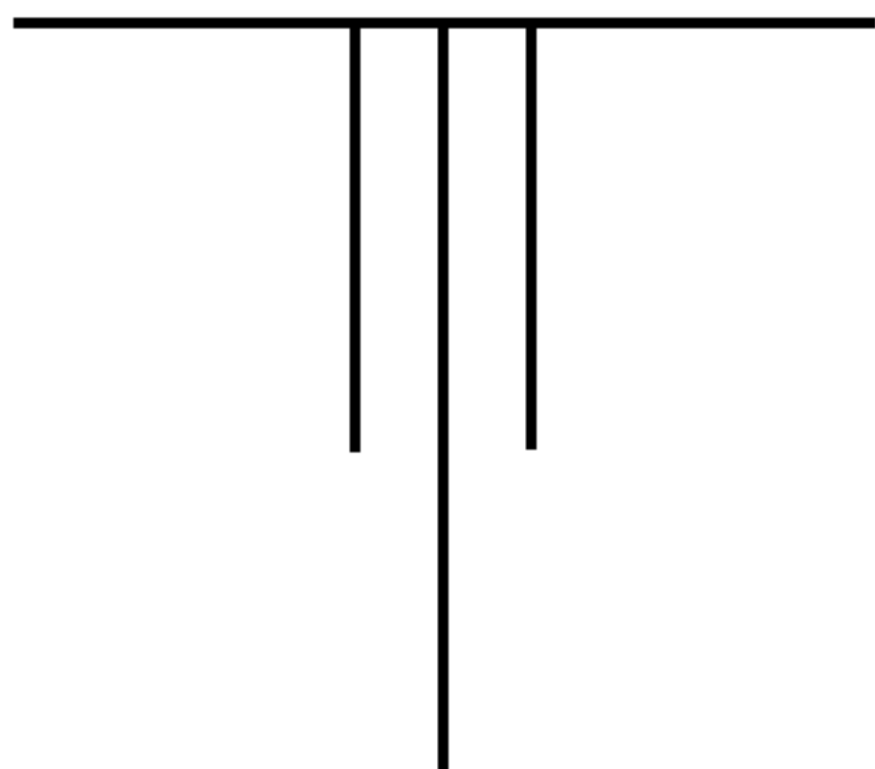


ALCOHOLICS
ANONYMOUS



FOREWORD

Before considering the attached proposal, certain information should be known by the reader.

Informed doctors and psychiatrists consider true alcoholism just as much a disease as cancer. The bodies of those subject to alcoholism have become abnormal in reaction and mind even more so. This has been called an allergy. Many alcoholics are men of exceptional character and willpower, as proven by the type of men that make up Alcoholics Anonymous. Among the recoveries are men from every profession, and practically every type of business. People not familiar with the subject think alcoholism is a habit based upon physical craving. This is absolutely not true, for when not drinking, no physical craving exists. This is proven by the following fact: Physicians state that a maximum of six months abstinence removes any physical craving and yet it commonly occurs that men start to drink again after having been confined in an institution for as much as a year. It has been repeatedly stated by the world's leading doctors that they have no answer save for the very mildest of cases.

It is an indisputable fact that over the past four years over one-hundred true alcoholics have recovered, who from the standpoint of medicine and psychiatry, were considered hopeless. These men have dubbed themselves Alcoholics Anonymous.

Another indisputable fact is that during 1937, thirty-five percent of the life insurance turn downs were due to alcoholism. A realization is coming to public, professional and business men that there exists today an alcoholic problem which takes its place in seriousness with cancer and syphilis. Magazine and news articles on the subject bring incredible response.

The name Alcoholics Anonymous has been adopted because of the nature of the work, because of the desire to keep away from notoriety, and because the work is strictly non-sectarian.

BRIEF RESUME OF THE WORK OF ALCOHOLICS ANONYMOUS

About four years ago William G. Wilson had been pronounced an incurable alcoholic. Doctors and psychiatrists have agreed that the only way out for the true alcoholic is through a so-called spiritual experience and it matters little what form this experience takes.

In November of 1934, a school friend came to Mr. Wilson's house with certain information that has undoubtedly saved his life and the lives of many others. Mr. Wilson's friends outlined a procedure for a simple spiritual approach, and through its use Mr. Wilson was released from alcoholism.

