

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF MAY 11, AD15

Remimeo

HCO BOOK ACCOUNT POLICY

RECEIPT AND USE OF MEMBERSHIP MONIES

1. All membership monies shall be paid in to the HCO in the Area Office and deposited only and at once in the HCO Book Account, and shall serve, amongst other things, to defray magazine printing, handling and postage costs of the National Magazine. All Memberships must be paid for in cash, (There are only Free Memberships, or Memberships paid for by cash) made out directly to HCO Book Account. Memberships shall be deposited only in the Main Book Account of the Area Office. The Continental Office may call on sums proportionate to the number of magazines (their cost of printing, handling and postage) mailed in the area of the HCO Area Office, but book ads saying books are available at the Area Office and the ads of the Area Office must be carried in the magazine. All sums additional to magazine cost in both the Area and Continental Office shall be used only to purchase more books, and tapes and to defray expenses of high quality facilities for tape playing and the expenses of Congresses. All Membership monies received by an Area Office, not called upon to defray magazine printing and postage may be retained in the Area Book Account.

CONGRESS FEES

2. All Congress fees shall be received into the Area Book Account of the area where held.

No Congress fees, membership fees, or book monies received may be used for the payment of units, rent (except for Congress Halls) or organization expenses.

USE OF CONGRESS, MEMBERSHIP AND BOOK MONIES

4. Any further use or disposition of Congress fees, membership fees or book receipts shall be at the sole permission, personally signed, of the Executive Director.

FURTHER USE OF CONGRESS, MEMBERSHIP AND BOOK MONIES

5. The HCO Continental Sec and HCO Area Sec or where the HCO Continental Sec is also an Area Sec, by the HCO Continental Sec and the HCO Communicator jointly, or the single signatures of LRH and MSH are requisite on any Book Account cheque for it to be valid and all bank mandates for that account must so state and must include the signatures of LRH and MSH and Marilyn Routson.

BOOK PRICES

6. Book, tape and meter prices are not uniform, Continental Zone to Continental Zone. US and UK prices are on a parity of one pound equals three dollars for easy computation and to make up for exchange delays and fees.

Other Continental Zone book prices are computed on the cost of books generally in the area plus handling and shipping charges.

These prices are published from time to time in "The Auditor."

BOOK TEN PERCENTS

7. Washington and Saint Hill pay 10% of their gross book sales to the Research Fund Account of HCO WW, but only on books actually published and printing paid for by each area. If Washington publishes a book it pays 10% of the gross retail sales price as sold. If Washington, for example pays Saint Hill for a shipment of books and sells them from Washington, then Washington does not pay any 10% and vice versa. Although it is not policy at this time for other offices to reprint books, if one ever does get permission, it will also pay 10% to the Research Fund of HCO WW.

RESEARCH TEN PERCENTS OF GROSS INCOME

8. Central Orgs, City Offices and Franchise Holders contribute 10% of their gross weekly income to various expenses and usages at Saint Hill or to L. Ron Hubbard as Director of Research. But this 10% shall not include payments received for books by anyone.

HCO AREA SEC BONUS

9. The HCO Area Sec is granted a bonus of 2 percent of the gross receipts of the local Book Account.

ASSN SEC/ORG SEC BONUS

10. The Association/Organization Secretary is granted 2 percent of the gross receipts of the HCO Book Account but may not be a signatory to that Account.

HCO CONTINENTAL SEC BONUS

11. The HCO Continental Secretary is paid 1/2 of one percent of each Book Account in the Area, whether or not acting as an HCO Area Sec as well.

CONTINENTAL DIRECTOR BONUS

12. The Continental Director is paid 1/2 of one percent of the gross receipts of each Book Account in his continent, when acting as an Assn/Org Sec or when not.

MONTHLY PAYMENT OF BONUS

13. All such bonuses are payable monthly only, computed on the first of the month.

NO ADVANCES OR LOANS FROM HCO BOOK ACCOUNT

14. No person may be paid such a bonus in advance nor may any loan be made to any person from any HCO Book Account.

HCO BOOK ACCOUNT BONUS SUSPENSION

15. When a Book Account tends to become insolvent by reason of owing more than it receives, bonuses are suspended until the condition alters but in no event less than 60 days.

REGULATIONS CONCERNING HCO BOOK ACCOUNT

16. Book, Congress, Tape and Membership Income may not be used or loaned for any salary sum, expense sum, building fund or past bills of the organization as a whole, but past book and tape bills are an exception.

HCO CHECK BOOK TO SAINT HILL

17. All HCO Area Officers are to send a check book for the HCO Book Account to Saint Hill and to keep St. Hill apprised of the balance in the account monthly, and also to inform St. Hill of any large amounts written against the account locally.

THE BOOM

The whole forward thrust of any boom depends upon:

1. Getting books to orgs.
2. Heavily, even extravagantly, advertising books and filling the orders;
3. Courses in and running per Gradation Chart.
4. Running an excellent Academy.
5. Running an excellent HGC.

Getting books to orgs depends on me, on Saint Hill and upon orgs making sure they're ordered and paid for. If we take care to do just those things we'll see (1) above hugely successful.

It will cost the Assn/Org Sec and HCO Sec money personally not to plaster the place with book ads. They are given no bonus on a net. Only a gross. They get paid a bonus from the book account based on volume not its profit. The Department Heads and Staff get their bonus indirectly by an org driving in a heavy volume through ads and books and the alertness of the Org/Assn Sec and the HCO Sec. Continental also has a vested interest in books flowing and is paid for it. Thus this point is cared for.

Advertising actions are arranged for in the above. Nobody expects magazines to cost any more than they have previously. Magazine costs and postage is dropped from org expenses.

Note also that under this plan the most neglected action in producing income in any area, BOOK ADVERTISEMENT, the No. 1 magic formula of dissemination, is pushed into being by restricting the expenditure of memberships and other HCO Book Account monies until, to get rid of the surplus, book advertisements nationally and locally on a large scale would have to be placed constantly. With quantities of book ads, income from students and pcs as well as books will flood in. It always has. This is the basic formula of the coming boom. Because they cost the org money it could spend and "needed" elsewhere, the number of national magazines printed was curtailed and book ads were dropped out and that has been the chief cause of any financial difficulty in any org.

As local offices and franchise centres become truly active, they will cease to drain off the old timers from the Central Org and stir up more local business of which the Central Org gets its part in courses and pcs.

This all looks pretty favourable to me. I hope it does to you.

LRH wmc amc
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L. RON HUBBARD