

Pacific Regional Trustee Report: BOARD WEEKEND

October 2011

Rod B.

I hope all is well for you, your families, loved ones and your areas. Happy Holidays to all of you.

I have just finished visiting the last of the 15 areas in our Region and what a joy that was: a wonderful whirlwind. Many of you have heard me complain about the difficulty of the traveling but the joy of being amidst the love of the fellowship is beyond compare. I loved that, thank you to you and to your areas for the wonderful hospitality, the love and for dealing with the logistics of each trip.

I particularly enjoyed seeing the love your areas showed for those of you that were elected and for those who are rotating. It was so inspiring to see each of your areas show their love through their votes and then I got to see them thank the outgoing delegates with so much love, it was a true blessing that I will never forget. I will say it again, your beauty is a reflection of the beauty of each of your areas, of each member of your assemblies. Thank you again so much for letting me be a part of that.

AA World Services:

Regional Forums

The additional Pacific Regional Forum took place in Woodland Hills, CA in August, the West Central Regional Forum took place in Davenport, IA in September and the Southwest Regional Forum was held in Wichita, KS in October. Please put on your calendars and remind your areas about the **Forum in Fairbanks, Alaska** next year in September.

International

The staff member on the International assignment and the General Manager attended the **European Service Meeting** October 19-25 in Frankfurt, Germany.

Services Committee:

In light of the AAWS Board's approval of the concept of online sales, the Services Committee recommended that the current **Web site policy** be revised by deleting the bullet point which states: *"AA literature shall not be sold on the Web site, but catalog information, including prices may be included, as well as information on where to purchase AA literature."*

The Services Committee also requested that the Intraoffice Web Site Committee (IOWC) begin to compile additional suggested revisions to the Web site policy based on the current Web site initiatives.

The Services committee discussed a report from management regarding a possible plan for posting Daily Reflections on GSO's AA Web Site, with an optional daily e-mail delivery services and recommended that development of these items be implemented with the following considerations:

- The subscription service be a one-way communication.
- There be an unsubscribe function.
- Anonymity for the AA member who subscribes to the daily e-mail as it relates to the sender's e-mail address.

The Board approved the above the recommendation.

The AAWS Publications Committee will maintain the current practice of fulfilling international individual orders only when the established GSO does not sell the requested literature. **Note:** The shipping price changes will not take effect until online ordering is implemented nine months to a year from the date of this action.

eBook Project Update September 2011:

A discussion took place regarding the eBook project. The Board approved the following motions:

- 1) The eBook format (in English, French and Spanish) of both the Big Book and the Twelve Steps and Twelve Traditions be priced at \$6.00.
- 2) That Book purchases be limited to a maximum of three electronic devices per individual purchase.
- 3) The App, Device and Online Store names be as follows: App name: "A.A. eReader"
Device name: "A.A. eReader" (with descriptive text placed directly below icon)
Online Store name: "A.A.W.S. Online Store"
- 4) The eReader device (icon) symbol was accepted with minor design modifications pending verification to prevent duplicate registered Trademarks.

Gross sales

Through 9/30/11 gross sales were budgeted at \$9,632,556 with actual sales of \$9,668,492. Units distributed to AA and non-AA purchases for this same period totaled

1,344,815 units. Out of that total, non-AA purchases accounted for 250,464 units or 18.7%.

Big Book and Twelve and Twelve Unit Distribution:

Big Book unit distribution for the nine months of 2011 was 716,084 as compared to 672,524 in the same time period for 2010, while the distribution of the Twelve and Twelve through the end of September 2011 totaled 299,844 compared to 280,340 for the same time period in 2010.

AA Grapevine:

Overview:

Cash orders for both magazines and all subscription products (Grapevine and La Vina) are ahead of September year-to-date (YTD) projections by \$221,000. Cash orders for all other products (books etc.) are behind September YTD projections by \$68,000. This nets to total cash orders being ahead of September YTD projections by \$153,000. For this reason it has not been necessary to take any draw-downs during the first three quarters of this year.

