

Nonprofit 911 – May 27, 2008

Tapping the Corporate Dollar: The ROI for Nonprofit/For-profit Collaborations
with Mikel Smith Koon
Sponsored by Network for Good

The MP3 audio transcript can be found at
www.fundraising123.org or www.nonprofit911.org

Katya Andresen: Welcome again to the May 27 Nonprofit 911 call, sponsored by Network for Good. I'm your host here today, Katya Andresen, and I'm the vice president of marketing here at Network for Good. I just want to personally welcome everyone here today. We're really happy that you joined us.

Before I introduce our speaker, who I'm very excited about today, I just want to let you know a little bit about Network for Good if you're not familiar with us. We're a nonprofit, just like most of you on the phone. We're here to help other nonprofits like you raise money online. Nonprofit 911 is just one of many of the free resources we have to help you do that.

In addition to nonprofit 911, we have online fundraising services, including Custom DonateNow, EmailNow, and the Donor Management Suite. About 3,000 small to midsize nonprofits use these services.

One thing I just want to say, before we get into talking about raising money from corporations, I want to remind everyone on the phone, that about 80% of total giving is from individuals, and particularly during an economic downturn, a really efficient way to raise money can be from individuals online. So if you're not doing that right now, or don't have the capacity to do that, Network for Good would love to help you do that.

That's all I'm going to say on that topic, because it's not a sales call. But I certainly invite you www.fundraising123.org to learn more about how you can take a 60-day free trial of Custom DonateNow, which will allow you to see what kind of results you can get from individuals.

We've had over 350 people register for today's call on tapping the corporate dollar, which is great. I want to give you a few tips on how the call is going to work. All the lines have been muted, we're recording the call, and you should have received an email from us today with a link to view today's slides.

If you're having any trouble viewing the slides, that's probably because of the Flash player you have on your computer. You might want to try downloading a Flash update. If that doesn't work, have no fear. Mikel is going to go along and present in a way that if you can't see the slides, you won't be too off track.

We'll be posting some reference materials, and hand-outs, as well as a transcript, and a sound file. So you should have ample resource to come back and check out any details

that you missed during the course of the call today.

Again, if you didn't receive an email about links, you can go to www.nonprofit911.org, you can follow along on there.

I want to introduce today's speaker, Mikel Smith Koon. After working with major corporations for more than 18 years, and maintaining continuous involvement in supporting nonprofit organizations, Mikel founded Mosaik Strategies to facilitate relationships of value between nonprofit and for-profit organizations.

And she's initiated alliances between nonprofit organizations and companies in the pharmaceutical area, technology, automotive, and retail industry, just to name a few. So we have an excellent expert on the phone today, with a great eye into both the nonprofit and for-profit world.

Prior to founding her company, Mikel developed diversity and community outreach programs for Intel Corporation. She created the strategy for, and implemented, their external outreach initiative, which is a successful program that led to the company receiving several honors, including recognition as one of Fortune magazine's 50 best companies for minorities and Hispanics, and recognized by Hispanic magazine's 2002 corporate 100, which is a great achievement.

Mikel is a member of the association of fundraising professionals, Washington D.C. chapter. She holds a master's of business administration from the University of South Carolina, and a bachelor of arts in broadcast communications from Hofstra University in New York.

So, Mikel, we're delighted to have you here. And on a personal note, I met Mikel when we were both presenting at the same conference last year, and I was just so impressed with her comments that I'm glad we finally have all of you getting the benefit of those as well.

So, thank you for joining us, and take it away.

Mikel Smith Koon: Hey, thank you Katya, thank you for that very nice introduction. One of the things I wanted to echo that Katya said, about individual donations, that really is the largest part of support overall, and that is very important. That is one of the very first things I put out when we do talk, is corporate support is a very small slice overall.

It actually is a bigger slice than people think it is, because we talk a lot about support, not donations, necessarily. But I'll get more into that. But I did just want to mimic what she said, that is very important to know.

The presentation I'm doing is called the ROI of nonprofit - for-profit collaboration, or the return on investment. It comes from Tapping the Corporate Dollar, that Katya mentioned, which is a training course that I do. So this is sort of a subset of that training course.

So, right now, I'm looking at slide one. Katya did a great introduction, because I don't really need to do much more of an introduction, other than to explain what the title means, and that is return on investment. That's a business term, so a lot of people might already know what that means, but basically what that means is for every dollar a company spends, they need to get a greater return back for that dollar spent. Because that's their investment.

It's the same for nonprofits, although for nonprofit organizations, for every resource they spend, whether it's a dollar, whether it's a person's time, whatever that resource is, they need to have some return, and their return is generally an impact to the community.

So, I want to talk about how we can develop collaborations that are mutually beneficial, that provide some return to both sides. Now I'm on slide two. To do that there are certain objectives that I want to touch on. First, I want to introduce what I mean by nonprofit - for-profit collaboration. But I also think it's very important that nonprofit organizations understand the value that they bring, or the value that you bring.

