

Plenary II

Planning Committee

Remarks on the future of Beacon Press

Rev. William G. Sinkford

I love Beacon Press. I read the books. I give them as gifts. I discuss them with my children. And I am so proud to be associated with the Press. From Victor Frankl's "Man's Search for Meaning" to Nancy Mair's "Waist High in the World", from the "Pentagon Papers" to "Transgender Warriors", Beacon has published great books that not only promote UU values, but actually save lives. Beacon publishes not only Cornell West, but the Blue Streak series of works by women of color which would, probably, never be published if Beacon didn't exist. I love Beacon.

But Beacon is a business. It is a business which loses money. Red ink in 5 of the last 7 years. In the past, the UUA was able to simply transfer funds to the Beacon books, to capitalize the press. The new accounting rules make that impossible. In recent years, Beacon losses have been covered by cash reserves, built from profits in the "good" years and payments to Beacon for publishing our current hymnal. The cash reserves will exhaust in the coming fiscal year.

So we must have the conversation about Beacon and the mission of the Association. Because from now on, the Beacon losses will have to be covered by reductions in other parts of the Association's life. We must grapple with the question of how central Beacon is to our mission. In my prior incarnation as a business person, I would have phrased the question this way: "How much is it worth to maintain Beacon Press as a part of the UUA?"

That is why we are here today. Not for impassioned speeches about how important Beacon is. Consider that I've already covered that base. Not for equally impassioned speeches that we should immediately sell the Press, that a religious institution has no business in the commercial publishing world. We are here to reflect on mission.

We knew that the Beacon cash reserves would run out. We did not know how quickly. I had planned to work with the UUA Board this year to answer the question of Beacon's role and its importance to our mission. But sales of books basically stopped following 9/11. And the forecasted Beacon loss soared to over \$400,000. Larry Ladd, our Financial Advisor, will be reviewing the financial elements of this issue for you in a few moments.

I thought we had another year to engage in a deliberate process of discernment. But the world intervened. So we have to have this conversation now.

I have a good business background, but I know that I am not an expert in publishing. We are blessed with an experienced, capable staff at Beacon, led by Helene Atwan. We are also blessed with a dedicated group of publishing professionals who serve on the Beacon Advisory Board. That body includes CEO's of the Yale and Columbia Presses, CFO of Harvard University Press and others. These persons volunteer their time, energy and wisdom because they love Beacon Press, just as we do.

Here is what we are being told by these folks:

Publishing has changed radically and rapidly. The development of the chain outlets (Barnes and Nobles, Borders) and consolidation within the publishing industry have made viability more difficult for small presses, and profitability more difficult for all. Beacon is the only denominational trade press still in existence. And Beacon is a small fish in an industry increasingly dominated by whales(or sharks, pick your own metaphor).

Financial viability of the University Presses and specialty presses, like Beacon, is possible only with an endowment (which Beacon does not have) or with some institution to cover the losses.

There is no way to reasonably forecast Beacon at a break-even. We must assume that Beacon will lose money.

When Helene Atwan came to Kay Montgomery and me earlier this year with the revised Beacon forecast, we considered a variety of alternatives:

Find a major donor to support operations of the Press or even provide an endowment. We tried and were unsuccessful.

Reduce operations (publish fewer books) in an attempt to reduce the losses. Reducing the size of the operation does not reduce the deficit.

Merge the Press with another small publishing house of similar values. Sadly, bringing two struggling enterprises together does not create a single strong one. And we would lose control of the Beacon mark and its publishing mission.

Sell the press now.

Develop a business plan to limit the losses to an "acceptable" level and "test" to determine if that is possible.

In January, we alerted the UUA Board to this problem and at their April meeting, the Board voted to pursue the final alternative. The Beacon staff, working closely with the Advisors developed a plan that will, we hope, limit losses to an average of \$200,000/year, and no more than \$300,000 in any one year. Helene Atwan will be discussing this plan with you in a few moments.

This is a UUA Board decision. And the Board has voted to test this new business plan for three years, with regular financial and business updates.

Let me be very clear. Operating Beacon at a loss, even a reduced loss, will impact our ability to directly serve our congregations. There will be things we will not be able to do, because we have elected to keep Beacon Press. Keeping Beacon is a choice, with real implications.

In conversation with Diane and, ultimately, the entire Board, we elected not to keep either this problem or our plan to address it quiet, silent or secret. We are an Association of congregations. And so we have carved out this time, here in Quebec, for the representatives of the congregations to be informed about this issue and for them, for you, to have the chance to have your question answered and the chance for you to voice your concerns and opinions.

That is why we are here. How much is it worth to us to keep Beacon Press? How central is Beacon to the mission of the Association? These are the questions with which we must wrestle.