Grapevines print circulation has declined (-2,534) during the third quarter 2011, as did La Vina (-204) when compared to 2010.

Grapevine continues to adhere to its strategic direction featuring more digital offerings, expanded engagement and awareness measures coupled with significant overhead reductions.

Grapevine is currently holding back on new engagement initiatives, principally search engine optimization. A general decline in subscription and products remains likely in upcoming quarters given the downward trend of the print publishing industry and the absence of new and expanded engagement of new subscribers through the web and other media.

For the nine months ended September 30, 2011 the Grapevine realized a loss of \$32,267 in comparison to a budgeted net loss of \$156,141. This is ahead of budget by \$123,874.

Total AA Grapevine income including interest from the Reserve Fund was \$1,355,715 or \$15,233 ahead of budget.

Total AA Grapevine expenses were \$1,387,982 or \$108,641 below budget of \$1,496,623.

LaVina:

Total magazine income is \$87,895, which is ahead of budget by \$11,600.

Circulation averages 8,977 for the nine months ended 9/30/11 (five issues). Direct costs were \$42,384 which is \$14,516 under budget.

Gross Profit on the magazine is \$445,511, which is ahead of budget by \$26,116.

Other publishing income

Other publishing income of \$16,999 is \$2306 behind budget. Net loss for the nine months ended 9/30/11 is \$48,550, which is ahead of the budgeted loss of \$88,780 by \$40,230.

Expenses for the nine month period ended 9/30/11 were \$107,695, which was \$15,789 under budget.

Circulation, Development and Customer Service:

The circulation director reported continued standard engagement plan efforts.

Circulation

activities this quarter included the publishing of a new AA Grapevine catalog, creating the two pages of AA Grapevine product in the **2011-2012 Conference approved Literature & Other Material AAWS catalog**, the updating of marketing materials, continual messaging updates on the website and the announcement and communication to the Fellowship of two new publications "*Step by Step*" and "*Emotional Sobriety II*" along with the continued management of vendors.

The board acknowledged with gratitude receipt of ICYPAA's purchase of 600+ online subscriptions to some of their attendees from their 2011 conference.

Total print submissions for the quarter were 512 and total web submissions were 118.

Grapevine Board Actions:

1) Approved operational and product assumptions presented by management for inclusion in a first draft preliminary 2012 budget to operate without a loss for submission to the General Service Board Finance and Budget Committee.

2) Approved ceasing publication of the digital version of Grapevine Digital magazine by 12/31/11.

3) Requested the AA Grapevine Chair communicate to the GSB Chair, AA Grapevine support of moving from the current occupancy of offices on the 10th floor to the 11th floor of 475 Riverside Drive.

4) Approved amendment to Retirement Plan of AAWS and AGV.

5) Appointed Owen J. Flanagan and Co. as the independent auditor to AA Grapevine, Inc. for the year 2012.

Trustee's Finance and Budgetary Committee:

Net literature sales were \$9,463,100, approximately \$51,000 or .5% greater than budgeted and \$137,000, 1.5% greater than the first nine months of last year.

Gross profit from literature was \$6,008,400 compared with \$5,961,800 budgeted and \$6,054,400 last year. Gross profit was \$46,500 greater than budgeted.

Contributions of \$4,480,000 were \$96,000 of 2% less than budget and \$31,500 or .7% less than last year.

Total operating expenses for the period of \$10,195,000 were approximately 294,000 less than budget and \$545,800 or 5.7% greater than the first nine months of the prior year. Total personnel costs were approximately \$87,000 less than budgeted, but \$280,000 more than last year.

Other expenses in total were \$206,900 less than budgeted and \$265,600 greater than last year. Mailing **Box 459** along with the literature catalogs helped to reduce, in part, labor and postage by approximately \$22,000.

In summary, total revenue for the nine months ended 9/30/11 was \$10,488,857 against which we incurred total expenses of \$10,194,978 leaving an **excess of revenue over expenses of \$293,879**, which compares to a budgeted excess revenue for the period of \$48,983 and a \$917,271 income last year.

