

A Developing Tragedy

A crisis of major proportions is rapidly developing within the Independent Ministries. It is of such a serious nature that you ought to receive a report on it.

But, in addition, I have prepared and am sending this report at this time because the crisis appears to have passed the point of reconciliation.

It was only recently that we sent out several tracts regarding our concern that the shortwave station be placed under the control of the independent laity (with ourselves excepted, since we made the appeal).

On the last page of that appeal, a late-breaking news item noted that other Independent Ministries have the same concern.

Unfortunately, the situation has developed into a crisis of major proportions. You have a right to know the issues. Here they are:

On November 27, 1993, as reported in the *Boston Globe*, the Christian Science Church agreed to sell its Maine shortwave station to Prophecy Countdown, of Mount Dora, Florida, for \$5 million, \$2.2 million less than the original construction and installation costs.

Shortly afterward, while journeying to Maine for the first evangelistic Prophecy Countdown broadcast over that station, Bob Trefz noted that John Osborne was unusually agitated. He seemed to be on a high that could not let down, even at night when he should sleep.

Arriving for the initial evangelistic broadcast to western Europe and northern Africa, John surprised everyone by using the broadcast to dare Robert Folkenberg, president of the General Conference, to take the station away from him! This seemed like

an unusual initial message to broadcast to overseas listeners, who would, for the first time, hear our message to the world.

In early December, it was reported to a friend that John was not sleeping well at night, that he was trying to carry the full burden of the project by himself, and, because of the two, was beginning to make mistakes.

Then came John's prophetic statement over a dual shortwave/television broadcast, in which he announced that God had spoken to him a message he must declare: The main body of Seventh-day Adventists would come to its end by December 31, 1994.

Many Advent believers responded with shocked letters, not only because John was apparently hereby announcing his status as a prophet, but because he would give such messages over national television and international shortwave to the general public.

So many complaints arrived, that by the next week, John repudiated his statement of the preceding week. At that broadcast, Osborne read one of the letters of complaint, that of John Grosboll. Asking for forgiveness, Osborne apologized for making that statement.

By this time, many were wondering what each forthcoming Sabbath television/shortwave broadcast would bring.

A couple weeks later, John lost his temper, and was visibly out of control. Osborne's conduct and apparent instability were causing people to become edgy about the shortwave station. Many were wondering why he was saying what he was—and in the way he was—over national and international stations to the general public. None of this had anything to do

with worldwide evangelism.

Many had written in, asking for their money back; and, during that particular broadcast while responding to a question on this, he blew up. He said he would return none of the money!

Yet, only a week before, at the San Bernardino meeting, Dianne, John's wife, had said something quite different. At that meeting, a fund-raising *telethon* had been in progress and very little money was coming in. So Dianne mentioned that, if the donation had not already been used for tax purposes, Prophecy Countdown would send it to any non-profit, tax exempt organization they might specify.

But then, the next week, John said the pledges could not be revoked because they had been made to God. With emphasis, he added that, if he were to return the money, he would cause the people to sin.

(In reality, a pledge is a two-way contract. Christians offer money to help another Christian do something, which they are convicted by the Spirit of God needs to be done. As long as his side of the agreement is kept, the donors should remain true to their pledge, pay the money, and not ask for it back. In this particular case, the money was to be used for an ongoing missionary proclamation to the world by a stable organization. Some were beginning to perceive that this might not happen.)

Unknown to nearly all of us, that San Bernardino meeting marked a major turning point in the shortwave station. You should be told what happened. Here it is:

The four-day San Bernardino series was advertised with the theme, "*Presenting Historic Adventism to the World.*" It was scheduled to be held

in the large National Orange Show Events Center (Orange Pavilion) in San Bernardino, California. The first broadcast was scheduled for Wednesday, February 9, at 8:30 p.m., with the last broadcast to end Saturday evening at 10 p.m.

