May 2022
To: The Fellowship of NA
From: The World Board

Price Increases scheduled for 2023

Effective 1 January 2023, the price of all books and bronze medallions will increase 12%. We wish that this was not necessary, but costs of production have risen so dramatically that we believe this to be the most prudent decision.

We are not recommending increases on the materials NA groups most frequently give away, even though you can see from the numbers cited below that our costs have increased substantially on these items as well. That means there will be no increase to the current prices of IPs, booklets, keytags, or chips. This includes An Introductory Guide to NA and all of the other materials listed under IPs and Booklets at www.na.org/ips. This feels like the most helpful way to show that we are all in this together and to do what we can to ease the burden on groups.

The last price increase from NA World Services took effect 1 July 2018. Since that time, so much has changed in the world, including the cost of seemingly everything. From the 2017 analysis to the present, our direct costs for English have increased on average:

- 29% for book-length titles
- Less than 1% for booklets
- 45% for service pamphlets
- 30% for IPs
- 17.3% for chips and keytags

Direct costs have increased even more dramatically for translated versions. We have successfully kept our direct costs for literature in line with or below inflationary figures in the past. That is clearly no longer the case. With direct costs for books increasing an average of 29% and indirect costs such as warehousing and staffing also increasing, our margin (the difference between the average sales prices including discounts and the cost of goods sold) will be reduced, even with the price increase. We are attempting to seek a balance so that neither NA World Serices nor the Fellowship and other purchasers bear the full weight of the increases in costs. Over 40% of the 736,145 books distributed by NA World Services in fiscal year 2021 were Basic Texts. We discussed the possibility of exempting the Basic Text from the price increase but unfortunately, that would necessitate an even steeper rise for the remaining items. Including all books means we can keep the increase to only 12%.

We have gone to great lengths to try to navigate and minimize the impact of the pandemic on the Fellowship including on NA service offices. We have kept the discount levels for service offices from before the pandemic through 2022 and worked with them on credit terms. One of the reasons we announce price increases so far in advance is to help minimize the impact on service offices.

<table>
<thead>
<tr>
<th>Description</th>
<th>Current Price in $</th>
<th>$ Price 1 January 2023</th>
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<tbody>
<tr>
<td>Basic Text 6th edition</td>
<td>$12.15</td>
<td>$13.60</td>
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<tr>
<td>Basic Text 5th edition translated</td>
<td>$8.30/</td>
<td>$9.30/</td>
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<tr>
<td>Book 1 / Book 1 &amp; 2</td>
<td>$10.80</td>
<td>$12.10</td>
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<tr>
<td>Just for Today</td>
<td>$9.55</td>
<td>$10.70</td>
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<tr>
<td>Miracles Happen &amp; Audio CD</td>
<td>$11.65</td>
<td>$13.05</td>
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<tr>
<td>Sponsorship</td>
<td>$8.75</td>
<td>$9.80</td>
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The same 12% price increase will apply to literature purchases from WSO Europe. We have recently been apprised of a potential situation with VAT that may impact how we sell materials and price them in Europe. We are seeking professional advice and will release a European price increase notification as soon as we have clarity about the situation.

We are not increasing shipping charges for now, but the cost of shipping is on the rise. Rising fuel prices and the complications of world events continue to effect these expenses. It may be necessary for us to change our shipping charges at some point in the near future. We will keep everyone informed.

**Other Inventory Items**

An additional step we are taking to reduce expense at NA World Services is removing obsolete or redundant items from our inventory. We will no longer carry many dated service handbooks and the *Just for Today* PR video in inventory. We are happy to share these items digitally, and we will post the handbooks to na.org for free download.

Additionally, we will be removing two color combinations from our tri-plated medallion inventory: Gold/Pearl and Green/Black.

We plan to phase out or replace a number of specialty items. Also we are looking for a new provider for literature racks, so we are not reordering from the current manufacturer. After the existing stock is depleted these items will temporarily not be in our inventory.

Again, we wish that circumstances were different. We have done our best to make responsible decisions that support the needs of the group. We hope for your understanding and support of these decisions.

If you have any questions or comments, we are always available at wb@na.org.