In the work that I did, when I worked on the corporate side, I found that very frustrating, that nonprofits often didn't even understand that they had value to offer us on the corporate side. So I want to talk through that a little bit, and make sure that's very clear. I also want to make sure that you guys understand success principle, and what that means. What does success mean in a relationship, on both ends?

And then again talk about how to develop collaborations that work for you, not collaborations that work for a different kind of organization, but I want you and everything that I say, I want you guys to internalize it, and think about your organization and how it applies.

So, with that said, let's go on to slide three: Nonprofit/for-profit collaboration. And here, I have a bunch of different collaborations listed. These aren't all of them, but it does sort of cover what we're going to talk about today. There are a couple of them that I usually have listed there, that I pulled out, because they aren't really going to apply to our conversation.

So, just to give you sort of an overview, like a cause marketing 101, or a collaborations 101, let's go through those terms a little bit.

Cause-related marketing / cause marketing, it's the same thing. You may have heard the term cause-related marketing, or you may have heard it in terms of cause marketing. Basically, what it is, it's a marketing campaign that is initiated, generally, by the company. When I'm talking about this, I'm talking about it in the traditional sense.

So, a company, or their advertising agency, or marketing firm, will initiate some sort of relationship with one or many different organizations or causes, for mutual benefit. But because the company is initiating it, it's generally their idea and so they're expecting to get some benefit out of it. By aligning themselves with a particular cause they're getting

the benefit of whatever aligning themselves with that cause brings them. So it could be image enhancement.

An example to give you there is the very first cause-marketing program that was coined as cause marketing is the American Express program in 1983. That program was again a marketing program that American Express initiated with the Statue of Liberty, Ellis Island Foundation. They ended up raising 1.7 million dollars for the foundation, which was a great program.

But it is typically also a short program. It was three months long and in that amount of time they raised 1.7 million dollars. But it was also American Express' best sales quarter ever. Part of that was because of the marketing they did and aligning themselves with the organization. So both sides got some great benefit out of that relationship.

I'm not going to go into a lot of detail on that particular example. I have another example that I'm going to talk more about because it includes other definitions as well. So let me go through the definitions and then I'll go on and talk with you more about some examples.

Cause-product sponsorship is the second bullet on that same slide, slide three. And cause product sponsorship is when a company creates a product or service for the particular cause. So whatever their core product is, whatever they do as a company, they take that and they create something for a particular cause.

Now an example of that could be Mattel's Barbie collection. They have a Go Red Barbie; Mattel created this for the American Heart Association to support the Go Red Campaign. And 100% of the money that comes in as a profit, that comes in to Mattel through the sales of that doll goes to the American Heart Association.

It's the same case with Nike, their product sponsorship of LiveStrong, which is Lance Armstrong's cancer foundation. 100% of profit through product sales, through Nike, goes back into the foundation, LiveStrong. So that is an example of cause product sponsorship and there are many examples out there. Those are just a few.

Corporate sponsorships, there are a lot of different corporate sponsorship examples and lots of different ways to recognize a corporate sponsorship. What we want to talk mostly about is corporate sponsorships of a nonprofit organization.

Just so you know though, corporate sponsorship does also include Nike sponsorship of Tiger Woods, for example, Napa Auto Parts sponsorship of Nascar. If any of you guys know IEG, it's a firm based in Chicago, they focus on sponsorships. Most of the sponsorships are sports sponsorships like the ones I mentioned. Somewhere around 60%, actually I think it's more like 67% of total corporate sponsorships are sports related sponsorships.

A small percentage of sponsorships are sponsorships that we care more about. Corporate

sponsorships of things like Scott's Miracle Grow, if you guys are familiar with that product. Scott's Miracle Grow sponsors Growing Green for the Franklin Park Conservatory and I'm going to talk a little more about that, I have that example in there. So that's a corporate sponsorship of a nonprofit cause and a nonprofit mission.

Corporate social responsibility is a term growing in popularity; it probably came out very early in the millennium or toward the very end of 1998, 1999, somewhere around there. And it sort of encompasses a lot of these different pieces; it is a lot more engrained with the company. So a company becomes involved and takes a role in supporting society. That is what corporate social responsibility, or CSR is really all about.

An example of that is, if you're familiar with Target, Target gives five percent of their income back to the community. And that is how it is stated, it is actually not even stated as profit, they say five percent of their income goes back into the community. So everything that Target sells in the community, they take a percentage of that and they put it back into the community through education or through arts or whatever different community type relations they can have. And that's another example of corporate social responsibility. There are a lot of different examples of CSR.

One of the other things that is really interesting about CSR is that it really is becoming important and much more popular, both on the corporate and the nonprofit side. There has always been a theory that companies can become more profitable by engaging in corporate social responsibility but there seems to be more and more evidence of that as the years go on.

Surveys of consumers show, I believe it might be Business Week that does surveys of consumers, but they show that consumers purchasing habits are affected by whether or not the company they're purchasing from is socially responsible or has some sort of responsibility within the community.

