

Added Value

More than Money

Summer 2007

Getting Down To Business

Planning for For-Profit Giving

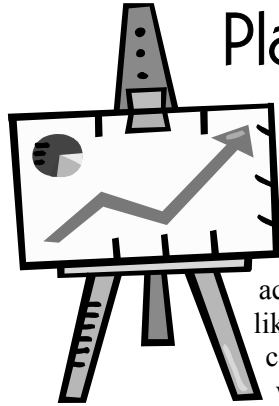
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“What many nonprofit organizations fail to understand is that you need to offer benefits to the corporate giver.”

Jody Kielbasa,
Sarasota

Film Festival

An organization that garners \$500,000 in corporate support per year



Can you use your relationships with businesses to help your nonprofit? After all, you interact with them everyday, like when you buy groceries, toiletries and when you purchase insurance. This article guides you through a step-by-step process to identify potential business partnerships and create benefits for your organization and them. The planning process works for opportunities with name-brand companies, like *Best Buy*, *Target* and *Visa* and local entrepreneurs and franchise owners, like your website designer, printer, CPA and caterer. While corporate gifts will never be your sole support, business help can be significant for its community contacts, in-kind support and cash.

Get Started

Begin by simply listing any businesses whom you 1) enjoy and 2) would be willing to recommend to friends. (See *Business Connection Opportunity* on page 2 for other suggestions.) You can probably come up with several dozen. If your list looks scanty, keep it active several days, adding new firms as they occur to you.

Help!

From the list, select an initial firm on whom to focus. Then, brainstorm possibilities of how they might help your nonprofit. Your list will depend on your needs, the business' abilities and your imagination. When the ideas slow to a trickle, consider these four types of support:

- *Donations*- Gifts of cash or materials
- *Discounts*- Reduced prices on needed items
- *Services*- Help in achieving tasks
- *Connections*- Opportunities to extend your network of friends

After brainstorming, an executive director from a health group and her staff, created this wish list for their print shop. “Good,” represented initial support and “Best,” a long-term loyal donor.

Donations

Good: High-quality paper from their inventory, from other jobs

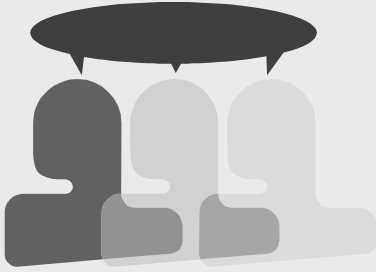
Better: Cash. They buy tickets, attend fund-raising event and purchase auction items

Best: The above, plus help obtaining grant support from their corporate and

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Do you want to achieve more of your mission by turning your ideas into funded realities? Since 1994, this firm has helped hundreds of groups do exactly that—and secure millions of dollars to improve services and build strong organizations. Contact the *More than Money Consultant* today to build your team, develop your ideas and win grants.

ked*
Karen Eber Davis Consulting



Business

Connection Opportunities

- Board members
- Volunteers
- Businesses you use personally
- Businesses used by your organization
- Official programs: Corporate and Foundation (Large corporations often have both)

Continued from page 1

foundation offices

Discounts

Good: 20 percent off on all orders

Better: They call in advance with special offers and provide help to use them

Best: They provide what we need at their cost

Services

Good: We bring them printing concepts and they help us find economical ways to execute them

Better: They proactively look for ways to help us

Best: They send an employee on-site one morning a month; this helps their staff stay current and ours learn new skills

Connections

Good: They place a donation can at the register

Better: They introduce us to key customers

Best: They invite key customers, as guests, to our events and introduce them to our executive director

Help for the Business

The flip side of *your* organization's

benefit list is your list of benefits for the for-profit. The health organization found this list harder to create. First, they knew less about the print shops needs. Second, they were uncertain if additional benefits were even necessary. After all, they heard the owner state, "We made money in this community and therefore we give back to it." Aren't civic pride and community responsibility enough? Perhaps, but since the health group wanted this and other businesses to select them as *the* nonprofit vehicle with whom to express their civic pride; they identified specific benefits to offer.

If you know the needs of the business you selected, focus your brainstorming to help solve them. Otherwise, to develop a benefit list, you can't go wrong if you structure your brainstorming around solving two common challenges:

- Getting and keeping customers
- Helping their employees and families

This last is reported to be the motivation behind 60 percent of name brand corporate gifts.

The health group drafted this idea list to help their print shop "to get and keep customers."

- ✓ Make referrals to other nonprofits, board members, staff and vendors
- ✓ Create press releases that mention their name
- ✓ Offer tributes at meetings
- ✓ Include in donor lists i.e., annual report, website.
- ✓ Highlight them on our "thank a sponsor" bulletin board
- ✓ Pass out their coupons and flyers in our registration package
- ✓ Offer paid ad opportunities
- ✓ Provide opportunities via special events, i.e., seats with potential customers, advance invitations, keynote sponsor and ticket printing

Over time, the health group refined their list as they learned exactly how the print shop and others benefited. You will too.

