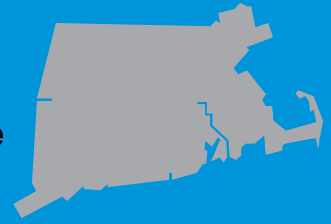


DEPARTMENTAL REPORTS

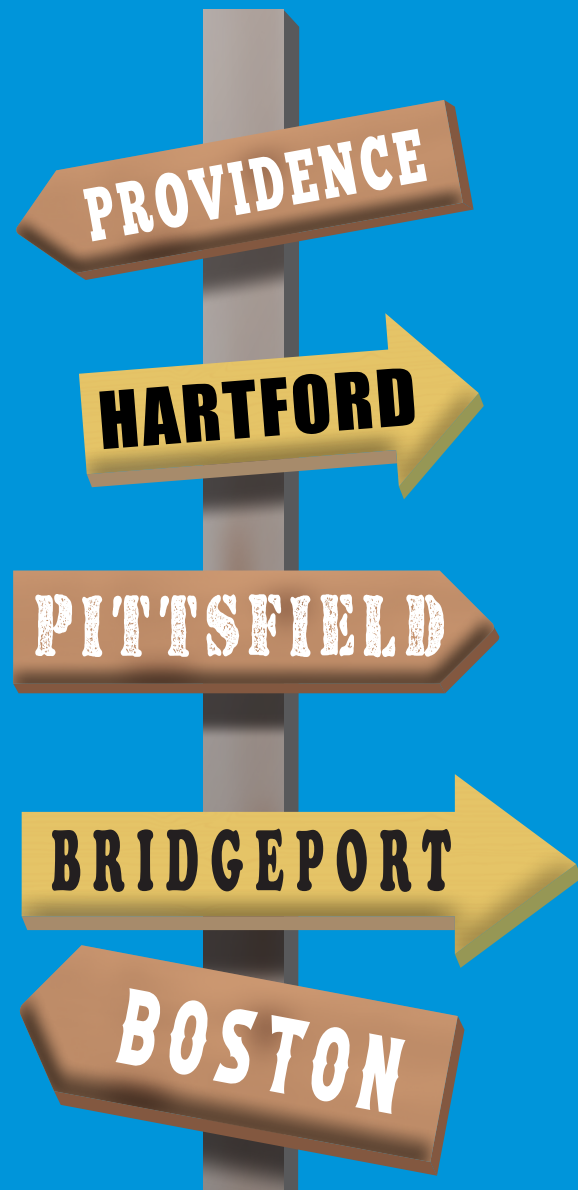
38TH CONSTITUENCY SESSION

Southern New England Conference
of Seventh-day Adventists



ADVENTIST BOOK CENTER

Luz Rodriguez
Director



Adventist Book Center

The ABC journey has been challenging over the last five years but the Lord has provided and the ABC is on a pathway to recovery! The Southern New England Conference is one of the few remaining in the North American Division. We view the ABC as a ministry in terms of the products and services that are provided for members, communities and churches across the Conference and beyond.

By the beginning of 2017 The ABC was posting six figure annual losses and debt was at \$787 thousand. By the end of 2017 Debt had risen by another \$490 thousand and the losses from operations were \$312 thousand. From the beginning of this session it was clear that substantial change was needed.

In the fourth quarter of 2018 a change was made in store management, losses were \$306 thousand and debt grew by another \$492 thousand.

The ABC began 2019 with over \$2 million in debt and an inventory crisis was discovered. It became apparent that the distribution operation (sales to stores and restaurants) had been trending downward for several years. A new business strategy was initiated that focused on operating efficiencies, buying efficiencies, inventory and warehousing efficiencies as well as revitalization of the distribution business. \$254K was added to debt and the operating loss was \$433K. This was the beginning of a turnaround.

2020 was a year none of us will forget – a global pandemic cut deep into sales. Heartbreaking staff reductions were necessary. Bulk purchase pricing was renegotiated making it possible to carry smaller inventories (reducing spoilage) and consolidate warehouse operations. Unfortunately, it was necessary to cease full-service operation in two locations. Our team worked harder and smarter to meet needs and provide outstanding customer service. The turnaround continued. Debt increased (at a slower rate) by \$86K, operating losses were reduced by \$196K to \$237K.

In 2021 the hope was that Conference sponsored events and at Campmeeting would re-activate our event related sales but Covid was still limiting opportunities to gather. Our team worked hard and the Lord blessed. The website was updated, online sales increased, in-store net sales increased as costs and expenses decreased. The year was nearly at break-even, a (comparatively) small loss of \$25K (1.35% of sales) was incurred and only \$62K was added to debt.

We are optimistic about 2022 and the possibility of working down some of the debt incurred over the past several years. We are grateful for the dedicated leadership of Luz Rodriguez and the excellent support of the entire ABC team. Mostly we are grateful to the Lord for sustaining this business and this vital ministry. To God be the Glory!



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