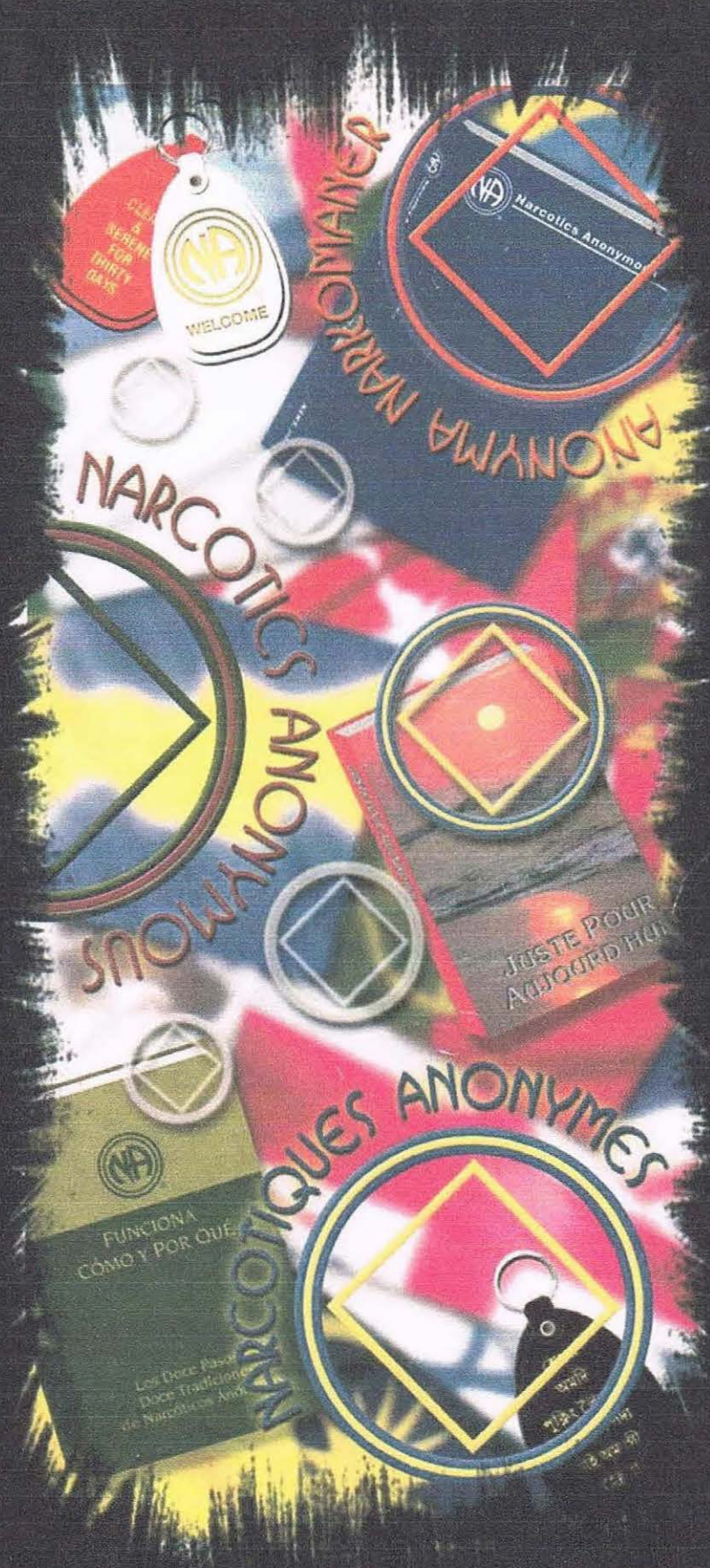


# NAAMS, Inc. Annual Report



1 January – 30 June 1999



# **Foreword**

## **NA World Services Annual Report**

### **1999**

The expression "when one door closes, another will surely open" is among the most popular wisdom shared by members of the NA Fellowship. Though it's usually applied to times when our recovery is calling on us to let go of a situation we've outgrown, it can easily be applied to what's going on today in NA World Services. Actually, we're a little further along than merely standing in a hallway outside a door that has closed behind us, still waiting for another to open. We've not only seen the new door open, we've actually walked several steps into the room. We're glad we've come this way; we're just not completely settled in yet.

This report reflects our transition in a number of ways. First of all, the period of time covered in this report is the six months between 1 January and 30 June 1999. You'll recall that our *1998 Annual Report* mentioned that this would occur because we would be changing over to a new fiscal year along with implementing the Unified Budget. Beginning this year, 1 July 1999, our fiscal year will run from 1 July through 30 June of the following year.

The way the information is organized in this report also reflects our transition. Ideally, we'd like to organize the presentation of our activities by the budget categories so you can clearly see the relationship between the services we provide to the fellowship and the budget, and we fully expect that the *1999-2000 NAWS Annual Report* will be set up that way. In this report, the financial information has not yet been switched over to the Unified Budget, but we still want to organize and report on our activities by budget category as much as possible. The whole purpose of switching to a Unified Budget was so that we could all have a clear understanding of what our various services cost.

Our ability to move forward with the ideals expressed in our Vision Statement is absolutely dependent on our ability to understand how that vision is driven by services, which in turn are driven by money. Some services produce tangible results, and it's easy to see the relationship between money and fellowship growth. For instance, if we walked up to a member at a meeting one night and said, "The money you put in the basket helped make it possible for members to have the new *NA Step Working Guides* book. Your contributions will help determine how soon our fellowship gets other things that will help us grow. It depends on what each one of us decides to do when the basket comes our way." When we can literally hold the fulfillment of our Vision Statement in our hands, we respond. Our challenge is to respond even when the results of our efforts aren't so tangible. Though we may not be able to count the actual number of addicts who come to us and find recovery because of our participation in a meeting with correctional officials and judges, we know that the more NA gains universal recognition and respect, the more chances there are for addicts to find us.

On behalf of all those who benefit from our services, we thank you. We look forward to continuing to serve the NA Fellowship and the addict who still suffers.



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## From the World Board

This entire annual report encompasses responsibilities of the world board—not only all routine services but also those special projects authorized by the WSC. All are intended to further both NA's primary purpose of carrying the message to the addict who still suffers and the broad mission of the world board: "to contribute to the continuation and growth of Narcotics Anonymous."



Following the 1999 WSC in April, we launched the three most critical *CAR*-driven projects:

- 1) the Motion 21 literature development project to create a strategic 10-Year Plan for recovery literature development;
- 2) the Two-year Conference Cycle Project; and
- 3) the Process for Service Material Project. Each of these *CAR*-driven projects must be completed in the short six month work cycle between June and December of 1999."

As members of the world board elected to serve the fellowship of Narcotics Anonymous as a whole, it is our privilege to be responsible for the overall administration of NA World Services. Currently, the World Board consists of 18 members. Each of us were elected to serve in May 1998 by a required vote of at least 60% of participants of the World Service Conference. As many of you know, the 1998 WSC reorganized the old world service structure by creating this single World Board. We are now responsible and accountable for functions previously delegated to several separate boards, including the former World Service Office Board of Directors, the World Convention Corporation Board of Directors, the World Service Board of Trustees, and all of the former WSC standing committees (administration, literature, public information, hospitals and institutions, etc.). Each of us is a recovering addict who has been clean at least 10 years in Narcotics Anonymous as required by the World Board External Guidelines. Each of us first came to NA as a newcomer. Through our addiction our lives had become unmanageable, and when in desperation under varying circumstances we each began this journey of recovery, none of us truly believed we could stay clean or that this way of life was possible for us. From such beginnings we are truly grateful and humbled by the opportunity to be entrusted with the vast array of services for which we are responsible.

During the six-month period from January to June of 1999 which this report covers, we moved further along the steep learning curve of our responsibilities. Having come together as a board during 1998, during this reporting period we became more comfortable with the total scope of our responsibilities, including the administration of the routine operations of the World Service Office. We have continued to forge a working partnership with the staff of the World Service Office who are also operating under a new system where now there is truly only one single point of accountability—in contrast to the old system's conflicting demands and priorities from multiple boards and committees.

We successfully planned the 1999 World Service Conference—setting the agenda, planning the presentations and discussions—to make the week-long event with regional delegates from throughout the fellowship productive and vital. The Unified Budget we proposed for the 1999-2000 conference year was adopted. This included the approval of the major non-routine work we proposed to initiate during the 1999-2000 conference year—14 projects designed to further the long-term strategic goals of the Fellowship Development Plan. In May, we then planned the work for the remainder of 1999 and beyond. We created new board workgroups utilizing members brought in from the World Pool, and then had a successful set of meetings in June to get the three most critical *CAR*-driven projects rolling forward (see sidebar).



## The NAWS World Board

The bylaws of Narcotics Anonymous World Services, Inc. state that our World Board can have a maximum of twenty-four members. Currently, we have eighteen members sitting on the board; all of us originally elected at the 1998 World Service Conference. No one was added to the board at the 1999 World Service Conference, leaving six seats open for the period of this report. At the 2000 World Service Conference, the terms of six current members will expire, leaving a total of twelve seats open, which may be filled at the 2000 conference.

All board members are directly elected by a 60% majority vote of the conference. All terms are for six years, and members are eligible to stand for election to two consecutive terms. However, when the board was created in 1998, members were elected for two-, four-, and six-year terms, in order to achieve the desired rotation. Nominees are not required to be present at the conference for the purpose of nomination and election to any world service position, including the World Board.

The current membership of the World Board is as follows.

	<b>YEAR ELECTED</b>	<b>CURRENT TERM ENDS</b>	<b>FROM</b>
Bella Anderson	1998	2004	NSW, Australia
Mary Kay Berger	1998	2000	Virginia, USA
Floyd Best	1998	2000	Michigan, USA
Susan Chess	1998	2004	Washington, USA
Lib Edmonds	1998	2004	Christchurch, New Zealand
David James	1998	2000	Manchester, England
Bob Jordan	1998	2000	Florida, USA
Stephan Lantos	1998	2002	California, USA
Claudio Lemionet	1998	2002	Mexico City, Mexico
Michael McDermott	1998	2002	California, USA
Jane Nickels	1998	2004	Connecticut, USA
Craig Robertson	1998	2004	North Carolina, USA
Larry Roche	1998	2002	Hawaii, USA
Daniel Schuessler	1998	2000	Offenbach, Germany
Cary Seltzer	1998	2002	Illinois, USA
Mario Tesoriero	1998	2000	NSW, Australia
Jon Thompson	1998	2002	New Jersey, USA
Tony Walters	1998	2004	South Carolina, USA



We currently meet six times a year as a full board, and all board members attend other meetings as required to work on board projects. Project work groups also include members of the fellowship selected from the World Pool. As the World Board, we are responsible for the overall operation of the World Service Office and for providing oversight and direction on specific projects that have been given to us by the World Service Conference or activities that are part of the routine services provided by NAWS. Day-to-day operations of the WSO are supervised by WSO executive management and carried out by the staff. Both trusted servants and staff depend on one another to do our individual parts to provide the services that our fellowship needs. During the six-month period covered by this report, we were able to begin work on the projects for which we presented plans at WSC'99. We're very excited about taking this step because all of the proposals were accompanied by specific plans and projected costs as called for in the Unified Budget. With the Unified Budget in place, we at last have a realistic idea about what projects actually cost, which results in built-in accountability.



## **The NAWS Staff**

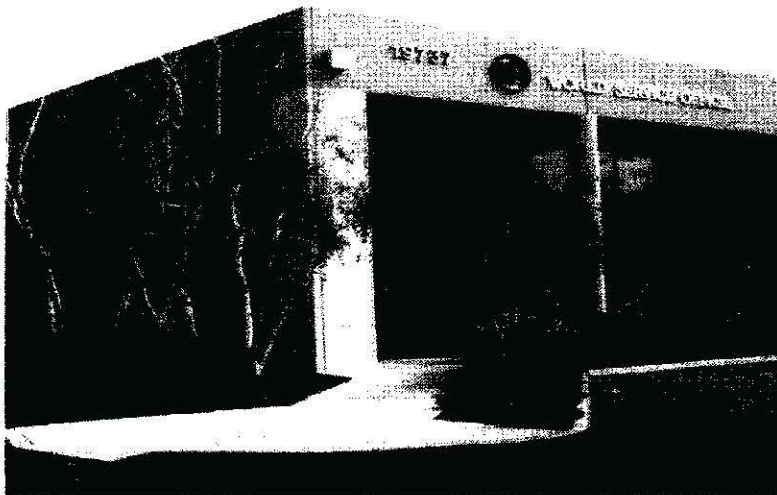
NA World Services employs 44 people, 39 of which work at the headquarters office, known as the WSO, in Chatsworth, California.

We have a very low staff turnover rate. Fifty percent of our staff has been with us more than five years. We try our best to keep it this way because the more experienced the staff, the better they are able to provide services to the fellowship. Our staff is very familiar with the resources that exist to help groups and service committees solve problems and provide better services to addicts in local communities. We often receive calls from members of NA communities who are surprised to find out that the crisis they're going through has been experienced before by other NA communities, and that the experience, as well as the strength and hope that come with the solution, has been recorded and stored at the WSO so it can be shared with others.

We realize that most people aren't all that interested in the machinery inside their telephones, cars, etc., as long as they know they can depend on those conveniences to function properly when they're needed. By the same token, we believe it's more important to you to know what services are available to the fellowship and how to access those services rather than details about how the office structures itself to deliver those services. The various sections in this report are aimed at providing that information in detail. The following staff roster lists each staff member along with his or her job title.

If you have any questions about this report or would like more information about NAWS and the resources we offer to the NA Fellowship, please contact us:

**Narcotics Anonymous World Services**  
**PO Box 9999**  
**Van Nuys, California 91409**  
**voice 818.773.9999**  
**fax 818.700.0700**  
**[www.na.org](http://www.na.org)**





## **WSO-Chatsworth**

Anthony Edmondson, **Executive Codirector**  
Eileen Perez-Evans, **Executive Assistant**  
George Hollahan, **Executive Codirector**  
Donna Smylie, **Executive Assistant**  
Becky Meyer, **Assistant Executive Director**  
Roberta Tolkman, **Human Resources Manager**  
Mike Polin, **Manager of Meetings & Events**  
Kirsten Smitley, **Administrative Assistant**  
Lori Perea, **Information Systems Manager**  
Danny Weg, **Webmaster & Information Services**  
Pam Martin, **Information Services Assistant**  
Michael Lee, **Project Coordinator**  
Nancy Schenck, **Editor**  
Cindy Tooredman, **Editor**  
Ronda Phillips, **Receptionist**  
Mary VanEvery, **Fellowship Services Team Leader**  
Elaine Adams, **Admin. Assistant, Fellowship Services**  
Bob Stewart, **Manager Marketing**  
Steve Sigman, **Fellowship Services Manager**

Jeff Gershoff, **Fellowship Services Supervisor**  
Nancy Good, **Fellowship Services Team Assistant**  
Freddie Aquino, **Fellowship Services Team Assist.**  
Sara Jo Hampton, **Fellowship Services Team Assist.**  
Uschi Mueller, **Fellowship Services Supervisor**  
Jane McCrary, **Fellowship Services Team Assistant**  
Sandra Infante, **Fellowship Services Team Assistant**  
Anne Peters, **Production & Distribution Team Leader**  
Fatia Birault, **Administrative Assistant**  
Esperanza Lemos, **Production Assistant**  
David Mizrahi, **Production Planner**  
Jeannie LaMalfa, **Purchasing Assistant**  
Sylvia Cordero, **Senior Order Entry**  
Peggy LaBon, **Order Entry**  
Vince Alcala, **Warehouse Supervisor**  
Mike Gates, **Shipper**  
Tom Rush, **Comptroller**  
Trish Jaramillo, **Accounting Manager**  
Liz Stafford, **Accounting Assistant**  
Rochelle Medina, **Accounting Assistant**

## **WSO-Europe**

Paul Decock, **Branch Office Manager**  
Erik Gonzalez, **Part-time Shipper**

## **WSO-Canada**

Heide Jaklin, **Part-time Branch Office Supervisor**  
Jacquie Sullivan, **Part-time Shipper**  
Heather Judson, **Part-time Shipper**



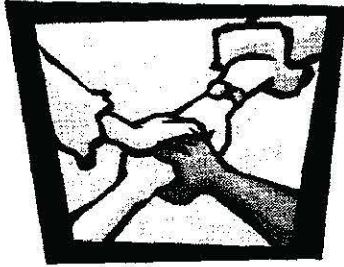




# **FELLOWSHIP DEVELOPMENT**



## On the Front Lines of Fellowship Service



Dear WSO,

Some members of our region have died clean and we want to know what we can do. If we send flowers from the RSC, should this be paid for out of the regional treasury or should individual members take up a collection? Also, might not sending condolences from NA break someone's anonymity since the family might not know about his addiction? If we do this for some members, but not for others, would that go against our Twelfth Tradition which tells us that anonymity makes us all equal as members and no one is more or less important than anyone else?

-South America

We've been hard-pressed for the past few years to find a term that describes the activity we'll be discussing in this section. "Routine services" was the term created in 1993 to describe the services that would continue while all other projects stopped during the World Services Inventory. We continued to use this term during the financially lean period that followed as we found ourselves having to scale back our services over and over again. The problem with calling them "routine" is that they are usually anything but; in fact, a typical day might include an email from an addict who wants to start a meeting somewhere that has never before had any kind of NA presence, a phone call from a distressed committee chair about a controversy in his local NA community, and dozens of letters, each one of which represents a saved life.

The quotes shown in this section are from actual letters we've received at WSO. You can see the wide variety of questions we are asked, and the wide gaps in understanding about what we do from some of the people who write us. It's one thing when we're given the opportunity to provide information about NA to those who might come into contact with addicts, but it worries us when members of the fellowship think we're some kind of dictatorial body with policies and rules for every possible facet of recovery and service. It hardly matters whether the writer seems to want such rules or not; it simply isn't our job to tell the fellowship what to do.

However, we want to be able to offer the collective experience of the fellowship as guidance. For some questions, we're able to do so. We have the "trustee papers," which address a variety of the issues we're constantly asked about. For others issues, we're able to reference specific places in NA literature. Unfortunately, there are still problems or needs that we believe could be better addressed.

