

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

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4 WORLD SERVICE OFFICE, INC. : CIVIL ACTION

5
6 vs. :

7 DAVID MOORHEAD : NO. 90-7631
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11 PHILADELPHIA, PENNSYLVANIA
12 January 2, 1991
13 BEFORE HONORABLE LOUIS H. POLLAK, J.

14 APPEARANCES:
15 FOR THE PLAINTIFF: SYNNESTVEDT & LECHNER
16 BY: JOHN T. SYNNESTVEDT, ESQUIRE
17 SCOTT J. FIELDS, ESQUIRE
18 2600 One Reading Center
19 1101 Market Street
20 Philadelphia, Pennsylvania 19107
21 FOR THE DEFENDANT: DAVID MOORHEAD,
22 Pro Se

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SYNNESTVEDT & LECHNER	
ATTN:	JTS/SJF

1 (The Court began the proceedings at 10:50 a.m.)

2 THE COURT: We are here in the matter of World
3 Service Office versus David Moorhead. This is a lawsuit
4 in which the plaintiff, World Service Office, is alleging
5 that the defendant, Mr. Moorhead, is engaged in the
6 distribution of texts which the plaintiff has a federally
7 protected proprietary interest in under the copyright and
8 trademark provisions of federal legislation. And it is
9 also alleged that the distributions violate certain
10 common law rights, including an entitlement on the
11 plaintiff's behalf to be free from what is called unfair
12 competition by defendant.

13 The immediate application is the catalyst for
14 today's hearing, which is an application for a Temporary
15 Restraining Order pending further activity in this
16 lawsuit, a lawsuit which was begun very recently in
17 December; in particular, pending the hearing by this
18 court of an application for a preliminary injunction
19 restraining Mr. Moorhead from various distributions and
20 related activities that are intended by the plaintiff to
21 be destructive of the plaintiff's rights.

22 Plaintiff seeks a temporary restraining order to
23 maintain the status quo pending consideration of a
24 preliminary injunction application; maintenance of the
25 status quo by requiring the defendant to desist from

1 distributions on other related activities that plaintiff
2 contends would cause it irreparable injury pending
3 consideration of the application for a preliminary
4 injunction. So it is that which brings us to court this
5 morning.

6 Now, I talked on the phone with plaintiff's
7 counsel, Mr. Synnestvedt. I believe Mr. Fields was on
8 the phone at the same time and with the defendant, Mr.
9 Moorhead, who at the time was uncounseled. Actually,
10 we've had two telephone conversations. They were
11 approximately a week apart; I believe one about the 20th,
12 and the second about the 27th of December.

13 The second of those conversations, I scheduled
14 today's hearing, but I called upon the parties to
15 undertake to see if they could reach at least some
16 interim agreements that would obviate the need for
17 holding a hearing today. If possible, through
18 discussion, the parties could arrive at mutually
19 acceptable arrangements, while not perhaps representing
20 in full what either party would want, acceptably preserve
21 a status quo until such time comes as we proceed on the
22 application for a preliminary injunction, a time which
23 would be some weeks hence.

24 Of course, I also hoped, but not with any great
25 confidence, that the parties by talking together might

1 indeed be able to work out a comprehensive resolution of
2 their difficulties. Since that last conversation, I have
3 received communications which have not been very
4 encouraging.

5 Mr. Moorhead wrote me on the 28th. Well,
6 actually, what Mr. Moorhead sent me was not a letter to
7 me, but copies of two letters from himself to Messrs.
8 Synnestvedt and Fields dated December 28th. Both of
9 those expressed the sense that up to that point there was
10 no meeting of the minds, and he had reflected Mr.
11 Moorhead's readiness to continue talking.

12 Meanwhile, Mr. Synnestvedt also wrote me on the
13 28th -- his was a letter to me with a copy to Mr.
14 Moorhead -- "unfortunately, we report that we were unable
15 to reach an agreement with the defendant despite
16 considerable efforts expended by both parties last
17 evening and today."

18 I also received in the mail, but I don't know
19 from whom, a xerox copy of -- it is evidently a letter
20 from a Mr. Emmons, Greg Emmons to David M. dated December
21 27, 1990, and it appears from the letter that Mr. Emmons
22 is a lawyer in Doylestown, but was advising Mr. M -- who
23 I take it that this is related to our situation, that
24 internally it appears to be since it speaks of litigation
25 brought on by the World Service Office -- expressed, Mr.

1 Emmons, regrets that he cannot serve as Mr. M's lawyer.
2 He expressed a willingness to serve as an arbitrator, if
3 the case moved to any such stage.

4 Is this a -- well, let me inquire. Mr.
5 Moorhead, is this a communication that was sent to me by
6 you? Do you know what I'm talking about?

7 MR. MOORHEAD: Sir, if you would show it to me,
8 I could identify it for you.

9 MR. SYNNESTVEDT: It's unfamiliar to me, Your
10 Honor.

11 MR. MOORHEAD: Yes, sir, that is something that
12 I sent to you.

13 MR. SYNNESTVEDT: May I look at it, Your Honor?

14 THE COURT: Of course. Anything that is sent to
15 the Court by one of the parties, of course, should be
16 sent to the other side.

17 MR. SYNNESTVEDT: No, it was not sent to me,
18 Your Honor, at least I have not received it.

19 THE COURT: Mr. Bach, I wonder if I could ask
20 you to make a copy of that, and give that to Mr.
21 Synnestvedt.

22 MR. MOORHEAD: Your Honor, not being a lawyer,
23 I'm not familiar with all the various and sundry
24 procedures that are required, and I beg the Court to
25 understand. I'm not trying to in any way, you know, make

1 it more difficult for the opposing counsel.

2 THE COURT: I'm sure that's true. I'm sure Mr.
3 Synnestvedt understands that. The basic ground rule, Mr.
4 Moorhead, that you should be aware of as long as you are
5 unrepresented by counsel, is that -- well, it's
6 two-fold. It is, first of all, that anything that is
7 sent to the Court must be filed with the clerk's office,
8 so that it becomes in some formal sense a document of
9 record. It's entirely appropriate to send a copy.
10 Indeed, it's an appreciated courtesy to send a copy of
11 materials that are filed with the clerk's office to the
12 Judge. But the parties have a responsibility to see to
13 it that documents are filed with the clerk's office so
14 that there is a running formal record, and that filing is
15 not accomplished simply by sending communications to the
16 Judge or the Judge's chambers.

17 The other procedural principle that you should
18 have in mind, Mr. Moorhead, is that anything that is
19 submitted in a court proceeding to the Court, that is
20 filed with the clerk's office and sent to the Judge, must
21 also be served on the other party or parties.

22 Now, in our last phone conversation, Mr.
23 Moorhead and Mr. Synnestvedt, we did talk about the
24 questions, Mr. Moorhead, of your being represented by
25 counsel, and I was led to understand that you were

1 continuing to talk to lawyers, but I see you here today
2 without any lawyer with you.

3 Are there any current prospects of your having
4 an attorney?

5 MR. MOORHEAD: Well, sir, yes. However, the
6 only one that indicated that they would be willing was
7 asking for \$10,000. All of the volunteer agencies due to
8 the snow and their volunteers year-end with their regular
9 firms and all that stuff, they were not able to do any
10 intakes on me. They were not, you know, able to provide
11 anything. And, in fact, a lot of them were shutdown for
12 a week. It's a very strange situation for me, Your
13 Honor.

14 THE COURT: Well, you told me on the phone when
15 we were talking on the phone that you expected to see
16 somebody on Monday. That would be last Monday, the
17 31st?

18 MR. MOORHEAD: Yes, sir.

19 THE COURT: I take it that was not fruitful, or
20 is there to be some further meeting?

21 MR. MOORHEAD: That is correct, it was not
22 fruitful. I went on Friday as well. I showed up in the
23 snow. They told me to come in. When I got there, there
24 was no -- nobody showed up to do any intake. I
25 subsequently called the VIP main office, and they had --

1 Karen Foreman was not there. The only person that was
2 there was the secretary.

3 I mean, you know, I really believe that I tried
4 to do my best to obtain counsel, and I'm continuing in
5 that endeavor.

6 THE COURT: Well, now that the holidays are
7 over, would you be back in touch with VIP or other of
8 these agencies?

9 MR. MOORHEAD: Absolutely, sir.

10 THE COURT: All right, good. Well, I think for
11 today's purposes we will have to go forward as we are now
12 situated. I regret that you don't have counsel with you,
13 Mr. Moorhead, but we'll all undertake to take account of
14 that fact.

15 Mr. Wolfe has suggested another attorney, whose
16 name you might well like to have who is very able,
17 indeed, and does certainly a certain amount of pro bono
18 work; Julie Shapiro. Her number is listed here in the
19 Legal Directory as 922-5135. Her current office listing
20 is very close to here over in the Bourse Building. If
21 she is available, she certainly would be a very good
22 suggestion, very capable.

23 Well, we will proceed now. Mr. Synnestvedt has
24 since submitted a statement, which I take it has been
25 communicated also to Mr. Moorhead. It arrived in my

1 chambers this morning. It is a statement identifying
2 witnesses and documents to be relied upon by the
3 plaintiff at today's hearing.

4 Good. Well, Mr. Synnestvedt, I'll turn the
5 lectern over to you, sir.

6 MR. SYNNESTVEDT: Thank you, Your Honor.

7 THE COURT: I say I turn the lectern over. I
8 don't mean that you're obliged to speak from there, if
9 you'd be more comfortable sitting at counsel table. You
10 and Mr. Moorhead both may find it easier to have access
11 to papers sitting at the table. You may proceed any way
12 you wish.

13 MR. SYNNESTVEDT: I'd like to call Mr. George
14 Hollahan to the stand.

15 THE COURT: All right.

16 GEORGE LOVETT HOLLAHAN, III, was duly sworn.

17 DIRECT EXAMINATION

18 BY MR. SYNNESTVEDT:

19 Q. What is your address, Mr. Hollahan?

20 A. My home address?

21 Q. Yes, please.

22 A. 18936 Kilfinan Street, Northridge, California.

23 Q. What is your occupation?

24 A. I am an executive assistant at the World Service
25 Office.

1 Q. Could you indicate your duties and functions for us,
2 please?

3 A. My responsibility is to oversee the Fellowship
4 Services of the World Service Office. Among the
5 departments in that division includes the Literature and
6 Translations Department, the Group Services Department,
7 the Hospital and Institutions Department, the Public
8 Information Department and the International Department.

9 Q. Are you testifying today in your capacity as an
10 executive assistant at World Service Office?

11 A. Yes, I am.

12 Q. How long have you been associated with the operation
13 of the Fellowship of Narcotics Anonymous?

14 A. Over ten and-a-half years.

15 Q. Will you please briefly describe the history of the
16 Fellowship of Narcotics Anonymous?

17 A. The Fellowship, where we understand where we
18 started, was in 1953 in southern California. A group of
19 members, who had previously attended an Alcoholics
20 Anonymous meeting who were looking for something more
21 appropriate to their recovery, began the first meetings
22 of Narcotics Anonymous in 1953.

23 During the 1950's and 1960's, it was very slow.
24 There was not a whole lot of change in the organization
25 at the time. It consisted of small groups located mainly

1 in California, both in southern and northern California.

2 Beginning in the mid 1970's, the Fellowship
3 began to experience a profound growth which continued on
4 through the 1980's.

5 Narcotics Anonymous adapted principles that had
6 been used by Alcoholics Anonymous. There are 12 steps
7 and 12 traditions, and adapted them for our use.

8 That is our original formation of our groups in
9 the way that the Fellowship started.

10 Q. Will you briefly now describe the philosophy of
11 Narcotics Anonymous?

12 A. Well, the philosophy of Narcotics Anonymous is
13 stated in what we call the 12 traditions. The 12
14 traditions are a set of 12 principles by which we as a
15 Fellowship interact with one another and also interact
16 within the society around us.

17 These principles -- the principle of the first
18 tradition is in a unity of our common welfare, that the
19 good of the whole is our main concern, although the good
20 of the individual is to follow shortly thereafter.

21 The other principles that are outlined in our
22 tradition includes the second tradition that provides for
23 an ultimate authority as expressed through each group's
24 conscience. It also provides what we call trusted
25 servants or NA leadership.

1 The third tradition talks about the only
2 requirement for membership being the desire to stop
3 using, meaning that anyone who suffers from addiction is
4 welcome.

5 The fourth tradition goes on to restate again
6 what the first tradition says, that our groups are
7 autonomous, and only in matters affecting other groups as
8 a whole should they consult outside of their conscience.

9 The fifth tradition talks about the primary
10 purpose, and that is to carry the message.

11 The sixth tradition talks about not endorsing
12 any outside enterprises.

13 The seventh tradition talks about Narcotics
14 Anonymous remaining self-supporting, declining outside
15 contributions of any kind.

16 The eighth tradition talks against the
17 professionalism of Narcotics Anonymous and provides for
18 service centers.

19 The ninth tradition provides for a service
20 structure.

21 The tenth tradition talks about NA not having an
22 opinion on an outside issue.

23 The eleventh tradition speaks to our public
24 relations policy and personal anonymity.

25 And the twelfth tradition talks about practicing

1 principles of personalities. That is the general
2 philosophy of NA.

3 Q. Approximately, how many members are there in
4 Narcotics Anonymous?

5 A. I would estimate that there is somewhere
6 approximately 400,000 members across the world.

7 Q. And approximately how many members -- how many
8 groups are there?

9 A. We estimate that there are some 20,000 groups across
10 the world.

11 Q. Now, you mentioned a service structure. What is the
12 service structure of Narcotics Anonymous?

13 A. Service structure is created by our groups to do
14 those things that the groups can't do or shouldn't do
15 among themselves. They consist of what we call an area
16 service committee, which is a localized committee, more
17 in line with a metropolitan or county type of system. It
18 is in the area committees that most of the service work
19 is actually done.

20 The next level of organization is our regional
21 service committees, which are more or less on the same
22 lines as state boundaries. The purpose of the regions is
23 to bring together those areas in groups that they serve
24 within their boundaries, and to bring together the
25 Fellowship to large gatherings, and discuss issues that

1 are important to the Fellowship within the area that they
2 serve, and also discuss World Service issues.

3 The World Service Conference is the place where
4 all the representatives from the different regions across
5 the world come together once a year to discuss issues
6 facing the Fellowship as a whole.

7 Q. You mentioned World Service Conference. What does
8 the World Service Conference do?

9 A. The World Service Conference meets annually to
10 discuss those issues that have been put out to the
11 Fellowship 90 days in advance.

12 It also discusses issues that concern the three
13 World Service arms, which consist of the World Service
14 Conference Committees, the World Service Board of
15 Trustees, and the World Service Office.

16 Q. World Service Office being the plaintiff in these
17 proceedings; is that correct?

18 A. Yes, sir.

19 Q. Would you describe now for us the World Service
20 Office?

21 A. The World Service Office was initially created back
22 in the mid 1970's as a place where Narcotics Anonymous
23 literature could be produced and published and
24 protected. It also served as a main communication for
25 the Fellowship at large in its later days. The original

1 creation of the office was to provide the Fellowship with
2 a legally recognized entity by which the Fellowship could
3 conduct business with the society around it, be able to
4 protect our literature and protect the properties of
5 Narcotics Anonymous as approved by the World Service
6 Conference.

7 The other responsibilities have grown over the
8 years. Certainly one of the chief responsibilities is
9 the distribution of that literature to our groups and to
10 the general public.

11 The other responsibility we have is really
12 serving as the main center of communication within the
13 Fellowship. It's usually done in a variety of ways,
14 through telephone calls, mailings, newsletters, these
15 types of things.

16 We have also become involved with giving
17 administrative support to the conference committees and
18 the World Service Board of Trustees, and the carrying on
19 of their work.

20 Q. Is the World Service Office a corporation?

21 A. Yes, it is.

22 Q. Is it a corporation for profit?

23 A. It is a non-profit corporation.

24 Q. How is Narcotics Anonymous Fellowship literature
25 developed and approved?

1 A. Well, it can be initially developed in a variety of
2 ways. Sometimes it can be initiated by an individual
3 member. It can be developed within a committee. But any
4 literature that is offered to the Fellowship and proposed
5 to the Fellowship is given to the World Service
6 Conference, the literature committee, who then goes about
7 a process in developing that literature, making sure that
8 the message is consistent with the message of Narcotics
9 Anonymous.

10 The literature committee is made up of members
11 from around the Fellowship so that it gives a unified
12 focus. And one of the responsibilities of the literature
13 committee is to put a piece of literature in final form,
14 and then offer it to the Fellowship, and eventually
15 having the World Service Conference approve it, who then
16 hands it over to the World Service Office to produce and
17 publish.

18 Q. Do you have a personal relationship or
19 responsibilities with relation to the literature
20 committee?

21 A. I oversee the general administration and
22 coordination of the literature activities of the World
23 Service Office.

24 Q. Who holds the legal title to the copyrights,
25 trademarks and servicemarks of the publishing?

1 A. The World Service Office, Incorporated.

2 Q. Has the World Service Conference ever allowed the
3 World Service Office to produce the duplication of
4 literature?

5 A. Only in four instances where there have been
6 agreements which the Fellowship committee oversees.

7 Q. Has World Service Conference permitted World Service
8 Office to grant permission to any individuals, any
9 entities other than those four service offices which you
10 mentioned?

11 A. No, sir.

12 Q. Did the last World Service Conference ever ask the
13 World Service Office to take action to enforce the
14 trademark and copyright rights of the Fellowship?

15 A. Yes, it has. The conference has approved in the
16 early 1980's by accepting the by-laws of the World
17 Service Office, setting up the fiduciary trust
18 relationship, and the responsibility of protecting NA's
19 literature. And again in 1989, when the manager and
20 chairperson of the World Service Office asked the World
21 Service Conference for permission to proceed legally
22 against infringers.

23 Q. How many works does the World Service office
24 currently publish?

25 A. We publish one book titled Narcotics Anonymous, also

1 known as our Basic Text. We also produce about 20
2 different pamphlets, them plus handbooks and various
3 materials, such as key tags and medallions for the
4 Fellowship at large.

5 Q. Is the book that you referred to as the Basic Text
6 the most important of these works that are published by
7 the World Service Office?

8 A. Yes, it is.

9 THE COURT: I wonder if I might break in for a
10 moment, Mr. Synnestvedt.

11 BY THE COURT:

12 Q. Mr. Hollahan, you described an instance or two in
13 which the World Service Conference has instructed the
14 World Service Office. Now, that would be what, by vote
15 of the conferees?

16 A. Or by consensus, asking for a consensus of the
17 conference.

18 Q. Apart from directives from the conference, who makes
19 decisions for the World Service Office?

20 A. There is a board of directors which consists of 12
21 members who are elected directly and indirectly by the
22 conference.

23 Q. You say elected directly and indirectly?

24 A. Well, we have a system that creates a pool of
25 nominations from which the board of directors may

1 select. I believe it's three members to serve a one-year
2 term each year. So it's a pool of nominees, preferably
3 more than the number of seats that are available by which
4 the remaining members of the board select to sit for a
5 year.

6 Q. And the term of a director is a year?

7 A. The term of directors -- there's two terms. Three
8 of them will serve one-year terms, and the other nine
9 serve three-year terms and may be elected again.

10 Q. Now, responsive to the board of directors is a -- is
11 some sort of executive secretary or something of the
12 sort, some group of officials of whom you are one?

13 A. Yes. There are approximately 40 employees of the
14 World Service Office who are directly answerable to the
15 board of directors.

16 Q. Your title is executive assistant?

17 A. That is my title, my classification. My official
18 title is administrator for Fellowship Services.

19 Q. Administrator for Fellowship Services?

20 A. Yes, sir.

21 Q. And to whom are you accountable?

22 A. Well, under normal circumstances, I would be
23 accountable to an executive director, but right now we do
24 not have an executive director, and the board of
25 directors is searching for a nominee to replace the

1 executive director.

2 Q. Am I wrong in thinking that you have an acting
3 executive director? I thought I saw a reference in the
4 papers that have come before me.

5 A. Stuart Tooredman serves as the chairperson of the
6 WSO board of directors, and has been also appointed to
7 serve as the interim executive director of the office.

8 Q. Does that mean that you are then, in terms of
9 executive hierarchy, accountable to Mr. Tooredman?

10 A. Yes, sir, I meet with Mr. Tooredman regularly on a
11 regular basis.

12 Q. I know you are speaking to me because I'm asking you
13 questions, but try and project your voice out so that
14 everybody in the court can hear. I see, all right.

15 And are there other executive officials at, say,
16 approximately at your level?

17 A. Yes, sir, there is someone who holds a light title,
18 what we call the support services division of the
19 office.

20 THE COURT: All right, Mr. Synnestvedt, I
21 apologize for intruding. I just wanted to get a little
22 more sense of structure here.

23 MR. SYNNESTVEDT: No intrusion, sir. Thank
24 you.

25 BY MR. SYNNESTVEDT:

1 Q. I ask the reporter to mark a document as Plaintiff's
2 Exhibit 1. I hand you Plaintiff's Exhibit 1, and ask if
3 you can identify it?

4 A. Yes, sir, this is my deposition that I signed --

5 Q. Excuse me, your declaration.

6 A. My declaration that I signed on November 27th,
7 1990.

8 MR. SYNNESTVEDT: Your Honor, you already have a
9 copy in the papers that we filed.

10 THE COURT: Yes.

11 MR. SYNNESTVEDT: Mr. Moorhead has a copy.

12 BY MR. SYNNESTVEDT:

13 Q. Mr. Hollahan, are the statements made in the
14 declaration true, to the best of your knowledge,
15 information and belief?

