The Episcopalian, Inc.

I. In October, 1973, the 64th General Convention, meeting in Louisville, Kentucky, approved a resolution authorizing Executive Council's Communication Program Group to work with *The Episcopalian* "in developing an information system for the entire Church...and to explore other options, both print and non-print..."

General Convention also requested "that by the end of 1974, the Program Group. . .evaluate the progress of these efforts, and the Executive Council be authorized to continue with *The Episcopalian*, or to inaugurate an alternative print or non-print information vehicle for the Church."

At that time *The Episcopalian* the General Convention-authorized publication for the whole Church, was a standard-size magazine with a circulation reaching some 95,000 families, and with an annual subsidy from General Church Program funds of \$185,000 a year in the 1970-73 Triennium.

We are pleased to report to you, the members of the 65th General Convention meeting in Minnesota in 1976, that:

- 1. The recommendations in the resolutions of the 64th General Convention have been fulfilled.
- 2. The Episcopalian changed format from magazine to tabloid with its June, 1974, issue.
- 3. The Communication Program Group of Executive Council, after intensive study and evaluation of *The Episcopalian's* new information system and possible alternatives, has endorsed *The Episcopalian* system as the basic print medium for the Church.
- 4. The new Episcopalian has grown in circulation from 95,000 families in early 1974 to more than 225,000 in early 1976.
- 5. Nineteen dioceses and one parish located from Maine and Florida to Eastern Oregon and Nevada now use their own periodicals in combination with *The Episcopalian*.
- 6. General Church Program funding of this part of the Church's mission dropped from \$185,000 in 1973 to \$150,000 in 1974.
- 7. No General Church Program subsidies funded *The Episcopalian* in 1975, and none was requested for 1976, and
- 8. For the first time since its inception in 1958, The Episcopalian will not request funding from the General Convention for the next triennium. As far as we know, this is the first time in 141 years of publishing The Spirit of Missions, Forth, and their successor, The Episcopalian, that the Episcopal Church will be able to use General Church Program funds without subsidizing its authorized publication.

The Board of *The Episcopalian* rejoices and thanks God for these signs of progress in communicating the Good News.

This past triennium has truly been full of miracles for this one facet of the Lord's work.

We are grateful also to the many persons in the Episcopal Church who have helped make this great progress possible. Among those we would like to thank specially in this report are:

- A. Our individual subscribers and Parish Plan and Leaders' Plan users, some of whom have been taking *The Episcopalian* for more than 15 years. Without their support and encouragement, we would not have had the base upon which to build the present system;
 - B. The critics and prophets who suggested-and often urged-that we explore

other ways to reach more Episcopal families;

- C. The General Convention of 1973, which allowed us the time to develop a better way;
- D. Our pioneer diocesan partners in the combination plan before the change to tabloid format—Central Pennsylvania, Pennsylvania, South Carolina, Northern Michigan, Kentucky. Their vision and good advice gave us the experience necessary to work out a system that now can serve every diocese and each family in the Church:
- E. Our Presiding Bishop, John M. Allin, whose candor, suggestions, and strong support with word, letter, and deed have helped immeasurably;
- F. The Executive Council and its Communication Program Group who funded our continuation in 1974 and debated and evaluated our time of testing and made the decisions which confirmed our new directions;
- G. The Episcopal Church Foundation and The United Thank Offering, which voted venture capital in 1974 to develop diocesan combination plans. Their courage and faith made it possible for many Dioceses to try and test the combination system:
- H. The some 80 individuals and groups throughout the Church, including the Churchwomen of Tennessee, the Diocese of South Carolina, and Trinity Church, Swarthmore, Pa., whose gifts matched a \$10,000 conditional grant from the Episcopal Church Foundation and added more than \$20,000 to the seed money fund for diocesan combination plans.
- I. Our newest partners and their bishops, conventions, editors, councils and committees, for seeing the benefits of combining local, diocesan, churchwide and worldwide information in a single carrier. These include:

Diocese of Arizona: The Arizona Church Record

Christ Church, Greenville, S.C.: The Messenger (Diocese of Upper South Carolina)

Diocese of Delaware: Communion Diocese of Erie: Forward in Erie

Diocese of Florida: The Florida Episcopalian

Diocese of Iowa: Iowa Churchman Diocese of Maine: The Northeast Diocese of Missouri: Interim

Diocese of Nevada: The Desert Churchman Diocese of New Jersey: The Church News

Diocese of Eastern Oregon: The Oregon Trail Churchman Diocese of Southern Virginia: The Jamestown Churchman

Diocese of Southwest Florida: The Southern Cross

Diocese of Western Kansas: Newsletter

Diocese of Western North Carolina: The Highland Churchman

II. How can a church publication with a static circulation and a large continuing subsidy suddenly more than double its circulation and break its financial dependency in the midst of a national depression, rapid inflation, and spiraling publishing costs? The Grace of God and the strong support of His followers provide part of the answer to this question.

