MARKETING AND SUBSCRIBER SERVICES DIVISION

Mr. David Jon Hill is the Division Head overseeing the operations of the Marketing and Subscriber Services Division.

The Marketing Services area under the direction of Benjamin Chapman is the research and planning arm of the Division. This area includes four departments:

Marketing Information Services, managed by Fred Peace, performs statistical research, data analysis, and forecasting for top management and other departments;

Systems Services, managed by Gary Reid, performs system studies and recommends solutions to systems-related problems, develops computer systems, and maintains all existing data processing systems and programs for the IBM computer;

Data Processing Center, managed by Mike Holman, performs all our computer operations;

Marketing Advertisement, managed by Terry Warren, provides the copy, layout, and all print advertisement for the Work.

The Subscriber Services area under the direction of Richard Rice is the implementation and maintenance arm of the various programs of the Division. This area includes five departments:

Mail Receiving, managed by George McFarland, opens, counts all mail, and processes all donations;

Terminal, managed by Ed Klier, enters all literature requests and change of addresses, updates master file, maintains constant quality control, and handles the Correspondence Course;

Personal Correspondence, managed by Clarence Huse, handles letters involving personal problems, general Bible questions, literature problems, visit and baptism requests, and personal mail for the Messrs. Armstrongs;

Circulation, managed by John Wilson, coordinates direct mailings, works with co-workers to involve them more in the Work, and handles the WATS lines;

Postal, managed by Eric Shaw, mails out all literature and business mail, and maintains the inventory of all literature.

MARKETING INFORMATION SERVICES

Marketing Information Services is the department in which the research and development of new marketing programs is done and where existing programs are monitored for performance.

Our staff of 17 provides this service to top management through Mr. Hill and to other departments as the needs arise.

We constantly gather and maintain data from internal sources of the Work as well as external sources. Therefore, we are a source of Data -- raw counts, such as circulation by area, membership by region or church area, population by county, inflation levels for the past 3 years, etc.; Testing -- the testing of any marketing program to see if it is a viable asset or a cost-effective tool for the Work; Surveys -- such as those that led to "America, Listen!", the Bible lecture series of 1971, and the current Personal Appearance Campaigns, readership studies, and member censuses; and the Analysis of any data flows as determined by management.

There are three essential elements to the performing of this service. They are: (1) data sources, (2) tools with which to manipulate the data files, and (3) a staff to analyze the results.

Our data sources include our own in-house computer files housed in our IBM 370 computer and consisting of some 1.6 billion characters of information; government agency statistics mainly from the Department of Commerce and the Bureau of Labor; commercial business files, such as Nielsen Ratings, Arbitron Studies, and some Simmons data concerning print media; and fourthly, census data files. We have actually purchased a commerially-prepared condensed version (summarized) of the 1970 census, broken down by zip code. This service of Metro Mail Advertising, known as Zip-O-Data, contains population counts, median income figures, average educations, etc. We can correlate this type of data with our subscription files and discover all sorts of relationships between the people and the given area and their relationship to the Work.

Our tools include the 370 computer which does most of the large analyses and sorting of data for us. Our own in-house WANG 2200 Programmable Calculator connected to a 2212 Analog Plotter can graphically display the results, and a GSI terminal through a telephone link-up allows us access to outside software companies with computers from Massachusetts to San Francisco. We utilize the services of the software companies because many of the programs they have developed would cost the Work literally millions of dollars to duplicate and yet we need them only minutes a month. It is much cheaper to rent them for the few minutes that we DO need them.

And finally, but certainly not least, our staff. Four of our 17 staff members we consider support. They consist of graphic artists, machine operators, and word processors. The rest of us function in

various capacities as data analysts, all the way from reading mail comments or updating monthly circulation figures, through a complex process of forecasting income, analyzing media response, and writing computer programs and analyzing survey results.

Though most of our work is directed toward top management, the studies involve working with departments and divisions such as Media, Church Administration, Finance, International, Publishing, Marketing, and Personal Appearance. We say most, because recently we were asked by Imperial High School to help tabulate and analyze the results of a survey they did among their graduates. So our work is diversified.

In addition to our research projects, we do have some standard production reports. The following are some of the regular reports with which most of you are familiar:

The Friday Report, a weekly summary containing confidential material going to 14 top management personnel.

The Weekly Comments in your Bulletin.

The Church Listings that you receive as well as the visual representation of your church area consisting of maps drawn along zip code boundaries.

The "State of the Work" report which was read last year at the Feast was put together from sources all over the campus.

In summary, you can see that Marketing Information Services is, in essence, a management tool for receiving information flowing from the results of tests, surveys, and the analysis of data. The following are some items we thought you might be particularly interested in. We certainly would be happy to explain any items more thoroughly...just call us at 577-5800.

MAIL REVIEW

Overview--1973

1973 saw a total of 3.5 million letters received by Mail Processing in Pasadena. This was 56% higher than 1972's mail figure.

Overview--1974 (first quarter)

During the first quarter of this year, the Pasadena office received 15,000 letters short of one million. This is about 4,000 letters less than the first quarter of 1973 which reflects about a 3.8% decrease in overall mail for that period. (IS SEX SIN? was offered in the February, 1973 PT.)

Mail Distribution

To help fully understand the mail picture, it can be broken down into three mail components:

Media Mail	Responses from radio, TV, PT, GN, advertising, and booklets.
Direct Mail	Responses to letters mailed by the Direct Marketing Department.
All Other	Member and Co-Worker mail, CC responses, change of address cards, Envoy cards, special handling and other miscellaneous mail.

A first quarter mail breakdown comparing this year with last year appears below:

Type Mail	1st Qtr 1973	1st Qtr 1974	% Change
Media Mail	398,385	287,272	-27.9%
Direct Mail	261,916	466,297	+78.0%
All Other	329,295	232,248	-29.5%
TOTAL	989,596	985,817	- .4%

MASTER RECORD FILE IN-HOUSE DEFINITIONS

The terms we use in referring to our list are known to all, but defined differently by each. Definitions we can depend on are imperative for accurate communication and for statistical comparison that makes sense.

We have standardized a set of definitions for people on our Master Record File which are especially meaningful. These definitions are our own in-house definitions, but the rationale in their formulation makes them useful in comparing with census bureau and other sources of published data. In these definitions we do not count every individual record for whatever technical reason we have it on the file, but instead count only those records which are actually in a mailing category. We refer to these definitions as HOUSEHOLD definitions.

The United States Bureau of the Census defines a household as follows: "A household includes all the persons who occupy a group of rooms or a single room which constitutes a housing unit." And for each household "one person...is designated at the 'head;' that is, the person who is regarded as the head by the members of the household."

Although we do on occasion send more than one of our monthly publications to the same address when requested, we generally try to avoid doing so. Therefore, we consider the person at a given address to the head of household if he receives the publication. Other individuals at the address are non-head-of-households. When we count all the heads of households for a particular status, we come up with the household count for that status. For example, John Q. Citizen and his wife Mary are both members of the Church of God. Only John receives the GOOD NEWS Magazine. So, although there are two members in this household, we define John to be the head and so count them as one household.

It is interesting to note that those individuals who contribute to the Work are essentially the same people we have defined to be the head of household. In 1973 98% of the members who contributed were heads of households. This is important since changes in our household figures reflect very closely changes in the income.

Following are definitions for each status:

Status Name	Definition
REGULAR	All active PT and/or GN subscribers who have full one-year subscriptions and are not members, co-workers, or donors.

LIT ONLY	People who have received any piece of non-periodical literature from us and are not regular subscribers to either one of the magazines.
DONOR	Those who have donated at least once during the past twelve months but do not fulfill the requirements to become (or remain) a co-worker. They must receive the PT and/or the GN.
CO-WORKER	Those who meet the specific requirements for a co-worker that have been developed in the Co-Worker Section. They are not members and not necessarily prospective members, but they do receive the Co-Worker Letters.
MEMBER	One who has been baptized by the ministry of the WORLDWIDE CHURCH OF GOD, or has a baptism recognized by the church and is not currently disfellowshipped and receives the GN.
DISFELLOWSHIP	One who has been disfellowshipped by the ministry of the Church and is not yet reinstated and receives the Gn or the PT.

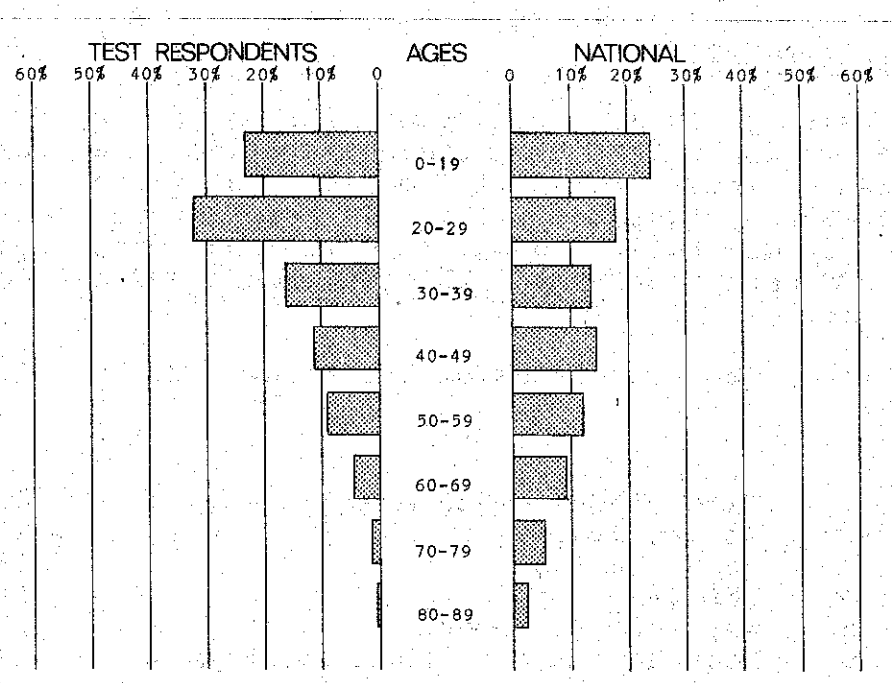
These statuses are ALL MUTUALLY EXCLUSIVE. A person cannot fit into more than one status.

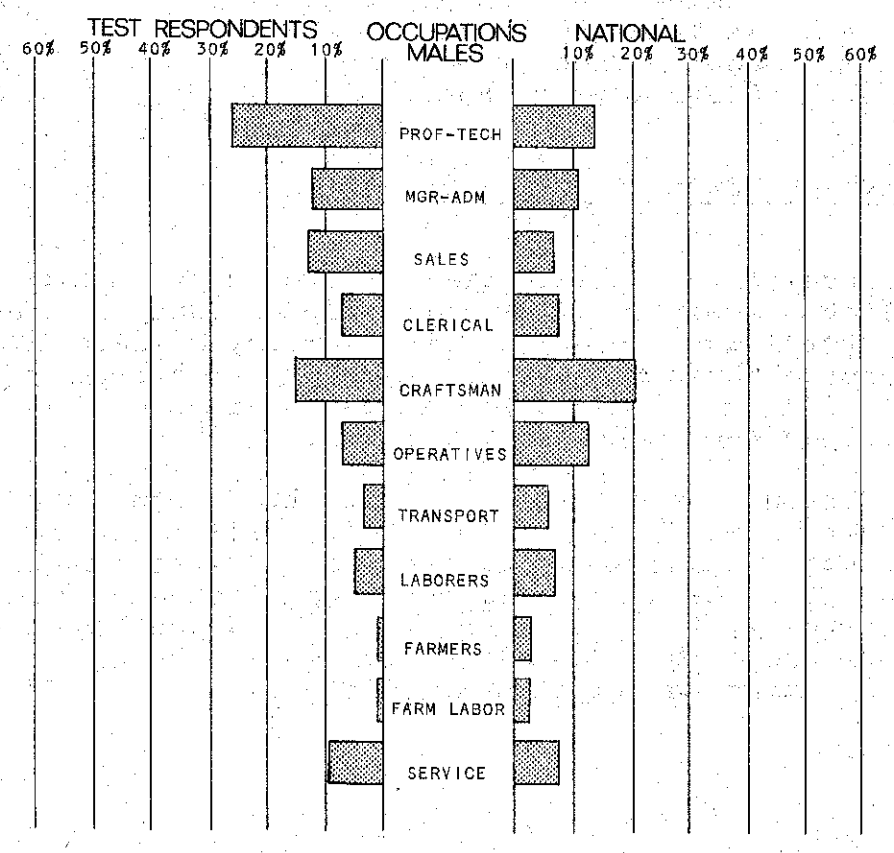
Each person is counted in the highest status for which he qualifies.

WATS AUDIENCES

During the latter part of 1973 a number of one-minute commercials were aired on TV during prime viewing time in a group of cities picked to be approximately typical of the United States as a whole. The commercials offered the "AFTER DEATH" booklet and the viewers were asked to call the toll-free WATS number. Perhaps one of the more interesting facts to come out of the test was that they reached younger audiences and proportionately more professional-technical males.

The two following diagrams more fully illustrate the age and occupation levels of respondents to these tests.





Additional tests have confirmed this trend that most WATS respondents fall within the younger, more highly employed male category.