16 A. Yes, sir, they are.

17 MR. SYNNESTVEDT: Your Honor, I want to now
18 introduce a copy of the Basic Text. I have only two
19 copies. I'd like to have one for the Court and retain
20 one for myself. I'm sure Mr. Moorhead has plenty of
21 copies.

22 THE COURT: Let's make sure that he does.

23 MR. SYNNESTVEDT: Do you have copies of the
24 Basic Text?

25 MR. MOORHEAD: I've never purchased the Fifth

1 Edition of the Basic Text, Your Honor.

2 MR. SYNNESTVEDT: We'll supply Mr. Moorhead with
3 a copy, Your Honor.

4 THE COURT: All right, you don't have one that's
5 now available to give him?

6 MR. SYNNESTVEDT: I'll give him my copy, Your
7 Honor. I'm marking this as Plaintiff's 2.

8 BY MR. SYNNESTVEDT:

9 Q. I'll ask the witness to identify it as the Basic
10 Text of Narcotics Anonymous.

11 A. Yes, this is the Basic Text of Narcotics Anonymous
12 known as the Fifth Edition.

13 Q. Is that the most recent edition?

14 A. Yes, it is.

15 Q. What is the price of the authorized Basic Text?

16 A. \$8.

17 Q. Will you briefly describe the contents of the Basic
18 Text for us?

19 A. The Basic Text is divided into two books. Book one
20 consists of the sharing of experience through a unified
21 voice of different subjects important to the members of
22 Narcotics Anonymous. There are descriptions, for
23 instance, of who is an addict. There are descriptions --
24 chapters based on our 12 steps with brief essays. There
25 is also a chapter about our 12 traditions with brief

1 essays. And there's, I believe, a total of ten chapters
2 in book one.

3 Book one speaks through unified voice,
4 hopefully, to new members to have them understand a bit
5 of what they are going through, what they will go
6 through, and the fact that we understand as one addict to
7 another.

8 The stories in book two of the Basic Text are
9 the personal experiences of members that describe the
10 individual situations that members went through, the
11 feelings they had when they were using, the despair they
12 felt, what happened and what brought them to recovery,
13 and what their experience has been since they've been in
14 recovery.

15 Q. What is the approximate per year sales of the Basic
16 Text?

17 A. We sell approximately 330,000 copies of the Basic
18 Text.

19 Q. Where do the proceeds --

20 THE COURT: Not annually?

21 THE WITNESS: Yes, sir.

22 BY MR. SYNNESTVEDT:

23 Q. Where do the proceeds of the sale from the approved
24 literature, including the Basic Text, go?

25 A. All the income received from the Basic Text is then

1 put back into the operations of the office. Certainly,
2 the income provides for future printings and future
3 commitments to printing, more Basic Texts and more
4 literature, and some of the other things that we
5 produce.

6 It also allows us to provide group starter kits
7 to new groups across the world. It also helps us provide
8 income to help us translate our literature into other
9 languages. It also provides the income for all the rest
10 of the operations of the office, including the employment
11 of each one of the people that work at the World Service
12 Office.

13 The income from the Basic Text supplies
14 approximately 90 percent of our operating costs in
15 serving the Fellowship in a variety of ways through our
16 other services.

17 Q. You mentioned that the book before you, as Exhibit
18 Two, is the Fifth Edition.

19 Has the Basic Text been revised from
20 time-to-time?

21 A. It's been revised a number of times. In the
22 different revisions of the Basic Text, some of them were
23 quite small. Some of the other revisions were quite
24 significant.

25 We've revised -- I believe there's been six

1 editions, including the first, second, third, third
2 revised, fourth and fifth edition of Basic Text.

3 Q. Was each of these changes made with the review and
4 approval of the World Service Conference?

5 A. Yes, it was.

6 Q. Is the Basic Text the subject of any U.S. copyright
7 registration?

8 A. Yes, sir, it is.

9 MR. SYNNESTVEDT: I mark as Plaintiff's Exhibit
10 three a group of six copyright registrations, and ask the
11 witness if he can identify them.

12 THE WITNESS: Yes, these are the copyright
13 registrations of the Basic Text.

14 Q. Are they the copyright registrations that are
15 attached to the complaint in these proceedings?

16 A. Yes, they are.

17 Q. Is Narcotics Anonymous a registered trademark of
18 World Service Office?

19 A. Yes, sir, it is.

20 Q. Is Narcotics Anonymous a registered servicemark of
21 World Service Office?

22 A. Yes, sir, it is.

23 MR. SYNNESTVEDT: I'm marking as Plaintiff's
24 Exhibit 4 a trademark registration, and I hand it to the
25 witness being Trademark Registration Number 1,476,774,

1 and I ask if you can identify it?

2 THE WITNESS: Yes, sir, this is the registration
3 of the words "Narcotics Anonymous" as a trademark and
4 servicemark of the World Service Office, Incorporated.

5 BY MR. SYNNESTVEDT:

6 Q. And is that a copy of the registration that's
7 attached to the complaint in these proceedings?

8 A. Yes, sir, it is.

9 Q. Is the mark Narcotics Anonymous used on the
10 literature of the Fellowship including the Basic Text?

11 A. Yes, sir.

12 Q. How did you first learn about defendant's
13 activities, which are alleged in the complaint, to be
14 infringements of the World Service Office copyrights and
15 trademark and servicemark registration?

16 A. We first received communications from different
17 locations from around the Fellowship that an illegal
18 book, consisting of Book One of the Basic Text, was being
19 produced and distributed. This was in late May, in early
20 June. We received our --

21 Q. Of what year?

22 A. Of 1990.

23 Q. Excuse me, go ahead.

24 A. We received our first copy at the office in the
25 first week of June.

1 Q. Was a copy of this version of the Basic Text
2 examined at World Service Office?

3 A. Yes, sir, it was.

4 Q. Who examined it?

5 A. I did.

6 Q. Did anybody else examine it?

7 A. There were members of my staff that helped me, as
8 well as Stu Tooredman.

9 Q. The Mr. Tooredman that you already testified about?

10 A. Yes, sir, it is.

11 Q. What did you determine from the examination of this
12 book?

13 A. We determined that this was a duplication of the
14 Third Edition revised, the copyrighted Basic Text, with
15 also the inclusion of language that had appeared in the
16 Second Edition of the copyright or Basic Text.

17 Q. At this time, did the World Service Office know the
18 source of this book?

19 A. We had some suspicions, and we did further find out
20 later on that month from individuals who were
21 distributing it.

22 Q. When did World Service Office first learn that the
23 defendant, David Moorhead, was making and distributing
24 these books?

25 A. Later on in the month of June 1990.

1 Q. By what means did you learn this fact?

2 A. Through direct communication in a telephone call
3 between himself and Stuart Tooredman with myself in the
4 room.

5 MR. SYNNESTVEDT: I'm marking a document as
6 Plaintiff's Exhibit 5, and I'll hand it to the witness
7 and ask if he can identify it.

8 THE WITNESS: Yes, sir, I can. This is a letter
9 from David Moorhead that was part of a larger package of
10 information that was distributed to various sources
11 throughout the Fellowship.

12 In this letter, I believe in the last few
13 paragraphs you will see that he openly admits
14 distributing the production of the Basic Text.

15 BY MR. SYNNESTVEDT:

16 Q. What connects this open letter, Exhibit 5, with Mr.
17 Moorhead?

18 A. At the bottom, the letter is signed, "With great
19 sadness, Grateful Dave." Grateful Dave is a name that is
20 used by Dave Moorhead, and he commonly refers to himself
21 as Grateful Dave.

22 THE COURT: Excuse me, are you now referring to
23 a document that is annexed to some of the files and
24 pleadings?

25 MR. SYNNESTVEDT: Yes, Your Honor. I will hand

1 you a copy.

2 MR. FIELDS: Your Honor, that was an exhibit, I
3 believe, in the Tooredman declaration, also.

4 THE COURT: Exhibit A of the Tooredman
5 declaration, a five-page document titled Comments of
6 Service in N.A.; is that right?

7 MR. SYNNESTVEDT: Yes, sir, Your Honor.

8 BY MR. SYNNESTVEDT:

9 Q. Mr. Hollahan, I direct your attention to the last
10 four paragraphs of Exhibit 5. I ask if the address and
11 phone number given there are those of Mr. Moorhead?

12 A. Yes, they are. I have sent both communications by
13 mail to the street address and also personally called him
14 at this number.

15 Q. Was this open letter, Exhibit five, the first
16 written confirmation that you had of the World Service
17 Office that Mr. Moorhead was the author of the books that
18 were disturbing you?

19 A. Yes, sir, this was the first time that we received
20 something by which he openly admitted in writing that he
21 was part of the distributing and production of the
22 illegal text.

23 Q. Did World Service Office do anything after the
24 receipt of the open letter with relation to the contents
25 of it?

1 A. Well, I believe the first thing that we did is we
2 began to talk about it among the various boards and
3 committees, including the board of directors of the
4 office and the board of trustees.

5 THE COURT: Excuse me, maybe I missed something,
6 but I don't seem to know when this document, Plaintiff's
7 Exhibit 5, came to the attention of you, Mr. Hollahan.

8 THE WITNESS: I don't have the exact date with
9 me, Your Honor. I would have that information back at
10 the office.

11 BY MR. SYNNESTVEDT:

12 Q. Can you approximate for me, please?

13 A. Sometime in late June, early July.

14 Q. Of 1990?

15 A. 1990, yes.

16 THE COURT: A copy came to the World Service
17 Office?

18 THE WITNESS: A copy was sent to us by a member
19 who received it directly from Mr. Moorhead.

20 BY MR. SYNNESTVEDT:

21 Q. Directing your attention again to the last three
22 paragraphs of this letter, Exhibit 5, is there an
23 indication there of the number of copies of the
24 infringing text that Mr. Moorhead had produced?

25 A. Yes. In the third paragraph on the bottom of page

1 five, there is a sentence that states, "I have produced
2 and distributed 7,000 of these books at the behest of my
3 home group."

4 In the next paragraph, which is the second to
5 the last paragraph, he states again that "The current
6 plans are to produce 50,000 Basic Texts and make them
7 available to groups for 50 cents a book."

8 Q. Were there approaches made by World Service Office
9 to David Moorhead with respect to this book?

10 A. Yes, there were.

11 Q. Would you tell us about those, please?

12 A. Stuart Tooredman, on a phone call that I was present
13 during, approached Dave and they talked about Dave coming
14 out to a board of directors meeting and presenting his
15 thoughts and ideas and reasons behind producing this
16 Basic Text to the board of directors, and then discussing
17 it.

18 At the time, Mr. Tooredman was also in
19 conversation with the chairperson of the board of
20 trustees, and after discussing that with him, they
21 offered an invitation to Mr. Moorhead to appear in
22 Arlington, Virginia in the middle of July at a forum that
23 would be open to the Fellowship to discuss his concerns
24 and the production of the Basic Text.

25 Q. Were there to be board members at the Arlington

1 meeting?

2 A. Yes, sir.

3 Q. Did you and Mr. Tooredman take any position with
4 respect to Mr. Moorhead's reproduction of the Basic
5 Text?

6 A. I think Mr. Tooredman, during that conversation,
7 made it abundantly clear that he believed that Dave was
8 in violation of the copyright laws of the U.S.

9 Q. What was Mr. Moorhead's response?

10 A. Mr. Moorhead's response was that he didn't believe
11 that to be so.

12 THE COURT: This was when? I'm sorry.

13 THE WITNESS: This was in late June, early July,
14 in a phone call between Mr. Tooredman and Mr. Moorhead.

15 THE COURT: Were you on the phone?

16 THE WITNESS: Yes, sir, I was present in the
17 room. It was on a speaker phone.

18 BY MR. SYNNESTVEDT:

19 Q. Now, let's come back to the Arlington meeting that
20 you referred to.

21 Did that meeting, in fact, take place?

22 A. Yes, sir.

23 Q. Did Mr. Moorhead attend?

24 A. No, he did not.

25 Q. Did you personally ever speak with defendant

1 Moorhead regarding his infringing activities?

2 A. Yes, I spoke to him on or about September 14th,
3 1990.

4 Q. By telephone or in person?

5 A. By telephone.

6 Q. What did Mr. Moorhead tell you during this
7 conversation?

8 A. Well, he discussed the fact that he planned to
9 produce -- or it was in the works, the plans to produce
10 50,000 more copies of the Basic Text, and that there were
11 also plans to reproduce the informational pamphlets as
12 well.

13 The other part of that conversation consisted of
14 my appearance at a Fellowship workshop in Miami the next
15 weekend.

16 Q. Would you tell us about that appearance, please?

17 A. Yes, sir. On Saturday, I was invited to appear at a
18 local Fellowship activity to discuss the issue of the
19 Basic Text and some of the issues --

20 THE COURT: When you say a Saturday, could you
21 perhaps supply a date?

22 THE WITNESS: I believe that would be Saturday,
23 September 22nd, Your Honor.

24 BY MR. SYNNESTVEDT:

25 Q. 1990?

1 A. 1990. Both Mr. Moorhead and I discussed the issue.
2 I discussed the position of the World Service Office
3 concerning the Basic Text that Mr. Moorhead was producing
4 and distributing. Mr. Moorhead also addressed the
5 assembled group and discussed his reasons and so forth.

6 Q. Let's come back to the telephone conversations you
7 were telling us about.

8 What did you tell defendant Moorhead?

9 A. I told Mr. Moorhead that I believe that the way he
10 was going about distributing and producing the Basic Text
11 was wrong.

12 Q. How did he respond to your arguments?

13 A. He responded that he did not believe that to be
14 true.

15 Q. Did Mr. Moorhead at the meeting that you referred to
16 in Florida that you attended and Mr. Moorhead attended,
17 did he give you a copy of the text that he was producing
18 and distributing?

19 A. On the following day, on Sunday, I believe September
20 23rd, I appeared at a local workshop in South Miami,
21 Florida. I was there to provide information about the
22 current activities of the World Service Office, and
23 described the activities of the World Service Office to
24 the members there.

25 It was at that point prior to my addressing the

1 body that Mr. Moorhead walked up to me and handed me a
2 brown paper bag containing a copy of the illegal Basic
3 Text.

4 Q. Did he make any remark when he did that?

5 A. He said, "This is hot off the press."

6 MR. SYNNESTVEDT: I've marked as Plaintiff's
7 Exhibit 6 a copy of the booklet, and I'd like to hand it
8 to the witness and ask if he can identify it. Your
9 Honor, it's Exhibit B to the Hollahan declaration.

10 THE COURT: I'm sorry?

11 MR. SYNNESTVEDT: Exhibit B to the Hollahan
12 declaration, Your Honor.

13 THE WITNESS: Yes, this is the book that Mr.
14 Moorhead handed me.

15 BY MR. SYNNESTVEDT:

16 Q. Have you had an opportunity to compare this copy
17 with the authorized text?

18 A. Yes, sir, I have.

19 Q. What did you find from your comparison?

20 A. I found that this was a reproduction of the third
21 edition revised of the copyrighted Basic Text of NA, with
22 additional language from the second edition of the Basic
23 Text included.

24 Q. Did you have an opportunity to examine any
25 additional copies of Mr. Moorhead's texts?

1 A. Yes, sir. We received a number of different copies
2 of the text that Mr. Moorhead was distributing.

3 THE COURT: Excuse me, you said this is exhibit
4 B?

5 MR. FIELDS: I'm sorry, that is Exhibit A. My
6 mistake.

7 MR. SYNNESTVEDT: I'm now handing the witness
8 Exhibit B, Your Honor. I'm sorry for the confusion.
9 I'll mark this as Exhibit 6.

10 BY MR. SYNNESTVEDT:

11 Q. I hand you Exhibit 6, and ask you if you can
12 identify it?

13 A. Yes, this is a copy of the cover that appeared on a
14 book that was received at the office on June 7th, 1990.
15 I believe it was one of the earlier printings of the
16 Basic Text by Mr. Moorhead.

17 Q. I direct your attention to the circle in the middle
18 of the page with the words "Fellowship Approved" and
19 F.L.C. Do the letters F.L.C. stand for anything or mean
20 anything to you, Mr. Hollahan?

21 A. It can easily be construed to mean Fellowship
22 Literature Committee, which could easily be confused with
23 the World Service Conference Literature Committee, which
24 is actually responsible for the development of Narcotics
25 Anonymous literature.

1 Q. Now, I believe you testified that you have a
2 personal responsibility with respect to the work of this
3 literature committee?

4 A. Yes, sir, I oversee that department and all the
5 staff assigned to that department. It is also my
6 ultimate responsibility to see that the activities of the
7 literature committee are coordinated, that communications
8 are sent to the committee, and the committee is provided
9 with the resources that are needed to do the work.

10 Q. Has Mr. Moorhead ever submitted a work for approval
11 of the committee?

12 A. No, sir, he has not.

13 Q. Are any of the infringing books Fellowship
14 approved?

15 A. No, sir, they are not currently approved by the
16 Fellowship. The Fifth Edition of the Basic Text is the
17 one that is currently distributed by the World Service
18 Office for the Fellowship.

19 Q. Were additional steps taken by World Service Office
20 to attempt to get Mr. Moorhead to cease his infringing
21 activities?

22 A. Yes, sir. We again talked with Mr. Moorhead the end
23 of September. We also made attempts to communicate to
24 various other individuals known to be involved in the
25 production and distribution of a like book, to come to

1 the World Service Office for a joint meeting of the
2 boards being held the first weekend in October.

3 The other two individuals that we had invited
4 declined the invitation. Mr. Moorhead accepted.

5 Q. Did you pay Mr. Moorhead's expenses to attend this
6 meeting?

7 A. Yes, we did. We paid Mr. Moorhead's expenses, and
8 also the expenses of a personal representative and an
9 assistant to his personal representative.

10 Q. Did Mr. Moorhead refund the money to you at the time
11 of the meeting?

12 A. Yes, sir, he did.

13 Q. How about the assistants, did they refund the money?

14 A. No, sir.

15 THE COURT: This was an October meeting?

16 THE WITNESS: Yes, sir.

17 THE COURT: Was this in California?

18 THE WITNESS: Yes, sir, it was at our office in
19 Van Nuys.

20 BY MR. SYNNESTVEDT:

21 Q. Would you tell us in a few words the substance of
22 the arguments made at those meetings with Mr. Moorhead
23 present?

24 A. There was a great deal of discussion about the
25 issues that Mr. Moorhead felt were part of a general

1 concern, both his and other members, and was one of the
2 primary motivating factors of why he was producing and
3 distributing the Basic Text.

4 He had time to address both boards. We met for
5 approximately four hours with all members present, and
6 Mr. Moorhead along with our attorney in California.

7 THE COURT: Excuse me, Mr. Hollahan, when you
8 refer to both boards, there is the board of the World
9 Services Organization; is that correct?

10 THE WITNESS: Yes, sir.

11 THE COURT: One board. And the other board is
12 the board of --

13 THE WITNESS: Trustees.

14 THE COURT: Trustees of what, the conference?

15 THE WITNESS: It's actually the Board of
16 Trustees is one of the service arms I described earlier.
17 That is part of the conference, and actually does a great
18 deal of the work assigned to the conference during the
19 year.

20 THE COURT: I see.

21 BY MR. SYNNESTVEDT:

22 Q. Was the position taken that if Mr. Moorhead did not
23 voluntarily stop, that it would be necessary for the
24 Fellowship to bring suit against him?

25 A. Yes, we discussed that. We also discussed

1 alternatives to taking or proceeding with a lawsuit, and
2 trying vigorously to get Mr. Moorhead to come to an
3 agreement with us without having to go through legal
4 proceedings.

5 Q. What was Mr. Moorhead's response?

6 A. Well, after the general meeting, there was appointed
7 a small group who then met with Mr. Moorhead and his
8 personal representative and our attorney, and tried for
9 another hour and-a-half to hammer out an agreement.

10 Part of the agreement centered on giving Mr.
11 Moorhead enough time to seek competent legal counsel.
12 There was a 30-day provision that was added to the
13 preliminary agreement.

14 What we tried to do is just get him to stop. We
15 would agree to stop all legal proceedings until he had
16 adequate time to seek legal counsel, and without seeking
17 a preliminary or restraining order with the Court.

18 Mr. Moorhead on Saturday seemed to be agreeable
19 with that in general, and overnight he was given the
20 opportunity to think about it and come back the next day
21 to sign the papers. He came back the next day and
22 refused to sign the papers.

23 Q. Did Mr. Moorhead indicate how he was financially
24 supporting his infringing activities?

25 A. Mr. Moorhead indicated that his initial activities

1 were supported by his social security check.

2 Q. Now, you say the agreement that was proposed was
3 never entered into; is that correct?

4 A. That's true.

5 Q. Were there any additional efforts made to persuade
6 Mr. Moorhead to cease his activities?

7 A. There were additional efforts made at a workshop --
8 I believe it was the first weekend of November -- at
9 which Mr. Moorhead appeared, and members of the
10 Fellowship who were gathered for the workshop had the
11 opportunity to address the issue, listen to Mr. Moorhead,
12 listen to the position of the World Service Office. He
13 was offered again the opportunity to sign an agreement.

14 Q. Was any agreement ever reached with Mr. Moorhead?

15 A. No, sir.

16 Q. To the best of your knowledge, is Mr. Moorhead still
17 selling the infringing text?

18 A. To the best of my knowledge, in certain
19 communications, it would be -- it would lead me to
20 believe that, yes, he is.

21 MR. SYNNESTVEDT: I'm marking as Plaintiff's
22 Exhibit 7 a document attached to the Scott Fields'
23 declaration, Your Honor, which we filed on Monday.