At that time certain ideas came to him which form the basis of the events which have since transpired. Mr. Wilson realized first of all, that to be acceptable to the ordinary men of the world, the spiritual feature must be simple and understandable. He saw that the particular spiritual approach presented to him had these characteristics, and could even be further simplified and made effective. Because the approach had the elements of universal appeal, he wondered why so comparatively little success had been secured from the spiritual approach with other alcoholics. He conceived the idea that it was because the matter was so often presented to an alcoholic by a non-alcoholic; that there was not sufficient basis for initial mutual confidence. He realized that one alcoholic could gain the confidence of another to an extent that no other person in the world could.

The idea took hold of Mr. Wilson's imagination, for he envisioned one alcoholic helping another; that one helping still another and so on. After his release from Towns Hospital, Mr.

Wilson began to return there to talk to some of the patients. Several caught the idea and bear witness today to the effectiveness of those first approaches.

It occurred to Mr. Wilson that accurate and reliable medical information should be in the possession of every alcoholic when he approached another alcoholic. With such equipment the new prospect could be readily persuaded that he was hopeless; that he is, in actual fact at the jumping off place.

Being convinced there was no other way out, the new man would look with more favor and willingness upon a spiritual method in spite of any prejudice he might have had.

In the spring of 1935 Mr. Wilson went to Akron, Ohio, on business. While there he communicated his ideas to three other alcoholics. Leaving the three men, he returned to New York in the fall of 1935, continuing his activities there. These early seeds are now bearing amazing fruit. The original Akron three have expanded themselves into more than seventy. Scattered about New York and in the seaboard states there are about forty. Men have even come out of insane asylums and resumed their community and family lives. Business and professional people have regained their standing.

In all, about two-hundred cases of hopeless alcoholism have been dealt with. As will be seen, about fifty percent of these have recovered. This, of course, is unprecedented—never has such a thing happened before.

This work has claimed the attention of prominent doctors and institutions who say without hesitation that in a few years time, as it gains impetus, thousands of hitherto incurable cases may recover. Such people as the chief physician of Charles B. Towns Hospital and psychiatrists of the Johns Hopkins Hospital at Baltimore express such opinions.

THE PRESENT PROGRAM

It has been felt vitally necessary to spread the work widely and get it on a sound basis rapidly.

The first step has been the establishment of a trust known as The Alcoholic Foundation. This trust is administered by a board of three well-known business men who are non-alcoholics, and by two members of Alcoholics Anonymous. The articles of the trust specifically set forth that non-alcoholic members shall always be in a majority of one over the alcoholic members. The Alcoholic Foundation will, in order to obviate any possible criticism, administer the financial affairs of the group.

When it is considered that there are an estimated million alcoholics in this country the obligation for wide spread of the work may be perceived. Education and instruction should be made available to every one touched by a drink situation. An understanding of the nature of the disease and its cure must be mastered by wives, relatives and employers of alcoholics. A definite program of attitude and action should be offered everyone concerned. It is felt that these aims may be gained by the publishing of an anonymous volume based upon the past four years experience.

The publishing of this book, to be known as "One Hundred Men," is the subject of the attached material. The Alcoholic Foundation will receive an author's royalty as a donation for the furtherance of the work.

Considering the necessity for a volume of this kind; its being based upon actual experience; the publicity that has been assured; and the tremendous amount of good inherent in its results; anyone must agree with a former editor of the New York Times, who after reading the first two chapters predicted a sensational sale. (Ten chapters have now been written).

THE PROPOSAL

It is proposed to form—

“THE ONE HUNDRED MEN CORPORATION.”

PURPOSE

To publish the book—“One Hundred Men.”

ASSETS

Money has been subscribed to maintain the author for five months. A completely equipped office.

THE ISSUE

Sufficient \$25.00 par value shares to promote publicity, sales, and publish the book. Shares either payable in full at time of subscription, or five dollars for each share subscribed at time of subscription and five dollars per share each thirty days for four months after subscription.

THE CORPORATION

Stock—Non-Assessable. Delaware Corporation.

FACTS

The following facts are pertinent in considering the possible success of the volume—“One Hundred Men.”

1. Publicity
2. Established Publishers' Opinion
3. The Possible Market.

PUBLICITY—1. Of publicity value is the fact that the foundational soundness of the work is verified by letters from The Johns Hopkins Hospital, and the chief physician of Charles B. Towns Hospital, one of the foremost alcoholic institutions in the United States. Furthermore the work has been investigated and justified most thoroughly by private parties from an outside source.

2. The syndicated magazine *This Week*, (included with Sunday New York Herald Tribune and many other Sunday newspapers) has expressed an interest in running a page two article regarding the work and the forthcoming book. The editor prophesied from fifteen to twenty thousand inquiries from the weekly circulation of five million two hundred and fifty thousand. This syndicated magazine section for Sunday newspapers is second only to the *American Weekly* used by Hearst papers.

