



WORLD SERVICE OFFICE, INC.

P.O. Box 9999
Van Nuys, CA 91409
(818) 780-3951

January 18, 1990

To: WSC Participants

From: Stuart Tooredman, Chairperson
WSO Board of Directors

Re: Update on Lawsuit, Group Registrations

As of January 4th, 1990, the WSO has entered into a settlement agreement with one individual over the production and distribution of Book One of the basic text. The agreement and the attached order are included, along with a statement from all concerned which will be published in the January Fellowship Report, the Newslines, and The N.A. Way.

The full transcript of the Federal Court hearing is available from the WSO for \$7.00. The material to be provided as part of the agreement, to Regions and Areas, will be mailed the first week in February.

Additionally, we will be asking you to help us register all N.A. groups by first providing us with updated ASC information. That mailing will follow shortly and we thank you in advance for your cooperation.

If we may be of any further assistance or provide further information please do not hesitate contact us.

AGREEMENT

This is an Agreement entered into this 4th day of January, 1991 between World Service Office, Inc., (hereinafter "WSO") a charitable corporation with a principal place of business at 16155 Wyandotte Street, Van Nuys, California, 90025, and David Moorhead, an individual residing at 1110 Palmer Street, Philadelphia, Pennsylvania, 19120 (hereinafter "Moorhead").

Whereas WSO and Moorhead have been engaged in litigation in Civil Action No. 90-7631, in the United States District Court for the Eastern District of Pennsylvania, concerning certain copyrights, trademarks and service marks held in trust by WSO;

Whereas the parties are desirous of amicably resolving the above noted litigation;

It is hereby agreed by and between the undersigned parties who intend to be legally bound thereby, as of the date of the entry of the ORDER, attached hereto as Exhibit A, as follows:

1. Civil Action 90-7631 shall be terminated subject to the entry by the Court of the ORDER, attached hereto as Exhibit A.

2. Moorhead hereby covenants and warrants: that he produced approximately 9,000 copies of a book incorporating portions of the Basic Text of Narcotics Anonymous, which was identified as an infringement in the Complaint in Civil Action No 90-7631; that he is no longer in possession of any of said approximate 9,000 copies; and that he has destroyed any and all printing plates or other apparatus associated with the manufacture or production of said

approximate 9000 copies.

3. Moorhead and WSO hereby agree, that in an effort to heal any wounds caused by the controversy which led to the above referenced litigation, a Statement shall be published in the January 1991 Fellowship Report and the next editions of the Newsline and the NA Way containing the signatures of Messrs. George Hollahan, Stuart Tooredman and David Moorhead. The contents shall be agreed to by all three individuals and be published to the Fellowship of Narcotics Anonymous. This Statement shall: (a) reference the controversy which led to the above litigation, and include a call for peace within the Fellowship of Narcotics Anonymous; (b) include a call for a full and adequate discussion of the issues which led to the above litigation; and (c) include an admonishment against any recrimination within the Fellowship of Narcotics Anonymous as a result of the controversy which led to the above litigation.

4. WSO agrees to place, without comment, but with an introduction, the following Motions in the 1991 Conference Agenda Report of the World Service Conference ("WSC"), which shall immediately follow the publication, in their entirety, of the closing remarks of The Honorable Lewis H. Pollak entered at ~~the~~ a Preliminary Hearing held on Wednesday, January 2, 1991, in the United States District Court in Philadelphia, PA., prior to the announcement of any judgment.

Motion 1

That the Fellowship reconsider its decision on which

Edition, or parts thereof, (1st, 2nd, 3rd, 3rd Revised, 4th, or 5th) of the Basic Text shall be produced and distributed by the WSO as the official and accepted text of Narcotics Anonymous.

In order for this Motion to be considered, a description of the differences between the respective Editions will be sent to each registered area and region, along with a copy of the complete Basic Text Third Edition, Revised. It is expected that the WSC will rescind the motions adopted in 1988, which adopted the Fifth Edition as the Basic Text, as well as the motion restricting any change to the Text for five years.

