, and progress toward our fundraising and conservation goals. Thank you for your service on the Wetlands America Trust board and for giving your time, talent, and treasure to benefit waterfowl habitat and help preserve our hunting heritage. DU and waterfowl conservation face great challenges in the coming years, but even greater opportunities. Together, we can provide a brighter future for North America's waterfowl and help ensure conservation for generations. I am looking forward to seeing all of you in Stuttgart. In the meantime, please enjoy your time afield.



John Childs

President, Wetlands America Trust

NEW WAT TRUSTEES ELECTED

At its fall meeting in Saskatoon, the Ducks Unlimited board of directors elected John Dale and John Nau as trustees for Wetlands America Trust. Mark Stitzer was elected at the DU board meeting in Quebec.



John Dale of Minnetrista, Minnesota, is a principal and portfolio manager for Peregrine Capital Management in Minneapolis. He is an officer of the company and a member of the firm's managing principals group. Before assuming his position at Peregrine in 1987, Dale served as manager of the Equity Advisors Group and chief investment strategist at Norwest Bank Minnesota N.A. He joined Norwest as an analyst in 1969, upon graduation from the University of Minnesota.

John and his wife, Cheryl, are Diamond Legacy Sponsors and among the newest members of the President's Council. John served as a DU volunteer in the late 1970s through mid-1980s for his local West Twin Cities and South Lake chapters. An avid waterfowl hunter, he is a member of the Water Hen Lodge in Canada.



John Nau of Houston, Texas, is the owner, president, and CEO of Silver Eagle Distributors L.P., one of America's leading beer wholesalers—primarily handling Anheuser-Busch products. Nau is also chairman of the Civil War Preservation Trust, chairman of the Advisory Council on Historic Preservation, chairman of the Texas Historical Commission, a member of the board of directors of the Greater Houston Partnership, a national trustee of the Boys & Girls Clubs of America, and a trustee at Baylor College of Medicine.

Nau and his wife, Barbara, own the Shoalwater Bay Club in Port O'Connor. He enjoys golf, hunting, jogging, and reading history. John, Barbara, their daughters Victoria and Elizabeth, and Silver Eagle Distributors are each recognized individually as Life Sponsors of Ducks Unlimited.



Mark Stitzer is CEO of Hamlin Capital Management LLC, and his responsibilities include business development, marketing, and assisting the Hamlin Fixed Income Team with sourcing of potential investments. He has been with the firm since December 2001. Stitzer also serves on the board of directors of the Marlu Foundation and is president of the Eagles Mere Foundation. He holds a B.A. in history from Penn State (1982).

Mark and his wife, Lucy, are active in several outdoor activities and have young children.

NEWS FROM WETLANDS AMERICA TRUST



GAINING GROUND ON WAT TRUSTEE CHALLENGE

In April 2010, WAT trustee Dave Grohne announced his \$3 million pledge to match, dollar-for-dollar, every cash gift and pledge payment designated to Rescue the Duck Factory (RDF). In December 2010, Dave Grohne and John Childs each pledged an additional \$1 million, bringing the total challenge to \$5 million. As of September 1, Ducks Unlimited had raised nearly \$4.7 million to meet this generous challenge and protect the best of the best breeding habitat for North America's waterfowl.

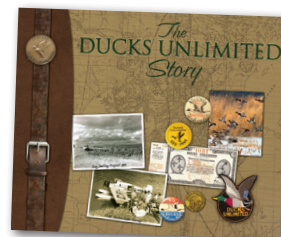
With fundraising efforts still going strong, Ducks Unlimited is also close to meeting the acreage goal for its Rescue the Duck Factory initiative. As of July 2011, DU and its primary partner, the U.S. Fish and Wildlife Service, have protected more than 245,000 acres through RDF. DU's goal for the campaign is to protect 300,000 acres.

DU launched RDF in 2008 to help accelerate easement purchases in the U.S. portion of the Prairie Pothole Region and respond to the large backlog of willing landowners waiting to sell conservation easements. DU recently announced that RDF donors had reached the initiative's financial goal of \$40 million. DU has worked with USFWS to protect almost 954,000 acres in the Prairie Pothole Region since DU's Grasslands for Tomorrow initiative began in 1997.

75TH ANNIVERSARY UPDATE



Ducks Unlimited will begin celebrating its 75th anniversary in January 2012. WAT trustees are frequently compared to DU's founders—individuals with a passion and commitment to ensure the conservation of North America's wetlands and grasslands, and the philanthropic resources to lead by example.



In celebration of 75 years, DU is publishing a comprehensive history of the DU story. The trade edition of the book should be available in time for our meeting in December, and we have reserved copies for each trustee and trustee emeritus.

A few key dates to help you join DU's 75th anniversary celebration:

- **January 29, 2012**—
DU's 75th anniversary
- **February 2, 2012**—
New York City dinner at the Waldorf Astoria
- **February 10, 2012**—
DU National Headquarters dinner in Memphis, Tennessee
- **May 1, 2012**—
Capitol Hill dinner in Washington, D.C.
- **May 30-June 2**—
DU's 75th annual convention in Nashville, Tennessee

PUBLIC POLICY UPDATE

NAWCA

Ducks Unlimited's strong emphasis on public policy work continues, despite a challenging environment in Washington, D.C., and in capitals across the country. Even though the rate of wetland loss in the United States is increasing, effective and efficient conservation programs that garner bipartisan support, such as the North American Wetlands Conservation Act (NAWCA), are being threatened. Over the past several months, NAWCA has faced steep budget cuts and, at one point, total elimination. As NAWCA's future remains uncertain, DU must redouble efforts by working with targeted congressional leaders in D.C. and their home districts and promoting the valuable work NAWCA has accomplished.

