Originally Processed With FOIA(s):
S

FOIA Number:
S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: Donated Historical Materials
Collection/Office of Origin: Frieden, Lex, Collection
Series: Printed Materials
Subseries: Manuals

OA/ID Number: 52101
Folder ID Number: 52101-005

Folder Title:
"Nonprofit Organization Handbook: A Guide to Fund Raising, Grants, Lobbying, Membership Building, Publicity and Public Relations" [1979] [1]

Stack: **Row:** **Section:** **Shelf:** **Position:**

NONPROFIT ORGANIZATION HANDBOOK:

A Guide to Fund Raising, Grants, Lobbying, Membership Building, Publicity and Public Relations

Patricia V. Gaby and Daniel M. Gaby

Bush Library Photocopy Preservation

GABY
and
GABY

NONPROFIT ORGANIZATION HANDBOOK:
A Guide to Fund Raising, Grants, Lobbying,
Membership Building, Publicity and Public Relations

PRENTICE
HALL

8

0-13-623330-9

Bush Library Photocopy Preservation

NONPROFIT ORGANIZATION HANDBOOK:

A GUIDE TO FUND RAISING, GRANTS, LOBBYING, MEMBERSHIP BUILDING, PUBLICITY AND PUBLIC RELATIONS

NONPROFIT ORGANIZATION HANDBOOK:

A GUIDE TO FUND RAISING, GRANTS, LOBBYING, MEMBERSHIP BUILDING, PUBLICITY AND PUBLIC RELATIONS

Patricia V. Gaby
and
Daniel M. Gaby

Prentice-Hall, Inc.
Englewood Cliffs, N.J.

Prentice-Hall International, Inc., *London*
Prentice-Hall of Australia, Pty. Ltd., *Sydney*
Prentice-Hall of Canada, Ltd., *Toronto*
Prentice-Hall of India Private Ltd., *New Delhi*
Prentice-Hall of Japan, Inc., *Tokyo*
Prentice-Hall of Southeast Asia Pte. Ltd., *Singapore*
Whitehall Books, Ltd., *Wellington, New Zealand*

© 1979 by

Prentice-Hall, Inc.

Englewood Cliffs, N.J.

All rights reserved. No part of this book may be reproduced in any form or by any means, without permission in writing from the publisher.

Second Printing . . . . . April, 1980

Library of Congress Cataloging in Publication Data

Gaby, Patricia V.
Nonprofit organization handbook.

Bibliography: p.
1. Fund raising. 2. Corporations, Nonprofit--Management. 3. Public relations. I. Gaby, Daniel M., joint author. II. Title.
HV41.G26 361.7 78-16043
ISBN 0-13-6233330-9

Printed in the United States of America

Acknowledgements

We wish to take this opportunity to express our appreciation for the excellent cooperation and assistance that we received from many individuals and organizations. All were gracious in their cooperation, generous with their time and professional in every sense of the word.

For providing extensive personal interviews, we are indebted to:

Zelda Baum, National Executive Director, Cooley's Anemia Research & Blood Foundation for Children, Inc.

Renee Blank, consultant and training specialist

Dr. Bryant George, Ford Foundation

Seymour Josephson, Executive Director, Environmental Action Coalition, Inc.

Josephine Kleinbaum, Women's Division, United Jewish Appeal of Metropolitan New Jersey

Jacqueline Levine, Co-Chair, National Governing Council, American Jewish Congress

Gordon MacInnes, Executive Director, Fund for New Jersey

Lucy Mackenzie, State Lobbyist, New Jersey League of Women Voters

Jannie Milt, Executive Director, New Jersey Mental Health Association

Hon. Joseph Minish, Congressman, New Jersey

Steven Nagler, Executive Director, American Civil Liberties Union of New Jersey

Gayle Rosen, Councilwoman, West Orange, New Jersey

Mark Rosen, Vice President, American Motorcyclist Association

Hon. Peter Shapiro, Member, New Jersey State Assembly

Libby Sharpe, New Jersey League of Women Voters

Sandra Slipp, Ph.D., Human Resources

Joan Sussman, Vice President, Ways & Means, National Council of Jewish Women, Suburban Essex (N.J.) Division