LITERATURE

Overview--1973

During 1973, over four million pieces of literature were mailed out of the Pasadena office via the computer system. These were all mailed in direct response to literature requests. This is more than double the 1972 figure. Of this, about 3.5 million were booklets and 500,000 were reprints. An additional 300,000 form letters were mailed.

The top ten pieces of literature mailed during 1973 were:

1.	After Death--Then What?	634,866
2.	Is Sex Sin?	273,422
3.	Read the Book	137,820
4.	The Real Jesus	129,200
5.	Why Were You Born?	129,155
6.	Four Horsemen of the Apocalypse	121,123
7.	Ending Your Financial Worries	98,618
8.	Is This the End Time?	95,116
9.	How to Understand Prophecy	90,665
10.	Seven Laws of Success	88,841

Overview--First Quarter 1974

During the first quarter we have mailed over 1.3 million pieces of literature from Pasadena. About 85% of that total was booklets. This amount represents literature processed through the terminal/computer system only and does not include such things as magazines (GN & PT), Correspondence Course, or letters.

Through the first quarter the total mailings from Pasadena for PT's, GN's, CC's, all letters, receipts, Personal Appearance mailings and direct mailings total 9,781,499. Canadian mailings from Pasadena increase this number by 1,390,704. When these are added together with the literature, the Postal Center mailed about 12.5 million items during the first quarter of 1974.

WORLDWIDE PLAIN TRUTH CIRCULATION BY LANGUAGE--1973

Month	English	French	German	Spanish	Dutch	Newsstands*
Jan	2,365,867	86,598	63,107	112,878	20,612	158,130
Feb	2,441,746	89,058	64,489	115,699	22,183	177,546
Mar	2,522,826	91,654	65,559	118,043	24,353	176,230
Apr	2,596,580	94,060	69,660	119,347	24,778	167,750
May	2,642,481	97,766	69,801	121,646	25,808	173,400
Jun	2,674,110	103,383	78,006	124,090	27,478	209,150
Jul-Aug	2,685,110	106,128	70,609	125,436	25,478	197,150
Sep	2,482,494	108,171	71,741	127,998	26,148	213,650
Oct	2,513,478	109,066	73,574	133,117	27,374	231,725
Nov	2,400,972	110,270	74,636	140,014	28,560	227,225
Dec	2,265,645	104,233	77,179	144,415	30,647	225,800

*Not included in any of the languages

THE 210 ADI MARKETS IN
PT/GN PENETRATION ORDER

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
209	Pembina, ND	7,764	581 7.5%	504	65	3	9
083	Bristol, VA-Kingsport, TN	222,476	11,081 5.0%	9,980	730	212	149
050	Salt Lake City, UT	336,918	18,040 4.9%	16,298	1,468	140	126
148	Bakersfield, CA	115,787	5,460 4.7%	4,723	583	89	62
077	Spokane, WA	250,184	11,141 4.5%	9,158	1,537	222	210
073	Fresno, CA	267,482	10,388 3.9%	9,075	982	150	172
196	Parkersburg, WV	50,815	1,989 3.9%	1,730	162	54	42
086	Springfield, MO	201,686	7,635 3.8%	6,284	722	275	339
104	Wheeling, WV-Steubenville, OH	164,541	6,046 3.7%	5,128	579	185	148
029	Buffalo, NY	607,411	22,553 3.7%	19,804	2,273	226	223
058	Shreveport, LA Texarkana, TX	338,485	12,223 3.6%	10,325	865	279	733
092	Sioux Falls-Mitchell, SD	186,011	6,532 3.5%	5,703	597	105	119
043	Charleston-Huntington, WV	379,962	13,339 3.5%	11,643	1,020	399	262
025	Portland-Salem, OR	639,071	22,503 3.5%	18,668	2,669	494	646
138	Bluefield-Beckley Oak Hill, WV	113,034	3,870 3.4%	3,327	327	20	92
156	Tyler, TX	87,740	2,932 3.3%	2,561	216	68	82
192	Palm Springs-Riverside, CA	186,905	6,222 3.3%	5,288	744	118	67
053	Wichita, KS	378,930	12,096 3.2%	10,148	1,309	263	354
198	Bellingham, WA	30,956	955 3.1%	783	127	16	28
117	Amarillo, TX	151,539	4,652 3.1%	4,004	404	103	136
158	Medford, OR	83,839	2,512 3.0%	1,969	316	95	125
154	Alexandria, MN	89,555	2,719 3.0%	2,295	329	62	30
013	Minneapolis-St. Paul, MN	886,104	26,546 3.0%	22,940	2,794	354	449

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
150	Santa Barbara, CA	92,707	2,717 2.9%	2,324	308	39	46
149	Ft. Smith, AR	93,088	2,710 2.9%	2,197	250	107	149
185	Twin Falls, ID	36,692	1,053 2.9%	881	134	20	17
183	Mankato, MN	40,008	1,150 2.9%	994	132	15	8
055	Little Rock, AR	354,409	10,357 2.9%	8,750	885	342	366
057	Tulsa, OK	344,238	9,889 2.9%	8,514	818	271	271
096	Fargo, ND	168,817	4,814 2.9%	4,059	512	16	125
095	Tucson, AZ	173,788	4,828 2.8%	4,153	481	107	77
094	Lexington, KY	184,982	5,123 2.8%	4,429	403	143	143
046	Norfolk-Port, VA	401,067	11,061 2.8%	9,984	915	92	61
061	Knoxville, TN	310,695	8,631 2.8%	7,445	691	263	222
174	St. Joseph, MO	58,262	1,604 2.8%	1,359	166	31	43
206	Flagstaff, AZ	18,141	505 2.8%	425	56	16	8
141	Las Vegas, NV	112,664	3,100 2.8%	2,693	340	31	35
023	Cincinnati, OH	630,131	17,796 2.8%	14,916	1,769	467	615
022	Kansas City, MO	609,635	17,154 2.8%	14,744	1,505	312	563
034	Charlotte, NC	499,211	14,217 2.8%	12,601	1,044	244	301
002	Los Angeles, CA	3,578,695	99,958 2.8%	85,739	10,008	1,535	2,598
030	Nashville, TN	538,964	14,560 2.7%	12,717	1,102	368	355
016	Seattle-Tacoma WA	858,741	23,249 2.7%	19,085	2,856	590	671
155	Missoula-Butte MT	87,775	2,322 2.7%	1,934	287	42	54
128	Yakima, WA	135,133	3,622 2.7%	3,063	411	92	52
205	Farmington, NM	13,465	368 2.7%	315	36	10	6
187	Casper-Riverton, WY	34,204	919 2.7%	764	95	35	23
184	Jonesboro, AR	39,437	1,050 2.7%	826	108	52	56
195	Roswell, NM	47,974	1,309 2.7%	1,095	136	41	36
097	Salinas-Monterey, CA	185,679	5,090 2.7%	4,364	540	93	89

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
088	South Bend-Elkhart, IN	208,306	5,552 2.7%	4,773	556	94	123
044	Wilkes-Barre-Scranton, PA	424,761	11,241 2.6%	9,743	1,199	65	113
193	Grand Junction, CO	33,820	891 2.6%	711	117	33	29
143	Boise, ID	102,555	2,643 2.6%	2,104	316	88	128
118	Joplin-Pittsburgh, MO	151,835	3,935 2.6%	3,264	404	117	142
111	Austin, TX	168,603	4,234 2.5%	3,591	432	105	101
131	Eugene, OR	125,935	3,110 2.5%	2,384	357	98	261
188	Harrisonburg, VA	35,891	889 2.5%	770	89	25	4
175	Ardmore-Ada, OK	50,853	1,266 2.5%	1,053	124	38	50
181	Biloxi-Gulfport, MS	55,902	1,375 2.5%	1,203	133	29	10
056	Richmond, VA	371,687	9,267 2.5%	8,140	787	174	159
054	Toledo, OH	356,690	8,767 2.5%	7,342	937	235	241
085	Youngstown, OH	210,324	5,235 2.5%	4,561	467	124	80
072	Paducah, KY-Cape Girardeau, MO	274,302	6,960 2.5%	5,793	661	255	233
026	Milwaukee, WI	656,673	16,603 2.5%	14,296	1,660	303	327
035	New Orleans, LA	489,171	11,842 2.4%	10,560	890	190	193
067	Green Bay, WI	294,256	7,118 2.4%	6,152	749	124	90
076	Chattanooga, TN	254,390	6,059 2.4%	5,218	468	194	174
049	Birmingham, AL	403,804	9,783 2.4%	8,399	817	283	276
204	North Platte, NE	17,167	411 2.4%	323	45	19	20
109	Duluth, MN-Superior, WI	154,112	3,655 2.4%	3,025	383	105	140
152	Chico-Redding, CA	91,492	2,157 2.4%	1,789	265	69	32
163	Clarksburg-Weston, WV	96,912	2,316 2.4%	1,957	228	86	43
129	Rochester-Austin, MN-Mason Cty, IA	121,255	2,788 2.3%	2,383	292	65	47
173	Great Falls, MT	55,707	1,300 2.3%	1,063	174	39	22
048	Orlando-Daytona Beach, FL	409,684	9,541 2.3%	7,998	1,139	206	192
078	Greenville-New Bern, NC	256,116	5,942 2.3%	5,416	380	92	51
087	Evansville, IN	209,930	4,768 2.3%	4,075	477	115	96

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
062	Raleigh-Durham, NC	335,766	7,704 2.3%	6,834	594	163	107
033	San Diego, CA	535,331	12,576 2.3%	10,608	1,540	203	213
032	Columbus, OH	536,832	12,576 2.3%	10,613	1,335	320	291
041	Dayton, OH	422,598	9,895 2.3%	8,433	1,008	213	229
024	Sacramento-Stockton, CA	634,724	14,304 2.3%	11,957	1,520	373	429
020	Tampa-St. Pete, FL	781,500	18,292 2.3%	15,284	2,205	429	354
011	Dallas-Ft. Worth, TX	1,076,058	24,189 2.2%	20,919	1,912	622	717
010	Pittsburgh, PA	1,126,748	24,607 2.2%	20,571	2,745	650	609
070	Cedar Rapids-Waterloo, IA	275,286	6,184 2.2%	5,329	646	104	96
082	Albuquerque, NM	220,972	4,969 2.2%	4,256	455	141	113
081	Lincoln-Hastings, NE	228,219	5,084 2.2%	4,196	604	151	123
047	San Antonio, TX	431,535	9,582 2.2%	8,178	925	215	258
182	Greenwood-Greenville, MS	40,815	902 2.2%	808	63	24	6
135	Minot-Bismarck-Dickinson, ND	118,199	2,657 2.2%	2,133	344	82	95
126	Columbia-Jefferson City, MO	132,346	2,976 2.2%	2,389	280	104	199
125	La Crosse-Eau Claire, WI	135,818	3,007 2.2%	2,556	335	64	52
170	Idaho Falls-Pocatello, ID	75,338	1,672 2.2%	1,461	150	29	31
171	Rapid City, SD	55,667	1,157 2.1%	937	143	35	41
160	Elmira, NY	80,146	1,723 2.1%	1,455	221	29	15
157	Reno, NV	101,998	2,095 2.1%	1,716	239	74	64
127	Topeka, KS	128,926	2,738 2.1%	2,347	266	49	76
134	Wausau-Rhinelander, WI	121,494	2,600 2.1%	2,145	326	79	49
140	Wilmington, NC	117,388	2,418 2.1%	2,164	170	48	34
116	Sioux City, IA	149,299	3,100 2.1%	2,680	321	56	39
123	Beaumont-Pt. Arthur, TX	142,024	2,978 2.1%	2,602	229	82	59
172	Cheyenne, WY	57,126	1,220 2.1%	976	147	44	51
194	Anniston, AL	36,042	770 2.1%	680	61	19	10
197	Ottumwa-Kirksville, MO	28,711	614 2.1%	503	78	15	17

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
084	Springfield, MA	196,608	4,188 2.1%	3,705	374	60	46
089	Ft. Wayne, IN	195,637	4,203 2.1%	3,571	426	94	104
066	Mobile, AL-Pensacola, FL	312,864	6,585 2.1%	5,696	569	196	121
038	Greenvle-Spartnburg,SC-Ashvle,NC	467,619	9,947 2.1%	8,641	802	241	253
036	Phoenix, AZ	473,136	10,022 2.1%	8,232	1,103	331	327
008	Cleveland, OH	1,323,182	26,150 2.0%	22,418	2,562	560	587
071	Johnstown-Altoona, PA	276,323	5,566 2.0%	4,669	624	179	89
068	Jacksonville, FL	299,402	5,989 2.0%	5,210	506	136	129
045	Harrisburg-York-Lancaster, PA	398,698	7,966 2.0%	6,536	983	258	182
059	Rochester, NY	315,817	6,387 2.0%	5,560	663	77	84
102	Monroe, LA-El Dorado, TX	164,250	3,305 2.0%	2,766	266	136	136
190	Lima, OH	40,478	816 2.0%	712	74	16	14
201	Zanesville, OH	28,628	583 2.0%	484	66	16	17
186	Panama City, FL	36,859	730 2.0%	615	77	23	15
178	El Centro-Yuma, AZ	46,533	940 2.0%	790	112	27	10
177	Jackson, TN	46,468	944 2.0%	804	97	28	15
207	Helena, MT	11,960	237 2.0%	186	41	7	3
108	Waco-Temple, TX	164,614	3,295 2.0%	2,816	301	92	82
113	Wichita Fls, TX-Lawton, OK	154,624	3,063 2.0%	2,649	249	91	72
138	Lubbock, TX	120,742	2,455 2.0%	2,136	201	60	56
167	Laurel-Hattiesburg, MS	69,128	1,383 2.0%	1,141	107	66	69
165	Billings, MT	64,728	1,273 2.0%	1,061	157	32	23
139	Tallahassee, FL	125,043	2,411 1.9%	2,082	221	71	35
145	Abilene-Sweetwater, TX	104,287	1,985 1.9%	1,684	178	73	47
179	Marquette, MI	45,301	881 1.9%	778	84	16	3
180	Eureka, KS	47,289	922 1.9%	753	113	32	19
107	Colorado Spgs-Pueblo, CO	150,555	2,825 1.9%	2,290	353	84	93

