

WORLD SERVICE OFFICE
BOARD OF DIRECTORS' MEETING
JANUARY 11, 1992
BOOK 1

THIS BOOK CONTAINS:

December Conference Call Minutes
Proposed 1992 Meeting Schedule
Tax Options Communication
1992 Salary Ranges
Trademark Communication
Spanish Basic Text Communication
Translations Report
Regional Motions Referred to BOD

A G E N D A
BOARD OF DIRECTORS' MEETING
January 11 8:00 A.M. 8:00 P.M.
January 12 8:00 A.M. 11:00 A.M.

CALL TO ORDER

ACCEPTANCE OF PROXIES

DECEMBER CONFERENCE CALL MINUTES

AGENDA APPROVAL

BUDGET DEVELOPMENT

PRICING DETERMINATION

VIDEO PROJECT

CHAIRPERSONS REPORT

Proposed 1992 Meeting Schedule
Annual Report Outline Proposal
BOD Meeting Scheduling

BOT REPORT

WSC ADMIN REPORT

LEGAL

Tax Options Committee Report
Bylaw Filing With IRS Update

PERSONNEL

Establishment of 1991 Cost of Living for Salary Range Adjustments
Employee Training Plan Review
Severance Compensation Request
Personnel Policy Revision

SALES POLICY INPUT UPDATE AND PANEL DETERMINATION

WCC REPORT

BOD Membership on WCC

FELLOWSHIP SERVICE DIVISION REPORT

ADMINISTRATION DIVISION REPORT

**BOARD OF DIRECTORS MINUTES
CONFERENCE CALL
DECEMBER 21, 1991**

Those present on the conference call when it commenced: Tim B., Bob McD., Oliver S., Randy J., Mary Kay B., Walter J., Becky M.

Those present on the conference call from office staff: Joe G., George H., Anthony E.

Bob called the meeting to order by explaining that the primary purpose of this conference call meeting was to complete agenda items that could be addressed quickly, thus freeing up the agenda of the January meeting to concentrate on budget formation. Bob further noted that if any items were seen to require lengthy philosophical discussion that such items should be deferred to the January meeting.

Bob then noted that no proxies had been phoned in based on previous understanding that all Board members would be able to participate in this conference call. Bob then asked if there were any additions or corrections to the Board of Directors minutes and the following corrections were made:

1. Bill W. name should be deleted from attendance.
2. Proxies Friday evening were as follows:
Randy to Mary Kay
Bill to Randy
Chris to Randy
3. Proxies Saturday were as follows:
Bill to Randy
Chris to Randy
4. Proxies Sunday were as follows:
Randy to Mary Kay
Bill to Randy
Chris to Randy

It was M/S/C (Randy J./Tim B.) to accept the minutes as corrected. The Vote-Yes unanimously.

The board members were then asked if there were any additions or changes in the agenda before proceeding further. Mary Kay and Randy noted that they had not yet received Book 2 and, thus, may not have a final recommended agenda. Joe noted that the only changes to the agenda noted in Book 1 were the additions of the March Board of Directors conference call proposal to the Chairperson's report, the addition of WCC report, and the addition of a sales policy development report. There being no other changes to the agenda, Bob asked Anthony to present September and October financial reports.

Anthony began this report by noting that *detailed financial information would be reviewed at the January meeting as part of the 1992 budget formation process*. Anthony also reported that the advance check given to facilitate the World Convention Corporation's cash flow had

been repaid in full and while the World Convention Corporation was still carrying a balance owed to the World Service Office of approximately \$40,000, that deficit was not increased due to the convention in Sydney. It was also noted that a successful convention in Toronto this year could eliminate that deficit. Anthony also noted that the C.S.O. had done better than originally budgeted. That the E.S.O. had not been able to reach it's budgeted targets and *more detailed financial report on the E.S.O. would be available at the January meeting.* (At this time, Bob McF. announced his joining of the conference call.)

Anthony reported that our credit line pay down was on schedule and would be completed in February of 1992. Anthony further reported that the Basic Text printing that reflected the changes made in recent board meetings would be delivered January 9, 1992. While our cash flow situation has created some back orders throughout the course of the year, we anticipate no back order carryover in 1992. Anthony reported that the New England Region has indicated that they will submit a plan to repay \$11,000 currently owed to WSO. Anthony further reported that the majority of service offices are assisting the WSO as much as possible through payment of literature orders as fast as their regions cash flow permits. Final figures are not yet available, but December's projected income will be slightly less than \$300,000. Flexibility with vendors is vanishing; thus, next year's cash flow needs will be greater than the previous year as vendors are becoming less willing and less able to further extend credit to facilitate the WSO's operating capital needs. (Chris C. announced he has joined the conference call at this time)

Anthony further reported that the I.P. titled "PI, A Resource in your Community" has sold in greater numbers than originally anticipated and has required three reprintings. The Introductory Guide is also selling as well as anticipated with over half of the 50,000 first printing already sold. The Basic Journal is also selling at better than projected rates with the majority of the first 5,000 issue printing already sold.

Bob then asked Becky to report on the response she had received at the Western Regional Forum in relation to the proposed 10% price increase.

Becky reported some surprise at the reaction of the RSR's that she met with at the Western Regional Forum as the financial condition of the WSO seemed to have taken them by surprise. Becky further reported that the RSR's were responsive to accurate information and could react either negative or positive based on the rational information they received in relation to the proposed price increase. It was further noted that the response of Regional Service Offices reflected greater concern on the development of a sales policy rather than potential price fluxuations.

Anthony then noted that he had received approximately fifteen calls to date in reference to the proposed price increase and that based upon this response and direct indications from RSR's, the board of directors should expect a motion at the WSC to require any future price changes to be approved by the full World Service Conference. While summary announcements of the proposed price increase have been communicated through service structure-oriented communication, the upcoming comprehensive lead article in the *Newsline* should be a major asset, enabling us to complete accurate communication fellowship wide.

A question was also raised at this time as to whether it would be possible to determine the impact of the sale of the Introductory Guide on sale to the Basic Text.

Martin then requested that the office provide a summary of telephone response feedback in reference to the proposed the price increase at the January Board of Directors meeting.