Motion 2

That the WSO produce, at a reduced price, the Edition of the Text ratified by the WSC. The actual price of this text should be determined in view of the following factors: its ^S~~its~~ affordability to the membership at large; a change in the cost and quality of the materials used in producing the book; the responsibility of the WSO to provide services from the income generated by sales of the Basic Text; and whether it includes personal stories or only the first ten chapters.

Done
SH 1/4/90

Motion 3

That the WSC be directed to obtain a group by group tally of all the groups registered with the WSO, on Motions 1 and 2 above. This procedure will begin on July

1, 1991 and continue through December 31, 1991. All registered groups shall receive a copy of a paper detailing the differences between the Editions of the Basic Text, and a complete copy of the Basic Text Third Edition Revised. In addition, each group shall receive complete information concerning the issues relevant to a reduction in the price of the ratified Text.

The committee appointed to supervise this tally shall consist of the following: four RSR's, to be nominated by the entire group of RSR's in attendance at the 1991 WSC; two Trustees to be nominated by the members of the World Service Board of Trustees; two WSO Directors, to be nominated by the Directors of the WSO; and the WSC Chairperson. Those nominated by the RSR's, Trustees and Directors, respectively, are to be submitted to the World Service Conference in 1991 for confirmation by two-thirds published roll-call vote, failing which, those not confirmed shall be replaced by others nominated by the RSR's, the Trustees, or the Directors, respectively. Two members of the WSO staff shall also be assigned as non-voting advisory members. The results of the group by group tally shall be published in the Fellowship Report and confirmed as official at World Service Conference in 1992.

5. This agreement represents the complete agreement of the parties and is to be construed and enforced pursuant to the laws of

the Commonwealth of Pennsylvania.

6. WSO and Moorhead hereby unconditionally grant mutual releases to each other, their successors, predecessors, officers, employees and directors for all causes, claims or demands, both in law and equity, arising from the beginning of the world until the execution date of this agreement.

Date: I, 4, 91

David Moorhead (Seal)
David Moorhead

World Service Office, Inc.

Date: 1/4/91

by George Hollahan (Seal)
George Hollahan
Assistant Executive Director

EXHIBIT A

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

WORLD SERVICE OFFICE, INC., a :
Charitable Corporation and :
Trustee of the Copyrights, :
Trademarks and Service Marks :
for the Fellowship of :
Narcotics Anonymous :
Plaintiff :
v. : Civil Action No. 90-7631
DAVID MOORHEAD, :
Defendant. :

ORDER

Having come before me this 4 day of January, 1991,
upon the joint Application of the parties, it is hereby finally
ordered as follows:

Defendant, David Moorhead is hereby permanently
enjoined, subject to the terms and conditions of the Agreement
appended hereto and incorporated by reference as if set forth in
full, from:

1. Using, selling, or trading in any manner utilizing the
federally registered and common law trademark and service mark
"NARCOTICS ANONYMOUS";

2. Reproducing, copying, distributing, or selling works
identified in the following subsisting copyright registrations,
or portions thereof:

(a) United States Copyright Registration TX2 837 638,

entitled "Narcotics Anonymous" (5th Edition);

(b) United States Copyright Registration TX2 254 607,
entitled "Narcotics Anonymous" (4th Edition);

(c) United States Copyright Registration TX2 250 588,
entitled "Narcotics Anonymous" (3rd Edition Revised);

(d) United States Copyright Registration TX2 342 402,
entitled "Narcotics Anonymous" (3rd Edition);

(e) United States Copyright Registration TX2 250 589,
entitled "Narcotics Anonymous" (2nd Edition);

(f) United States Copyright Registration TX2 112 598,
entitled "Narcotics Anonymous" (1st Edition);

3. Using, authorizing, or causing the use of "Narcotics Anonymous" or any colorable imitation thereof, in or on any books, pamphlets, letterhead, business cards, signs, brochures, directories, advertisements, promotional items, or otherwise, as a name or mark purportedly identifying the Defendant Moorhead or any services or goods offered or proposed to be offered by Defendant Moorhead;

4. Directly aiding, abetting or encouraging others to engage in any of the proscribed activities set forth in paragraphs 1 to 3.

The Court hereby retains continuing jurisdiction over the enforcement of this Order and the Agreement appended hereto.

SO ORDERED:

Date: January 4, 1991

Irwin H. Pollak
Pollak, J.

