

■ 56th General Service Conference “Sponsorship, Service and Self-Support in a Changing World”

NEW YORK, April 29, 2006 — “Because we set such a high value on our great liberties, and cannot conceive a time when they will need to be limited, we here specially enjoin our General Service Conference to abstain completely from any and all acts of authoritative government which could in any wise curtail A.A.’s freedom under God. The maintenance of these freedoms in our Conference is a great and practical guarantee that the Conference itself will always remain democratic in action and in spirit.

“Therefore we expect that our Conferences will always try to act in the spirit of mutual respect and love — one member for another. In turn, this sign signifies that mutual trust should prevail; that no action ought to be taken in anger, haste, or recklessness; that care will be observed to respect and protect all minorities; that no action should ever be personally punitive; that whenever possible, important actions will be taken in substantial unanimity; and that our Conference will ever be prudently on guard against tyrannies, great or small, whether these be found in the majority or in the minority.”

With co-founder Bill W.’s words from Concept XII in mind, the 56th General Service Conference of Alcoholics Anonymous in the United States and Canada was held at the Crowne Plaza Times Square, April 23-29. The 136 members who make up the General Service Conference consist of delegates from the 93 service areas, Class A (nonalcoholic) and Class B (alcoholic) trustees, and directors and staff of the two corporations—A.A. World Services, Inc. and The A.A. Grapevine, Inc.

Chairing this year’s Conference were Leonard Blumenthal (nonalcoholic) chairman of the board;

Greg M., G.S.O.’s general manager; and Michael S., delegate chairperson. Rick W., G.S.O. staff, was Conference coordinator. Throughout, the Conference was ably assisted by staff and support personnel of the General Service and Grapevine offices.

The Conference officially opened Sunday afternoon with the roll call, followed by Greetings from Michael S., delegate chair, and the Keynote address, delivered by Robert P., Eastern Canada regional trustee.

Guests observing at this year’s Conference were Valerie M., general manager of G.S.O. Australia, and Noriaki N., general manager of G.S.O. Japan.

At the open A.A. meeting that followed the Sunday evening dinner, Keith H. (Hawaii) chaired. The meeting was led by Gail L. (Virginia) and speakers were: Meri R. (Northern Indiana), Mike N. (North Dakota), George M. (A.A.W.S. director), Gayle S.R. (G.S.O. staff), and Howard L. (trustee).

This June marks the 10th anniversary of *La Viña*, the Spanish-language magazine equivalent of the A.A. Grapevine. On Monday afternoon, Hernán M., editor of *La Viña*, spoke on the history of the magazine and plans for its future. The presentation was followed by the traditional anniversary cake with 10 candles.

Throughout the busy week Conference sessions began at 9:00 a.m. and often continued to 9:00 p.m. or beyond. There were presentation/discussion sessions (including one on this year’s Conference theme, “Sponsorship, Service and Self-support in a Changing World”), reports, area service highlights, and “What’s On Your Mind?” sharing sessions.

However, the major work of the Conference takes



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place during the meetings and deliberations of the eleven standing Conference committees. Delegates review background material on items forwarded to them, and any resulting committee recommendations are presented to the entire Conference for a vote. Thus the group conscience of the Fellowship results in Conference Advisory Actions. (Highlights of Actions appear on page 3.)

Wednesday afternoon the Conference elected two new regional trustees. Madeline P. of Pocatello, Idaho will succeed Phyllis H., as the Pacific regional trustee, and Denis V. of Brossard, Québec will follow Robert P. as Eastern Canada's trustee. The new general service trustee, who will serve as a director on the A.A.W.S. Board, will be Jane S., of Beasley, Texas.

Darryl M., Kentucky, will be the delegate chairperson for the 2007 Conference; Patricia R., Southeast Québec, will be alternate chair.

Among the many activities during the week, New York Intergroup Association hosted a hospitality suite on Saturday, before the official Sunday opening, where early-arriving Conference members could get together for fellowship and coffee, greeting old friends and meeting new ones.

From Monday to Friday at 7:30 a.m., the G.S.C. Serenity Group held an open A.A. meeting, with topics based on readings from A.A. literature. The meetings were chaired by Bill C. (SE New York); Mark C. (Illinois, Chicago) was secretary treasurer.