Bob then began the chairperson's report by noting that the Departmental expense distribution breakdown would be recalculated with year-end figures to further enhance it's credibility. Bob then reported on a chairperson's planning meeting involving himself, Becky, Barbara Jorgenson, Jack B., Steve S., George H. and Joe G. It was noted that while the past year had spent significant time in instructing the office as to what activities would not be appropriate for staff involvement, an adequate amount of time for future planning had not been set aside. This planning discussion focused on staff capabilities rather than project prioritizing and noted the importance of maintaining staff morale to assure staff continuity and productivity. The recent response from E.S.O. staff was given as an example of difficulties the organization could experience if we did not appropriately managed our staff resource. With this understanding, the executive director was instructed to increase the priority that is to be given to staff relations and to give more attention to WSO internal team building. Bob further noted that the goal of the WSO should be to provide service and all WSO's activities should be conducted from a service oriented prospective. Bob also requested that this service-oriented prospective be reflected in the business plan.

Bob then reported that the WSO Budget Committee plan enclosed in Book 1 would be recommended to the Interim Committee, thus, fulfilling WSO's instructions to develop such a proposal. Bob further noted that the Financial Management Policy contained in Book 1 was being offered to the board for adoption as official WSO policy. It was a M/S/C (Tim B/Walter J.) "that we accept the financial management policy as enclosed." The Vote- Yes unanimously.

Bob then made the proposal that the March Board of Directors meeting be completed by conference call based on both financial concerns and the historically light agenda of the March meeting. After a brief discussion, it was the consensus of the board to defer that decision until closer to the March meeting when we would have more information from both agenda items and funds available.

Joe was then asked to report on personnel actions. Joe noted that one employee had been terminated due to the employee's inability to complete assigned tasks. Joe then noted that recruitment of an administrative division manager had begun, but due to the timing, had not yet resulted in a sufficient number of applicants on which to base a hiring decision. Bob McD. reminded Joe that the board had requested a starting date of January 1, thus, this recruitment process should continue as quickly as possible. Joe then gave a brief report on health benefits review noting that the current level of health insurance coverage was undesirable and had created substantial problems for many employees. Other employees had not had bad experiences; thus, it is not a clear consensus from the employees that health coverage should be changed. Joe further recommended that no changes be made until significant improvement in health insurance coverage could be made and that such an improvement would probably require additional funding. Other factors to be considered in selection of the health insurance carrier is the fact that

CareAmerica has not been a profitable company and, thus, may not offer the long term stability that we would want from the health insurance carrier.

It was also noted that with five employees at present being diagnosed with Hepatitis C, obtaining acceptance from another carrier may be difficult.

The board was then asked to consider the Personnel Policy Manual enclosed with Book 1. First item to receive substantial discussion was the changes in the description of vacation benefits. After substantial discussion as to how vacation could most fairly be administered, the board reached a consensus that the section should be rewritten on the assumption that all vacation will be based on an anniversary date calculation rather than on a calendar year and that all vacation be provided as an entitlement on the anniversary of each employee's employment rather than the advancement of a benefit to be accrued during the upcoming year.

Tim Banner then gave the legal report noting that proposals to pursue development of tax options issue had been received from our current attorneys Corliss and Garinger. Pepper Hamilton and Scheetz, an attorney referred by trustee Bob McK., and attorneys Jackson and Walker identified by Tim B.. After reviewing the perspectives of the three different attorneys, it was determined by the tax options committee that further exploration with Jackson and Walker be pursued. This attorney had recommended pursuit of an informal determination from the IRS prior to filing a formal application. This attorney projected that this process would involve an investment of \$5,000 which Tim noted should be brought to the Interim Committee since this expense was solely to benefit regions, areas and groups. Tim also recommended that further pursuit of bylaw changes not be undertaken at this time until a clearer direction of attorney involvement and tax option activities be identified.

Tim then gave the trustee internal committee report noting that they had reviewed and provided input on the following papers:

1. Freedom from Prejudice
2. The Generation of Funds (fundraising) and the Seventh Tradition in NA
3. Direct Contributions
4. Participation and Decision Making at the WSC
5. Joint Board Membership

Tim then provided greater detail on the discussion of joint board membership noting that it was the intention of the trustee internal committee to not provide details as to how joint board membership would be implemented, but rather request conference approval to experiment with this concept on a one year basis before making detailed election recommendations.

Financial adhoc committee report was deferred till January based on information that the detailed results of our Basic Catalog marketing test would be available at that time.

Walter J. then gave a Business Plan report noting that while staff assistance had not been sufficient to attain the original schedule that a draft of a business plan is anticipated being available for a review by the board prior to the upcoming World Service Conference. Walter also noted that he had communicated with the Interim Committee in reference to the priority given to funding planning activities (Martin dismissed himself from the call at this time)

It was then reported that the Newline would be mailed the first week in January with the information previously discussed.

Joe then noted that the Special Event Insurance Proposal was included on page 72 of book 1. It was decided that it would not be necessary to obtain a final decision and recommendation on this item at this time; thus, staff was instructed to continue to pursue other special event insurance options and directors were instructed to study this option to determine if it should be recommended to the fellowship as an alternative for their local special event insurance needs. Joe then noted that the investment previously considered to obtain more detailed information on telephone usage would not be necessary as our participation with telecommunications network could provide billing on a station basis.

Anthony then reported that substantial additional expense would not be necessary to obtain copier monitoring as this could be incorporated into copier changes anticipated at the end of the year.

Detailed explanation of copy machine changes was provided in Book 2 and can be summarized by increased dependability without substantial increase in copying costs.

George was then asked to provide the Fellowship Services Division report. George noted that all literature development projects were on schedule or ahead of schedule. George then reported on the business aspects of his visit to Columbia noting that he had met with three different printers. George noted that his first choice also submitted the lowest bid for the production of 5,000 copies for approximately \$5,000 US dollars. Since this initial cost would include some one time set up future production of books would drop to approximately \$.90 each. This still leaves us with a substantial distribution problem since all distribution must be done by ship or plane since very little overland trucking is available in South America. With these distribution concerns George recommended that we continue to print and ship Spanish and Portuguese from the US at a production cost of approximately \$1.30 per copy plus shipping estimated at an additional \$.32 a copy. Further exploration of North American production may allow us to print the book at the Donnelley facility in Mexico thus reducing both printing and shipping cost to be competitive with production in Columbia. It was also noted that the transfer of funds is still a concern that needs to be addressed as some South American countries especially Brazil have substantial legal difficulties forwarding currency out of the country.

George then made a report on recent developments with the European Service Office. Based on sudden unanticipated health problems resulting in medical leave and resignation of European Service Office employee, the office in consultation with the Chairman of the Board determined that it would be necessary to send George to London to hire, orient and instruct new staff to staff the European Service Office on an interim basis. George noted

that two employees had been hired on an hourly basis with a 60 day commitment thus allowing the board of directors to discuss the European Service Office in detail at their January meeting. George also noted the European Service group would be meeting the last of January and the first of February and that a trip to London with this group would also allow a meeting with German representatives to discuss production of German materials including the Basic Text.