Beside this essential need, the Board of The Episcopalian, Inc., in assessing its policies and plans following Louisville, decided to build on the following publishing facts:

1. A strong and loyal subscriber group.

- 2. A well-edited publication which had won several national awards in competition with its peers in the church press.
 - 3. A small but growing diocesan-insert system pioneered with Central

Pennsylvania's Churchman in the fall of 1970, and later joined by South Carolina's Jubilate Deo, Pennsylvania's Diocesan News, and Northern Michigan's The Church in Hiawathaland. In March of 1974 following General Convention, the Diocese of Kentucky's Bishop's Letter joined the magazine insert partners.

- 4. The knowledge that tabloid printing with newsprint was less expensive than magazine printing with coated stock, although no major U.S. denomination had yet tried a tabloid newspaper format for its national periodical.
- 5. The long-held view by members of the Board, expressed several times in reports to previous Conventions, that one simple vehicle—inexpensively and efficiently produced—can be the carrier of many messages to and from various constituencies within the Church.

With a tentative go-ahead for 1974 from the Executive Council budgetary process, the Board of *The Episcopalian* in January, 1974, authorized the editors and staff to proceed with the development of a new tabloid system including provision for diocesan papers and "messages" from other sources. The Board also voted to seek venture capital from sources outside the General Church Program to help fund expansion of the new system.

The Diocese of Central Pennsylvania, through its Communication Department chairman, Mr. Donald W. Rich, Jr., had offered technical, help, and had advised that they would be willing to pioneer again with a prototype edition of the new combination paper.

Bids were received on the new job, a new format designed, a new printer selected, and the newspaper was printed on schedule in late May of 1974, with a circulation of some 102,000.

Reaction to the new format was swift—and generally favorable. Some longtime users expressed displeasure in rather pungent terms; some took the occasion to cancel out; but most, according to a readership survey we made, actually enjoyed the new form and style more. The consensus reaction was—and still is—"We opened it up right away. We read it immediately. We read more of it. We liked the news approach and the shorter articles."

In January of 1975, circulation had grown to more than 160,000, a new high in the history of Church-sponsored periodicals. The September, 1975, issue was the first to enter more than 200,000 Episcopal homes. In January of 1976, about a year and a half after the introduction of the tabloid combination, circulation had doubled to more than 220,000.

Today almost two-thirds of the parishes and missions of the Church have at least one lay family subscribing; and almost half are using *The Episcopalian* through a Diocesan Combination Plan, a Parish Plan, or a Leaders' Plan. Some 3,200 congregations, or more than half of those with rectors, vicars, or priests-in-charge, do use some plan which includes *The Episcopalian*.

- III. Although the number of regular Parish and Leaders' Plans has increased since the introduction of the tabloid, the greatest growth has come through the plans combining diocesan and parish papers with *The Episcopalian*. The reasons are:
 - 1. Busy people prefer several messages delivered in a single carrier.
 - 2. Printing messages together is more efficient than printing them separately.
 - 3. The more copies one prints, the less the unit cost.
 - 4. Message senders can edit and lay out their pages without having to print them.
 - 5. One mailing is cheaper than two mailings.
 - 6. List-keeping is cheaper by computer than by hand.
 - 7. When savings are made, they should be shared.
 - 8. The more information people have, the more they know.

These are some of the basic factors that have changed the Diocesan Combination

Plan from one user with 5,000 families in 1970 to twenty users with 140,000 families in 1976. Even though many of these plans cost Dioceses more than they have been spending on their own papers alone, the plans have been renewed year after year because of extra values Dioceses have found in the combinations. These include:

- a) Increased awareness of the Church as a whole;
- b) Increased awareness of the Diocese and its programs;
- c) Better response to needs and crises;
- d) More discussion of the Church and issues within the Church;
- e) Savings in time and effort in preparing their own papers.

