

GENERAL CONFERENCE EXECUTIVE COMMITTEE

May 8, 2014, 7:00 p.m.

MEMBERS PRESENT:

Ted N C Wilson (Ch), Myron A Iseminger (Sec), Gabriel E Acevedo, Delbert W Baker, G Alexander Bryant, Dedrick L Blue, Brent B Burdick, Gilbert R Cangy, Robert G Carmen, Dowell Chow, Lowell C Cooper, Jonathan M Duffy, George O Egwakhe, G Thomas Evans, Howard F Faigao, Sergie B Ferrer, Dale E Galusha, L James Gibson, Doris M Gothard, Ricardo B Graham, Abraham I Guerrero, Eugene Hsu, Daniel R Jackson, Mark A Johnson,

Gerry D Karst, Bradley R Kemp, Donald G King, William M Knott, Robert E Kyte, Peter N Landless, Robert E Lemon, Geoffrey G Mbwana, John K McVay, Derek J Morris, G T Ng, James R Nix, Barry D Oliver, Willie Oliver, Daisy J Orion, Orville D Parchment, Ruth E Parish, Larry J Pitcher, Juan R Prestol, Roy E Ryan, Ella S Simmons, Lionel H Smith, Artur A Steele, Mark B Thomas, David Trim, J Raymond Wahlen, Dave Weigley, Evelyn J Will, Harald Wollan

LEGAL ADVISOR: Thomas E Wetmore

The following meeting was attended in part by teleconference. Those indicated as present are those who participated either in person or by phone.

PRAYER: Barry D Oliver

Prayer was requested for healing for Alberto C Gulfan Jr and for wisdom in this meeting.

DEVOTIONAL: Ted N C Wilson

PRAYER: Ted N C Wilson

GENERAL CONFERENCE-OWNED PUBLISHING HOUSES—
RESTRUTURING PROPOSAL

Ted N C Wilson and Robert E Lemon presented the item, G T Ng made the motion. Discussion followed.

PRAYER: J Raymond Wahlen II

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GENERAL CONFERENCE-OWNED PUBLISHING HOUSES— RESTRUCTURING PROPOSAL

INTRODUCTION

The General Conference of Seventh-day Adventists operates two publishing institutions. Both serve the General Conference, the North American Division, and the worldwide Church in a variety of ways. Neither publishing house receives financial appropriations from the General Conference or from the North American Division.

The Review and Herald Publishing Association was incorporated in 1861 at Battle Creek, Michigan as the Seventh-day Adventist Publishing Association. The factory was destroyed by fire in 1902. A new organization, Review and Herald Publishing Association, was formed in 1903 and began publishing in the District of Columbia, USA. In 1980, the Southern Publishing Association merged with Review and Herald Publishing Association. The merged entity was relocated to Hagerstown, Maryland.

The Pacific Adventist Publishing Association was organized in California in 1875. It was later renamed as Pacific Press Publishing Association and moved from Oakland, California to Mountain View, California in 1904. In the 1980s financial pressures led to relocation in Nampa, Idaho, an area with lower living and business costs yet with high quality of life for employees. A new and more efficiently designed facility was built.

Though it is not formally recognized and officially organized, a third publishing house is located at the General Conference office in Silver Spring, Maryland. The General Conference is itself the publisher of several journals and magazines including the full range of Sabbath School *Bible Study Guides*, the *Adventist Review*, *Adventist World*, *Ministry*, *Journal of Adventist Education* and *Elders' Digest*, publications of the Biblical Research Institute and others. Editorial teams for these publications are located at the General Conference office and are employees of the General Conference. The production and circulation of these items is arranged by the General Conference with one or the other of the two publishing institutions named above.

OPERATIONAL REALITIES FOR PUBLISHING HOUSES

Publishing houses are vital institutions for the Church's engagement in mission. Currently the global needs of the Church are served by 62 publishing houses and branch offices around the world. Except for the North American Division, every division has a publishing house to serve its needs. In some cases, these publishing houses are union institutions operating in close collaboration with the division's publishing program. The North American Division has been served by General Conference-owned publishing houses.

The two General Conference institutions named above have been kept busy providing the full range of products needed by the General Conference and the North American Division. At the same time, the establishment of other printing facilities by denominational entities or supporting ministries, advanced printing technologies, a greatly diminished literature evangelism (colporteur) program, significant shifts in reading patterns in the population and use of literature by local churches has left these publishing houses with unused production capacity. Though the range of products has increased, the production volumes have changed and the production process has become much more efficient. These factors combine to bring huge pressure for change to achieve economical and sustainable printing/production operations.