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
069	Davenport, IA Rock Island, IL	289,772	5,510 1.9%	4,701	616	122	69
065	Roanoke-Lynchburg, VA	308,734	5,961 1.9%	5,181	519	177	81
028	Denver, CO	649,702	12,175 1.9%	10,056	1,396	325	375
012	St Louis, MO	960,668	17,920 1.9%	15,127	1,741	470	549
014	Houston, TX	865,983	15,314 1.8%	13,187	1,199	426	475
019	Baltimore, MD	723,983	13,270 1.8%	11,463	1,217	304	273
018	Indianapolis, IN	705,447	12,483 1.8%	10,463	1,278	345	384
039	Oklahoma City, OK	466,770	8,593 1.8%	7,247	775	245	311
063	Des Moines, IA	325,649	5,753 1.8%	4,916	611	113	101
051	Flint-Saginaw, MI	381,540	6,933 1.8%	6,070	550	121	188
100	Burlington, VT-Plattsburgh, NY	183,099	3,352 1.8%	3,004	268	39	35
099	Huntsville-Decatur, AL	180,195	3,184 1.8%	2,779	226	77	96
091	Peoria, IL	193,598	3,472 1.8%	2,904	340	109	117
202	San Angelo, TX	27,505	498 1.8%	424	39	21	13
200	Tupelo, MS	28,844	523 1.8%	427	43	27	26
146	Utica, NY	122,301	2,164 1.8%	1,877	228	45	12
124	Quincy, IL-Hannibal, MO	135,132	2,371 1.8%	2,014	241	63	49
161	Meridian, MS	77,482	1,403 1.8%	1,171	117	63	51
110	Madison, WI	159,724	2,862 1.8%	2,434	290	65	70
115	Montgomery, AL	167,538	2,765 1.7%	2,411	201	93	56
114	Terre Haute, IN	153,228	2,566 1.7%	2,120	277	98	65
166	Columbus, MS	74,795	1,235 1.7%	1,042	104	53	34
137	Savannah, GA	114,133	1,952 1.7%	1,684	170	66	31
101	Baton Rouge, LA	164,310	2,858 1.7%	2,516	201	73	64
031	Memphis, TN	523,207	8,931 1.7%	7,705	693	272	253
006	San Francisco, CA	1,655,887	27,217 1.6%	22,954	2,918	631	680
106	Augusta, GA	157,309	2,447 1.6%	2,117	201	92	36
080	Jackson, MS	236,139	3,890 1.6%	3,323	299	139	127

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
064	Omaha, NE	319,325	5,095 1.6%	4,269	542	129	149
130	Erie, PA	133,685	2,195 1.6%	1,855	221	59	56
164	Ft Myers, FL	81,086	1,278 1.6%	1,047	171	43	17
168	Alexandria, LA	65,296	1,064 1.6%	921	72	41	27
147	Albany, GA	93,570	1,467 1.6%	1,224	169	53	21
144	Bangor, ME	103,713	1,671 1.6%	1,485	144	33	6
142	Odessa-Midland, TX	91,148	1,498 1.6%	1,268	143	38	49
153	Dothan, AL	87,858	1,384 1.6%	1,170	130	48	33
151	McAllister-Brownsville, TX	101,308	1,635 1.6%	1,371	188	39	34
191	Gainesville, FL	37,697	591 1.6%	517	49	9	16
176	Lake Charles, LA	47,912	754 1.6%	679	47	12	14
210	Anchorage, AK	92,497	1,497 1.6%	1,201	158	55	75
208	Glendive, MT	7,962	125 1.6%	99	13	11	2
162	Watertown-Carthage, NY	72,041	1,090 1.5%	942	113	22	13
136	Macon, GA	114,786	1,711 1.5%	1,473	134	57	46
112	El Paso, TX	158,861	2,455 1.5%	2,071	240	81	63
120	Binghamton, NY	153,789	2,275 1.5%	1,962	252	35	24
098	Columbia, SC	185,523	2,707 1.5%	2,349	207	51	95
037	Louisville, KY	492,482	7,277 1.5%	6,352	600	178	142
017	Atlanta, GA	833,976	12,404 1.5%	10,635	1,016	405	325
075	Portland-Poland Spring, ME	274,097	3,846 1.4%	3,400	338	69	30
074	Springfield-Decatur, IL	286,810	3,979 1.4%	3,393	391	106	85
121	Charleston, SC	148,412	2,109 1.4%	1,849	186	30	42
119	Corpus Christi, TX	145,520	2,059 1.4%	1,752	167	54	84
133	Traverse City-Cadillac, MI	148,094	2,027 1.4%	1,658	239	75	51
189	Tuscaloosa, AL	37,260	530 1.4%	439	57	17	15
159	Florence, SC	80,426	1,054 1.3%	927	87	23	16

RANK	AREA	ADI TOTAL	PT/GN TOTAL PENETRATION	REGS	DONS	CWKS	MEMS
093	Lansing, MI	177,048	2,365 1.3%	2,061	194	55	52
042	Albany-Schenectady-Troy, NY	429,327	5,443 1.3%	4,864	464	62	48
040	Grand Rapids-Kalamazoo, MI	459,142	6,087 1.3%	5,109	605	178	185
105	Miami, FL	879,260	10,355 1.2%	8,815	1,065	261	209
007	Detroit, MI	1,564,176	18,094 1.2%	15,136	1,978	477	476
009	Washington, DC	1,230,700	14,247 1.2%	12,347	1,351	281	258
103	Columbus, GA	181,021	2,194 1.2%	1,866	200	83	44
169	Salisbury, MD	72,893	868 1.2%	741	85	25	16
122	Lafayette, IN	144,282	1,794 1.2%	1,596	108	50	37
199	Presque Isle, MA	26,287	328 1.2%	294	21	8	5
105	Rockford, IL	172,279	1,962 1.1%	1,654	200	58	48
090	West Palm Beach, FL	234,235	2,678 1.1%	2,211	326	70	67
004	Philadelphia, PA	2,301,727	26,215 1.1%	22,690	2,563	505	433
003	Chicago, IL	2,754,695	30,708 1.1%	25,845	3,243	771	802
001	New York, NY	6,512,447	71,860 1.1%	64,740	5,392	776	884
027	Providence, RI	599,629	6,786 1.1%	5,918	673	113	75
060	Syracuse, NY	293,749	2,849 1.0%	2,468	284	56	37
079	Honolulu, HI	240,723	2,081 0.9%	1,703	242	86	48
005	Boston, MA	1,722,428	13,490 0.8%	11,755	1,302	219	190
021	Hartford-New Haven, CT	652,032	4,801 0.7%	4,221	432	82	64
203	Laredo, TX	21,722	162 0.7%	144	12	6	0

SYSTEMS SERVICES DEPARTMENT

BACKGROUND

What are now the Systems Services Department and the Data Processing Center began as one section of the old Circulation Department in 1965. At that time planning began which led to the eventual installation of an IBM System 360 Model 30 in early 1967. The computer was purchased for the primary purpose of maintaining the many varied mailing lists and information files that now constitute ACTS (the Ambassador College Terminal System).

In March 1968 the Data Processing Center was formally established as a separate department in the Publishing Division under Mr. Jon Hill. As the department grew in scope and size over the next few years our base of service expanded beyond merely the ACTS system mentioned in the previous paragraph.

In 1969, the Data Processing Center under the management of Keith Hunter consisted of two major sections: Computer Operations under Ron Wheeler, and Systems Development under Gary Reid.

Over the past few years we have striven to become not merely a department where the computer is our only tool to serve but rather one where we have a wide variety of potential solutions to a given problem.

OVERALL GOALS

The overall goals of the Systems Services Department are as follows:

1. Perform studies and recommend alternatives in the solution of systems-related problems upon request.

   Our services are provided only upon request of departments desiring our services. To be successful in determining solutions, especially for larger projects, the requester must be willing to invest some of his manpower as an involved communications interface and participant with Systems Services in the study.

2. Utilize computer systems techniques where feasible as part of the overall solution determined in #1.

3. Maintain all existing data processing systems on the computer.

ORGANIZATION

The Systems Services Department consists of five major sections.

Our staff is allocated as follows:

Systems Analysis	6 full-time
Computer Systems Design	4 full-time
Graphics Support	3 full-time
Software Development ("Programming")	10 full-time, 4 students
Administration and Supervision	5 full-time, 2 students

The staff consists of 28 full-time employees and 6 part-time students, a total of 34 employees.

Over the past year, due to budget cuts and attrition, we have lost 13 full-time people from our staff. As a result, this has meant a severe drop in the quantity of service we can provide. We hope with various improvements we've made, the major one being the installation of our new Project Development System, that our quality has improved and that we will be able to do more with less.

1973 ACCOMPLISHMENTS

1. Divisions Served in 1973

Pasadena Academic

- Registrar
- Dean of Faculty
- Food Service

Church Administration

- Forms
- Graphic Support

Financial Affairs

- Accounting
- Personnel
- Plan Maintenance
- Purchasing

International Services

- Canada
- Spanish
- Japanese

Marketing and Subscriber Services (within our division)

- Information Services
- Direct Marketing
- Mail Processing Center
- Data Processing Center

Media

TV Production
TV Film Library
Radio Studio

Publishing

Photo Files
Booklets

2. Major Systems Developed

General Ledger Installation
Project Development System
Plain Truth Renewal System
Optical Character Reading Capability for handling PT Renewals
Good News Capability in ACTS
Marketing Information Services Support
DOS to OS Conversion
ACTS Terminal Merger

3. Manpower Expenditure

During the year of 1973, we expended approximately 30,000 man-hours on all projects. Of our total time available we expended 40% on ACTS-related projects, 27% on financial-oriented projects, and 32% on all others.

Of the 30,000 man-hours available about 58% was spent on maintaining existing systems. We have been developing systems for 8 years. With each system there is an initial investment of manpower to create the system (usually small, but continuing over its lifetime). Systems are dynamic, never static. As people use them, new ideas are generated that require modifications to the system to implement. Also, changes in overall policy, organizational changes, the institution of new programs, changes in state and federal laws, etc., all demand changes in our systems.

Thus, the creation of a data processing system, like the building of the new Auditorium, will require a certain percentage of the original manpower needed to create it, to maintain it on an ongoing basis.

1974 PLANNED PROJECTS

New systems that are currently under development or scheduled to be done during fiscal year 1974/1975 are:

Media Analysis System
Zip Code Table System Upgrade
Canadian Postal Code Installation

PCD File Changeover
Donation System Upgrade
Cost Accounting Systems
Cost Allocation
Test Scoring System
Library Circulation/Acquisition System Study
Registrar/Admissions System Study
International System Study

At the beginning of the year (1974) we approximated the amount of effort required to complete these projects (and others not mentioned) during 1974.

We found that we did not have enough manpower to handle:

1. Systems Maintenance and Coordination
2. Mandatory Projects

We were approximately 10% short.

In addition, we had no time available for:

1. Preferred Projects
2. Desirable Projects
3. Unexpected Impact

As a result we will be accomplishing these projects over a longer time span as manpower allows.

We will:

1. Prioritize mandatory projects ascending to manpower availability.
2. Do as many as we can this year!
3. Minimize "NEW" unexpected work.

SUMMARY

it is our desire to expand our base of service in the year of 1974 to requests that do not require the computer as part of the solution.

As defined, a system is a "team work plan for doing recurring work."

A system consists of the following elements:

1. Policy
2. Procedure
3. Work flow
4. Forms
5. Organization

We feel we can aid in the formulation of these systems elements. If you feel we can aid you in areas where work can be organized and proceduralized, don't hesitate to call us.

Our products are:

1. Systems Studies

   Scope and Objectives
   Solution and Criteria
   Select Solution Alternatives
   Propose Recommendation

2. Management of projects to fulfil the agreed upon recommendation.

We also have skills available to help you if you have a project-oriented job to fulfil.