Fortune Magazine and Business Week are both examples of publications that have now committed space and research to corporate social responsibility, to include Fortune Global 500, not to be confused with Fortune 500 which is a different set. But Fortune Global 500, they take into account CSR when they are looking at the top 500 global companies.

So CSR is becoming very popular but also it is becoming something that companies care about from a profitability perspective. When we talk more about the value that companies get out of these relationships that will become a lot clearer.

Corporate relations is the last bullet on that slide, on slide three, and corporate relations really is an umbrella term that we use here at Mosaik Strategies. And it means all of these different relationships that have to do with mutually beneficial, for profit, nonprofit relationships. That's what we call corporate relations.

So now I'm going to slide four and it is a picture of the Gap's Product Red. It's a picture

of an actor and his children in Product Red clothing. The caption says, "Can clothes be fashionable and make a difference?" Product Red is a great example of a few of those different definitions I gave you earlier. It is sort of a cause related marketing, or cause marketing campaign. Not very traditional though, it is different from the traditional ones in that it is very long term. It also has a very strong corporate social responsibility component and cause product sponsorship I would even say is included in that.

I don't know how many of you do know about the Product Red, I'm sure everybody has at least heard of it. It is a campaign that was originated by a singer, Bono, and a politician; I want to say Bobby Shriver was the politician. They got together and developed an organization called Red. The goal of Red is to take advantage of the marketing genius that a lot of these companies have and use it to do some good.

So what they did was they came up with this idea and they decided to support the Global Fund in Africa. The goal of the Global Fund is to eradicate AIDS and malaria in Africa. And what they do is pull in companies to participate. They have this Product Red, it is a trademark brand and the companies can use the brand as long as they meet certain requirements and one of the requirements is they have to be socially responsible.

So they have to make some of the products that they are creating for Product Red in Africa to support the community. And that's part of the corporate social responsibility piece of it.

So an example for Gap is in Gap they have factories in Africa. And the Gap's Product Red T-shirts are made in Africa, which infused that community with money, with funding, because now people are dedicated to having very strong work ethics within the labor practices within that community. And people are now making more money than they did before. They've got economic development going on there. And there are a lot of things economically that happen within that community, partially because of this. So that's part of the example.

Let's go to the next slide. Slide Five, which gives you more detail about what actually happened and what success came, or is still coming, from the Gap and Red, this program put together this collaboration. 50 percent of Red's proceeds, or the proceeds from the Gap's Red, go to the Global Fund.

The campaign launched in 2006. And they launched with T-shirts. And T-shirts sold out on that first day. There was a great deal of press that came about. I believe Oprah had it announced on her show. And not only was the Gap getting a lot of press now, and a lot of visibility, but the Global Fund is now getting a huge amount of visibility, more than they ever have before.

Now a lot of these numbers are estimated, because Red does not disclose their numbers. But these are based on some research we did, and taking into account how much it costs to create to purchase the treatments that they need, the HIV treatments.

So it was somewhere around \$4, 000, 000 that was contributed by the end of the year, by the end of 2006, the beginning of 2007, for this program. And their marketing program was almost \$8,000,000.

Now there's good and bad to that. The Gap would have spent a lot of marketing on a marketing campaign whether it was for this program or something else. So the money spent there was going to be spent.

The almost \$8, 000, 000 that they spent now, now that they're promoting the Gap and Red, there's a lot of visibility that the Red campaign and the Global Fund now get that they would not have been able to get before.

So there's a lot of awareness that was created. The annual costs for treatments are there on one of the bullets. And that's really how we were able to estimate how much money that was actually contributed, because of the number of people who now could be treated for the year.

The Gap T-shirt is the best seller for Gap. So Gap got a lot of value out of this relationship as well. And the campaign continues. And as you guys know, there's stores and retail chains all over the country closing down hundreds of different outlets. A lot of the stores are.

But Gap continues this campaign even in the midst of poor retail sales. And partially, they may be committed to the campaign because of the value it brings to them. It could be because of the value it brings to the people that support it. But whatever it is, companies make decisions based on the profitability of the company.

And so the fact that this campaign continues, it shows that this campaign is helping the company be successful as well. And Gap remains strong among its competitors. It's still one of the... If you look at the top retail stores within that market, it's one of the top three, I believe.

So that's an example of corporate social responsibility. It's an example of cause marketing. And it's also an example of cause-product sponsorship. And as we go through, when we get to the end, and we get to questions, do jot down questions if you have some specific questions about any of these that I can answer.

And I want to go to Slide Six, because I do want to talk about local support as well. And the next slide, when we get to that, does show a local example, because I know most people on the phone here are the smaller local nonprofits. So I want to talk about the value that you guys get out of these relationships as well.

Of course I still consider local community support corporate relations, but I also consider that corporate sponsorship as well. Companies are looking for relationships within the local community as well.

There are all different ways that companies and organizations can get involved. And I've

got a bunch of them listed on Slide Six there under "Local Community Support". The bullets "Employee Donations" are one way. "Corporate Matching Grants", "Volunteer Support", "Leadership and Board Support", "In-kind Support", "Community Support", and then "Advocacy".