The impact of advances in publishing and printing technology has long been recognized as ultimately requiring difficult decisions concerning the number of printing/production facilities needed by the General Conference and the North American Division. At one time the General Conference operated three publishing/printing/production institutions. In 1980 two of these, Southern Publishing Association and Review and Herald Publishing Association, were merged in order to achieve printing and production efficiencies not possible in operating two plants.

Within the last 25 years several studies¹ have all recognized that in due course it would be expedient for the North American Division to have a greater oversight role in the publishing activities serving its territory. At the same time, the General Conference would need continued publishing, production, and distribution services for its global programs and initiatives. In addition, the study commissions all recognized that while more than one publishing house may be necessary, the printing and production services could be readily provided by one well-equipped factory.

PUBLISHING NEEDS OF THE GENERAL CONFERENCE AND ITS NORTH AMERICAN DIVISION

From the earliest days of denominational organization the General Conference functioned not only as the global headquarters for the Church but also the practical headquarters for the work in North America. Though the North American Division was formally recognized, its leadership and operations were almost indistinguishable from that of the General Conference. An intentional change was introduced in the 1980s that, over time, has recognized a distinction between the work in North America, administered and overseen by the North American Division, and the work of the General Conference with its global responsibilities. The North

¹ The major studies and reports include: NAD Publishing Commission (1991), Report to General Conference President “General Conference-Owned Publishing Houses—A Consideration of Options for the Future” (2004), General Conference and North American Division Publishing Commission (2008), General Conference/North American Division Publishing Ministries Strategic Planning Committee (2010), Review and Herald Publishing Association and Pacific Press Publishing Association Merger proposal (2013).

American Division, as with other divisions, now functions as a branch office of the General Conference.

This process of identifying distinct roles for administrations at the General Conference and its North American Division also raises the question of clarifying the roles and relationships of Church institutions, especially General Conference institutions, whose operations and services are largely dependent on close connections with the Church membership in North America. It is in consideration of these dynamics that much thought has been given to the need for both the General Conference and the North American Division to have distinct yet complementary publishing programs.

In June of 2013, the administrations of the General Conference and its North American Division asked the boards of Pacific Press Publishing Association and Review and Herald Publishing Association to consider a merger in order to achieve publishing and production efficiencies. The intention was that the merged institution would become a North American Division institution rather than a General Conference institution. With concurrence of both boards a taskforce began working on a detailed merger plan. In the course of its assignment the taskforce came to the conclusion that a merger may not be the best solution. Consequently, the plan was discontinued and no proposal was submitted to the boards.

However, questions have remained concerning the best arrangement for serving the needs of the General Conference and the North American Division. Added urgency has come from financial challenges facing the publishing houses, one of which has experienced significant losses. In response, the General Conference and North American Division administrations have explored options other than merger and now present for consideration a restructuring of the two General Conference institutions as described below.

RESTRUCTURING PROPOSAL

It is proposed that the two publishing houses operated by the General Conference, Pacific Press Publishing Association (PPPA) and the Review and Herald Publishing Association (RHPA), be restructured and their roles redefined as outlined below. The Review and Herald Publishing Association, continuing as a General Conference institution, will care for the General Conference publishing needs. It will no longer operate a printing/production facility. The Pacific Press Publishing Association will become an institution of the North American Division with added responsibility for providing printing/production services to the General Conference and the North American Division.

The proposed restructuring of the Review and Herald Publishing Association (RHPA) results in the following:

1. RHPA remains a General Conference institution.

2. The office of RHPA is moved from Hagerstown, Maryland to the General Conference office.
3. The RHPA office at the General Conference will require minimal staffing, if any, since editors of General Conference publications are already employees of the General Conference.
4. The RHPA will function as the publisher for current General Conference publications and as the publisher for designated new products originating from the General Conference and intended for global use.
5. The RHPA office arranges for the printing, production and, where necessary, distribution of materials published by the General Conference. Normally this will be done through the North American Division publishing house as long as it operates a production facility that can perform the work at reasonable cost. (Such arrangements will be elaborated in the Memorandum of Understanding described below.)
6. RHPA governance documents are amended to define a new constituency and board composition in light of the special service functions performed for the General Conference.
7. Other publications and production functions, currently provided by RHPA at Hagerstown, that primarily serve the North American Division membership (tracts, magazines, trade and subscription books) will become the responsibility of the North American Division and its publishing house.
8. Ownership and control of current intellectual property of RHPA is retained by RHPA with provisions for use by PPPA as outlined in a Memorandum of Understanding between the General Conference, the North American Division, PPPA, and RHPA.
9. Printing/production and fulfillment services currently done at Hagerstown will be phased out with these responsibilities addressed by the North American Division through its publishing house.
10. It is not expected that the RHPA functions at the General Conference will require additional staffing beyond the editorial staff already employed at the General Conference office. In the event that additional staff is required employment will be arranged by the General Conference.