Al Swenson, New Jersey SANE

Ethel Weinstein, Program Assistant, New Jersey Mental Health Association

We also wish to express our thanks to the following organizations for supplying materials and permission for their use:

Common Cause
Direct Mail/Marketing Association, Inc.
Ford Foundation
Friends Committee on National Legislation
National Association of Home Builders
New Jersey Bell Telephone Company
Women's Communal Service, Council of Jewish Federations

Finally our special thanks to Associate Professor Maurice Freedman, School of Library Science, Columbia University, and to Carol Jochnowitz for their invaluable assistance.

TABLE OF CONTENTS

1. HOW TO COMMUNICATE WITH YOUR OWN MEMBERS AND STAFF • 15

The Written Word • 17
Newsletters • 19
Printing • 19
Gathering Material • 19
Getting It Out • 20
How to Treat the News • 20
Magazines • 20
Layout • 20
Publishing • 23
Advertising • 23
Age • 24
Annual Reports • 25
Production • 26

2. HOW TO BUILD MEMBERSHIP • 31

What's in It for Them? • 31
Know Your Options • 31
Targets and Planning • 33
Where Do You Go for Prospects? • 34
Face-to-Face Recruitment • 35
Schedule • 35
Campaign Committee and the Selection of Personnel • 36
Up and At 'Em • 36
Incentives • 36
Preparing Your Recruiters • 38
Prospects and Apportionment • 39
Organization • 39
Recruiters • 39
Committees • 39
Materials • 40
Special Campaign Bulletins • 40
Team Competition • 40
Publicity • 40
Meetings • 43

Campaign Evaluation • 43
Success Stories • 45
Mailings • 46
Telephoning • 50
The Treatment of New Members • 53
Life Membership • 53
Advantages • 54
Disadvantages • 54
Renewals • 55
How to Raise Dues and Get More Members at the Same Time • 57

3. GUIDE TO FUND RAISING • 61

Planning and Organization • 61
Major Donors • 69
Legal Aspects of Fund Raising • 74
Fund-Raising Events • 75
Dinners • 79
Fairs • 82
Fashion Shows • 86
Art Shows • 87
Dances • 88
Theater Benefits • 89
House Tours • 90
Other Trips and Tours • 91
Parties • 92
Sporting Events • 92
Speakers • 92
Miscellaneous Social Fund Raisers • 93
Selling Services • 95
Fund-Raising with Sales • 96
Direct Fund-Raising • 101
Fund Raising for Schools and Colleges • 104
Some Case Histories • 106
Post-Campaign Evaluation • 107
Better Business Bureau Standards for Charitable Solicitations • 108

4. FUND RAISING BY MAIL • 113

Mailing Lists • 118
Maintaining the List • 119
Using Directories and Mailing List Houses • 120
How to Set Up and Maintain Mailing Lists • 125
The List Broker • 126
Researching Potential Donors • 131
Making Your Direct Mail Pull Responses • 131
Getting Repeat Contributions • 132

How to Prepare Your Own Direct Mail Materials • 133
Getting Them to Open Your Envelopes • 136
Cutting Costs on Direct Mail Production • 139
Testing Your Direct Mail for Results • 143
What's the Best Time of the Year to Raise Money via Mail? • 147
Post Office Regulations • 148

5. HOW TO GET GRANTS • 153

Government Grants • 153
Applying for a Government Grant • 155
Financial Accountability • 156
Auditing • 156
Financial Administration • 157
Limitations • 158
Foundation Grants • 158
The Next Step • 162
The Letter • 162
The Phone Call • 164
The Meeting • 165
The Proposal • 165
Be Courteous • 168
Sad but True • 168