3. Computer Systems Development

   Programming
   Systems Maintenance

4. Business Forms Creation

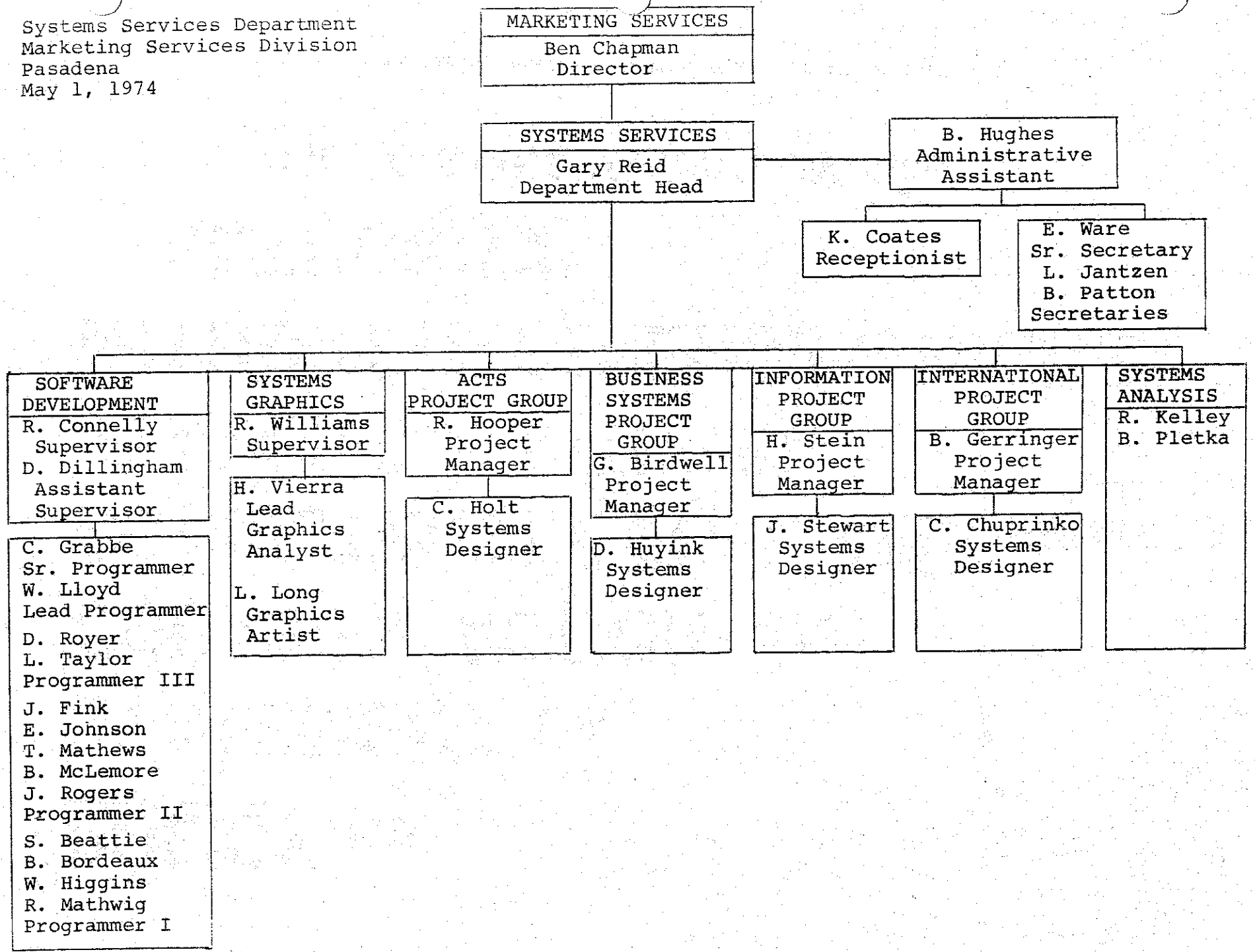
   Forms are a systems tool. Forms design is not merely drawing lines to make a good-looking form. It is an integral part of systems being used as a carrier of information within the systems cycle. Forms design to be effective should involve a study of the system in which it fits.

   The major cost of forms is in their <u>using</u>, not their design.

5. Presentations

   Many of the presentations you have seen these two days had some graphics work done by our Graphics area.

Systems Services Department
Marketing Services Division
Pasadena
May 1, 1974



"POLICY IS A

STATEMENT OF A

COURSE OF ACTION TO BE

CONSISTENTLY FOLLOWED UNDER

STATED CONDITIONS

WITHOUT REFERENCE TO HIGHER

AUTHORITY"

- DR. H.C. GRANT, TORONTO, ONTARIO

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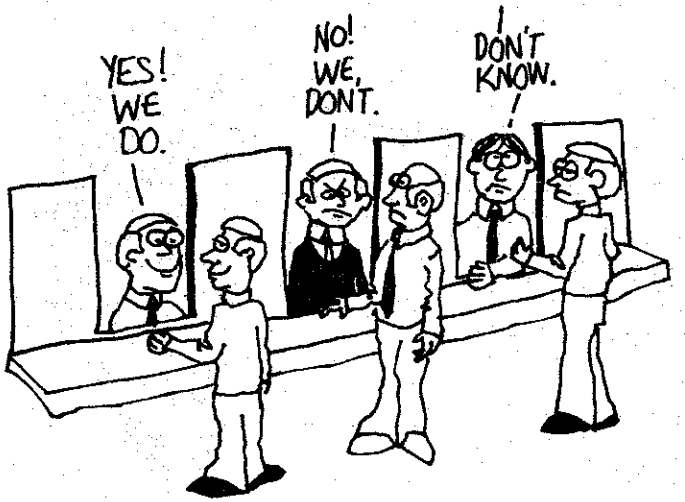
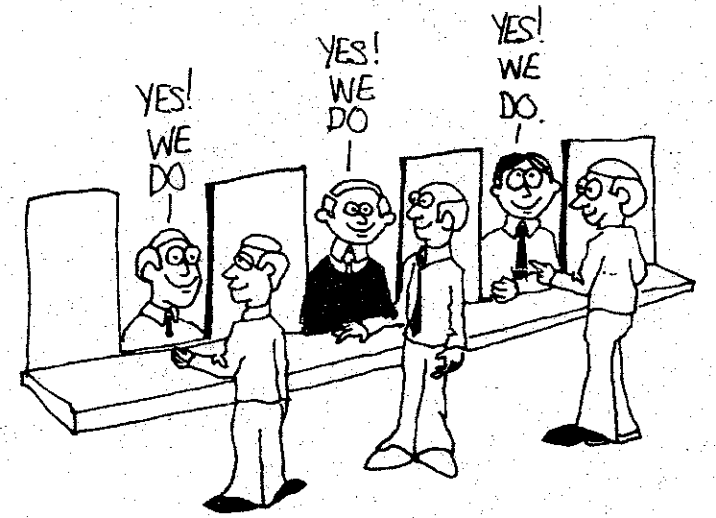
POLICY SPELLS OUT A CONSISTENT WAY OF DOING THINGS



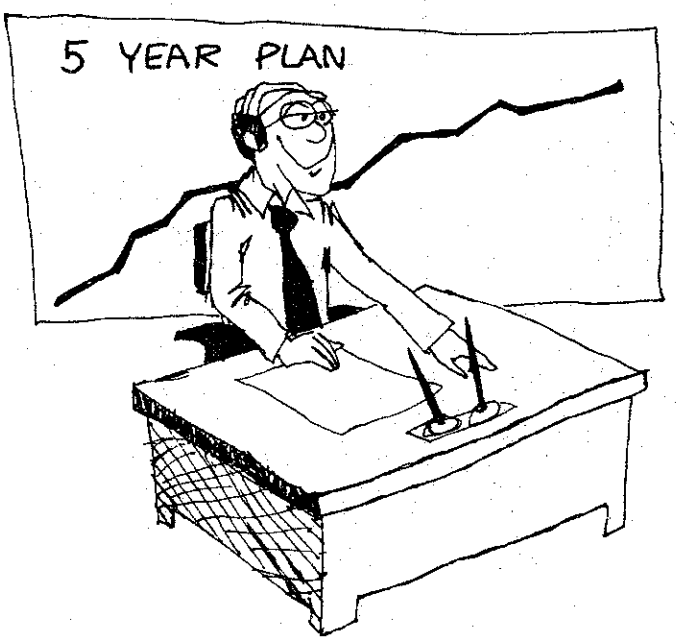
NO POLICY



POLICY

POLICY FREES THE BOSS FROM REMAKING THE SAME DECISIONS

NO POLICY



POLICY

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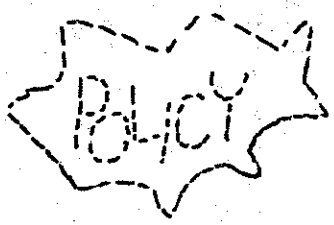
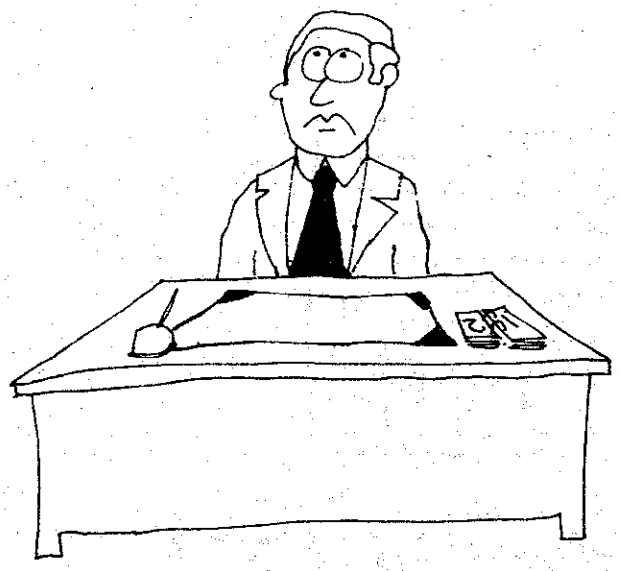
TO BE EFFECTIVE
POLICY MUST BE WRITTEN



"I THINK HE WANTS..."



"I KNOW HE WANTS..."

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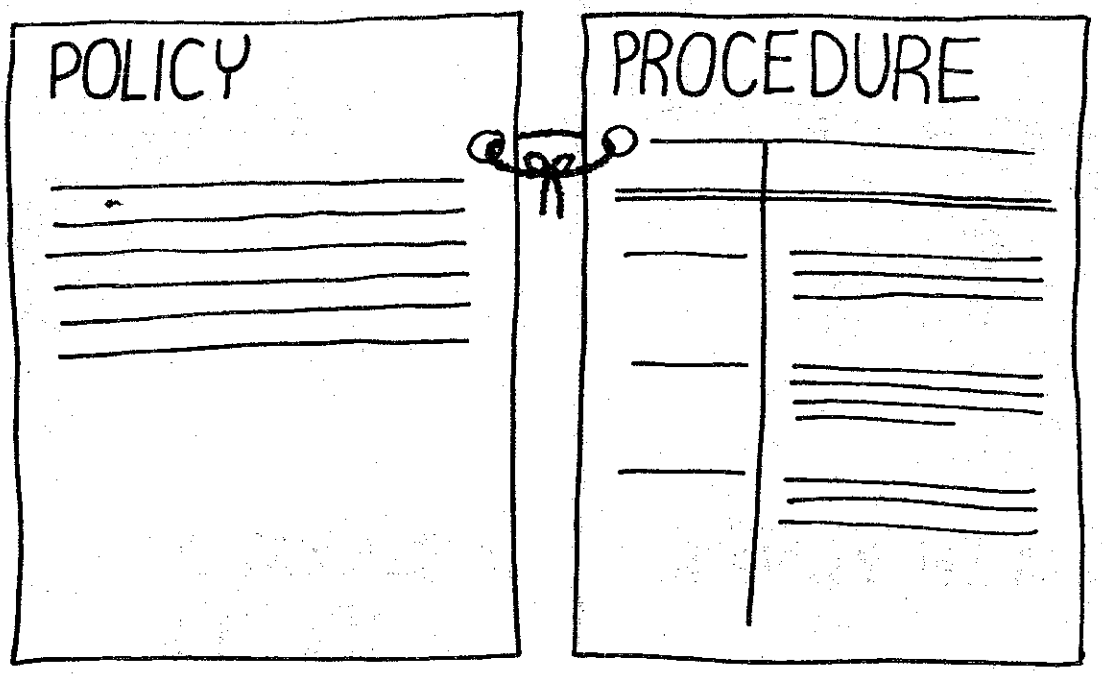
RELATIONSHIP BETWEEN