Establishing Value

A benefit list helps provide clarity and equity among partners. Your next step, is to assign a dollar value to opportunities. Start with a ballpark guess.

The health group formed estimates by looking at market rates of similar items, (i.e., ads) and other nonprofit packages. From here, they developed packages that exceeded market value. That is, as part of a Business Card Package, they offered six business card size mentions, at a cost less than similar exposure in a local magazine. As a bonus, they threw in priority seating at special events in the Package.

Be generous, but at the same time don't underestimate and be clear about the value you offer. For example, are you aware that text mentions in press releases and other publications often have greater value than paid ads? After several years in business, a client's board member produced my New Business announcement that she clipped from a local newspaper. She saved it five years waiting for her organization to be ready for my services. An ad she might not have even seen, much less clipped.

Are Benefits *That* Important?

Last year, a friend received a call soliciting a business gift. The caller listed the wonderful community benefits the organization offered. My friend was grateful for the update, and understood the community value, big picture. But since any gift he gave would be corporate, he inquired. How many people will see the firm's name? Who were they? How often would they see it? Would

Continued on page 3

he have a chance to meet potential customers by attending events? These were little questions about a big one: “How will a gift help my firm serve the community longer?” The caller didn’t have answers and my friend declined to make the gift.

Why are benefits important?

- They motivate people
- They solve real needs and fix situations
- They prove, because they allow more to happen, that 1 + 1 equals 3 which, despite what you learned in first grade, is more fun

The Sarasota Film Festival garners over half a million dollars in business support each year. How? Jodi Kielbasa, Executive Director of the Festival explains, “What many nonprofit organizations fail to understand is that you need to offer benefits to the corporate giver. We have a selection of benefits and we **deliver** those and more to our sponsors.”

You Use Their Services Everyday. . .

This article outlines initial strategic thinking steps to help you develop successful business partnerships. This planning process will make your organization savvy, flexible and ready to create relationships that help you gain contacts, in-kind support and cash. Stuck? Call us today. We can help you with any of the steps.

market share—that is, we believe that our customers are interested in education and will be glad for our support. And, we know that education is the goal of some key existing customers.”

3. It Is Who You Know

Finally, corporate gifts are worth exploring when you have a connection. Sometimes, it’s a volunteer who will apply for a grant on your behalf and you receive a gift that reflects their hours. In other cases, an employee will guide you through the process, advise you on a request size and when and with whom to follow-up. Or, it might be a retiree who can help you obtain resources. Often it is difficult to discern if your connection has “an inside track” or just information. Nevertheless, because relationship is central to all giving, corporate gifts with a connection are worth investigating.

Learn More
 Do you need more information? See www.kedconsult.com. You’ll find over 40 free **Proven Result** articles on team building, leadership and money. Download these three new ones:

- *Your Best Grant Sources: The Top Eight*
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Contact us for help with your planning, team building and grants

Grant-Link: Name-Brand Corporate Gifts

Q: Do You Advise Seeking Name-Brand Corporate Gifts?

A: Yes, and here are three situations where you will have the most success winning grants from large corporations.

1. The Cake Icing Approach

The “Cake Icing” approach is when a corporation chooses to offer many relatively small grants in a locale, i.e., Wal-Mart when they open a new store. Your organization will have a lot of appeal here, especially if your customer base is large and overlaps with the corporation.

2. The Focused Approach

Many more corporate gifts and corporate foundations gifts focus on specific causes. For example, Home Depot focuses on construction and affordable housing issues and Kraft on foodbanks. A focus supports the corporation’s becoming “known for something.” It helps them avoid spreading giving dollars too thin and it keeps application and recipient numbers reasonable. When your mission or activities falls within a corporate focus, it’s worth investigating the programs. You will probably have several opportunities to seek a grant since most remain stable over time.

An executive from a regional bank explains, “Our focus has been on education for years. Our goal is to build

Grant-tastic!

Tip of the Month #28

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121 Expert Tips
on Writing and Winning Grants
for Your Nonprofit



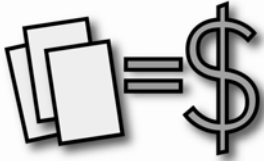
The Bank of America Company

Grant Sources

Lesser-known government grant programs are often associated with agencies that collect special taxes or penalties. In your (grant sources) search include quasi-government groups, like regional planning councils, water organizations and organizations that award fees collected for specialty license plates.

Need more *Grant-tastic* tips? Purchase your copy of *Grant-tastic!* today at www.kedconsult.com or use the form on page 3.

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121 Expert Tips
on Writing and Winning Grants
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* **grant-tastic** n. (grant tas'tik), a grant you submit and win



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