6. HOW TO LOBBY EFFECTIVELY • 173

Visiting a Member of Congress • 174
Writing to a Congressman or President • 175
Letters to the Editor • 176
Ads and Mailings • 177
Advice from the Other Side • 177
The Roadrunners Meet the New Jersey Legislature • 178
Pointers for Organizations That Lobby • 180
Information and Communications • 180
Alliances • 180
Publicity • 182
The Freedom of Information Act • 183
A Last Word About Lobbyists • 184
In the Public Interest • 185
Committees • 186
The Legal Aspect • 191
When Charities Lobby • 193

7. ADVERTISING AND PROMOTION GUIDE • 197

Putting Together Your Advertising Team • 198
Do You Need an Advertising Agency? • 198

Developing Your Organization's Advertising Campaign • 201
Billboards • 202
Transit Advertising • 202
Television • 203
Radio • 203
Newspapers • 203
How to Get Free Time and Space for Your Message • 204
Setting Up a Media Calendar • 204
Some Tips on Buying Media • 204
Advertising Techniques • 205
Newspapers • 205
Television • 205
Radio • 206
Billboards and Transit Advertising • 206
Brochures and Literature • 207
Direct Mail • 207
Advertising Specialties and Novelties • 209
Suggestions for Preparing Artwork and Graphics • 210
Suggestions for Preparing Copy • 211
Measuring Results • 212

8. CREATIVE PUBLICITY AND PUBLIC RELATIONS • 215

Planning Your Organization's Public Relations Program • 215
1. *Pull Together the Information You Need to Make Decisions* • 215
2. *Decide What "Success" Really Means* • 216
3. *Lay Out the Strategy* • 216
4. *Choose the Best Techniques for Communicating* • 217
5. *Choose the Best Media to Reach Your Target Audiences* • 217
6. *Decide What You Are Going to Say* • 218
7. *Get Set with All the Materials You Need for the Program* • 218
8. *Map Out the Schedule as Precisely as You Can* • 218
9. *Use the Budget as a Planning Device* • 219
10. *Check to See if You Achieved Your Objectives* • 219

How to Organize Your Public Relations Staff • 219
Recruiting Your Press Secretary • 220
Building a Media File • 221
Equipment and Supplies • 223
How to Create Basic Press Materials • 223
How to Write a Press Release • 224
How to Give Editors What They Need • 225
Some Tips on Taking Photographs for Press Releases • 225
Deadlines and How to Live with Them • 226
Press Release Services • 226
Clipping Services • 226
How to Set Up a Public Relations Program • 226

How to Set Up News Events • 229
Dinner Speeches • 229
News Conferences • 229
Interviews • 230
How to Get Coverage of Radio, TV, and Cable TV • 231
Broadcast Formats • 231
How to Get on News Broadcasts • 232
How to Set Up a Radio Actuality or Feed • 232
Getting Your Spokesman on Cable TV • 233
How to Get on Wire Services • 233
Other Avenues of Press Communication • 234
Special Interest Publications • 234
Letters to the Editors • 234
Services Available to Your Public Relations Staff • 235

9. GUIDE TO MEETINGS, CONVENTIONS, CONFERENCES AND SEMINARS • 261

Meetings • 261
Conventions • 262
Communications • 262
Planning • 262
Selecting a Location and Hotel • 264
Closing the Deal • 265
The Ground Plan • 265
Making Book on Rooms • 266
Travel • 266
Selection of Speakers • 269
Physical Setups for Meeting Rooms • 271
Replay, Instant and Otherwise • 272
Video • 273
Promotional Materials • 273
Signs and Notices • 274
The Press • 274
Eat, Drink, and So Forth • 275
Spouses' Programs • 276
Special Service Checklist • 277
Pre-Convention Briefings • 278
Registration • 278
Paying Up • 279
Post-Convention Evaluation • 280
The Controlled Environment • 281
The Conference Center • 281
The Retreat • 282
Seminars: The Concentrated Dose • 282