WHAT
MANAGEMENT WANTS

HOW
MANAGEMENT WANTS IT DONE

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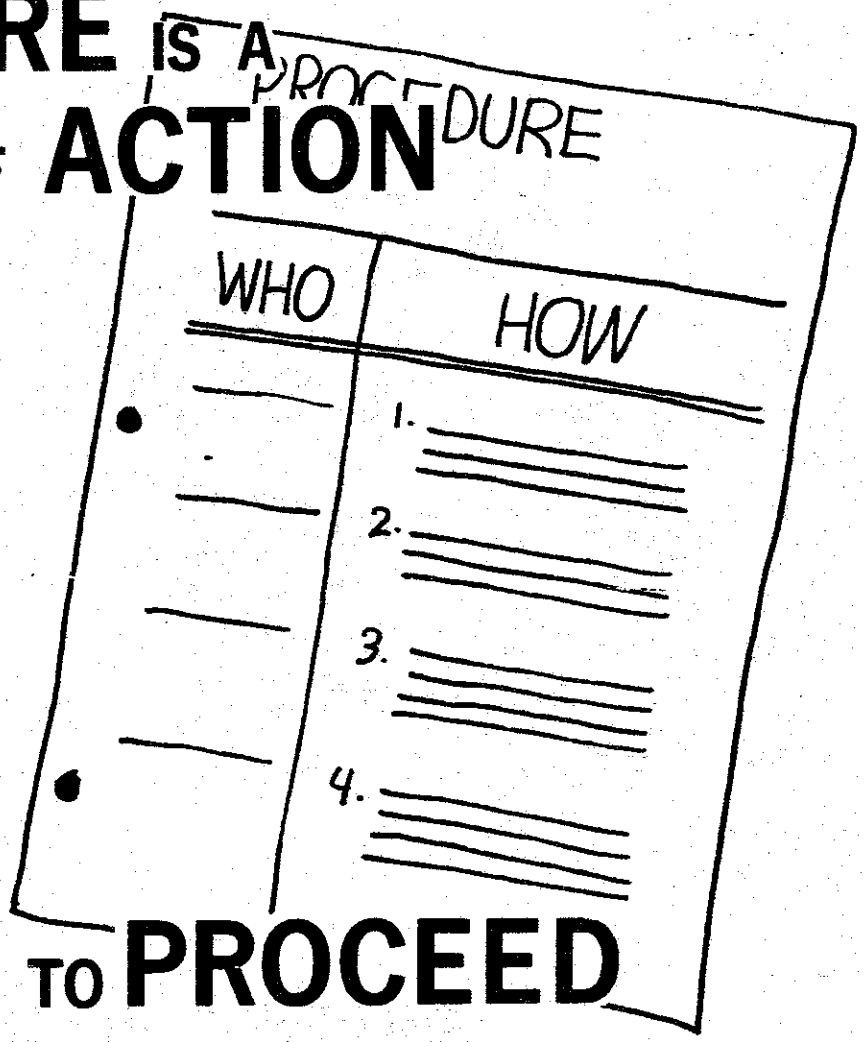
PROCEDURE IS A COURSE OF ACTION



IT TELLS HOW TO PROCEED

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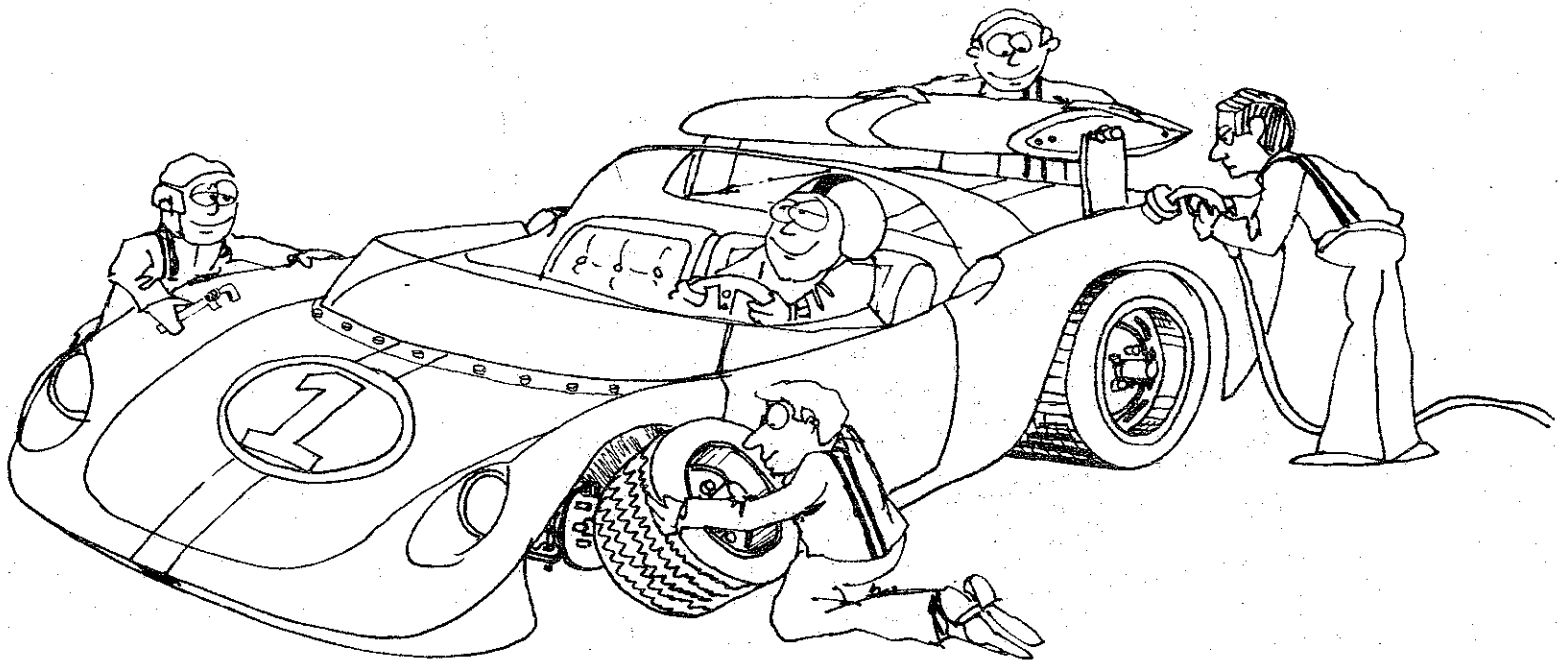
PROCEDURE SHOWS EACH PERSON'S PART IN GETTING THE JOB DONE



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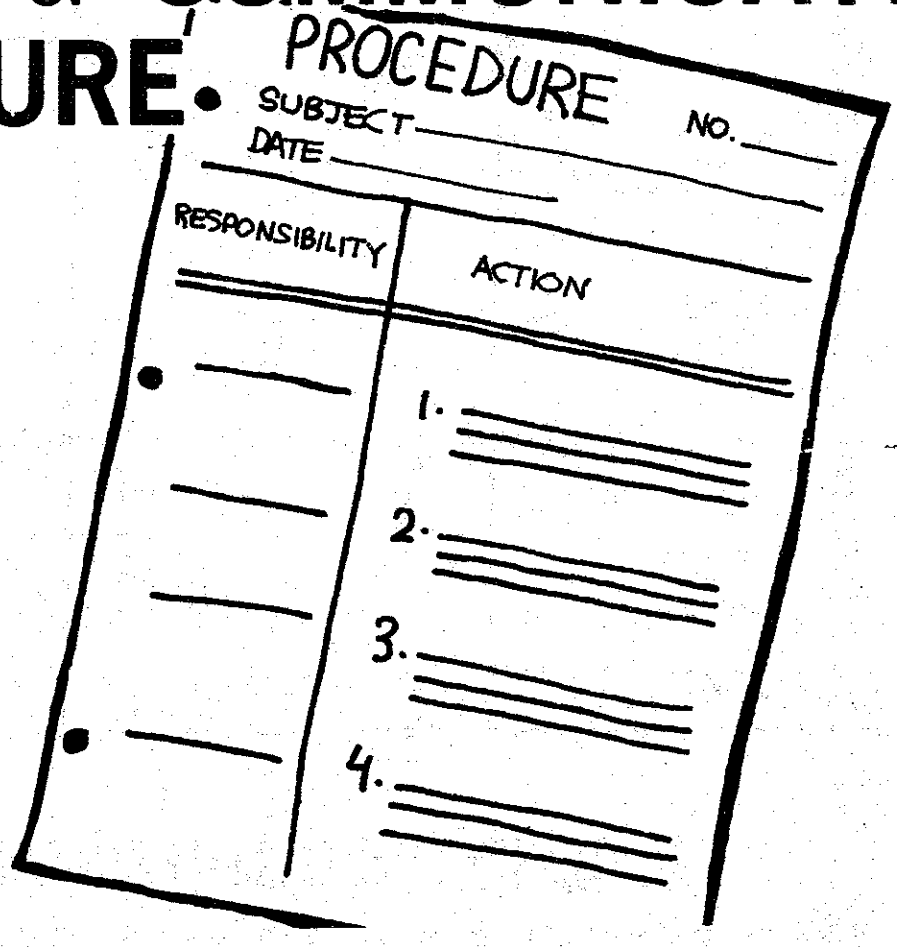
PLAYSCRIPT FORMAT IS THE MOST EFFECTIVE WAY OF COMMUNICATING PROCEDURE.



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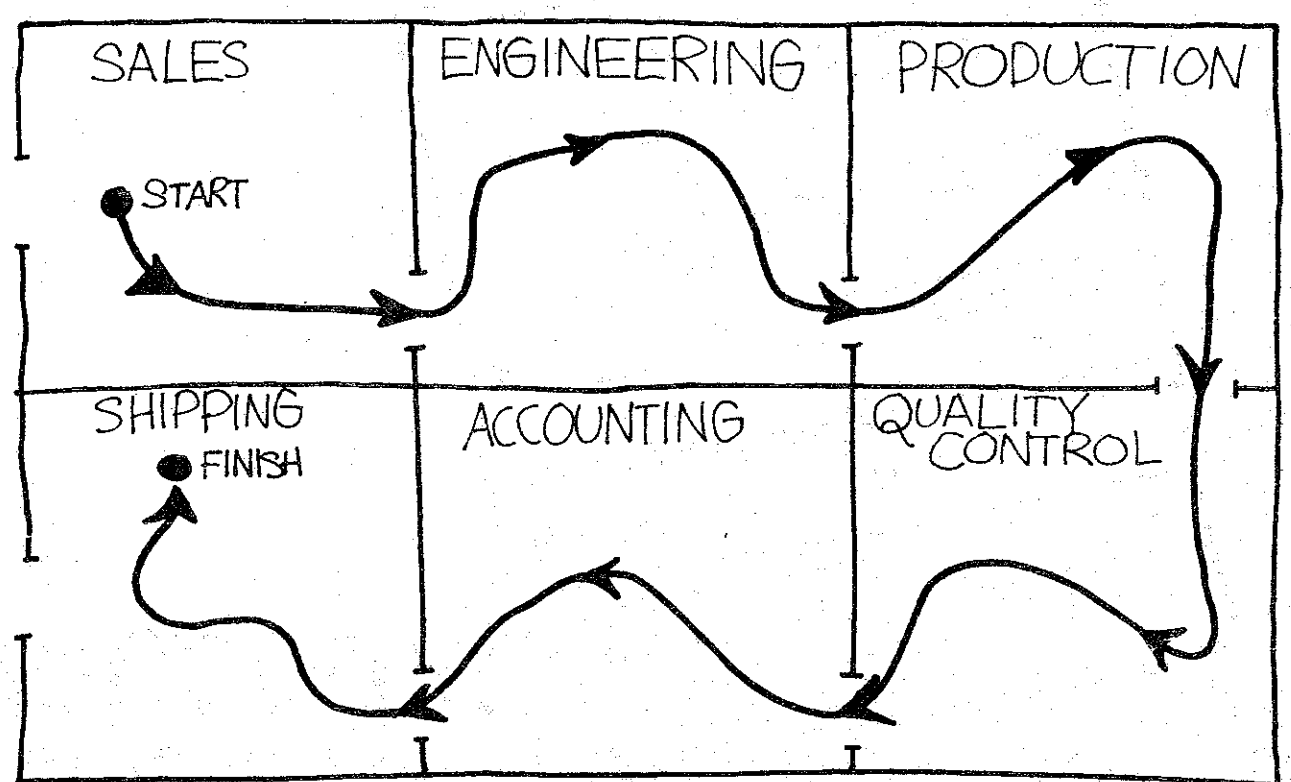
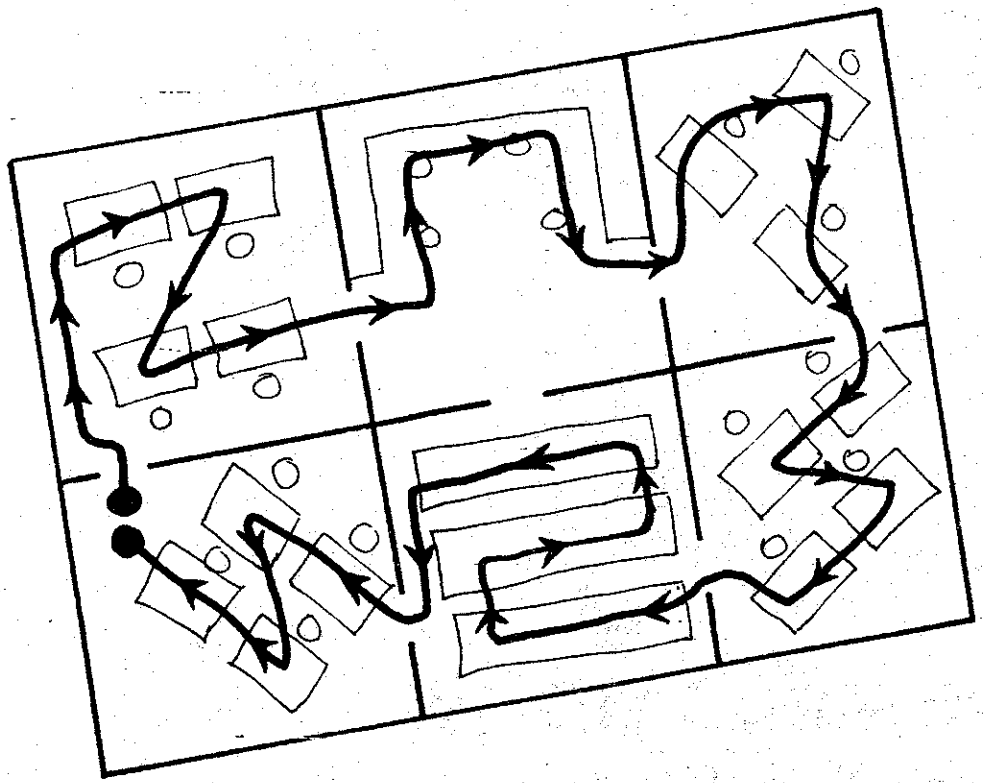
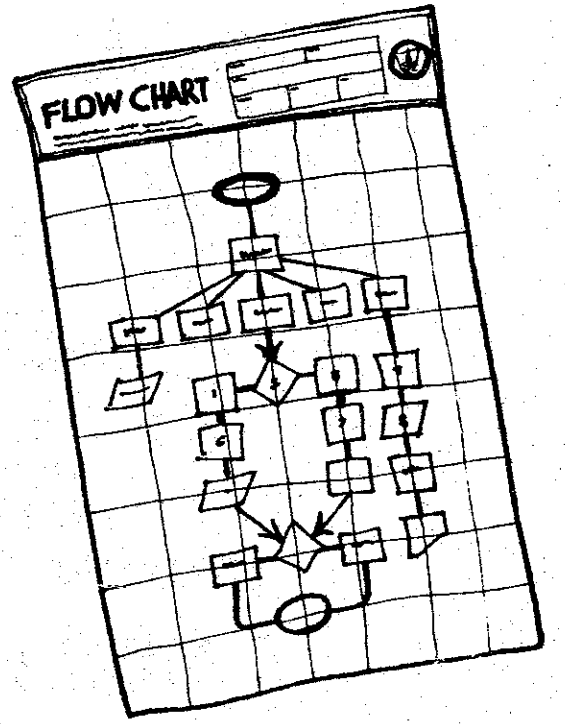
WORK FLOW IS THE PHYSICAL PATH
FOLLOWED IN CARRYING OUT A PROCEDURE