Tuesday afternoon Conference members and their guests visited the G.S.O. and Grapevine offices.

Throughout the week volunteer A.A. members led tours of the city for the approximately 85 guests (many were A.A.s or Al-Anons) who had accompanied Conference members to New York. A Circle Line boat trip around Manhattan Island and a tour of NBC studios were among the activities.

Friday afternoon the Conference officially closed with the Serenity Prayer recited in three languages, led by Patricia R. in French, Francisco A. in Spanish, and Chip B. in English.

Conference members met once more Saturday morning for the closing brunch. Farewell talks were given by rotating trustees Phyllis H., Robert P. and Ron G. (general service trustee). Following the brunch, delegates boarded mini-buses for a trip to Bedford Hills, New York, to visit Stepping Stones, the home of Bill W. and his wife Lois — a nice ending to this Conference experience.

■ Opening for Class A (nonalcoholic) Trustee

The trustees' Nominating Committee asks that trustees, delegates and directors submit any names they deem appropriate as candidates for Class A (nonalcoholic) trustee. Class A trustees are chosen from a variety of professional backgrounds, including doctors, lawyers, clergy, social workers and educators.

The Class A trustee who will rotate after the 2007 General Service Conference is Allen L. Ault, Ed.D., whose background is in the corrections field, and who is currently dean of the college of Justice and Safety, University of Eastern Kentucky.

Please submit your candidates' professional resumés to the Secretary, trustees' Nominating Committee, General Service Office by June 30, 2006.

■ Estimates of Groups and Members as of January 1, 2006¹

	Groups	Members
United States	52,050	1,068,516
Canada	6,214	110,449
Sub-Total	58,264	1,178,965
Correctional facilities ²	2,527	65,843
Internationalists		71
Lone members		245
Total	60,791	1,245,124
Outside U.S. & Canada ³	45,436	702,538
Grand Total	106,227	1,947,662

1. The General Service Office does not keep membership records. The information shown here is based on reports given by groups listed with G.S.O., and does not represent an actual count of those who consider themselves A.A. members.

2. U.S. and Canada only.

3. We are aware of A.A. activity in more than 180 countries, including 57 autonomous general service offices in other lands. Annually we attempt to contact those G.S.O.s and groups that request to be listed in our records. Where current data is lacking we use an earlier year's figures.

■ 2006 Conference Advisory Actions and Additional Considerations

Conference Advisory Actions represent recommendations made by the standing committees and approved by the Conference body as a whole; or recommendations discussed and voted upon by all Conference members during general sessions. Some Advisory Actions and a few additional committee considerations appear below in condensed form. A complete list will be published in the *Final Conference Report*.

Advisory Actions

Agenda—that the theme for the 2007 General Service Conference be: “Our 12th Step Responsibility—Are We Going to Any Length?”; that the Workshop topic for the 2007 General Service Conference be “Spiritual Value of Our A.A. Dollars.”

Cooperation With the Professional Community—that three short video segments be produced that can be accessed on G.S.O.’s A.A. Web site and directed to professionals in the employment/ human relations, legal/criminal justice, and medical fields, and brought back to the 2007 Conference Committee on Cooperation With the Professional Community, with a total cost not to exceed \$60,000.

Correctional—that the draft manuscript of *A.A. in Prison: Inmate to Inmate* be approved; that an informational media presentation be developed featuring someone highly credible in the corrections field introducing A.A. to training academies and in-service training programs for corrections personnel and be brought back to the 2007 Conference Committee on Corrections.

Finance—that the word “donation” be replaced with the word “contribution” in A.A.W.S. literature.

Literature—that the revised draft pamphlet “Too Young?” be approved; that the revised draft pamphlet “It Happened to Alice!” be approved; that the draft manuscript of the pamphlet “Young People and A.A.” be approved; that the Spanish-language Third Edition Big Book, *Alcohólicos Anónimos*, continue to be developed and that a report be brought back to the 2007 Conference Literature Committee.

Policy/Admissions—that current General Service members and G.S.O. staff members from other countries be granted admission as observers, upon their request, to the annual General Service Conference of the U.S. and Canada, that admission is not to exceed two countries and two representatives per country, one being a board member and/or one G.S.O. staff member at each General Service Conference; that the request for admission be made through the General Service Office in New York, and that decisions regarding responsibility for guest observer expenses be at the discretion of the General Service Board.

