

WSO BOARD OF DIRECTORS

Introduction

Last year in the March 1996 *Conference Report*, the World Service Office Board of Directors informed the fellowship that, with the approval of the World Service Conference, we intended to stop producing *The NA Way Magazine* after the December 1996 issue. The WSC did not approve the magazine's discontinuation, and instead committed several motions regarding *The NA Way* to the board. Each motion suggested a strategy for dealing with *The NA Way's* financial shortfall (approximately \$136,000 a year) and increasing its appeal to the fellowship. The underlying message of each motion was this: Find another solution to the problem of *The NA Way* besides canceling it.

Periodicals Study (1992-1994)

The World Service Office Board of Directors has been monitoring and evaluating NA's periodicals program for several years. We assigned staff to conduct a periodicals study, which was done from 1992 to 1994.* The study brought to our attention the amount of resources, both financial and human, devoted to producing each periodical, and analyzed the purpose, audience, and effectiveness of each publication.

The study presented recommendations for improving our service to the fellowship and maximizing the resources devoted to our periodicals. One such recommendation was to combine the *WSO Newslines*, the *Conference Digest*, the *PI News*, and the service portion of *Reaching Out* (*H&I News* did not exist at the time) in order to more efficiently utilize staff time and financial resources in the periodicals program. The other recommendations concerned *The NA Way Magazine* and its comparatively high expense versus distribution ratio among WSO periodicals. The three possible solutions offered were to: 1) discontinue *The NA Way*; 2) re-launch *The NA Way*; 3) drop production quality of *The NA Way* down to the bare bones. All three of these possible solutions were addressed, in one form or another, in the motions committed to the WSO Board of Directors at last year's WSC.

Even with the mounting evidence against the growing costs of producing *The NA Way* versus the service value it was providing the fellowship, the board of directors was not willing to consider eliminating the magazine when the periodicals study was completed in 1994. We wanted more information. To this end, a professional magazine consultant was brought in last year to study the future of *The NA Way* as it related to publication costs, along with the short- and long-term viability of the magazine.

Consultant's Report (1995)**

The consultant's evaluation of the future viability of *The NA Way* utilized a software program that could project the results of various combinations of promotions, price changes, and production cost changes. Projections were made with more than twenty scenarios. The projection that best summed up the situation with *The NA Way* in its present form was the one that specified a price increase to \$29.95 a year, called for a trebling of marketing efforts, and anticipated enjoying twice the response to those efforts that we presently enjoy. Even in this unrealistically optimistic scenario, the magazine would only begin to break even in about four years.

Examining Possible Solutions

We left last year's conference with direction to find a solution to the *NA Way* problem, several motions to help us in our considerations, and the preceding information.

* The "Periodicals Study" is available from the WSO for a duplication fee.

** Also available for a duplication fee.

We first looked at the option of continuing *The NA Way* in its current format. On the up-side, the magazine enjoys tremendous goodwill from the fellowship, as voiced by RSRs at WSC'96. On the down-side, the magazine costs approximately \$136,000 more to produce than it brings in, is published only in English, and reaches only about one NA member for every four registered groups.

The second option, attempting another subscription drive, was not feasible either. The periodicals study, which charted marketing efforts and fellowship response, combined with the consultant's projections that showed only the most unlikely scenario resulting in the magazine breaking even, convinced us that another subscription drive would only serve to temporarily increase US and Canadian subscriptions, at enormous expense.

The third option, raising the price of the magazine, was again not a viable short- or long-term solution, according to the consultant's report.

The fourth option, lowering the quality of the magazine, wouldn't work either because the most significant expenses associated with producing the magazine are not variable: We cannot change postage, printing, paper, or circulation-management costs. We have already trimmed all we can from the areas we are able to affect.

Combining options three and four, which was suggested in WSC'96 Motion #34, didn't seem to be a long-range solution. It doesn't seem likely that NA members would willingly pay twice the price for a magazine of lesser quality, and even less likely that four times as many as are willing to subscribe now would be willing to do so on those terms.

The fifth option, eliminating the magazine altogether, was already firmly vetoed by the fellowship at last year's WSC. We would suggest it again and ask the fellowship to reconsider if we really believed it was the best possible solution, but as a result of our research over the past year, we believe we have an alternative.

The New NA Way

In keeping with the world services vision statement adopted at last year's WSC, which emphasizes that "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," and that "NA communities worldwide and NA world services work together in a spirit of unity and cooperation to carry our message of recovery," we propose combining the *Newsline*, the *Conference Digest*, the *PI News*, the *H&I News*, and an *NA Way*-like sharing section into a new publication that is published in English and translated into additional languages spoken in our fellowship. Further, we propose to distribute the new *NA Way* free of charge to the combined mailing lists of the current publications and to anyone else who asks to receive it.

