

HUBBARD COMMUNICATIONS OFFICE  
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 3 SEPTEMBER 1982

Remimeo  
All Orgs  
FBO and  
D/FBO Hats  
All Executives  
and Staff

Finance Series 35

DEPUTY FBO FOR MARKETING OF ORG  
RESOURCES FOR EXCHANGE (D/FBO FOR M.O.R.E.)

PURPOSE

(This modifies Finance Series 33 as to the post title of the D/FBO, which was formerly Deputy FBO for Marketing, Meters, Books, Tapes & Films.)

References:

HCO PL 27 Jul 82	Finance Series 33 DEPUTY FBOs FOR MARKETING, METERS, BOOKS, TAPES & FILMS
HCO PL 28 May 72	BOOM DATA
HCO PL 9 May 82	BOOKS ARE ASSETS
HCO PL 10 May 82	BOOKSTORE OFFICER HAT
HCO PL 20 May 82	BOOK ACCOUNT STOCK REPORT
HCO PL 15 Apr 82	PLANETARY DISSEMINATION
HCO PL 11 Mar 82	PROPORTIONATE MARKETING
HCO PL 5 Feb 82 II	BOOKS AND MARKETING
HCO PL 2 Sep 82	Finance Series 34 AND THAT IS BANKING

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(Note: Nothing in this PL relieves management in any echelon or division from any duties or functions stated in policy and this PL denoting the purpose of the D/FBO FOR MORE may not be used to offload hats of promotion or sales on the D/FBO Network. Its authority is to see that such hats are worn fully by org posted terminals and only in their neglect or absence to bypass.)

Why are marketing, books, tapes, cassettes, films, insignia, meters and related items in the FBO network?

Well, to begin with such items are assets. And like any asset, any or all of these items are valuable and can be stolen, abused, misused, ripped off or result in loss.

Like money these items can be the subject of exchange and, in times when money is less valuable, these assets might even be more valuable.

Any of these items are cared for by or subject to accounting procedures. They have to be counted and safeguarded just like money. The real basis of all money is goods and goods are more basic than money for money is simply a substitute for goods or services.

In the past these items have been subject to very wide abuses which have affected the health and prosperity of orgs. In earlier times orgs could obtain such items from the Publications Department, sell them and instead of ordering new items, put the money made into the org accounts and spend it for staff pay and so forth. In this way Central Publications activities were subsidizing orgs. This was so bad that orgs actually thought they would go insolvent if they could not illegally misappropriate money for these items for their own use.

This was what began the HCO Book Account. Unless the Book Account is used to replenish stocks, an org will shortly run out of stock and have nothing to sell. This effectively cuts its reach to the public and reduces demand on the org for service GI. A not so nice word for the practice of using book money for running expenses is embezzlement. Thus one has to have a broad and trustworthy network to safeguard against such practices.

But there is an even more fundamental reason why these items are entrusted to and generally overseen by the FBO network.

This has to do with a general principle which is glaring in its omission on this planet. It has to do with the fundamentals of prosperity.

Governments, the tax man, bankers and even accountants on earth (and in most space civilizations as well) operate on the principle that they are there to take money from activities for their own use. It is to be noted that robbers have the same idea. Such entities operate on the basis that their sole activity should be devoted to taking money. This is why you get down economies, why empires go broke, why inflation occurs and innumerable other evils. Such misguided people have a fault in their arithmetic. They think they can take something from nothing and that, let us say, 10% of nothing is something.

There is a different principle which can be applied and this is the principle of making an individual or area so prosperous that the money spills over into your lap. One can, by operating on the third and first dynamic, achieve in abundance any ambition on the first dynamic to have lots of money. All one has to do is to make sure that what he is taking the money from is so prosperous, so well run economically and so financially sound that even a river of money taken from it does not affect its overall prosperity. Now this is real money management.

When I am talking about this second principle I am not talking about economic pie-in-the-sky or Marx or Keynesian crackpot theories like they are. I am talking from a long background of solid economic application which has worked and worked. I could actually point out, just in Dianetics and Scientology management, areas where I have done this repeatedly and successfully. It was at those times that International Reserves swelled. In fact most of the money in Int Reserves was made in exactly this way.

This began a long time ago but we won't go into that. The genus of it is that I like to see people prosperous. I mean them well. This is, by the way, unique. The head of the Federal Reserve -- judging by his financial "practices" -- does not have this attitude. He probably rubs his hands and chortles all night at the thought of people in rags. And I am sure that an IRS man

is never happier than when he has just got through bankrupting a business. Money is a form of power and power is all too often used to crush, suppress and get even with the world.

If one is very clever and knows his business he can actually force into existence unbelievable levels of prosperity for one and all.

Now you won't easily believe this but this second principle is one of the hardest principles to get across in all the lexicons of expertise. One is going up against, as one tries to get this operating, first dynamic fixations. Trying to get people to see that they will continue to make pennies if they persist in trying to rip things off whereas they themselves could make big money if they worked to make their collection points prosperous as their main area of concentration, appears to be very difficult. The people one is trying to convince and get cooperation from have too many examples around them of shortsighted arithmetic. Additionally most of their literature concerns itself with people getting rich by ripping others off. In fact it is apparently deeply engrained in people that there is no other way of life.