After brief discussion, it was the consensus of the board that both George and Anthony be sent to London to attend the European Service group and to discuss the production of German literature with German representatives and then stop in Canada on the return trip to both visit the Mississauga office and attend the trustee meeting in Montreal. Due to time constraints and the necessity of many board members to terminate their participation in this call, it was the consensus of the board to defer the remaining agenda items to the January meeting. *Staff was also instructed to provide an outline of the annual report to be reviewed at the January meeting.*

Based on this consensus, the call was terminated.

**PROPOSED BOARD OF DIRECTORS
1992 MEETING SCHEDULE**

January 1, 1992

The following dates are presented for board consideration and may be adjusted to create a board accepted meeting schedule. Schedule modifications may be necessary throughout the year, but an intended schedule may be helpful in personal planning. Please verify meeting times before finalizing travel arrangements.

January	11-12	
March	14	(Proposed as conference call or executive committee call)
May	3	(During WSC; exact times to be announced)
June	20-21	
September	18,19,20	
November	14-15	

Joe

JACKSON & WALKER, L.L.P.
ATTORNEYS AND COUNSELORS

801 MAIN STREET

SUITE 8000

DALLAS, TEXAS 75202-3797

(214) 953-6000

CABLE-JWAL
TELEX-73-385
TELECOPIER-(214) 953-5622
WRITER'S DIRECT DIAL NO.:

OTHER LOCATIONS

HOUSTON
FORT WORTH
SAN ANTONIO

(214) 953-5864

November 26, 1991

Mr. Tim K. Banner
Tim K. Banner, P.C.
3102 Maple Avenue, Suite 400
Dallas, Texas 75201

Dear Tim:

Pursuant to your suggestion, I am writing you to outline briefly what I see as the problems, considerations and potential solution to the potential income tax problem facing the National Organization of Narcotics Anonymous ("NA"). In that connection, I have reviewed the materials primarily prepared by Don Corliss pursuant to which he presents a detailed and thorough analysis of the problems and pitfalls in seeking the "blessing" from the Internal Revenue Service with regard to the exempt status and nature of NA. The basic alternatives presented are:

1. Seek a group exemption that applies to the fellowship of NA as a whole which, if successful, would provide an "umbrella" for individual groups, whether large or small, to rely upon with respect to their exempt status for federal income tax purposes.
2. Have each individual "large" group (groups that have gross receipts in excess of \$5,000) seek individual rulings throughout the country with respect to the exempt status of that particular large group.
3. Have small groups (those groups which have gross income of \$5,000 or less) seek individual verification that each such group is not required to file annual reports, etc. with the Revenue Service since they are not only (i) exempt from federal income taxes but also (ii) have gross receipts of \$5,000 or less in any one taxable year.

The problems and benefits of each alternative are discussed in various letters and memoranda from Mr. Corliss. If feasible, the group exemption approach would be the most desirable since

Mr. Tim K. Banner

November 26, 1991

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it, among other things, only requires one submission to the National Office of the Internal Revenue Service and would result in uniformity of treatment by the Revenue Service of the various groups that comprise NA. The major stumbling block to the group exemption approach is that organizationally NA is basically an inverse pyramid and therefore there is some bit of concern either that the Revenue Service would not rule favorably on a group exemption basis or that NA would have to alter its organizational structure to comply with the Revenue Service requirements which some (and maybe most) NA members would view as a violation of one or more of the NA traditions.

My approach would be to try to obtain some indication (non-binding) from the Revenue Service with respect to how they would view the current organizational structure of NA as meeting the requirements of the Internal Revenue regulations. That indication may be accomplished with the exempt organization branch of the National Office of the Internal Revenue Service on an informal basis in order to determine if their attitude would be receptive at least to a formal request for a ruling with the current organizational structure intact.

My experience is that the National Office of the Revenue Service is willing to talk to practitioners so long as everybody understands that they are not bound by any indication that might be given about the tax consequences of a particular transaction or a particular status absent a formal request for a ruling. But this approach should give a reasonable indication of the direction NA should take. If, for example, the Revenue Service is bothered substantially by the present organizational structure of NA and would indicate that they would not issue a ruling unless that organizational structure were changed, then NA would have the realistic option of either attempting to change the organizational structure to meet the Revenue Service requirements or abandon the approach of a group exemption. It seems to me to make more sense at least to try this informal approach before either submitting a formal request for a ruling (and potentially being in a position to have to withdraw the request if the indications are that it would result in an adverse ruling) or changing the organizational structure in anticipation of the ruling request when, in fact, that reorganization may not be absolutely necessary.

You asked me to comment about my experience in matters like these and at least give some indication about what I would charge in connection with seeking informal advice from the Revenue Service regarding the group exempt status of NA. First, I have been practicing law for in excess of thirty years, all of which has been concentrated in the tax area. I have dealt with all phases of taxation, including substantial tax litigation, tax aspects of planning a multitude of business transactions, controversy work with the Internal Revenue Service, and numerous requests for Rulings and Determination Letters. The technical distinction between a Request for a Ruling and a Request for a Determination Letter is that the former is sought through the National Office of the Internal Revenue Service in Washington and the latter is

Mr. Tim K. Banner
November 26, 1991
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ordinarily obtained at the district level in the appropriate tax district where returns are filed. Along the way, I have sought and obtained exemptions for several Section 501(c)(3) (exempt) organizations and, in fact, served on the Board of Directors of two of those exempt organizations for a substantial number of years. I am a former chairman of the Natural Resources Committee of the Tax Section of the American Bar Association and former chairman of the Tax Division of the Southwestern Legal Foundation. Through the years, I have written several articles and given numerous speeches regarding the federal income and the state tax considerations of various matters. I am currently serving on a task force of the Section of Taxation of the American Bar Association dealing with large case audits by the Internal Revenue Service.

I estimate the fees and expenses involved in seeking an informal indication by the Revenue Service with regard to the group exempt status of NA to be approximately \$5,000. I would be engaged on a time basis exclusively (plus expenses). It would take some amount of time to review in depth the organizational requirements of a group exemption in order intelligently to talk to the Internal Revenue Service regarding this matter. My hourly rate is \$250 an hour. I would anticipate that after some needed time for preparation, I would contact the appropriate person in the Exempt Organization branch of the Revenue Service and be able to communicate with him or her by telephone without having to go to Washington for an informal conference. The national scope of this project, however, may interest the Revenue Service sufficiently that they would want a fuller explanation of the exempt proposal in Washington. In that event, the fee outlined above may be a little low since it would involve both time and expenses in going to Washington for that informal conference.