In the intervening weeks since the shortwave station contract had been signed, not only had many Advent believers become disturbed by the John's Sabbath broadcasts, but leaders in the Independent Ministries had also. Two of them, Bob Trefz and John Grosboll, had worked closely with Osborne during those weeks and were becoming deeply troubled at the situation. They had put everything they had into advertising the station and encouraging people to send money toward its purchase. Yet they noted that Osborne had changed since the piles of money and pledges began pouring in.

In view of the fact that the station was entirely owned by John's Prophecy Countdown, and that he controlled the board (because the rest of the board were all his employees, and were careful to do what he wanted them to do), Trefz and Grosboll prayed about the matter—and decided to speak with John.

Upon arriving in San Bernardino, they met with John and Dianne Osborne in their motel room. They explained what they had in mind, and they spoke with them for three hours. In brief, they asked John to place the Maine shortwave station under a separate corporation, and that it should be under the control of a group of laymen representing the donors.

Interestingly enough, without knowing of that meeting or subsequent ones, the present writer presented almost the same appeal in a recent tract set (*The Maine Shortwave Station [WM—518-519]*). Citing the immense yearly cost of the station, he made two points in that two-tract presentation: (1) By initial test broadcasts before signing a final commitment and handing over the money, it

should be ascertained whether the station is actually reaching and bringing in as many people to the truth as an equivalent amount of yearly station maintenance money, spent on 10,000 workers every year, or millions of books distributed yearly, might reach. (2) Place the ownership of this massively-expensive, ongoing project within a separate corporation, under a large constituency of donors, who would annually elect a governing board which would answer to that constituency.

At the end of three hours, Trefz and Grosboll's meeting with John and Dianne Osborne came to an end. When Kathy Greenfield (the third person in charge at Prophecy Countdown and a board member [Dianne is Prophecy Countdown president, and Greenfield is chairman of the five-member board]) arrived shortly afterward, she heard about the meeting and asked Dianne what it was all about. Dianne replied, "They talked to us for an hour, but we don't know what they were talking about."

It is thought that Kathy did not obtain a clear understanding of Trefz and Grosboll's concerns for, soon afterward, over her name was to be sent out the first fax letter from Prophecy Countdown about the situation, in which it was stated that Trefz, Grosboll, and all the Independent Ministries were now under the control of Satan.

Before the San Bernardino meetings concluded, there were several other private meetings which the rest of us knew nothing about. Steps to Life hired an attorney (a Mr. Lundford) for \$400 to represent them at one of those meetings. In his presentation, Mr. Lundford described a method to give laymen a voice on the board.

But John and Dianne said No.

The final break came on Saturday night. After the last meeting of the San Bernardino series had concluded, by appointment, a meeting was scheduled of Trefz, Grosboll, Larson, Vierra, and Balsiger with John and Dianne. But John did not keep the ap-

pointment. Instead, he found some visiting Reform Seventh-day Adventist Church leaders and, brushing aside the Independent Ministry leaders who were up on the stage, he pushed by them as though they were not there and showed the church leaders the wall map of the station outreach, in order to get them to help him with the project.

The Independent Ministries leaders left and returned home, deeply saddened by such treatment from John.

Then the faxes began. As mentioned already, Kathy Greenfield's fax was the first one. (At least it was sent out from Prophecy Countdown over her name.) In it, all the Independent Ministries were denounced as being under Satanic power for doing what they had done.

John Grosboll gave a measured response to that fax which, in view of the situation, was quite moderate in tone. It consisted of three faxes, totaling six pages, and was arranged in four parts.

This was followed, on March 3, by a 26-page fax (also over the name of Greenfield) to Grosboll. We now know that it was believed at, Prophecy Countdown, at the time that this fax would solve the problem and bring the wayward leaders back into alignment with John. But it accomplished nothing. In addition to solely placing the blame on the other Independent leaders, the fax gave no indication of any willingness to place the radio station under a separate corporation with a different board. (The Independent Ministries actually wanted to make that corporate changeover quietly, so that, in the eyes of the public, John and Dianne would still be the public figures representing the project. The objective was to safeguard the station rather than remove its operation from John.)