The formulation of this new publication will serve the dual purpose of allowing the WSO to streamline its publication program and letting world services in general provide better service to the Fellowship of NA more efficiently than ever before. In fact, our projections demonstrate an annual savings of close to thirty percent in actual cash expenditures for this new publication, and our most conservative estimates project staff time to be reduced by thirteen to fifteen percent. These financial and human resources can then be diverted to other services that will ultimately benefit the fellowship.

Benefits to Our Membership

The immediate benefit to our members is twofold. First of all, the magazine will be free, and will provide a means by which our members and groups can be connected as we've never been before—at no direct expense to those members and groups. In effect, we will have created a tangible expression of the unity that exists among the worldwide NA communities and their world services, in the form of a publication which connects us with one another in a brand new way.

Second, the circulation of information relevant to our membership will increase markedly. For example, the *Conference Digest* in English is currently distributed to about 1100 addresses. In other languages (German, French, Castilian Spanish, Portuguese), the *Digest* has mailing lists of about 200 each. The *PI News* is currently distributed to approximately 1100 addresses and the *H&I News* to approximately 700 addresses; both in English. By contrast, the new *NA Way Magazine* would go to approximately 25,000 addresses in English alone. The value of our communication increasing so much is beyond measure. Moreover, such a publication will better ensure that more of our members will be served among our growing worldwide fellowship, contributing to our commitment that every addict has the opportunity to obtain information about our program and its services in a language and format accessible to him or her.

We therefore present the following four motions for your consideration.

Motion 2: To discontinue the current format of *The NA Way Magazine*, publication ceasing upon the completion of the June 1997 issue, with current subscribers having the option of receiving a refund of the unused portion of their subscription money.

Intent: To provide a method for the WSO to conclude its responsibilities for the magazine and its current subscribers.

This motion would not amend any WSC policies.

Financial Impact: Annual income would be reduced by \$67,000 - \$74,000. Direct (no labor, equipment and overhead) expense would be reduced by \$89,000 - \$95,000. Resources (labor, equipment and overhead) with cost valuation of approximately \$110,000 would be available for reallocation. The refunded amount would be about \$38,000.

Motion 3: To delete the section entitled "*The NA Way Magazine*," from *A Temporary Working Guide to Our Service Structure*, 1996 edition, Addendum 1, pages 31-32.

Intent: To discontinue the current WSC policy for the operational and editorial responsibilities of the magazine.

This motion would amend WSC policies as listed in the Appendix, page 31.

Financial Impact: For all of the publications (mentioned with this motion) combined, direct expenses may be reduced by \$5,000 - \$15,000. Resources (labor, equipment and overhead) with a cost valuation of \$13,000 - \$15,000 (previously used on the publications proposed to be combined by this motion) may be available for reallocation. There is no replacement for the income reduction of motion 3. Although, based on current distribution of the existing publications, most of the costs are reallocations associated with existing costs, there is no income control offset for increased demand and distribution.

Motion 4: To delete the section entitled "*The World Service Conference Digest*," from *A Temporary Working Guide to Our Service Structure*, 1996 edition, Addendum 5, page 36.

Intent: To discontinue the *World Service Conference Digest* as a separate publication.

This motion would amend WSC policies as listed in the Appendix, page 33.

Financial Impact: Should this publication be discontinued without reallocation of resources the potential financial impact, including translations, could be a savings of \$14,000 - \$19,000.

Motion 5: To commence publication of the new *NA Way Magazine* format by adding the following language as a new third paragraph to the section entitled "The World Service Office" which begins on page 9 of *A Temporary Working Guide to Our Service Structure*, 1996 edition:

"The World Service Office publishes *The NA Way Magazine*, our fellowship's international journal. The magazine provides both a forum for sharing about NA recovery, unity, and service, as well as information about world services. Produced in English, *The NA Way* is translated into the primary languages spoken in Narcotics Anonymous. The magazine is distributed four (4) times a year at no cost to subscribers to every trusted servant and NA group contact address in the WSO database, as well as any member who asks to be included in that mailing list. The magazine is edited by WSO staff and an editorial board consisting of the chairpersons of the World Service Conference, the World Service Board of Trustees and the World Service Office Board of Directors."

The delivery of the first issue shall be scheduled for October 1997.

Intent: To begin publication of the newly formatted magazine (see Addendum 1 for prototype) and assign the responsibility to the WSO.

This motion would amend WSC policies as listed in the Appendix, page 33.

Financial Impact: On the assumption that unless the NA Way Magazine is eliminated the cost of operational and administrative functions would be transferred not eliminated, this motion would have little or no financial impact.