If you or your board have any questions regarding the extent and scope of this endeavor, I would be happy to meet or talk with anyone in your group.

With best regards.

Sincerely,



Larry L. Bean
LLB:cac
11/27/91

1992 SALARY RANGE REVIEWS

The U.S. Department of Labor has established the cost of living increase from November 1990 through November 1991 to be 3.3%. In accordance with our personnel policy, salary ranges will be increased by 3.3% as shown below:

		1991 Salary Range	1992 Salary Range
Management			
Level	1	60,000 - 75,000	61,980 - 77,475
	2	50,000 - 63,000	51,650 - 65,079
	3	40,000 - 52,000	41,320 - 53,716
	4	28,000 - 40,000	28,924 - 41,320
Program			
Level	1	35,000 - 49,500	36,155 - 51,134
	2	30,000 - 37,000	30,990 - 38,221
	3	24,000 - 30,000	24,792 - 30,990
	4	18,000 - 24,000	18,594 - 24,792
Production			
Level	1	29,000 - 36,500	29,957 - 37,705
	2	23,000 - 29,000	23,759 - 29,957
	3	18,000 - 23,000	18,594 - 23,759
	4	13,000 - 18,000	13,429 - 18,594
Clerical			
Level	1	25,000 - 30,500	25,825 - 31,507
	2	20,000 - 25,000	20,660 - 25,825
	3	16,000 - 20,000	16,528 - 20,660
	4	12,000 - 16,000	12,396 - 16,528

DEC 23 1991

**SOUTH FLORIDA REGIONAL SERVICE COMMITTEE
PO BOX 011288
MIAMI, FL 33101**

December 15, 1991

WSO Board of Directors
16155 Wyandotte Street
Van Nuys, Ca 91406

Dear Board Members,

We are aware that you are currently discussing the possibility of implementing a literature price increase. We would like to give you our views on this matter, in the hope that you will either defeat this proposal or postpone making a decision until fellowship input has been gathered. We believe that you should not increase the price of literature at this time for the following reasons:

- 1) It is our belief that the first appropriate measure to be taken, if the WSO is under financial hardship, would be to cut all those expenses that are not involved with literature production and sales, i.e. conference coordination staff members, etc., before prices are raised because we believe that literature sales are the primary purpose of the WSO and should probably become the sole purpose.
- 2) This price increase would place a tremendous additional burden on groups at a time when they are already financially strapped.
- 3) This increase to the groups will eventually reduce contributions to the WSC, since less money will be available for donation throughout the service structure. So, in effect, the WSO will be taking needed funds from the entire service structure.
- 4) Any decision of this magnitude, with its wide ranging implications made so shortly before the annual meeting of the World Service Conference should be referred to the WSC for its input and/or approval. It seems too ludicrous to even believe that you would consider making this decision so close to conference time.

We believe that the group is, and should be, where the most direct and most important service is performed in the fellowship. The group is where the most impact is made upon the addict that still suffers. This is then followed by the ASC, then the RSC, and finally the WSC and the other boards of world service.

**SOUTH FLORIDA REGIONAL SERVICE COMMITTEE
PO BOX 011288
MIAMI, FL 33101**

We feel that this proposal, if adopted, would take away from the level having the most impact, to that having the least, and is a form of taxation without representation.

We hope that you will consider these items before reaching a decision.

By Unanimous Approval,
South Florida RSC

cc: World Service Conference Chairperson

WAGNER & MIDDLEBROOK

ATTORNEYS AT LAW

JOHN E. WAGNER
THERESA WAGNER MIDDLEBROOK

ROBERT J. SMITH
REGISTERED PATENT ATTORNEY
JULIET L. REAM

THEODORE H. LASSAGNE
OF COUNSEL

December 27, 1991

PLEASE REPLY TO GLENDALE OFFICE

GLENDALE OFFICE
3541 OCEAN VIEW BOULEVARD
GLENDALE, CALIFORNIA 91208
TELEPHONE (818) 957-3340
FAX (818) 957-8123

VENTURA COUNTY OFFICE
5351 BONSAI AVENUE
MOORPARK, CALIFORNIA 93021
TELEPHONE (805) 523-0919
FAX (805) 529-7831
BY APPOINTMENT

Anthony Edmondson
WORLD SERVICE OFFICE
16155 Wyandotte Street
Van Nuys, CA 91406

Re: Japanese Trademark Application
No.: 86784/1989
Mark: "NA Design"
Class: 26
Goods: Books, pamphlets, manuals and information sheets
Our Docket: 03-9545-28

Dear Anthony:

We are pleased to inform you a decision has been given to publish the above referenced trademark for books, pamphlets, manuals and information sheets.

We will forward a copy of the publication as soon as we receive it.

Please call if you have any questions.

Very truly yours,

WAGNER & MIDDLEBROOK


Theresa Wagner Middlebrook

TWM:mw

I:\ustm\wso\decpub1.28

WAGNER & MIDDLEBROOK

ATTORNEYS AT LAW

JOHN E. WAGNER
THERESA WAGNER MIDDLEBROOK

ROBERT C. SMITH
REGISTERED PATENT ATTORNEY

JULIET L. REAM

THEODORE H. LASSAGNE
OF COUNSEL

January 2, 1991

PLEASE REPLY TO GLENDALE OFFICE

GLENDALE OFFICE

3541 OCEAN VIEW BOULEVARD
GLENDALE, CALIFORNIA 91208
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VENTURA COUNTY OFFICE

5351 BONSAI AVENUE
MOORPARK, CALIFORNIA 93021
TELEPHONE (805) 523-0919
FAX (805) 529-7831
BY APPOINTMENT

VIA CERTIFIED MAIL AND
US MAIL, FIRST CLASS

TATTERED COVER BOOK STORE
2955 East First Avenue
Denver, Colorado

Re: Trademark "NARCOTICS ANONYMOUS"
Copyright Registrations to
NARCOTICS ANONYMOUS Basic Text
Our Docket: 03-9545-60.81

Dear Sir or Madam:

This office represents WORLD SERVICE OFFICE, INC. ("WSO"), the Service Office of the worldwide Fellowship of Narcotics Anonymous. WSO is the trustee of the copyrights and trademarks belonging to the Fellowship. It is required by the trust to take all necessary measures to protect those marks and copyrights on behalf of the Fellowship. The trademark is registered with the United States Trademark Office and the copyright to the Basic Text has been registered with the United States Copyright Office.