(Last year, in a campmeeting at Hiawasse, Georgia, close to the North Carolina state line, Osborne had promised those in attendance

(and those tuned in on national television) that, if the funds came in to purchase it, the Maine shortwave station would belong to the Independent Ministries. Perhaps he did not mean that in the ownership sense of the word, but that is what he said. Yet, after the controversy over ownership began, a frequent remark of John's was "God gave me the shortwave station; He didn't give it to you!")

By March 3, 1994, when the 26-page fax had been received and carefully read, the other Independent Ministry leaders became determined in their purpose: Either Osborne would place the Maine station in a separate corporation under a board with others on it or these ministries would no longer work with him;—but, with one exception, they would continue for a time to fulfill speaking commitments on the shortwave station.

John was fast losing friends. Bob Trefz was gone. John Grosboll was gone. With them went Danny Vierra, Les Balsiger, Jan Marcusson, and Ralph Larson. Who was left? Hardly anybody. (Ron Spear and Colin Standish had separated from John several years earlier, after noting serious problems.)

As you might imagine, by this time John was in even greater agitation than he had earlier been. So much so, that, at about this same time, he decided to eliminate independent thinking from his own organization. Apparently, John came to the decision that it was time to clear Prophecy Countdown of anyone who might have the slightest sympathy with the other side.

An internal investigation began.

On Sunday, February 27, the Prophecy Countdown board met for thirteen hours (yes, thirteen hours!). The five members of the board were Kathy Greenfield, chairperson; Dianne Osborne; John Osborne; Patty Edwards; Howard Anderson; and Hector Perez.

At an early point in that Sunday meeting, Kathy Greenfield said to John, "Well, maybe we should give it

to them, John." In reply, Osborne said, "We're *NOT* going to give them the station!" Kathy quickly relented, and never again spoke like that. From that moment on, she continued as a solid supporter of John, as she had done earlier.

On Monday, February 28, John called Francis Highsmith into his office. She was one of the workers at Prophecy Countdown and the wife of Larry Highsmith, the principal of Osborne's ten-grade private school in Mount Dora, Florida.

John said: "Are you going to stand by me?"

Francis said: "I'll stand behind you as long as you stand by the Lord, Pastor John."

To this, John replied: "You're fired!"

Francis Highsmith's phone number, along with several others, is given at the end of this article.

As might be expected, this experience put both Francis and her husband in near shock. Yet, for the sake of the children and the stability of the school, Larry decided he would remain on till the end of the school term in May.

When news of that conversation spread among the staff and board members, several others felt in near shock also. Each had to decide the decision he or she would make. On one hand was favor and employment; on the other was, by one means or another, a rapid departure.

On Tuesday, March 1, there was another lengthy board meeting. Howard Anderson, who was on that board stood up to speak.

All of our readers who are acquainted with Prophecy Countdown and its television broadcasts will be acquainted with Pastor Anderson. He is a retired minister who has been one of Osborne's closest friends for several years. Aside from John and Dianne, Anderson, an unpaid worker, has been on Osborne's board longer than anyone else. Pastor Anderson is respected by all as a godly man who draws souls to Christ when he

speaks.

In that board meeting, Pastor Anderson stood up to speak. "Pastor John," he began, "let me recall some history . . ." Then he preceded to describe how God had enabled Prophecy Countdown to reach its present bountiful collection of buildings and equipment. He then began to mention some of the situations that needed addressing, in order to improve that blessing.

John knew where he was headed.

At that point, Anderson's tactful presentation was interrupted. John arose to his feet and, interrupting Anderson, began mimicking his tones and words, and mocking him.

Stunned, Pastor Anderson just stood there for a moment in absolute silence as John continued. Then Anderson walked to the door, slammed it behind him, went home and resigned.

Spear was gone, Standish was gone, Larson was gone, Trefz was gone, Grosboll was gone, Vierra was gone, Balsiger was gone, and now Howard Anderson was gone. Who, of John's former close friends and fellow speakers, was left? Two: John still had Hector Perez, the Spanish speaker, and Ralph Henderson, the singer.