Details of the Combination Plan are attached to this report.

- IV. In addition to this progress report and response to the resolutions of the 1973 Convention, we wish to inform you of other matters during the current triennium.
- 1. **EDITORIAL**. The transition from magazine to tabloid format has changed the way *The Episcopalian* is written and edited. The emphasis is now on news stories and news features instead of feature articles. All material has been shortened with more use of picture caption stories and newsbriefs for diocesan and world Christian coverage.

With more need for regional coverage, we fortunately have been able to call on the fine corps of diocesan editors around the country to assist us.

We are pleased to note that the new paper in 1975 won the first place award of the Associated Church Press for best reportage among general church publications in the United States and Canada.

2. CIRCULATION. As noted earlier, the change to tabloid format and the development of the Diocesan Combination Plan have been the main factors in our circulation gains. Other gains have come through increased use of the Leaders' Plan by parishes not ready to use the Parish Plan system to reach all pledging families.

During Lent and Advent of 1975, Bishop Allin invited parishes to enroll their vestry members and other key people in the Leaders' Plan. Some 1,500 congregations responded with 25,000 new leaders' subscriptions. With lowered unit costs because of increased volume and better printing prices, we have managed to hold our yearly subscription prices stable for the triennium despite tremendous increases in all other publishing costs, primarily in paper and postage.

- 3. ADVERTISING. The first tabloid we actually printed was a 4-pager announcing the changeover and new ad page sizes and rates in February of 1974. Predictably, the impressive gains in circulation have helped our advertising revenues. Our net revenues from this source grew from \$66,000 in 1974 to \$82,000 in 1975 and helped offset the loss of General Church Program subsidy.
- 4. BUSINESS. In 1974, the last with any grant from General Church Program funds, we had just enough breathing room to capitalize our changeover and move ahead with the new system. The grant met our net publishing losses and the seed money grants from the Episcopal Church Foundation and the United Thank Offering helped make possible the addition of new Diocesan Combination Plans in the fall of 1974.

With more plans coming on in 1975 and with the addition of the new Leaders' Plans, circulation income grew dramatically, from \$308,000 in 1974 to \$448,000 in 1975. This change, plus substantial growth in advertising revenues and service income from carrying inserts for other agencies of the Church, reduced our net publishing loss from \$125,000 in 1974 to \$2,300 in 1975.

Despite another round of postal, paper and other publishing cost increases in 1976, we are hoping to break even this year. (Summary financial figures for 1974 and 1975 are included elsewhere in this report.)

5. ADMINISTRATION. When the Church Magazine Advisory Board, predecessor to The Episcopalian, Inc., and the current Board were created by actions of General Convention, the basic criterion for membership was "skill in the art of communication."

In exercising our stewardship over your agency; we have attempted to keep this criterion in the front of our minds over the years. Board turnover has been steady, but not rapid, because we believe that continuity is most important in this highly specialized form of endeavor. As conditions have changed, the Board has changed. In the earlier days, magazine, advertising, and book publishing people made up the majority of the Board. Today more people with newspaper, financial, and diocesan communication skills serve on the Board, in keeping with the times.

6. BOARD CHANGES. In 1959, Robert E. Kenyon, Jr., became chairman of the Church Magazine Advisory Board. In 1961, he was elected first President of The Episcopalian, Inc., the non-profit corporation created by General Convention in 1961 to publish *The Episcopalian*. As a publisher and chief executive of the Magazine Publishers Association, he put his dedication to the Church and his formidable skills to the task of creating and sustaining a new periodical for the people of the Episcopal Church. Under his leadership *The Episcopalian* magazine became the best used and most widely circulated publication in the history of the Church.

Mr. Kenyon retired from the Magazine Publishers Association in 1974 and also retired as President of The Episcopalian, Inc. We elected Hiram W. Neuwoehner, Jr., of St. Louis, Missouri, an advertising agency president and active layman in the Diocese of Missouri as his successor, but we persuaded Mr. Kenyon to stay on the Board.

During the current triennium, two vice-presidents of the Corporation have retired after years of remarkable service: John H. Leach and Elliot T. Odell. And we note with deep regret the death of Mr. Odell last year. The Board has elected James Milholland, Jr., Inez Kaiser and George T. Guernsey III, as vice-presidents of the Corporation.