For instance, we get dozens of requests every year for "sample guidelines." Though there are outlines for committee guidelines in all the service handbooks, many service committees want to see what others have done. In theory, it's a great idea. A new service committee, or an existing one that needs to revise its existing guidelines, would almost certainly find valuable the practical experience of another committee. For example, the issues facing local phonline and newsletter committees has changed dramatically over the past ten years as a result of the new communications technology. Many area and regional phonline committees have written material (guidelines, procedures, handbooks, etc.) that would be very helpful to another phonline committee. We even have a few on file. The problem is that when someone contacts us to ask for sample guidelines, we send them a package of only the local guidelines we happen to have. The whole process of our collecting helpful material from the fellowship is very erratic.

What we'd rather do, and what we think would be better service to the fellowship, would be to collect a variety of sample guidelines and organize them along with some explanatory material into a package. As stated in our Fellowship Development Plan, we'd like to develop a system for gathering locally developed service material from the fellowship and periodically update the packages. We'd also like to follow up with the people who have contacted us for assistance to see if what we provided was helpful or not.

We don't have the human resources to devote to such an effort at present. Although we lost one of our thirteen staff people from the Fellowship Services Team during the time period this report covers, we've been able to keep up with the incoming phone calls and correspondence. With the availability of certain material on our website and the easy accessibility of other information, we have noticed a decline in some types of requests. On the other hand, we've seen another significant increase since our last annual report in the amount of email we receive. Our 1998 Annual Report gave a total of approximately 11,000 calls, letters, emails, and faxes for the year. During the six-month period this report covers, this communication increased to about 1,200 monthly, which if projected over a year would add up to about 14,400—or an increase of almost 30%.

Other responsibilities of the Fellowship Services Team include staffing the annual World Service Conference and biennial World Convention, drafting and revising the WSC minutes, assisting the World Board with general correspondence and with compiling background information as needed for board projects, the *NA Way Magazine*, *Reaching Out*, *Meeting by Mail*, helping with database maintenance, marketing, and coordinating translations.

Dear NAWS,

Thank you very much for your quick response in sending us literature regarding meetings. This literature is a great source of help to us. We need more literature regarding families as our families in Pakistan are totally unaware and ignorant regarding addiction. They treat us as sinners and morally defective people.

-India

Dear WSO,

*I have a sponsee who has been told not to share at meetings because he has been diagnosed with a mental disorder and is on prescribed medication.*

*Please send me an official NA policy regarding prescribed medication for psychiatric conditions. Lives may depend on it.*

-Europe



## Drug Courts: A Public Information Success Story

### A Point of Information

Prior to 1996, our PI efforts consisted mostly of the attendance at approximately four large international events on an annual basis. With the development of our Public Relations Statement of Purpose (see page 26 in *TWGWSS*), we sought to increase the public's awareness of NA's existence. One of the avenues we wanted to examine more closely was that of the correctional programs. Because of this redirected focus, our sales to the correctional market doubled over the last year.

### DID YOU KNOW THAT:



- The first drug court was created in Miami in 1989.
- 1999 figures from the National Association of Drug Court Professionals (NADCP) cite 345 active drug courts, with an additional 204 planned.
- Drug courts exist for both adolescent and adult offenders.
- The impact of drug courts on our fellowship has the potential to be greater than that of treatment centers in the eighties.

NA World Services has been focusing its public information efforts on national and international organizations for quite some time, though progress has definitely been inconsistent. A major financial downturn in the mid-eighties led to the closure of an office we had established primarily for PI purposes in Cliffside Park, New Jersey—just across the Hudson River from Manhattan, where many influential agencies concerned with drug policy are headquartered. In addition, throughout the eighties and early nineties much of the world-level PI work dealt with exploring how specific PI efforts could be conducted within the bounds of our Eleventh Tradition and with developing service material that would help local PI committees.

Looking back, we can see that it was critical for us to have those philosophical discussions because we were soon faced with situations that required our interaction with syndicated columnists, the United Nations, national governments, and correctional officials around the world. Sometimes we initiated the contact, but just as often, we were contacted unexpectedly. Having a clear and in-depth understanding of our Twelve Traditions enabled us to respond promptly and with confidence to these unexpected opportunities.

Meanwhile, some of our most effective PI efforts—those done by the average member through a chance encounter with someone in a position to encounter a great many practicing addicts—were making inroads in the medical community, the judicial system, the educational system, and so on. We could never have predicted the results of some of those chance encounters, but we can look back on them now. One of our favorite “results” stories came to us through our presence in 1995 at the US Department of Justice Forum on Volunteers in the Federal Bureau of Prisons. Our representative at the event, a former member of the World Service Board of Trustees, was approached by US Attorney General Janet Reno who told him about an encounter that earned her respect for NA: Before she became the Attorney General, she had been a state's attorney. One day, she was visited by a man she had sent to prison. He had come to thank her for sending him to a prison where he heard the message of Narcotics Anonymous and subsequently found recovery.

Though the anonymous man in this story was not specifically sentenced to attend NA meetings while in prison or as a condition of his parole, individual district and federal court judges have been incorporating mandatory attendance at twelve-step meetings and/or residential drug treatment into their sentencing for decades. In most places, addicts coming to NA because of a “nudge from the judge” have long been an unremarkable part of the meeting landscape. Most bring “court cards” that have spaces for the date, the group's name, and/or location, and the leader's or secretary's initials. Occasionally, a judge has misunderstood NA and asked a group or an individual member to do more than this, perhaps monitor and report on the progress of someone's recovery. In most cases, a PI presentation or even just a reasonable explanation to the judge sets things straight. Sadly, there have been some cases when a member has not been able

to differentiate between cooperation, affiliation, and what constitutes NA's expression of an opinion on an outside issue, and has therefore acted in ways that damaged NA's reputation in the judicial, correctional, and treatment communities. Thankfully, these incidents have been rare, and they've been offset by the powerful example of hundreds of thousands of addicts getting and staying clean in NA, many of those coming to their first meeting because the judge insisted on it.

The term "drug courts" describes what in the US<sup>1</sup> is a marriage between the judicial system, the correctional system, and drug treatment. People who have been convicted of a drug-related offense are sent to drug court for sentencing, which will be some combination of custody, residential or outpatient drug treatment, and mandated attendance at twelve-step meetings<sup>2</sup>.

Drug courts are multiplying rapidly in the US as are similar arrangements in many other places—Europe, South America, the Middle East, Africa, and throughout the Asia Pacific zone. We expect (and hope for) the impact on our fellowship to be enormous. Our challenge is to prepare our groups to handle a possible influx of newcomers who may have a wide variety of specific needs. The practical matters are straightforward enough. Do we have enough members with solid recovery willing to serve as sponsors? Do our groups have ways of making sure newcomers are welcomed and introduced to older members or do we leave that to chance? Do our areas have enough meetings with newcomer-friendly formats? Are our literature tables stocked with *Introductory Guides* and relevant IPs? Is there enough variety in our area's meetings to accommodate the needs of different types of newcomers<sup>3</sup>.

The philosophical matters aren't as straightforward, but they're every bit as important for our local NA communities to address. Do our members understand that our traditions are for *us* to follow? NA as a whole has no opinion on drug courts, but drug courts are free to have an opinion about NA. There's nothing in the traditions that prohibits us from cultivating good relationships with local drug courts. We can do this by cooperating with them: welcoming the newcomers they send us and signing or stamping their court cards, having our PI committee members meet with drug court professionals and providing those professionals with material that explains our program to the non-member.

We don't need to concern ourselves with the judiciary's motives for sending addicts to us. We don't even need to worry about the addicts' motives when they come to our meetings. As *It Works: How and Why* so aptly says, "The group is not the jury of desire." Many of us first came to NA to please someone else—a family member, our employer, the court—but we ended up staying for ourselves. Our business as a fellowship is to carry the message, not to decide who should hear it.

For our part, as the World Board, we plan to continue attending the annual NADCP conferences in the United States and pursuing contacts with other national and international organizations. We expect that other needs will arise at the group level as drug courts impact our fellowship, and we're counting on the fellowship to let us know what kinds of support you need from us to help you meet those needs.

Group  
opposition to  
drug courts  
violates our  
Tenth  
Tradition as  
much as  
offering a  
public  
endorsement  
would

#### FOOTNOTES

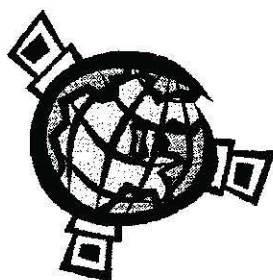
<sup>1</sup> Parallels exist in other countries, though with differences that addicts from the US find surprising. For instance, addicts in "custody" in some countries may find themselves given furlough to attend a nearby NA convention.

<sup>2</sup> Most sentences don't specify a particular twelve-step program and, in fact, this is often left to the discretion of the drug treatment component.

<sup>3</sup> For instance, a large percentage of existing drug courts are for juvenile offenders. If all of our meetings take place in the evening and don't end until close to or after the local curfew, underage addicts will not be able to attend.



# Bringing Our Global Fellowship Into the 21st Century



## Reaching Out Globally

- We responded to the following requests for attendance to various *CAR* workshops prior to the WSC. In most cases, a WB member and a staff member attended. These included: Southeastern Zonal Forum, Michigan Region Multi-Regional Service Conference, Southern Zonal Forum, Plains States Zonal Forum, Mid-Atlantic Regional Learning Conference, Japan Service Workshop, Asia Pacific Zonal Forum, Northern California Multi-Regional Conference Assembly, and the Quebec Regional Conference Assembly.
- Post-WSC travel included an Archive Display & History Workshop in Louisiana; Indiana Regional Service Conference & Midwest Zonal Forum H&I/PI Learning Conference; European Delegates Meeting/ European Conference & Convention; and the Puerto Rico Regional Convention.
- To continue the efforts of raising public awareness about Narcotics Anonymous, several professional events were attended, including the American Correctional Association, Professional Convention Management Association Conference, American Jail Association Annual Conference, National Association of Drug Court Professionals, Twelve Step Advisory Committee, and the American Correctional Association Summer Conference.

A short 46 years ago Narcotics Anonymous, as we have come to know it today, did not exist. When we review our history, we see the seemingly insurmountable obstacles and challenges faced by our founders. With so many pitfalls, detours, legal obstacles, and near misses, it truly is a miracle that we have survived and are now growing in numbers and in unity as a worldwide fellowship. What was once only one solitary, struggling NA group in Southern California and was banned in many states, is now being sought by the public and professionals, as a viable and preferred treatment for active addiction. As we ready ourselves, both as individuals and as a fellowship, to enter into a new century, we are once again faced with challenges to this spiritual program that has saved hundreds of thousands of lives and granted us all freedom from a debilitating and deadly disease. These new challenges inspired the creation of the Narcotics Anonymous World Services Vision Statement (see back cover)—“our touchstone, our reference point, inspiring all that we do.”

In an attempt to remain faithful to that vision statement, as well as the WSO Mission Statement—“...to provide services and support which facilitate the continuation and growth of Narcotics Anonymous worldwide”—we need to continually examine options that will consistently provide the assistance our fellowship requires in order to sustain global membership. How do we do this? Well, one way is travel. In this section of our report, we want to present not only the trips we took (see sidebar for overview), but also the outcome of those trips and the status of the fellowship there. Many of the areas we visited are desperate for NA, but due to financial, political, and/or religious strife, the accessibility of NA that we increasingly have come to expect in the Americas and in Europe is elusive and oftentimes non-existent. It is here that we can see the relevance of the first point of our vision statement which states: “Every addict in the world has the chance to experience our message in his or her own language and culture and find the opportunity for a new way of life.”

Another component of these trips, especially in regards to attendance at the professional events listed, is to continue our efforts of raising public awareness about Narcotics Anonymous. By doing this we can address that point in our vision statement that states, “Narcotics Anonymous has universal recognition and respect as a viable program of recovery.” Through our continual and progressive marketing efforts and presence at these events, we are beginning to achieve that desired recognition.



# Maintaining Our Global Fellowship

**TRIP:** Japanese Regional Service Workshop and Regional Service Committee; Asia Pacific Forum, and Thai Convention (Japan & Thailand)

**TEAM LEADER:** Anthony Edmondson, WSO

**TRAVEL TEAM:** Larry Roche, WB; Mary VanEvery, WSO

**TRIP OBJECTIVES:** In Japan—to offer information regarding the service structure, traditions, and concepts. To determine the status of translations, particularly the Basic Text, and to determine any official legal standing of NA in Japan. In Thailand—to give NAWS report/update and to offer assistance if needed. Also to meet with all communities involved with translations.

## TRIP SPECIFICS:

- ♦ **Japan** now has an RSC with eight ASCs. Glossary of terms and IP#1 in progress; BT status is still unclear. Groups still take PI/H&I commitments within their "area territory."
- ♦ **ASC in Malaysia** that has existed for more than four years is now. Literature is sent directly to the groups.
- ♦ **Indian Regional Forum (IRF)** = the RSC structure for most of India with six functioning ASCs. Literature is distributed to the ASCs by the CDP.
- ♦ **Northeastern Regional Forum (NERF)** = RSC structure for easternmost section of India.
- ♦ **Bangladesh** has no known official service structure or service office, but the community delegate came as an RD. Would like to have sufficient literature to distribute.
- ♦ **Indonesia** has no current structure. The first NA meeting began 3 months ago! A local rehab acts as a central contact for NA.
- ♦ **Singapore** has no official structure and group members act in a "regional" capacity.
- ♦ **Philippines** have an RSC with no ASCs.
- ♦ **Thailand** has no current service structure or service office.
- ♦ **Pakistan** has a few NA meetings and essentially no service structure.



## More Travel Treks

- In order for the WSO staff to stay knowledgeable about certain aspects of managing a non-profit organization and ensuring that the office and NA members have the best opportunity to grow as a business and individually, the following event was attended: the Executive Council of American Society of Association Executives.
- Managing a world convention requires many man-hours accompanied by extensive and meticulous planning by all involved. Take that already difficult task and bring it outside of the US boundaries and you have a full plate! To ensure continuing education in this field the following events were attended: Professional Convention Management Association Conference (x2); WCNA-31 Site Visit (Honolulu, Hawaii); the Marriott Masters Meeting; the European Incentive and Business Travel Marketing Conference; & the Host Committee Meeting for the 28th World Convention (Cartagena, Colombia).



# Our Global Fellowship

**TRIP:** Brazil

**TEAM LEADER:** Anthony Edmondson, WSO

## TRIP SPECIFICS:

This trip was added onto an already scheduled trip by Anthony, who was invited to speak at the Brazilian Regional Convention. While he was there, he met with the board of the Brazilian Regional Service Office to get a first-hand perspective of their operations and to answer specific questions about our (WSO) shipping practices, training, and other general office issues. Several topics regarding the fellowship here were examined and discussed, such as the scope of their fellowship customer base, the challenges of trying to distribute literature over such a large geographic area, how finances are reported, and the relationship between the board & the region.

The project—the translation of *Just for Today*—is expected to be in production soon. There were questions regarding a product that they created which has a verbal edition of *It Works: How & Why* on CD.



**TRIP:** The 5th Annual Conference of the National Association of Drug Court Professionals in Miami Beach, Florida

**TEAM LEADER:** George Hollahan, WSO

**TRAVEL TEAM:** Bob Stewart and Freddie Aquino, WSO

**TRIP OBJECTIVES:** Attended this conference in order to maintain public relations and to assess the value of face-to-face contact with this association on an ongoing basis. To investigate how we may expand our customer base of the correctional/treatment marketplace within this organization and its satellite support organizations.

## TRIP SPECIFICS:

Tremendous response to the distribution of our sample literature and token items. In the two days we exhibited, we distributed the following items:

**Key Tags** = 300      **Basic Text (Eng)** = 288

**Tote Bags** = 400      **Basic Text (Sp)** = 178

*It Works: How & Why* (Eng) = 288

*It Works: How & Why* (Sp) = 128

*Just for Today* (Eng) = 216

*Just for Today* (Sp) = 164

*Step Working Guides* = 145



## TRIP SPECIFICS (continued):

We gathered over 200 business cards for follow-up correspondence to judges, DAs, public defenders, drug court coordinators, substance abuse treatment providers, and other association members affiliated with the drug courts.

This trip provided us with the most success per capita than we have had at any event since the inception of our marketing plan. Our Public Relations Plan is preparing us to participate in a new arena that will have increasing importance to the fellowship of Narcotics Anonymous. In conjunction with our increasing exposure to the public, we have made preliminary arrangements to exhibit at the Family and Juvenile Drug Court 1<sup>st</sup> Annual Training Conference in Phoenix, Arizona in January 2000 and the 6th Annual NADCP Conference that will be held in San Francisco, California in June 2000.



**TRIP:** American Jail Association Conference, Fort Worth, Texas

**TEAM LEADER:** Bob Stewart, WSO

**TRAVEL TEAM:** Freddie Aquino, WSO

**TRIP OBJECTIVES:** Attended this annual event to help maintain a public presence; expand our customer base within the correctional market; to bolster our relationships with our existing customers; and to visit one of our key correctional customers in the southwest, the Texas Department of Criminal Justice-Substance Abuse Treatment Division in Huntsville, Texas. We also participated in the Texas Multi-Regional H&I Orientation and Learning Day held in Ft. Worth.

## TRIP SPECIFICS:

Much attention and interest in NA was generated during this weekend event and we were able to establish 50 new contacts from conference attendees. Generally, we are continuing to experience success with our marketing efforts and activities, while making strides in realizing a greater sales base potential.



## More On Our Global Fellowship

**TRIP:** The Annual Bi-National Drug Demand Reduction Conference in Tijuana, Baja, Mexico

**TEAM LEADER:** Bob Stewart, WSO

**TRAVEL TEAM:** Andres Tovilla, RD, Mexico; Tony Ocequedo, bilingual member of the San Diego NA community

**TRIP OBJECTIVES:** To engage in an excellent international public relations and marketing opportunity & to assist the Mexico Region of NA in one of its most important PI efforts to date. This conference was held jointly by the US & Mexico. We were also able to present some of our marketing material to treatment providers & correctional officials from the US & Mexico. This was a very important event for us! While the number of participants was relatively small—approximately 400—the importance of these individuals within the substance abuse rehabilitation community—is impressive.