But I have an answer to this: one does not closely consult or expect much cooperation from people in applying the second principle above; one simply does it on a bypass. You see this expressed in such a line as, "Drive more business down on an org than it can waste" and that is almost the guiding principle of the Deputy FBO FOR MORE.

So you could draw a little diagram of flows. Here's the FBO attempting to make collections so that the cost of management can be defrayed. Put him on your little diagram over to the upper left. Now put a circle in the middle. This is the org or the service center or the bulk of the civilization. Now put a very thin line from that center circle up to the FBO, now label this line with a money symbol. Now over to the right of that center circle put some very thin arrows pointing at the center circle with zeros on them.

In this first diagram you have outlined a very difficult situation. There is little if any money flowing into the center circle so the money the FBO can get out of that is very close to zilch. This, believe it or not, is the normal pattern in practice in tax offices, banks and etc. Obviously this makes economics and finance very, very, very, very, very difficult.

Now let's draw a second diagram. Let's put the FBO up in the upper left hand corner, let's put the circle in the middle and now let's put a D/FBO up in the upper right hand corner. Now down from the D/FBO draw a number of lines which curve out to the right and then point back to the center circle. Put a money symbol on each one of these lines. This symbolizes the D/FBO driving public money in on the org. Now let's draw a very fat line from the center circle up to the FBO and put a very fat money symbol on it.

You have there in the second diagram the major purpose of the D/FBO.

To understand this one has to understand what marketing does, what books can do, the role of insignia, the actual effect of tapes and cassettes and even meters in full use in public hands. The publics involved are raw public (divided into many categories) and Scientology public (again divided into many categories). If each one of these publics were interestedly active the amount of bleed-off from that activity into the org would be stupendous.

The org and all of its staff would become prosperous and the percentages of money taken by the FBO would hardly be missed. And the money taken by the FBO used in part to create more central marketing activities and to make it profitable to manage the org from afar feeds back into the cycle of public monies into the org.

In other words you get a little machine going here. Regardless of where the org is if it had an efficient FBO keeping it financially honest and on the rails with finance policy and a D/FBO, with or without a checkered coat and megaphone, using every tool to drive business in on the org, you would get a little whirlwind going which would get bigger and bigger and bigger and bigger and bigger.

An org is essentially a service unit and unless it delivers what is being sold and delivers it well it will soon get into trouble but the form of that org and its degree of activity is the basic concern of overall management. When the org does not deliver or delivers badly it gets into refunds and flies back into the teeth of the FBO network. Thus it is of enormous interest to the FBO network, of course, that the org is well managed both on long distance lines and internal lines and there are many networks and management lines and terminals to ensure this.

But what has been the existing state of affairs? In the past orgs have neglected the various publics even to the point of not marketing Book One, the source of all subsequent public demand. Even as I write this a datum is to hand that right this minute when the Pubs Organization sends out promo to orgs a number of them simply take it off the express and put it into a closet. I can assure you that that closet is not going to buy any training or processing. The amount of income lost is really income not made. The potential of income generated by promotion, if not realized, is actually a loss. Poor promotion angled for the wrong publics, promotion material not used or simply no promotion at all is about the most expensive loss now being experienced. It is, at minimum, in terms of millions a week. But you must realize that promo itself is an asset. It costs money. It has to be well used and it should not be wasted.

Films shown incorrectly or not shown at all are a loss of not made income. The public, not knowing they exist or that if they sign up for training they will see films not otherwise available, does not sign up.

People who have read DN and SCN books, as any Registrar will tell you, are very easy to sign up. People who have not are very difficult to sign up.

On the subject of insignia, if the image and symbols of Dianetics and Scientology are not seen around it remains to that degree, unknown.

Tape plays in the org and cassette sales outside the org make the public aware of the product and when these are dropped out the whole purpose of Dianetics and Scientology tends to become lost.

If field auditors are not auditing, buying updated packs and using good meters, the field is not only relatively inactive, one gets a poor word of mouth in the field which makes it difficult to push business down on the org.

The tools of the Deputy FBO are any of those connected with marketing, promotion, PR, advertising, merchandising, and are actually pretty standard tools. We have a lot of advance tech on this subject and all of it is of interest and it needs to be applied at org level. But historically unless there is somebody

there making sure that these tools are used, it hasn't happened. The D/FBO network is the first time ever that there has been an international control of marketing, promotion, advertising, PR etc.

Thus we see that the D/FBO is safeguarding assets and making sure they are not neglected or abused and getting those assets into full use so that the resultant exchange with the public and the org brings about a prosperity which makes the functions of the FBO much easier and indeed, even possible.

We have in Dianetics and Scientology a highly desirable product which is unique and effective. The public demand for it is proportionate only to the degree that it is made known and made available. It quite honestly works. And if properly delivered results in rave individual results. That of course is a statement of minimum scope concerning these subjects: they go far beyond that.

Historically, if you care to look on the 32 year backtrack, I have had to wear the hat of applying that second principle described above. I have also had the hat of "driving more business down on the orgs than they could waste."

It is a great relief to have somebody else wearing this hat.

Wear it well.

L. RON HUBBARD  
FOUNDER

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