Public Information—that the television public service announcement (P.S.A.) “Testimonials” developed by the trustees’ Public Information committee be approved completing a four year replacement schedule initiated by the 2002 Conference; that the section on “Marital Status” on the “A.A. Membership Survey Questionnaire” be revised and retitled as “Domestic Status” with the following four options: Married, Single, Divorced, Other (please specify _____).

Report and Charter—that the graphic, “Service Structure Inside the A.A. Group,” as it appeared in the 1998-1999 edition, be restored in Chapter 2 of *The A.A. Service Manual*.

Treatment Facilities—that the phrase “and other non-correctional environments” be added to the scope of the Conference Committee on Treatment Facilities so that it will read as follows: “The purpose of a treatment facilities committee is to coordinate the work of individual A.A. members and groups who are interested in carrying our message of recovery to alcoholics in treatment facilities and other noncorrectional environments, and to set up means of ‘bridging the gap’ from the facility to the A.A. community. The committee will review all aspects of service to A.A. groups/meetings in treatment facilities and other noncorrectional environments and make recommendations for changes and/or improvements.”

Trustees—that the slate of trustees and officers of the General Service Board be elected at the annual meeting of the G.S.B. in April 2006; that the slate of directors of the A.A. World Services Corporate Board be elected at the annual meeting of the A.A.W.S. Board in April 2006; that the slate of directors of the Grapevine Corporate Board be elected at the annual meeting of the Grapevine Board in April 2006.

Additional Considerations

Archives—considered annually reviewing a list to be compiled by G.S.O.’s archivist of proposed archival recordings (format to be determined by A.A.W.S.) to be produced for sale by A.A.W.S. so that the Conference might provide guidance prior to production.

Grapevine—that the A.A. Grapevine Board consider the suggestion that the A.A. Grapevine produce an anthology of La Viña stories in the year 2007 or later.

International Conventions/A.A. Regional Forums—the committee noted the addition of registration flyers to the Regional Forums section of G.S.O.’s A.A. Web site; that the report on the 2005 International Convention be accepted.

The Budget Highlights

2006 G.S.O. Budget

This budget describes the "OPERATIONS" of the General Service Office. It includes expenses of A.A. World Services (the Publishing operation) and the General Fund (Service activities). It excludes any activities reported separately in the Reserve Fund, Convention Fund, or the Capital Projects Fund. The Grapevine operations are described below in a separate report.

Income: The 2006 budget projects net sales of \$12,655,000, an increase of approximately \$1,250,000 (11%) from the 2005 budget and \$700,000 more than the 2005 actual results. The 2006 budget includes an expected return to "normal" levels of Big Book sales, and full-year effects of increases in the price of books and booklets and the shipping and handling charge instituted 7/1/05.

Manufacturing costs are budgeted higher than 2005 but less than 2004. The primary reason for the reduction from 2004 is good shopping on the part of our new print purchaser. Royalties are budgeted at \$175,000.

Shipping and warehousing costs are budgeted approximately even with the 2005 results. While there may be expected increases in operational costs due to inflationary pressures, our warehousing group has shifted warehouse facilities and anticipated more cost-effective operations. In addition we intend to continue to ship products using less expensive methods even if it takes a day or two longer to reach their destination.

After subtracting manufacturing costs, royalties and shipping expense, gross profit is budgeted at \$7,235,400 or 58.8%. This is about \$560,000 more than 2005. The gross profit compares with \$6,676,000 (57.7%) for 2005. It should also be remembered that as we continue to strive to have literature available for our Service Conference in Spanish and French as well as English, lower print runs in those languages could result in higher production costs. Because we strive to have similar selling prices regardless of our manufacturing cost, individual lower overall gross profits may occur that may affect the overall gross profit and thus price increases may become necessary as things progress.

Prudence dictates that even though contribution revenue has seen favorable upward movement during the last several years, other actions have been necessary. Trusted servants continue to explore methods to reduce the costs of operations, as well as assess the services supplied.

Contributions for 2006 have been budgeted at \$5,520,000 in total. Contributions received for the year 2005 were \$223,000 greater than 2004.