### TRIP SPECIFICS:

- ♦ A booth was set up with samples of our publications and informational pamphlets in both languages. We also established a small area for samples of our product catalogs for the treatment community.
- ♦ We distributed literature and interacted with the Mexican Region in a public relations-type forum.
- ♦ Focus of this event was on presenting Narcotics Anonymous to those attendees who had little or no previous knowledge of our organization.
- ♦ Initiated the preliminary groundwork in establishing a relationship with General Barry McCaffrey, Head of the US President's Office of National Drug Control Policy. General McCaffrey expressed his interest in visiting our headquarters during one of his upcoming West Coast trips. He also offered an informal invitation to have our representatives visit him at his headquarters in Washington, DC.
- ♦ Discussed next year's conference in Tucson, Arizona with Mr. Javier Cordova, the official at the ONDCP responsible for the event's coordination. He indicated his enthusiasm at the prospect of NA giving a formal presentation. We may have a presentation slot at this conference. Will continue to follow up as the event date draws nearer.

**TRIP:** Indiana RSC Midwestern Zonal Forum H&I and PI Learning Conference in Bloomington, Indiana

**TEAM LEADER:** Jeff Gershoff, WSO

**TRAVEL TEAM:** Bob MacFarlane, member of the San Diego NA community

**TRIP OBJECTIVES:** To participate in this learning conference as per the request of the regional committee and to carry out assignments designated by the event leadership. The impact of NAWS presence at a learning day or service conference is usually always high and it appears that our attendance here was especially well received. By us attending this event and actively participating, we made great strides in allaying some of the area's skepticism and building trust.

### TRIP SPECIFICS:

- ♦ A workshop titled "A Commitment to Community Partnerships" was given with an excellent response from the attending members. There was a lot of enthusiasm, questions, and comments.
- ♦ A workshop showing a mock H&I/PI presentation to an institution administrator and a mock H&I telephone call was presented. A large percentage of the audience engaged in active participation and offered much input.

Dear Jeff,

I just wanted to thank you and "Dr. Bob" for giving up your Father's Day weekend to come all the way out here to the Midwest, in order to support the "H&I/PI" conference. Your contribution was invaluable. It speaks well of our fellowship that experienced members and staffers would be willing to help out, based on the size of the need, not the size of the audience.

Please pass my gratitude on to Bob and Steve. Your presence was vital to the success of the conference....

Sincerely,

Earl B

PI Chair/BLASCNA (Toledo)

(excerpt from letter received after attendance at conference)





# Communications



NA World Service communications have received a great deal of attention in the past couple of years, and will continue to be an area of intense focus in the future.

We have several things to report about: the activity of the Communications Task Force, some trends we see in the area of communication, and the periodicals available to NA members, service committees, and others.

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## Communication Task Force

The Communication Task Force project was approved at WSC '99 for the purpose of examining world services communications practices and to propose and implement improvements to those practices by June 2000. After WSC '99, the task force spent some time discussing how best to meet the project's goals and deciding on areas of communication to study. The task force recognized that some of the past problems with communication between world services and the fellowship has been due to confusion about what is encompassed in the term, "world services," and what is the purpose of world services. To alleviate those problems, the task force developed and approved an organizational identity statement (see sidebar on the next page). We hope that this statement will help us better focus our communications to the fellowship and help the fellowship gain more understanding about the services we provide. During the summer, the task force decided that conducting focus groups around the fellowship would be the best way to begin finding out what our fellowship needs and wants in terms of world service communications.

Even after an increase to the CTF budget, we still cannot conduct as many focus groups as we would have liked. However, we recognize that it is better to be conservative when trying something new. We have very high hopes for the success of the focus groups. The composition of the groups should provide us with a more accurate picture than we've ever had before of what a group of average members think about our communications. The groups will be composed of members who are currently involved in service, members who used to be involved in service, and members who have never been involved in the service structure. Clean time will also be varied. We will be working closely with RDs and RCMs to select and invite participants.

The eight focus groups will run from October 1999 to January 2000. They will be held in five cities in the US and Canada, and one city each in Europe, Asia, and Latin America. The CTF will prepare a script and questions to use at the focus group meetings to make sure they are conducted in a uniform way. The task force has also made plans to examine WSO communications. Staff will be assigned to fill out phone and correspondence tracking forms in the coming months. The CTF also plans to meet directly with certain WSO staff members to gather additional information about WSO communications.

### CTF Research Priorities

- |                             |                                |
|-----------------------------|--------------------------------|
| 1) Periodicals              | 4) Public relations/marketing  |
| 2) Memos and reports        | 5) WSO internal communications |
| 3) Telephone communications | 6) Professional interaction    |



## **NAWS Organizational Identity Statement**

### **WHO WE ARE**

NA World Services is comprised of the World Service Conference, the World Board, and the World Service Office.

### **WHAT WE DO**

NA World Services provides services supporting the unity of NA and facilitating the continuation and growth of NA worldwide.

### **WHY**

So that every addict in the world has the opportunity for a new way of life.

### **HOW**

NA World Services achieves its purpose always in accordance with the principles of our program, emphasizing honesty, trust, goodwill, and integrity. We conduct ourselves employing fair, fiscally sound, efficient, and effective decision-making policies and practices.

### **WHERE**

Internally—among our fellowship, conference participants, board and committees, and the WSO staff. Externally—among the general public, treatment and correctional personnel, medical professionals, governmental and non-governmental organizations, clergy, and families.

## **Trends in Communication**

Over the past two years, NAWS has created two new publications—*NAWS News* and a new and improved version of the *NA Way Magazine*. Both are directed to the general membership of NA. In the past, our periodicals were created to serve specific (and often small) groups. There wasn't anything inherently wrong with this; it's just that the fellowship as a whole only found out about what was happening in any area of world services by sheer chance. Also, because the information was so specifically directed to a certain audience, NA members who weren't part of that audience usually found most of it either incomprehensible or irrelevant. Even worse, nothing was published in any language besides English.

The *NAWS News* is aimed at getting general information about the activities of world services out to the fellowship as whole. The *NA Way Magazine* is the international journal of our fellowship, presenting the collective wisdom of our worldwide fellowship about recovery and service issues. The magazine also publishes an NA events calendar and provides quarterly updates on new products and translations available from the WSO.

Another important "publication" that should be mentioned here is the Narcotics Anonymous website—[www.na.org](http://www.na.org). We have worked diligently over the last year updating, upgrading, and re-designing the site to reflect the changes we, as a fellowship and a corporate entity, have experienced. As we stated in a number of our reports, this is an exciting time for us and we want to communicate our excitement in as many ways as possible. Some of the functions coming soon to our website will be the ability to update your community's events on our event calendar and a bulletin board that allows all conference participants to post questions, information, etc., and engage in dialogue together.

These are just some of the avenues of communication that are available to all Narcotics Anonymous members. You may contact the WSO if you wish to receive the above periodicals.



## **Publications & Periodicals Available from NA World Services**

### ***NAWS News***

The *NAWS News* gives an overview of world service activity, with a particular emphasis on World Board projects. It is published six times a year following World Board meetings and the World Service Conference. The *NAWS News* is currently available in English, French, German, Portuguese, and Spanish, and we plan to add Swedish in the future. It is distributed automatically to conference participants and registered area and regional service committees. It may also be distributed to others when needed; for instance, the Motion 21 work group—the group that is examining the literature process—asked the World Board to distribute *NAWS News* to area and regional literature committees until completion of the project. At this time, the mailing list is limited to the above groups, but individuals can request copies of this periodical after each mailing.

### ***Conference Agenda Report***

Published and distributed 90 days prior to each World Service Conference, it contains information about all of the relevant business, discussion sessions, and other activities scheduled to take place at the upcoming WSC. At present, the *CAR* is published in English, French, German, Portuguese, Spanish and Swedish. It is distributed automatically to conference participants and regions. Additional copies are available for purchase at cost.

### ***Conference Report***

A comprehensive and detailed report of world service activity published in November and March in English and distributed to conference participants and regions. It includes reports from the World Board, the Human Resources Panel, and any region or zonal forum that wishes to submit material.

### ***The NA Way Magazine***

Published quarterly in January, April, July, and October in English, French, German, Portuguese, and Spanish. The magazine publishes articles from the fellowship, feature articles, updates about new products available from the WSO, non-time-sensitive updates about general-interest world service activity, an events calendar, items about local NA communities, and a variety of other material. When new groups and service committee contacts register with the WSO, they can request the magazine by checking the box on the registration form. The magazine is also available upon request to any NA member or interested professional.

## **Publications & Periodicals Available from NA World Services**

### ***Reaching Out***

*Reaching Out* is a newsletter for incarcerated NA members, prison libraries, correctional officials, and registered H&I committees. It is published in English four times a year—January, April, July, and October.

### ***Meeting by Mail***

Published every other month in English, it contains the written sharing of members of the Loner Group. This periodical was started in the mid-1980s so that NA members who are isolated by geography or circumstance could have the opportunity to share with one another. Non-loners can participate in the Loner Group as sponsors, pen pals, and members. This publication cannot be sent to institutions.

### ***NAWS, Inc. Annual Report***

This year's report covers the six-month period between 1 January and 30 June 1999, which was our fiscal "year" after our transition to a unified budget at the beginning of 1999. In the future, the annual report will be published in late August/early September. It will be distributed automatically, along with draft minutes of the WSC and the current year's version of the *Temporary Working Guide to our World Service Structure*, to conference participants and regions. Additional copies will be available for purchase at cost.

### ***World Services at a Glance***

A synopsis of the *NAWS, Inc. Annual Report*. Published in English and distributed to conference participants, areas, and regions automatically and to others upon request.

### ***NAWS Quarterly Report***

A summary of travel decisions made for world services and a quarterly financial summary. It is published in English and distributed four times a year to conference participants and regions.



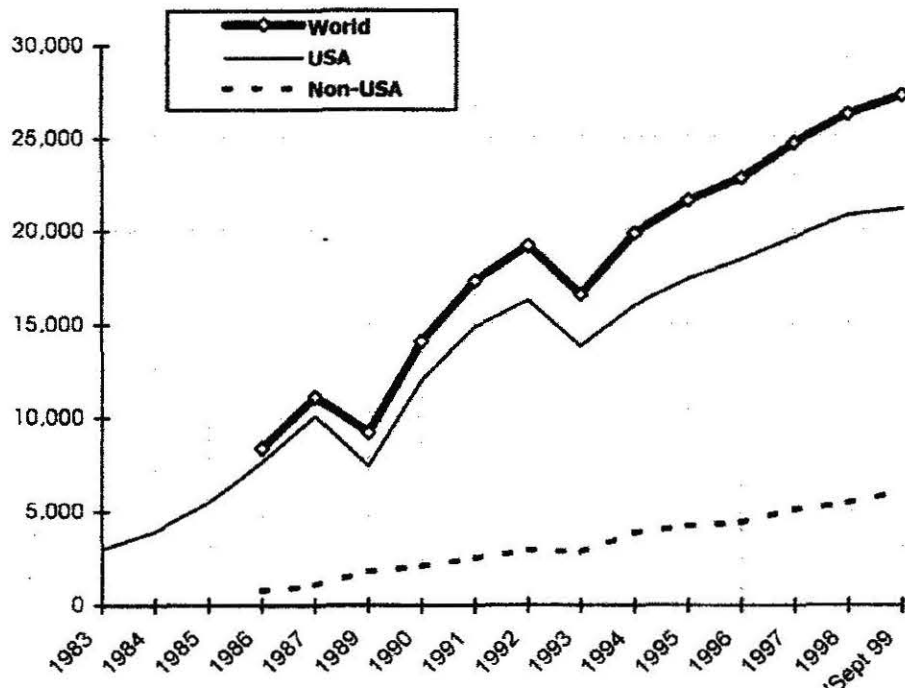


# Narcotics Anonymous Meetings 1983-1999

As of 15 September 1999, the WSO database has records for 18,392 NA groups holding 27,149 meetings in 104 countries worldwide. The 1998 Annual Report figures were 17,848 NA groups holding 26,148 meetings in 104 countries worldwide. This year's figures represent a 3% increase in NA groups and a 3.8% increase in NA meetings. Last year we reported 20,759 meetings in the US compared to 21,071 now, an increase of 1.5%. Non-US meetings were 5,389 compared to 6,078 now, an increase of 12.8%. The fellowship of NA is continuing to grow at a faster rate outside of the US than within the United States.

## FOR THE RECORD:

- 1,001 new meetings have been added to the WSO database since the last annual report
- 312 in the US
- 689 outside of the US
- In other words, 69% of the growth in known meetings since the last report has occurred outside of the U.S. The chart shows the increase in the number of NA meetings since 1983.



## EXPLANATORY NOTES

1. All data is taken from WSO annual reports. Data reflects counts for *meetings* registered with the WSO.
2. We have no data for any meetings outside the USA prior to 1986, although we know that meetings were held elsewhere before that year.
3. We have no data for any meetings for 1988. For reasons unknown, that data was not shown in the annual report prepared by the WSO in 1989. Rather than show a gap in the graphs, we've masked 1988 from the charts.
4. The decline in figures for 1989 may be accounted for by a change in the basis for the figures. Prior to 1990, meeting counts were taken from our world directory, which was never purged of outdated information. From 1990 on (when the 1989 count was tabulated), figures were summed from our group registrations database.
5. The meeting count for the US for 1990 was estimated at 12,000, based on a general examination of the same report from which the precise figures for meetings elsewhere that year were taken.
6. The decline in figures for 1993 may be accounted for by a purging of outdated meeting registrations from our database early in 1994, when the 1993 figures were tabulated. Because we suspected that so many meeting registrations were outdated, we sent notice to all registered meetings that their records would be purged if they did not send back the reply form enclosed with that notice.
7. The US meeting count includes all US regions, at least one of which contains some meetings outside of the US (the San Diego/Imperial Region includes meetings in the state of Baja California Norte, Mexico).

## **Group & Fellowship Donations**

Goal One of NA World Services Fellowship Development Plan identifies the need to “increase and improve world services available financial resources.” There are two main reasons why this is important. First, money, while uncomfortable to talk about, does impact our ability to carry the NA message to the addict who still suffers. World services helps to do this indirectly by providing services and support which facilitate the continuation and growth of Narcotics Anonymous worldwide. Second, this goal was identified out of concern for the financial *stability* of world services. We know stability is crucial because of our concrete experience of volatile fluctuations in the income of the World Service Office. Over the years, these large ups and downs in income from literature sales led to more than one crisis in the operations of the WSO, including years when financial losses required significant staff layoffs and service cutbacks. Prudent operating reserves, always relatively small, reached levels of less than one day (only a few hours) during some of these critical periods.

To accomplish Goal One, the Fellowship Development Plan identified the following:

- ♦ achieving a ninety-day operating reserve by 2002
- ♦ meeting certain targets for WSO personnel and cost of goods expenses
- ♦ planning for any WSO revenue decline greater than 7.5%
- ♦ reviewing sales and marketing plans and the overall literature distribution system
- ♦ implementing a new fund flow system which encourages, within a framework of local autonomy, direct donations from members, groups, and areas to world services
- ♦ creating a new unified world services budget system
- ♦ defining the routine operations of world services
- ♦ increasing fellowship donations to world services an additional \$1,000,000 by the end of 2000 to cover 25% of NAWS operational expenses by member contributions

The first and the last of these objectives are the ones we are farthest from achieving—the 90-day operating reserve and the additional \$1,000,000 in donations. (The other six have been achieved or are ongoing.) These objectives were first formulated back in 1996. At that time, the need for a 90-day operating reserve was defined in terms of WSO-Chatsworth operations only. Now, under the new Unified Budget system, a 90-day operating reserve must take into account the budgeted operational expenses for what were formerly separate branches of world services: WSO, the World Service Conference, and the World Convention Cooperation. For this reason, it will be necessary to update how we are targeting the goal of a 90-day operating reserve. The exact dollar amount of a 90-day operating reserve, however, is always likely to be a moving target. This is because operational expenses may vary significantly from year to year. For example, drastically different annual expenses relating to the rotation schedule for the world convention could substantially increase or decrease the dollar amount needed for NAWS, Inc. to operate for 90 days. Our financial history also shows that income from literature sales and donations can still vary considerably from month to month and year to year.

As we reported in the last issue of *NAWS News*, world services income from direct donations during the last conference year was over the half-million dollar level (\$500,000 US) for the first time in our history. The final amount was actually \$590,779 US—a significant milestone and an 18% increase over the previous year. We are uncertain of the exact dynamics of this increase and while we



do not have definitive answers at the moment, we do want to continue to thank all of our members, groups, areas, and regions for their contributions. When the goal of an increase of one million dollars (\$1,000,000 US) in donations by the year 2000 was established, the donation level was budgeted at \$350,000 annually. In other words, the goal was to increase donations to the level of \$1,350,000 annually. Having increased donations by nearly \$250,000 annually since the goal was established, we have progressed one quarter of the way toward this objective. But having nearly reached the level of \$600,000 in donations per year, we are less than half the way there. Also, as discussed above, while \$1,350,000 amounted to 25% of operational expenses in 1996, this amount has now increased to \$1,412,000 (the same as the 90-day operating reserve).

### **A Unique Opportunity to Achieve These Goals**

Although the timeframe is flexible, greater financial security and stability is now within our grasp if we can simply *double* the current level of donations between now and December of 2000. While this may seem like a short period of time to double donations, in the 1980s when NA grew explosively, the number of groups worldwide doubled within 18 months more than once. Today, of the 18,392 known NA groups worldwide, only a small percentage makes direct contributions to world services. Direct group donations for calendar year 1998 were less than \$35,000, a small portion of total fellowship donations.

