

**APRIL 2014 UPDATE  
FROM  
THE WILHELM REICH INFANT TRUST**

Dear Friend,

The generous support you've given the Wilhelm Reich Infant Trust in the past impels us once again to bring an urgent matter to your attention: the status of our Endowment Fund which is crucial for our capacity to function effectively.

Since 2010 we've had to tap into our Endowment Fund to survive, a fund that we left untouched for 19 years since we started it in 1991. But our other revenue sources—donations from friends and supporters like you, book sales, rentals from our two cottages, museum visitors, and conferences—have not covered the rising costs of maintenance and heating oil.

As you know, the Wilhelm Reich Infant Trust—created by Reich himself in his Last Will and Testament—is a Maine non-profit corporation with specific assets, infrastructure, and responsibilities that are attended to by a dedicated staff:

- Maintaining a 175-acre property in western Maine called Orgonon with over a quarter-mile of dirt driveways leading to five buildings that require year-round maintenance and heat in the colder months: the Wilhelm Reich Museum, the Office & Conference Building, two rental cottages, and the director's cottage (built in 1999 as a contribution of a supporter).
- Overseeing the publication, distribution, and copyrights of all of Reich's books and research journals.
- Preserving and providing access to Reich's archives at the Countway Library of Medicine at Harvard University.

**Endowment Fund: 1991-2007**

Like many non-profits, we recognized the need long ago for an Endowment Fund to secure a solid financial base for our future. And in 1991 we established this Fund and arranged for it to be administered by a senior officer at UBS Financial Services.

By late 2007 we had grown the Fund to over \$850,000: the result of several significant bequests and generous donations from friends and supporters, supplemented by interest on the Fund's principal through investments by UBS.

Our plan for 2008 was to launch an aggressive fundraising campaign to bring the Fund up to \$1,000,000 by 2009, from which we could draw interest annually to pay our expenses.

The economic downturn of 2008 put an end to that plan.

## **The 2008 Financial Crisis**

Market declines in late 2007 and 2008, culminating in the financial crisis in September, were devastating to individuals, businesses and non-profits. And as it turned out, UBS was one of the key players in the subprime real-estate market that caused this crisis. When the subprime market unraveled, the ripple effect throughout UBS was shattering.

The result: the Wilhelm Reich Infant Trust Endowment Fund lost nearly 25% of its value.

## **Endowment Fund: 2009-2014**

After the full extent of UBS's financial transgressions became public, we transferred the Endowment Fund—valued at approximately \$640,000—to a smaller, more responsible investment firm. And in 2010, with our income dwindling *and* our maintenance and fuel costs rising, we withdrew money from the Fund for the first time to meet our expenses.

Since then we've had to periodically withdraw more money to pay our bills.

## **Examples of Current Expenses**

The costs of maintaining Orgonon's infrastructure are substantial. In 2013, repairs on the museum roof were \$5,384 and our snow plowing bill totaled \$2,500. This year's snow plowing costs are already \$2,370, with next November and December ahead of us.

In 2013 the cost of oil to heat our five buildings was \$20,679, which was \$6,000 more than in 2011. And so far this year we've paid \$12,088 for oil, with heating bills for April, October, November and December still to come.

In January and February we withdrew \$35,000 from the Endowment Fund just to get by.

## **Restoring \$35,000 to the Endowment Fund**

While the financial markets *have* improved, the Fund's loss of over \$200,000 from late 2007 to 2008, together with our withdrawals from 2010 until this year, can only be replenished by the generosity of friends and supporters like you who appreciate our efforts on behalf of Reich's legacy. Because of the widespread distorted narratives about Reich, traditional funding sources which routinely provide support to non-profits are not viable options for us.

Our immediate goal is to restore our \$35,000 withdrawal to the Endowment Fund and we hope you will help us by contributing whatever you can to that effort. All contributions are tax deductible to the extent of the law.

Thank you for considering this urgent request.

Sincerely,  
Mary Boyd Higgins, Director