During 2005, contributions from groups and individuals of \$5,282,000 were \$114,000 (about 2%) greater than budget and \$218,000 (4%) greater than 2004. Contributions received from World Service Meeting countries toward the World Service Meeting International literature fund amounted to \$135,000, approximately \$7,000 more than 2004. In total, contributions received for 2005 were just over \$5,417,000.

Total Operating Revenue for the period is anticipated at \$12,758,400, approximately 15% more than the 2005 budget and 5% greater than the 2005 actual results.

Total Operating Expenses for 2006 have been budgeted at \$12,102,425, approximately \$975,500 or 9% more than 2005 and \$1,007,000 or 9% more than the 2005 budget as well. It should be remembered that this larger than usual increase follows a 2005 budget that was \$277,000 (2.5%) less than 2004 expenses and \$377,000 (3.3%) less than the 2004 budget. (Last year we noted that the 2005 decrease represented considerable efforts to reduce costs without significantly affecting service.) The 2006 budget includes increases for such items as the GSO USA net expense for the World Service Meeting, increased funding cost for the pension plan and funding for the Retiree Medical Benefits Program.

For 2006 the GSO budget anticipates an excess of revenue over expense of \$656,000. This compares with an actual income for 2005 (excluding the Convention) of \$976,172 and the \$83,517 loss budgeted for 2005 (after mid-year adjustments).

The expected 2006 operating income, the 2005 actual income as well as other transfers will work to assist in rebuilding the Reserve Fund balance.

2006 Grapevine Budget

The 2006 Grapevine Budget calls for an average circulation of 105,500, approximately 1,000 copies fewer than the 2005 budget and approximately 1,000 copies more than the 2005 paid circulation number of 104,356. Circulation for the last several years was as follows: 2004, 108,203, 2003, 112,614, 2002, 115,753, 2001, 115,034, 2000, 115,734, 1999, 116,000, and 1998, 117,300.

Income: Magazine income of \$1,933,000 is expected, about \$22,000 greater than 2005. Other Publishing Income from books, cassette tapes, and miscellaneous items is budgeted at \$644,500, approximately \$78,000 higher than 2005. The increase in the "other items" category anticipates sales of new products.

Total Gross Profit: Combining the magazine and other publishing items, a gross profit of \$1,635,715 is budgeted for 2006 compared with \$1,506,500 achieved for 2005 and the 2005 budget of \$1,587,152.

Total Operating Expenses: Total Operating Expenses for 2006 are budgeted at \$1,673,300, approximately \$150,700 more than the 2005 actual of \$1,522,600.

Net Income: For 2006 the Grapevine anticipates a profit of \$19,900. This compares with a 2005 budgeted profit of \$17,783 and an actual profit from operations of \$44,200.

2006 Spanish Grapevine Budget

Following the 1995 General Service Conference Advisory Action #7, the publication of the Grapevine magazine in Spanish was approved by the Grapevine Board of Directors and the trustees' Finance Committee of the General Service Board. Recognizing this publication as a new venture, both boards will review the financial impact on the Fellowship and the progress of circulation and continue to monitor the viability of this venture. In 2001 The Board recommended and the 2001 Conference approved that the Spanish magazine continue to be published by the Grapevine but Funded by the General fund instead of continuing to draw funds from the Reserve Fund.

For 2006 La Viña expects a gross profit on the magazine of \$17,900 compared with a \$3,900 gross profit for 2005. Circulation for 2006 is estimated at 9,700, slightly higher than the 2005 average of 9,400. Other Publishing income is estimated at \$18,000, which after deducting cost of product of \$3,900, expects to contribute \$14,100 to revenue. Total costs and expenses are estimated at \$112,759 for 2006, compared with \$129,388 for 2005. The 2006 budget projects a net loss of \$80,699, compared with a loss of \$107,739 for 2005.

To date the La Viña project has incurred start-up costs/operating losses of approximately \$1,100,000 as follows: \$29,500 in 1995, \$138,290 in 1996, \$102,140 in 1997, \$66,182 in 1998, \$59,224 in 1999, \$49,570 in 2000, \$119,385 in 2001, \$103,815 in 2002, \$111,638 in 2003, \$111,592 in 2004, and \$107,739 in 2005.