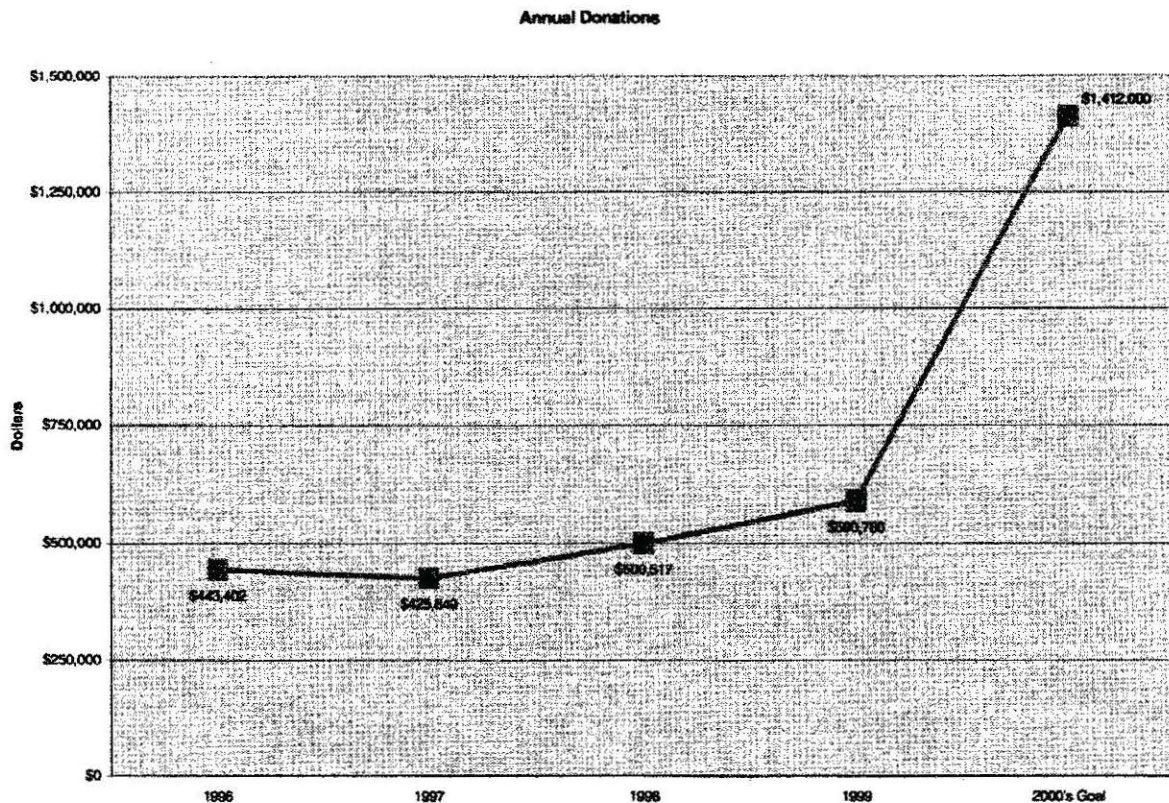
Decreasing the reliance of NA world services on income from literature sales and events and increasing our reliance on direct contributions from members and groups will benefit both the NA groups and NA World Services in practical terms. We believe this has real spiritual benefits consistent with the spiritual principles embodied in both NA's Twelve Traditions and Twelve Concepts for Service. Ultimately, we believe the NA groups would be a better and more reliable source of funds for all NA services than either literature sales or income from events or merchandizing.

At WSC 1998 the representatives of NA groups worldwide adopted a new world service structure, literally implementing NA's First Concept: "To fulfill our fellowship's primary purpose, the NA groups have joined together to create a structure which develops, coordinates, and maintains services on behalf of NA as a whole." And NA's Second Concept states that "the final responsibility and authority for NA services rests with the NA groups." And greater dependence on group contributions would increase the groups' practical investment or stake in NA World Services beyond the ultimate uncontested authority the groups already enjoy. Everything which strengthens the bonds between the NA groups and the service structure will help to further the principles of our Eleventh Concept for Service ("NA funds are to be used to further our primary purpose, and must be managed responsibly.") and the Twelfth Concept ("In keeping with the spiritual nature of Narcotics Anonymous, our structure should always be one of service, never of government.")





A greater reliance on direct Seventh Tradition contributions would benefit NA practically and spiritually at all levels. This has long been a topic of discussion and interest. If we continue to strive for progress, we believe the benefits will include: furthering fellowship unity locally and worldwide, helping to ensure that all NA services are directly responsible to those they serve, and improving communications about service needs and service delivery at all levels to better foster a reliable flow of funds. We believe all of these practical and spiritual principles working together would help to increase and stabilize not only world services available financial resources, but also NA as a whole. The chart below shows how far we have come as of June 1999, and how far we have to go by December of 2000 to achieve the donations goal.



As of 30 June 1999 our actual reserve fund was \$366,000, or 23 days (26% of the amount needed). We are projecting a reserve fund of \$435,000 by June 2000. This is about 31% of the amount needed for a 90-day operating reserve—\$1,412,000.

While we have a long way to go to reach the goal of a 90-day operating reserve, we are making historically significant progress toward this goal. The stability and security of our world service structure will be improved when this objective is achieved, along with our ability to carry the message to the addict who still suffers.







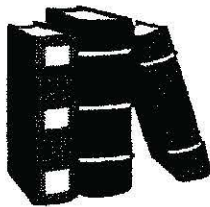
**LITERATURE  
PRODUCTION  
&  
DISTRIBUTION**



# Translations and Literature Development

## NEW TRANSLATIONS

Russian	IP #1
Swedish	Basic Text (Books One and Two)
Bahasa Melayu (Malaysia)	Group Reading Cards
Brazilian	IP #15
Finnish	IP # 9
Manipuri (India)	IP #6, 12, 14 & 15
Nederlands	<i>An Introductory Guide to NA</i>
Turkish	IP #7, 8, 11 & 22



## WAIT, THERE'S MORE...

Since June we have received back from LTCs six book-length pieces, which we are now working on simultaneously! These include:

- the complete French Basic Text (with Book Two to be published for the first time consisting of all original French-language stories).
- the Brazilian *Just For Today*.
- the Norwegian Basic Text (Book One only).
- the Portuguese *Just For Today*.
- the Castilian Spanish *NA Step Working Guides*.
- the Russian Basic Text (which includes a translation of 18 of the English-language stories from Book Two).

Between January and June of 1999 we completed and published translations of 14 items in seven languages, including the first NA recovery literature available from World Services in Russian and the first complete translation of both Book One and Book Two of the Basic Text (in Swedish).

We also accomplished the task of reviewing the existing translations of the entire inventory of German literature (27 items, including group reading cards and keytags). These items had been translated previously (mostly in the 1980s and early 1990s) and published locally in Germany under a WSO licensing agreement with the German-speaking Region. It was necessary to review and update all the files of the existing translations (except the German Basic Text, which has always been printed here in the US) so that we could begin to print the German IPs and booklets here in Chatsworth. This massive undertaking has now been completed, and this tremendous joint effort was done smoothly in less than six months.

But even these efforts tell only part of the story. Translations work is invariably progressive. The complex and time-consuming work of translations is largely dependent on the efforts of local translation committees. How fast or how slow work progresses often depends on a large number of factors out of our control, especially the maturity of the local NA community, and the strength of its service structure and its local translation committee(s). We always suggest that each community start with the translation of a standard glossary of basic recovery terms, followed by IP #1 *Who, What, How & Why*, which includes the Twelve Steps and Twelve Traditions. On this foundation, local translation committees work cooperatively with WSO staff to create translations of other IPs, booklets, and book-length pieces. During the January to June 1999 period, we prepared the groundwork relating to many other books and booklets which will be completed at some point in the future.

During this period we also surveyed all known local translation committees to find out what items they are currently working on, or are hoping to work on in the future. Knowing as much as we can about all the active and pending "wish list" projects helps our long-range planning efforts.

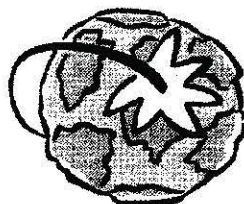
## TRANSLATIONS ACTIVITY SUMMARY (APRIL 1999)

LANGUAGES	PUBLISHED		CURRENT ACTIVE PROJECT		LTC PROJECTS PENDING	
	New	Previous	New	Previous	New	Previous
Bahasa Melayu (Malaysia)	7	5	1	2	10	11
Bengali (India)	4	4	0	0	11	11
Brazilian	21	20	1	1	8	8
Finnish	13	13	3	3	4	3
French	29	29	1	0	4	5
German	27	27	0	0	5	5
Hebrew	3	3	0	0	12	12
Hindi (India)	1	1	0	0	13	13
Italian	13	13	1	1	3	3
Japanese	9	9	0	0	2	2
Manipuri (India)	12	12	0	0	12	12
Nederlands	13	13	3	3	2	2
Norwegian	16	16	4	4	3	3
Portuguese	32	31	0	0	3	3
Russian	1	0	2	3	15	15
Spanish	30	30	1	0	3	4
Swedish	23	22	1	1	11	3
Tagalog (Philippines)	1	1	0	0	11	11
Turkish	9	5	0	4	18	11
Languages With No Published Translations To Date (But Pending Projects Are Known)						
Amharic (Ethiopia)	0	0	0	0	12	3
Arabic	0	0	0	0	29	29
Armenian	0	0	0	0	1	1
Cebuano-Bisaya (Philippines)	0	0	0	0	4	4
Czech	0	0	0	0	3	3
Danish	0	0	0	0	4	4
Farsi (Iran)	0	0	1	1	14	14
Greek Hellenic	0	0	1	1	19	19
Hungarian	0	0	0	0	0	0
Kannada (India)	0	0	0	0	5	5
Korean	0	0	1	1	2	2
Lithuanian	0	0	0	0	22	22
Maltese	0	0	0	0	1	1
Mandarin	0	0	0	0	3	3
Maori (New Zealand)	0	0	0	0	1	1
Oriya (India)	0	0	0	0	2	2
Polish	0	0	1	0	22	23
Anglicized English (U.K.)	0	0	0	0	8	8
Slovak	0	0	0	0	0	0
Tamil (India)	0	0	0	0	2	2
Thai	0	0	1	0	6	6
Urdu (Pakistan)	0	0	1	1	13	14
Vietnamese	0	0	0	0	2	2
Total Languages: 42	264	254	23	26	319	305
Total Projects: 342						

**Note:** Active means that a project is in the stage of evaluation, processing, or production at WSO. Pending (or "wish list") means that projects are in an intermediate or initial development stage and some information is on file with the WSO. The numbers above include literature, as well as translated keytags, group reading cards, and posters.



# Literature Production and Distribution



## NEW ITEMS IN OUR GLOBAL INVENTORY!

- ◆ Swedish Basic Text (Book 1 & 2)
- ◆ Nederlands (Dutch) Intro Guide
- ◆ Bahasa Melayu (Malaysia) IPs #1, 8, 16, & 23; posters: Serenity Prayer, Twelve Steps & Twelve Traditions; and Group Reading Cards
- ◆ Bengali (India) IPs #7 & 16
- ◆ Brazilian IP #15
- ◆ Norwegian IP #13
- ◆ Russian IP #1
- ◆ Turkish IPs #7, 8, 11, & 22
- ◆ German Intro Guide, White Book, *Behind the Walls, In Times of Illness, NA: A Resource in Your Community*, and IPs #1, 2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 19, 20, 21, 22, 23, & 24
- ◆ English *Temporary Working Guide to Our World Service Structure* (annual update, May 1999)

The joy of making progress in our literature translation efforts through the help that the Fellowship Services Team provides to local literature translation committees around the world (see page 28) also translates into more work for the Customer Service, Production, and Distribution Team. Quickly and efficiently adding each newly approved or revised item (in whatever language) to the WSO inventory is our responsibility and privilege. Happily, the volume of work increased during this six-month period and was accomplished successfully with no increase in staff. See the sidebar for the items that were produced and added to the WSO inventory between 1 January and 30 June 1999.

## Literature Distribution

Another major accomplishment during this period was the success of our customer service and shipping staff to keep pace with the increased number of orders received. The increase in total sales during this reporting period (illustrated in the financial reports section beginning on page 45) has meant more orders and more work for this department. Staffing levels have remained the same since the WSO restructuring and layoffs in March of 1997. Working harder and smarter, customer service levels have been maintained thanks to their dedication and commitment. We still hope to be able to hire a new customer service/shipping staff member to maintain and improve the quality of our customer service.

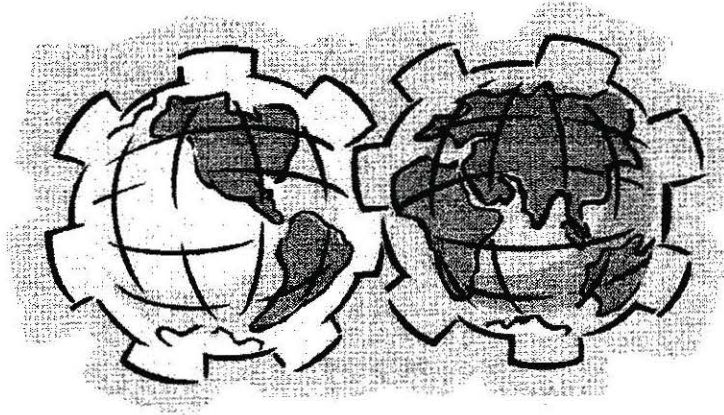
## Evaluation of the Literature Distribution System

A project to analyze the overall literature distribution system was adopted by WSC '99, one of the 14 projects proposed by the World Board and approved by the conference. The purpose of this project is to analyze the effect the changes in WSO sales policies have had on the fellowship's literature distribution system. We will be examining the impact the sales policy changes have had on all types of customers, small and large. A final report and recommendations will be presented to WSC 2000.

## **WSO-Canada and WSO-Europe**

The success of both of our branch offices continued during this reporting period, with budgeted financial performance exceeding expectations. Each branch office experienced an increase in sales which contributed to the overall sales increase during this reporting period. As is the case with the WSO in Chatsworth, the increase in sales from each of these literature distribution centers has also meant more orders processed by the same number of dedicated staff members in each location. We salute and appreciate their accomplishment in maintaining the high quality of customer service you have asked for.

Moreover, after years of investing in the European branch office, WSO-Europe is continuing to show reductions in its operating expenses through the six months ending June 1999. It is reasonable to hope and expect that this trend will continue. This is because of prudent management of WSO-Europe's operations and because of increasing income. Higher sales are the result of continuing progress with literature translations into various European languages, as well as the ever increasing number of NA groups throughout Europe.





# **FELLOWSHIP INTELLECTUAL PROPERTY TRUST (FIPT)**

## **Overview and Background**

The Fellowship Intellectual Property Trust arose out of several motions addressed by the World Service Conference in 1991 when elected trusted servants affirmed that the WSO is the sole publisher and distributor of NA's literature. They also affirmed the WSO's responsibility for protecting that literature and all of NA's intellectual properties, on behalf of the members of Narcotics Anonymous, by holding those properties in trust. With the assistance of a working group of regional service representatives (now called regional delegates), the World Service Board of Trustees developed the FIPT. The purpose of this legal trust is to provide clear direction regarding the management and protection of our fellowship's literature, and other intellectual properties, including the management of income deriving from those properties. After considerable fellowship review, discussion, workshopping, and input, the 1993 World Service Conference adopted the FIPT.

## **Registering Our Trademarks Around the World**

NAWS has spent approximately \$48,500—during this reporting period—registering our name and logos in countries around the world, as well as maintaining current registrations that were up for renewal and the necessary copyright registrations for our new corporate name—NAWS. We are registered in 31 countries, including the United States. We have also received trademark registration on the logo from the Jimmy Kinnon archives, which we call "The Group Logo." Fellowship service committees may now use this logo, provided they include the registered trademark symbol, ®, and follow the same rules of use as described in the *Intellectual Property Bulletin #1*, Internal Use of NA Intellectual Property. We still project that we will need about a quarter of a million dollars over the next two years to stay current with the needs of an ever-growing worldwide fellowship.

## **Vendor Registrations in 1999**

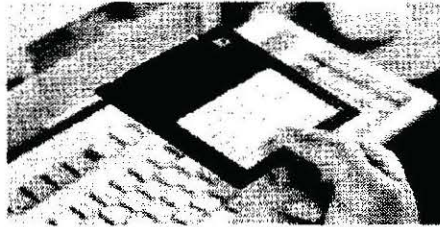
World services has been faced with how to balance protection of the fellowship's property with the desire by many members of our fellowship to purchase merchandise using the fellowship's trademarks. Licensing provides acknowledgement that the vendors are using the fellowship's property with permission and do not actually own it, while still providing members with the ability to purchase these types of items. In January 1998, we began to charge individuals a fee for licensing as a vendor to use this property. The fees that we charge allow us to offset the personnel and legal costs associated with this activity. Service committees within the fellowship already have permission to use the fellowship's trademarks provided they follow the guidelines in the FIPT bulletins.

Those who wish to register as vendors authorized to manufacture and sell products utilizing any of NA's intellectual properties may do so twice a year: during the months of January and July. You may contact the World Service Office with your request for a vendor registration during either of these months, and through this process, you can become a legally authorized vendor of NA-related merchandise. Vendor registration costs \$500 annually, plus a \$50 annual processing fee.

A list of registered vendors is available from the WSO upon request.



## **FIPT and the Internet**



We are living in an age of technology that has allowed us to experience things that many of our parents and grandparents didn't even read about. The personal computer explosion that has evolved over the past decade made great science fiction reading just 25 years ago. And now with the sophisticated expansion of the Internet, the world is, quite literally, at our fingertips! For those of you who aren't up to snuff on the Internet, it is a worldwide network of computers and computer networks connecting more than 20 million servers throughout the world. It is estimated that the number of users around the world is approaching 100 million and growing—figures that defy the imagination. And not only is this territory mostly “where no man has gone before,” it is also largely unregulated due to the sheer magnitude and uniqueness of the medium. Because of this, we, the fellowship of Narcotics Anonymous, are being challenged in new ways as to how we can continue to protect our literature and trademarks.

What we have come to realize, with the dawning of this new avenue of communication and information technology, is that much of the regulation that is required to protect our literature rests on our shoulders—the members of NA worldwide. While an unauthorized copy made electronically by downloading from a website is subject to a charge of copyright infringement, just as it would be if photocopied or reprinted without permission, protecting our copyrights and trademarks still requires legal actions that are not necessarily simple or inexpensive. This is a situation we hope to **not** find ourselves confronting. What is important for us all to remember is that we, the World Board and NAWS, have been entrusted by the fellowship to protect our literature and its trademarks. Posting our copyrighted literature on the Internet in any form also increases the danger of unauthorized alterations made to those electronic copies. We have a responsibility to the fellowship to uphold the FIPT and can suffer serious adverse consequences if we fail to do this. Furthermore, such failure can lead to our losing the **right** to protect our copyrights and trademarks against use by others.

We ask that all of our members stay vigilant in protecting what is ours—the wonderfully simple, powerful, and heartfelt words that have helped to bring recovery to hundreds of thousands of suffering addicts around the world. We cannot do this alone. The adage, “together we can,” rings true, especially here. In our zeal to get our message “out there,” let's not resort to “old ways.” There are a number of ways that we can make sure that our message is communicated—ways that have worked long before the advent of the Internet—and ways that still work today.