The next day, Wednesday, March 2, came—and it brought with it another board meeting. But in this meeting, Elder Perez could take it no more. His own policy of silence in the earlier board meetings was too much for him at this time. The night before he wrestled with God in prayer, and knew he would be a lost man if he did not also speak up.

Hector Perez is a Spanish pastor, about 32 years old, who has his own congregation in the greater Orlando area. They meet for worship each Sabbath in the old Prophecy Countdown studio, across the street from where its televised worship services are now held. Hector has been a long-time, faithful friend of John's, and has been on the Prophecy Countdown board for at least five years.

Rising to his feet, Elder Perez remonstrated with the board members. He told them that what they were doing was wrong; that the shortwave station belonged to all the believers; it was not just John's!

Perez said that the other Independent Ministries were not devil-inspired. They had only asked that the shortwave station be jointly owned by all the believers. It was necessary to preserve the integrity of the station.

At this, John spoke up, "Hector, what's more important? integrity or loyalty?"

"Integrity, of course," was Hector's reply.

Swiftly came John's response: "That's the wrong answer."

Perez' phone number will be listed at the end of this article.

Thursday, March 3, arrived. All day, Thursday, Ralph Henderson and Hector Perez sat outside the board meeting room, waiting to make a presentation to the board. Yet Perez was still a member of that board. Those inside knew they were waiting outside. Why were they outside? Because those inside (John and Dianne Osborne, Kathy Greenfield, and Patty Edwards [Pat Shafer, John's personal secretary, has since been elected to the board to replace the men who departed]) would not let them in.

Friday, March 4 came, and John fired Hector Perez. He took his keys and entrance security card. About the same time, Ralph Henderson, the broadcast soloist, wrote a letter of resignation and handed it in. Henderson had been one of John's closest friends. He lived two houses away, and they would exercise together, often eat together, and even go on vacations together.

Sometime during this same week, Frank Geiger turned in a resignation and left Prophecy Countdown. Frank was a key man at the organization. He was the engineer, video producer, and chief cameraman. Frank will be a difficult man to replace.

Sabbath, March 5 arrived, and Pastor Perez and his flock gathered

for Sabbath morning worship—and found they were locked out. Although he tried to calm them down, his parishioners were very angry. They talked together outside for a time, and Perez was ashamed to have to tell them of what had taken place the preceding week.

That afternoon, people began arriving for the weekly televised church service at the Rolling Hills Church. Bits of news of that terrible week had been gleaned here and there. Gathered in small groups outside the building, they learned still more of the sorry details. The fire storm of February 27 to March 4 was on everybody's lips. But, now, it was time for the church service to begin.

(It had been customary for a roving microphone to be available during televised church services, so those in the audience could ask questions which John would respond to. But the preceding Sabbath (February 26), several questions were asked by some in the audience—including questions by John's own staff members about funding, his organization, and the shortwave station—which, because he could not answer, deeply embarrassed and angered him. So he announced that henceforth, the roving mike would not be available during televised church services.)

But at this March 5 Sabbath service, someone called for it, in order to hand it to Elder Perez. At this, Perez arose to his feet and said, "No, this is not the time or place to discuss it." But the people were insistent that a microphone be brought to him. When the request was refused, and Pastor Perez, one of the pastors at the church, was not being permitted to speak, many were deeply upset.

A surprising number in the audience began speaking loudly in protest. All the while, the television cameraman kept his lens steadily on John, who kept preaching. At this, about 25 people walked out of the auditorium. The angry words continued for a time, and then another 15 or 20 walked out. Viewers across the

nation only saw John, although they could hear voices in the background.

Gathered outside, everyone learned what had been taking place in recent days and weeks.

As you might expect, aside from the angry words, there was a lot of praying going on that Sabbath afternoon. There ought to be, for in this article you are now learning about the biggest crisis in the Independent Ministries.