10. HOW TO TRAIN AND SUPERVISE VOLUNTEERS • 287

Training for Leadership • 289
Training Fund-Raisers • 291
Direct Service Training • 293
Recruitment, Placement, and Interviewing • 293
The Interview • 294
The Basic Steps of a Training Program • 295
Readiness for Training • 296
Induction • 296
Orientation • 296
Basic Training • 297
On the Job Help • 298
Advanced Training • 298
How to Plan an Educational Program • 298
Goals • 298
Who Should Plan the Program? • 299
How Shall Instruction Be Given? • 299
Specialization in the Training of Administrators • 300
Trainers and Supervisors • 300
What to Look For • 300
The Trainer-Supervisor's Role • 301
The One-Session Training Event • 302
Planning • 302
Execution • 302
How to Evaluate a Training Program • 303
Points of Departure • 303
Evaluation by Students • 303
Questionnaires • 304
Interviews • 304

11. HOW TO FIND THE INFORMATION YOU NEED • 309

Information from the Private Sector • 309
Directories of Directories • 310
Directories, Guides, and Encyclopedias • 311
Directories of Business Information • 314
Information Access Services • 315
Government Publications • 316
Directories and Reference Works Published by the Government • 317
Government Agencies to Contact for Information • 318
State Libraries • 321

BIBLIOGRAPHY • 329

Chapter 1

HOW TO COMMUNICATE WITH YOUR OWN MEMBERS AND STAFF

The Written Word • 17

Newsletters • 19

- Printing • 19
- Gathering Material • 19
- Getting It Out • 20
- How to Treat the News • 20

Magazines • 20

- Layout • 20
- Publishing • 23
- Advertising • 23
- Age • 24

Annual Reports • 25

- Production • 26

CHAPTER 1

HOW TO COMMUNICATE WITH YOUR OWN MEMBERS AND STAFF

The first step in communicating effectively is to recognize that it is tough, demanding and difficult. It's one of the most damned and least understood skills in existence. It's at the core of every problem facing us as individuals, families, groups, nations.

Communication is the circulatory system of your organization, keeping the good, red, life-giving stuff of information flowing throughout its body so that the most far-flung limbs remain healthy, functioning, and integral. Tamper with that system, pinch off an artery for long enough, and gangrene can result, eventually requiring amputation. When people belong to an organization and identify with it to one degree or another, they want to know what's going on. They want information, of course, but perhaps even more than that they want to know that someone at the center of things knows they are there and important. An efficient information system can build a solid structure of loyalty for you if it provides your members with the things they specifically want and need to know. It shows you have their interests at heart. If it does so appealingly and intriguingly, you show you care about not boring them. And if it does so promptly and regularly, you show you think they're important.

This chapter will deal with the three main types of publication by which organizations communicate with their members: newsletters, magazines, and annual reports. But first, let's take a brief look at some of the realities of communication at the innermost circle—the face-to-face interaction that goes on in your own central office. Slip-ups or slights here can have more far-reaching effects than many errors committed out there in the world.

To begin with, it's obvious that people like to be treated as if they're somebody and not nobody. No matter how small a role they play in your organization, they should feel it's important and necessary. Show this is so by your actions. Brief your staff on matters that affect them as promptly and fully as you can. If something pertaining to your organization is going to appear in the news—for example, the report of a general meeting—see to it that your people know about it beforehand. If they have to hear it from an outside source, they will certainly not feel like part of your team. And remember that people prefer to hear about things that affect them directly, like salaries, from their immediate superiors. (This fact has shown up time and again on behavioral studies of office and industry politics.) Keep your administrators fully

informed so that this can always be acted upon. Special information bulletins or packages for supervisory personnel are one way to do this; another is by means of tape cassettes.

Cassettes are a good idea if you know that the people you want to reach simply don't have time to plow through any more printed matter and if your organization is big enough to make the investment worthwhile. The New Jersey School Boards Association, which tried the idea with great success, paid $1,200 in initial outlay and $400 for each new recording. Sixty tapes were run off and sent out. The costs included reproduction, mailing, and cassette players for recipients. Individual tapes were returned to be used again. The tapes were each 30 minutes long and contained information ranging from rumors to official announcements, relayed in an informal, conversational style. Members could listen to them while eating breakfast or riding to work, and this convenience was one of the things they appreciated most. They also liked the informality of the spoken word and responded to the obvious interest in them that was manifested by such an intriguing technological innovation.