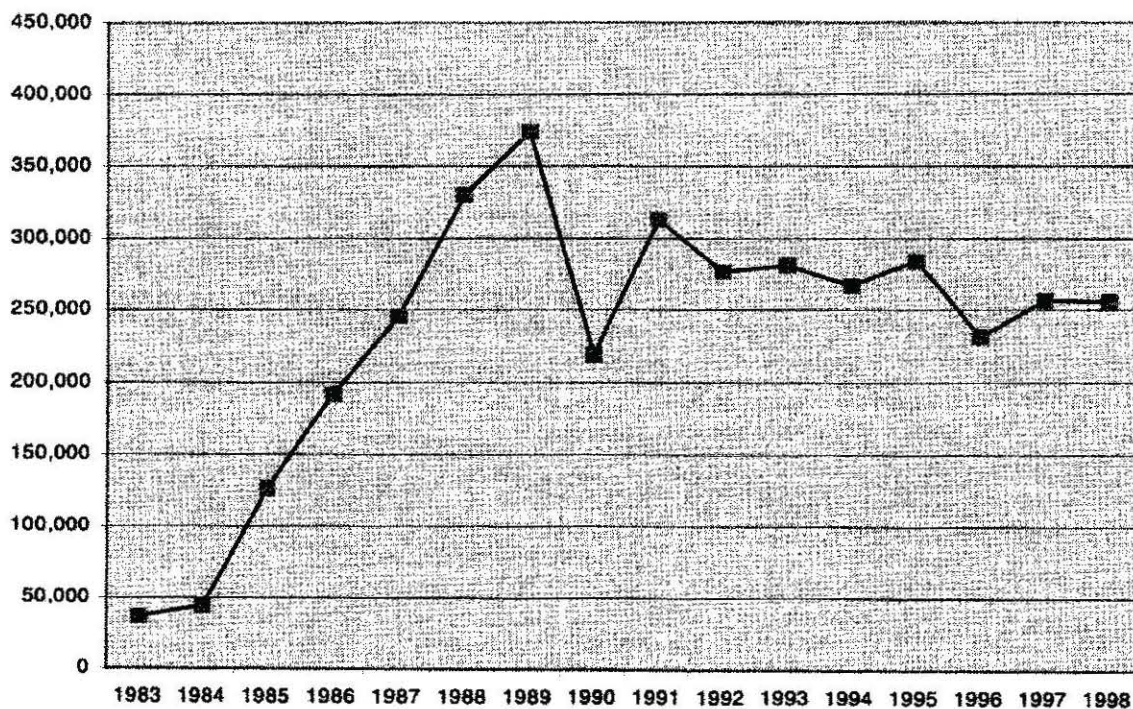
If you are interested in learning more about how you can protect our literature and the “do's” and “don'ts” of the Internet regarding Narcotics Anonymous and the FIPT, you may contact the World Service Office in Chatsworth.



## Unit Sales Trends

As the chart below shows, we have sold and distributed 3,733,734 copies of the Basic Text as of December 1998 (all editions, all languages) since the book was first published in April, 1983. 1998 unit sales of the Basic Text totaled 255,644, holding steady at the 1997 sales level. The Basic Text accounted for 60% of the 426,610 recovery books sold during calendar year 1998. It remains our best-selling book and the largest income source for world services. Sometime next year, we should sell the 4,000,000<sup>th</sup> copy of the Basic Text—a major landmark in our history! We reflect with profound gratitude on the progress NA has made carrying the message to the addict who still suffers and are inspired to re-double our efforts to reach the still suffering addict.

**Basic Text**  
**3,733,734 Units Since 1983**  
**Sales Peaked in 1989 at 374,059**  
**1998 Sales = 68% of 1989 Peak**



In contrast, 1998 sales of *It Works: How & Why* were 81,094, with total units sold amounting to 449,557 (1993-1998). 1998 sales of *Just For Today: Daily Meditations for Recovering Addicts*, were comparable with 72,267 units, with total units now at 421,970 (1992-1998). The *Narcotics Anonymous Step Working Guides*, our newest recovery book, was published in late 1998 and sold 17,605 units, leading to a 3.7% overall increase in recovery books sold in 1998 vs. 1997 (illustrated by the chart below).

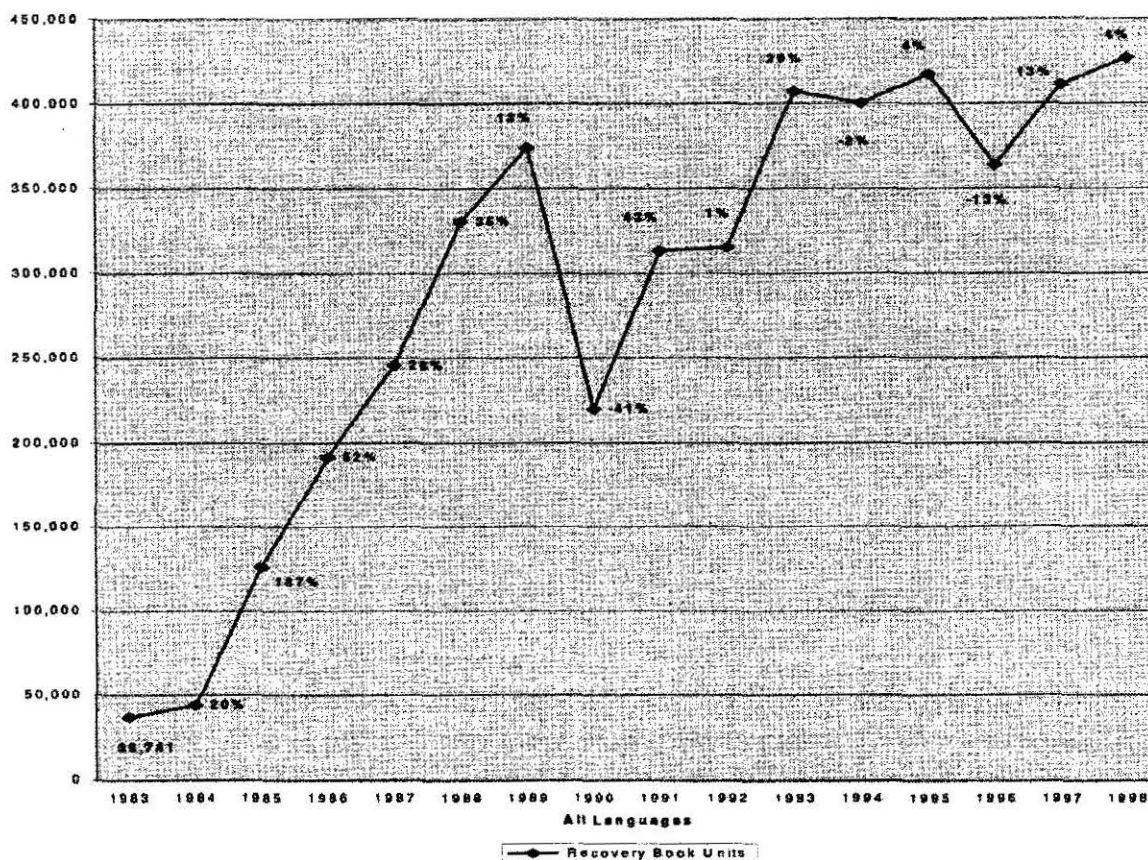
Between 1983 and 1998, the charts on the following pages show that NA has distributed at least:

- ♦ 4,622,866 recovery books
- ♦ 8,330,653 recovery booklets
- ♦ 63,105,379 recovery information pamphlets

*Our Gratitude Speaks...  
When We Care  
And When We Share  
With Others,  
The NA Way*

Sometime during 1999, we should pass the 5,000,000 mark in total recovery books sold. We sold more recovery books in 1998 than in any previous year in our history. As the chart below indicates, we have distributed a total of 4,622,866 recovery books as of December 1998.

**All Recovery Book Units  
4,622,866 From 1983-1998  
(Plus Year Over Year % Change)**

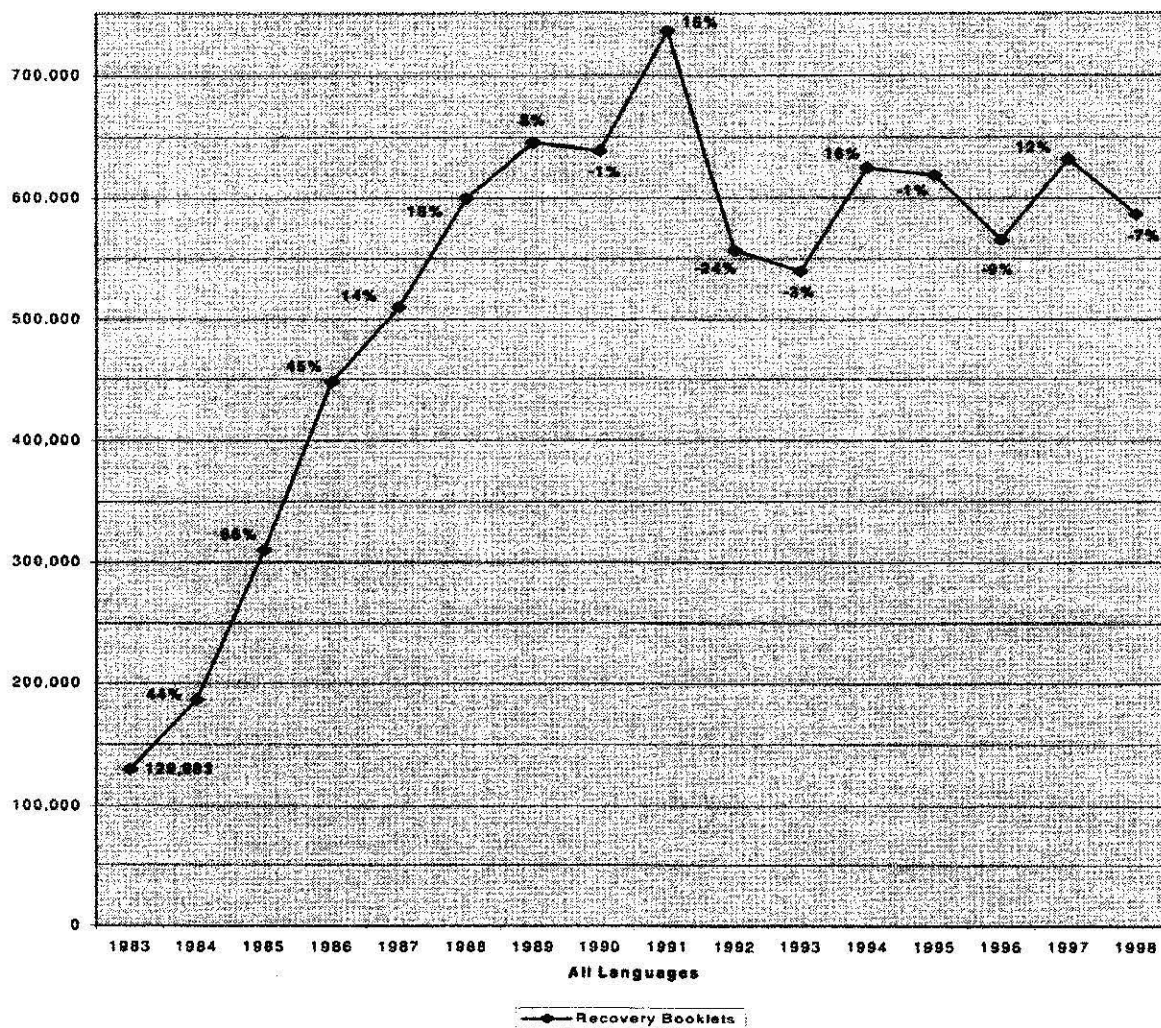


In general, total unit sales for recovery books should hit a new peak in 1999 because of the *Step Working Guides*. (This does not count *Miracles Happen* or the Slugg cartoon book, which are not categorized as recovery literature.)



The chart below shows the recovery booklet sales trend from 1983-1998, with 8,330,653 total units sold during this period. 1998 recovery booklet sales totaled 586,514 units, down 7% from 1997.

**All Recovery Booklet Units  
8,330,653 From 1983-1998  
(Plus Year Over Year % Change)**

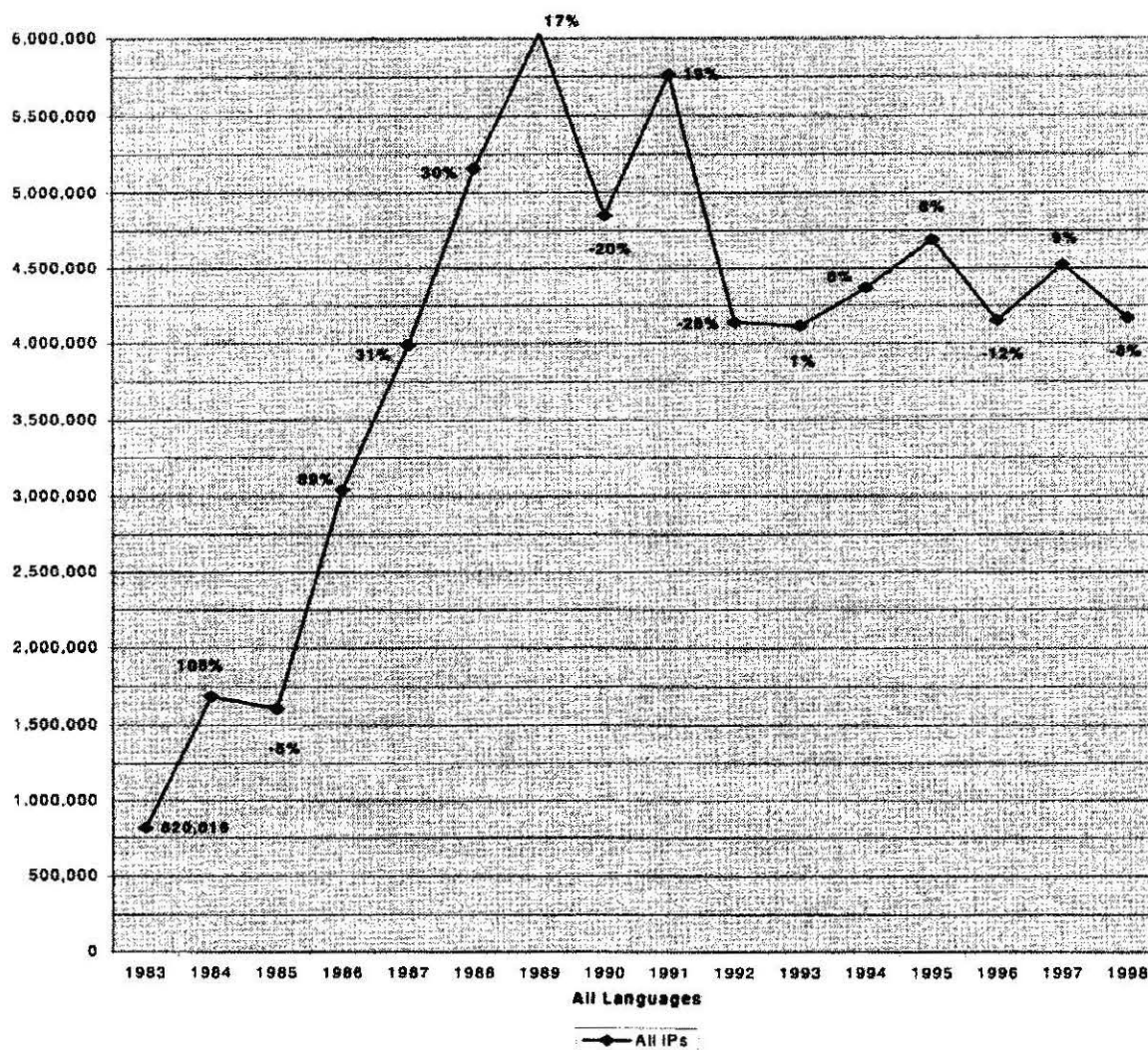


The best year for recovery booklet sales was 1991, when sales peaked at 735,914 total units (1998 total units are 20% less than 1991). The biggest factor accounting for this is declining sales of our oldest and best-selling booklet, the Little White Book, which had its highest annual sales in 1991 (601,719), compared to 382,259 units in 1998 (but with 6,705,681 total units through WSO since 1983). The Little White Book remains our best selling booklet, accounting for 65% of all recovery booklets sold. The other four recovery booklets trail far behind. *In Times of Illness* sold only 17,489 copies in 1998 (3% of booklet sales). The fourth step guide sold 41,113 units (7% of recovery booklets). *Behind the Walls* sold 52,090 copies (9% of booklets). The *Introductory Guide to NA* had its best year ever with 93,563 copies sold (16% of booklets).



The chart below shows the sales trend for all recovery information pamphlets from 1983-1998, with 63,105,379 total units sold during this period. 1998 IP sales totaled 4,166,634 units, down 8% from 1997.

**All IP Units**  
**63,105,379 from 1983-1998**  
**(Plus Year Over Year % Change)**



The best year for recovery IP sales was 1989, when sales peaked at 6,031,642 total units (1998 total units are 31% less than 1989). Part of this decline can probably be attributed to the publication of the *Introductory Guide to NA* in 1991, which now contains 10 information pamphlets (plus Chapter Four of the Basic Text). Sales of the Intro Guide have increased every year from about 30,000 units in 1991 to more than 93,000 units in 1998. This would roughly equate to an estimated loss in 1998 of 930,000 IP sales units now bundled in this booklet (possibly half the decrease since 1989).





### Just For the Record...

During the first six months of 1999,  
we have sold/distributed:

- 115,719 copies of the Basic Text
- 69,123 copies of the *Step Working Guides*
- 35,404 copies of *It Works*
- 34,742 copies of *Just For Today*

254,988 recovery books  
total

If this trend were to continue for the  
balance of 1999, Narcotics  
Anonymous will have sold more than a  
half million recovery books (500,000  
units) in one year for the first time in  
our history!!!

## 1999 Unit Sales

We plan to continue to report specific unit sales information on a calendar year basis so that it can be compared to prior years as we have done above. The accompanying financial statements for the period ending 30 June 1999, however, show the continuing health of 1999 literature sales. From the six-month trend, however, it is apparent 1999 will be a record year for recovery book sales. As the foregoing charts show, unit sales of recovery booklets and information pamphlets have gradually declined over the course of the 1990s, but it looks as if 1999 will at least hold steady over 1998.

The fellowship's positive response to the new *Narcotics Anonymous Step Working Guides* book is the key reason we can predict with confidence that 1999 will surpass the record set in 1998 for recovery books sold (426,610).