OUR COMMITMENT TO UNITY

Over the years, members of our fellowship have struggled to resolve a variety of questions: How should our world services, and particularly our World Service Office, be administered? What is the proper relationship between world services and the rest of the fellowship? What are the appropriate means for developing, approving, and producing N.A. literature? How do we apply N.A.'s Twelve Traditions?

Recently, those issues came to a head when World Service Office, Inc., filed a federal suit in a controversy over the alleged infringement of N.A. literature copyrights. On one hand, there were members who felt the fellowship needed an easily affordable recovery text. Those members decided to print the Basic Text themselves. While recognizing the importance of the related internal issues, the WSO Board of Directors felt a responsibility to take action it believed would protect the fellowship's legal rights to its own literature.

Both parties came to court on January 2, 1991. The result of their confrontation was far different from what either party expected, and far more beneficial for the N.A. Fellowship. In the course of the hearing, both parties became increasingly aware of the importance of N.A.'s primary purpose and the wisdom of our Twelve Traditions. The parties involved in the dispute were encouraged to seek an agreement among themselves, rather than place the court in the position of having to settle it for them. Their intensive negotiations and consultations, guided by the spirit of our traditions, were successful.

On January 4, the parties appeared again in federal court, agreement in hand. Their settlement not only resolved the lawsuit, but also described a procedure whereby the N.A. Fellowship could settle the longstanding internal issues which had led to the controversy and resulting lawsuit. The parties involved in the suit left court in unity, prepared to give their full energies to fulfilling the agreement they had made.

The status of our fellowship's trademarks and literary copyrights has not changed. There were no "losers" in the agreement. The January 4 settlement will, we hope, benefit the entire N.A. Fellowship.

Narcotics Anonymous has the chance to resolve some long-standing issues, issues which have repeatedly caused controversy and grief in our services and in our fellowship. The agreement reached gives the N.A. groups the choice to vote directly on these matters.

Three motions appear in the WSO Board of Directors section of the 1991 *Conference Agenda Report*: Which edition of the Basic Text, or parts thereof, is the one most preferred by the N.A. Fellowship? After considering all factors, do the N.A. groups want the WSO to produce a low-cost version of the Basic Text? Do the N.A. groups themselves wish to vote directly on these questions? If we are thorough in considering the issues surrounding these questions, diligent in producing answers to them, patient in discussing them with one another, and willing to abide by whatever decisions the fellowship as a whole finally arrives at, Narcotics Anonymous will have peace and unity.

It is our belief that the time has come to put aside all hostility arising from whatever disagreements we may have over issues of fellowship policy. We know that many of our members have much to share about the issues surrounding the motions that appear in the *Conference Agenda Report*. Let us all place our cards on the table and confront the issues squarely and honestly.

By entering into this agreement in good faith, we have put aside any further intention to settle this particular controversy by means of litigation. While the fellowship attends to the issues being put before it, we encourage everyone to cease attacking one another.

We are all deeply saddened that N.A. members and groups on both sides of the table have felt the pain of rejection for their roles in this affair. N.A. members and groups on both sides of the table have been threatened and punished for their roles in this affair. Meetings have been removed from N.A. directories. Group and area representatives have been excluded from their ASC and RSC meetings. Individual trusted servants have been forced to resign. We ask the entire N.A. Fellowship--our members, groups, service boards, and committees--to cease such behavior. Those engaged in activities that could be considered controversial are asked to reflect on how their actions might affect their fellow members. We must find a way to talk about the issues before our fellowship without declaring war on one another.

Our fellowship has arrived at a point where it must resolve the controversies that are plaguing it. A solution may not appear overnight. We must commit ourselves to the process of forging that solution through prayer, study, discussion, and debate. The decisions our fellowship will make in this matter affect us all, and we are all responsible to take part in making them. If we do so with trust in a loving God, mindful of our fellowship's primary purpose, for our own good and for the good of the addict we have yet to reach with our message, all will be well.

With high hopes,

Stuart Tooredman

1-16-91

Stuart Tooredman

date

Dave Moorhead

1/16/91

Dave Moorhead

date

George Hollahan

1-16-91

George Hollahan

date