It has come to the attention of the WSO that your store has acquired and is selling copies of a paperback book entitled NARCOTICS ANONYMOUS STUDY GUIDE EDITION. This letter is to advise that this book is not authorized Fellowship literature. The printers of this book are using the trademark NARCOTICS ANONYMOUS and duplicating portions of the copyrighted Basic Text without right or authority. WSO respectfully requests that these infringing be removed from your stock and destroyed, and that your store does not replenish this stock.

Please send written confirmation to the address listed above that these infringing materials have been removed from your stock and destroyed. We would appreciate this response reaching our office within ten (10) days from the receipt of this letter.

Further, we would appreciate being informed of the identity of the suppliers of these books by advising either the undersigned or WSO directly, attention Anthony Edmundson, at (818) 780-3951. WSO and

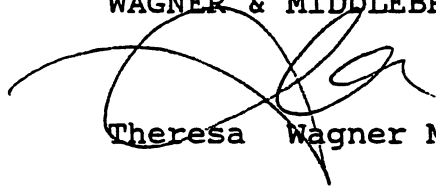
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TATTERED COVER BOOK STORE
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members of the Fellowship will then contact the suppliers directly to persuade those individuals to cease their infringement of the Fellowship's copyrights and trademark.

Very truly yours,

WAGNER & MIDDLEBROOK

A handwritten signature in black ink, appearing to read 'Theresa Wagner Middlebrook', is written over the typed name. The signature is fluid and cursive, with a large loop at the end.

Theresa Wagner Middlebrook

TWM:mw
I:\ustm\wso\cad.ltr

cc: World Service Office

DATE: December 20, 1991
TO: WSO Board of Directors
FROM: Freddie Aquino, H&I Project Coordinator
RE: Spanish Basic Text

I hope everyone enjoyed the holidays. I know there is joy in fellowship land due to the arrival of the Spanish Basic Text. I'm sure within a few months the majority of the fellowship will have the knowledge that the Spanish Basic Text is available.

Since my assignment to the H&I Department, we have had many inquiries and requests from incarcerated addicts and professionals about the availability of the Basic Text in the Spanish language.

With the Spanish Basic Text now available, I foresee a growing number of requests. In speaking with two of our former H&I project coordinators, there exists anywhere from seven to twenty-two Departments of Corrections which do not allow case bound books to enter their facilities through the mail. At least three of the departments are the largest in the country.

My question to you, has the members of the board had any thoughts or discussions concerning producing a soft bound Spanish Basic Text?

I feel I can speak for H&I subcommittees, potential and existing incarcerated NA members who speak the Spanish language, in extending their gratitude if you would discuss the possibility and give the matter your deepest thoughts and consideration.

R:\FREDDIE\PCBODMM.DOC

TO: George Hollahan
Mary VanEvery

FROM: Ursula Mueller

DATE: October - December 1991

RE: Activity and status report

COMPLETED PROJECTS

French French Basic Text (corrected version) second printing completed (in stock December 1991).

German Conference Digest 9/91 and 11/91 in house translation to German.
MDF 92 two memos from interim committee translated in house to German.
IP No.2 translation completed in Germany (in stock).

Portuguese Basic Text production completed, in stock (December 1991).

Swedish IP No.19 in stock.

**Spanish/
Castilian** Basic Text production completed, in stock (December 1991).

General Conference Digest of September 1991 international editions translation, copy editing, pre-production work, in house production, mailing lists and labels, mailing completed for: Spanish, German, and French. (October/November 91).
Service glossary developed as translation aid for translators of periodicals/reports (November).
Recovery glossary of basic terms compiled for translation committees (December).

CURRENT PROJECTS

- Brazilian** Brazilian group registration form received, duplicate and distribute to Group Services and International Dept, also received sample meeting format and treasurer's accounting form (December).
- Danish** IP No.1 data entry completed (group endorsement by Danish fellowship on file), draft work to be done, mailed to Denmark for revision/editing (November).
- French** IPs No.2 and No.7 edits done, approval drafts (typeset mock-ups) produced and proofread, mailed to France and Quebec for final proofreading and committee approval (End of November).
- Conference Digest 11/91 to Jean-Philippe (Quebec RTC) for translation (by mail 12/12/91), conversion, formating, copy editing, pre-production, proofreading, in house production, mailing to be done (in progress).
- PI form letter mailed to Jean-Philippe/Quebec for translation, conversion and copy editing to be done.
- German** Conference Digest 11/91 translation in house copy editing, pre-production, proofreading, production, mailing to be done (completed December).
- Works in progress in Germany: IP No.7, Group Booklet, "Behind the Walls", PI and H&I Handbooks.
- Basic Text book 1 translation completed, going into fellowship review and input in early Spring 1992, due for approval in Summer 1992.
- Portuguese** Group Booklet, "Behind the Walls" and IP No.23 final edits and proofreading of approved draft (approval on file), pre-production and in house production work (in progress).
- IPs No.2, No.13 and No.21 final proofing and last edits to be done (approval on file), pre-production work and in house production (in progress).
- Swedish** IPs No.2 and No.7 draft work: revised drafts editing done, approval draft to Sweden (End of November).

Spanish/
Castilian

Conference Digest 11/91 to Becky for translation by Spanish contact in S.F., work to be done see under French (pending/in progress).

Group Booklet draft work in progress, currently in Spain for editing (since November).

"For Those in Treatment" mailed to Alvaro/ALC Chair for translation (December).

Twelve Concepts and older Columbian Concepts' translation to Silvia K./Spain for evaluation (mailed December).

General

Review of minutes: Quebec, Ontario, Ottawa area and New Brunswick (Canada), Eastern area Sweden, Australia, New Zealand, Brazil, German newsline (NA-Zeitung) (ongoing, current).

Preliminary translation department mailing list compiled (contact2.doc), needs further work, currently in use for Conference Digest mailings (in progress).

Update and make corrections on 026-List (in progress).

Revise and update translation department manual (in progress).

Update data base (past due).

Code, log and file all new hard copy material (ongoing project).

Assist Dottie/international department with foreign language mail: determine source and contents, update form letters (ongoing).