Most remarkably, 69,123 copies of the *Step Guides* have been sold during this short six-month reporting period of 1999. With the 17,605 copies sold since the book was introduced late last year, total sales to date are now 86,728. For 1999, we can predict that this will make the *NA Step Working Guides* our second best-selling book, exceeding *It Works How & Why* and *Just For Today* in annual unit sales.

While the Basic Text will remain number one in units sold, for the first time in our history, the Basic Text will account for less than fifty percent (50%) of recovery books sold. This diversification of book products is an enormously important developmental change for the fellowship of Narcotics Anonymous, and this variety is likely to contribute to the financial stability of the World Service Office for years to come.



# **WORLD SERVICE CONFERENCE**



## Setting a New Standard

The 1999 World Service Conference offered us many challenges with new systems, a new structure, and a shorter conference week. We believe we faced these challenges and moved forward with a positive, pro-active, "we can-do" attitude. The evaluations that the majority of participants returned were for the most part upbeat and positive, but many voiced their frustration at trying to do so many things, in addition to many new things, in such a short period of time. However, at the end of that difficult week, the conference supported all of our proposals for the second year of our transition. Once again, we want to thank you for that support and to acknowledge that it will be a busy year! Following is a summary of the adopted motions and other actions at WSC '99:

- ♦ "To adopt the WSC 1999 Election Procedures and Challenges to Nominations."
  - ♦ "To seat the ABCD Region as a participant." (New York)
  - ♦ "To seat the Finland Region as a participant."
  - ♦ "To seat the NERF Region as a participant." (Northeast India)
  - ♦ "To select two issue-discussion topics ... for discussion at the 2000 World Service Conference." Ballot tabulation resulted in selection of I and J as the issues for discussion at WSC 2000. Issue discussion papers on these topics will appear in the CAR 2000.
- I. What action do we, as a fellowship, need to take to retain our experienced members with substantial clean time?*
- J. What is NA's definition of abstinence? How does this definition apply to our members who need medication in recovery?"*
- ♦ "That NA World Services publish the *Conference Agenda Report* a minimum of 180 days prior to the World Service Conference. Further, that translations as currently done to German, Spanish, French, Portuguese, and Swedish be completed prior to the release on that date. This policy to take effect in conjunction with the two-year conference cycle."
  - ♦ "That regions be allowed up to 150 words to describe the reasoning behind and consequences of their regional motions in the *Conference Agenda Report*."
  - ♦ "To have a space on the agenda for zonal forum report sessions at all future WSCs."
  - ♦ "To delete the following language 'if the World Board is not presenting any proposals for action by the conference, no report from the World Board will be included in the *Conference Agenda Report*.' (The language was meant to be deleted from *A Temporary Working Guide to our World Service Structure, 1998 edition*, but it was not stated in the motion.)
  - ♦ "To provide direction to the World Board for the Motion 21 Project Plan as follows: To include, under the description of the Eleventh Tradition in the Basic Text and *It Works: How and Why*, language regarding the application of this tradition to television and the Internet."
  - ♦ To approve the proposed changes to the 1999 – 2000 Budget and approve it in its entirety as amended."

The projects included in this budget are the Internal Process and Procedures for the World Board, Communications Task Force, Evaluation of the Literature Distribution System, New Database, History Project, Motion 21, Process for Service Material, Two-year Conference Cycle, a new Information Management System, a World Service Meeting, and evaluation of the public information, events, and treasurers handbooks and training workbooks.

#### **Motions Committed to the World Board**

- ♦ “To change in the *Narcotics Anonymous* White Booklet under the section ‘What is the Narcotics Anonymous Program?’ on page 2, second to last sentence, the language ‘and are under no surveillance at any time’ to ‘and participate in no surveillance at any time’.”
- ♦ “To direct the World Board to develop a project plan for a guide book for working our Twelve Traditions.”
- ♦ “That the World Board form a working group to explore the issues surrounding recognition of online NA meetings by World Services.”
- ♦ “That NAWS, Inc. provide an email discussion list for WSC participants that wish to participate. This discussion list will be open for subscriptions and full participation by all WSC participants that wish to take part. Non-conference participants will be able to subscribe to the list as non-participants without posting privileges. All translations will be the responsibility of the list participants.”
- ♦ “That NAWS, Inc. research the feasibility of using email for communication with those conference participants who request this.”
- ♦ “That communication from the entities of NAWS, Inc. to the fellowship be written at an 8<sup>th</sup> grade level, whenever possible.”

#### **Motions Committed to the Human Resource Panel**

- ♦ “That anyone seeking a world services elected position have their nomination and resume turned into the HRP by September 1.” MOTION COMMITTED to the Human Resource Panel with a response by the time of the world service meeting.”

### **The Human Resource Panel and the World Pool**

During this reporting period, the WSO staff assigned to support the Human Resource Panel (HRP) helped the HRP to prepare for the 1999 World Service Conference and have since helped with this year's activities. Encouraging members to volunteer for world services is the number-one goal of the HRP. Any member with five years clean time can volunteer by submitting the HRP's resume form. The resume form can be found on the NAWS website at [www.na.org](http://www.na.org), or can be mailed or faxed upon request. Filling the World Pool with as many qualified members as possible is vital to the success of the new world services system and will be crucial to the World Board's eventual implementation of its committee system and future world service projects.



## **Project Updates**

As of June 1999, the project workgroups have scheduled their meetings for the rest of this year and are preparing the drafts, diagrams, and other necessary materials to present to the fellowship in the *2000 Conference Agenda Report*. The workgroups' last meeting with the World Board will be in November when the following project proposals will be reviewed and approved by the board to include in the CAR.

### **Service Material Approval Process**

The workgroup discussed the differences between recovery and service literature and how to present that distinction with a new approval process for service material. Also addressed was how to simplify the approval process diagram that is currently being developed. The workgroup continues to agree that the process for the development and approval of service material products should be easy to understand, flexible, timely, and should utilize World Pool members.

### **Two-year Conference Cycle**

This workgroup is focusing on five main areas—the goals and purpose of the two-year conference cycle, the event known as the World Service Conference, the conference work cycle and the *Conference Agenda Report*, the worldwide workshop system, and funding attendance to the WSC. There was discussion regarding the necessary improvements to the conference system and how to make the event more productive for participants and more effective in serving a worldwide fellowship. The workgroup feels this will bring their vision into focus—that of a WSC in which everyone works together as a united cohesive body focused on NA's worldwide mission.

### **The Motion 21 Project Planning Recovery Literature Development**

In February of 1999 we developed a preliminary literature survey. The purpose was to get an initial general sense about what the fellowship wants in terms of both new recovery literature and the revision of existing literature. We subsequently proposed an expanded project plan to the 1999 WSC to create a strategic 10-year plan for literature development. The conference approved this expanded "Motion 21" project plan. We then launched the project, assembling a board workgroup to accomplish this task. The workgroup held its first meeting in June of 1999. The end result will be our presentation in the 2000 CAR of a comprehensive report on recovery literature development for fellowship consideration at WSC 2000.

## **The WSO Database**

The new database at the WSO will include an online meeting directory with the capacity for designated service bodies to update the information along with an online shopping cart component. As many of you know, this project has been in development for more than two years. Unfortunately, the project was delayed due to the death of our primary programmer. Over the time-span of this project, the generally accepted platform for this technology has changed significantly and the current proposal is based on meeting current standards.

Much of our ability to meet the challenges of an ever-growing fellowship and a changing world depends on our ability to use systems and technology to our benefit. We believe this project will provide more benefits than we can even be aware of at the present time. It is also an integral part of developing an effective information management system. We will use the fellowship service committees to test the online registration functions before it is opened up for general access.



# **WORLD CONVENTION UPDATES**



## World Convention Updates

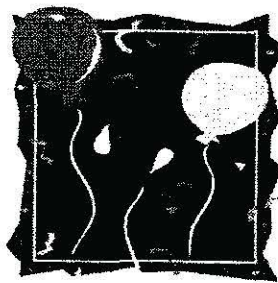
We are continuing to make plans for WCNA-28 to be held in Cartagena, Colombia, 31 August through 3 September 2000. We have recently completed negotiations with Avianca Airlines to reroute their North American flights from Bogota to land directly in Cartagena on our heavy days of travel to and from the convention. We are also in discussions with two travel agencies to provide package pricing to convention attendees that will include air, hotel, and ground transportation, similar to what we did for WCNA-25. These packages will be available to members traveling from points throughout North and Latin America. We are continuing to attempt to find discount programs for other locations.

We continue to regularly monitor the civil unrest occurring in Columbia. To date there has been no such activity in or near the beautiful city of Cartagena, located on a peninsula slicing into the Caribbean Sea, roughly a thousand miles from the problem areas. The World Board is committed to moving forward with this event. We do realize, however, that circumstances may arise that would necessitate reevaluating our decision. In the meantime, we encourage every member who may be considering attending the convention to seek out information about Cartagena, check with their respective government agency for any travel advisories, then search his or her minds and hearts and make a decision. We can only reassure you that the World Board has no intention of exposing our members to unnecessary risks and will keep you regularly informed about our plans. We will publish a convention newsletter in the fall (available at [www.na.org](http://www.na.org)) and registration flyers will be mailed to the fellowship in December 1999.

There is nothing new to report at this time on WCNA-29 or WCNA-30. WCNA-29 will be held in Atlanta, Georgia, 4-7 July 2002. WCNA-30, commemorating the 50<sup>th</sup> birthday of our fellowship, will be held in San Diego, California, 3-6 July 2003.

Site selection for WCNA-31 to be held in 2005 somewhere in the Asia Pacific Zone has reached its final negotiations. Sites under consideration are Christchurch (New Zealand), Honolulu (Hawaii), Melbourne (Australia), New Delhi (India), and Sydney (Australia). At this time, the World Board is scheduled to consider bid proposals at our August meeting. Once negotiations are finalized, an announcement will be made to the fellowship.

WCNA



A Celebration of Our Recovery



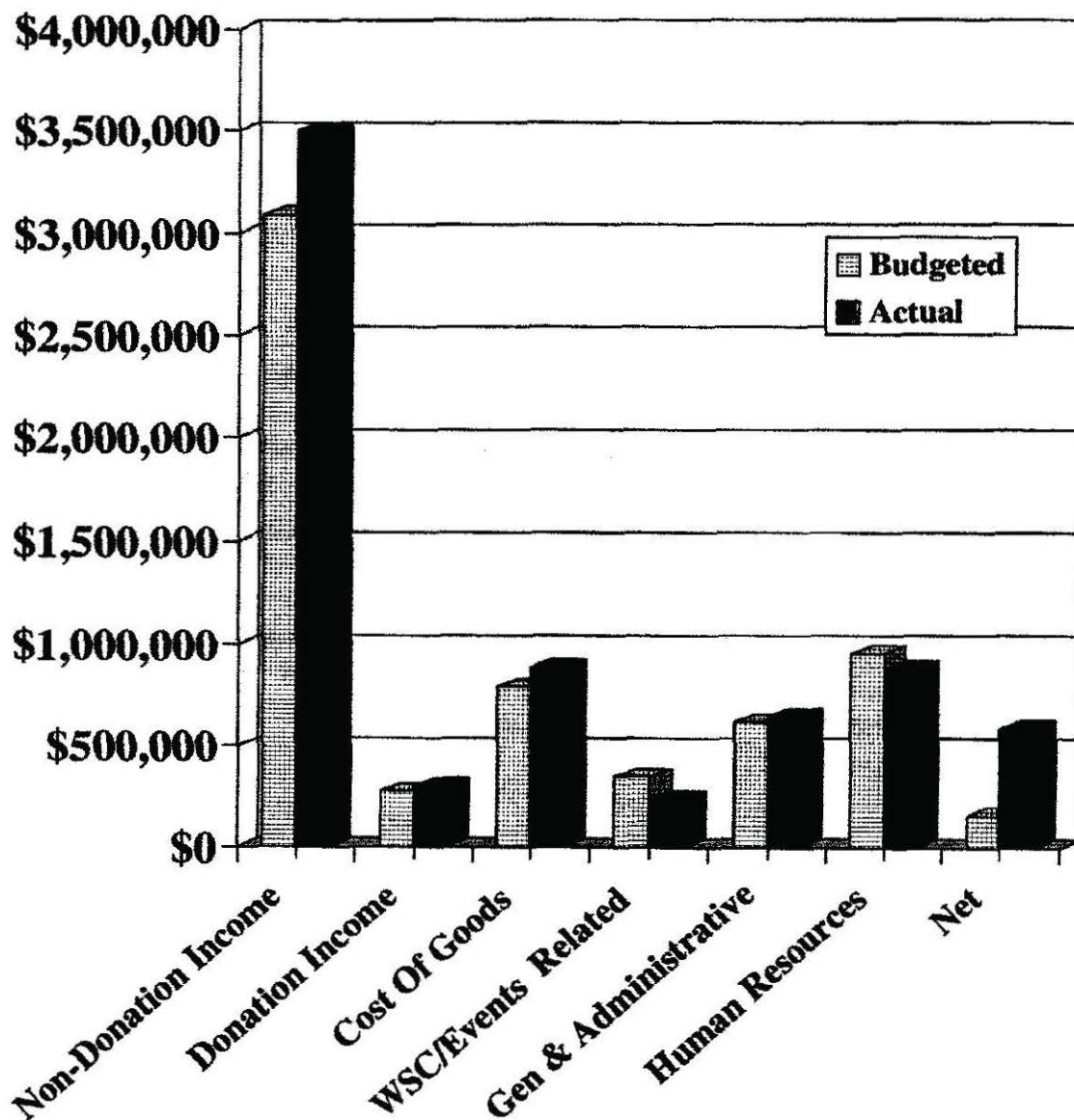
# **FINANCIAL REPORTS**



## NAWS Operations January – June 1999

The chart below illustrates visually and dramatically the positive actual financial results compared to budgeted income and expenses for this period. On the following pages, you will find the detailed financial statements for NAWS, Inc. During this reporting period, we had the highest single sales month in our history in February 1999, followed by a record month of total accounts receivable exceeding \$1,000,000 for the first time ever!

For reporting purposes, the NAWS Combined Financial Summary on the following page includes all donation income from 1 January 1999 through 30 June 1999. However, the separate Income Statement for the World Service Conference is for the one-month period of June 1999 only—which reflects the first month of a new conference year.



**NA World Services Inc. Combined Financial Summary**  
**January 1, 1999 - June 30, 1999**

	<b>Actual thru June</b>	<b>Budgeted Jan-June 1999</b>
<b>Income Breakdown</b>		
FIPT Literature Income-Chatsworth	\$ 2,601,625 <sup>1</sup>	\$ 2,175,130
FIPT Literature Income-Canada	\$ 84,357 <sup>1</sup>	\$ 61,868
FIPT Literature Income-Europe	\$ 78,567 <sup>1</sup>	\$ 54,085
Non-FIPT Literature Income-Chatsworth	\$ 682,861 <sup>2</sup>	\$ 779,811
Non-FIPT Literature Income-Canada	\$ 29,969 <sup>2</sup>	\$ 17,710
Non-FIPT Literature Income-Europe	\$ 25,354 <sup>2</sup>	
Donation Income	\$ 308,451	\$ 275,046
Event Income	\$ 731	
Discounts & Allowances-Chatsworth	\$ (556,955)	\$ (584,356)
Discounts & Allowances-Canada	\$ (9,439)	\$ (9,624)
Discounts & Allowances-Europe	\$ (24,760)	\$ (20,574)
Projected Unspent Donation Income thru 12/31/98	\$ 120,935	\$ 95,995
<b>Total</b>	<b>\$ 3,220,760</b>	<b>\$ 2,845,091</b>
<b>EXPENSE</b>		
<b>Cost of Goods</b>		
Cost of Goods WSO Chatsworth-FIPT	\$ 608,210 <sup>1</sup>	\$ 346,141
Cost of Goods WSO Canada-FIPT	\$ 23,794 <sup>1</sup>	\$ 14,841
Cost of Goods WSO Europe-FIPT	\$ 36,894 <sup>1</sup>	\$ 33,600
Cost of Goods WSO Chatsworth-NonFIPT	\$ 209,933 <sup>2</sup>	\$ 376,930
Cost of Goods WSO Canada-NonFIPT	\$ 7,607 <sup>2</sup>	\$ 17,710
Cost of Goods WSO Europe-NonFIPT	\$ 6,755 <sup>2</sup>	
Cost of Goods & Services Events	\$ 1,789	
Cost of Goods WSC	\$ -	
<b>Total</b>	<b>\$ 894,983</b>	<b>\$ 789,222</b>
<b>Operating Income</b>	<b>\$ 2,325,777</b>	<b>\$ 2,055,869</b>
<b>Operational Expenses</b>		
General & Administrative Expense WSO-Chatsworth	\$ 580,557	\$ 556,523
General & Administrative Expense WSO-Canada	\$ 11,345	\$ 13,695
General & Administrative Expense WSO-Europe	\$ 15,650	\$ 24,047
Administrative Expense-World Board	\$ 8,882	\$ 33,000
Annual Meeting - Including Development Forum	\$ 113,380	\$ 126,167
World Board	\$ 57,858	\$ 77,167
Committee & Board Mailings	\$ 2,383	\$ 14,277
Legal & Accounting	\$ 28,919	\$ 13,218
Professional Events	\$ 2,734	\$ 12,500
Fellowship Development	\$ 30,575	\$ 22,777
Publications (incl. Reaching Out)	\$ 22,994	\$ 27,500
Other Project Expense [H&I Literature]	\$ 2,338	\$ 11,278
Leadership Orientation	\$ -	\$ 15,000
WSC Co-Facilitators	\$ -	\$ 2,750
Prior Year Carryover	\$ (120)	
General & Administrative Expense - Events	\$ 21,726	
Other Income & Expense	\$ (8,979.40)	



	Subtotal	\$ 890,242	\$ 949,899
Variable Project Expenses		\$ 14,858	\$ 9,000
	Total	\$ 905,100	\$ 958,899

	Actual thru June	Budgeted Jan-June 1999
<b>Human Resources</b>		
Human Resources WSO-Chatsworth	\$ 935,641	\$ 838,913
Human Resources WSO-Canada	\$ 2,263	\$ 2,783
Human Resources WSO-Europe	\$ 26,426	\$ 30,550
Human Resource Panel	\$ 15,822	\$ 17,514
WSC Leadership Planning & Training	\$ -	\$ 15,000
	Total	\$ 980,152
		\$ 904,760
<b>Excess Revenue/Expense incl Dep &amp; Amortization</b>	<b>\$ 440,525</b>	<b>\$ 153,712</b>