On Sunday, March 6, an open church business meeting was held in the Prophecy Countdown auditorium. The agenda seemed to be planned, with the objective being the assassination of the characters of the most beloved men in that local congregation.

As soon as the meeting opened, Ann Wright, one of the church members, stood to her feet and asked to speak. She went forward and spoke for quite some time about Elder Howard Anderson—the older man whom all knew to be one of the kindest, most godly men in the church,—and denounced him in every possible way.

In preparation for this meeting, Wright had telephoned Anderson several times and spoken with him at length, all the while making careful notes. In her presentation, she twisted his words.

And then, amid the beginnings of denunciations of Hector Perez, as well as other former workers and board members, the audience would take no more and began to speak up. All this time the video cameras were running. John had his cameraman in place, but others had brought theirs.

Then Howard Anderson stood and asked for the mike, so he could read his letter. He managed to get to the microphone, but the chairman said No. He said the only topics to be discussed at this meeting were the

Continued on the next tract

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Continued from the preceding tract in this series —————

pastoral staff that had resigned—Anderson and Perez. The chairman said that no discussion was to be made about other subjects—including John, the finances, or the station. But Howard was determined not to give up that mike. When it became obvious that, to do so, would require carrying the white-haired old minister out of the auditorium, they let him have the mike, especially in view of the fact that other strong, younger men were there to come to his aid. Then Howard read his letter and sat down.

Somehow, Hector Perez managed to get the microphone, and he read his letter also. But Ralph Henderson, the singer, was not able to read his letter.

By the time the two letters had been read, the gathering transformed itself into rambling discussions and accusations, back and forth—for the next four hours.

Throughout the evening, John and Dianne said nothing. Finally, some began leaving. Anderson went home about 10:15 p.m. Later, when only about forty remained, Hector Perez, one of the very last to depart, said that John raised his hand and, in a tone of triumph, spoke his only words of the evening. He said, "Where therefore are my accusers?" It was not until 1 a.m. that Perez arrived home that night.

John is rapidly running out of speakers. The latest week's *WCSN Weekly Shortwave Radio Schedule* (March 13-19) lists only three: John Grosboll, Lester Pratt, and *Your Bible Story Hour* (listed as "Uncle Dan and Aunt Sue"). In his February 20 fax to John, Grosboll offered to finish the evangelistic series he began on the shortwave station, which will soon

end. Who is Lester Pratt? Between Sabbath School and church service on Sabbath morning, March 12, Osborne said Pratt was the Florida Conference evangelist. So John is broadcasting recorded sermon tapes he got from the conference office. (Pratt probably is an outstanding speaker, but it is a singular occurrence for John to use sermon tapes by a Florida Conference worker on the station.) The Bible Story Hour broadcasts are also transcriptions of recorded tapes (the "Aunt Sue" listed on the *Radio Schedule* died in the mid 1980s).

By now, you should be able to recognize the insidious nature of the crisis: Here is the formula in a few brief words:

(1) Without checking on the station in advance, to see whether it could accomplish all that its \$2 million annual upkeep cost would require, John agreed on November 27 to purchase the station for \$5 million and gave \$40,000 down payment. Then he gave an additional \$400,000 on January 17.

The agreement required that he give the remaining \$4.6 million to the Christian Science Church by May 16 of this year.

(2) After over a million dollars in sacrificial offerings from many people had poured in, close friends say that something happened to John. It also became obvious on His Sabbath radio/television broadcasts. He began acting like a bear determined to protect its lair against donors and fellow workers alike.

(3) It is generally believed that John has lost the confidence of many donors because of what he has done on his Sabbath broadcasts. Without the help of the men whom he has alienated (pastors of nearly every other ministry, along with the pastors

in *Prophecy Countdown*), he will not be able to raise the rest of the money needed to complete the purchase of the station. (He now has about half of it in hand—and must come up with the other \$2.5 million before May 16.)

(4) If he does not meet that deadline, he will lose the \$440,000 down payment, and the shortwave station, as well.