PENDING PROJECTS

- Brazilian** (on hold, pending new developments in Brazil)
- Pre-production work on IPs Nos.1, 13, 16, and 22: final copy edits, art board approval, blue lines' sign-off.
- Brazilian Basic Text final draft in committee revision, editing by professional in Brazil for composition, spelling etc completed, draft expected within next three months, conversion or data entry, formatting, documentation, typeset draft work, copy editing, art board revision and approval, blue line sign-off to be done.
- Dutch/
Flemish**
- Translation of Group Booklet and Little White Booklet, also IP No.7 (given to Chris A./Santa Monica End of March 91) follow-up due (no new developments).
- IP No.1 (mock-up typeset draft and MSWORD version 1 draft) and glossary to be reviewed by Dutch/Flemish membership, contact list, WSO guide and other translations related information sent 1/28/91 (mail), visit by Amsterdam member (Dave) at WSO 10/4/91: he will do follow-up on mailing to Dutch/Flemish members, organize translation efforts, send mailing list of participating members to WSO (no new developments).
- German**
- Created German glossary from Ginni's files, updated, edited and merged with German RLC glossary of 1990 (see:MSWORD file), sent with Volker to German literature committee for review July 1991 (follow-up pending).
- Hebrew**
- Organize, code and log all Hebrew material.
- Lithuanian**
- Revised first draft of IP No.7 was received back from Davia in Vilnius, data entry of IP edits needs to be scheduled, as well as course of action: undetermined to date whether Davia is NA member, how to handle exotic Lithuanian characters since we don't have fonts etc.
- Russian**
- Vertical Group in St.Petersburg has confirmed receipt of literature package (meeting directories, prototypes of IP No.7, the White Booklet, and the Group Booklet) but has given no comments (End of September), follow-up letters about mailing called for.

FUTURE PROJECTS

<u>Arabic</u>	No further developments regarding Basic Text translation.
<u>Brazilian</u>	<p>Guide to Public Information, translation in progress, highest priority in Brazil for future projects, draft and pre-production work to be scheduled.</p> <p>H&I Handbook draft work, second Brazilian priority, draft revision by committee scheduled.</p> <p>Handbook for literature committees, translation completed, due for committee revision.</p> <p>IPs Nos.19, 20, 23, and 24 draft work, first drafts are in committee revision to date (Brazilian priority status: after PI, H&I and literature handbooks).</p> <p>Committee work in progress on separate literature and Service glossaries.</p>
<u>Chinese/ Mandarin</u>	IPs Nos.1, 13, and 16 handwritten drafts on file, received some comments from Asian language typesetting company representative raising questions whether type of Chinese used is appropriate and pointing out occurrence of Japanese characters in text, material needs to be evaluated.
<u>German</u>	<p>Edit existing MSWORD files of German IPs to make language consistent with current IPs in stock (on hold).</p> <p>Get remainder of German IPs that we don't have as MSWORD files yet on diskette from Silvia M. (on hold).</p> <p>In house review for fidelity of translation and evaluation report on German Step Booklet (Ch. 1-4, Basic Text), revised White Booklet, and all other printed German materials (IPs, guide to Step 4, etc) (postponed).</p>
<u>India/ Hindi</u>	New translation committee was formed in Bombay, IP No. 1 will be completely re-translated, contact with committee has been established.
<u>Italian</u>	Translation committee was established as reported by Ambra/Milano, no contact with committee to date.
<u>Lithuanian</u>	No new developments in Basic Text translation work.

- Norwegian No further developments regarding origins of three IP translations.
- Portuguese All Portuguese IPs and booklets following the approval of Portuguese Basic Text translation, especially capitalization and consistency of language, due for revision (on hold).
- PI form letter translation.
- Data entry of translated WSO guide and welcome letter (progress delayed).
- Glossary of translation of terms and positions in NA service structure for Portuguese to be mailed to Portuguese literature committee. Also follow-up needs to be done on work progress: Portuguese glossary from POBT01 sent to Jose to edit and append, also sent contact list for Portugal to have verified (sent off to Portugal 11/19/90 per DHL), follow-up due (on hold).
- Russian The Moscow group (Helen) has completed the translation of the Basic Text into Russian, personal stories included (July 91), a hard copy is on file, course of action and priority undetermined to date.
- Spanish/
Castillian Revision of White Booklet due after Basic Text approval: merged Castillian IPs that were contained from MSWORD files with SXBT01 draft chapter 5 and SXWB personal stories' section, produced MSWORD file and hard copy of all, to be looked over by Silvia for adaptation to Castillian Spanish (postponed).
- Have Spanish speaker(s) do revision of personal stories' section in White Booklet (postponed).
- Create glossary for Spanish from CSBT91 key words, mail glossary skeletons of recovery and of service terms to Spanish native speakers to have translations filled in (on hold).
- General Locate all pertinent hard copy files and archives in WSO and integrate in translation department files (250 hours plus).
- Review files in 3 translation directories, determine status/value, transfer usable files to appropriate sub-directories.
- Review all files in Ginni's directory and VSWIPS, determine status/value, transfer usable files to appropriate sub-directories.
- Create cover page glossary for all languages.
- Review all foreign glossaries.

ADDENDUM 8

REGIONAL MOTIONS

Motion: Carolina Regional Service Committee moves that the WSO be moved to the Carolina Regiona. If this is not possible, that the WSO BOD explore the possibility of moving the WSo to a location in the Eastern or Southeastern area that would be more cost effective.

Intent: To lower the overhead of the WSO in an atte,pt to alleviate the financial crisis the WSO is experiencing.

NNYRSCNA
2117 Buffalo Rd.
Suite 206
Rochester, NY 14624
12-17-91

World Service Conference Chair
C/O World Service Office
Attn: Steve Sigman
PO Box 9999
Van Nuys, CA 91409

Dear Steve,

As per my phone conversation today with Holly at the WSO I am faxing the motion listed below for inclusion in the CAR. This motion is being submitted as a result of action taken by the Northern New York Regional Service Committee at their November meeting. Thank you for your cooperation in this matter.

Motion: That the WSO Board of Directors establish one standard price for all literature sold to the fellowship.

Intent: To establish an equitable system for all fellowship purchasers of our literature.

David J. Lester, RSR.

Wisconsin Regional Service Conference
c/o WRSO
6754 W. Beloit Road
West Allis, WI 53219

November 25, 1991

WSC Admin Committee
c/o WSO
PO Box 9999
Van Nuys, CA 91409

Submitted below are two motions passed by the Wisconsin Regional Service Conference on November 17, 1991. Both motions received unanimous support of those present and voting.

MOTION: That the WSC direct the World Service Office to produce and stock braille literature, specifically- the White Book, Newly Revised.

INTENT: To carry the message of recovery to visually impaired addicts and to meet ongoing demands for braille literature.

Due to the far-reaching implications of the next motion it will be of critical importance that the entire fellowship discuss the effects of changing our current conference system.

MOTION: That WSC create a transition plan that participation at WSC will be based on national/zonal/continental representation; such plan to be included in the Conference Agenda Report '93.