3. The *Readers Digest*, in a personal interview with the Managing Editor, stated that the work and the forthcoming volume were of such interest as to justify their placing a staff writer on it and running an exclusive article just prior to publication of the volume.

4. Mr. Wainright Evans, established author, wrote Mr. Bigelow, Editor of *Good Housekeeping* magazine, a letter regarding the work. Two of the members of *Alcoholics Anonymous* in company with Mr. Evans called upon Mr. Bigelow who requested Mr. Evans to submit an outline of the completed article which he believed would be used by the magazine just prior to the issuance of the book.

5. A fact pertinent to one's calculations as to the possible public interest should be the results of the publication last spring of an article entitled "The Unhappy Drinker" in the *Saturday Evening Post*. The *Post* commented that more inquiries came to them from this than from any other article they had ever printed.

6. Approximately a year ago a very obscure article was published by Doctor Silkworth in a small New York Medical journal. He barely alluded to this work, simply saying that such a thing was happening. He was amazed by the hundreds of inquiries received from lay people all over the United States.

7. Established publishers have said both directly and by implication that this volume seems assured of the most unusual publicity preceding publication of any book they have known.

ESTABLISHED PUBLISHERS OPINION—Established pub-

lishers must practically see a sure fire book in order to make an advance to an author. Furthermore they are exceptionally careful that this advance is conservative in order that it may be returned from royalties on sales. Harper & Bros. after reading the first two chapters, investigating the publicity, and talking to two members of Alcoholics Anonymous, offered fifteen hundred dollars as an advance against royalties. This is impressive in view of the fact that five thousand volumes would need to be sold to repay the advance.

In the course of publishing investigation, these same two members of Alcoholics Anonymous called upon Mr. Walsh, owner of the John Day Publishing Company, publishers of such volumes as *The Good Earth*, *The Importance of Living*, etc. This call was made upon the basis of a personal friendship with Mr. Walsh and as a consequence the advice given by him was upon a friendly basis rather than securing the publishing of the book. Not only did Mr. Walsh give invaluable printing, credit, and sales information, but predicted an unusual sale for the volume. He said, and gave reasons for his opinion which will be outlined later, that he could not see where this venture would gain through using an established publisher.

THE POSSIBLE MARKET—It has been estimated that there are over a million alcoholics in the United States and that every family seems touched by the problem. If this is so, and we have been assured that there has never been any published work that not only gave the answer, but told a man what to do to recover, then this book should have an incredible sale.

One Hundred Men will not only have an appeal to the alcoholic layman, and those affected, but should appeal to the five hundred thousand Clergymen in this country, the three hundred and fifty thousand Physicians, and the twenty odd thousand established Psychiatrists. We know that the problem is one of pressing concern to large corporations, and we know also that special reprints should be interesting to insurance companies.

Taken these few fundamental market facts into consideration, along with the publicity that seems assured, who can estimate the possible sale?

CORPORATE SET-UP

The corporation is set up on a budget that runs to April 1st. By that time the book will be out and further sales plans will need to be made upon experiences to date.

However for full protection of the shareholders the shareholders procedure will be set up in the articles of the corporation.

On each of the first 1000 books, eighty cents will be apportioned among the shareholders who have made a cash subscription.

On each of the second 1000 books, seventy cents will be apportioned among the shareholders.

On each book over 2000 books and until the subscriptions have been returned, sixty cents will be apportioned to the shareholders.

The difference between the above payments and the gross profit will accrue in the corporate treasury. It is planned to call a stockholders' meeting in March, 1939, to vote as to whether the corporation shall distribute cash on hand to the stockholders, or continue maintaining headquarters for the direct sales of the book.

BUDGET TO APRIL 1st, 1939.

Author	\$1,000.000
Directional and Sales Promotional Work.....	1,800.00
Office Rent.....	480.00
Stenographer	650.00
Office Expense (estimated).....	240.00
Incidental Expenses	500.00
Printing Plates	700.00
1000 Volumes	350.00
Art Work.....	<u>250.00</u>
	\$5,970.00

Of the above, there has been extended as a loan to insure the writing of the volume \$1,500.00

COSTS

Printing (highest figure assumed by Mr. Walsh)

per volume.....	\$.34
Royalty (to Alcoholic Foundation)35
Packaging, drayage, etc. per volume	<u>.05</u>
	.74

SALES FIGURES

Retail price	\$3.00
Jobbers discount (maximum 46%)	<u>1.38</u>
	1.62
Printing, royalty, and packaging	<u>.74</u>
Gross profit per volume sold through book stores88

Mr. Walsh estimated that as a result of the publicity, one volume at least would be sold for every two volumes through book stores. For direct sales the following costs would prevail.