(5) If he does not make that payment, he will have an excess of \$2.5 million in his corporate bank account,—and he has said that he refuses to return any of the money. If that happens, he will have cheated everyone out of their money, and we will all know it. Keep in mind that, at the present time, nearly everything *Prophecy Countdown* owns is heavily mortgaged. Without ongoing donations, it will also collapse from lack of payments on those debts.

It is a bad situation. And why did it happen? because too much confidence was placed in one man.

By the way, if John did meet the May 16 deadline, he would have to certify to the Federal Communications Commission that he had a \$500,000 cash reserve in the bank to cover expenses before that agency would issue him a license to operate the station for a year. In addition, John was planning to start another money-raising campaign in early summer to raise an additional \$3 million by September—to install a log periodic vector antenna, in order to improve the focus of the shortwave transmitter.

You will recall that *Prophecy Countdown* sent out a newsletter several months ago which announced something like this on the cover: "Let's give the Lord a special present this year! —Let's finish the work!" What a most beautiful statement! Indeed, the money came in for that purpose; not

"to give John a radio station." John now appears determined to insult any one who might stand in his way, and drive out everyone, if necessary, to keep that station or that money in his own grasp.

Before concluding, I will repeat the basic message contained in my earlier article on the shortwave station: (1) Before handing over all the money on May 16, the donors should ascertain that the station is bringing in large numbers (5,000-10,000) listener responses per month. This is because—all aside from the purchase cost—the yearly upkeep, improvement, translation, programming, and transmission costs could pay for millions of free hand-out books each year or 10,000 overseas workers. (2) If the station is purchased, it should be in a corporation separate from all other organizations, controlled by a constituency, composed of every donor of \$1000 or more, and managed by a board selected yearly by that constituency.

This has been a brief report. You can obtain additional information from any of the following:

John Osborne: Office: 800-HIS-LOVE, 800-447-5683, 904-735-1844. Church: 904-357-7795. FAX: 904-735-4055. Satellite truck: 904-360-3302.

Kathy Greenfield: Office: (as

above); Home: 904-880-2881. Cellular phone: 904-360-5138.

Howard Anderson: 904-734-8874.

Ralph Henderson: 904-669-9091.

Hector Perez: 904-728-2723.

Ralph Larson: 909-845-6911.

Bob Trefz: 605-255-4229.

John Grosboll: 316-788-5559.

Danny Vierra: 209-334-3868.

Les Balsiger: 406-295-5555.

Ron Spear: 206-832-6602.

Colin Standish: 703-672-3100.

It does appear that the situation is irresolvable. Due to strong convictions, the two sides have reached an impasse. Both John Osborne and the other Independent Ministries refuse to give in. This is, indeed, a crisis. And it is a crisis of major proportions. Millions of dollars are involved. As it now stands, John has so effectively cut off so many helpers and supporters, he may be unlikely to obtain the needed funds to complete the purchase of the Maine shortwave station. If that happens, he will lose the \$440,000 already submitted. The next question will be what he will do with the more than \$2.5 million he has in bank accounts in Florida. Will he return those funds to the donors, since he was unable to complete purchase of the station? So far, he has adamantly refused to return any funds.

As you can see, this is a major crisis for our people. What should you do?

You may decide to wait it out on the sidelines. That may be a good decision.

But, I can assure you, there is also a need for many of our people to try to stave off a bitter end.

Some will want to side with John and send him more money, with which to acquire the station. The problem here is that it is unlikely that he will now be able to receive enough to complete the purchase. If he does not buy it, he will probably use the money for other things.

Others may want to side with the Independent ministries, and write John and tell him they will send him no more funds unless he either (1) signs ownership of the station over to a separate corporation, controlled by a representative group of lay persons, or (2) immediately begins refunding the money which the people are asking to have returned.

Whatever is done should be done soon. May 16 is drawing near. Either John should be sent all the remaining money he needs to buy the station or demands should be made that the money be returned. To wait until May 16 will probably too late.

Something needs to be done now.