Then, you might want to find ways of making it easier for your members to get in touch with the people they need to hear from often. The Massachusetts Bar Association and the Massachusetts Society of Certified Public Accountants did this when they printed a 21-page telephone directory including all the numbers of the offices and agencies most often contacted by both groups. (The considerable overlap in this area was what made the project feasible in the first place.) They split the cost, each taking half the copies and binding them with their own covers. As a result, their members now have a valuable communications aid at their fingertips.

Of course, information can be used negatively as well as positively. It is, after all, heady stuff. It's one of the key sources of power in any social structure. If you know something no one else does; if you understand how things get done that no one else does; if you simply know where something is that no one else does—then you can do things no one else can do. And if your aims are destructive, there's no more effective way to snafu a whole set of proceedings than by "forgetting" to convey the right piece of information at the right time. But ambition and malice aren't the only things that can lead to a stoppage of information. It can also occur when people are insecure about their positions. Very often, a subordinate will be reluctant to report that something has gone wrong in his department because even if he's not responsible he's afraid that his superior may identify him with the problem and blame him for it. And, in any case, no one wants to be the one responsible for throwing a monkey wrench into the works when everything seems to be going smoothly. Finally, people often feel it's wiser to keep their mouths shut when a particularly controversial issue is in the air.

These are serious problems, and they lie at the heart of organizational politics. There's no capsule cure for any of them. But there is one internal communications problem that can be dealt with concretely. That problem is "the rumor."

Let's say that someone, either maliciously or irresponsibly, has been going around conjecturing that so-and-so is going to get the axe or that such-and-such a department is about to have the rug pulled out from under it. A rumor like this can snowball into a lot of anxiety, confusion, and damage. The cure for this kind of situation is a "rumor center." This is a place where people can come to ask about things they've heard that are bothering them and get the answer straight from the management's shoulder. As long as these answers are given with complete and unflinching honesty, the center acts as an automatic control on gossipmongers. If it is once, just once, caught in a lie or an evasion, it will be destroyed, and the management

will be worse off than before because it will be regarded as having betrayed its employees' trust in order to advance its own interests.

THE WRITTEN WORD

There are certain general rules that apply to all printed communications, whether they're weekly newsletters, monthly or quarterly magazines, or annual reports. The greatest of these is probably to know who your audience is. An occasional survey or audit to determine the nature of your readership might be a good first step in improving the quality of what you deliver. For example: Has the number of women or young people reading your publication risen substantially without your knowing it? You might still be writing and editing in a way that suggests you're addressing an audience of middle-aged men exclusively. If that's so, your newer readers are going to get the idea that they're invisible or powerless—bad ways for readers to feel. Then, it's a good idea to have periodic reader surveys to find out what your readers like most in your publication and what they want to get more of. In a newsletter, especially, there's always the danger of including too much in-house news that relates only to the activities of a few key people. Would your readers prefer to get more of a sense of how your organization relates to the world at large?

The *style* in which your articles are written is of critical importance. Even in your glossiest and most formal publications, stiffness and stuffiness are to be avoided. Although you should rewrite tirelessly in your effort to produce good copy, the end result should sound effortless. The voice your readers hear should be that of an informed, interesting conversationalist. It should speak naturally, without jargon or condescension. Not everybody can talk that way, it's true, and even fewer people can write that way. Find people who can—it's worth the effort.

Prose style isn't the only thing that will determine whether a reader will stick with a printed piece till the end. The physical appearance of a page—its layout—is also extremely important. You can check this yourself. Take a fistful of pages from this book and flip them over with your thumb. Which pages did you skip over quickly, and where were you tempted to linger? Almost certainly, your eye was caught wherever there was a break in the shape of the text, whether by margin, rubric, or checklist. These variations are to a reader's eye what the chinks in a wall of rock are to a mountain climber's foot. This is why magazine editors always break up columns of type with double spaces followed by large, boldface initial letters. These breaks usually have some slight relation to the organization of the article's content, but that's not their reason for being. They're there to keep the reader from slipping off the wall. A completely unbroken column of print that went on and on without a break would eventually become literally impossible to read.

