

# The Seabury Press

## BOARD OF TRUSTEES

### Class of 1982

Allen F. Caldwell, Jr.  
John C. Goodbody  
Dr. D. Bruce Merrifield  
Daniel N. Adams, Jr.  
James Dorr Dunning  
Thomas Wright, Jr.

### Class of 1983

Mrs. Avery Brooke  
The Rev. George W. Brandt, Jr.  
John P. R. Budlong  
The Rev. Canon Charles Guilbert  
The Rev. Henry B. Mitchell  
Dr. Manning Patillo, Jr.

### Class of 1984

Mrs. Margaret Truman Daniel  
Dr. Paul V. Grambsch  
Mrs. Margaret Morgan Lawrence  
Mr. Robert A. Robinson  
The Rt. Rev. B. Sidney Sanders  
The Rt. Rev. Milton B. Wood

### Ex Officio

The Rt. Rev. John M. Allin  
Edward J. Birmingham, Jr.

## REPORT

There is much confusion about what happened at Seabury that resulted in a change of management and the divestiture of a major part of Seabury's business. This report to the General Convention is our effort to both describe The Seabury Press today and to tell you exactly what did happen and what is happening.

### Who we are.

Unlike most other denominations, whose publishing is mandated into a single publishing entity, the Episcopal Church has several publishing companies who share the Episcopal marketplace. Of these, Seabury is the largest and most diversified. However, the situation is not too different from that of the airlines after deregulation: Too much competition for the size of the market.

This is not a new condition. Since receiving its last subsidy advance in 1973, Seabury has only grown and survived by looking past the Episcopal Church, by publishing books which are useful to persons of all faiths, and, until the divestitures described below, by also publishing two imprints of non-religious books.

It has also moved into allied fields. Seabury is probably the largest importer of religious books in the country, acting as sole U.S. distributor for T. & T. Clark of Edinburgh, the Society for the Promotion of Christian Knowledge and Sheldon Press of London, the Anglican Book Centre of Toronto, and Ariel Books of Jerusalem. In addition, Seabury's Somers, Connecticut, Service Center performs total fulfillment services for Pilgrim Press, the publishing arm of the United Church of Christ, and provides warehousing and shipping services to The Church Hymnal Corporation.

The Seabury Professional Services division offers complete editorial, art, and production services, as well as distribution services for the agencies of the Executive Council and to the Church as a whole. Among the materials produced by Seabury Professional Services are the Convention Blue Book, the Journal of the General Convention, as well as the annual campaigns for the United Thank Offering, Every Member Canvas, Presiding Bishop's Fund for World Relief, and Church School

Missionary Offerings, to name a few. It publishes "Selected Sermons" four times a year and is just completing the publication of a new edition of White and Dyckman's *Commentary on the Constitution and Canons of the Episcopal Church*. It also operates the mailroom at the Episcopal Church Center.

Seabury operates three bookstores which offer religious books of all publishers. Two are in New York, at the Episcopal Church Center and at General Theological Seminary. The third is the Thomas More Bookstore in Harvard Square, Cambridge.

Seabury's staff consists of 66 people, who can be classified as 6 administration, 7 editorial, 7 marketing, 4 art and production, 8 professional services and mailroom, 11 bookstore, and 23 Service Center. Edward J. Bermingham, Jr. is President; Avery Brooke is Vice-President and Publisher; John Weir is Senior Vice-President, Administration and Marketing; Richard Spana is Vice-President and Controller, with responsibility also for the Seabury Service Center and the Bookstores. Patrick Wenz is Professional Services Manager.

### Years of change.

In 1979 The Seabury Press was publishing its religious books, other than prayer books and the Church's Teaching Series, under the Crossroad imprint. In addition, it also published non-religious books under two imprints. Clarion Books, developed from a children's publishing program commenced in 1964, had grown into a highly respected and successful line of general books for young people. Continuum Books, a program established shortly after Mark Linz became President of Seabury to publish books of social and political significance, was producing a distinguished but unprofitable line. The Crossroad name itself was highly respected and moderately successful. Crossroad consisted of two principal lines. One was Seabury's traditional line of religious titles, mostly by American and British authors. The other was the traditional line of Herder and Herder, which was acquired as part of the arrangement under which Mr. Linz joined Seabury. It consisted mostly of serious Roman Catholic theology.

In 1979 Seabury had one-time success because of three nonrecurring events—the publication of the new *Book of Common Prayer*, of the Church's Teaching Series, and of books by and about the newly elected Pope John Paul II. It could easily be anticipated that after very large initial sales, these books would decline to more modest levels, and that Seabury would have difficulty supporting its three fine publishing lines. The Seabury board was also concerned that the company's religious publishing emphasis was too much in the area of imported works and that the company's involvement in non-religious publishing might jeopardize both its corporate purpose and its tax exempt status.

