

NEWS SUMMARY

WORLDWIDE EDITION

HIGHLIGHTS OF EMPLOYEE MEETING, MARCH 21

"We are under no court order at all now," Mr. Stanley Rader told employees of the Church and College Wednesday morning, as he updated everyone on recent events in our constitutional battle with the state of California. "Our case is in the appellate process so there is nothing to be concerned about as far as being in contempt of court is concerned."

Mr. Rader assured everyone that "we have really, for all practical purposes, won the major battles. The battle lines have been stabilized. We're now in a position that we've wanted to be in for several months." In Mr. Rader's opinion, now it is just a question of "mopping up." But he hastened to add that this process may take two or three years.

"Now that we are in the appellate process," continued Mr. Rader, "there is no longer outside interference with our daily operations. We now have to do all we can to recapture the normalcy we had. Our income and credit has suffered, but things are looking up in the long run. Hopefully we can weather this cash-flow problem with the least amount of confusion and inconvenience to the fewest number of people. But it is still going to be a financial battle until we get through the summer."

"Case Of The Century"

Mr. Rader said we have been "catapulted right to the forefront of what is really the most important church-state issue in 200 years! A day doesn't go by without receiving phone calls from around the country. Radio and television interview offers -- everyone is interested. Now even evangelists in the country are very much concerned along with the major denominations.

"Maybe the whole thing grew out of the Jim Jones thing, but from the education I've been getting, even that isn't true. The state of California began to push its nose into church affairs two years ago! So maybe Jim Jones, in their opinion, made it easier for the state to increase the level of their activities. There are a few fanatics up there in Sacramento who believe that anything other than a major denomination is suspect."

Mr. Rader pointed out that our whole case would have been a disaster if we did not have the intelligence, the will and the help of God to fight this battle. He praised local Church volunteers who helped immensely by putting in long hours in many different capacities. Otherwise it would simply have been impossible!

Must Capitalize on the Publicity

During the meeting Mr. Rader fielded many diverse questions. In commenting about the travesty of justice during the last two and one half months, he emphasized that "we must take advantage of this whole experience. It is a truly remarkable thing that has happened. But it did and it really is going to be -- both in the short and long run -- a great blessing and opportunity. This is the time to capitalize on the attention and publi-

city we have been getting. While our name is a household word in some parts of the country, we should use this to help our message register with more impact."

Our TV documentary on the crisis should be ready very soon. We're going to have full-page ads around the country like we have had here in the Los Angeles Times. Other churches have asked for permission to print the first ad in their local papers. The group in Milwaukee headed by Tom Grede wants to print it there, and another in Calgary. Mr. Meredith is already making plans for campaigns in these cities where the ad will have run.

New TV Format Being Tried

The employees learned that last Sunday Mr. Armstrong taped a program utilizing a question and answer format for the first time. Art Gilmore asks the questions spontaneously, and Mr. Armstrong answers them. Mr. Rader thinks the show "really bounces all around and you really get to know Mr. Armstrong." One hundred forty-five minutes are on tape which, after editing, can be packaged with other visual aids and narrative of one kind or another. It is hoped that the new format could be very effective as a supplement and complement to the regular TV program.

Big Sandy Sale May Be On Again

In response to a question about resuming efforts to sell the Big Sandy property, Mr. Rader said the original buyers still evince a desire to acquire the property and are now trying to go forward as before. If we can work out the details in reasonably short order, the sale will ease our whole cash-flow situation.

Income is up but, cautioned Mr. Rader, because of the heavy cash drain caused by the state's invasion and our resultant inability to draw upon normal cash-flow credit lines at this time of year, we will have to hold expenditures to an absolute minimum in all departments of the Work for the next few months. He felt the situation should begin to correct itself as soon as the Spring holy day offerings are in. Meanwhile, we are actively pursuing a number of alternative lines of credit, but find that lending institutions are nervous about extending credit because of the state's involvement, and the inevitable negative publicity.

CALIFORNIA SUPREME COURT RULES ON CHURCH'S PETITION

The Legal Office reports that on Thursday, March 22, the California Supreme Court denied the Church's petition for a hearing. The Church was asking that the high court immediately consider whether it is constitutional for a receivership to be imposed on a church. Ordinarily the question would not reach the Supreme Court until lengthy appeal processes had been exhausted.

The narrow margin of the decision (4-3) indicates the issue created considerable interest among members of the State Supreme Court. However, it is the standard procedure for that court to not grant hearings by "extraordinary writ" (as this would have been by leapfrogging over lower legal processes) unless there is "compelling urgency" to hear the matter. Since the receivership is now stayed and a bond is posted, the immediate crisis is past. So they have opted to let the appellate courts deal with the matter first. Meanwhile, Church leadership is in control and has full discretion of the Church's operations.