Printing	\$.34
Royalty (to Alcoholic Foundation)35
Package, drayage, addressing12
Postage (highest)	<u>.12</u>
	.93
Gross profit one direct sale.....	<u>\$2.07</u>

Taking the estimate of one direct sale for two book store sales, we have the following set up:

Gross profit two book store sales @ 88 cents	\$1.76
Gross profit per volume one direct sale.....	<u>\$2.07</u>
	\$3.83

Dividing by three we have an average gross profit of \$1.276 per volume.

PROFITS

As said before any accurate estimating of profits cannot even be approached.

For anyone who wishes to draw their own estimate, the following figures and facts are given:

It would take sales of the first 5000 volumes (basis Harpers advance offer) by April first to assure subscribers money. Inasmuch as the budget has been designed to defray all expenses of operation to April 1st, profits up to that date are gross profits, without deductions.

On the other hand if office were maintained through April, May and June and five thousand volumes only were sold, the returns to the shareholders would be slightly over fifty percent. As mentioned before, decision as to continuance of the office through April, May and June, will be made at the stockholders' meeting in March, 1939.

If, on the other hand, any success such as has been predicted accrues, the following profit projection would seem possible.

By June first the subscription would have been returned. Then, if the following sales are reached the profit per share would be:

15,000 volumes first year—per share return after money back	\$ 10.00
25,000	30.00
50,000	75.00
100,000	150.00

Although it seems ridiculous, one estimate has been made of half a million volumes within two years time. Should this come, over nine hundred dollars per share would be returned.

OPERATION OF THE ONE HUNDRED MEN CORPORATION

During the time of the writing of the book, and while sales promotional and directional duties are going on, the necessity of an office is apparent.

Among other sales promotional possibilities that must be followed up is the offer of Floyd Parsons to write an article based upon the book for the Saturday Evening Post. Mr. Parsons is very well acquainted with the editor and believes an article would be acceptable.

Most of the church organizations have their National Offices in New York City. These must all be followed up. The National Library Board has its headquarters in New York City. This must be canvassed, as must the American Medical Society. It may be possible to have articles in those publications.

Some of the larger purchasers beside the jobbers must be approached. It is customary for sales to people such as Macy's to be made direct by the publisher.

On April first, when the book has been published, the decision will be reached by the stockholders as to the continuance of the office. If sales are going at a very rapid rate, there would be no question as to the necessity of the office.

There is naturally a question as to what would be done after April first if an office is not necessary. One of the usual printing services extended by book printers to publishers is that of shipping. The printer will attend to all details such as billing, collecting the money, and shipping for a publisher at cost. In other words, it is possible to turn over to a regular book printer all physical detail except writing, selling, and publicity.

A fact not generally realized is that book publishers do no printing. The printing, the art work, and all work attendant to

issuing the book is done by specialized book printers. One of the duties of the management of the corporation will be attending to the printing details. Mr. Walsh of the John Day Printing Company recommended any one of three printers competent to handle all details.

Another question is that of distribution and credit to book stores. There are only three book jobbers in the United States; any one of whom covers the entire country. Their credit is of the highest and they in turn take off the publishers hands all questions in regard to credit risks to the retail store. We have been told that we will have no trouble in securing any one of these three jobbers.

Taken all in all, there are plenty of details to be taken care of and sales promotional work to be done between the present time and April first.

SUBSCRIPTION

Date.....

On the basis of being a charter subscriber, I hereby
subscribe for.....

Twenty Five Dollar par value non-assessable shares of
The One Hundred Men Corporation to be formed.

My check for
is attached which is in full payment — partial payment.
(CROSS OUT ONE)

In case this check is partial payment, I agree to pay an equal amount in thirty, sixty, ninety,
and one hundred and twenty days from this date.

Signed _____

Street Address _____

City _____

State _____

CHECKS MAY BE MADE PAYABLE TO:
THE ALCOHOLIC FOUNDATION

or to — HENRY G. PARKHURST, Inc.

PLEASE MAIL TO:

HENRY G. PARKHURST, Inc.
17 William Street
Newark, New Jersey

or

WILLIAM J. RUDELL
108 Harvey Street
Hackettstown, New Jersey