OFFICE LAYOUTS & FLOW CHARTS
ARE THE BEST WAYS TO SHOW WORK FLOW





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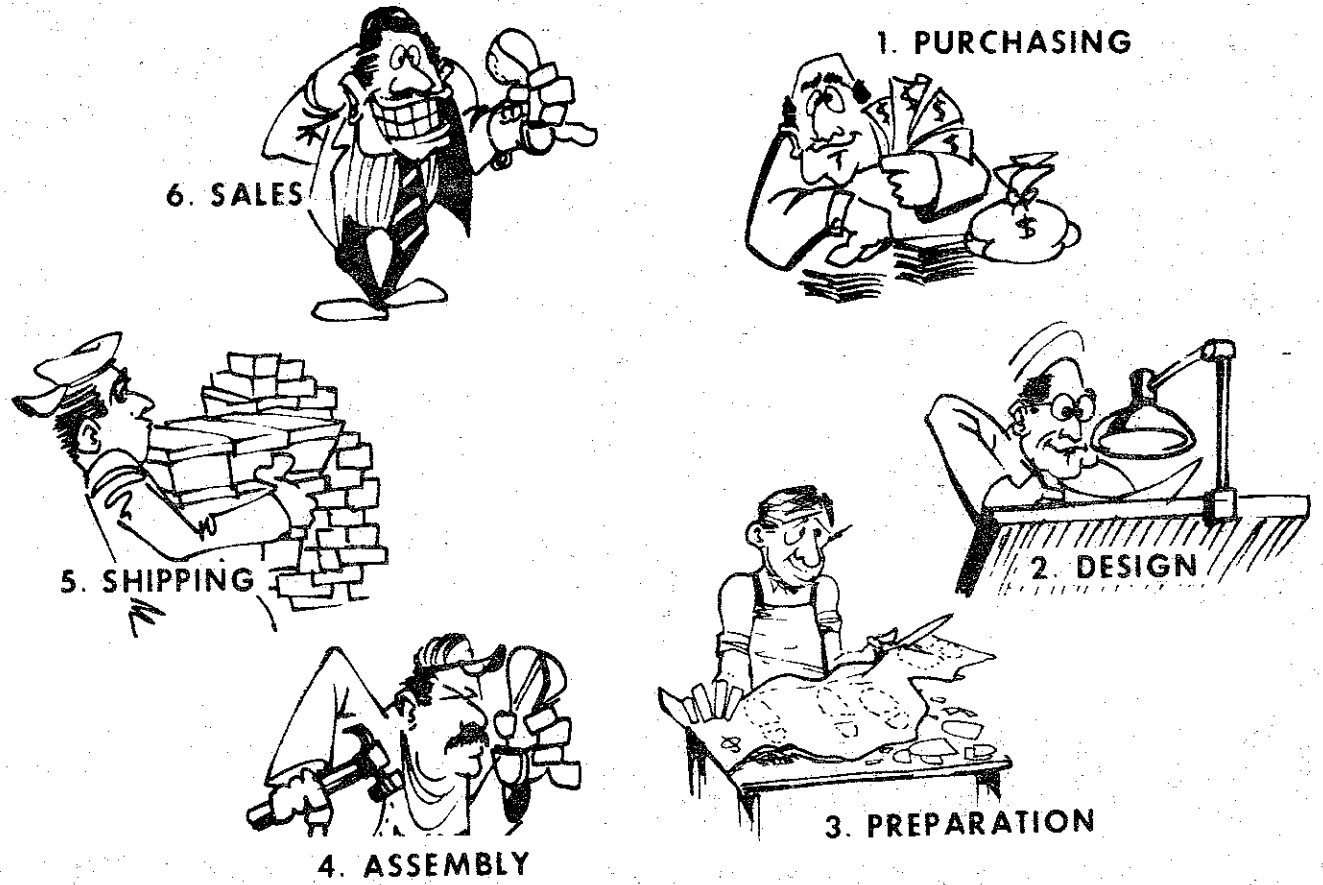
THE MODERN SPECIALIZED APPROACH TO WORK REQUIRES MUCH COMMUNICATION



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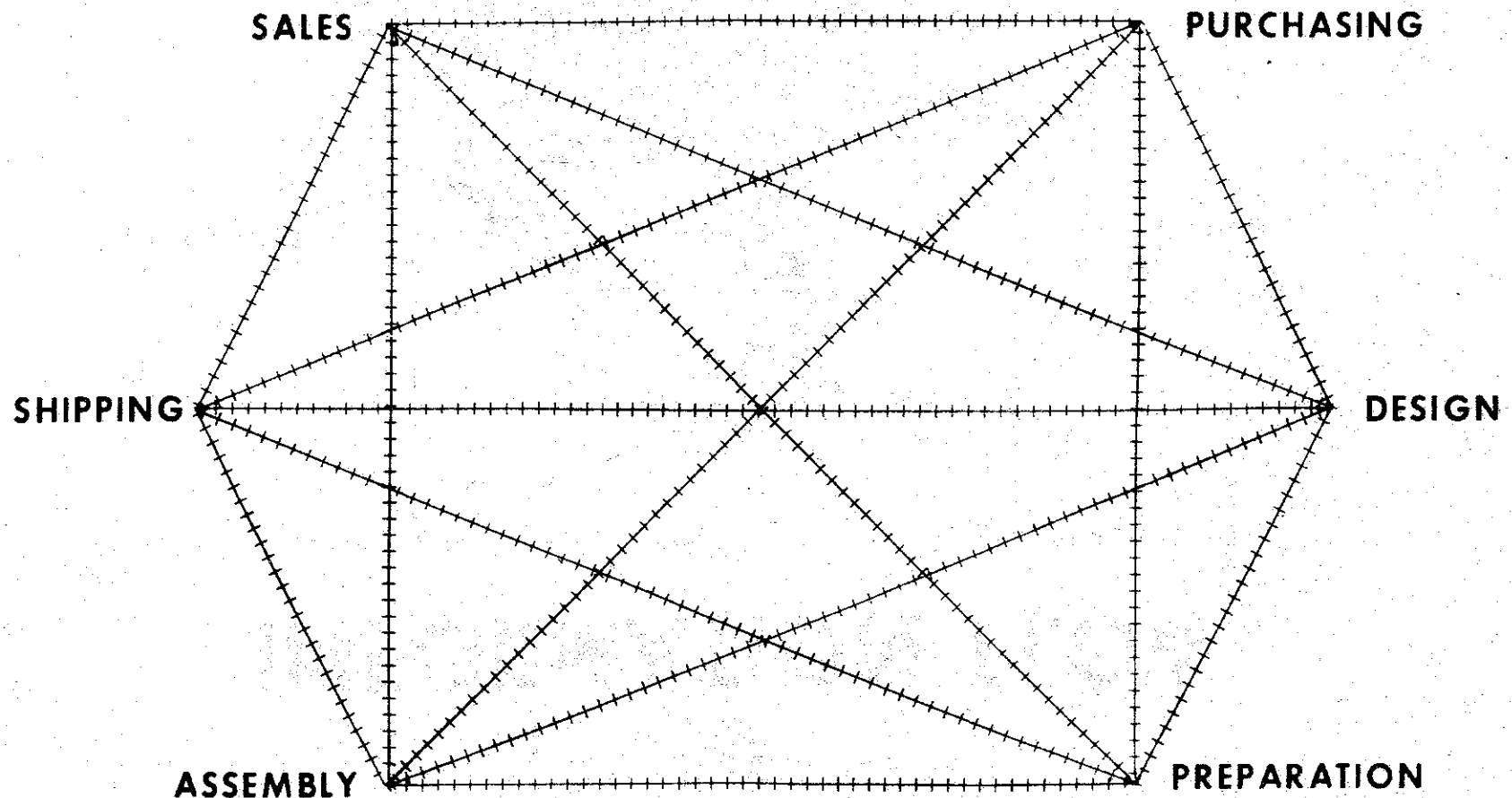
COMMUNICATION PATHS