24 THE COURT: Yes.

25 MR. MOORHEAD: Your Honor, I kind of feel

1 riveted in the chair here by my ignorance of how to
2 proceed, whether I have a right to object to any
3 particular line of questioning or the introduction of any
4 evidence.

5 THE COURT: Yes.

6 MR. MOORHEAD: Do I have that right, Your
7 Honor?

8 THE COURT: Surely.

9 MR. MOORHEAD: What would be the protocol for me
10 to approach you to do that?

11 THE COURT: Well, at the moment Mr. Synnestvedt,
12 he's asking the witness to identify something. Mr.
13 Synnestvedt is not, as I understand it -- has not asked
14 that anything be admitted into evidence yet. We have a
15 variety of exhibits.

16 MR. SYNNESTVEDT: I'm proposing to do that at
17 the end, Your Honor.

18 THE COURT: I assumed that was the case. And if
19 your concern -- if your concern is with the admission of
20 documents into evidence, then an appropriate time to
21 object would be at the point with which Mr. Synnestvedt
22 offers the documents. But if you are objecting to
23 particular questions that are being put to a witness,
24 whether about a document or otherwise, then you make that
25 objection at the time the question is put.

1 MR. MOORHEAD: I suppose at this point that it
2 would be appropriate rather to expedite the testimony
3 that's already been given to say that I would like to
4 reserve the right to object in part or in full to the
5 evidence and the testimony that Mr. Hollahan has been
6 presenting here today.

7 THE COURT: Well, you really ought to make your
8 objections contemporaneously with the questions that are
9 being put; otherwise, it gets to be a little difficult,
10 sort of retrospectively, to knock things out. I don't
11 say it's impossible, but if there's something now that
12 Mr. Synnestvedt is asking Mr. Hollahan about that you
13 think is an inappropriate line of inquiry, then you
14 better tell me now.

15 MR. MOORHEAD: Yes, sir, Your Honor. The
16 document that he is putting in front of you for your
17 consideration, an averment by Scott J. Fields as to the
18 answering machine message on my telephone. I fail to see
19 how that particular thing has any relevance here bearing
20 to the proceedings.

21 THE COURT: Well, I don't yet know myself. I'm
22 not clear what Mr. Hollahan knows about that, but I'll
23 let Mr. Synnestvedt ask his question and we'll see what
24 the question is. So far I think he's just -- he's just
25 referred to a document. I haven't heard any question.

1 Why don't you go ahead and ask the question, Mr.
2 Synnestvedt?

3 BY MR. SYNNESTVEDT:

4 Q. I hand you Exhibit 7, and ask if you can identify
5 it?

6 A. Yes. This was the message on the answering machine
7 when I called Dave Moorhead.

8 THE COURT: Now, wait a minute. Mr.
9 Synnestvedt, maybe I'm mistaken, but --

10 MR. SYNNESTVEDT: I presented it as a --

11 THE COURT: I thought the exhibit reference was
12 to an affidavit or declaration by Mr. Fields?

13 MR. SYNNESTVEDT: Yes, Your Honor. I presented
14 it as an exhibit to the declaration of Mr. Fields because
15 I didn't know at the time that Mr. Hollahan had personal
16 knowledge of it himself.

17 THE COURT: Personal knowledge of this exhibit?

18 MR. SYNNESTVEDT: No, personal knowledge of the
19 message on the answering machine.

20 THE COURT: I don't see how Mr. Fields'
21 declaration -- if I recall, Mr. Fields was making a
22 declaration about a phone call that he made.

23 MR. SYNNESTVEDT: Yes, the message on the
24 answering machine is a recorded message and is repeated
25 for anybody that calls, Your Honor.

1 THE COURT: It may be that this witness
2 telephoned Mr. Moorhead and got some answer, but I don't
3 see the fact that Mr. Fields, if it be the fact, which I
4 assume it is if Mr. Fields made a declaration -- but the
5 fact that Mr. Fields made a phone call to Mr. Moorhead
6 and got a response on the tape doesn't say anything to
7 what Mr. Hollahan's experience is.

8 MR. SYNNESTVEDT: At the time I was preparing
9 the case, I did not know that Mr. Hollahan had personal
10 knowledge of the phone message recorded on Mr. Moorhead's
11 machine, and I now know that, and I'll have Mr. Hollahan
12 say that out of his own testimony.

13 THE COURT: This exhibit has nothing to do with
14 Mr. Hollahan; is that correct?

15 MR. SYNNESTVEDT: That's correct.

16 THE COURT: I suggest that this be withdrawn for
17 the time being.

18 BY MR. SYNNESTVEDT:

19 Q. Mr. Hollahan, did you yourself call the phone number
20 of David Moorhead?

21 A. Yes, sir, I did.

22 Q. Did you hear in the recorded message --

23 THE COURT: When? Can we identify in some way?

24 THE WITNESS: It was the same day that Mr.
25 Fields had called.

1 THE COURT: What day would that be? We have no
2 testimony about Mr. Fields. We have withdrawn the
3 exhibit.

4 THE WITNESS: I don't remember the exact day,
5 Your Honor. It was in towards the middle of December.

6 BY MR. SYNNESTVEDT:

7 Q. And did you reach an answering machine at Mr.
8 Moorhead's telephone number?

9 A. Yes, I did.

10 Q. And what was the message, can you tell us in a few
11 words?

12 A. "Happy holidays." It went somewhat like this.

13 MR. MOORHEAD: Your Honor, I must object to
14 this. He has just had an opportunity to read that
15 particular piece of information that was given to him and
16 --

17 THE COURT: I take it you're putting aside the
18 piece of paper. You'll be asked to give testimony with
19 respect to what you remember hearing.

20 THE WITNESS: Yes, sir. And that's exactly what
21 I'm doing.

22 THE COURT: All right.

23 THE WITNESS: To paraphrase it, "I'm so blue
24 about the baby blue. The World Service Office is blue
25 because they are going to sue, and if they lose, I own

1 it. God bless you. Keep coming back."

2 BY MR. SYNNESTVEDT:

3 Q. What did you understand from the words, "keep coming
4 back"?

5 THE COURT: I don't think this witness'
6 testimony as to what he understood that to mean is going
7 to be helpful to me.

8 MR. SYNNESTVEDT: Your Honor, I think it has a
9 bearing on the testimony of this witness, that he had
10 means of establishing that Mr. Moorhead's infringing
11 activities were continuing.

12 THE COURT: I'll have to ask for there to be
13 silence in the courtroom, please.

14 MR. MOORHEAD: Could I have Mr. Synnestvedt --

15 THE COURT: I beg your pardon?

16 MR. MOORHEAD: Could I have Mr. Synnestvedt
17 repeat what he said?

18 THE COURT: We'll ask the reporter. The
19 reporter will repeat it.

20 (Whereupon, the court reporter read back the
21 pending question.)

22 THE COURT: Well, Mr. Synnestvedt, with respect,
23 I simply don't get that.

24 MR. SYNNESTVEDT: All right, then, I'll move on,
25 Your Honor.

1 THE COURT: I mean it's susceptible to any -- I
2 suppose a wide variety of constructions, the simplest
3 being, call again.

4 BY MR. SYNNESTVEDT:

5 Q. I hand the witness a document and ask if he can
6 identify it. I've marked it Exhibit 8.

7 A. Yes, sir, this is the reproduction of a letter that
8 was received on our fax machine on December 7th,
9 approximately 2:00 in the afternoon.

10 Q. Who is the letter from?

11 A. Well, the letter is not signed, but if you look in
12 the second to the last paragraph, there is a sentence in
13 there that certainly leads me to believe that this came
14 from Mr. Moorhead.

15 Q. Would you read that sentence, please?

16 A. It states, "If WSO is not successful in their
17 pursuit of this case under these particular and peculiar
18 circumstances, that would mean that I, David Moorhead,
19 will become the owner of the copyrights and trademarks in
20 question since there are no other defendants named."

21 MR. MOORHEAD: Your Honor, I fail to see what
22 relevancy this has to the proceedings. It may become
23 relevant at some other point, I don't know.

24 THE COURT: Well, the document has not been
25 offered in evidence.

1 MR. SYNNESTVEDT: Do you have a copy before you,
2 Your Honor?

3 THE COURT: I'm trying to -- I know it's an
4 exhibit --

5 MR. SYNNESTVEDT: I have a copy for the Court.

6 THE COURT: Are you offering this into
7 evidence?

8 MR. SYNNESTVEDT: I offer it into evidence, Your
9 Honor.

10 THE COURT: Your objection, Mr. Moorhead, is
11 that this is not relevant?

12 MR. MOORHEAD: I fail to see under the complaint
13 that has been lodged against me, and the matter that's
14 here before us today, how this letter can be relevant to
15 any of these proceedings. I am assuming that there is
16 something that Mr. Synnestvedt is trying to do with these
17 pieces of information that may or may not become apparent
18 to this at some point. I'm willing to proceed, if it
19 pleases the Court, to receive this thing. I do not mean
20 to be dilatory at all, Your Honor.

21 THE COURT: I'm not suggesting that you're
22 dilatory. I asked Mr. Synnestvedt if you were offering
23 this into evidence so that we could resolve right now, if
24 we could, the question of whether this is a relevant
25 document.

1 If we assume for purposes of discussion that
2 this document was produced by you, sir, that being a
3 document which Mr. Hollahan has said that he received at
4 the WSO offices, then, as I say, if we assume that it is
5 a communication from you or an expression by you, then I
6 think it seems to me relevant to know what your attitude
7 was about litigation which was charging you with
8 infringement of WSO's interests in the materials which
9 are the subject of this dispute.

10 MR. MOORHEAD: I'll withdraw my objection, Your
11 Honor.

12 THE COURT: All right. I will admit it.

13 MR. SYNNESTVEDT: At this point, I'd like to
14 offer the other exhibits, exhibits one through seven,
15 Your Honor.

16 THE COURT: All right. Now, Mr. Moorhead, I
17 think you're acquainted with the other exhibits. Do you
18 have objections to any one of them?

19 MR. MOORHEAD: I'm not quite sure exactly what
20 exhibits one through seven are. If they came in the body
21 of the legal package that I got -- there's nothing in
22 there that I would object to. If, however, there are
23 other items, then --

24 THE COURT: Well, Mr. Moorhead, let's try to
25 focus on them. I believe, according to my notes,

1 Plaintiff's Exhibit one was Mr. Hollahan's declaration.
2 That is to say that was his written statement on which,
3 of course, he has now enlarged in testimony.

4 MR. MOORHEAD: Not a problem, sir.

5 THE COURT: Plaintiff's Exhibit 2 was the -- has
6 been identified as the Fifth Edition of the Basic Text.

7 MR. MOORHEAD: Not a problem, sir.

8 THE COURT: Plaintiff's Exhibit 3 is a list of
9 copyright registrations of the six editions which the
10 plaintiff alleges --

11 MR. MOORHEAD: Not a problem, Your Honor.

12 THE COURT: Plaintiff's Exhibit 4 is apparently
13 a notice of Trademark Registration 1,476,774.

14 THE WITNESS: Not a problem, Your Honor.

15 THE COURT: Plaintiff's Exhibit 5 is a document
16 captioned, "Comments on service in Narcotics Anonymous."

17 MR. MOORHEAD: Not a problem, Your Honor.

18 THE COURT: Then Plaintiff's Exhibit 6 --

19 MR. SYNNESTVEDT: That's the alternative cover,
20 Your Honor.

21 THE COURT: Yes, that is the copy of the cover
22 of the text as received, according to Mr. Hollahan, at
23 the WSO offices on June 7th, 1990.

24 MR. MOORHEAD: Not a problem, Your Honor.

25 THE COURT: That's the same document that I

1 believe was Exhibit Number B to Mr. Hollahan's
2 declaration.

3 And I think Plaintiff's Exhibit 7 was withdrawn,
4 and Plaintiff's Exhibit 8 is the letter that we've just
5 discussed that I admitted.

6 Was Exhibit A to Mr. Hollahan's declaration --
7 that is not an exhibit; is that correct?

8 MR. SYNNESTVEDT: Yes, Your Honor. Let's call
9 it 6A. I offer 6A into evidence, too, Your Honor. I had
10 a duplicate number 6.

11 THE COURT: 6A, that was the document that
12 appears by xerox as Exhibit A of the Hollahan
13 declaration?

14 MR. SYNNESTVEDT: Yes, sir.

15 THE COURT: Has it been identified by Mr.
16 Hollahan?

17 MR. SYNNESTVEDT: Yes, it has, Your Honor. It's
18 the little blue book sitting on the witness table.

19 THE COURT: Is there any objection to that?

20 MR. MOORHEAD: No, sir.

21 THE COURT: All right, the exhibits then are
22 admitted.

23 BY MR. SYNNESTVEDT:

24 Q. Mr. Hollahan, did Mr. Moorhead's infringing
25 activities have any impact on the Fellowship?

1 A. I believe that there has been a great deal of impact
2 on the Fellowship.

3 Q. Would you tell us what that impact is, please?

4 A. The impact probably goes at the very core of what
5 the Fellowship is about and some of our various
6 principles; one being the principle of unity.

7 For the fact that a number of years we as a
8 Fellowship have accepted the decisions of the World
9 Service Conference and the representatives gathered at
10 that annual meeting as being the decisions that we as a
11 Fellowship make concerning our literature.

12 The production by an individual member of a
13 Basic Text that is then constructed in a way to have a
14 personal incantation to it challenges that principle. It
15 simply means that if this were allowed to continue, that
16 any member of Narcotics Anonymous could write a Basic
17 Text according to what their individual beliefs were, and
18 the Fellowship would fail to achieve one of its primary
19 goals, and that is a unified message as a Fellowship to
20 both new members and to the general public about what NA
21 is, what Narcotics Anonymous isn't, what FNA consists
22 of.

23 The other part of the damage, I believe, could
24 happen, and very possibly has happened already, and that
25 concerns the income from the Basic Text that is used to

1 provide other services. Part of a loss of income will no
2 longer allow us to do things like translate our
3 literature into other languages.

4 MR. MOORHEAD: Your Honor, I don't know if it's
5 proper, sir, to object at this point. That's
6 unsubstantiated, and there's no harm, no data, none
7 whatsoever that Mr. Hollahan --

8 THE COURT: Well, Mr. Moorhead --

9 MR. MOORHEAD: I'll have a chance?

10 THE COURT: You'll have an opportunity to
11 cross-examine this witness --

12 MR. MOORHEAD: All right, sir. I'll just sit
13 back.

14 THE COURT: -- when the direct testimony is
15 concluded.

16 MR. MOORHEAD: I'll sit back then. Thank you,
17 sir.

18 THE WITNESS: Since all of the services that are
19 provided by the World Service Office in support of both
20 the Conference and the Fellowship as a whole are
21 dependent upon the income of our main book, the Narcotics
22 Anonymous Basic Text, all those services are subsequently
23 threatened, as well, in whether or not we will be able to
24 communicate and provide a message to the addicts who
25 still suffer who may not be at our door yet to those

1 newly forming groups in countries all over the world and
2 even in the United States that need this support, the
3 World Service Office and the services that it gives
4 them.

5 It threatens us in a great deal to be unable to
6 provide those services. As a non-profit organization,
7 there are -- even with the income that we currently have,
8 there are always things that are left undone. And there
9 is always more work to do. And the very threatening of
10 the World Service Office and the unity of our Fellowship,
11 and the decline and services may mean that some people
12 may die.

13 MR. SYNNESTVEDT: You may cross-examine.

14 THE COURT: You may want to begin your
15 cross-examination, Mr. Moorhead. We ought to recess for
16 lunch fairly soon. Maybe since we've been at it for
17 quite awhile, why don't we do this? Why don't we recess
18 for ten minutes and then resume and go on until 1
19 o'clock? If the cross-examination is going to take
20 longer than that, then we'll continue it until after
21 lunch.

22 (Recess was held at 12:27 p.m.)

23 (The Court resumed the proceedings at 12:45
24 p.m.)

25 THE COURT: Mr. Moorhead, you are entitled to

1 cross-examine Mr. Hollahan. That means that you may ask
2 him questions about what he has testified with respect
3 to. That's, broadly stated, the area in which you can
4 put your questions. So, go ahead.

5 CROSS-EXAMINATION

6 MR. MOORHEAD: I hope you will let me know if I
7 tread on any procedural protocol that I'm unaware of.

8 THE COURT: I will. If they come to my
9 attention. Mr. Synnestvedt may make objections.

10 MR. MOORHEAD: I would like to first state that
11 I've been unable to afford to make copies of some of the
12 supporting stuff that I have here. It's quite a problem
13 just to get it altogether today.

14 I would like to ask Mr. Hollahan if he can
15 identify a piece of paper here that was authored by him.

16 THE COURT: Offered by him?

17 MR. MOORHEAD: Authored by him.

18 THE COURT: You must give copies of anything
19 that you're going to examine the witness on to Mr.
20 Synnestvedt.

21 MR. SYNNESTVEDT: Perhaps I can look at it and
22 let the examination continue, Your Honor.

23 MR. MOORHEAD: Your Honor, I offered to
24 plaintiff's counsel the unrestricted opportunity to
25 utilize any of this documentation or information today or

1 at any other time that they might need to.

2 THE COURT: Fine. Well, that's very generous of
3 you, but with respect to anything that -- in particular
4 that you're going to make the focus of questioning, then
5 you have the obligation to let the other side know what
6 you're doing.

7 MR. SYNNESTVEDT: I have no objection to the
8 examining of the witness about it. I would like to have
9 a copy of that at a convenient time.

10 THE COURT: All right.

11 BY MR. MOORHEAD:

12 Q. Could you identify that document as coming from you,
13 originating from you?

14 A. This is a memorandum that I was requested to write
15 by the World Service Conference Literature Committee
16 chairperson.

17 Q. Thank you. It is your authorship; am I right?

18 A. Yes, it is.

19 MR. MOORHEAD: All right, thank you.

20 Your Honor, must I leave it with the witness in
21 case he needs to refresh his memory?

22 THE COURT: Well, if you're going to be asking
23 him about things that are in the text, then it would be
24 appropriate if you would let him see it. If you do not
25 have a copy yourself, then you can stand next to him and

1 identify what you are going to ask him about.

2 BY MR. MOORHEAD:

3 Q. Mr. Hollahan, in the first underlined section in
4 there --

5 THE COURT: Excuse me, I think to keep -- so
6 that the record will show that we know what we're talking
7 about, we'll have to identify these pieces of paper.
8 Suppose we call that Defendant's Exhibit number one.
9 Hereafter, I'll ask you to number these things as they
10 come along. Use D for defendant and X for exhibit.

11 BY MR. MOORHEAD:

12 Q. Mr. Hollahan, could you explain the statement that
13 you've written in here, "The myths of NA literature need
14 to be exposed and brought to light", please?

15 THE COURT: Excuse me. Before we begin to get
16 into some textual exegesis, I would -- I think the record
17 should tell us when this was that Mr. Hollahan prepared
18 this memorandum.

19 MR. MOORHEAD: It was distributed, Your Honor --

20 THE COURT: You're not the witness. You may ask
21 that question to Mr. Hollahan and then --

22 MR. MOORHEAD: Oh, boy, I am tripping all over
23 myself here.

24 THE COURT: Mr. Hollahan, do you want to tell us
25 when that was prepared by you?

1 THE WITNESS: I believe, Your Honor, that this
2 was prepared and given to the chairperson of the WLC
3 Literature Committee in June of 1989.

4 BY MR. MOORHEAD:

5 Q. Again, I would like to ask you, please, if you could
6 -- in very brief detail what you mean about the myths of
7 NA literature?

8 A. My meaning to the statement simply meant that some
9 of the ideas and thoughts and references that members
10 were making to the creation of NA literature and the
11 development of NA literature were not altogether
12 correct.

13 Q. Thank you. Going to the next page. The circled
14 section that says, "Using our skilled member special
15 workers working with a committee, who make the basic
16 decisions, only makes sense."

17 MR. SYNNESTVEDT: Excuse me, may I look over the
18 witness' shoulder?

19 BY MR. MOORHEAD:

20 Q. "Writing by committee or in huge workshops doesn't.
21 We need only to look at what currently exists."

22 I'm saying that to solicit a question, an answer
23 to a question, is it not true that all of the literature
24 that we have up until 1988 was, in fact, written and
25 produced in large conferences and workshops?

1 A. I wouldn't find that statement altogether true.

2 Q. Well, what part of it is true and what part is not?

3 A. I believe if you examine some of the pamphlets more
4 carefully, you will find that they were written by
5 different methods.

6 Q. Thank you.

7 The next line, it says, "Involving the
8 Fellowship throughout this process is another myth that
9 needs to be shattered." What do you mean by that?

10 A. Well, there's two opportunities that we have used
11 the resources of the Fellowship in general to become
12 involved in literature. My suggestion in this statement
13 was that that wasn't altogether necessary.

14 Q. Thank you. The attached, which may, in fact, be
15 attached to yours -- we have a memorandum for a staff
16 team approach. Would you explain just briefly what a
17 staff team or skilled special worker is?

18 A. Are you referring to this attachment?

19 Q. I am referring to a question. What is a special
20 worker or staff team --

21 THE COURT: Well, Mr. Hollahan asked you whether
22 you are talking about an attachment. I take it that the
23 phrase you're using comes from some particular place in
24 the piece of paper.

25 MR. MOORHEAD: Yes, sir, it was read in the

1 previous things. It says, "Using our skilled member
2 special workers." I'd like to have the witness tell us
3 briefly what a skilled member special worker is, and then
4 just referring --

5 THE COURT: Mr. Moorhead, I just want to be sure
6 that the witness understands where the phrase is that
7 you're pointing.