AAWS year end projections and 2012 budget:

The committee heard a verbal report with information about year end 2011 projections. Current expectations are that sales will remain approximately on budget and contributions will be slightly behind budget.

Current projections are that the bottom line will be approximately \$780,000 which compares with the original budget of \$340,000.

Work on the **2012 budget** is progressing with the AAWS Finance Committee having received a preliminary draft of the 2012 budget. A current estimate indicates sales will be just slightly greater than the current year ended 2011 projections with net income for 2012 of approximately \$175,000.

The committee was advised that AAWS is almost ready to launch eBook sales and online sales function. The committee had a discussion about continuing trends in unit sales and possible effects of price increases.

Grapevine year end 2011 projection and 2012 budget:

The committee received information indicating that current expectations are that the 2011 Grapevine net income will be approximately \$38,244. The Grapevine Board presented an exhibit (AAGV 2012 Budget draft #1) with key features indicating a provisional bottom line or approximately a **\$100,361 net profit for 2012**.

Reserve Fund:

The Reserve Fund Investment report noted that as of 9/30/11 the Reserve Fund had a balance of \$14,473,825 for the purpose of computing the number of months of operating expenses. The Fund is currently earning approximately 1.3%, and represents approximately 11.3 months of combined operating expenses.

The treasurer will appoint a **Trustees Finance Committee Subcommittee to consider aspects of Self-Support**. The Subcommittee will assist in the development of a draft Self-Support kit to be brought to the 2012 Conference and development of a simple document of self-support/financial talking points to be used by the Fellowship.

The committee considered a **suggestion that the amount requested from each Delegate Area as a Conference fee be increased**. The committee agreed to forward the request to the Conference Finance Committee with additional historical background.

The committee considered a letter which suggested an increase to the annual **limit on individual contributions and one-time bequests**, and took no action on the specific details of that letter, but agreed to forward to the Conference Committee on Finance to review the current dollar limits on contributions received from individuals and as one-time bequests.

Trustees' Archives Committee:

The committee approved the **new service piece** on basic archival principles with one minor addition to the section "*Archival Preservation Suppliers and Supplies*." The

committee requested that the Archives begin distribution of the service piece and that it sends copies to the members of the 61st General Service Conference Archives Committee.

The committee reviewed the shared experiences that have been submitted thus far in its project to update the "**Shared Experience**" section of the Archives **Workbook**, and expressed appreciation for those areas and districts that have submitted descriptions of their archives and related projects.

The committee received the report submitted from the Archivist on proposed changes to the history and archives film, "**Markings on the Journey**." The committee approved the revisions and budget proposal to the film and is hopeful that the project can be completed in time for the 2015 International Convention.

Trustees' Committee on the General Service Conference:

The committee noted that there will be **substantial savings in having the 2012 Conference at the Rye Town Hilton** in Rye Brook, N.Y. The committee encourages GSO to continue looking at ways to reduce expenses for future Conferences.

62nd GSC "**Anonymity: Our Spiritual Responsibility in the Digital Age**" Workshop Questions: The committee reviewed the workshop questions for the 62nd GSC and made some suggestions.

The committee reviewed the **schedule for the Conference week** and noted that the schedule reflects additional time allotted for discussion of board reports, presentation topics, committee reports and sharing sessions.

The committee reviewed a **list of agenda items** submitted to the Conference assignment for placement on 2012 Conference Committee agendas.

The committee reviewed the **Conference Evaluation Form** and made no changes.

The committee reviewed form B: "**Request to use laptops during the GSC**" and the "**Guidelines for PC users at the GSC**." The committee agreed that Form B will be discontinued as it is outdated and the Guidelines will be updated by the Conference Coordinator to reflect usage of current electronic devices.

The committee tabled discussion on an area's proposed agenda item, which pertains to **trustees' emeriti participation** and expenses, to the January 2012 Board meeting.