So I want to go through each of those briefly. I'm sure you know what most of them mean already, but let's just go through them a little bit.

Employee Donations is very important both on the corporate side and the nonprofit side. Companies care about the communities where their employees live and work. And the nonprofits or the causes or the communities that their employees care about are the causes and the nonprofit organizations and the communities that their employers (or the companies) care about as well, as part of economic development. But it's also employees are a huge asset to companies. So they need to care about what their employees are doing.

If employees get behind a particular cause, or a particular community event, or a community support, and they decide to support it, having access to that company as a nonprofit organization, having access to the employees within that company is a great way to help draw support to you guys as well. So employee donations are very important.

Also, getting the company to support you. It doesn't need to be financial support, especially if the employees are going to back it. If you're getting the support from the employees, again like we were saying, individual donations is a large piece of it, you're including all of that in the individual donations. But that's a huge part of the support you can get from a company as well. You have everybody there in one place.

There: "Corporate Matching Grants". Different companies match grants or match support that their employees give. The one I know about that seems to get the greatest amount of support is education. But there are a lot of others.

Different companies support art, supports like I said education. They might support different kinds of things. You have to find out what companies in your community support and how much they support them.

So for example, if you're in Fairfax, and you have employees who are supporting your organization, if you're an education organization, and you have employees supporting your organization from Exxon Mobile, for example. Every dollar the employees give, Exxon Mobile will give three dollars from the company to match that support that the employee is giving.

That's one of the reasons why employee donations are so important, because often times the companies will match or exceed the support that the employees give you.

There are lists out there of all of the different companies that do matching grants, by the way. We wrote an article a couple of years ago that's on our website somewhere, under one of the articles. It's called "Under the (I want to say) the Small Shops", which is a

feature that we do. And it includes all of the corporate matching grants for different areas in different communities.

OK, the third bullet there is "Volunteer Support". Depending upon what type of organization you are, what your mission is, you might be more interested in volunteer support than others. For example, if you're Habitat for Humanity or like a Habitat for Humanity, volunteer support is huge for you guys. That's a big piece of what makes Habitat for Humanity successful. There are other organizations like that as well.

Going to companies and getting their support and getting the company to sponsor you with volunteer support, could be, again, a huge benefit to the organization.

Leadership/Board Support is the next bullet there. Company leaders are in the habit of managing and running. And a lot of times, getting their input, getting their support can help your organization change a way of thinking, providing input to them on how to manage the organization will be a great value to the organization as well.

Board support also is good often times when leaders can help connect you to different leaders within other companies. However, it's difficult to expect that from your board. So I'm not going to spend a lot of time on that.

But boards come on as volunteers. And when they are board members in a number of different places, it is very hard for them to sort of really fragment themselves or give up the people they know to every different organization that they're working with. But their input can be very valuable.

So it's sometimes it's very difficult to be very sensitive to board members and what they can offer. But you also have to be very sensitive to make sure you can pull the best out of them that you can get as well.

And leadership support input, management support, can be very valuable to your organization depending upon what type of organization you are and what your mission is.

In-kind Support, again, some organizations might prefer this more than others. Different organizations have different support they can offer. If anybody out there has gotten support from Microsoft, you probably have gotten in-kind support of software. They're a very sell-and-profit company, and they give a lot of support. But they give a lot of their support in software. And it could be huge. It can be a huge amount of software. So that's just one example.

If you don't need that, then you should know what you're going for before you approach them. If you don't need in-kind support, and you're going to a company that typically does give in-kind support, then it doesn't make sense to have the conversation with them.

There: Community Support. Again, what I mean by that is in addition to what you're getting from the employees in employee donations, the community development or

economic development of the community. So we're going to talk a little bit about Growing to Green next, which is a program in Ohio.

But just to give you an example of community support, the Columbus, Ohio Chamber of Commerce started a program about retention and recruiting, and bringing in great talent into Columbus, Ohio. In the Midwest, it was very difficult to attract young professionals back to the Midwest, or to the Midwest, or in that area.

So they started a campaign about that. And the companies that are out there were supporting this campaign as well, because not only are they supporting the community but they're supporting their future.

So companies that are based in certain areas, they want to see those areas be successful as well for their own success, their own sustainability, and their own development.

And then finally, Advocacy oftentimes gets missed. But companies really can provide a lot of support to nonprofit organizations if they need advocacy or if they need somebody to testify on something in particular.

That's been something that, unless you really work in that day-to-day, oftentimes gets missed. But there are a lot of examples out there where a company can go to bat for a particular cause. Of course, it benefits them as well. But having the corporate leaders testify in their behalf, or maybe send out a press release, can provide a lot of value to the organization as well.

OK. Those are some examples of local community support.

I'm going to talk a little bit about Growing to Green. That's Slide Seven. And it's a program, the Columbus Community Garden Program supporting the Franklin Park Conservatory. And this was a collaboration between Scott's Miracle Grow and the Conservatory.