8 MR. MOORHEAD: Thank you. Could you answer the
9 question?

10 THE COURT: Mr. Hollahan, do you know where the
11 phrase is that's being referred to?

12 MR. MOORHEAD: It's in the circled section here
13 in the document entitled to.

14 THE WITNESS: The phrase, "Using our skilled
15 member special workers working with a committee was the
16 suggestion of a method by which members of NA who are
17 also employed as special workers by the World Service
18 Office would be used working with the committee.

19 BY MR. MOORHEAD:

20 Q. The memorandum that is attached dated staff team
21 approach, would you explain to us what a staff team is?
22 Is that the same thing as a skilled special worker?

23 A. I do not have that memorandum.

24 Q. It would be this one.

25 A. That's not a part of it. I don't have that one.

1 THE COURT: We're now talking about -- are we
2 still talking about Defendant's Exhibit one or a
3 memorandum --

4 MR. MOORHEAD: Sir, I'm sorry, but there are
5 many, many documents that are confused. I didn't have
6 copies. I tried to get them prepared as best as I
7 possibly could today.

8 THE COURT: Mr. Moorhead, we just have to know
9 for the record what piece of paper it is that Mr.
10 Hollahan is being examined about, and whether he is
11 responsible for the piece of paper. You established his
12 responsibility for a memorandum which he says was
13 prepared in June of 1989.

14 MR. MOORHEAD: This is dated, "Memorandum:
15 Staff team approach, guide to service development, June
16 9th, 1989." Were you the author of that?

17 A. No, I wasn't.

18 Q. All right, thank you. I'm going to dispense with
19 this line of questioning for the moment, Your Honor.
20 Would it be fair to say that a staff team and special
21 worker are people who are paid to work on our literature
22 or other service materials by the World Service Office?

23 A. I wouldn't --

24 Q. Yes or no, please?

25 A. No.

1 Q. You stated in your testimony earlier that, in your
2 recanting to the Judge for his information, that there
3 was a philosophy of Narcotics Anonymous.

4 Do you know what the definition of philosophy
5 is?

6 A. I couldn't give you one off the top of my head
7 necessarily.

8 Q. Would it be fair to say that based on minimally 37
9 years of experience, that we have a proven method of
10 recovery?

11 A. I believe so, yes.

12 Q. Thank you. In your basic history of Narcotics
13 Anonymous, you assert that Narcotics Anonymous was formed
14 in 1953. Are you aware of any other Narcotics Anonymous
15 that preexisted ours?

16 A. Yes, I am certainly aware of groups that called
17 themselves Narcotics Anonymous prior to the 1953 group,
18 that I had described in my testimony, that began in
19 California, yes.

20 Q. Thank you.

21 I am prepared to submit documents in support of
22 the line of questioning that I have. Perhaps if I can
23 get a transcript or something which will let me get an
24 idea of what it was that I'm trying to do, and maybe
25 that's right and maybe that's not. I don't know.

1 THE COURT: Mr. Moorhead, I don't think there's
2 any way of providing you with an instant transcript. The
3 reporter is a very hard working colleague. The
4 production of a transcript is something that even for the
5 ablest of people takes some time. It also is not
6 automatically prepared. It is prepared at the request of
7 the parties, but is a somewhat costly matter.

8 Now, how far we're going to go when you spoke of
9 presenting a lot of documents to illustrate or somewhat
10 clarify or annotate the line of questioning before we
11 pursue matters very far, I'm going to have to find out
12 how this line of questioning is material to the claims
13 that are being made against you, and most particularly
14 how they fall within the direct examination.

15 Up to now, you have been inquiring of Mr.
16 Hollahan, as I understand it, about his very brief
17 recital of history of Narcotics Anonymous. It was
18 suggested to you by questions, but there's some
19 antecedent history by you utilizing that banner.

20 But before we go very far in elaborately
21 canvassing an earlier history, I would have to say to you
22 that I don't know where that's going to be material.

23 MR. MOORHEAD: All right. Your Honor, if it
24 pleases the Court, I'd like to state that there are six
25 counts of different things that -- the basis for the

1 motion for a Preliminary Injunction and Temporary
2 Restraining Order. And it is, I believe, incumbent upon
3 me to put forth in as brief a manner as possible things
4 that would support a counter or an argument -- a
5 sufficient argument to be in front of the Court which
6 would cause Your Honor to deny such orders, temporary or
7 otherwise.

8 THE COURT: Yes. Well, you will have to be --

9 MR. MOORHEAD: Perhaps, I don't mean to
10 interrupt you. I should call myself as a witness and
11 give other testimony to those --

12 THE COURT: Perhaps so. If you want to do that,
13 that would follow after Mr. Synnestvedt has completed his
14 presentation of evidence. So far as I know, Mr. Hollahan
15 is the only witness he plans to call. But he may -- we
16 have to abide the event on that. That's the only witness
17 I know of at this point.

18 In thinking about the questions that you put to
19 Mr. Hollahan on cross-examination, and more broadly in
20 thinking about what presentation you would want to make
21 when it becomes your turn to make one on behalf of the
22 defense, whether through your own testimony or through
23 the presentation of exhibits or other witnesses, I think
24 you should have in mind that the central charge here is
25 that you have been engaged in publication and

1 distribution of materials that are copyrighted and
2 materials that bear a caption and title which is itself
3 the subject of a registered trademark. That is to say
4 that you have been trading on the property rights of
5 others, namely of WSO, as the holder of the copyright and
6 the trademark in question.

7 Now, that's sort of the central complaint. It
8 would be open to you to counter that claim to show that
9 it's not properly copyrighted, or the material is not
10 Narcotics Anonymous, is not the subject of a registered
11 trademark. That would be one line of response.

12 Another would be to show that you have not been
13 engaged in publication or distribution, and that such
14 testimony as Mr. Hollahan has given, and such inferences
15 as might be drawn from some of the exhibits suggesting
16 was engaged in such distribution and publication, are
17 inaccurate, misleading, false.

18 Beyond that, you could be a publisher and
19 distributor of infringing materials and still, I suppose,
20 try to make the claim -- try to deny would be a fairly
21 common sense inference -- that the distribution of
22 infringing materials causes no injury to WSO at least
23 the injury is not irreparable. Mr. Hollahan has given
24 testimony to suggest the nature of that injury He
25 hasn't undertaken to qualify the dollar loss income.

1 Nonetheless, I suppose a court would be within its
2 authority to draw the inference that if somebody who is
3 not entitled to publish a book publishes it and
4 distributes it, that publication and distribution are
5 likely to dilute the market of the authorized publisher.

6 Now, maybe what I've said is not exhaustive, but
7 those are the main lines of issues to be developed, I
8 think, in this case. And so you might want to have that
9 in mind as you think about what further questions you
10 want to put to Mr. Hollahan, and what defense case you
11 might want to make.

12 It's now nearly quarter after one, which is
13 later than I had said we would recess. I think we should
14 all recess for lunch now, and this will give you an
15 opportunity to put matters into some focus, Mr. Moorhead,
16 because we really only have a very limited time, as I
17 think you know.

18 I had hoped that we would be able to complete
19 our work this morning, but when we come back -- that's
20 not the case. When we come back this afternoon, I
21 certainly want to be sure that we get matters into focus
22 pretty quickly. All right?

23 MR. MOORHEAD: Thank you.

24 THE COURT: We will recess until 2:00.

25 (Luncheon recess was held at 1:15 p.m.)

1 (The Court resumed the proceedings at 2:08 p.m.)

2 THE COURT: Mr. Moorhead, if you wish to
3 continue with whatever cross-examination you may have for
4 Mr. Hollahan.

5 MR. MOORHEAD: Yes, sir.

6 Your Honor, if I may ask a procedural question
7 before I proceed. If, in expediting this thing for all
8 of us, if I may ask him a few questions and dispense with
9 the rest of the testimony for awhile and reserve the
10 right to call him back at some future point. I have a
11 number of people here that can answer very quickly the
12 things that I -- I find myself in a very awkward position
13 being unable to present things on my own or to have
14 anyone else present them for me. Is that --

15 THE COURT: Well, you would be free to call Mr.
16 Hollahan back as a witness in your own case. But the
17 phase of cross-examination with respect to the matters
18 that he's been asked about by Mr. Synnestvedt, that
19 conventionally should be taken as a unit now.

20 If there are matters that Mr. Hollahan can be a
21 useful witness on that relate to issues other than those
22 that Mr. Synnestvedt has examined Mr. Hollahan on, then I
23 say, he can be called as a witness by you. But the unit
24 which relates to Mr. Synnestvedt's examination is one
25 that has to be dealt with now.

1 MR. MOORHEAD: All right, sir, I'll do my best.

2 Thank you.

3 BY MR. MOORHEAD:

4 Q. Mr. Hollahan, in your sworn statement under penalty
5 of perjury, you, in section seven, you state that --

6 THE COURT: Do you have your declaration in
7 front of you?

8 THE WITNESS: Yes, sir.

9 BY MR. MOORHEAD:

10 Q. "F.L.C. is understood as Fellowship Literature
11 Committee." Mr. Hollahan, in your ten and-a-half years
12 with Narcotics Anonymous, has there ever been a branch of
13 our service structure named the Fellowship Literature
14 Committee?

15 A. The term Fellowship Literature Committee --

16 Q. Mr. Hollahan, I asked, yes or no, please?

17 THE COURT: Mr. Moorhead, I think that the
18 witness is -- all right, if you want to answer yes or no
19 and then expand on the answer.

20 THE WITNESS: Would you repeat the question,
21 please?

22 BY MR. MOORHEAD:

23 Q. The question is, in your ten and-a-half years of
24 Narcotics Anonymous, in all these service manuals that we
25 have over here and all the ones that you are aware of,

1 has there ever been a designation, official designation
2 called Fellowship Literature Committee?

3 MR. SYNNESTVEDT: I object, Your Honor. The
4 question refers to all these manuals we have over here,
5 and I don't know what that encompasses.

6 MR. MOORHEAD: Your Honor, I think it's
7 pertinent because Mr. Hollahan is intimately familiar
8 with all of our service materials and manuals, and I
9 think he knows the answer to that question, Your Honor.

10 THE COURT: Well, Mr. Moorhead, you may say you
11 think he's intimately acquainted with all these matters.
12 I don't know what documents are being referred to, and it
13 simply is too open-ended. If you want to ask Mr.
14 Hollahan whether some particular responsible entity -- I
15 don't know who it is, the conference or WSO Board of
16 Directors or somebody -- has had occasion to establish a
17 thing called a Fellowship Literature Committee, maybe
18 that's what you want to do. But let's not leave it in
19 that openly textured way.

20 MR. MOORHEAD: Okay.

21 BY MR. MOORHEAD:

22 Q. Mr. Hollahan, to the best of your information and
23 belief, are there any official designations or categories
24 created by the official service structure of Narcotics
25 Anonymous that would support any of the statements that

1 you made pertaining to these particular items within the
2 context of your sworn statement number seven?

3 THE COURT: That's a little bit too -- that's so
4 vague that I don't know what it means, Mr. Moorhead.

5 MR. MOORHEAD: All right, sir.

6 THE COURT: You started out by inquiring about
7 the existence of a Fellowship Literature --

8 BY MR. MOORHEAD:

9 Q. Mr. Hollahan, is there a Fellowship Literature
10 Committee?

11 A. To the best of my understanding, yes, there has
12 existed a Fellowship Literature Committee.

13 Q. What do you base that understanding on?

14 A. I base that understanding on personal experience and
15 information that I've received from other members as
16 well.

17 Q. Is it not true here that you state, "Within the
18 Fellowship, F.L.C. is understood as Fellowship Literature
19 Committee"? What do you mean by that?

20 A. I believe that some members commonly refer to the
21 World Service Conference Literature Committee as the
22 Fellowship Literature Committee.

23 Q. But is there any official name or title to this
24 effect that -- your statement here infers, Mr. Hollahan,
25 that with your supporting documentation Exhibit B covered

1 that looks similar to this, that --

2 MR. SYNNESTVEDT: May I see that, please?

3 MR. MOORHEAD: Well, this is a different one
4 than the one that was exhibited, but I don't have that.

5 MR. SYNNESTVEDT: Could we use the official
6 exhibit, Your Honor, instead of this document, whatever
7 it is? The exhibits are right there.

8 THE COURT: Mr. Moorhead --

9 MR. MOORHEAD: I'm just drawing Mr. Hollahan's
10 attention to the cover that he submitted in his exhibits,
11 and in his sworn statement he avers in his testimony that
12 there is such a thing as the Fellowship Literature
13 Committee, and that the Literature Committee -- that
14 literature submitted to this committee is reviewed by the
15 committee to carefully review and insure an accurate
16 reflection of the message of the Fellowship.

17 Once the literature is reviewed -- what I'm
18 trying to establish here is that there isn't a grain of
19 truth in what Mr. Hollahan claims in this particular
20 paragraph. And if I need to bring other people up here,
21 I will do so.

22 THE COURT: You will have the opportunity to put
23 on --

24 MR. MOORHEAD: I guess I'll have to withdraw
25 this line of questioning and reserve the right to call

1 him later. I'd like to call somebody else to the stand,
2 if I possibly can.

3 THE COURT: All right.

4 MR. MOORHEAD: Thank you, sir. You are
5 dismissed for right now.

6 MR. SYNNESTVEDT: I have a question on redirect,
7 Your Honor.

8 THE COURT: All right, go ahead.

9 REDIRECT EXAMINATION

10 BY MR. SYNNESTVEDT:

11 Q. I direct your attention to the document marked for
12 identification DX-1, and specifically to the under-
13 linings, interlineations, marginal notations that are --
14 that appear there. Do you see those, Mr. Hollahan?

15 A. Yes, I do.

16 Q. Do you know who put those on there?

17 A. I don't know who put those on there.

18 Q. Did you put them on there?

19 A. No, I did not.

20 MR. SYNNESTVEDT: That's all I have, Your
21 Honor.

22 MR. MOORHEAD: I fail to see what relevance that
23 has.

24 BY THE COURT:

25 Q. Mr. Hollahan, just one or two very brief questions.

1 As I understood your testimony, the origins of
2 Narcotics Anonymous back in 1953 in California -- and I'm
3 putting aside for the purposes of my question whatever
4 antecedent -- chronologically antecedent movements
5 towards a Narcotics Anonymous there may have been. But
6 the movement which got under way in California in 1953,
7 as I understood from your testimony, was by persons who
8 were dissatisfied with Alcoholics Anonymous as a
9 framework for their efforts; is that correct?

10 A. I think that their feeling was that a Fellowship
11 should be developed specifically to deal with addicts.

12 Q. With addicts of -- that is to say with respect to
13 narcotics as distinct from alcohol, correct?

14 A. Yes.

15 Q. Without meaning to draw you into any large scale
16 philosophic discussion, can you tell me, was the general
17 approach of Alcoholics Anonymous regarded as a model to
18 be built upon, or was that general philosophic approach
19 to the problems of addiction being in some sense
20 repudiated or departed from?

21 A. I believe you would find, Your Honor, a very close
22 resemblance to the approach that was previously used in
23 Alcoholics Anonymous with some distinctions, especially
24 in some of the adaptations to the steps in the traditions
25 that were made; most notably the first step where

1 Alcoholics Anonymous had specifically mentioned alcohol.
2 It was Narcotics Anonymous who changed that focus unto
3 the disease of addiction. So that was one of the main
4 distinctions between what we adapted from the AA model
5 and developed for ourselves. That was more appropriate
6 to us.

7 THE COURT: I see. All right, thank you, Mr.
8 Hollahan. You may step down, sir.

9 Now, Mr. Moorhead, we must inquire of Mr.
10 Synnestvedt if he has further presentation to make. He
11 has not yet addressed it.

12 MR. SYNNESTVEDT: I'd like to make the Tooredman
13 declaration part of the record, Your Honor. We move
14 that.

15 THE COURT: I assume you have no objection to
16 that?

17 MR. MOORHEAD: No, sir.

18 THE COURT: Then the plaintiff has rested. Then
19 the floor is yours, Mr. Moorhead. You may now put on
20 such testimony as you wish.

21 MR. MOORHEAD: Do I take the stand now, is that
22 what I do?

23 THE COURT: Before lunch you spoke about being a
24 witness yourself. I got the feeling a few minutes ago
25 that you were telling me that you hoped to have others on

1 the stand, and perhaps I somehow thought that you thought
2 that that may obviate you having to be a witness
3 yourself. I don't know what your intention is on that.

4 MR. MOORHEAD: Well, I'm kind of flying by the
5 seat of my pants, Your Honor.

6 I would like to call Mr. Sewell to the stand, if
7 I could.

8 VICTOR HUGO SEWELL, JR., was duly sworn.

9 MR. SYNNESTVEDT: Your Honor, we were not
10 notified of any appearance by Mr. Sewell.

11 MR. MOORHEAD: Your Honor, my recollection of
12 our conference, I was not required to notify the opposing
13 counsel of what responses or defenses that I would have
14 to be doing --

15 THE COURT: I'm not sure that I did make such
16 requirement. Did I, Mr. Synnestvedt?

17 MR. SYNNESTVEDT: No, Your Honor. It was
18 implicit that we produce a paper of our witnesses, that
19 he produce a paper with his witnesses.

20 THE COURT: Well, I'm not sure that it was. At
21 all events, the time constraints made it a little hard, I
22 think. Mr. Moorhead wasn't acquainted until presumably
23 Monday to who you were going to produce and how you
24 proposed to proceed. So I don't really think we can
25 insist on Mr. Moorhead's telling us in advance who he

1 would produce to be responsive to your case.

2 MR. SYNNESTVEDT: Very well, Your Honor.

3 THE COURT: If there's yet to be acute
4 difficulties about looking in the direction of surprise,
5 or issues are raised that it's going to be hard for you
6 to be responding to, then we may have to continue this
7 proceeding. Let's see how far we can go.

8 MR. MOORHEAD: Your Honor, I believe a perusal
9 of the record of the conversation that your court
10 reporter took will indicate the efficacy of that
11 statement that I made. Should I proceed?

12 THE COURT: Yes, go ahead.

13 DIRECT EXAMINATION

14 BY MR. MOORHEAD:

15 Q. Mr. Sewell, would it be fair to say that -- how long
16 have you been clean, that is without the use of any mind-
17 altering substances?

18 THE COURT: Do we have this witness' address and
19 some identification?

20 MR. MOORHEAD: No.

21 THE COURT: Can you tell us where you are from,
22 sir?

23 THE WITNESS: Allquippa, Pennsylvania. I'll
24 give the reporter my card. 490 Franklin Avenue,
25 Allquippa, Pennsylvania, 16 and-a-half years.

1 BY MR. MOORHEAD:

2 Q. So, to the best of your knowledge, could you state
3 basically for the record here the participation and
4 involvement that you have had with the literature
5 development process, particularly the Narcotics Anonymous
6 Basic Text? And, further, would you identify for the
7 Court that you were the author of the original 160-page
8 draft of that Basic Text?

9 THE COURT: Well, let's not have --

10 MR. MOORHEAD: Too many things?

11 THE COURT: Let's concentrate on having the
12 witness do the testifying. You're doing what is called
13 leading the witness. What you should be doing is trying
14 to ask questions which are neutral so that the witness
15 may not know what you want him or her to say.

16 MR. MOORHEAD: Thank you, sir.

17 BY MR. MOORHEAD:

18 Q. First, could you share with us your involvement?

19 A. Sure. I got clean in 1974. And I appreciated, I
20 think, at the beginning how wonderful the dream could be
21 if it were only true.

22 I was very active in the Fellowship in Georgia
23 for the first three years, and I communicated with WSO on
24 the west coast by mail and by telephone.

25 One question that kept coming up is who is

1 working on our book and where are they. And that
2 question drove me to the Seventh World Convention in San
3 Francisco. I tried to be nice about it, but I kept
4 asking my question. And I was eventually dragged into
5 registration where I met most of World Services in five
6 minutes.

7 They directed me to the chairman of the board
8 and trustees, and he said nobody is working on our book
9 anywhere. It took him about six hours to say that, but
10 that sums it. I said, "Who can?" He said, "Anybody." I
11 said, "You mean they haven't tried?" He said, "Well,
12 there's been some efforts."

13 So a year later, I stayed in constant touch with
14 him, sending him material that I wrote periodically, and
15 we met in Louisiana and I gave him the balance of the
16 photocopies. We went to the Eighth World Convention in
17 Houston, Texas. And I gave -- there was another trustee
18 in Houston, Bob V. We don't like to break the anonymity
19 due to the threatening of a subpoena.

20 I showed him the material, and I guess the
21 strength of that got me the attention of the board of
22 trustees and the WSO. And about four or five months
23 later, I was asked to write a letter to the Fellowship as
24 a member of the WSO Literature Committee and the Board of
25 Trustees Literature Committee. I was reluctant to do

1 that because I didn't see anything in writing that said I
2 should be writing such a letter, but I did. It was a
3 pretty good letter. It went out all over the world.

4 A few months later, I was led to the World Lit.
5 chair. That was in '79, the spring of '79. And so I
6 sort of stood between two worlds. One, the world of the
7 California old-timer NA, and also the world of the east
8 coast newcomer that only wanted to help. And so I used
9 my position as chair to write letters and gather input,
10 and I used Dale Carnegie techniques to write real
11 friendly responses like, yeah, yeah, this is great, send
12 us more. And they did, and unbelievable amounts.

13 I finally started describing it in quantities of
14 feet and pounds to where the west coast would get the
15 idea. There was real input coming in. So we held a
16 conference that following Wichita. We, you know, wrote
17 some guidelines for ourselves, and that resulted in a
18 booklet called the Handbook for NA Lit Committees, and
19 that helped because then everybody had the game plan in
20 hand for newsletters, for IP materials, for stories of
21 Basic Text, for the Basic Text itself and everything. It
22 was typeset and printed and it had a good cover.