FOR 6-STATION SPECIALIZED WORK



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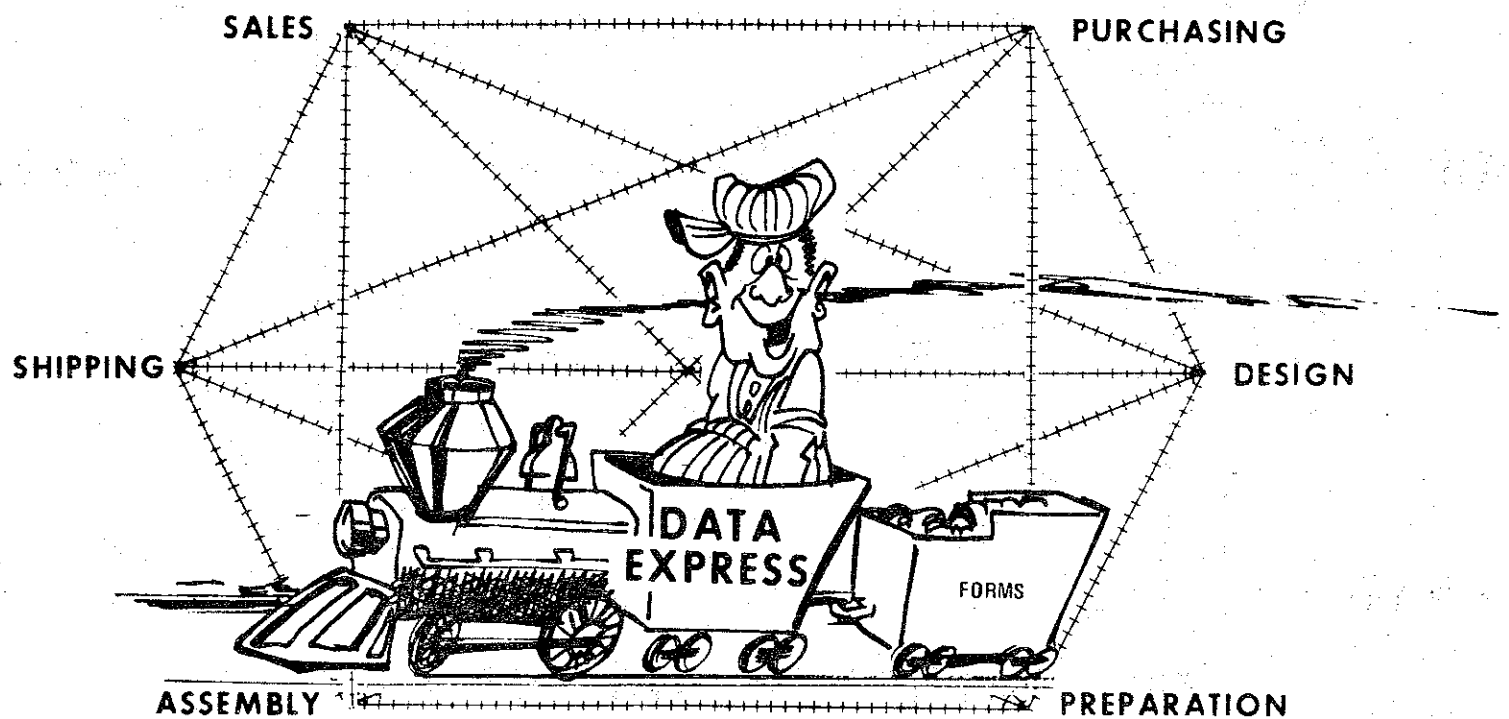
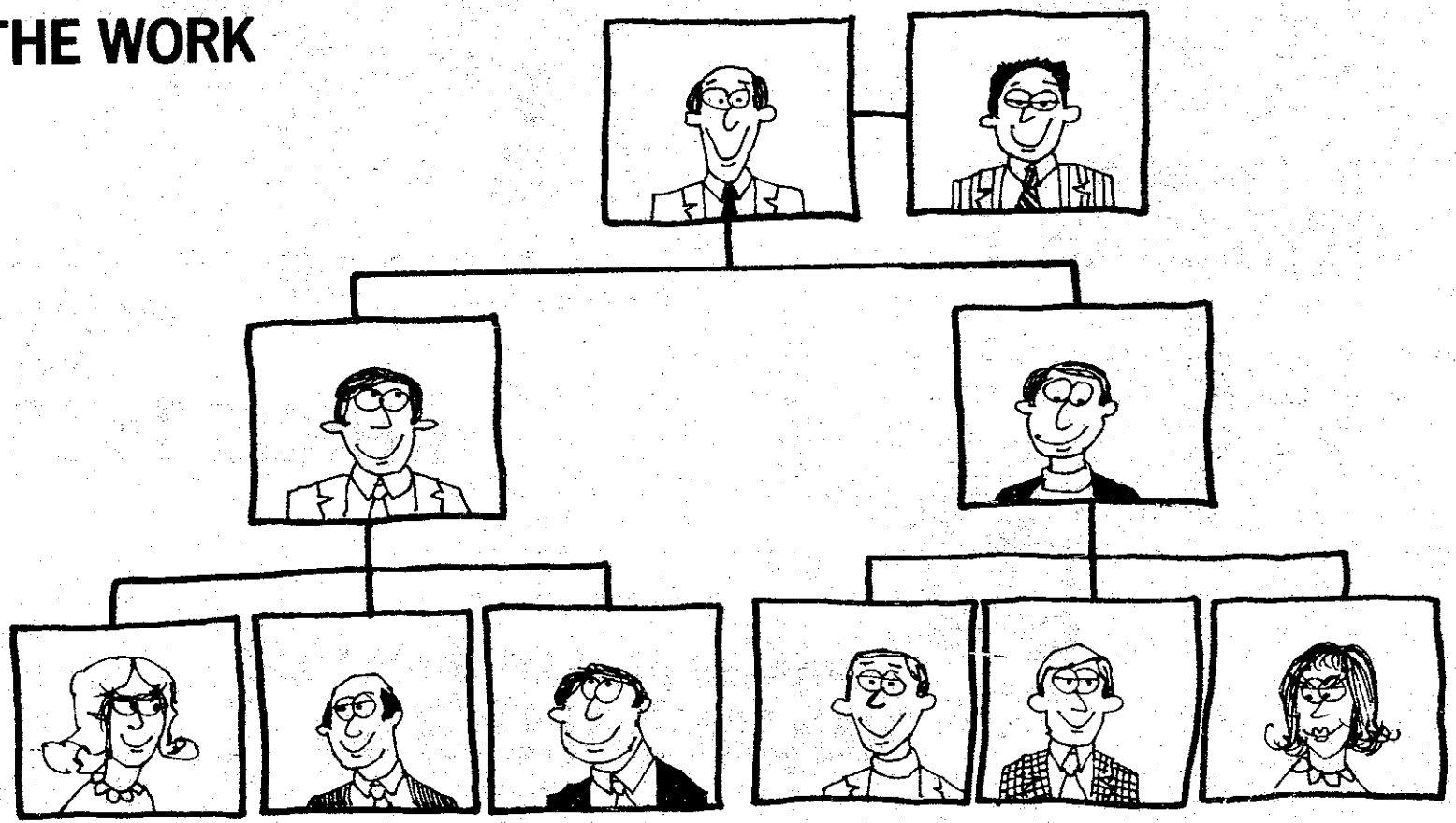
THE FORM IS A VEHICLE FOR INFORMATION FLOW



AMBASSADOR COLLEGE SYSTEMS DEVELOPMENT • 300 W. GREEN ST., PASADENA, CALIF. 91105

ORGANIZATION IS THE STRUCTURE OF PEOPLE RELATIONSHIPS NECESSARY DO THE WORK



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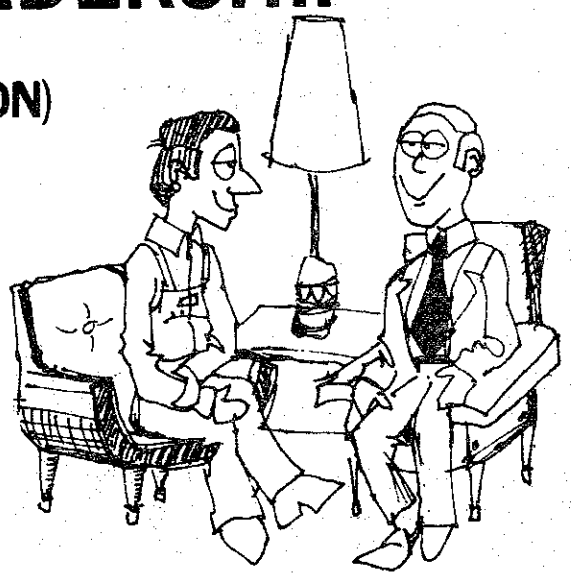
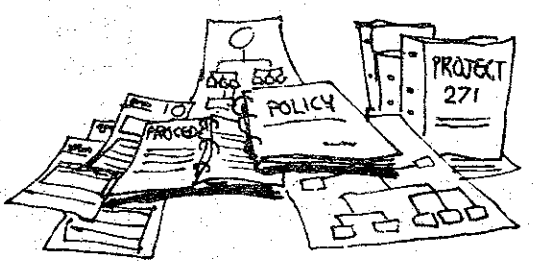
MANAGEMENT CONSISTS OF

1. CREATIVE WORK
(DECIDING WHAT IS TO BE DONE)

2. LEADERSHIP
(HUMAN MOTIVATION)



3. SYSTEMS
(A TEAM WORK PLAN)



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DATA PROCESSING CENTER

I. Services

1. Run 10,000 computer jobs per month
2. Operate computer three shifts 6 days a week
3. Produce:

    a. 30 million labels per year for PT, GN, co-worker, and member letters, direct mailings, etc.
    b. 6 million pages of reports and listings per year
    c. 250,000 receipts for AC and WWC contributions annually
    d. 60,000 checks annually

4. Support the Ambassador College terminal system which uses 100 video terminals to maintain Subscriber and Accounting files.
5. Maintain the Work's Data and Subscriber Files insuring integrity and backup and security.

II. Organization

A. Production Control

1. Prepares jobs for computer
2. Keypunches data for jobs
3. Quality control checking of jobs
4. Integrity and security of files
5. Prepares output for use

B. Operations

1. Inputs jobs to computer
2. Monitors jobs and answers data requests
3. Provide responsive, accurate service

C. Systems Programming

1. Maintains technical programs for running the computer.
2. Tunes the computer system for optimum performance.

III. Computer Usage

This chart shows the percentage of resources and therefore budget expenditures allocated to the areas we serve.

A. ACTS includes the terminal system and all the maintenance and usage of Subscriber files.

B. Accounting includes Accounts Receivable and Payable, Fixed Assets, General Ledger, Payroll, etc.

C. Systems Development includes all the extensive testing that must take place before putting new and modified computer systems into production.

D. Other - This 6% includes Food Service, TV Film Library, Registrar, Plant Maintenance, and the many other areas we serve.

IV. Budget

A. Computer Hardware - This accounts for rental and purchase payments on four million dollars worth of hardware. We rent half and are buying the rest. We have reduced expenditures by $175,000 per year in this category since 1972 while incurring a 100% workload increase. This was possible by installing newer more effective equipment, reductions in under-utilized equipment, and favorable financing proposals.

Listed below are some of the hardware capabilities to give an idea of the processing power and manpower equivalents of this electronic machinery:

1. Our printers print at 50,000 mailing labels per hour and are equivalent to 400 secretaries typing at 60 words per minute.
2. The central processing unit can perform over 500,000 calculations per second.
3. The tape data storage units can transmit 2,000 names and address per second.

B. Supplies - This area accounts for about $70,000 per year. We use about 6 million sheets of computer paper and 1 million key punch cards per year.

C. Personnel - We have 29 full-time employees currently. Personnel have been reduced by 25% since 1972 by making job flow more effective.

The people are the most important part of making Data Processing effective for the Work. This is shown by the attached article.

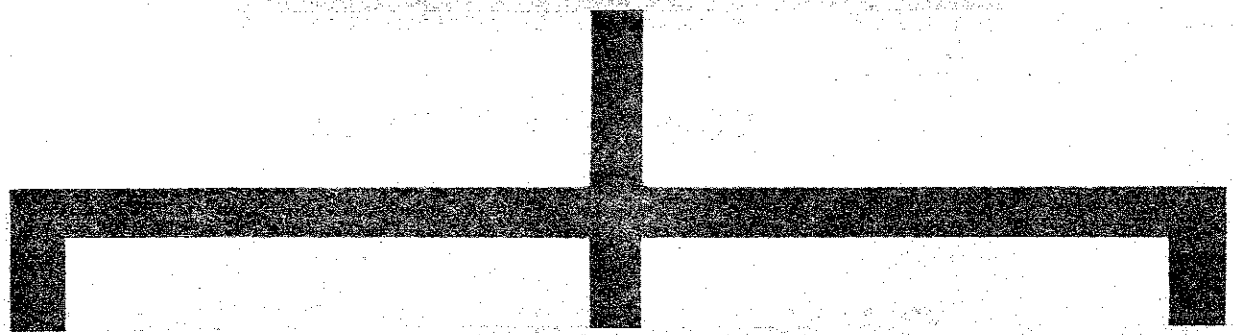
DATA PROCESSING CENTER SERVICES

- PRODUCE PRINTED OUTPUT
  - MAILING LABELS
  - REPORTS & LISTINGS
  - RECEIPTS & CHECKS
- SUPPORT THE AMBASSADOR COLLEGE TERMINAL SYSTEM (A.C.T.S.)
- MAINTAIN DATA FILES