If you look at Slide Eight, it gives you more detail about it. I talked with both sides in this case, for example. I talked with Scott's Miracle Grow a while back about this program, and they were very excited about it. And I've recently talked with the Franklin Park Conservatory about their success.

The organization itself is not huge. The Conservatory is not a huge organization. But a number of years ago, about eight years ago, Scott's came to them. Or actually I'm not sure who came to who. They both claim to have come up with the idea.

But they got together, and they talked about the idea of developing some sort of program to really help enhance the community. And really get people involved in community gardening.

So they came up with this idea together. They developed this program. And now today, the program continues eight years later, and has drawn a lot of visibility to the Franklin

Park Conservatory to the point of where now, I guess it was two years ago, after this program was six years old, they had gotten so much visibility, that the American Community Gardening Association came to them and said, "Hey we want to be headquartered here."

And so they offered them space to do that. And that was a huge honor for this organization that started out as just a small conservatory, a small local organization. Now they have national recognition. And partially, because of this program that started a number of years ago with a \$100, 000 grant, contributed from Scott's Miracle Grow.

And in addition to that \$100, 000, they give \$25, 000 to be broken up among different gardeners who build their own gardening skills. Part of the program is the gardeners each have to go through a training; again it's sponsored by Scott's. It's run by the Conservatory.

But of course, all of Scott's products are used. Scott's does the training. And so they get some visibility there. But it also helps them be known as really entrenched in their community. Helps Scott's become really entrenched in the community and become known throughout the community as well.

And this, I think, is a great local example, because it's really showing how the company and the organization were partnering to get some great value on both ends. The Scott's Miracle Grow sees this as an investment in their community. And a lot of it has to do with what I mentioned, that retention and recruiting program that the Columbus Chamber of Commerce put together to help infuse new talent, or bring new talent, into Columbus or middle Ohio.

And Scott's is just as much part of that through this program as other companies that are now supporting it as well. So that's an example. Again, it's sort of corporate social responsibility. But it's more of a local example as well.

All right, let's take a look at Slide Nine, which is the Success Principles. And I'm going to run through the next slides sort of quickly, because I want to make sure that there's enough time for us to talk about questions.

You want the program to be sustainable and you want it to be likely to continue. Now of course you can't have any control over it if the company loses money, or if something happens where they need to end the program.

But for the most part, you want it to be sustainable. In order for that to happen, you need to be able to offer some value back to the company. And so we'll talk about you guys thinking about that and thinking along the lines of what kind of value you can offer.

It has to provide mutual value to the partners. So not only does the company get some value out of it, and not just the fact that they are enhancing their image, but there is other value there as well. But, you guys have to get value out of it. It has to be greater value than what you get just for the moment so if you get some visibility that's great because

that carries on. If you get funding, that's great, too, but not if it's not sustainable. It's great for the moment, but you want it to be sustainable.

The ROI extends beyond dollars. That's the third bullet on slide 9. Again, the return on investment - it extends beyond the dollar so where I am talking about you getting visibility as well, not only are you getting dollar value back on both ends but you should be getting visibility for the company. Maybe they are getting image enhancement. Maybe, they could be getting advocacy support. They could be getting a number of other things, and you have to get that as well. It has to be simple and convenient for consumer participation.

I mentioned at the very beginning the American Express example. I didn't show you guys a slide on that but the American Express caused marketing campaign back in 1983. One of the reasons why it was so successful was it was so easy to use. The American Express cardholders just had to use their American Express card. Every time the card was being used one penny was being donated, and so that happened enough to make \$1.7 million over these three months. In addition, every new card, every new application that was filled out, there was a dollar that was donated. It has to be simple.

Other examples - I like to use Box Tops for Kids if anybody has kids in school. Box Tops for Kids is an OK program. You save the box tops and you turn them into your school. Your school sends them back to, I think it might be, General Mills and they get support for that. The problem with that is it's not that easy for most parents to remember to clip the box tops or save them or put them where they are supposed to be. Not everybody is organized enough to do that.

When you look at the amount of support that the schools get at the end of the year for this program, it's not that much because people just don't always think that way. Everybody is not so organized that way, at least, I'm not. It's more difficult for people who don't do that on a normal basis. Things that are very easy are things that people do on a regular basis. The Gap was easy because if you are going to buy a T-shirt anyway you might as well buy one that was made in Africa to support the global fund.

Clear expectations - No matter what, you can't know if you are going to be successful if you don't know what you are trying to go for. If you don't know what your objectives are and what the expectations are on both the corporate side and the nonprofit side, you can't be successful; you are not going to win. Clear expectations are another success principle that is very important to know from the very beginning.

I am on slide 10 now - Corporate support driver. I want you now to start thinking about like companies and start to think about what it is that entices a company to support you. If you look at that sort of in a general sense or a high level view, the importance for companies is the thing that we think of as corporate social responsibility.

Increased consumer interest in socially responsible companies. Remember I mentioned that the statistics or the surveys that go out there about consumers who like the

companies that care about particular communities or their community. They may be more socially responsible. That's something that a company is going to care about because they care that consumers want to buy from those companies.