We also regret that Stephen F. Bayne, Jr., was lost to us by death in 1974. We lost also by resignation and retirement Margaret Cousins, L. Philip Ewald, James F. Fixx, John E. Hines, Thomas J. Patterson, Jean Ann Vincent, and Alan D. Williams.

As new members of the Board this triennium, we have elected John M. Allin, Richard J. Anderson, Polly Bond, John C. Goodbody, Marion Hood and Frederick L. Redpath.

- V. IN SUMMARY. After 141 years of publishing in various ways and forms, the Episcopal Church now has a print-medium system that can effectively and economically link each family in the Church together with a monthly service of local, diocesan and churchwide information specifically tailored to each family's location and needs. We pray that this system will grow and offer more to the Master whom we all serve.
- VI. RESOLUTIONS. As permitted by General Convention, we submit herewith three Resolutions: 1) To commend use of this publication to Dioceses, Parishes, Vestries and individual church members; 2) To thank those who have made the development of this system possible, and 3) To approve the Directors elected during the present triennium and receive the actions of the Board as summarized in this report.

Dagal	ution	A 0.1

Resolved, the House of _____ concurring, that the General Convention strongly commend use of *The Episcopalian* to Dioceses, Parishes, and Vestries,

through the Combination Plan, Parish Plan, and Leaders' Plan.

Resolution A-92

Resolved, the House of _____ concurring, that the General Convention offer thanks and praise for all those who helped develop, test, and use this new information delivery system for the Church.

Resolution A-93

Resolved, the House of ______ concurring, that the General Convention approve the election of the Rt. Rev. John M. Allin, the Rev. Richard J. Anderson, Mrs. Polly Bond, Mr. John C. Goodbody, and Mrs. Marion Hood as Members and Directors of The Episcopalian, Inc., and they are confirmed as such Members and Directors from the dates of their respective elections; and be it further

Resolved, the House of _____ concurring, that the present Members and

Directors of The Episcopalian, Inc., namely:

John M. Allin
Richard J. Anderson
Isabel Baumgartner
Polly Bond
William McK. Chapman
John C. Goodbody
Arthur Z. Gray
George T. Guernsey III
Robert L. Hartford
Kennett W. Hinks
Marion Hood
Howard Hoover

Inez Kaiser
Robert E. Kenyon, Jr.
William S. Lea
Elizabeth B. Mason
Sameul W. Meek
James Milholland, Jr.
Hiram W. Neuwoehner, Jr.
Frederick L. Redpath
John W. Reinhardt
Robert A. Robinson
Dean T. Stevenson
Samuel G. Welles

Ralph E. Hovencamp be and they are hereby appointed and confirmed, to hold office until the next General Convention and until their respective successors are elected, confirmed and qualified, as provided by the by-laws of the Corporation.

Respectfully submitted, Hiram W. Neuwoehner, Jr. President The Episcopalian. Inc.

THE EPISCOPALIAN, INC.

SUMMARY OF FINANCIAL RESULTS YEARS ENDED DECEMBER 31, 1974 AND DECEMBER 31, 1975

INCOME	1974	1975
Advertising - Net of agency commissions and cash discounts .	\$ 65,736	\$ 82,107
Subscriptions - Regular	53,184	72,888
- Church Plans	139,528	96,394
- Diocesan Plans	12,795	145,644
- Seed Money Grants	10,294	22,474
~ Clergy	26,597	28,000
Service and other income	3,830	26,505
Total	\$311,964	\$474,012

EXPENSES Mechanical and distribution Advertising Editorial Circulation General and Administrative	\$113,404 23,677 90,028 103,610 106,096	\$154,625 24,591 80,971 113,900 102,222
Total	\$436,815	\$476,309
Publishing Loss	(124,851)	(2,297)
Appropriation from the Executive Council	\$150,000 (26,597)	-
Net from operations	(\$ 1,448)	(\$ 2,297)

ADDENDUM 1

A Proposal to Increase Service to Your Lay People

As the Church moves toward General Convention and a new triennium, you may wish to offer your families more news and information. The new format of *The Episcopalian* offers the opportunity to reach every home with a monthly periodical which combines the best of local, diocesan, national and worldwide coverage at a reasonable price.