11. Current RHPA employees who are necessary for the continued publishing of products serving the North American Division will become employees of the Division's publishing house.

12. Current RHPA employees whose services are no longer required as a result of the restructuring arrangement will receive termination settlements as outlined in the Memorandum of Understanding between the General Conference and its North American Division.

13. Physical assets of RHPA (land, buildings, equipment, inventory) or proceeds from their sale/disposal will become assets of the North American Division publishing house subject to any existing liabilities or indebtedness.

The proposed restructuring of the Pacific Press Publishing Association (PPPA) results in the following:

1. PPPA becomes an institution of the North American Division and serves as the division's base for its publishing program. This is accomplished by constituency-approved amendments to the governance documents that define a new division-based constituency and a recomposition of the PPPA Board.

2. PPPA continues to function from Nampa, Idaho until such time as the North American Division determines otherwise.

3. PPPA, in consultation with North American Division leadership and as defined in the Memorandum of Understanding (see below), accepts responsibility for the printing/production and fulfillment services required by both the North American Division and the General Conference as a result of the phase-out of such services at Hagerstown, Maryland.

4. PPPA, in consultation with North American Division leadership, accepts responsibility for the publishing house activities that the current RHPA performs for the North American Division.

Details regarding the implementation effects, procedures and timelines of this restructuring proposal will be addressed in a Memorandum of Understanding established between the General Conference and North American Division administrations after consultation, as needed, with publishing house management.

REFLECTING ELLEN G WHITE'S COUNSEL REGARDING PUBLISHING

In large measure the success of the publishing work in the Seventh-day Adventist Church has come from the inspired counsels and visionary advocacy of Ellen G White. Though other publishing houses came into existence during her lifetime, she had extensive personal experience with, and provided specific counsels to, the two publishing houses in the United States—Review and Herald and Pacific Press. These publishing houses had enormous influence in the overall publishing ministry of the Church. Many of her messages to these institutions came during a period marked by tension between the two. Less than cordial relations prevailed and there was talk of “take over” and “consolidation” of all publishing operations at Battle Creek, Michigan. Ellen G White strongly objected to such plans and gave pointed messages about the danger of centralizing control of the denomination’s publishing work in one institution.

Ever since those days, Ellen G White’s counsel (i.e. that there should be more than one publishing house) has informed subsequent discussions about the publishing ministry structure in North America. In addition to extremely valuable insights on the role of the publishing work in the mission of the church, Ellen G White underscored principles that should inform the establishment and operation of publishing institutions serving the church. These include:

1. Large institutional concentrations in one locale are not the best way for the Church to fulfill its mission. (Much of what she wrote on this subject was written prior to the major denominational reorganization in 1901 and can be more fully understood in the context of pre-1901 organizational realities and tensions.)
2. No single individual or small group of individuals should have sole determination of the content or expression of denominational beliefs and teachings. A single publishing house for the entire denomination was not to be seen as God’s plan.
3. Ellen G White recognized a fundamental hermeneutical principle in the use of her writings. “Regarding the testimonies, nothing is ignored; nothing is cast aside; but time and place must be considered.”² Changed circumstances call for ‘common sense’ application of principles.

In this light, the proposal to restructure the relationship of these institutions should be viewed as fully respecting the counsel of Ellen G White in regards to the publishing work and the obligation to apply reason and common sense in regard to time, place and circumstances. The restructuring that is now under consideration preserves two distinct publishing houses, rearranges the actual printing and production operations for efficiency and economy, and provides more direct involvement of the North American Division in organizing the publishing ministry for mission objectives in its territory.

² Ellen G White, *Selected Messages*, Volume 1, Chapter 4—The Writing and Sending Out of the Testimonies to the Church.

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VOTED, 1. To approve the General Conference and North American Division administrations' proposal that the Pacific Press Publishing Association and the Review and Herald Publishing Association be restructured as outlined above, and further;

2. To recommend the restructuring proposal to the Pacific Press Publishing Association and the Review and Herald Publishing Association boards for their consideration and, subject to their approval and recommendation, to forward the same restructuring proposal to the respective constituencies of the two institutions.

(Dave Weigley asked to have it recorded that he abstained from voting on this item.)

PRAYER: Ella S Simmons

Ted N C Wilson, Chair
Myron A Iseminger, Secretary
Tamara K Boward, Recording Secretary