**COMBINED INCOME EXPENSE STATEMENT**  
**JUNE 1999**

**INCOME**

WSO-CHATSWORTH / LITERATURE	\$	2,727,530.91	
WSO-CANADA / LITERATURE	\$	104,887.44	
WSO-EUROPE / LITERATURE	\$	79,159.59	
DONATIONS	\$	308,451.14	**
EVENTS	\$	730.94	

TOTAL INCOME \$ 3,220,760.02

**COST OF GOODS**

WSO-CHATSWORTH / LITERATURE	\$	818,143.01
WSO-CANADA / LITERATURE	\$	31,401.47
WSO-EUROPE / LITERATURE	\$	43,649.05
EVENTS	\$	1,789.36

TOTAL COST OF GOODS \$ 894,982.89

TOTAL OPERATING INCOME \$ 2,325,777.13

**OPERATING EXPENSES**

WSO-CHATSWORTH	\$	580,557.00
WSO-CANADA	\$	11,344.68
WSO-EUROPE	\$	15,650.42
WORLD SERVICE CONFERENCE	\$	284,800.45
EVENTS	\$	21,726.15

TOTAL GENERAL & ADMINISTRATIVE EXPENSES \$ 914,078.70

**HUMAN RESOURCES EXPENSES**

WSO-CHATSWORTH	\$	935,641.72
WSO-CANADA	\$	2,262.51
WSO-EUROPE	\$	26,426.08
HUMAN RESOURCE PANEL	\$	15,822.00

TOTAL HUMAN RESOURCES \$ 980,152.31

**OTHER INCOME & EXPENSES**

WSO-CHATSWORTH	\$	(10,115.32)
WSO-EUROPE	\$	728.94
EVENTS	\$	406.98

TOTAL OTHER INCOME & EXPENSES \$ (8,979.40)

TOTAL OPERATING EXPENSES \$ 1,885,251.61

NET OPERATING INCOME \$ 440,525.52

NET OPERATING INCOME (LOSS) \$ 440,525.52



NA WORLD SERVICES  
COMBINED BALANCE SHEET  
JUNE 30, 1999

**CURRENT ASSETS**

COMBINED CASH ON HAND	\$	3,983.82	
BANK ACCOUNTS:			
WSO CHATSWORTH	\$	767,608.15	
WSO CANADA	\$	141,829.25	
WSO EUROPE	\$	81,837.77	
WSO-CHATSWORTH ACCOUNTS RECEIVABLE	\$	387,660.05	
WSO-CANADA ACCOUNTS RECEIVABLE	\$	36,111.48	
WSO-EUROPE ACCOUNTS RECEIVABLE	\$	20,525.68	
ALLOWANCE FOR DOUBTFUL ACCTS	\$	(11,840.08)	
EMPLOYEE EXCHANGE & ADVANCE	\$	643.71	
COMBINED INVENTORY	\$	402,137.84	
PREPAID INSURANCE	\$	15,444.00	
<b>TOTAL CURRENT ASSETS</b>			<b>\$ 1,845,941.67</b>

**FIXED ASSETS**

COMPUTER EQUIPMENT	\$	384,060.48	
DUPLICATING EQUIPMENT	\$	4,952.25	
TYPESETTING EQUIPMENT	\$	5,025.00	
OFFICE EQUIPMENT	\$	121,786.19	
FURNITURE	\$	56,275.53	
LEASEHOLD IMPROVEMENTS	\$	482,761.31	
LESS: ACCUMULATED DEPRECIATION	\$	(762,460.09)	
<b>TOTAL FIXED ASSETS</b>			<b>\$ 292,400.67</b>

**OTHER ASSETS**

DEPOSITS	\$	17,438.67	
TRADEMARKS & COPYRIGHTS	\$	220,031.00	
DIES, MOLDS, & PLATES	\$	13,693.00	
LESS: ACCUMULATED AMORTIZATION	\$	(103,563.31)	
<b>TOTAL OTHER ASSETS</b>			<b>\$ 147,599.36</b>
<b>TOTAL ASSETS</b>			<b>\$ 2,285,941.70</b>

NA WORLD SERVICES  
COMBINED BALANCE SHEET  
JUNE 30, 1999

**LIABILITIES AND FUND BALANCE**

ACCOUNTS PAYABLE	\$	114,604.89	
PREPAID OPEN ORDERS	\$	(11,870.30)	
VACATION PAYABLE	\$	75,000.00	
SALES TAX PAYABLE	\$	(39,410.91)	
GOODS & SERVICES TAX PAYABLE (CANADA)	\$	1,773.93	
SALARIES PAYABLE	\$	78,481.16	
DEFERRED WCC REVENUE	\$	(3,030.00)	
<b>TOTAL LIABILITIES</b>			<b>\$ 215,548.77</b>
<b>TOTAL LIABILITIES</b>			<b>\$ 215,548.77</b>
 FUND BALANCE	\$	1,629,867.41	
RETAINED EARNINGS-CURRENT YEAR	\$	440,525.52	
<b>TOTAL FUND BALANCE</b>			<b>\$ 2,070,392.93</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>			<b>\$ 2,285,941.70</b>





World Service Conference  
Income Statement

June 30, 1999



## INCOME STATEMENT

## WORLD SERVICE CONFERENCE

FOR THE 1 PERIOD ENDED JUNE 30, 1999

	YEAR TO DATE	
	ACTUAL	PERCENT
INCOME:		
DIRECT DONATIONS		
Members	\$150.00	.6 %
Groups	2,316.84	9.5
Areas	3,758.07	15.5
Regions	13,826.74	57.0
TOTAL DIRECT DONATIONS	20,051.65	82.6
OTHER DONATIONS		
Event/Convention Donations	3,568.04	14.7
TOTAL OTHER DONATIONS	3,568.04	14.7
OTHER INCOME		
Interest	651.32	2.7
TOTAL OTHER INCOME	651.32	2.7
TOTAL INCOME	24,271.01	100.0
	24,271.01	100.0
EXPENSE:		
ANNUAL MEETING		
Annual Mtg/Tel-FAX/WSC Conf	21.89	.1
Annual Mtg/Misc/WSC Conf	450.58	1.9
Annual Mtg/Air/SBoD	246.30	1.0
Annual Mtg/Meals/SBoD	745.00	3.1
Annual Mtg/Grnd Trav/W Board	330.46	1.4
Annual Mtg/Grnd Trav/Co-Facili	23.00	.1
Annual Mtg/Grnd Trav/HRP	23.00	.1
TOTAL ANNUAL MEETING	1,840.23	7.6
DEVELOPMENT FORUM/ANNUAL MEETI		
Dev Forum.Grnd Trav/W Board	23.00	.1
TOTAL DEVELOPMENT FORUM/ANNUAL	23.00	.1
WORLD SERVICE MEETING(S)		
WS Mtgs/Mtg Misc/WSC	2,156.06	8.9
WS Mtgs/Meals/World Board	100.00	.4
WS Mtgs/Lodging/World Board	1,675.16	6.9
TOTAL WORLD SERVICE MEETING(S)	3,931.22	16.2

	YEAR TO DATE	
	ACTUAL	PERCENT
H & I LITERATURE DISTRIBUTION		
H&I Stockpile/Mailing	\$418.90	1.7 %
TOTAL H & I LITERATURE DISTRIB	418.90	1.7
CONFERENCE REPORT & DIGEST		
Conference Rpt/Mail	4,500.00	18.5
TOTAL CONFERENCE REPORT & DIGE	4,500.00	18.5
FELLOWSHIP ASSISTANCE & DEV		
Fell Asst/Meals/W Board	376.00	1.5
Fell Asst/Grnd Trav/W Board	93.82	.4
TOTAL FELLOWSHIP ASSISTANCE &	469.82	1.9
ZONAL FORUMS		
Zonal & WS/Misc/World Board	22.09	.1
Zonal & WS/Air/W Board	3,310.47	13.6
Zonal & WS/Meals/W Board	968.74	4.0
Zonal & WS/Grnd Trav/W Board	86.62	.4
TOTAL ZONAL FORUMS	4,387.92	18.1
MOTION 21 PROJECT		
Motion 21/Air Fare/World Board	722.32	3.0
Motion 21/Meals/HRP	240.00	1.0
TOTAL MOTION 21 PROJECT	962.32	4.0
UNBUDGETED EXPENSE		
Unbdgt/Grnd Trav/World Board	324.50	1.3
TOTAL UNBUDGETED EXPENSE	324.50	1.3
TOTAL EXPENSE	50,162.42	206.7
EXCESS OR INCOME ABOVE EXP	(25,891.41)	(106.7)
NET INCOME (LOSS)	(25,891.41)	(106.7)
NET INCOME (LOSS)	\$(25,891.41)	(106.7)%



## BALANCE SHEET

WORLD SERVICE CONFERENCE

JUNE 30, 1999

## ASSETS

## CURRENT ASSETS

Cash On Hand	\$2,733.74
American Pacific State Bank	94,204.05
Bank of America	4,453.41
Citibank - Checking	643.69
Citibank - Savings	98,313.94
Wells Fargo Bank/Money Market	126,596.93
Wells Fargo - Checking	78,860.58
WSO Accounts Receivable	(125,435.90)

## TOTAL CURRENT ASSETS

280,370.44

## TOTAL ASSETS

\$280,370.44

## LIABILITIES AND FUND BALANCE

## CURRENT LIABILITIES

Accounts Payable	1,253.50
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## TOTAL CURRENT LIABILITIES

1,253.50

## TOTAL LIABILITIES

1,253.50

## RETAINED INCOME

Retained Income - Prior Years	305,008.35
RETAINED EARNINGS-CURRENT YEAR	(25,891.41)

## TOTAL RETAINED INCOME

279,116.94

## TOTAL LIABILITIES AND FUND BALANCE

\$280,370.44





Chatsworth  
Income Statement  
June 30, 1999

## INCOME STATEMENT

## NARCOTICS ANONYMOUS WORLD SERVICES

FOR THE 6 PERIODS ENDED JUNE 30, 1999

	YEAR TO DATE	
	ACTUAL	PERCENT
INCOME		
BASIC TEXT	\$732,552.25	26.9 %
BASIC TEXT-SOFTBOUND	222,841.75	8.2
BASIC TEXT-CASTILIAN	22,329.50	.8
BASIC TEXT-FRENCH	73.50	.0
BASIC TEXT-GERMAN	42.00	.0
BASIC TEXT-PORTUGUESE	10.50	.0
BASIC TEXT-BRAZILIAN	7,890.75	.3
JUST FOR TODAY	230,782.00	8.5
JUST FOR TODAY: GIFT EDITION	8,700.00	.3
HANDBOOKS	23,781.30	.9
IT WORKS: HOW & WHY	244,157.70	9.0
IT WORKS: SPECIAL EDITION	35.00	.0
IT WORKS: GIFT EDITION	2,505.00	.1
MIRACLES HAPPEN	33,308.25	1.2
STEP WORKING GUIDES	389,352.90	14.3
LITERATURE	371,146.81	13.6
MEDALLIONS: BRONZE	170,017.62	6.2
MEDALLIONS: BI-PLATE	24,439.80	.9
MEDALLIONS: GOLD	9,953.99	.4
MEDALLIONS: SILVER	5,115.30	.2
KEYTAGS	296,196.95	10.9
CHIPS	22,264.52	.8
INFORMATION BOOKLETS	242,984.33	8.9
INFORMATION BOOKLETS-NON FIPT	15,349.93	.6
NA WAY MAGAZINE	34.50	.0
MISCELLANEOUS	347.50	.0
SPECIALTY ITEMS	14,415.90	.5
MINUTES/REPORTS	21,875.75	.8
PI PRODUCTS	697.94	.0
AUDIO MATERIALS	18,803.45	.7
GROUP/AREA MATERIALS	26,257.95	1.0
SHIPPING	126,220.83	4.6
DISCOUNTS	(556,954.56)	(20.4)
TOTAL INCOME	2,727,530.91	100.0

## COST OF MERCHANDISE

BASIC TEXT	126,793.38	4.6
BASIC TEXT-SOFTBOUND	22,023.83	.8
BASIC TEXT-CASTILIAN	6,410.04	.2
BASIC TEXT-FRENCH	27.59	.0
BASIC TEXT-GERMAN	49.53	.0
BASIC TEXT-PORTUGUESE	4.86	.0
BASIC TEXT-BRAZILIAN	1,929.84	.1
JUST FOR TODAY	30,855.74	1.1
JUST FOR TODAY: GIFT EDITION	2,937.35	.1
MIRACLES HAPPEN	(510.45)	.0
STEP WORKING GUIDES	75,260.72	2.8



	YEAR TO DATE	
	ACTUAL	PERCENT
COST OF MERCHANDISE	(Continued)	
HANDBOOKS	\$5,189.90	.2 %
IT WORKS: HOW & WHY	49,773.06	1.8
IT WORKS: SPECIAL EDITION	7.50	.0
IT WORKS: GIFT EDITION	559.45	.0
LITERATURE	60,188.55	2.2
MEDALLIONS: BRONZE	28,743.58	1.1
MEDALLIONS: BI-PLATE	4,832.00	.2
MEDALLIONS: GOLD	1,375.86	.1
MEDALLIONS: SILVER	764.64	.0
KEYTAGS	76,435.83	2.8
CHIPS	5,364.94	.2
INFORMATION BOOKLETS	64,080.15	2.3
INFORMATION BOOKLETS-NON FIPT	6,647.46	.2
MISCELLANEOUS	188.75	.0
SPECIALTY ITEMS	4,558.58	.2
MINUTES/REPORTS	4,538.24	.2
PI PRODUCTS	1,268.08	.0
AUDIO MATERIALS	9,090.54	.3
GROUP/AREA MATERIALS	12,238.97	.4
COST OF GOODS	608.44	.0
REPRODUCTION LEASE	15,324.18	.6
REPRODUCTION SUPPLIES	3,401.79	.1
SHIPPING	108,463.03	4.0
SHIPPING (NON-US)	24,153.04	.9
SHIPPING SUPPLIES	7,613.20	.3
SHIPPING: CUSTOMS AND DUTIES	7,910.02	.3
SHIPPING AND EQUIPMENT LEASE	9,424.01	.3
TRANSLATIONS (PRODUCT COST)	10,337.88	.4
PRODUCT DEVELOPMENT	4,770.15	.2
CORRECTIONS MARKETING	25,101.70	.9
INVENTORY ADJUSTMENT	(592.94)	.0
TOTAL COST OF MERCHANDISE	818,143.01	30.0
OPERATING INCOME	1,909,387.90	70.0
OPERATING EXPENSES:		
GENERAL/ADMINISTRATIVE EXPENSE		
ACCOUNTING & LEGAL	20,063.02	.7
AMORTIZATION	10,960.70	.4
AUTO LEASE	3,411.12	.1
AUTO EXPENSE	85.47	.0
BAD DEBTS	25,398.85	.9
BANK SERVICE CHARGES	9,760.00	.4
COMPUTER INFORMATION SERVICES	2,978.57	.1
COMPUTER LEASES	11,870.78	.4
COMPUTER SOFTWARE	20,281.71	.7
COMPUTER SUPPLIES	9,923.69	.4

	YEAR TO DATE	
	ACTUAL	PERCENT
GENERAL/ADMINISTRATIVE EXPENSE	(Continued)	
CONTRACT LABOR	\$7,674.20	.3 %
COPYRIGHTS	4,433.19	.2
DEPRECIATION	67,588.85	2.5
DUES & FEES	1,220.00	.0
EMPLOYEE TRAINING	8,708.57	.3
EQUIPMENT LEASE	2,057.62	.1
EQUIPMENT REPAIR	1,402.35	.1
FREE LITERATURE DISTRIBUTION	7,993.89	.3
FREE LITERATURE - WSO/H&I	1,975.10	.1
FREE PUBLICATIONS	15,987.67	.6
NEW NA WAY	54,945.88	2.0
INSURANCE (GENERAL)	31,456.70	1.2
INTEREST	1,502.75	.1
MAINTENANCE & REPAIR	20,707.83	.8
OFFICE EXPENSE	36,965.60	1.4
POSTAGE	9,426.86	.3
PUBLIC INFORMATION	4,128.66	.2
RENT	109,661.45	4.0
REPRODUCTION LEASE	36,801.34	1.3
SERVICE CONTRACTS	4,456.06	.2
TELEPHONE	25,199.06	.9
TRAVEL - GENERAL	1,254.70	.0
TRAVEL - NEW WORLD BOARD	3,345.33	.1
TRAVEL - STAFF SUPPORT	1,686.65	.1
TYPESETTING SUPPLIES	(55.28)	.0
UTILITIES	19,193.72	.7
TOTAL GENERAL/ADMINISTRATIVE E	594,452.66	21.8
PERSONNEL EXPENSES		
CONSULTING	731.25	.0
EMPLOYEE MOVING	5,412.80	.2
EMPLOYEE RECRUITMENT	283.08	.0
INSURANCE (HEALTH)	46,509.32	1.7
MISCELLANEOUS EMPLOYEE EXPENSE	7,349.48	.3
HUMAN RESOURCES PANEL	1,243.00	.0
INSURANCE (WORKERS COMP.)	14,264.08	.5
RETIREMENT PLAN	20,148.96	.7
PAYROLL TAXES	67,715.89	2.5
SALARIES	753,368.56	27.6
TOTAL PERSONNEL EXPENSES	917,026.42	33.6
OTHER INCOME & EXPENSE		
INTEREST EARNED	(1,631.76)	(.1)
MISCELLANEOUS	(707.87)	.0
LEGAL SETTLEMENT - ACCOUNTING	(25.00)	.0
FIPT-PAYMENTS	(7,050.69)	(.3)
FIPT-HANDLING	(700.00)	.0



	YEAR TO DATE	
	ACTUAL	PERCENT
TOTAL OTHER INCOME & EXPENSE	\$ (10,115.32)	(.4)%
TOTAL OPERATING EXPENSES	1,501,363.76	55.0
NET OPERATING INCOME	408,024.14	15.0
	408,024.14	15.0
NET OPERATING INCOME (LOSS)	\$408,024.14	15.0 %