Increased popularity of socially responsible companies - that's another driver for a company. They are going to care about that as well because, again, that is going to help them be a little more profitable. And then the theory that CSR impacts profitability; it's actually not proven yet. But as I mentioned there is a lot of evidence that emerges. It seems like it is emerging every day that corporate social responsibility actually does impact profitability, but these are things that are driving companies to get more involved in their community.

You can also just see how employees take pride in their company if they know their company is involved in the community. That's real hard value right there for the company.

If you think about things like that, get beyond the image enhancement but go down into recruiting and retention. Think about those kinds of things and how when employees in the company gets involved in a community how that helps them support the company that they know is supporting their community, the kind of pride that that instills in them.

Those kinds of things are things that you want to think about when you are pursuing corporate support because you want to be able to help bring value to those companies and that's real value.

Looking at slide 11 - This is a list of value to companies or what we call the WIIFM which I'm sure some of you have heard, what's in it for me. From a corporate perspective, what's in it for the company? And that list that I have there, we've talked about most of these already. Expanding market/access - Access meaning access to community, access to a particular market. Companies can expand markets sometimes through access to you, to your nonprofit, to your mission, to your constituency group.

On developing communities we mentioned the economical development for this but you guys, the nonprofit organizations out there, can help companies develop the communities where their employees live and work.

We mentioned already increasing retention, strengthening the work force and increasing productivity. Those are all pieces again that are important to the company that brings some real value to them and increases customer loyalty.

Enhancing image - we've mentioned a few times. Again, I see that as the least of it. I think a long time ago when cause marketing started back in the 80s that was the main point or the main idea. But, now we've found there is so much more value in there. I see that the image enhancement as the least of it.

Compliance and managed exposure - we haven't really talked about that. If a company

makes a mistake or insults a community or does something not so kind - I don't want to say they are not kind - actually, I want to say they make a mistake. They can often reach out to the community that they have offended, for example, through your constituency or through organizations and make amends or do something to support that community.

What you want is for it to bring actual value to both ends. You don't want it to be a white wash or a green wash, for example, but you want it to be real. Compliance and managed exposure is some value that a company might get out of the relationship; however, you as the nonprofit organizations on the other end have to be the ones to really consider whether or not you want that type of relationship and whether you think that relationship is real and true or if it is a white wash.

An example is the Gap that has very strong labor practices and is a huge advocate for great labor practices throughout the world got hit with a press... I think there was an article in a British newspaper that identified them as having poor labor practices in India. There was one plant in India that somebody had not paid attention to, and they discovered that there were some things going on there that were not part of what Gap had intended to do.

Gap went through and did a lot of training. They supported the community and organizations to help them fix or recover from the mistake. It wasn't, again, a white wash situation but it was something where they really did fix it. They changed the practices, and they made the adjustments they needed to make, to make it better moving forward. That's an example of what I mean by compliance, management and exposure.

And then the last one is access to information, network and experts. What you do in your organizations, whatever your mission is, you guys are experts in that or your market is an expert or experts. You have access to information through that and networks through that that might be valuable to companies.

So that's another thing to think about. Think about your constituency, or your professionals within your mission, or within your market that could provide some value to companies as well.

OK. Value to you guys as nonprofits. I'm just going to go through these quickly. I think most of them are probably obvious. You already know you can get funding, unrestricted and restricted.

Products and services we talked about.

Strength in brand by increasing visibility, sometimes it may enhance the credibility. But again, the nonprofit organization has to be very careful and very specific about the kinds of relationships they will and won't accept, because you want to make sure whatever relationship you have helps move your mission forward, not gives you a bad name, not hurts your mission. So that's important to keep in mind.

And then advocacy support, which we did talk about already. That was Slide 12. I'm sorry if I didn't say that.

Slide 13, the next slide there, shows a graph. And I'm not going to go through it. You've probably already have seen it. But it really just sort of reiterates what we talked about earlier, that individuals are the largest amount of support. That orange area there shows individual support as 75.6 percent. And when you add it to the blue area there, the bequests, which is another 7.8 percent. You're almost at about 85 percent, or you're just under that.

And corporations here just make up the 4.3 percent. Now I usually do this at the very beginning of it, because I want to make the case for what it is we do, which is solely corporate support, corporate relationships. But companies... That green area there, that 4.3 percent that's reflected from corporate support, is purely donations. It's only money that comes from the corporate 503C3 or the corporate foundations that is considered a donation.

If you go to the next slide, Slide 14, it shows what it does not include. That includes the contributions of cash and of in-kind gifts. But it does not include the sponsorships. It doesn't include program spending. It doesn't include marketing budgets. It doesn't include most memberships. If you're an association, it doesn't include your membership association. So there is a lot of money and support out there that's not reflected in that very small sliver of the pie.

Having said that, corporate support overall is still a small piece of it. But there are some unique cases where some organizations pull in more corporate support than they do individual support, because they're positioned for that. So you really have to identify what makes sense, and who your market is.