ORGANIZATION

DATA PROCESSING CENTER

MIKE HOLMAN
MANAGER



OPERATIONS

KEN GRAHAM
SUPERVISOR

PRODUCTION CONTROL

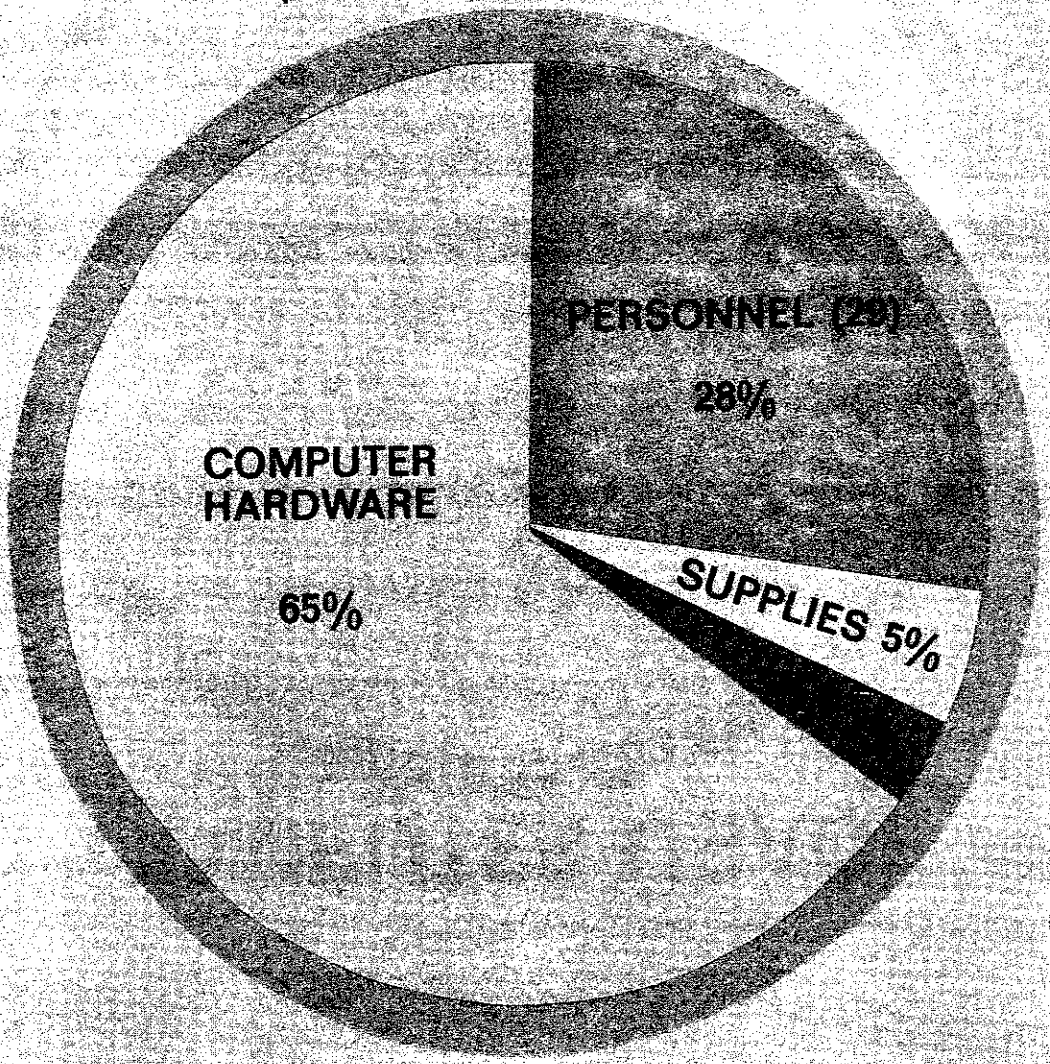
MIKE GHOURDJIAN
SUPERVISOR

SYSTEMS PROGRAMMING

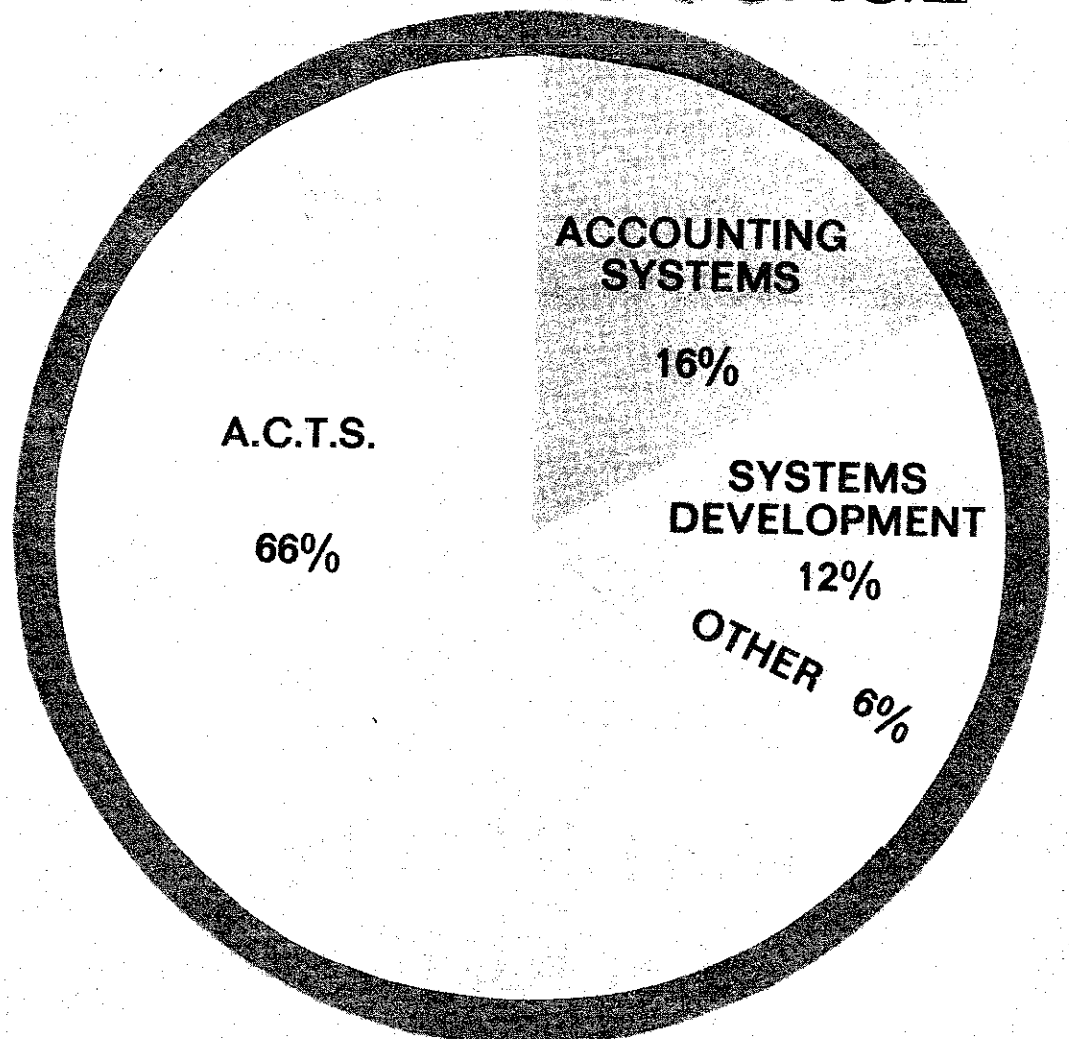
GARY SHAY
SUPERVISOR

BUDGET

$1.35 MILLION



COMPUTER USAGE



DOES THE MACHINE THINK?

When you hear someone mention the Data Processing Department or the computer that God's Work has, what comes into your mind? If you're like most people, it is a huge, electronic machine capable of cranking out information, labels, listings, reports, receipts, and many other jobs at fantastic rates of speed; a machine capable of storing all the names and addresses of the mailing list, all the bills that need to be paid, and the receipts to keep up with the contributions.

Well, this is right. But there is another dimension in the operation of Data Processing which needs to be understood as well, and that is the dimension of the people -- the people that, six days a week, 24 hours a day, are running that machine; the people who are keeping up with its system, handling its tapes, insuring the integrity of all the files; the people that answer the telephone calls, sometimes at 2 and 3 o'clock in the morning, and hear, "Carl, the donation update program has blown off and we've got to get it out because the annual receipts are coming up next week. Can you come in and fix the bug in the program?" The people that hear, "We've just messed up a file and we've got to implement the backup system. Can you help us get the tapes together?"

Yes, although it's not commonly realized, there are 29 people in the Data Processing Department required to prepare, input and check the 10,000 jobs that are run monthly; and it is these people who have to constantly realize they are responsible for the running of a machine that is costing God's Work nearly a million dollars a year. They are the ones that have to make sure we are getting the most out of that machine, and that we have the smallest possible amount of machinery necessary to get the job done. They are the people who have to make sure that none of the financial records, contribution histories, or mailing lists are lost.

So, in the future, when you hear someone mention the computer at Headquarters, or Data Processing, I hope that more than just the fantastic electronic tool we have comes to mind, and that you will remember the dedicated people who make it function for the Work.

MARKETING ADVERTISING DEPARTMENT

The Marketing Advertising Department collaborates with requesting departments and develops print advertising objectives. Once they are determined it submits ad budget proposals and obtains executive approval from the Media Division.

Together with the requesting departments, it suggests and develops the advertising strategy and the creative approach to be followed. It also administers the advertising production expenditures.

It then creates continuing copy ideas supporting the strategy aims and writes final ad copy as directed. The art staff then develops creative layouts and artwork.

The Advertising Department initiates and supervises the production of print advertisements for all external and internal publications. For the purpose of Personal Appearance campaigns and radio and TV station promotion, it develops and distributes publicity releases to newspapers or other media.

In cooperation with the Marketing Information Service Department it conceives and conducts ad testing, print media research, and related studies. These tests are designed to provide information upon which future print advertising plans can be created and, subsequently, checked for the efficiency of the methods employed. (Example: Cost per response criteria.)

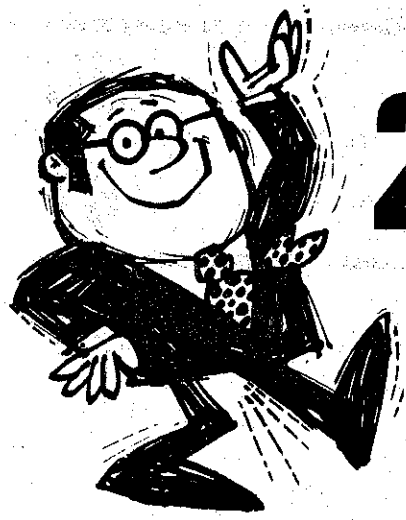
Other functions performed are an advisory service to top management from the best source of print media information regarding rates, data, and publication readership. This enables top management's unbiased advice on the choice of magazines, newspapers, and schedules best suited to meet specific needs.

It also cooperates with requesting departments to determine actual booklets and literature for promotion, insuring and maintaining adequate inventories through forecasting response to ads.

DURING THE LAST 12 MONTHS WE ADVERTISED IN:

126 NEWSPAPERS 22 MAGAZINES IN 9 COUNTRIES

TO A COMBINED CIRCULATION OF



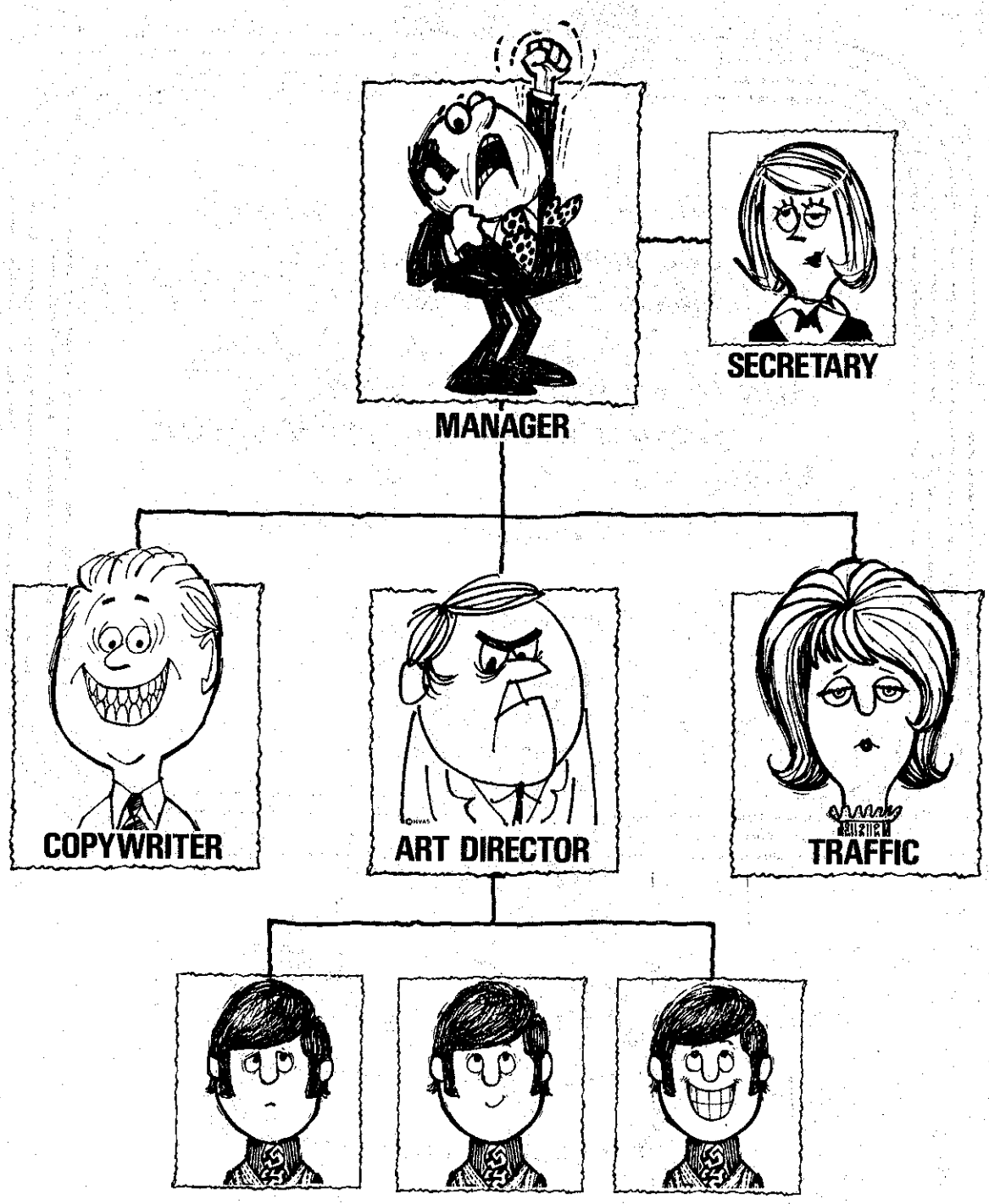
24 MILLION READERS.

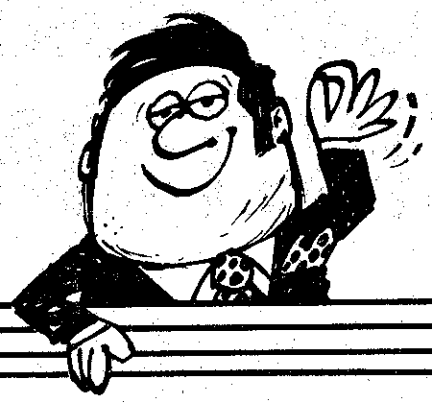
ADVERTISING DEPT. PROJECTS (JAN-MAR 1974)

ACCOUNT

TV/RADIO	11
P.A.D.	100
INTERNATIONAL DIV.	15
PUBLICITY	25
A.C.	20
MIS.	6
TOTAL COMPLETED	90
TOTAL IN PROGRESS	87
★ GRAND TOTAL	177

ADVERTISING DEPARTMENT FUNCTIONS:





The codfish lays ten thousand eggs,
The homely hen lays one.
The codfish never cackles
To Tell you what she's done.
And so we scorn the codfish,
While the humble hen we prize,
Which only goes to show you
That it pays to advertise.