23 Q. Mr. Sewell, is this a copy of that?

24 A. Yes.

25 Q. Thank you.

1 A. And we were planning to raise funds to support it
2 because the --

3 THE COURT: Just one moment. The witness has
4 identified a document, but I think we will have to get
5 some more documentation.

6 MR. MOORHEAD: An original copy of the original
7 literature handbook --

8 THE COURT: We're going to let the witness do
9 the testifying.

10 MR. MOORHEAD: I'm sorry.

11 THE WITNESS: Anyway, the --

12 THE COURT: If you would hold on just one
13 moment.

14 MR. SYNNESTVEDT: I'm without a copy, Your
15 Honor.

16 MR. MOORHEAD: I'd be happy to give him a copy
17 of it, Your Honor.

18 THE COURT: When you introduce a document into
19 the court proceeding, it is your obligation -- generally
20 speaking your obligation to furnish a copy to defense
21 counsel. If you do not have a copy, then you must
22 provide counsel with time to examine the piece of paper
23 and make sure whatever it is. It's appropriate to being
24 in some sense antagonistic to Mr. Synnestvedt and Mr.
25 Fields because they want to look at a document. If there

1 were other pieces of paper in there that were not
2 included in what you had in mind to show to a witness,
3 hence counsel, then I think it's your obligation to make
4 that separation.

5 MR. SYNNESTVEDT: Can I have a moment?

6 MR. MOORHEAD: With all due respect, Your Honor

7 --

8 MR. SYNNESTVEDT: May I have a moment to go over
9 this and confer?

10 THE COURT: Let Mr. Moorhead make his statement,
11 and then, Mr. Synnestvedt, you'll have an opportunity to
12 take a moment to consult.

13 MR. MOORHEAD: Your Honor, Mr. Hollahan
14 indicated earlier today that I had used my social
15 security check to help with printing of things. The
16 facts are, sir, that -- what I'm trying to say here is, I
17 don't have any money. There's no way for me to provide
18 the copies and the documents and the filings and this and
19 that. And I don't know if this is the proper time, but,
20 you know, if plaintiff -- I don't know what the hell is
21 going on, to be quite honest.

22 THE COURT: Mr. Moorhead, the remarks that I
23 made a moment ago were directed to what seemed, from my
24 point of observation, to be some resistance on your part
25 to letting Mr. Synnestvedt and Mr. Fields look at what

1 was in a loose-leaf notebook. I saw you pulling some
2 documents away from them.

3 Now, maybe I misapprehended the situation. But
4 I was just trying to explain to you the protocol here in
5 court. We normally call for giving to opposing counsel
6 the document which you propose to use.

7 And then I went on to say that if you don't have
8 a copy to give to Mr. Synnestvedt and Mr. Fields, then
9 you at least have to give them the opportunity to examine
10 the document before we can proceed any further. That was
11 all that I was trying to say. I'm sorry, Mr. Moorhead,
12 if you had taken my comments in some larger sense. All
13 that is going on in the courtroom is to try to proceed
14 with fairness to both sides and without surprise, without
15 proceeding as we spoke about two centuries ago,
16 proceeding by what is called the supporting theory,
17 proceeding by ambush, where one side didn't know what the
18 other side was going to present, so what one got was not
19 an inquiry into the truth, but an inquiry into the most
20 manipulative and most in depth.

21 Now, Mr. Synnestvedt and Mr. Fields already feel
22 a little handicapped because they did not have in advance
23 of this hearing a listing from you of who you were going
24 to call in the way of witnesses, and what kinds of
25 materials you were going to offer. As you know, I said

1 that I thought you should be allowed to proceed,
2 notwithstanding that you haven't supplied that advanced
3 information to Mr. Synnestvedt and Mr. Fields, although
4 they have, in compliance with my directive, given you
5 that information. I am just trying to at this point keep
6 matters as equal as possible.

7 MR. MOORHEAD: I understand.

8 THE COURT: Now, Mr. Synnestvedt has asked for
9 an opportunity to consult, I take it, with Mr. Hollahan.

10 MR. SYNNESTVEDT: Yes, Your Honor.

11 THE COURT: If you want to take a few minutes to
12 talk to Mr. Hollahan, that's fine. We'll, I think,
13 perhaps we should take a recess until quarter of 3. That
14 will be about seven minutes from now.

15 MR. MOORHEAD: May I ask a procedural question
16 before you go? Is it proper for me to interrupt the
17 witness and ask him -- or any witness -- and ask him to
18 clarify the statement or to --

19 THE COURT: Not by way of interruption. Usually
20 one goes question by question. So that you can ask then
21 for a further detail or whatever. If you ask the
22 witness, as you have, for sort of a narrative, then I
23 think it's appropriate to break in at a point when it's
24 becoming more discursive and less illuminating with
25 respect -- generally, we don't proceed narratively, but

1 sometimes there are reasons to do that.

2 (Recess was held at 2:37 p.m.)

3 (The Court resumed the proceedings at 3:00 p.m.)

4 MR. SYNNESTVEDT: Your Honor, the document I
5 examined during the recess is a 16-page brochure
6 entitled, Handbook for Narcotics Anonymous Literature
7 Committees. There's a copyright 1983 by the World
8 Service Office, Inc., and I have no objection to
9 presenting it to this witness.

10 THE COURT: All right.

11 BY MR. MOORHEAD:

12 Q. Mr. Sewell, if you would continue briefly your
13 narrative for a minute or two, and then we'll get into
14 more specific questions.

15 THE COURT: Could you, before just launching the
16 witness again on the generalcy of narrative, could you
17 focus what it is that you want him to tell us so I can
18 have an idea of where we are going?

19 MR. MOORHEAD: Well --

20 THE COURT: Put a question to the witness as to
21 what you want him to tell us.

22 BY MR. MOORHEAD:

23 Q. Mr. Sewell, did you present the first 160-page draft
24 of the Basic Text of Narcotics Anonymous to the
25 literature process as it then existed?

1 A. To the board of trustees.

2 Q. Is that a yes?

3 A. Yes.

4 Q. Mr. Sewell, did you ask for any by-line recognition
5 or royalty for your beginning or creation of that work?

6 A. Not at all.

7 Q. Subsequent to that event, would it be fair to say
8 that, to the best of your recollection, that there were
9 over 1500 people who, in fact, participated as authors of
10 that document?

11 MR. SYNNESTVEDT: I object, Your Honor.

12 THE COURT: That's what is called a leading
13 question.

14 BY MR. MOORHEAD:

15 Q. To your knowledge, how many others participated in
16 the development --

17 MR. SYNNESTVEDT: I object, Your Honor. It
18 assumes a conclusion.

19 THE COURT: What I suggest you inquire, Mr.
20 Moorhead, is whether the witness knew whether anybody
21 else got any work from it. If he says yes, then you
22 might ask him who they were or how many there were or
23 whatever.

24 BY MR. MOORHEAD:

25 Q. Were there others besides yourself that participated

1 in the authorship of the Basic Text?

2 A. Yes.

3 Q. Do you know who they were?

4 A. We have minutes and records.

5 Q. Do you have the original handwritten drafts of those
6 original authors, or certified copies thereof in your
7 possession?

8 A. Yes.

9 Q. Would it be safe to assume that there were more than
10 900?

11 THE COURT: That is a leading question.

12 MR. MOORHEAD: I'll withdraw the question in
13 that way.

14 THE WITNESS: There were at least a thousand
15 direct participants world-wide.

16 MR. MOORHEAD: Thank you, sir.

17 BY MR. MOORHEAD:

18 Q. Was there any material or financial support
19 whatsoever developed during the development of the Basic
20 Text from 1978 until 1982, when it was approved at the
21 World Service Conference?

22 MR. SYNNESTVEDT: I object, Your Honor. That
23 assumes facts not in evidence.

24 THE COURT: Let's just unpack the question and
25 not give the historical end. I don't know, Mr. Moorhead,

1 maybe I'm not making it very clear on what the concern
2 is. You put a question in terms of was there any
3 financial support during the period from such and such
4 until such and such when this document was approved by
5 the World Service Conference. I'm not sure that we know
6 about the end-point approval. You just confine yourself
7 to, did somebody provide some substantive support or
8 whatever. And if the witness -- if you want to get into
9 the record when this was adopted, by what body, and the
10 witness knows, then you can ask him that as a separate
11 question.

12 BY MR. MOORHEAD:

13 Q. Mr. Sewell, during the development of the text, was
14 there any, based upon your obviously highlighted -- your
15 leadership position in this and your constant and active
16 participation, were there any resources given to you from
17 anywhere other than within the Literature Committee and
18 the people that were in the groups and areas and
19 regions?

20 MR. SYNNESTVEDT: I'm going to object, Your
21 Honor.

22 THE COURT: You're talking about financial
23 resources? I'll allow that.

24 THE WITNESS: I hate to ask you to repeat the
25 question.

1 THE COURT: Perhaps you can simplify the
2 question.

3 BY MR. MOORHEAD:

4 Q. The question is -- I'll try to simply state it.

5 During the initial development of the Basic
6 Text, up until the time that it was ultimately approved,
7 were there any donations or financial support from the
8 World Service Office?

9 A. No.

10 Q. Where did all of the support for the printing,
11 distribution, writing and development of the Basic Text,
12 prior to its approval at the World Service Conference,
13 come from?

14 A. Directly from the Fellowship and from the World
15 Service Conference, and some of the regions and areas
16 that provided support.

17 Q. Thank you. Could you tell us upon what date the
18 copy -- the approval, the final draft copy of the Basic
19 Text was approved by the World Service Conference?

20 A. You mean the '82 WSC? That's when the book was
21 basically approved by the Fellowship.

22 Q. And how did the Fellowship get those copies of the
23 book for which they were able to look at it to determine
24 whether they would accept the book as their Basic Text?

25 A. The World Lit Committee raised the money, had the

1 books printed, sent a copy of the review form, which had
2 a gray cover, to every group in the world that we could
3 locate, including Calcutta, Dublin, Barcelona, all over
4 the world. And also later sent out the approval form
5 after several more conferences.

6 The material got as good as we thought we could
7 do at the time, and we sent it out to every member in the
8 world again.

9 Q. So you would say that the groups of Narcotics
10 Anonymous and the membership around the world were the
11 persons that either, A, accepted the Basic Text as an
12 official publication of the Fellowship, or rejected?

13 A. That's how it's done, yes.

14 Q. Is that currently done to this date, that the
15 Fellowship, through its group conscience, approves or
16 rejects a piece of literature?

17 A. I don't know what the current system is. There's a
18 written system and then there's another system.

19 Q. Could you --

20 A. The two are in conflict.

21 Q. Could you --

22 A. To my mind, the answer is yes, because the written
23 system still stands.

24 Q. I see.

25 A. It's in the temporary working guide.

1 Q. I see. So what you're saying, sir, is that in fact
2 the groups of Narcotics Anonymous are the -- for lack of
3 a better word, maybe something more descriptive for the
4 understanding of everyone here -- the buses of service
5 structure of Narcotics Anonymous?

6 A. That's where the ultimate authority resides.

7 Q. Would you state the tradition for the Court, what
8 that tradition says where that statement, the ultimate
9 authority, is?

10 A. For our group purpose, there is but one ultimate
11 authority, a loving God, as he may express himself in our
12 group conscience. Our leaders are but trusted servants.
13 They do not govern.

14 Q. Thank you, sir. Would you say that -- is there any
15 indication to you, by your understanding of the
16 traditions upon which our recovery is based, how the WSO
17 could be engaging themselves in activities that they are
18 currently in under the 12 traditions?

19 MR. SYNNESTVEDT: Object, Your Honor, since so
20 many activities occurred and it's not of record.

21 THE COURT: I think Mr. Synnestvedt is concerned
22 that your question doesn't really identify for us what
23 you mean by activities of the WSO was currently in.

24 BY MR. MOORHEAD:

25 Q. Taking an individual member to court in violation of

1 their personal anonymity, which is the family principle
2 of our Fellowship, would it be safe to say that the
3 traditions prohibit such activities?

4 A. I can't really understand it. I've written the
5 office about this, and I've recommended that a court
6 action expand the problems instead of dealing with it
7 internally. I got a response. It was argumentative.
8 But, no, I don't understand.

9 World Services is committing funds and time and
10 resources to engage in a lawsuit on one hand, a primary
11 service center, against an individual member who is
12 acting as a member of his home group, and that the legal
13 defense funds, meaning to be established old-timers --
14 no, it's very confusing, I do not understand. I don't
15 think it's structurally proper and correct.

16 Q. Mr. Sewell, can you tell me, having been a trustee
17 of Narcotics Anonymous for a total of -- how many years
18 have you been a trustee?

19 A. I served a full five-year term.

20 Q. In your knowledge of our procedures and policies, do
21 you believe that our service structure has followed its
22 own guidelines and policies in pursuing this matter?

23 MR. SYNNESTVEDT: Your Honor, this has no
24 relevance.

25 THE COURT: By pursuing this lawsuit?

1 MR. MOORHEAD: Yes, sir, by pursuing this
2 lawsuit.

3 THE COURT: You may answer.

4 THE WITNESS: I can't believe so because the
5 event itself is preceded in my knowledge. World
6 Service Office, Board and Conference, has not consulted
7 the regions or areas or groups to get a basis of group
8 conscience to backup their action. Instead, they are a
9 bunch of wild rumors flying around a very few facts.

10 Q. Thank you, Mr. Sewell. The next question I have,
11 you are familiar with a document entitled the WSO
12 By-laws?

13 A. I've read them several times through the years, but
14 I don't have them memorized.

15 THE COURT: Be sure that Mr. Synnestvedt knows
16 the document you're talking about.

17 MR. MOORHEAD: Your Honor, I would like to see
18 if they would attest that they are true copies of these
19 documents, if possible. I mean I'm trying to be
20 responsive.

21 THE COURT: If you gentlemen would take a minute
22 or two to confer. I don't know whether Mr. Synnestvedt
23 and Mr. Fields are in a position to stipulate --

24 MR. MOORHEAD: How much of this notebook are we
25 permitted to see, Your Honor? This particular piece is

1 the original copy of the by-laws filed with the State of
2 California. It's a document here --

3 MR. SYNNESTVEDT: Can you take them out of the
4 notebook so we don't get confused with the other
5 material?

6 MR. MOORHEAD: Yes, I suppose I could. We have
7 here a copy of the by-laws of the State of California
8 registered January 23rd, 1977. Mr. Hollahan referred to
9 those earlier. And here's a copy of the current by-laws,
10 circa 1990, of the World Service Office of California
11 Non-profit Public Benefit Corporation.

12 I would be referring to several sections in
13 these by-laws. For our group purpose, there is but one
14 ultimate authority, a loving God as he may express
15 himself in our group conscience. Our leaders are but
16 trusted servants. They do not govern.

17 MR. SYNNESTVEDT: Neither of the documents that
18 have been presented to us is the up-to-date by-laws.
19 They both appear to be superseded editions.

20 THE COURT: I see. All right.

21 MR. MOORHEAD: Your Honor, I would --

22 THE COURT: Does Mr. Hollahan have up-to-date
23 by-laws with him?

24 MR. HOLLAHAN: Not with me, Your Honor.

25 MR. MOORHEAD: Maybe Mr. Hollahan could answer

1 for the Court, if Section 6 --

2 THE COURT: Why don't you show Mr. Hollahan the
3 sections that you have in mind you want to examine about
4 and find out whether his knowledge --

5 MR. MOORHEAD: Section 601--

6 THE COURT: Why don't you sit with Mr. Hollahan
7 and see if you and plaintiff's counsel can resolve the
8 matter?

9 (Pause.)

10 MR. SYNNESTVEDT: Your Honor, our position
11 remains as it was, that these are two superseded versions
12 of the by-laws, but we have no objection to Mr. Moorhead
13 continuing to question this witness about the superseded
14 versions, if he wants to.

15 THE COURT: All right.

16 BY MR. MOORHEAD:

17 Q. Mr. Sewell, in Section 6 of the WSO by-laws, which
18 is the section on powers of the directors, is there, to
19 the best of your recollection -- or if I may give them to
20 you to look at -- is there anything in those powers of
21 directives that would allow them to be --

22 THE COURT: Suppose you show the witness the
23 section?

24 MR. MOORHEAD: I would like to state that these
25 were, in fact, in force at their time and they are --

1 THE COURT: Mr. Moorhead, I'm sorry, but I can't
2 accept your recital. You're here in your role as
3 substitute for a lawyer, not a witness.

4 MR. SYNNESTVEDT: Is there a pending question,
5 Your Honor?

6 BY MR. MOORHEAD:

7 Q. Yes. Is there anything in there that would indicate
8 to you that the WSO has a right to participate in the
9 lawsuit against a member?

10 MR. SYNNESTVEDT: In a specific section that you
11 referred to?

12 MR. MOORHEAD: Yes, Section 6.

13 THE WITNESS: I'm confused by the question.
14 It's hard for me to give a black and white answer. I've
15 already stated that within our structure, I think this is
16 improper because it doesn't have a basis of group
17 conscience or a precedent for major legal action. There
18 was some little thing about a group in Hollywood that was
19 making a little white booklet, but it was small. This is
20 major.

21 So I would say, yes, I see some things that
22 would support WSO taking legal action against an outside
23 agency, and they probably would be supported doing
24 something by the Fellowship; whereas, they are acting
25 prematurely in this case.

1 BY MR. MOORHEAD:

2 Q. Thank you. This is the exhibit that was submitted
3 by -- it's a Fifth Edition of Narcotics Anonymous Basic
4 Text in the section under the the traditions. Would you
5 read the highlighted area?

6 A. The 12 traditions of the NA are not negotiable.
7 That appears in all the versions. That appears in all
8 the versions.

9 Q. Thank you. Would you read for us out of the WSO
10 by-laws the body of Article 11 there?

11 A. 11.01. "This corporation is a service entity which
12 serves a function within the totality of an organization
13 known as Narcotics Anonymous Society. In so doing, it
14 endorses the aims, goals and purposes of that
15 organization, and, in fact, by special endorsement per
16 Section 11.02 hereinafter, it operates under the
17 guidelines of the twelve traditions as espoused by the
18 Narcotics Anonymous Society."

19 1102. "All directors and officers of this
20 corporation shall be, and are, subject to, and will abide
21 by, the principles of the twelve traditions of Narcotics
22 Anonymous Society as set forth in the book identified and
23 entitled as Narcotics Anonymous and shall further abide
24 by motions adopted at each World Service Conference
25 meeting and implement decisions reached by the WSC as

1 they pertain to operation of this corporation. It is
2 herein specifically acknowledged that this corporation
3 acts as a fiduciary in its dealings with WSC and the
4 Fellowship of Narcotics Anonymous. Furthermore, this
5 corporation shall be subject to the decisions and actions
6 of the board of directors of the World Service Office,
7 Inc."

8 Q. On the totem pole, Mr. Sewell, in terms of the
9 process of decision making in Narcotics Anonymous, is it
10 fair to assume or to state with fact that the WSO is the
11 last -- is the person that implements a final decision on
12 the part of the Fellowship and the World Service
13 Conference?

14 A. I think you've divided your question.

15 Q. I will try to state it again.

16 Has the World Service Conference met and voted
17 as a whole and instructed the WSO to pursue legal
18 proceedings?

19 MR. SYNNESTVEDT: I object, Your Honor. There's
20 no foundation. There's no indications that this witness
21 has knowledge.

22 THE COURT: The witness will have to respond
23 within the limits of whatever his personal knowledge may
24 be.

25 THE WITNESS: Not yet on this case or on any

1 case like this in the past.

2 MR. MOORHEAD: Thank you. That will be all, Mr.
3 Sewell.

4 THE COURT: Mr. Sewell, you'll have to hold on
5 to see if Mr. Synnestvedt has any questions to put to
6 you.

7 MR. SYNNESTVEDT: No cross, Your Honor.

8 THE COURT: All right, thank you very much, Mr.
9 Sewell.

10 MR. MOORHEAD: Your Honor, I would like to call
11 myself, if I could.

12 THE COURT: All right.

13 DAVID MOORHEAD, was duly sworn.

14 THE WITNESS: My name is David Merritt
15 Moorhead. I am better known as Grateful Dave Addict. I
16 reside at 1110 East Palmer Street in Philadelphia,
17 Pennsylvania.

18 I don't know what I should say. I've been a
19 member of the Fellowship Narcotics Anonymous since March
20 17th, 1984, and I've been participating in the service
21 structure, from the world to the area to the region in
22 literature. I've been regional PI chair. I've been
23 regional literature vice-chair, and a couple regions
24 parliamentarian, and the chair of the Philadelphia
25 region.

1 I'm quite familiar with the structures of the
2 policies, the guidelines of this Fellowship. I have in
3 my home and personal archives almost every piece of paper
4 ever generated by the World Service Conference. If
5 necessary, at some point, I will, you know -- I can
6 probably inundate this court with documentation.

7 I would like to go on the record as stating that
8 the alleged copyright infringements and what have you
9 that the plaintiff is carrying in my direction, to the
10 best of my knowledge and belief, it appears to me to be
11 some kind of a personal vendetta. And the reason I say
12 that is that the plaintiff has full and complete
13 knowledge that this activity has been going on in various
14 sources and with various individuals throughout the
15 Fellowship. There is even documentation that I can show
16 that this was a problem in 1984.

17 There is at least -- I have sworn depositions
18 that people have bought books from other sources. I have
19 various copies over there. Mr. Hollahan does not show
20 any supporting data that I, in fact, was the printer.
21 There's no way that he can prove that. It says, as an
22 agent of my home group in that testimony, in that letter,
23 that he offered in testimony. I have a home group member
24 here.