All right, the next slide there, Slide 15, is the corporate structure. And it's intentionally not the structure. I just list out a number of different groups to consider bringing funding in. There are a number of different groups out there that could have an interest in what you do.

Human resources, for example, if it has anything to do with people, if it has to do with the education of their employees, if it has to do with the interests of their employees, human resources might be a great place to be.

Product groups, if it can help them sell their products, or make their products, or if you provide some sort of expertise or value to help them do their job better, then it might be a product group that would be interesting to call on.

So you really have to think about what value you guys bring. And how you can access different groups within the companies to find a relationship that makes sense. Probably unique. It could be unique.

Katya: I wanted to interject there. I wanted to ask. I just want to give you two questions people have posed on that topic. Dave wants to know, when approaching corporations for support, specifically for sponsorships, should a charity go through their foundation, corporate giving department, or should they approach the marketing and PR departments? So that gets right at the slide you're just talking about.

And relatedly, Kelly wants to know what person or position within a company do you recommend we approach? And what's the best way?

Mikel: OK. Good. Good questions. A couple of things, I almost never go to the foundation first. Now, having said that, I don't do that because they're prepared to handle everything in donations. But I'm always looking for the relationship and the value that both sides can get.

If you go into the foundation, almost always the foundation is there to offer donations. But what you want to get is you want to offer the value, you almost want to sell them the opportunity.

OK. So that's in relationship to going to the foundation.

What was the second question? Who you go to? I'm sorry. Who you go to within companies?

And again, it depends on what it is you're offering. So if you can offer something that's of value to somebody in community relations, for example, then you might want to go to them.

A way to identify people, though, especially locally, if there are... Are most people on this call local, Katya, or is this all over? Is this national?

Katya: Most organizations on the telephone are small to medium-sized organizations. So many of them are local or community.

Mikel: OK. But local within the DC local area?

Katya: Oh, no, no, no. We've got people from every state on the phone.

Mikel: So they are different publications out there to help you guys be successful in what you're doing. So for example, if you're in the Metropolitan DC area, we have the "Washington Business Journal" here. And it talks about what's going on in business with different companies. It mentions when people move from one position to another. It talks about when one person left one foundation, Freddie Mac, for example, and then went to the AT&T foundation, just as an example.

But if you keep up with what's going on with business people within your community, you'll find out who they are. Another thing is to read press releases about what's going on. And people are always mentioned in a press release. And you get the name of the

person, you find out who that person is, and that could be a good contact or a good champion for you.

There are also other sources like the "Corporate Yellow Book" that I use a lot of. Or "Hoover's". Both of those resources are subscription resources, and a pretty expensive. But libraries have them.

So there are ways you can get information on individuals, who they are, what their role is, and what their job is. And figuring out how you can have some sort of relationship with them, what value you can bring them, is how you're going to get in the door to in a conversation with them.

So I think I'd call the foundation the last resort. And it really depends on how the company is set up. A lot of times you have to go through the foundations, but you want to generally go to the foundation with a champion already.

So if you know somebody or if you don't know somebody, if you can learn of somebody through reading press releases or articles or looking through the "Corporate Yellow Books", who could have an interest. And you meet that person, or you email that person, or you call that person, and sort of develop that person as your champion. That person might take you into the foundation. Or you might find out that you have to start at the foundation. It really just depends on the company and how they're set up.

Katya: Thanks. Those are great answers. I have one more question for you that provides a segue into your next slide.

Mikel: OK. You're really distant. I can barely hear you.

Katya: I had one more question that provides a nice segue into your last bit of your slides. We have about five minutes left, so I wanted to squeeze in this question.

Dan from New York works for a membership organization. And he says it's very hard to articulate why his mission is something that a company would want to support, which kind of gets a little bit into the practical exercise knowing you here.

But maybe you could speak to organizations that don't provide a need at human services and other things that are sort of tricky to communicate to corporations.

Mikel: Right. I really recommend that you do a brain streaming session. And you pull people within your organizations together and you figure out what are two points--and I have on Slide 16 under the Practical Exercise there, "Knowing You."

The first one is to write down your organization's mission/purpose. The second bullet there is "identify and write down two points that makes your organization unique." So whatever it is, once you identify what makes you unique, you want to start thinking about what values that could potentially bring to companies.

It helps to brainstorm that with people who are in your market or within your mission. But it also helps to brainstorm that outside as well.

If you have what I call corporate friends or people who might be on your board who work for companies who can provide input to that. Or companies that have supported maybe an event you do. Ask them for their input and information and what it is they can tell you that you bring to the table that's of some value to companies.

OK, do you want me to quickly go through this last slide here, Katya? Does that makes since or should we just continue to...?

Katya: No, go ahead and wrap it up. I was just inserting the lens for your slides, there. And then I have one or two more for you if we can squeeze them in?

Mikel: OK, I thought... Great, thanks.

So, then the Practical Exercise slide there on 16 is "Knowing You." I went through a couple of them already. The last one there was just to identify and write down your needs. Make sure you know what you need.