The Fellowship Intellectual Property Trust and Internal Use Policy

The Fellowship Intellectual Property Trust was adopted by the World Service Conference in 1993. Since that time, the WSO has assured the conference that it would guard our fellowship's intellectual properties according to the provisions stated in the trust. Among the various duties described in the FIPT, the WSO was charged with the responsibility of offering amendments to the document if they should prove necessary in the course of administering and protecting our copyrights and trademarks. The WSO has advised the past two conferences that it would be offering amendments to this document. The following motions are being submitted to address specific administrative parameters described in the FIPT that have become, or are liable to become, difficult for the WSO to function within. None of these proposed changes affect the trust instrument itself. They are changes to either the Operational Rules or the Internal Use Policy portions of the FIPT.

WSO Financial Audit Timeline

The WSO's fiscal year ends on 31 December of each calendar year. With the World Service Conference traditionally held in April (a time of year that coincides with the peak of the US tax season), the annual audit of the WSO has not been completed and distributed before the conference since the adoption of the FIPT. The WSO continues to provide the conference with an unaudited year-end financial statement prior to the conference, and the audit report is typically distributed after the June meeting of the WSO Board of Directors each year. Allowing the board of directors and WSO this latitude will save the office considerable expense by not

forcing them to have an audit conducted during the peak of US tax season, when accountants are most in demand and their services are therefore considerably more expensive.

“Performance Audit” Provision

The trust calls for a performance audit to be automatically conducted every five years. However, the term “performance audit” is not one used or recognized by CPAs. We understand that the intent of this provision was to provide for an in-depth analysis of the WSO’s practices and operations. These types of audits usually reach far beyond a standard financial review, instead auditing all systems and operations. We believe that this kind of an audit would cost the WSO between \$60,000.00 and \$120,000.00, depending upon the type of audit performed. Our recommended change is to allow the conference to call for this type of audit if it is deemed necessary, but that the allocation of an expense of this magnitude, both in terms of financial and human resources, not be mandated without a deliberate discussion and decision by the conference.

The Use of NA Logos Within the Fellowship

The additional language to the Internal Use Policy is to clarify the appropriate use of NA logos within the fellowship. The FIPT gives very specific parameters regarding what can be considered Narcotics Anonymous Fellowship-Approved Literature—in short, such material must have been revised and approved fellowshipwide through the method utilized in the development of all our existing recovery literature. Unfortunately, we have been sent several pieces of locally generated material that bears the NA logo and appears to be NA Fellowship-Approved Literature, though these materials have never had the benefit of fellowshipwide conscience. The areas that produced this material were obviously unclear about the use policy for our fellowship’s logos and symbols, particularly as they relate to fellowship-approved recovery literature. We believe that the addition of specific language addressing such material will help to clarify the appropriate use of our fellowship’s symbols and logos.

The following motion is a revision to the FIPT Operational Rules only and so requires a two-thirds majority of RSRs present at WSC’97 to adopt. (FIPT, page 25, Article VII, Section 1) After discussion of the proposed changes by the WSO Board of Directors and the World Service Board of Trustees, we have decided to jointly propose the following changes to the Fellowship Intellectual Property Trust.

Motion 6: To remove Section 12 from the FIPT Operational Rules, page 20, Article IV, and replace it with the following:

“Each year, the Trustee shall give a full written report of its activities to the Trustor. This report shall be delivered to all participants of the World Service Conference at or before its annual meeting, and shall be available at cost or less to any Narcotics Anonymous member. This report shall include:

- 1. A year-end financial report of the previous calendar year.**
- 2. A description of all Trustee activities funded from proceeds generated by the Trust in the previous year.**
- 3. A budget and project description for Trustee activities planned for the coming year.**

“An audit of the Trust for the previous year will be provided, upon completion, to all participants of the World Service Conference as Trustor. This audit shall be performed by a certified public accountant. Additionally, the Trustor may elect to instruct the Trustee to perform a review of

operational practices and policies, above and beyond the review of internal controls and procedures which is conducted annually.”

Intent: To provide a more reasonable timeline for completion of the annual audit and to lessen the economic burden to the WSO as Trustee of the FIPT.

This motion would amend WSC policies as listed in the Appendix, page 34.

Financial Impact: Given current practices and considerations, the motion would have little or no financial impact.

Motion 7: To add the following language to NA Intellectual Property Bulletin #1, *Internal Use of NA Intellectual Property*, “Guidelines for Use of NA Trademarks:” “Narcotics Anonymous trademarks should not be used on locally developed recovery literature.”

Intent: To clarify the use of the various NA logos.

This motion would amend WSC policies as listed in the Appendix, page 35.

Financial Impact: Given current practices and considerations, the motion would have little or no financial impact.

Bob Feneran, Chairperson