INTENT: To have the fellowship, as a whole, direct the resources of the current WSC to assist the United States regions in the creation of a conference that more equitably represents a world (multi-national) fellowship.

Feel free to contact me if you have any questions.

In loving service,



- Bob Jordan, RSR-Wisconsin
733 E. Johnson #1
Madison, WI 53703

Note: These are motions to be placed in the next CAR.



**CHICAGOLAND REGIONAL SERVICE COMMITTEE
NARCOTICS ANONYMOUS**

**212 S. Marion Street - Suite 27
Oak Park, IL 60302
HELP-LINE (708) 848-4884**

December 15, 1991

Barbara Jorgensen, Chairperson
World Service Conference
PO Box 9999
Van Nuys, California 91409

Dear Barbara,

The Chicagoland Region has worked on several motions for consideration at this year's Conference. Please refer them to the appropriate committees also.

- 1) That the World Convention for Narcotics Anonymous /World Convention Corporation stop supplying free coffee at the World Convention. This action is to take effect before or by WCNA-23 1993.

Intent: To save Narcotics Anonymous \$10,000 to \$40,000 and to help keep the cost of convention registrations down.

The Chicagoland Region is not opposed to refreshments but we believe in being self supporting and paying for our needs. If we give away coffee, we should also give free tea, herbal tea, soda pop, fruit juice, bottled water, etc. .

- 2) That no changes be made in Narcotics Anonymous literature without the approval of the NA Fellowship as voiced through the normal NA literature approval process.

Intent: to prevent any changes in NA literature without Fellowship approval.

There have been motions brought up on the floor of the Conference to change already approved literature and there is no mechanism to protect the literature from being changed.

Both of these motions should have no financial cost to be carried out and should have no effect on any budget. These motions should save the Fellowship money in the future.

Both motions passed our region with an almost 90% favorable vote.

Yours in service

Jim Edgren
Jim Edgren RSR
(312) 489-4841



Narcotics

Anonymous

NEW JERSEY REGIONAL SERVICE CONFERENCE

(800) 991-0401 IN-STATE HELPLINE
(201) 462-9199 OUT-OF-STATE HELPLINE

"...that no addict seeking
recovery need ever die."

TO: Barbara Jorgensen, Chairperson
World Service Conference
FROM: Jon Thompson, RSR
New Jersey Region

Dear Barbara,

The New Jersey Region is presenting these 7 group conscience motions to be included in the 1992 Conference Agenda Report.

1. **MOTION**: That the WSC adopt guidelines stating that the members of the WSC Board of Trustees have one (1) vote collectively at the WSC expressed through their chairperson or in the absence thereof, their vice-chairperson. All other conference participation privileges will continue to be granted.
INTENT: To acquire and maintain a consistent voting structure throughout the WSC where all voting participants represent a group not an individual conscience.
2. **MOTION**: That the WSC adopt guidelines allowing all members of the WSO Board of Directors a seat on the floor of the WSC. Except for voting, all other conference participation privileges will be granted. They will continue to have one (1) vote collectively at the WSC as expressed through their chairperson or in the absence thereof, their vice-chairperson.
INTENT: To give each member of our WSO Board of Directors a voice in the group conscience process on the floor at the WSC.
3. **MOTION**: That the *World Service Conference* be renamed the *United States National Assembly*, and the *Multi-National Development Forum* be renamed the *World Service Conference*.
INTENT: To properly identify and align our service structure along with the majority of services being offered.
4. **MOTION**: To include the IP#6 "Recovery and Relapse" into the next printing of the Introductory Guide to Narcotics Anonymous.
INTENT: Although not a requirement, relapse is a reality in recovery and this IP brings to light for the newcomer that recovery is always available to them and encourages them to **KEEP COMING BACK!!!**
5. **MOTION**: That the WSC strongly recommends to the WSO Board of Directors to look into the formation of an electronic bulletin board computer system for the expressed use of the Fellowship and reports back with their findings.
INTENT: To look into possible ways of reducing the WSO printing, copying and distribution costs while facilitating better communication and access to these printed materials throughout the fellowship.

(2)

6. **MOTION:** To insert in The Group Booklet under the section "How Can Our Groups Solve It's Problems?", page 17, 6th line from the top, after the sentence ending "...in all our affairs.", the sentence that states, "When we collectively apply the insight received from that spiritual awakening to our group's problems, we call that group conscience."

INTENT: This sentence, which appears in the proposed Group Chapter of The Guide to Service, was deleted during the revision to The Group Booklet. Although it is understood differently in different places, obtaining group conscience is the practice by which our second tradition is exerised throughout our Fellowship. Nowhere in The Group Booklet is the term "group conscience" mentioned. To deprive memebers and newly forming groups of any exposure to this process deprives them of the opportunity to experience the second tradition in action.

7. **MOTION:** That the WSC adopt guidelines stating that only RSRs or in their absence, their alternate will be the voting member at the WSC.

INTENT: That voting at the WSC reflect only the conscience of the Fellowship as a whole and not that of individuals.

In loving light and service,


Jon Thompson, RSR-NJRSC

12/10/91



To the NA Fellowship;

Greetings from the Indiana Region! We hope this finds you all well and growing in your recovery. The Indiana Region would like to present the following 4 motions for inclusion in the 1992 Conference Agenda Report. These motions have been through a true group conscience, having been conscientized by the groups in our region.

We present these here for your consideration.

MOTION: That the World Service Conference send back to the Fellowship for consideration the following motion:

"That the WSO produce a low-cost version of the Basic Text, Narcotics Anonymous, 5th Edition utilizing Measures One, Two, Three, Four, and Five detailed in the 1991 WSO "Report Concerning The Motion For A Low-Cost Basic Text."

Said motion to be included in the 1992/93 Conference Agenda Report, along with the above cited Measures from the WSO 1991 report, for action at WSC 1993.

INTENT: To allow the Fellowship of NA to choose a viable option for the creation of a low-cost Basic Text without jeopardizing WSO services or translation funds.

MOTION: That only RSRs or their duly elected alternate be the voting participants at the World Service Conference.

INTENT: To allow a loving God to express himself only through the spiritual principle of group conscience throughout the entire service structure of NA.

MOTION: That non-voting participants (WSC officers; WSC committee chairpersons; Trustees) may make motions and/or address the conference, provided that said motions are seconded by an RSR or duly elected alternate.

INTENT: To allow the experience, strength and hope of said participants to be a part of the WSC while maintaining the principle of group conscience.



MOTION: That the WSC send out a referendum/questionnaire to all registered groups asking the following question: Does your group feel that the Fellowship as a whole is represented at the WSC, and if so, is your group willing to financially support the decisions that are made there?