So, for example, if you know you don't need in-kind gifts but you need funding, write that down. Don't go after in-kind gifts because if you go after a company that's known for giving in-kind gifts, it might not even be worth it to go through the process of getting to the right person there. So, make sure you know what you're looking for so you use your resources wisely.

The next slide there, Slide 17 is, "Knowing Them;" so, the Practical Exercise is "Knowing Them."

Brainstorm industries under companies that can benefit from your organization's value and can help provide your needs. So, make sure you understand again the next bullet there is, "What's in it for me," factor or, "What's in it for them," the company. And don't force the fit.

So, if a company--on the website it says that they don't provide support to religious organizations, for example. If you are a religious organization don't approach it. Don't try and force the fit or try and make them see things in a different light, because they won't. They've spent a lot of time developing those guidelines and principles.

Then, again, we talked a little bit about "Identifying Contacts in Champion," and the "Make a Connection." And the last bullet there is to listen and it probably should be the first.

Really what you want to do is talk to them, talk to the corporate representatives and listen to what their needs are. And figure out as you're listening to them how you can help them meet those needs. That's what's going to develop that mutually beneficial, valuable

relationship.

Last slide there is just a summary. So, the collaborations--nonprofit/ for-profit collaborations are valuable and more common than generally known.

So, we know about the 4.3% of donations that come in through corporate support. But what seems to be less known are the fact that there are so many collaborations out there worth billions and billions of dollars and you have to find the ones that makes sense for you.

Collaborations bring unique value to both entities. Bring value that might not be available any other way. And there are different kinds of collaborations. You have to again find the one that fits for you that make sense. And it's important to identify the types of collaborations again that work for your organization.

Again, don't try and force the fit. And don't try to do something that doesn't make sense for you to do because then you're wasting your resources again.

Katya: Great, that's terrific. Thank you, Mikel.

I've one last question to squeeze in here and it actually pertains to what you just said. Autumn from Planned Parenthood's writing to say, "What do you do if you are trying to advance your organization's mission and it's in conflict with other organizations' missions and it might be something that is controversial?"

Mikel: That is a challenge. The controversial piece is very challenging. Depending upon, again, what your organization is, it may not fit--corporate support may not be the way for you to go. However, sometimes you find it might be.

There's actually a very good example with Planned Parenthood and CVS. A couple of years ago--I say maybe it was three or four years ago--a CVS pharmacist refused to fill out a prescription for a married mother of two who needed birth control pills. The pharmacist refused on her religious beliefs to fill the prescription.

So there was a huge issue about it. People were angry on both ends. CVS was embarrassed and they needed to deal with it.

Planned Parenthood, the president of the Planned Parenthood Federation of America at the time sent a letter to CVS' CEO at the time and said, "What's going on? What are you going to do about it?" And he had a very good answer, which basically was, "We're going to train our people. We apologize. We're embarrassed this happened. We're going to train the people."

He could not fire the pharmacist, of course, because the other side of the coin--or the people who would have been upset by that--would have been another whole issue for him to deal with.

So, he provided training to everybody and the solution was if something goes against your religious beliefs and you can't fill the request, then you have to find a pharmacist who will do that. And so that was the training. They were able to do it.

And PPFA, or Planned Parenthood Federation of America, was happy with that response and sent a letter back and did a press release. So, CVS got a lot of great press by handling that so well and showed so much savvy.

PPFA, or the Planned Parenthood Federation of America, also got a lot of press because of their guidance to that now-that CEO. And they did continue to work together on advocacy issues and got some support on a mutual benefit from that relationship because of a mistake that CVS made.

Sometimes there is a relationship that can work. When it's controversial, sometimes it can be very challenging. But it's not always as controversial as people think. So, yeah, there could be some relationships out there--I forgot her name--that could be beneficial for you as well.

Katya: OK, thank you for that response to Autumn's question. And thank you so much for your time today, Mikel.

Mikel: You're welcome.

Katya: I have three points to leave everyone on the line with. One is some of you had trouble with viewing the slides. There were some problems with Slide Share for some of you. We apologize for that if that was the case.

I think we've responded to most of you via email, but if that applies to any of the rest of you, please check out www.fundraising123.org and click on the training tab. By tomorrow we will have a transcript of the call which, in case you missed anything.

The second thing is if you were intrigued by this presentation, --, as I expect you were--and you want to learn more you can visit Mikel's website at www.mosaikstrategies.com. She has a lot of training courses. We've got a great 101 today, but if you're ready for the 202 level and up you can find that at her website, www.mosaikstrategies.com.

And then last, I want to tell you that we have a call coming up on July 1, which I want to announce today. It's going to be on Google AdWords and Google Grants. And, so keep an eye on www.fundraising123.org. We'll be sending out details on that soon.

So, thank you again to Mikel for her volunteering her time today. We really appreciate it. I want to thank everyone on the line for joining us. Good luck with your corporate fundraising and your colligating marketing efforts. Bye-bye.