25 He alleges that I am an individual. I would

1 like to read into the record as part of my testimony,
2 from the Fellowship's own publication called the World
3 Service Conference Fellowship Report, a statement from
4 the chairperson of the board of trustees. In pertinent
5 part it says, this is not a financial concern. And the
6 issue is not that this text is going to decrease the
7 WSO's income.

8 Clearly, there's no supporting documentation.
9 You know, there is no clear evidence that there's any
10 harm that has been caused financially. I would like to
11 ask them, if they have any documentation at this time,
12 would they please bring it forward.

13 I would say that under the 12 traditions, that
14 they are -- in our service structure, that they have not
15 waited for the decision of the Fellowship in proceeding
16 with this matter. I have feelings that I was
17 characterized, within the body of the complaint, that I
18 had unfounded and illogical distrust of the WSO. I can
19 only infer from that that anyone that questions the WSO's
20 activities over the past eight years must be somehow
21 crazy.

22 The WSO has proven consistently over the years
23 that they -- that they are not, in fact, the protectors
24 of the integrity of our message; that they have, in fact,
25 altered our message; that they have ignored the will of

1 the Fellowship and entered into contractual agreements.

2 The copyrights in the body of the complaint that
3 were submitted by Mr. Hollahan's organization there claim
4 that the Basic Text was warped, made for hire. I would
5 question that. I would question again why the copyright
6 registrations only begin in 1987. I can produce and will
7 bring documentation forward, if necessary --

8 THE COURT: May I interrupt you at this point?

9 THE WITNESS: Yes.

10 THE COURT: You spoke of a copyright
11 registration beginning in '87?

12 THE WITNESS: Yes, sir.

13 THE COURT: Are you familiar with the exhibit
14 attached to -- I believe it's attached to the complaint
15 that seems to show registrations dating back to 1983?
16 Maybe I misunderstood the point that you were making.

17 Maybe it's not of importance, but you seem to be
18 making some point.

19 THE WITNESS: They make a reference --

20 THE COURT: Exhibit F to the complaint purports
21 to be a copyright registration of the First Edition of
22 Narcotics Anonymous. It's dated, National First
23 Publication, April 27th, 1983.

24 THE WITNESS: As you can see, sir, this is wiped
25 off the page here. It says, effective date of

1 registration, 6-15, and that's wiped off the page. I
2 believe that you'll see that they registered that
3 copyright in -- here it is -- 6-15-87, sir. So they are
4 claiming retroactively -- what I am attempting to
5 indicate to the Court is that I do not believe that there
6 was a proper statement in the registration as to the
7 ownership of that.

8 I believe the validity of the WSO's holdings of
9 that copyright is in serious question considering the
10 sworn deposition that I have from a literature chair and
11 supporting documentation that he, in fact, revoked the
12 copyrights and the right to print from the WSO. It's my
13 contention that the WSO has been illegally printing the
14 Fellowship Basic Text. I'm sorry, turn this thing down.

15 But, you know, sir --

16 MR. SYNNESTVEDT: Now I can't hear you. I'm
17 getting mixed signals.

18 THE COURT: Just calm down, Mr. Moorhead. Take
19 it easy.

20 THE WITNESS: Thanks. It's real hard to take it
21 easy, sir, when I believe that I've been singled out
22 unfairly, you know. I don't believe, first of all, that,
23 you know, the number of copies that they allege that I,
24 in my own volition, printed, that I talked about in that
25 letter, make it qualified for being in this courtroom. I

1 don't care. They say that it cost 30 cents to produce.
2 They say I said it was 50 cents. They said I said I was
3 going to do 50,000 of them.

4 In October, I told them that I was not
5 currently, and I spoke that to you. I have not currently
6 been involved in printing and distribution of this
7 material. I was never -- and I would like to bring a
8 point of clarification in that last paragraph. It says
9 that I, as an agent of my home group. My home group is
10 made up of 56 members, which they failed to name in the
11 suit, who participated fully in the decision to print.

12 There are ten copies of the, quote, alleged
13 text, which are all different. My copies, the copies
14 that my home group had anything to do with, have three
15 staples in them. The text that Mr. Hollahan had are
16 two. So I know that that doesn't -- that that doesn't
17 come from me.

18 He claims that I said to him that it was hot off
19 the press. What I said to him was that I saw this and it
20 was -- and this is a most recent copy which I'm sure you
21 would like to take home to the office to add to your
22 archives.

23 The introduction of letters and tape recordings,
24 or transcripts of the tape recordings of my answering
25 machine in the NA magazine, it says they've been

1 discussing this issue since May. I fail to see what
2 immediate and imminent harm there is to the Fellowship
3 based on the support in the November document. In the
4 November document here, they said how should we proceed.
5 They are asking for direction from the Fellowship on how
6 we should proceed with this. But did they wait for that
7 direction? This came out in the middle of November and
8 was not distributed to the service structure or service
9 bodies of the Fellowship until after the lawsuit had
10 already been initiated.

11 You see, sir, there are many, many, many things
12 that if I was given further opportunity and some
13 assistance, legal and financial and otherwise, that I
14 could bring before this Court that would show that this
15 matter is improperly brought; that the plaintiff has no
16 clear right to relief; that there are many factual
17 misstatements throughout the body of the complaint and
18 the declarations of Mr. Hollahan and Mr. Tooredman. Mr.
19 Tooredman's declaration claims that I, in fact -- that
20 he's known me for five years. Yet, I have a letter that
21 is written as recently as July 18th over here where Mr.
22 -- to an attorney in New Orleans, that Mr. Tooredman
23 calls me David Moorhouse. So, obviously, Mr. Tooredman
24 doesn't know me or know my name.

25 You know, when you have been threatened with

1 lawsuits, and when cease and desist letters from an
2 attorney in California have been mailed piecemeal and
3 willy-nilly to members all over the membership
4 threatening them with legal action and penalties of
5 perjury, which is documentations that I'll bring in --
6 I've got stacks and stacks of letters of support. I've
7 got stacks and stacks of communications. I have over
8 there commercial material with the NA name and the NA
9 logo that have never been sought permission, never been
10 granted permission and have been used commercially.

11 The name Narcotics Anonymous was registered in
12 1942 in the books of organizations in Lexington,
13 Kentucky. It predates this. What the WSO states in
14 their complaint is that the term Narcotics Anonymous and
15 the servicemarks and the names are original with the
16 WSO. That, since 1953, they have been -- spent hundreds
17 and hundreds and thousands of dollars promoting the name
18 Narcotics Anonymous, when WSO didn't exist officially
19 until 1977. You know, I'm not denying that as a member
20 of a 56 member group that we, in fact, copied material
21 that belongs to us.

22 I participated in the revisions. WSO claims
23 that they have revised these things, that the WSO revises
24 them. There is no way in our literature or any of our
25 Fellowship procedures or documentations that this is even

1 remote -- can be remotely inferred. They were only
2 involved in the last stage, and that is to send the thing
3 in its final approved form, vis-a-vis the entire
4 Fellowship, to a production house and to publish it.
5 That is the only point in time that the WSO was involved
6 in the production and distribution. They are not in any
7 way involved with the approval.

8 Mr. Hollahan states that he is the director of
9 the approval, has, you know, responsibilities for the
10 approval of any literature. I mean I could go on and on
11 and on and on. But I will submit to a sworn deposition
12 from Mr. Page Coverton, who released the copyrights upon
13 the direction of the World Literature Committee to the
14 World Service Office for production, after the World
15 Service Conference and the WSO failed to produce the book
16 in its proper form, made changes in it and deleted it.

17 I mean we've been off and running on it, Judge
18 Pollak, sir, for years and years and years. You know, I
19 find myself in a very disadvantageous situation right
20 now, and I'm unable to really adequately, you know,
21 prepare. But I am sure the plaintiff claims that they
22 have a great likelihood of success. I am almost
23 absolutely assured that they will not, in fact, succeed.

24 You know, this suit seems to be malicious in its
25 intent, and properly timed in knowing that I would not be

1 able to, through the holidays or because of my financial
2 condition, to defend this adequately or to seek legal
3 counsel or to prepare. The only law book I have is that
4 federal book of procedures that somebody loaned me. God
5 knows, I've been studying it. But I can say that, you
6 know, with all clarity, that this issue really has
7 nothing to do with me as an individual. And I believe
8 that what it is is an attempt to, by the plaintiff's
9 corporation, to sever itself from the decision making
10 body, and any kind of responsibility to the Fellowship of
11 Narcotics Anonymous.

12 I don't know, but it seems to me to be kind of a
13 legal -- what do they call it -- legal maneuver to do
14 that. Kind of like -- let's see, back when I was a
15 criminal, they said theft by conversion, I believe.

16 I believe that, you know, what we're looking at
17 here, based upon Mr. Synnestvedt's statement to me
18 subsequent to that conference that you ordered us to
19 have, he was totally unwilling to, you know, to change
20 the TRO phase at all. He indicated to me that any
21 persons in active concert or participation who receive
22 actual notice of this -- now, I guess that means a
23 certified letter with a copy of this stuff sent out by
24 the voluminous mailing list of the plaintiff to enjoin
25 and restrain everyone in the Fellowship.

1 You know, I can see this stuff happening. I
2 mean, I can submit for the record letters and
3 documentation where I've been called a thief, where I've
4 been called a liar, where I've been called that I stole
5 the book, that I mutilated the book. There isn't a
6 single word in that book, Your Honor, that is any
7 different from any of the publications that have been
8 previously produced by the Narcotics Anonymous
9 Fellowship. It has done nothing to harm the Fellowship
10 at all. The harm has been created by the plaintiffs.
11 The plaintiff's activities.

12 If it goes any further than this, Your Honor, I
13 feel like that, you know, that I will have some -- to
14 make some -- to answer the complaint and make some
15 affirmative defenses and counterclaims and bring up new
16 matters. I would not like to burden the Court with that
17 frivolous proceeding, with an internal matter. It really
18 hasn't even gone through the processes, that we, as
19 members of Narcotics Anonymous in the Fellowship itself,
20 the plaintiff corporation, have failed to follow our
21 procedures and guidelines in this matter.

22 I think it's quite a waste of the federal
23 court. They want their way. They want to do things
24 their way. And so they bring it here to resolve it
25 rather than resolving it through the processes and

1 procedures that they have failed to follow.

2 I would like to, you know -- I mean I'm just
3 kind of trying to wing it here and to give you and the
4 people out here an idea of what's really going on. But
5 there are people all over the country that are producing
6 this.

7 I have a letter that is dated December 3rd,
8 where they said that people all over the country will be
9 doing this. It's been an ongoing activity since the
10 beginning of Narcotics Anonymous. And it's never been --
11 you know, they sold \$50,000 worth of merchandise at the
12 New York regional convention, and never once did they get
13 a royalty. But I can guarantee you this much, if they
14 are awarded this restraining order and temporary
15 injunction, that that is exactly what they'll do.

16 We have never had a problem with misuse. We've
17 pursued a lawsuit as a Fellowship. We were never asked
18 to have our -- the Fellowship was never asked to have our
19 trademark and service name registered. They claimed that
20 they have permission from the World Service Conference to
21 sue members of Narcotics Anonymous. I have there the
22 minutes of that. It is specific to a legal matter called
23 creative arts lawsuit which they entered into without
24 asking the Fellowship previously. The Fellowship as a
25 whole has never been asked whether they wanted to pursue

1 legal action against anyone ever, ever.

2 I guess I'm going, you know, to let these
3 gentlemen cross-examine me or whatever they do now. I
4 guess I'll reserve the right to recall myself, I guess.
5 That's essentially what we're about here.

6 THE COURT: Mr. Synnestvedt, do you wish to
7 cross-examine?

8 MR. SYNNESTVEDT: May I have a moment, Your
9 Honor?

10 THE COURT: Sure.

11 (Pause.)

12 MR. SYNNESTVEDT: No cross-examination, Your
13 Honor.

14 THE COURT: All right, thank you, sir.

15 MR. MOORHEAD: I'd like to call to the stand, if
16 it's possible at this point --

17 THE COURT: You want to call another witness?

18 MR. MOORHEAD: Yes, sir.

19 THE COURT: How many more witnesses do you have
20 in mind to call?

21 MR. MOORHEAD: Well, I had Ms. Toni Moore
22 quickly to answer two or three questions, and then Mr.
23 Allen to wrap-up. I will assume, sir, that that will
24 take no more than 20, 30 minutes tops.

25 THE COURT: All right.

1 TONI MOORE, was duly sworn.

2 DIRECT EXAMINATION

3 BY MR. MOORHEAD:

4 Q. Toni, are you a member of By The Book Group?

5 A. My home group is at the Book Group Study, which
6 meets at 2773 Kensington Avenue.

7 Q. Could you briefly describe the surroundings of our
8 --

9 A. We meet in a former shooting gallery on Kensington
10 Avenue across the street from drug dealers and Guardian
11 Angels who get beaten up with baseball bats on our
12 doorsteps and people crawl into our meeting with a
13 promise of life.

14 Q. Would you say that -- could you estimate our normal
15 attendance?

16 A. It can go from 45 to 60 newcomers every week, and we
17 get new people constantly from the halfway houses, not
18 mandated. They choose our meeting. They choose our NA
19 meeting to come there on Thursday nights.

20 Q. Have we distributed free books in our meeting?

21 A. Yes, we have. We're a book study meeting, and the
22 people in attendance need the book to study the steps.

23 Q. Approximately how many free books do you think we've
24 distributed since June?

25 A. It would have to run in the hundreds, in the

1 hundreds, and we provide them for people who come in who
2 left their text at home, and they are free to use it
3 while they are there. We ask them to replace it when
4 they leave. If they don't have a text, we ask them to
5 please take it with them so they have the 12 and 12 when
6 they walk out the door.

7 Q. Have we ever solicited -- has there ever been a
8 solicitation for funds to pay for such a distribution?

9 A. No, we have only the seven tradition standards in
10 all NA meetings, and that's a very local action because
11 our members are from halfway houses. They are on welfare
12 and they don't have money. They don't have money.

13 THE COURT: Excuse me, maybe I missed something,
14 but perhaps you're going to elucidate it, Mr. Moorhead.
15 The reference to books, I don't know whether you're
16 talking about -- whether we're referring to the volume
17 sometimes called a Basic Text or another book?

18 MR. MOORHEAD: We are speaking specifically of
19 the --

20 THE COURT: I'm not asking you as a witness.
21 I'm asking you as a lawyer to make sure that the witness
22 who is on the stand identifies what it is that is being
23 referred to, some common understanding of --

24 THE WITNESS: Yes, that's a form.

25 MR. SYNNESTVEDT: I have not seen this exhibit.

1 MR. MOORHEAD: It's the same exhibit that you
2 submitted to the Court.

3 THE COURT: Mr. Moorhead, for the purposes of
4 conducting a lawsuit, if there is an exhibit to which we
5 are referring by number or otherwise, that would be
6 fine. If not, if we are introducing a new document which
7 is not yet an exhibit, perhaps you will identify that.
8 But you have been -- I'm not saying that you need to
9 introduce an exhibit. You've been asking the witness
10 about a book.

11 THE WITNESS: Could I possibly clarify it a
12 little?

13 MR. MOORHEAD: A free Basic Text, blue copy --

14 THE WITNESS: The same text that I found in the
15 complaint filed in the federal courthouse here, yes. A
16 true copy of the book that we distribute is in the
17 complaint filed by the plaintiff.

18 THE COURT: You're referring then to -- do I
19 understand that we're referring to the --

20 THE WITNESS: Exhibit A or B?

21 THE COURT: I don't know. Mr. Moorhead, I'm
22 going to have to ask you.

23 MR. MOORHEAD: Hollahan Exhibit A.

24 THE COURT: Would you make sure that is indeed
25 what the witness is talking about?

1 MR. MOORHEAD: Yes.

2 THE WITNESS: Yes, this appears to be a
3 photostat of what actually is a bound book that we
4 distribute.

5 THE COURT: All right. And that is the -- as I
6 understand it, that is the same as Exhibit A of the
7 Hollahan declaration?

8 THE WITNESS: Yes, it is.

9 THE COURT: All right, go ahead.

10 BY MR. MOORHEAD:

11 Q. Could you tell us how we arrived at a decision to --

12 A. In a group conscience meeting of March 8th, the home
13 group members met. We discussed the financial aspects of
14 the group. It was apparent that we had tremendous need.
15 What we didn't have coming to the meeting is finances.

16 We had put out a call to the Fellowship to come
17 and help us deal with 40 and 50 newcomers a week to bring
18 knowledge of the steps into this meeting, and the
19 Fellowship did not respond. It was not a glamour meeting
20 or a nice area. So we discussed literature and purchase
21 of literature, and we found the literature sold by the
22 WSO to be expensive, and we felt that we had a group in
23 dire need.

24 We sought an avenue to provide the needs for our
25 members. And the avenue that we voted on that we

1 conscienced in our group conscience was to find a way to
2 get a cheaper book on the table of our meeting, where we
3 we could put 50 and 100 texts out for our members.

4 Q. Subsequent to that, did we submit this particular
5 document to the Area Service and the Regional Service
6 Committee for them to study and look at?

7 A. Our GSR took a report to the river front area
8 service, and reported that we were producing a book to
9 put on our tables for our newcomers. As regional
10 secretary at the time of the Greater Philadelphia Region,
11 I even made a representation as a home group member and
12 advised the region, from my status as a member of the
13 executive board, what my home group was doing. From the
14 beginning, we advised the area, we advised the region and
15 we welcomed input and we welcomed interest.

16 Q. So would it be fair to say that we went through the
17 proper service channels to bring this book to the
18 attention of the Fellowship?

19 A. Yeah, you could call it service channels. It seemed
20 like a gauntlet at the time because the fear that was
21 generated in the people that we had to deal with was
22 pretty frightening.

23 Q. Would you say that when we first brought that, that
24 there was a rather good feeling by everyone who saw it
25 about it?

1 A. Yes, because there are a lot of groups that just
2 financially don't have the capabilities to get the
3 message to the addict who still suffers.

4 Q. What was it, in your estimation, that caused --
5 describe the events following the release of the trustee
6 letter.

7 A. Well, for me personally, I was thrown off the
8 region, the Greater Philadelphia Region of Narcotics
9 Anonymous for my --

10 MR. SYNNESTVEDT: What trustees are you talking
11 about?

12 MR. MOORHEAD: It was a letter that was sent out
13 by the World Service Board.

14 MR. SYNNESTVEDT: Could you please identify the
15 document for us?

16 MR. MOORHEAD: Yes, sir, I can. Let me withdraw
17 that, to be good to the Court. I'm going to withdraw
18 that question.

19 THE WITNESS: All right.

20 BY MR. MOORHEAD:

21 Q. Do you have with you any indication, documentation
22 how our membership -- how the membership of your home
23 group feels and the support, and could you submit that to
24 the clerk or to the Court or to Mr. Synnestvedt? I will
25 thank you for --

1 A. I'm sorry, I have no copies of it at this point.
2 This is an original. It's undated, but the date that
3 this document was signed was the first Thursday after the
4 lawsuit was filed, which was December 6th.

5 At that point, we had 56 members in attendance
6 at the By The Book Group Study. They signed this, "As
7 members of NA (By The Book Group), 2773 Kensington
8 Avenue. We demand WSO cease the federal lawsuit against
9 one of our members."

10 MR. MOORHEAD: Thank you. One further
11 question. Do you have knowledge of the date of the
12 letter that was alluded to by Mr. Hollahan, and Mr.
13 Tooredman in his deposition, that was distributed shortly
14 thereafter a June or so conversation, and that they claim
15 to have been circulated with every copy of the book that
16 was given out?

17 THE WITNESS: Is that the comments on NA
18 service?

19 BY MR. MOORHEAD:

20 Q. Yes, that's the one.

21 A. Yes, it was produced along with your resignation as
22 a policy chair, and your resignation as RSR board
23 member. I took all three documents to the regional
24 weekend of August -- it would be the first Sunday in
25 August. I'm not sure of the actual date; maybe August

1 5th, 4th or 5th, I believe, that weekend. And I took the
2 documents with me to the region, as the policy chair was
3 not in attendance that weekend, and distributed them to
4 all RSR's to take back to their areas.

5 MR. MOORHEAD: Thank you. No further questions
6 at the moment.

7 MR. SYNNESTVEDT: No questions, Your Honor.

8 BY THE COURT:

9 Q. Ms. Moore, is your group currently engaged in the
10 distribution of the document that's been identified by
11 you?

12 A. The group does not distribute. The group puts them
13 on the table and home group members -- the books that we
14 have in stock, the home group members read and put back
15 on the table. There have been no printings in quite
16 awhile, that I know of. And so, no, there is no active
17 distribution happening, that I know of.

18 But the members ask about the book and -- we
19 really had not advised the newcomers of what was
20 happening legally, because in recovery they don't need to
21 know outside interest, which is what this is that's
22 happening. They don't need to know about service
23 structure, because that's not Narcotics Anonymous. Our
24 group is Narcotics Anonymous. And what we do in the
25 group is share the steps with them. And when we did

1 share with them the day that this document was signed by
2 everyone that a lawsuit had been instituted, one
3 gentleman just came up to me and picked up a book off the
4 desk and he said, "You mean they are suing because you're
5 giving this book to me to read?" And I said, "Yes." He
6 said, "But this is helping me." I said, "Well, yeah, but
7 they are not making money for it."

8 Q. Would your group be able to achieve its purposes
9 adequately by making available the Fifth Edition of the
10 Basic Text?