Realizing that any major change is costly, the board decided in 1979 to take advantage of Seabury's present success to increase the company's emphasis on publishing for Episcopalians and to re-position the company in the center of religious publishing. The re-positioning was to consist of two major moves. The non-religious lines would be sold, and the remaining business would be merged with Church Hymnal Corporation. Under the leadership of Mr. Linz, a highly successful sale of Clarion to Houghton Mifflin Company was negotiated, bringing Seabury \$787,600 of cash and a \$328,800 profit, and permitting it to retire a \$350,000 loan from the Executive council. No buyer was found for Continuum; and finally Mr. Linz proposed to form a company to buy the assets at book value, and to pay for them as they were realized on. This sale was completed as of December 31, 1979. It brought in a minor amount of cash and resulted in a \$115,000 loss. Unfortunately investments in inventory and the losses arising from the difficulty in adjusting expenses to a reduced level of sales consumed the remainder of the proceeds, and Seabury was forced to borrow from a bank.

At about the same time, the boards of Church Hymnal and Seabury Press reached a joint conclusion that the previously announced merger would not be advisable until Seabury had demonstrated its viability in its reduced operation. Shortly after the cessation of the merger negotiations, it became apparent that Mr. Linz's publishing interests were broader than Seabury's remaining fields of activity, and a separation was negotiated. The board agreed to sell to a second company formed by Mr. Linz its 120 titles in the Herder and Herder tradition. Mr. Linz left the company in July, 1980, and the sale was completed in October, 1980. It brought in \$430,000 cash and produced a \$107,000 profit. By March, 1981, the bank loan had been retired. The company now operates with a \$150,000 bank line which is used seasonally.

### **New management, new objectives**

To replace Mr. Linz, the board elected Edward J. Bermingham, Jr. President of the company and Avery Brooke Vice-President and Publisher. Mr. Bermingham is a former officer of Dillon, Read & Co. Inc., investment bankers, and former president of Columbia Ventures, Inc., a small business investment company. Mrs. Brooke had founded and led Vineyard Books, Inc., a small religious publishing company, until the imprint was sold to Seabury in 1977. Both are Episcopalians.

With the approval of the board, the decision was made to concentrate publishing efforts in two major but overlapping areas. One was books useful to Christians of all denominations. The other was books to fill the special needs of Episcopalians. (Out of 25 books being published this fall, 14 are by Episcopal authors, most of them well-known.) The deputies can judge for themselves how well the goals are being met by visiting the Seabury booth at the Convention, where most of Seabury's current list is on display.

### **A difficult adjustment**

We doubt if any company can sell half its business, have 11 out of 32 home office personnel leave with its ex-President, and stay in the black. Seabury certainly did not. While losses during the transition were anticipated, 1980 and 1981 both produced much larger operating losses than were expected, \$226,000 in 1980 and \$513,000 in 1981. The losses began after the sale of Continuum and continue through March, 1982. The company's expenses have been substantially reduced; the problem has been almost entirely an inability to rebuild sales to a viable level. A staff consisting of veteran Seabury employes, and some talented new people, has become welded into a respected publishing team. Seabury is now producing what we believe to be an exciting and useful list of religious books, which should produce the needed sales.

The weakness in sales is believed to have been due to two aspects of the transition. First, the company's publishing lists of 1980 and 1981 were a mixture of books contracted for by the new management with a new publishing emphasis and books previously contracted for or already in the list. A list in transition is not an easy list to sell.

Due to the Herder and Herder acquisition, Seabury's image in the religious market had been mostly that of a publisher of serious Roman Catholic theology. In the trade market, it was known for its prestigious secular Continuum line, and few religious books were sold in that market. When these lines were sold, Seabury's image became blurred. We have spent the last two years trying to reestablish our image with religious bookstores and seminary bookstores as a publisher of useful books for parishes, colleges, and seminaries, and with trade stores as a publisher of religious books of wide appeal. Unfortunately, our reestablishment was delayed by the need to reorganize our sales force.

### What's next?

In 1982 we have strong spring and fall lists of books. We feel we are particularly strong in new books for the parish market. We are reaching deeply into our markets to promote our books, using advertising, direct mail, special discounts, network flyers and bill stuffers. In April, for the first time in a year, our sales, through April 14, are at budget level. We hope this represents the beginning of a turnaround.

Toward the end of bolstering Seabury's working capital, we are launching through The Seabury Society, a fund-raising program designed to raise \$250,000 annually by subscriptions to limited editions of two books a year. A second program under consideration will offer individuals and foundations the opportunity to sponsor individual books. Both programs should be tax-deductible. While the programs are yet to be tested, we are optimistic that they will help us cover future budget gaps.

Even with a turnaround, such programs should be a part of our future. We do not believe that a church publisher can count on operating profitably in a competitive environment without a reliable source of outside funds. We also believe that one of the things that makes Seabury different from most denominational publishers is its lack of dependence on and independence of its denomination. Between dependence and survival, we would probably choose survival. We hope that between market recognition of the good things we are doing and a successful annual giving program, there will not be an occasion to make that choice.

We report in candor, and we report in optimism. We believe that our ministry in Episcopal publishing is necessary and important, and that the filling of that role is totally compatible with our second goal of publishing for all Christians.