INTENT: The discrepancy between WSC directives during the conference year, and the Fellowship donations, or lack thereof, submitted by the Fellowship to support those directives, raises the fundamental question as to whether or not the Fellowship truly feels it is being represented at the WSC. This motion implies a mass educational process throughout our Fellowship, at all levels of service, yet, we believe, must be answered before any grass-roots support of conference decisions on a financial or spiritual level can be expected.

Additionally, if the conference itself does not truly represent the Fellowship, then a group-wide survey, which would by-pass the world service mechanism, would seem to be essential for an accurate fellowship-wide conscience.

In Loving Service,

John R.

John R., RSR
Indiana Region

IMPACT OF LOW-COST TEXT SALES ON AREA, REGIONAL OFFICE INCOME AND OPERATIONS

So far, we have only discussed the impact on the WSO. However, there is a fairly certain impact that would occur in the general fellowship as well. Right now, area and regional service offices primarily exist on the margin between their discounted Basic Text purchase price and the amount they sell the book to their customers for. It is reasonable to presume that most would have to close if their revenue from text sales dramatically decreased. This would force areas and groups to purchase literature directly from the World Service Office, with increased order turnaround time and likely at an increased price. Those local offices that remained open would probably have to operate from smaller facilities, using exclusively volunteer staff, resulting in a likely reduction in the quality and timeliness of local literature distribution services.

A PROGRAM TO MITIGATE THE IMPACT OF LOW-COST TEXT SALES

In principle, we support the proposal to publish a low-cost version of our fellowship's Basic Text. We recognize the low-cost text's potential to increase our fellowship's ability to carry the message to more addicts. However, at the same time we discuss publishing such an item, we also have to seek ways to mitigate any negative impact such an action might have on other fellowship services. The following are six measures that should be taken in concert with the release of a low-cost text.

Measure One. The first measure has to do with the terms of sale for the low-cost text itself. We should sell Book One of the Basic Text, published with the same quality paper, binding, and cover you would find in a mass market paperback book, at a retail price of \$3.00. We should offer a maximum discount of 10% for large purchases of, say, more than 500 copies. Finally, we should sell the low-cost text only to fellowship buyers—N.A. members, groups, ASCs, RSCs, and local N.A. offices.

In order to be able to restrict sales of such a book to fellowship buyers only, we would have to negotiate with our largest non-fellowship customers. The U.S. Fair Trade Act requires that if a manufacturer offers one version of a product to all its customers, it must offer all versions of that product to all its customers. We would have to negotiate an agreement with our two big catalogue-house customers in order to be able to offer one version of the Basic Text only to the fellowship. We have a fair degree of confidence in the goodwill of both our major non-fellowship customers, and believe such negotiations would very likely prove successful.

Measure Two. We should reduce the production standards and costs for the current hardcover Basic Text, while continuing to sell the book at a retail price of \$8.00. When we began publishing the Basic Text, production standards were set at a very, very high level, giving our customers a book designed to last a lifetime. Some reductions in the production standards for the hardcover text could be affected without noticeably affecting the appearance of the text, and would significantly increase available revenues from each unit sale.

Measure Three. We should reduce the production standards and costs on the softbound Basic Text (Books One and Two) even further, publishing it in the mass market paperback format, and we should sell it at a retail price of \$6.50. Currently, we sell the paperback text for the same \$8.00 retail price as the hardcover book. Consequently, in 1990, we sold only 10,745 softbound texts—only 3.69% of total Basic Text unit sales. By offering the softbound Basic Text at a significantly lower price than the hardcover book, we would almost certainly increase paperback unit sales. However, even given an increase in sales volume, we would still have to substantially reduce the paperback publishing standards and costs in order to come out ahead. But since production standards for the softbound book we currently publish are exceedingly high for the paperback market, we believe we can do so successfully.

Measure Four. We should reduce the discount rate we offer our top non-fellowship customers from 40% to 25%, while simultaneously lifting their resale price ceiling. We believe that, by allowing these customers to set their own resale price for the Basic Text, they could eliminate the impact of such a reduction in their purchase discount rate. Such a reduction in the discount rate offered our largest customer last year would have brought in close to \$148,861.20 in additional income, reducing our 1990 net loss by nearly 58%.

Measure Five. We should reduce the discount rate we offer our top fellowship customers from 35% to 30%. In 1990, while the World Service Office posted its first annual net loss, most of these customers showed income surpluses. We do not believe a 5% reduction in their discount rate would drastically affect their ability to continue serving their regions and areas.

Measure Six. We should publish a compilation of already-approved N.A. literary items in a pocket-sized *Introductory Guide to Narcotics Anonymous*, offering the book to all our customers at the same price and under the same terms as the low-cost text. Such a book would be designed particularly with the needs

of newer N.A. members in mind. We would naturally seek the assistance of the WSC Literature Committee in the selection of material for inclusion in such a volume.

Sales and printing costs would be about the same as for the low-cost text. However, because this introductory guide would be a new product, we could sell it under its own discount schedule. We would prefer not to offer any discount greater than 10% on this product. Income available from each book would be between \$1.25 and \$1.65.

Because, we believe, this product would not reduce Basic Text sales, the introductory guide would have no negative impact either on World Service Office income or local service center sales. In fact, a new item of this sort, aimed especially at newcomers, would probably generate additional sales income.

CONCLUSION

As we said before, we recognize the potential of a low-cost text to increase our fellowship's ability to carry the message to more addicts; therefore, at least in principle, we support the low-cost text. However, we must tell you that if the World Service Conference mandates production of a low-cost text without also supporting measures to mitigate the impact of low-cost text sales on WSO and RSO income, the conference will, in effect, be closing both down.

If the WSO's general financial position were better than it actually is, we might be more willing to take a drastic risk, knowing we had the resources in reserve to accommodate any dramatic shortfall in income. Unfortunately, that is not the case. Given the potentially grave impact, we have struggled to find a way to publish the low-cost text without placing the office at undue fiscal risk. We believe the six measures described at the end of this report move the risk involved in publishing a low-cost text from the "undue" to "acceptable" category of risk.

There are no certainties when examining this question, only the best opinions that we can muster based upon the facts at hand and our experience. We are confident that the participants of the World Service Conference understand that the issues surrounding a decision about the Basic Text may have a profound

effect on our ability to provide service to the fellowship. We also have confidence that the fellowship can understand the issues and make reasonable decisions as a result. We sincerely believe that we have a responsibility to address the needs of the fellowship, and will implement whatever decision the World Service Conference makes. We only request that participants come to the conference with some flexibility as it relates to this very important decision.