11 A. Well, no, it would not be carrying a pure Narcotics
12 Anonymous message to the conscience of our group, because
13 we recognize the Third Edition Revised as the last group
14 that was really clear, and through what we considered to
15 be the Fellowship channels.

16 We really cannot afford to buy the book at the
17 price they sell it. They have indicated at the Arlington
18 Quarterly, which I did attend as a home group member,
19 they indicated they really had talked about over the
20 years reducing the price of the text, but they always
21 decided not to. Several people said they thought it
22 should cost more.

23 Q. If price were not the problem, the text was
24 available for distribution, then would you distribute it
25 or make it available to your members?

1 A. Oh, yes, if World Service Office produced the book
2 that's been conscientized by the regions in our area.
3 There were areas that were conscientized when the Fourth
4 Edition came out, and it came out all wrong. They
5 conscientized to go back to the Third Edition Revised.
6 This conscience was ignored.

7 If the WSO would provide us with the book that
8 we want, the Third Edition Revised, and certainly at a
9 price that is not exploiting the Fellowship or making our
10 meeting a storefront for their literature, yes,
11 absolutely. We're not out to be literature tycoons.
12 We're just trying to carry the message efficiently, as
13 inexpensively as possible, to people who desperately need
14 it and want it.

15 Q. That is what you would like -- you would be willing
16 to distribute, if you had it available, or to share with
17 your members, you would be willing to share the volume
18 that is called Third Edition Revised?

19 A. Yes, with the original fourth and ninth traditions
20 which were adulterated by the World Service.

21 Q. Now, of course you're leaving me, Ms. Moore. I'm
22 talking about a particular book called the Third Edition
23 Revised.

24 A. Yes, this book.

25 Q. No, that is not the book that the WSO produces as a

1 Third Edition Revised, is it?

2 A. No, it's not, no.

3 Q. I'm asking whether the book that WSO produces, the
4 Third Edition Revised --

5 A. For that, I would have to consult my group
6 conscience. This is what my group conscience had at the
7 table.

8 Q. The one that your group conscience authenticates is
9 the document that has been produced by your group.

10 A. Yes.

11 Q. Is that correct?

12 A. Yes. But I would have to go back to my group and
13 tell the group. I would have to take that back to the
14 group. That's not a decision that I could make. This
15 decision was already made by the group, and that's why I
16 was able to say yes on that, because that conscience is
17 in effect. But this would require a totally new
18 conscience.

19 Q. And with respect to the current edition, that I
20 understand to be the Fifth Edition, if that were made
21 available to you?

22 A. No, I have no interest in it.

23 Q. I see. So the only edition that would possibly be
24 of interest would be the Third Edition Revised, and that
25 you're not sure about because you feel it's an

1 adulterated position; is that correct?

2 A. Well, I would have to take that back to the group
3 conscience.

4 Q. But that is the only edition that would even
5 potentially be something that your group could share?

6 A. Given the information that we have shared as to the
7 process of how the Fourth and Fifth Editions happened,
8 yes, in all conscience, we don't want those books on the
9 table.

10 THE COURT: I see. All right, thank you, Ms.
11 Moore.

12 MR. MOORHEAD: I'd like to call one more
13 witness, please.

14 WILLIAM M. ALLEN, III, was duly sworn.

15 DIRECT EXAMINATION

16 BY MR. MOORHEAD:

17 Q. Would you state for us how long you have been
18 clean?

19 A. I've been clean for a little over 11 years.

20 Q. Can you state for us briefly your participation in
21 the World Service structure, Narcotics Anonymous?

22 A. World Service structure, I got involved basically in
23 1981, when I was given the Mid-Atlantic Regional
24 Literature vice-chair position, and got involved in the
25 literature movement of writing Basic Texts for Narcotics

1 Anonymous.

2 I proceeded to stay involved with the World Lit
3 Committee until 1984, when I went to World Service
4 Conferences as an RSR, Mid-Atlantic Region.

5 I joined the World Public Information Committee
6 that year. I was on world H&I, Hospitals and Institution
7 Committee. I served on the World Convention Committee
8 for a year. I served on World Public Information for a
9 five-year period. I served one year as World Public
10 Information vice-chair.

11 I served three years as an RSR for the
12 Mid-Atlantic Region. So I have approximately seven years
13 of actual involvement in the World Service Narcotics
14 Anonymous.

15 Q. Could you state whether, in your understanding and
16 knowledge of our policies and procedures, having been a
17 member and participant of that service structure in that
18 capacity, could you say that the WSO has properly -- is
19 properly behaving in a lawsuit against an individual
20 member?

21 MR. SYNNESTVEDT: I object to that question.
22 It's vague, confusing.

23 THE WITNESS: It's not confusing to me. It's
24 very precise to me.

25 THE COURT: Well, it may be, sir, to you, but

1 some of us who are less familiar with the problems that
2 are being discussed and the organizations that are
3 involved have a little difficulty assigning much clarity
4 to that. So I will sustain the objection and ask Mr.
5 Moorhead to put the question more precise.

6 MR. MOORHEAD: I'll try to rephrase that
7 statement.

8 BY MR. MOORHEAD:

9 Q. In your opinion, is this a case of the tail wagging
10 the dog?

11 MR. SYNNESTVEDT: Objection, Your Honor.

12 THE COURT: Sustained.

13 MR. SYNNESTVEDT: This witness is a fact
14 witness.

15 THE COURT: Sustained.

16 MR. MOORHEAD: I don't quite know how to
17 elicit. I'm not trying to elicit any response. Would
18 you just -- you'll have to be patient with me.

19 THE COURT: My problem is when you say to the
20 witness, is this a case of the tail wagging the dog,
21 that's an illusion uncommon in the world of general
22 speech. But for the likes of a person myself, who really
23 is external to this dispute and external to personae,
24 external to the institutions, it's a little hard to
25 assign very concrete meaning to that. If you can try to

1 shape it in some simpler way.

2 BY MR. MOORHEAD:

3 Q. Would you, in your own words, describe the process
4 of decision making in Narcotics Anonymous, and at what
5 point along that path that the WSO comes in?

6 A. What happens, there's a group conscience process
7 that starts which is broad base of our Fellowship. My
8 home group participates in the decision making process by
9 coming up with ideals, and dealing with situations of the
10 World Service of our Fellowship. We send motions to our
11 area. The motions get approved through our area process,
12 and from the area they go to the region and get approved
13 through the region.

14 Then they go to World Service Conference, which
15 the conference agenda comes out once a year. A
16 conference agenda is supposed to be prepared already this
17 month and be out to the Fellowship by February 1st.

18 In our conference agenda, we go through the
19 agenda process of collecting group conscience for our
20 conference at the end of April, beginning of May.

21 MR. SYNNESTVEDT: Your Honor, the witness has
22 been referring to a document which has been laid on his
23 desk.

24 THE WITNESS: I didn't refer to this document at
25 all.

1 THE COURT: Fine.

2 BY MR. MOORHEAD:

3 Q. During that entire process, in your opinion and
4 belief and experience, do the groups of Narcotics
5 Anonymous always get referred to in the process of
6 decision making? I mean, in other words, in that process
7 that you described, starting with the group, then to the
8 area, do the groups submit something to the area and then
9 it goes back to the groups?

10 A. Yes.

11 Q. Would you kindly describe that, how that back and
12 forth discussion and --

13 A. What happens in my home group, my home group makes
14 -- what happens in the conscience, somebody will submit
15 an ideal or concept to the group, and the group will
16 discuss it, and we'll send it to the area, and the area
17 sends it out to all the groups that are participating
18 with the area service structure.

19 Then all the groups participate in collecting a
20 conscience on that and make a decision. And then we go
21 from there to the region. Then the region sends it back
22 out to all the areas, and all the areas within that
23 region send it to the groups. Then it comes back to the
24 region, and then we submit it to the World Service
25 Conference agenda that deals with conference stuff.

1 It's supposed to be put in the agenda and sent
2 out to the Fellowship. And then we go back through the
3 process again of approval of motions.

4 Q. Based upon that process in this particular situation
5 with a lawsuit instituted by the WSO, has that process
6 occurred?

7 A. This process has not occurred, and my group has not
8 received the conference agenda yet to be able to deal
9 with this situation. So my group itself is unaware of
10 the actual case itself. We've been aware of the
11 propaganda and threats of our World Service Office, which
12 has affected Narcotics Anonymous as a whole.

13 Q. Does your home group in that group conscience
14 process, decision making process, do you and your home
15 group provide free books to addicts?

16 A. My home group has not accepted a Basic Text from
17 World Service Office since 1988, and do pass out a free
18 Basic Text because of the violations of process of our
19 conference and our World Service Office with interference
20 with our Fellowship.

21 Q. Can you tell us whether your group is a part of an
22 area service structure? That area service structure, has
23 it ever voted to accept the fourth or fifth editions of
24 Narcotics Anonymous?

25 A. No, the area service has never approved the fourth

1 or fifth edition. We have disapproved the process of the
2 fourth edition, and sent a letter to World Service
3 Conference concerning that.

4 Q. Would you say that Ms. Moore's group and your group
5 are only two -- how many groups would you estimate are
6 currently providing free literature to addicts as a
7 result of the alleged infringements that were submitted
8 --

9 THE COURT: Mr. Moorhead, you'll have to find
10 out from this witness whether he has any information with
11 respect to what other groups do. We can't just take an
12 estimate.

13 BY MR. MOORHEAD:

14 Q. Do you have information that you could share with us
15 about the number of other groups across the country that
16 -- or that in fact -- do you have knowledge of other
17 groups in other places doing similarly alleged violations
18 of laws, copyright ownerships?

19 A. I have knowledge of groups participating in, taking
20 care of their own, not violation of set laws because the
21 Fellowship does not feel that it's in violation of a
22 law. It's how can the Fellowship sue itself. I mean
23 your question ended real --

24 THE COURT: I think the problem is with the
25 question. Weren't you trying to elicit information, Mr.

1 Moorhead, as to whether there were other groups besides
2 the witness' and Ms. Moore's groups that were
3 distributing or making available free Basic Texts?

4 MR. MOORHEAD: Yes, sir.

5 THE COURT: Do you know, do you have any
6 information?

7 THE WITNESS: Yes, I do.

8 THE COURT: What is that information?

9 THE WITNESS: There's a broad coalition of
10 groups in Narcotics Anonymous that will not participate
11 in the purchase of Fifth Edition Basic Text, and will
12 make available a free Basic Text to its membership. And
13 that coalition stems from here to California, from Miami
14 up to Alaska, and it's happening overseas. This is not
15 something that is a minimal thing, as the plaintiff wants
16 to put it into one human being.

17 BY MR. MOORHEAD:

18 Q. Would you say, Mr. Allen, that there is a -- has
19 been, and is a growing sentiment -- let me rephrase
20 that. Do you have knowledge of a growing sentiment and
21 discontent of the Fellowship, the activities of the World
22 Service Office?

23 A. There's been a growing dissent since I've been
24 involved with World Service Conference. It now has
25 become more broader based than ever before, because it

1 brought old members back out of California that got
2 disenchanted years ago that are getting back involved
3 since this happened, and have some feeling of being able
4 to grasp their service structure back from who stole it
5 from them. This hurts my heart to be here and not in the
6 Conference where this belongs.

7 Q. Do you see how -- can you imagine --

8 MR. SYNNESTVEDT: Objection, Your Honor. The
9 beginning of a question, can you imagine. It's just --

10 THE COURT: It's unlikely going to be a feasible
11 question.

12 MR. MOORHEAD: All right, I need to confine
13 myself.

14 BY MR. MOORHEAD:

15 Q. Is there any possible way -- in your opinion, is
16 there --

17 MR. SYNNESTVEDT: Objection, Your Honor, calling
18 for the witness' opinion as a fact witness is improper.

19 THE COURT: I don't think that's going to do
20 it.

21 BY MR. MOORHEAD:

22 Q. Can you see any way in which this lawsuit could be
23 beneficial to the public trust or to the Fellowship and
24 membership of Narcotics Anonymous, or to the primary
25 purpose of our Fellowship, as stated in the Fifth

1 Edition?

2 A. Let's just say that I took this case to my business
3 law professor. My business law professor told me it
4 sounds -- and told our class -- it sounds like your World
5 Service Organization has violated your primary purpose,
6 and it's a sad situation for the day of your Fellowship.
7 I didn't mention Narcotics Anonymous. I went over the
8 facts, information that was provided by World Service
9 Office, the facts of everything presented, and the law
10 professor told me that this is a sad day for your
11 Fellowship to even have to take this into a court of law,
12 and it will not benefit either side of an issue. All it
13 will do is to tear apart something that is out to help
14 addicts throughout the world.

15 MR. SYNNESTVEDT: I object on the grounds of
16 hearsay, and move that the answer be stricken.

17 THE COURT: Overruled. I don't think it helps
18 us very much, but I'm not going to start manicuring the
19 record. Let's move to something else.

20 BY MR. MOORHEAD:

21 Q. Were you in attendance at the 1988 World Service
22 Conference?

23 A. Yes, I was.

24 Q. And what was your World Service position at the
25 time?

1 A. World Public Information Vice-chair.

2 THE COURT: Let me say that in overruling the
3 objection, I am not accepting the evidence of what the
4 unidentified business law professor had to say as
5 substantive evidence. I'm accepting it as a statement
6 made by the professor on the basis of facts as reported
7 to him by the witness. That was the professor's
8 reaction, and that's what has been reported. It doesn't
9 weigh with me as substantive evidence of the rightness or
10 wrongness of the legal contentions made here. Basically,
11 for that reason, it has very little materiality at all.

12 BY MR. MOORHEAD:

13 Q. In your position as World Public Information Vice-
14 chair, are you required by the duties of that position to
15 pay strict attention to the events that occur at that
16 World Service Conference?

17 A. Yes.

18 Q. In Mr. Hollahan's testimony as to the Fellowship
19 giving permission to sue, do you know, in your best
20 estimation -- do you recollect the events or the
21 discussions pertaining to that?

22 A. Yes.

23 Q. Do I need to provide the minutes of the World
24 Service Conference to refresh your memory?

25 A. No, you don't.

1 THE COURT: I hope we're bringing this to a
2 conclusion pretty quickly.

3 MR. MOORHEAD: Yes.

4 BY MR. MOORHEAD:

5 Q. Would you tell us, to the best of your recollection,
6 what was asked and what was granted?

7 A. Well, what happened at World Service Conference that
8 year, basically we passed a motion on providing jewelry
9 and other types of merchandise like that by World Service
10 Office. And then a board of trustee member brought a
11 motion to the floor that was not in our Conference agenda
12 that violated our Conference procedures, to take an
13 action against a set jewelry company outside the
14 Fellowship that provided merchandise. And with that,
15 they took a voice vote, which was violation of our
16 contractual agreement with Narcotics Anonymous, and how
17 to proceed with anything. The voice vote was taken and
18 it was for that case only. It had nothing to do with
19 anything. It was an external matter.

20 THE COURT: It's 5 o'clock. There are two
21 matters that I have to take care of by five, so I'm going
22 to -- we're going to recess for about seven minutes.

23 (Pause.)

24 BY MR. MOORHEAD:

25 Q. Would you state what the Fifth Tradition of

1 Narcotics Anonymous is? I'll refresh your memory. It's
2 tough sometimes.

3 MR. SYNNESTVEDT: Excuse me, I couldn't hear
4 you, Mr. Moorhead.

5 MR. MOORHEAD: I said, perhaps it would be
6 better if you would read it out of this book here. Would
7 you read the Fifth Tradition for -- this is not a
8 document that's in dispute, is it? Just the italicized.

9 THE WITNESS: "Each group has but one primary
10 purpose - to carry the message to the addict who still
11 suffers."

12 BY MR. MOORHEAD:

13 Q. Thank you. Could you state what the document -- the
14 book that you have there, the alleged infringing copy,
15 Exhibit A in the Hollahan declaration, would you state --
16 I guess I'm going to have to do this. I wish I didn't
17 have to.

18 A. Can I ask one question? Is this the exact copy --
19 is this the exact copy of what the case is being
20 considered on?

21 MR. MOORHEAD: Well, that's a good question.

22 THE WITNESS: For me to read this whole document
23 and say this is it --

24 THE COURT: Mr. Allen, a document which has been
25 submitted as an exhibit, attached to the declaration by

1 Mr. Hollahan, whose testimony you heard today and is in
2 his declaration, in paragraph five of the declaration,
3 Mr. Hollahan recites that on the 23rd of September, he
4 attended -- of 1990, he attended a workshop in Florida,
5 at which Mr. Moorhead gave him in a brown envelope a
6 document that he said was "hot off the press." And that
7 material which you have in your hand, which is Exhibit A,
8 is a photocopy of what Mr. Moorhead gave him at that
9 time.

10 THE WITNESS: See, what I'm trying to find out,
11 is this a copy of that one, or is it a copy of the one
12 that actually reflects on what he says he changed,
13 because I didn't read this one?

14 THE COURT: The document is the document which
15 Mr. Hollahan says was handed to him in a brown envelope
16 by Mr. Moorhead.

17 MR. MOORHEAD: I think I can help straighten
18 this out.

19 BY MR. MOORHEAD:

20 Q. The copy that your home group and other home groups
21 distribute, has that been altered in any way from the
22 Basic Text that was developed and approved by the
23 Fellowship between 1978 and 1982?

24 THE COURT: I think you'll have to confine the
25 question to what it is that Mr. Allen distributes, what

1 his group distributes.

2 THE WITNESS: My home group distributes a baby
3 blue form of First Edition Basic Text of Narcotics
4 Anonymous, with the original fourth and ninth traditions
5 in it, with the changes that make the Third Edition
6 Revised, which are minimal of 20 to 25 different changes
7 of cleaning up language.

8 BY MR. MOORHEAD:

9 Q. I want to ask you to clarify something. You said
10 that it was a copy of the First Edition. When is it, in
11 fact, not a copy of the approval, what the groups
12 approved, the white copy?

13 A. Right. What it is, is the approval form of Basic
14 Text of Narcotics Anonymous that we approved in 1982.

15 Q. Okay, thank you.

16 Now, the Third Edition Revised changes affected
17 approximately how many words?

18 A. Approximately, 20 to 25.

19 Q. So I guess the book that your home group is
20 distributing -- I would be sure that Ms. Moore would say
21 the same thing --

22 THE COURT: Let's not -- put aside what Ms.
23 Moore would say.

24 BY MR. MOORHEAD:

25 Q. Is, in fact, a true copy of the pre-'82, approved by

1 the group's Basic Text with 20 or so words, minor changes
2 that created the Third Edition Revised? Would that be a
3 fair description?

4 THE COURT: I'm afraid I don't understand the
5 question.

6 MR. MOORHEAD: It's a very difficult question,
7 Your Honor, and it goes back to something that was said
8 earlier about when the book was, and the copyrights and
9 who held it and who owned it, and whether it's, in fact,
10 been changed, as the plaintiffs indicate --

11 THE COURT: Well, Mr. Moorhead --

12 MR. MOORHEAD: -- of their copyrighting stuff,
13 is the best way I can say it, I guess.

14 THE COURT: If you're going to ask the witness
15 to compare texts, then let's just ask him that, and give
16 him a document or show him a document and ask him, is
17 this the same as that other document, or how does it --
18 it differs how?

19 MR. MOORHEAD: Hopefully, this is not going to
20 cause a bad scene. These are infringed, I guess, copies
21 of --

22 THE COURT: Please, let's not have you
23 characterize what it is.

24 MR. SYNNESTVEDT: Could I have a moment, please,
25 to look at this?

1 THE COURT: Yes. I asked you before to show Mr.
2 Fields and Mr. Synnestvedt documents that they have not
3 seen.

4 MR. MOORHEAD: I indicated to him that there
5 were a few things on here, but, as you can see, some of
6 them might have escaped my mind at this point.

7 THE COURT: Are there going to be any other
8 documents that we are going to be looking at?

9 MR. MOORHEAD: Well, I certainly would hope
10 not. I don't know if it's appropriate, but I'm sure Mr.
11 Synnestvedt could object. I would, you know -- I would
12 like to say to everybody further, you know -- save
13 further agony and embarrassment and confusion. And, if
14 it's appropriate, I would like to make a motion to
15 dismiss this matter and have us go back and settle.

16 THE COURT: Well, you're moving too fast for us,
17 Mr. Moorhead. In the setting that we are now, which
18 we're about to examine the witness on the document, which
19 apparently had not been made available to counsel before,
20 I wanted to inquire whether there were other documents
21 that you wanted to ask about, taking advantage of the
22 fact that Mr. Synnestvedt is talking to Mr. Hollahan.
23 We'll find out what he thought that document was.

24 Mr. Synnestvedt, have you now consulted with Mr.
25 Hollahan?

1 MR. SYNNESTVEDT: Yes, Your Honor. This appears
2 to be, as it says on the front, Basic Text Approved for
3 Unpublished Literary Work.

4 MR. MOORHEAD: Approval.

5 MR. SYNNESTVEDT: Approval, excuse me. Basic
6 Text Approval for Unpublished Literary Work. And it has
7 a copyright notice, World Service Conference Literature
8 Subcommittee of Narcotics Anonymous, 1981. We have no
9 objection to the witness being interrogated on this
10 subject.

11 THE COURT: . All right, go ahead.

12 BY MR. MOORHEAD:

13 Q. Hopefully, this will not lead us down another
14 trail. I am not going to ask the witness this, but I
15 would like to at some point, if possible, submit some of
16 this stuff for the record, if it's appropriate, and I'm
17 sure you will advise me on how to accomplish that.