## BALANCE SHEET

JUNE 30, 1999

## ASSETS

## CURRENT ASSETS

CASH ON HAND	\$127.30
GENERAL ACCOUNT	72,626.83
BANK OF AMERICA - CHECKING	51,081.14
CITIBANK - CHECKING	8,989.31
WELLS FARGO - PAYROLL ACCOUNT	73,204.69
CALIFORNIA FEDERAL BANK	120,983.38
BANK OF AMERICA SAVINGS	10,899.74
WELLS FARGO - SAVINGS ACCOUNT	7,619.57
EMERGENCY FUND ACCOUNT	2,392.58
ACCOUNTS RECEIVABLE	378,936.93
ACCOUNTS RECEIVABLE WSC	125,435.90
ACCOUNTS RECEIVABLE WCC	138,997.35
WCC DEFERRED LABOR	108,986.28
ALLOWANCE FOR DOUBTFUL ACCTS	(4,276.39)
EMPLOYEE EXCHANGE & ADVANCE	643.71
INVENTORY	292,748.56
PREPAID INSURANCE	6,885.00
PREPAID WORKERS COMP INSURANCE	8,559.00

## TOTAL CURRENT ASSETS

1,404,840.88

## LONG TERM ASSETS

WSO-EUROPE ADVANCES	826,322.37
WSO-EUROPE INVENTORY ADVANCES	270,167.15
WSO-CANADA ADVANCES	(766,098.94)
WSO-CANADA INVENTORY ADVANCES	320,260.26

## TOTAL LONG TERM ASSETS

650,650.84

## FIXED ASSETS

COMPUTER EQUIPMENT	349,076.36
DUPLICATING EQUIPMENT	4,952.25
TYPESETTING EQUIPMENT	5,025.00
OFFICE EQUIPMENT	72,735.75
FURNITURE	54,382.67
LEASEHOLD IMPROVEMENTS	478,622.95
LESS: ACCUMULATED DEPRECIATION	(721,648.11)

## TOTAL FIXED ASSETS

243,146.87

## OTHER ASSETS

DEPOSITS	15,775.00
TRADEMARKS & COPYRIGHTS	220,031.00
DIES, MOLDS, & PLATES	13,693.00

# ASSETS (Continued)

## OTHER ASSETS (Continued)

LESS: ACCUMULATED AMORTIZATION	\$ (103,563.31)	
TOTAL OTHER ASSETS		145,935.69
TOTAL ASSETS		<u>\$2,444,574.28</u>

# LIABILITIES AND FUND BALANCE

## LIABILITIES

ACCOUNTS PAYABLE	88,198.89	
PREPAID OPEN ORDERS	(8,166.78)	
SALARIES PAYABLE	76,988.16	
VACATION PAYABLE	75,000.00	
SALES TAXES PAYABLE	(11,391.00)	
PURCHASES CLEARING	23,432.56	
TOTAL LIABILITIES		244,061.83
TOTAL LIABILITIES		<u>244,061.83</u>

## FUND BALANCE

FUND BALANCE	1,792,488.31	
RETAINED EARNINGS-CURRENT YEAR	408,024.14	
TOTAL FUND BALANCE		2,200,512.45
TOTAL LIABILITIES AND FUND BALANCE		<u>\$2,444,574.28</u>





Canada  
Income Statement  
June 30, 1999

## INCOME STATEMENT

FOR THE 6 PERIODS ENDED JUNE 30, 1999

	YEAR TO DATE	
	ACTUAL	PERCENT
INCOME		
BASIC TEXT	\$18,530.25	17.7 %
BASIC TEXT - SOFTBOUND	767.75	.7
BASIC TEXT - CASTILIAN	42.00	.0
BASIC TEXT - FRENCH	2,982.00	2.8
BASIC TEXT - PORTUGUESE	5.25	.0
MIRACLES HAPPEN	1,571.85	1.5
STEP WORKING GUIDE	12,371.00	11.8
HANDBOOKS	1,148.05	1.1
JUST FOR TODAY	14,118.20	13.5
IT WORKS: HOW & WHY	7,332.80	7.0
IT WORKS: GIFT EDITION	15.00	.0
LITERATURE	14,783.85	14.1
MEDALLIONS: BRONZE	6,309.00	6.0
MEDALLIONS: BI-PLATE	2,298.45	2.2
MEDALLIONS: SILVER	289.00	.3
MEDALLION: GOLD	504.00	.5
KEYTAGS	13,506.15	12.9
CHIPS	17.40	.0
INFORMATION BOOKLETS	7,305.55	7.0
INFORMATION BOOKLETS-NON FIPT	1,124.55	1.1
MISCELLANEOUS	128.10	.1
AUDIO MATERIALS	224.65	.2
GROUP/AREA MATERIALS	1,134.70	1.1
MINUTES/REPORTS	380.00	.4
PI PRODUCTS	158.10	.2
SPECIALTY ITEMS	1,174.95	1.1
SHIPPING	6,103.38	5.8
DISCOUNTS	(9,438.54)	(9.0)
TOTAL INCOME	104,887.44	100.0
COST OF MERCHANDISE		
BASIC TEXT	3,047.90	2.9
BASIC TEXT - SOFTBOUND	73.82	.1
BASIC TEXT - CASTILIAN	16.59	.0
BASIC TEXT - FRENCH	1,119.53	1.1
BASIC TEXT - PORTUGUESE	3.93	.0
MIRACLES HAPPEN	186.93	.2
STEP WORKING GUIDE	2,505.47	2.4
HANDBOOKS	255.83	.2
JUST FOR TODAY	2,126.13	2.0
IT WORKS: HOW & WHY	1,434.93	1.4
IT WORKS: GIFT EDITION	3.35	.0
LITERATURE	2,587.17	2.5
MEDALLIONS: BRONZE	1,065.52	1.0
MEDALLIONS: BI-PLATE	550.93	.5
MEDALLIONS: SILVER	41.92	.0
MEDALLION: GOLD	96.66	.1



	YEAR TO DATE	
	ACTUAL	PERCENT
COST OF MERCHANDISE	(Continued)	
KEYTAGS	\$3,538.04	3.4 %
CHIPS	4.20	.0
INFORMATION BOOKLETS	2,099.34	2.0
INFORMATION BOOKLETS-NON FIPT	575.09	.5
MISCELLANEOUS	51.52	.0
AUDIO MATERIALS	102.62	.1
GROUP/AREA MATERIALS	445.44	.4
MINUTES/REPORTS	182.40	.2
PI PRODUCTS	32.86	.0
SPECIALTY ITEMS	477.18	.5
SHIPPING	2,804.92	2.7
SHIPPING - IN	5,641.36	5.4
SHIPPING SUPPLIES	329.89	.3
TOTAL COST OF MERCHANDISE	31,401.47	29.9
OPERATING INCOME	73,485.97	70.1
OPERATING EXPENSES:		
GENERAL/ADMINISTRATIVE EXPENSE		
BANK SERVICE CHARGES	119.08	.1
COMPUTER INFORMATION SERVICES	73.97	.1
CONVERSION GAIN/LOSS	104.33	.1
EQUIPMENT RENTAL	135.19	.1
GOODS & SERVICES TAX	928.31	.9
INSURANCE (GENERAL)	1,444.50	1.4
MAINTENANCE & REPAIR	135.19	.1
OFFICE EXPENSE	695.79	.7
POSTAGE	233.78	.2
RENT	5,761.26	5.5
TELEPHONE	689.29	.7
UTILITIES	1,023.99	1.0
TOTAL GENERAL/ADMINISTRATIVE E	11,344.68	10.8
PERSONNEL EXPENSES		
SALARIES	2,262.51	2.2
TOTAL PERSONNEL EXPENSES	2,262.51	2.2
TOTAL OPERATING EXPENSES	13,607.19	13.0
NET OPERATING INCOME	59,878.78	57.1
EARNINGS BEFORE INCOME TAX	59,878.78	57.1
NET OPERATING INCOME (LOSS)	\$59,878.78	57.1 %

JUNE 30, 1999

## ASSETS

## CURRENT ASSETS

GENERAL ACCOUNT	\$141,829.25	
ACCOUNTS RECEIVABLE	36,111.48	
INVENTORY	46,653.98	
TOTAL CURRENT ASSETS		224,594.71

## FIXED ASSETS

OFFICE EQUIPMENT	7,628.96	
LESS: ACCUMULATED DEPRECIATION	(7,628.96)	
TOTAL FIXED ASSETS		.00

## OTHER ASSETS

DEPOSITS	1,663.67	
TOTAL OTHER ASSETS		1,663.67
TOTAL ASSETS		\$226,258.38

## LIABILITIES AND FUND BALANCE

## LIABILITIES

ACCOUNTS PAYABLE	1,719.94	
GOODS & SERVICES TAX PAYABLE	1,773.93	
PRE-PAID OPEN ORDERS	(3,703.52)	
WSO-CHTSWRTH ADVANCES	(766,098.94)	
WSO-CHTSWRTH INVENTORY ADVANCE	320,260.26	
TOTAL LIABILITIES		(446,048.33)
TOTAL LIABILITIES		(446,048.33)

## FUND BALANCE

RETAINED EARNINGS - PRIOR	612,427.93	
RETAINED EARNINGS-CURRENT YEAR	59,878.78	
TOTAL FUND BALANCE		672,306.71
TOTAL LIABILITIES AND FUND BALANCE		\$226,258.38

Europe  
Income Statement  
June 30, 1999



## INCOME STATEMENT

NA WORLD SERVICES - EURC

FOR THE 6 PERIODS ENDED JUNE 30, 1

	YEAR TO DATE	
	ACTUAL	PERCENT
INCOME		
BASIC TEXT	\$8,112.25	10.2 %
BASIC TEXT-SOFTBOUND	92.50	.1
BASIC TEXT-CASTILIAN	220.50	.3
BASIC TEXT-FRENCH	798.00	1.0
BASIC TEXT-GERMAN	3,554.25	4.5
BASIC TEXT-PORTUGUESE	2,955.75	3.7
BASIC TEXT-ITALIAN	745.50	.9
BASIC TEXT SWEDISH	21,395.25	27.0
JUST FOR TODAY	5,924.10	7.5
JUST FOR TODAY: GIFT EDITION	255.00	.3
HANDBOOKS	342.40	.4
MIRACLES HAPPEN	1,996.00	2.5
IT WORKS: HOW & WHY	4,190.20	5.3
IT WORKS: SPECIAL EDITION	15.00	.0
STEP WORKING GUIDE	8,798.70	11.1
LITERATURE	7,886.58	10.0
MEDALLIONS: BRONZE	4,918.50	6.2
MEDALLIONS: BI-PLATE	628.95	.8
MEDALLIONS: SILVER	115.60	.1
KEYTAGS	13,309.45	16.8
CHIPS	316.10	.4
INFORMATION BOOKLETS	8,393.60	10.6
NA WAY MAGAZINE	105.00	.1
MISCELLANEOUS	36.75	.0
SPECIALTY ITEMS	619.25	.8
MINUTES/REPORTS	225.00	.3
PI PRODUCTS	349.95	.4
AUDIO MATERIALS	391.55	.5
GROUP/AREA MATERIALS	1,999.05	2.5
SHIPPING	5,229.32	6.6
DISCOUNTS	(24,760.46)	(31.3)
TOTAL INCOME	79,159.59	100.0
COST OF MERCHANDISE		
BASIC TEXT	1,300.92	1.6
BASIC TEXT-SOFTBOUND	10.26	.0
BASIC TEXT-CASTILIAN	85.25	.1
BASIC TEXT-FRENCH	403.86	.5
BASIC TEXT-GERMAN	2,335.19	3.0
BASIC TEXT-PORTUGUESE	1,401.43	1.8
BASIC TEXT-ITALIAN	355.12	.4
BASIC TEXT SWEDISH	6,104.01	7.7
JUST FOR TODAY	713.21	.9
JUST FOR TODAY: GIFT EDITION	54.40	.1
HANDBOOKS	136.77	.2
MIRACLES HAPPEN	207.70	.3
IT WORKS: HOW & WHY	877.42	1.1

	YEAR TO DATE	
	ACTUAL	PERCENT
COST OF MERCHANDISE	(Continued)	
IT WORKS: SPECIAL EDITION	\$3.35	.0 %
STEP WORKING GUIDE	1,988.67	2.5
LITERATURE	2,518.53	3.2
MEDALLIONS: BRONZE	816.24	1.0
MEDALLIONS: BI-PLATE	260.93	.3
MEDALLIONS: SILVER	13.60	.0
KEYTAGS	3,454.57	4.4
CHIPS	73.71	.1
INFORMATION BOOKLETS	5,086.42	6.4
NA WAY MAGAZINE	29.18	.0
MISCELLANEOUS	16.57	.0
SPECIALTY ITEMS	209.69	.3
MINUTES/REPORTS	200.51	.3
PI PRODUCTS	243.44	.3
AUDIO MATERIALS	155.36	.2
GROUP/AREA MATERIALS	936.98	1.2
IMPORT/EXPORT DUTIES	1,722.69	2.2
SHIPPING	6,261.11	7.9
SHIPPING - IN	5,481.09	6.9
INVENTORY ADJUSTMENT	190.87	.2
TOTAL COST OF MERCHANDISE	43,649.05	55.1
OPERATING INCOME	35,510.54	44.9
OPERATING EXPENSES:		
GENERAL/ADMINISTRATIVE EXPENSE		
BAD DEBTS	5.51	.0
BANK SERVICE CHARGES	190.20	.2
COMPUTER SUPPLIES	412.59	.5
CONVERSION GAIN/LOSS	1,429.67	1.8
EMPLOYEE TRAINING	32.80	.0
INSURANCE (GENERAL)	274.71	.3
MAINTENANCE & REPAIR	997.76	1.3
OFFICE EXPENSE	1,401.83	1.8
POSTAGE	1,345.62	1.7
RENT	4,402.93	5.6
TELEPHONE	2,424.03	3.1
TRANSPORT	161.58	.2
TRAVEL	1,959.19	2.5
UTILITIES	612.00	.8
TOTAL GENERAL/ADMINISTRATIVE E	15,650.42	19.8
PERSONNEL EXPENSES		
ACCOUNTING & LEGAL	59.41	.1
INSURANCE (HEALTH)	729.54	.9
PAYROLL TAXES	13,453.11	17.0

	YEAR TO DATE	
	ACTUAL	PERCENT
PERSONNEL EXPENSES	(Continued)	
SALARIES	\$12,184.02	15.4 %
TOTAL PERSONNEL EXPENSES	26,426.08	33.4
OTHER INCOME & EXPENSE		
INTEREST EARNED	(336.80)	(.4)
MISCELLANEOUS INCOME	1,065.74	1.3
TOTAL OTHER INCOME & EXPENSE	728.94	.9
TOTAL OPERATING EXPENSES	42,805.44	54.1
NET OPERATING INCOME	(7,294.90)	(9.2)
EARNINGS BEFORE INCOME TAX	(7,294.90)	(9.2)
NET OPERATING INCOME (LOSS)	\$(7,294.90)	(9.2)%



JUNE 30, 1999

## ASSETS

## CURRENT ASSETS

CASH ON HAND	\$1,122.78
GENERAL ACCOUNT: BRITISH POUND	(411.45)
GENERAL ACCOUNT: \$USD	736.40
OFFICE ACCT: BRITISH POUND	2,721.76
BRUSSELS WSO INC	1,152.31
BRUSSELS AISBL	77,638.75
ACCOUNTS RECEIVABLE	20,525.68
INVENTORY	51,885.95

TOTAL CURRENT ASSETS		155,372.18
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## FIXED ASSETS

COMPUTER EQUIPMENT	27,969.54
OFFICE FURNITURE	1,892.86
OFFICE EQUIPMENT	4,697.99
LEASEHOLD IMPROVEMENTS	4,138.36
LESS: ACCUMULATED DEPRECIATION	(11,502.35)

TOTAL FIXED ASSETS		27,196.40
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TOTAL ASSETS		\$182,568.58
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## LIABILITIES AND FUND BALANCE

## LIABILITIES

SALARIES PAYABLE	1,493.00
WSO ADVANCES	826,322.37
INVENTORY ADVANCES	262,503.24
COMPUTER EQUIPMENT ADVANCES	7,663.91

TOTAL LIABILITIES		1,097,982.52
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TOTAL LIABILITIES		1,097,982.52
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## FUND BALANCE

FUND BALANCE	(908,119.04)
RETAINED EARNINGS-CURRENT YEAR	(7,294.90)

TOTAL FUND BALANCE		(915,413.94)
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TOTAL LIABILITIES AND FUND BALANCE		\$182,568.58
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Convention  
Income Statement  
June 30, 1999



## INCOME STATEMENT

FOR THE 6 PERIODS ENDED JUNE 30, 1999

	YEAR TO DATE	
	ACTUAL	PERCENT
INCOME		
REBATES: HOTELS	\$699.30	95.7 %
JEWELRY	33.00	4.5
PRICING ADJUSTMENT	(1.36)	(.2)
TOTAL INCOME	730.94	100.0
OPERATIONAL COSTS		
MERCHANDISE	(923.00)	(126.3)
JEWELRY:COG	19.80	2.7
REGISTRATION REFUNDS: WC28	210.00	28.7
REGISTRATION REFUNDS-CONCERT	30.00	4.1
SHIPPING	1,300.00	177.9
UNITY DAY	1,152.56	157.7
TOTAL OPERATIONAL COSTS	1,789.36	244.8
GROSS PROFIT	(1,058.42)	(144.8)
ADMINISTRATIVE:		
GENERAL & ADMINISTRATIVE EXPEN		
ACCOUNTING & LEGAL	2,750.00	376.2
BANK SERVICE CHARGES	1,543.95	211.2
COMPUTER INFORMATION SERVICES	38.78	5.3
COMPUTER SUPPLIES/SOFTWARE	239.40	32.8
DUES & FEES	10.00	1.4
MISCELLANEOUS	46.57	6.4
OFFICE EXPENSE	216.90	29.7
POSTAGE & SHIPPING	474.78	65.0
TELEPHONE	1,595.60	218.3
TRAVEL	488.00	66.8
TRAVEL:PLANNING	8,199.99	*****
TRAVEL: SITE VISIT WCNA31	1,827.59	250.0
TRAVEL:MEETINGS	35.05	4.8
TRAVEL:STAFF DEVELOPMENT	4,259.54	582.7
TOTAL GENERAL & ADMINISTRATIVE	21,726.15	*****
OTHER INCOME AND EXPENSE		
INTEREST EARNED	(135.77)	(18.6)
MISC INCOME	1,704.75	233.2
MISCELLANEOUS INCOME: WC27	(1,162.00)	(159.0)
WSO DEFERRED LABOR	18,615.30	*****
TOTAL OTHER INCOME AND EXPENSE	19,022.28	*****