Trustees' Committee on Cooperation with the Professional Community/Treatment/Special Needs-Accessibilities:

The committee reviewed and accepted the preliminary list of **CPC exhibit events for 2012**. All trustees are encouraged to submit suggestions for exhibits at future national conferences to the CPC staff secretary.

The committee agreed that it would be helpful to **include the AA Grapevine or La Vina magazines in CPC kits**. The estimated cost for 500 magazines is \$750.00 and is reflected in the 2012 preliminary budget.

The committee discussed a request from the 2011 Conference Committee on CPC "to forward to the 2012 Conference committee a draft product and report on replacing the current **AA CPC DVD** with a new compilation DVD that includes existing material." The committee asked the staff secretary to work with committee members to prepare a report on replacing the current DVD for their review at the January Board meeting.

The committee gratefully received and reviewed a progress report from the subcommittee who undertook a line by line review of this video, "**Hope: Alcoholics Anonymous**." After discussion, the committee agreed that the concerns expressed by the 2011 Conference Committee did not warrant the cost to remake the video or remove any single line of dialogue. The staff secretary will bring a final report to the January Board meeting for review.

Trustees' Committee on Corrections:

The committee discussed and approved the revised text for the pamphlet "**It sure beats sitting in a cell**" as submitted by the Publications Department. The committee also previewed sample illustrations and formatting options for the pamphlet; and looks forward to reviewing the final complete layout including artwork at the January Board meeting.

The committee reviewed the shared experience collected from the Fellowship on new challenges and local solutions in Corrections service work. They requested the committee secretary work with the Publications Department to develop suggestions for incorporating appropriate **additions to the Corrections Workbook** and report back to this committee at the January Board meeting.

The committee discussed terminology regarding pre-release/re-entry activity in AA corrections-related literature and requested the committee secretary work with the Publications Department to develop suggestions for incorporating "**re-entry**" **terminology in corrections literature** aimed at professionals and report back at the January Board meeting.

Trustees' International Committee:

The committee received a written report from staff person who attended the **9th Asia-Oceania Service Meeting (AOSM)**.

The US Trustee-at-Large and the Canadian Trustee-at-Large attended the **XVII REDELA in San Salvador, El Salvador**. They illustrated the care that needs to be taken at these gatherings and underscored the need to carefully take no sides in disputes. During the REDELA, a request was received from the delegates of Ecuador, Peru, and Bolivia that the **Big Book be translated in Quecha**, the ancient language of the Inca, spoken today by 8 million persons. This request was forwarded to the International desk to be sent to AAWS Publications Director with a request for periodic progress reports.

A trip report to Frankfurt, Germany on the **16th European Service Meeting** was tabled to the January Board meeting.

Trustees' Committee on International Conventions/Regional Forums:

723 members attended the **Additional Regional Forum** (373 were first Forum attendees) in **Woodland Hills, CA** on August 19-21, which included 6 past trustees. Participants were primarily English-speaking with close to 50 Spanish-speaking members present. Simultaneous translations were provided from the region.

292 members attended the **West Central Regional Forum in Davenport, IA** on September 9-11, including 4 past trustees and 165 first time attendees.

117 members attended the **Area 92 Local Forum in Richland, WA** on September 9-11. The Pacific Regional Trustee and a member of GSO staff attended.

535 members attended the **Southwest Regional Forum in Wichita, KS** on October 7-9, including 5 past trustees and 308 first time attendees.

The committee discussed the content and implementation of **Local Forums and Additional Regional Forums**. The committee noted that this was the fourth annual review. In 2006 the trustees' Committee on International Conventions/Regional Forums recommended that Additional and Local Forums be implemented on a trial basis with an annual review/inventory for five years by the committee.

The committee reviewed a list of **themes** proposed by members of the fellowship for the **2015 International Convention in Atlanta, Georgia**. The committee noted that an updated list will be provided. The committee agreed to review a short list of committee member selections prior to addressing this topic at the January Board meeting.