FUTURE OF THE FARM BILL

Legislative activity on the Farm Bill is increasing at a rapid pace this fall. Unfortunately, because of the current budget situation, fewer dollars may be available for all parts of the Farm Bill, including the conservation title. Several proposals are expected to be introduced this fall, and DU will evaluate their impact on waterfowl and monitor the legislation as it progresses, calling on action from leadership as needed.

DAKOTA GRASSLANDS CONSERVATION AREA

While conservation is facing a tough environment in Washington, there is good news to report regarding the U.S. Fish and Wildlife Service's conservation efforts. For two years, Ducks Unlimited has sought to have the prairies included on the administration's priority conservation list in the America's Great Outdoors Initiative.

Recently, USFWS proposed a new initiative known as the Dakota Grasslands Conservation Area. This program seeks to protect approximately 2 million acres of native prairie and associated wetlands in the heart of

America's "Duck Factory." While the goals of the program are laudable, securing the funds to complete this initiative will be a challenge in the current budgetary environment. Funding is expected to come from the Land and Water Conservation Fund—a source of money derived from federal oil lease royalties and earmarked by law for conservation purposes. Nonetheless, ensuring that adequate LWCF dollars are made available for the Dakota Grasslands will require significant persuasion. Additional funds for the new initiative could come from the proposed increase in the price of the federal duck stamp as well as through NAWCA. Finally, as a demonstration of support for this vital initiative, the leadership of Ducks Unlimited has wisely and boldly proposed a matching commitment of \$50 million to be delivered over the next 10 years. This will truly be a public/private partnership in the service of conservation.

DUCK STAMP INCREASE

DU also continues to work on efforts to increase the price of the federal duck stamp. For 20 years, the price of the stamp has been \$15. This is the longest period without a price increase since the duck stamp program began in 1934. In the meantime, land prices have skyrocketed, and consequently the acres conserved by duck stamp revenue have been declining. The buying power of the stamp has never been lower in its 78-year history. To preserve the conservation legacy of the federal duck stamp, DU has initiated a campaign to encourage supporters to "double up for the ducks" by buying two duck stamps this year. The purpose of the Double Up for the Ducks campaign is to prove that hunters and other conservationists are willing to pay more for the duck stamp in order to conserve waterfowl habitat. We will promote the effort to the media and our members through press releases, our magazine, our website, DU events, and social media.



DEVELOPMENT UPDATE

STEWARDSHIP AND CONSERVATION HUNTS

Ducks Unlimited's Development team is always looking for creative ways to engage new major donor prospects. The waterfowl hunting season presents special opportunities to spend time in the field with sportsman-philanthropists interested in learning more about DU's conservation mission.

Several WAT trustees own hunting properties or have memberships at hunting clubs that allow guests. Deke Welles, chairman of WAT's Development Committee, is encouraging fellow trustees to consider hosting top prospects at their hunting venues and assist in the cultivation and stewardship of prospective donors.

Jim Kennedy has hosted prospects at York Woods, Deke Welles has taken prospects to Winous Point Shooting Club, and John Childs has hosted several prospects and donors at his lodges in Argentina and Alaska. Several other trustees have also worked with DU staff in hosting key prospects. Should you have the capacity to share your hunting property in pursuit of new supporters to our conservation mission, please contact Rich Smith or Dan Thiel and they will coordinate with the appropriate regional DU staff to facilitate a hunting experience that should pay great dividends for the ducks.

Fiscal year 2011 was an outstanding year for philanthropy at Ducks Unlimited. Efforts to unify and integrate DU's Fundraising team are paying dividends. Event proceeds made budget and achieved 9 percent growth over FY10—the largest percentage increase since 1996. The Development team hit its goals for the tenth year running, securing \$27.9 million in cash gifts. Besides increasing revenue, the Fundraising team finished the fiscal year with expenses below budget.

DU is pleased to announce Richard Smith has accepted the national director of development position. Given his extensive fundraising experience with DU in both Grassroots and Development, he steps into this critical position with the institutional knowledge and leadership skills to successfully fulfill this role. Rich began his DU career in 2000 as a regional director in New York, followed by several years working in major gifts and, most recently, as the managing director of development, with oversight for the development effort in the Great Lakes/Atlantic and Great Plains regions. He holds a bachelor's degree in environmental and forest biology from State University of New York and a master's in wildlife management from Humboldt State University.



Richard Smith

UPCOMING MEETINGS

WAT Winter Meeting

December 7–9, 2011
Five Oaks Lodge
Stuttgart, Arkansas

Final plans have been set for the winter WAT board meeting. George Dunklin is hosting us at Five Oaks Lodge near Stuttgart, Arkansas. Our schedule includes the following:

Wednesday, December 7

Arrivals and dinner

Thursday, December 8

Early morning – hunting
Late morning – committee meetings
Afternoon – conservation tour
and dinner

Friday, December 9

Early morning – hunting
9:30 a.m. – WAT board meeting
2:00 p.m. – departures

Our hunting coincides with the opening day of the second split of the Arkansas' duck season. Because the size of our group exceeds the capacity of Five Oaks, George has arranged for some members of our party to lodge and hunt at nearby clubs.

SAVE THE DATE

Spring WAT Meeting

June 20–22, 2012
Vancouver, British Columbia



Hazard and Deke hunting sandhill cranes in Saskatchewan.