Everyone writing about the business of getting out a publication will tell you that an editor should be his own best and harshest critic, but perhaps you feel you lack the credentials for that role. You can get them. First, become an expert on what everyone else is doing. Amass and read as many publications analogous to yours as you can, noticing what catches your attention and what fails to hold it. What layout tricks make a page good to look at? Which articles were you most eager to read, and which did you find it hardest to remember when you'd finished?

Then, take a look at one of the free or inexpensive handbooks for the general publisher that most of the big paper companies furnish. A good one is *Pocket Pal,* available for $1.50 from the International Paper Company. *Association Management,* the magazine of the American Society of Association Executives, has printed a number of articles on publishing house organs, of which reprints are available from their Information Central.

Finally, don't forget your printer. He can be a valuable source of suggestions on effective layout and presentation as well as ways of cutting costs. All in all, he's probably the most important single person you'll be dealing with as an editor, and no discussion of the problems involved in getting out copy would be complete without mentioning him.

- First, select your printer carefully. Ask for references and samples; consult with other people who use him. Get price estimates, remembering that while the most modern equipment may mean the costliest job, it probably also means the best. Remember also that no one printer does equally well at every type of job. Many organizations with multiple publications use more than one printer for this reason.
- Plan a timetable for each issue to be printed, working backward from the desired publication date, and stick to it. Allow enough time for each step.
- Make sure all copy you send to the printer is as clean, clear, and perfect as you can make it. Many editors use manuscript paper for this step; it has ruled margins that keep the text in columns of the same width the printer will set the copy in. Take equal pains with the dummy you paste up from the galleys. If the printer innocently copies a mistake you made and you then have to correct it (an "author's alteration"; i.e., one made after the copy is set in type), you will be charged extra for it. You may also miss your publication date. The importance of catching these errors *before* you go to press cannot be overemphasized.
- By the same token, be thorough and exact in your instructions. Order your stock (type of paper) by brand name, not simply by size and grade, for example. Put all specifications, such as the name of the typeface to be used, in writing and attach them to the dummy. (Some editors have rubber stamps made up for this particular job.) Follow the job through each stage of proofreading (galleys, page proofs, etc.). Don't just send in the dummy and then sit back to wait for the finished product. Keep a log for each issue done, noting the date each item was sent to the printer and what alterations had to be made at each step and by whom.

So much for the general points. Now for a consideration of each of the different types of publication. Many organizations print more than one in order to accommodate the different types of information they have to convey. The International Association of Business Communicators publishes a monthly newsletter in tabloid form that includes such timely information as in-house news, notes on people, and the latest doings in the field. In addition, they have a quarterly magazine devoted to a more leisurely discussion of concepts and trends. The National Telephone Cooperative Association publishes a biweekly internal newsletter, a monthly magazine, a bimonthly "notebook" covering professional management techniques, and an annual report. Your own setup will depend on how much news you have to get out and how frequently your readers have to get it. At some point in your organization's growth, you may find you have to switch over from a single to a multiple publication approach, or beef up what you already have to bolster a sagging membership. Organizations have used their publications to do just that successfully.

The luxuriousness of a publication is generally in inverse proportion to the frequency with

which it comes out (for economic reasons, among others). Thus, newsletters, which come out anywhere from daily to monthly and are usually read through for tidbits and then discarded, are likely to be on matte (nonglossy) paper, often of some shade other than white, such as beige or cream yellow. Thought should be given to their layout, but it's not of crucial importance since these are the most strictly utilitarian of all publications. People are going to look through them for the news they want; they won't be left lying around for too long. Magazines, on the other hand, which may stay on the coffee table for months at a time, are usually of more durable paper. Layout *is* crucial here. For one thing, your magazine articles won't have the urgent appeal of up-to-the-minute news, and you'll want to use all other means possible to pull eyes and attention toward them. For another, your magazine will be more closely identified with your organizational image in the reader's mind than a newsletter will. For this reason, many organizational publishers eschew a package that's *too* luxurious; they don't want to appear to be spending money too wantonly. They are also careful about keeping type and printing techniques consistent from issue to issue, to promote the idea of organizational stability.