Trustees' Committee on Literature:

The committee reviewed a written report from the subcommittee on the **development of literature which focuses on spirituality**, as well as hearing a verbal update. The report outlined the process agreed to by the subcommittee for reading and reviewing the 201 stories in batches of 50, progress toward ranking the first 100 stories and a proposed completion date that will allow for a final progress report in time for the January Board meeting.

The committee reviewed a report from the subcommittee on the pamphlet, "**AA and the Armed Services**" which included the process agreed upon for the ranking the new stories submitted, several stories previously published in the Grapevine magazine, and a few stories from the current pamphlet. Following at least one more ranking stage and conference call, the subcommittee expects to submit a final progress report at the January Board meeting.

The committee reviewed the most recent progress report from the Publications Department on revisions to the '**Living Sober**' booklet and following discussion requested that the Publications Department editorial staff bring back for the January Board meeting additional edited copy which reflects changes suggested by the committee.

The committee discussed a request from an area to **add the Twelve Concepts for World Services (with essays) to the current edition of the book Twelve Steps and Twelve Traditions** and tabled the matter for further discussion at the January Board meeting. The committee asked the secretary to work with the Publications Department staff to prepare additional background regarding, among other things, creation of a new format (a **boxed set** of the existing books) and costs of a new volume of literature that would include all 36 principles with essays.

Trustees' Committee on Nominating:

The committee received five preliminary subcommittee reports on the following topics:

- 1) **Impact of the Conference disapproving a recommended slate.**
- 2) **Nominating Procedure No. 1 (Grapevine and AAWS Procedures for Nominating Corporate Board Directors)**
- 3) **Recruitment of Class A trustees.**

4) Nominating Procedure No. 9 (**Guidelines for Hiring the General Manager GSO**)

5) Nominating Procedure No. 10 (**Guidelines for Hiring Grapevine Executive Editor**)

The committee recommended to the GSB that **Gary L. serve as Trustee Director** for a two-year term on AAWS, Inc. following the 2012 Conference, to succeed Pam R.

The committee recommended to the GSB that **Clayton V. serve as Trustee Director** for a two-year term on AA Grapevine, Inc. following the 2012 Conference, to succeed EI N.

Recognizing that the General Manager of the General Service Office can be a helpful resource to the Trustees Nominating Committee in its deliberations, the committee recommended to the GSB that a **change to its Composition, Scope and Procedure** be made under "Composition" to add to the third paragraph in this section the following sentence: *"The General Manager of the General Service Office is invited to participate, without a vote, in all open meetings of the Trustees' Nominating Committee."*

Trustees' Committee on Public Information:

The secretary reported that the data is currently being tabulated and will be presented to the committee along with proposed pamphlet design at the January Board meeting for the 2011 **AA membership survey**.

A subcommittee was formed and is developing a **comprehensive media plan**. An oral report was given along with a draft outline of the plan. The committee will receive a final report at the January Board meeting.

The committee accepted the report from the Subcommittee on the **Hispanic TV Public Service Announcement** and approved the concept selected for the PSA by the subcommittee. The committee looks forward to reviewing a preliminary video version of the PSA at the January Board meeting.

Two requests related to **adding language related to current media to Tradition Eleven** were tabled for discussion till the January Board meeting.

Final word from Pacific Regional Trustee:

Thanks again to the areas for hosting the Additional Forum and the Local Forum. Please continue to **remind your areas of PRAASA and the Forum next year**.

Navajo translation of "How it Works" will be sent to the Publications Department Director for authentication and to ensure that the translation maintains the spirit of Alcoholics Anonymous. All translations go through this necessary process. Once this occurs, then this will open the door for a complete translation of the Big Book into Navajo. Of course, I have a bias here, but having said that, this would be historic for AA, our Pacific Region, the Arizona area and the Navajo AAs. This would be the first translation of the Big Book into an Native American language in AA's history. A prime example of our Responsibility Statement and shows how instrumental our Third legacy is in this achievement.

Take Care and God Bless, HAPPY HOLIDAYS!!!
Pacific Regional Trustee