18 THE COURT: It will either have to be done -- if
19 you're going to put a document into evidence -- if you're
20 going to offer a document into evidence, you will have to
21 do it by -- you'll have to do it either by getting a
22 witness to identify it, or by getting agreement with your
23 colleagues here, if you can get that. I certainly hope
24 we don't have to go through a lot more tortuous work to
25 identify documents.

1 MR. MOORHEAD: I hope so, too.

2 BY MR. MOORHEAD:

3 Q. Is this a copy of the document that was voted on by
4 all the groups in Narcotics Anonymous, and approved at
5 the '82 World Service Conference?

6 A. Yes.

7 Q. Between this document and the book that you
8 distributed in your home group, how many words, actual
9 words have been -- are different from that document?

10 A. Approximately, 20, 25.

11 THE COURT: Is a copy of your document, your
12 book, is that here? It's not an exhibit, is it?

13 MR. MOORHEAD: Yes, sir. These are all books,
14 and there are more from different sources and different
15 places.

16 THE COURT: Mr. Moorhead, all I'm trying to
17 identify is what Mr. Allen was talking about. You asked
18 him some questions, and the question is up in the air,
19 unless we relate it to a particular document, of which
20 you will show a copy to Mr. Synnestvedt.

21 MR. SYNNESTVEDT: I need to see a copy of it,
22 Mr. Moorhead.

23 MR. MOORHEAD: Yes, I'd be delighted.

24 THE WITNESS: Yes.

25 THE COURT: That is the book which is made

1 available by your home group?

2 THE WITNESS: Right.

3 THE COURT: Currently made available?

4 THE WITNESS: Yes.

5 MR. MOORHEAD: Your Honor, is it possible for me
6 to have Mr. Sewell aver to that, and Ms. Moore aver to
7 that, and Ms. Jackson from Virginia to aver to that?

8 THE COURT: It's sufficient for Mr. Allen to
9 tell us what his home group shares.

10 MR. MOORHEAD: Yes.

11 THE COURT: Ms. Moore presumably isn't
12 personally involved in what happens in Mr. Allen's home
13 group, and Mr. Sewell isn't; is that correct?

14 MR. MOORHEAD: Correct.

15 THE COURT: Ms. Moore has told us what happens
16 in her home group. Mr. Allen is telling us what happens
17 in his home group.

18 MR. MOORHEAD: I don't really believe I have any
19 further questions, unless there's any data that Mr. Allen
20 would like to provide to the Court.

21 THE WITNESS: There's one thing I need to set
22 clear. It's not my home group. It's the group that I
23 belong to. I'm just an anonymous member that's been
24 basically --

25 THE COURT: Where is that group?

1 THE WITNESS: Allentown, Pennsylvania, 15th and
2 Walnut, Wednesday night; 6th and Walnut on Tuesday night;
3 15th and Walnut on Saturday morning. I'm a member of a
4 home group that says my anonymity is to be respected at
5 all times. My group is to be allowed to be autonomous.
6 It's in the traditions under Narcotics Anonymous which
7 are not negotiable.

8 THE COURT: All right, Mr. Allen.

9 THE WITNESS: The group has been violated. I
10 won't ask anymore questions.

11 THE COURT: Mr. Synnestvedt?

12 MR. SYNNESTVEDT: No questions, Your Honor.

13 THE COURT: Thank you, Mr. Allen. Do you have
14 further witnesses?

15 MR. MOORHEAD: Well, I really don't see how
16 anymore witnesses would shed anymore light on the subject
17 matter before us at this point, Your Honor. However, I
18 do have a couple of things I would like to submit and I
19 would -- it's sworn statements. Upon review of these
20 documents, they are sworn statements from the past World
21 Literature chair that was the holder of the -- personal
22 holder of the copyrights and supporting documentation,
23 and a deposition from -- or a sworn statement and a
24 photostatic copy of a --

25 THE COURT: Are these materials that you've

1 shown to Mr. Synnestvedt?

2 MR. SYNNESTVEDT: No, sir.

3 MR. MOORHEAD: No, sir, but I would like to.
4 I'm just saying that I would like to do that at this
5 point.

6 THE COURT: All right. I'll ask that these
7 documents -- while they are being studied by one of you,
8 Mr. Synnestvedt or Mr. Fields, in conjunction with Mr.
9 Hollahan -- perhaps we can save a little time rather than
10 take another recess -- I think there's one additional
11 question or a couple of questions that I'd like to put to
12 Ms. Moore.

13 Ms. Moore, if you would return to the witness
14 stand.

15 BY THE COURT:

16 Q. Ms. Moore, thank you for returning. I meant to ask
17 a question, a further question or two about the book
18 which you have testified is made available to persons at
19 your home group meetings. You identified that, I
20 understand -- as I understood your testimony -- as the
21 photostat -- the same as the photostat documents which is
22 Exhibit A to that Hollahan declaration.

23 A. Yes, it's just a version with a more updated cover,
24 is what's available. But the text is unchanged.

25 Q. I see. Now, I believe you said that your group

1 hasn't received any additional printed copies of that in
2 some time. I'm not sure --

3 A. That's correct.

4 Q. For some months. Do you have any personal knowledge
5 of what the source was of the copies that you have had
6 and which you have shared of those coming to your
7 meetings?

8 A. I never have seen anything being printed. I mean
9 they just are. We just sort of save them for God. I
10 know that doesn't go with the legal system.

11 Q. You were not involved in procuring them from some
12 source somewhere?

13 A. No, I'm not.

14 Q. And they just -- so far as you know, they just
15 physically turned up at some point?

16 A. Home group members do collating, do stapling and
17 things such as that. I have been involved with the
18 handling, with the physical processing. But as to
19 securing printed matter, purchasing things, no. No, this
20 is --

21 Q. Were you involved in collating or stapling?

22 A. Yes, I've done it.

23 Q. But you have no information as to where the pages
24 came from that you collated?

25 A. No, no, because it's just something that was

1 considered rather sensitive, and it's just not
2 information that we felt needed to be known.

3 But when asked to donate time from my business,
4 I've donated my time to do what I could to put books
5 together for my home group, to get them on the table and
6 to keep the cost down.

7 THE COURT: All right, thank you very much.

8 THE WITNESS: You're welcome.

9 THE COURT: Did counsel have any opportunity to
10 examine the materials?

11 MR. SYNNESTVEDT: Just one moment, Your Honor.

12 We object to the admission of these on the
13 ground of hearsay.

14 MR. MOORHEAD: On what ground?

15 MR. SYNNESTVEDT: On the ground of hearsay.

16 MR. MOORHEAD: If Mr. Synnestvedt can object to
17 these sworn statements on the ground that they are
18 hearsay, then I must also enter an objection to the sworn
19 statements of Mr. Hollahan, brought in on the same
20 ground.

21 THE COURT: Of course, Mr. Hollahan is here.
22 Mr. Hollahan is here.

23 MR. MOORHEAD: Mr. Tooredman --

24 THE COURT: Mr. Tooredman has submitted a
25 declaration which is part of the pleadings in this case.

1 This has been presented -- it's been filed for some
2 time. We, of course, are aware of its status, and it's
3 been relied on by the plaintiff in presenting its request
4 for injunctive relief.

5 Now, I don't know what the documents are that
6 you are offering, but I think if you're going to ask for
7 statements by people that -- whose contributions have
8 been unknown to the plaintiff up until this moment, if
9 you're going to ask for them to be admitted into
10 evidence, then I think you're going to have to bring
11 those persons to the witness stand so that they be
12 available for examination. That, I think, is really only
13 going to be fair. Otherwise, we have out-of-court
14 statements, which the plaintiff hasn't done anything
15 about up until this moment, that it's confronted with.
16 It makes it a little hard to deal with.

17 MR. MOORHEAD: If I may. The notice and
18 holidays prevented me from having these individuals here
19 today. However, they said that they would be willing to
20 come should this matter go any further and they were
21 served a subpoena. They would be delighted to come.
22 That would satisfy the requirements of their boss.

23 I would say to the judge at this point, if I may
24 be so frank, is that the plaintiff's attorneys and the
25 plaintiff has, in fact -- the plaintiff has printed these

1 documentations in their own printings and mailings to the
2 publisher over the past eight months that they have been
3 threatening to do things. These are from the plaintiff's
4 own documents. The only thing that is not, in fact, is
5 that, I declare under penalty of perjury this gentleman,
6 who was a World Literature Chair and the holder of the
7 release letter of the copyrights that they refer to in
8 their statements, has sent this to me to support the
9 claims that I made. And this other thing is to show --

10 THE COURT: Mr. Moorhead, I guess I'm not
11 getting the gist of what you're saying. You're not
12 saying to me that the documents that you want to submit
13 are documents that you received from plaintiff or from
14 plaintiff's counsel, are you?

15 MR. MOORHEAD: No, sir. Over the course of the
16 past eight months, the WSO has sent out packet after
17 packet after packet of information and documents. These
18 supporting documents were in those packets, Your Honor.
19 The plaintiff knows full well that these documents are,
20 in fact, true and correct. And he is aware of this
21 individual. He knows them. He's from Florida. He knows
22 this person. He knows that my activities are not the
23 only activities going on around the world; that people
24 are printing and publishing. I believe it's just an
25 attempt to frustrate the truth in this proceeding here.

1 I guess I'll just have to let it go.

2 THE COURT: If these people aren't available to
3 you as witnesses today, but you say they can be at a
4 later time, then they will presumably be available at the
5 consideration of the application for a preliminary
6 injunction. So why don't you hold those documents until
7 that time?

8 MR. MOORHEAD: All right, sir. I'm going to
9 trust the good judgment of this Court as to whether there
10 should be a restraining order issued. I'm prepared to
11 defend this case in full unless -- I don't want to call
12 anymore witnesses. I don't want to get into anymore "he
13 said, she said" stuff. If the Judge thinks that I need a
14 restraining order, then, you know, that's the way it
15 goes. I'll have to say that I plan to vigorously pursue
16 all rights under law, but I would like to, at this point,
17 if it's appropriate, make a motion for dismissal.

18 THE COURT: Mr. Hollahan, would you return to
19 the witness stand, please?

20 BY THE COURT:

21 Q. Mr. Hollahan, you were here during Ms. Moore's
22 testimony?

23 A. Yes, sir, I was.

24 Q. Does the WSO have some inventory of Third Revised
25 Editions of the Basic Text?

1 A. No, sir, we don't have an inventory of prior
2 editions of the Basic Text. When a decision is made by
3 the Conference to change the editions, the WSO is
4 expected to distribute whatever remaining inventory is
5 left, and to no longer carry a stock or an inventory of
6 that edition, and then carrying the edition that was much
7 used and approved by the Conference.

8 Q. Do you have any inventory of editions prior to the
9 Fifth Edition?

10 A. I would say a small number; maybe five of each
11 edition that we keep for archive purposes.

12 Q. Do you have any policy, Mr. Hollahan, with respect
13 to the distribution of copies of the Basic Text for
14 persons who are unable to pay the charge, which I think
15 you said is now \$8 per volume?

16 A. Certainly, for a number of years the offices have
17 had a policy of working with the Hospital and Institution
18 Committee, the Group Services Department and the
19 International Department. We have sent out Basic Texts
20 free when individuals have requested.

21 We usually try to judge somewhat the need when
22 those requests come in, but we have been pretty free with
23 fulfilling those requests.

24 Q. You heard Ms. Moore describe a situation in which
25 her group serves a constituency, many of whose members

1 are, it would appear, indigent or at least not in the
2 position to send several dollars for a book.

3 Is that a situation in which it would be part of
4 your policy to make Basic Texts available on a free
5 basis?

6 A. I certainly feel that the board of directors would
7 consider that request. Perhaps, first the members of
8 that group would be encouraged to talk to their area
9 service committee and to the regional committee before
10 coming to the World Service Office.

11 We have a literature distribution network in
12 groups that have special requests like that. It first
13 goes to the local committee, and then to the regional
14 committee, and then to the world. At other times, the
15 requests come directly to the World Service Office.

16 Q. If such a request came to you and was approved by
17 your directors, or who would be in a position to make
18 that decision, the text that you would have available for
19 distribution would be the Fifth Edition; is that correct?

20 A. Yes, sir.

21 Q. I take it you have no plans to republish any of the
22 prior editions prior to the Fifth Edition, is that
23 right?

24 A. Well, there's no plans by the office itself to
25 republish them in addition. That would be a decision

1 that the Conference would have to make. Certainly, I do
2 not believe the office would stand in opposition to any
3 proposal of that nature.

4 THE COURT: I've just taken the liberty of
5 calling Mr. Hollahan back to the stand. I don't know if
6 there are any questions that either of the parties would
7 like to ask him, addressed to the particular issue that I
8 put to Mr. Hollahan?

9 MR. MOORHEAD: I would like to ask him a couple
10 questions.

11 THE COURT: Go ahead, Mr. Moorhead.

12 BY MR. MOORHEAD:

13 Q. What do you think the possibilities are that the
14 board --

15 MR. SYNNESTVEDT: Excuse me, I can't hear you.

16 BY MR. MOORHEAD:

17 Q. What do you think the possibilities are, George, in
18 view of everything that's gone on, that the board of
19 directors or Conference would entertain such an idea?

20 A. It would be very hard for me sitting here where I
21 sit, as a member of this Fellowship and a special worker,
22 to calculate that percentage. I certainly feel in my
23 heart that the question itself is one that would be
24 addressed, and addressed fairly.

25 Q. How, in the face of all the one-way communication,

1 could you possibly draw such an inference that the issue
2 would be treated fairly?

3 THE COURT: That I won't allow. I won't let you
4 pursue that kind of argumentative question.

5 MR. MOORHEAD: I don't really guess I have
6 anymore questions, George. I mean, you know, whatever
7 you guys got to do, you got to do.

8 THE COURT: Well, Mr. Moorhead, I'm perfectly
9 happy to have you ask Mr. Hollahan factual questions that
10 flow from the questions that I put to him. All that I'm
11 asking, that you not get into simple argument between
12 counsel and witness. For this purpose, I'm regarding you
13 as counsel. I'm not asking you to go ahead and put
14 questions.

15 MR. MOORHEAD: I don't quite know how to -- what
16 to say or what to ask. I can just say that based on my
17 experience, that is never going to happen. That's all I
18 can say, so there's no point in my bothering him because,
19 you know -- you know, I can go through here and go
20 through here and go through here and go through here and
21 go through -- it gets pointless after awhile, Your
22 Honor. It's just not applicable.

23 THE COURT: Mr. Synnestvedt, do you have any
24 questions for Mr. Hollahan?

25 MR. SYNNESTVEDT: No, Your Honor, I do not.

1 THE COURT: Thank you, Mr. Hollahan, you may
2 step down. I realize, in calling Ms. Moore back to the
3 stand, I didn't give either the plaintiff or the
4 defendant an opportunity to question her on questions
5 that I put to Ms. Moore. And if either you, Mr.
6 Moorhead, or you, Mr. Synnestvedt, wish to question Ms.
7 Moore with respect to the matters I asked her about, I
8 will ask you to come back again.

9 MR. SYNNESTVEDT: No thank you, Your Honor. No
10 further questions of Ms. Moore.

11 MR. MOORHEAD: It's not necessary, Your Honor.
12 Thank you.

13 THE COURT: We have spent the day hearing
14 testimony in this matter. It is not the kind of a
15 controversy that a court welcomes. It is, quite
16 evidently, a controversy which is essentially internal to
17 a group with many, many members, many dispersed
18 subentities, a common purpose, a common purpose of great
19 social consequence.

20 It is evident that the Fellowship has engaged
21 over the years the devoted participation of tens of
22 thousands, now maybe hundreds of thousands, of people,
23 people who have in their own lives been deeply troubled,
24 and who have striven very hard to liberate themselves in
25 the course of time, to help liberate others to brave this

1 sort of peril.

2 For a controversy to arise in an enterprise of
3 that kind is regrettable, certainly one that is
4 controversy that seems to be deeply schismatic. It is
5 more regrettable, and it appears to be beyond the
6 capacity of the participants to resolve their differences
7 internally, recognizing the larger importance of common
8 purposes than the areas of disagreement. That is to say,
9 the more regrettable one. An appeal is made to the
10 secular authority of the courts to make dispositions.

11 I asked the parties to try their best to reach
12 some resolution, at least on an interim basis, not on a
13 final basis, and the efforts on the 27th and 28th of
14 December evidently were not fruitful. Today's testimony
15 only underscores for me the importance of some serious
16 attention being given to reconciliatory activity rather
17 than activity of a divisive kind. I rather appreciate
18 that with people feeling deeply, as evidently people do
19 on each side of this issue, it is the tendency of each
20 side to think, well, I am the reconciler, and it's the
21 people over there who are being divisive.

22 I suppose in this courtroom right now, Mr. Wolfe
23 and I are the only people who are in a position to say,
24 maybe both sides suffer a little from the sins of
25 inflexibility and certainty that virtue is mine and

1 vice is thine.

2 I would ask you all to give some close attention
3 to the possibility that there is more that you have in
4 common than that divides you, and to carry on
5 controversies of this kind is only destructive of, and
6 diversionary from, your common purposes.

7 One point that I find particularly disturbing is
8 to be told, as, in effect, Ms. Moore was telling me, that
9 we have poor people who are greatly in need of guidance.
10 They can't afford \$8 a book and, therefore, we want to
11 make texts available to them for little or nothing, or at
12 least we want to make access to such texts available.

13 I hear from Mr. Hollahan that, in principle, the
14 WSO has no difficulties with furthering what would seem
15 to be such a clearly laudable goal, assuming one believes
16 in the purposes of Narcotics Anonymous. But, of course,
17 the resolution which would flow from an assent by the
18 directors of the WSO to making texts available; free to
19 Ms. Moore's home group, and possibly to other groups
20 which have constituencies which really can't pay, afraid
21 of \$8 a volume, that resolution begins to seem remote
22 when one is told, yes, but the text that WSO has in
23 stock, its Fifth Edition, is not a text that we in
24 conscience could accept. It's a little curious to be
25 told by Ms. Moore that maybe the Third Revised Edition

1 might be acceptable. They would have to talk to the
2 group about that. But it's certainly not the Fifth
3 Edition.

4 That was apparently beyond the pale in
5 discussion with the group. I have not inquired into, and
6 I do not intend to inquire into, what the debates are
7 with respect to what texts are appropriately within the
8 compass of the revered 12 traditions, and what are not.
9 Debates of that sort have a habit of being unproductive.
10 Yet, I can't believe that if you people on both sides of
11 the aisle, both sides of the litigation, really have a
12 shared earnest commitment to people gripped by addiction,
13 that you cannot find a way of reconciling your
14 differences, recognizing that shadings of verbal meaning
15 may usefully be the subjects of honest debate rather than
16 insuperable obstacles to getting on with your real
17 business of saving people who are desperately ill.

18 I guess I'm saying to you that after listening
19 all day, I think there's an awful lot of
20 self-righteousness on both sides of this case. And for
21 people who are trying to save others, that sort of self-
22 righteousness is not entirely attractive.

23 So now you have my preachment. I'm going to
24 leave you for some hours with that preachment to chew
25 over. I'm going to challenge you, both sides, to have

1 the courage of your convictions to talk with one another,
2 not against one another, but with one another, with a
3 view, at least for the moment, of reaching accommodations
4 -- maybe small accommodations arrived at now -- to
5 obviate the need for going forward one way or another
6 with an application for a Temporary Restraining Order,
7 and beyond that a Preliminary Injunction.

8 Maybe accommodations arrived at right now could
9 pave the way for larger accommodations so that you could
10 then use more fruitfully the machinery of the World
11 Conference and get back to reasoned collective debate
12 rather than imposing solutions on one another.

13 I don't know whether you really have the courage
14 of your conviction. I wonder whether each side isn't
15 simply taking a refuge in its self-described virtue.
16 Maybe if I talk long enough in this vein you can
17 recognize me as a common enemy, and that will give you
18 something to unite about.

19 You're not the only people who recognize the
20 evils of narcotics addiction. A person in my line of
21 work sees it every day in this courtroom, and these
22 courtrooms are replicated by the tens of thousands
23 throughout the country. For every one of your home
24 groups, there are scores and scores and scores of
25 courtrooms. So if you want to work at these problems,

1 work at them.

2 Work at them for the balance of this evening and
3 tomorrow morning. You can come back here tomorrow at
4 11:30, and you can tell me whether you've been able to
5 manage to talk constructively together.

6 As I understand it, the conversations up to now,
7 on the 27th and 28th, were between Mr. Moorhead on the
8 one hand, and Mr. Synnestvedt and Mr. Fields on the
9 other. Mr. Synnestvedt and Mr. Fields are lawyers. I
10 was about to say only lawyers. I don't mean that in a
11 disparaging sense, or I would disparage myself. I'm only
12 a lawyer, too. But we're instrumentalists in this
13 business. It's Mr. Hollahan and his colleagues on the
14 one hand, and Mr. Moorhead and his colleagues on the
15 other hand who are going to have to decide whether they
16 can do something constructive.

17 I think the next set of conversations -- and I'm
18 going to leave you here in this courtroom. This is a
19 good venue to start. Its neutral ground has a certain
20 severity that may remind you of your common obligations.
21 I think it should be the attorneys and the litigants, Mr.
22 Hollahan as well as his attorneys, Mr. Moorhead -- and I
23 hope, Mr. Moorhead, your colleagues with you -- talk here
24 in the courtroom, go out and have supper, talk more
25 there. If you can't work something out this evening,

1 then you'll have a few hours in the morning. But take
2 your responsibilities seriously.

3 Forget the posturings of this courtroom. If you
4 come up empty-handed by tomorrow morning at 11:30, then I
5 will go forward to consider the motion for a Temporary
6 Restraining Order. Good night.

7 (Court adjourned the proceedings at 6:10 p.m.)

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