The new *Episcopalian* is a monthly 16 to 28-pager with provision for Diocesan editions. We offer this cooperative service because we now know from experience that this combination can offer better readership and response plus savings in time, effort and even in money expended. Some twenty Dioceses in different parts of the country are now partners in this service.

The basic Diocesan service includes 12 copies per year: ten monthly Diocesan editions with 4 pages of your own material in each specially marked edition, plus regular copies of *The Episcopalian* the two months you don't publish. The Diocesan pages are controlled entirely in the Diocese: they are collected, edited and laid out within each Diocese, but printed together with national edition pages from page negatives, mechanicals, or other camera-ready copy your editor sends.

The price for this combination plan is based on diocesan circulation and includes your costs for paper, printing, list-keeping, second-class postage and distribution. The price range for Dioceses is as follows:

Circulation	Cost
2,000 to 5,000	\$2.00 per family per year
5,000 to 10,000	\$1.80 per family per year
10,000 to 15,000	\$1.60 per family per year
15,000 to 25,000	\$1.50 per family per year
25,000 and over	\$1.40 per family per year

In other words, we share savings on longer press runs with the Diocese. The total price is usually billed at one-fourth the unit cost per family per quarter (i.e., 45¢ per family per three months in the 5,000-10,000 circulation range; 40¢ per family per three months in the 10,000-15,000 circulation range). All we would need from you to start is a letter and the lists of those families you wish to have the combined edition.

All second-class mailing charges will be borne by *The Episcopalian*. This represents a real saving to you as postal rates continue to escalate and as the special per copy surcharge is applied to non-profit publications.

Our subscription fulfillment service includes handling and processing of all names and addresses with a monthly updating of your entire list. If desired, we can

provide the Diocese with a set of mailing labels once a month for any additional Diocesan-wide mailings you wish to make. This service also includes an annual printout of all families so that each Diocese may review their subscriptions and make additions and deletions not already covered in the monthly updating.

The Dioceses which use the combination find that it works. Readership of diocesan news has increased along with awareness of the whole Church. Our original partner representatives, Mr. Don Rich (Central Pennsylvania); Mr. John Rettew (Pennsylvania); the Rev. Canon George I. Chassey (South Carolina); and the Rev. Thomas Lippart (Northern Michigan) will gladly share their experiences with you, as will the Dioceses who have joined the plan in 1974 and 1975.

This is the basic plan. It can be further adapted to your specific needs and already has been several times. Let us send someone to visit with you and answer questions in person for you and your colleagues.

Here are answers to questions we have been asked:

- 1. What are the specifications for the format? The image area for pasteup and film is 10" x 14". We will supply layout and pasteup sheets to these specifications if you wish.
- 2. What kind of paper are you using? Standard newsprint, using a 100 screen for photos. Printing is web offset and mailing, by Cheshire label, 4-up.
- 3. What production schedule do you have? The closing date in Philadelphia for all camera-ready or negative pages, including our own, is the second Tuesday of each month prior to issue date. We deliver to subscribers on or about the first day of the month of issue. Delivery of diocesan film or camera-ready copy is by the new U.S. Express Mail service; U.S. Air Mail Special Delivery; airline package express; Federal Air Express; or Greyhound Package Express to Philadelphia, depending on city, circumstance, and distance.
- 4. What provisions have you made for dioceses which print papers less than 10 times a year? Under the system, each Diocese can have 40 pages printed over a 12-month period as part of the regular service. Thus, you may wish to have five 8-page editions instead of ten 4-pagers, or two 8-pagers and six 4-pagers, without extra charge. If you print only 9 times a year, you may want to combine only those issues. Again, the system is flexible enough to serve your own specific needs.
- 5. What about editions from the West Coast or Mountain States? We don't want to lose the news value of our own editions with long production and mailing delays. No one can guarantee on-time deliveries these days by the U.S. Postal Service to homes, but we have made changes in the system since 1974 to save at least 4 days printing and distribution. We are now serving 3 Dioceses west of the Rockies with on-time delivery.
- 6. We can't afford to send our own paper to every home, much less the combined edition, but we like the idea. What can we do? You may wish to start with a limited edition or work out a co-pay plan with parishes like the Dioceses of Pennsylvania and Florida have done. The minimum order in this combined service is only 2,000. You may wish to start around there and expand the plan later on. Remember that the basic plan covers most of your costs except the preparation of your own diocesan section for the printer, and includes address list maintenance for each subscribing family.

February, 1976