Annual reports boast the thickest, heaviest, glossiest paper of all, and the most colorful pictures. This is possible because they come out but once a year, and necessary because they have the hefty job of selling the organization to interested parties as well as furnishing the information the government requires them to make public.

Now we'll discuss the mechanics of each type of publication one at a time.

NEWSLETTERS

Printing

Newsletters are generally short—two to four pages. Some are put out by a single person, though this person usually needs some assistance on the newsgathering end. Some are simply typed and dittoed, and many are printed by the offset rather than letterpress process.

Gathering Material

Most newsletter editors depend on other publications: trade journals, general magazines, brochures, government agency publications, newspapers, and press releases from other organizations and from the federal and local governments. If yours is a field affected by federal agency rulings, the *Federal Register* should be on your list, too; it gives daily news of what the agencies are doing. The agencies themselves will be happy to put you on their mailing lists for press releases, but these often arrive as much as a week late. If you want to use such releases regularly, it might be a good idea to register with a press release delivery service instead. These are located in Washington and most state capitals and will send you the releases of whatever agencies you designate at bulk first class rates (about $20 to $100 a month, depending on how much you order). They arrive in a day or so. Then, there are monthly reporting services that cover legislative news on the federal and local levels. You can subscribe to them on a trial basis to see if they fill your needs.

One editor recommends that you keep a "Copy Idea File" and fill it with scribblings of

anything you hear, see, or think of that might make good copy. Develop your natural curiosity, he advises, so that no idea with possibilities will miss you.

Getting It Out

Here's how one association executive gets out a one-sheet, two-sides-of-the-page newsletter every two weeks in addition to his other duties.

His secretary collects all the publications that come into the office and saves them for him to go through all at one time, once every two weeks. The whole pile weighs about 30 pounds and takes a weekend to get through. By Monday morning, he's selected what he wants to use and is ready to dictate his first draft to his secretary. By Monday evening, the copy has been revised and is sent to the president of the association for his comments. On Tuesday morning, the final typed version is sent over to the organization's Communications Division, which runs it off; and on Wednesday morning, it goes into the mail.

Occasionally there will be an item in the news of more than usual interest to your people. Some newsletter editors run off extra editions when this happens, keeping an emergency supply of envelopes and address labels on hand for this purpose. The editor whose schedule is given above takes a different tack: He'll summarize such a story in a few lines and then say "More information available on request." His secretary has developed a sixth sense over the years, he says, that tells her about how many requests for the full story are going to come in, so she is usually able to have the extra copies run off and ready to go out in time for the response.

How to Treat the News

A newsletter is a place for news, not editorializing. Any opinions should be delivered in the form of a quotation. It should be factual and written in approximately the style of a good newspaper article. Still, it shouldn't be utterly bloodless. Don't be afraid to report controversial subjects, including and especially those which involve your organization directly. This won't turn your readership off or away—the opposite approach is far more likely to do that.

MAGAZINES

Layout

There are three components to magazine layout: printed copy, artwork and photos, and white space (blank space). Put together, they can determine whether a reader will linger over a page or flip it over. The main thing to remember is that a page should have a *focus* that will lead the eye pleasurably into the message. If every inch of a two-page spread is screaming for attention, the eye won't know where to go first and may give up in despair. For this reason, it's a good idea to plan your dummy two pages at a time so that you can see each spread as it will appear to your reader. (The right-hand page is always the odd-numbered one.) It's also a good idea to use a grid. This is a device that divides each page into equal squares (usually 12) by means of dotted lines. The verticals coincide with the space between the columns. It makes for a cleaner, more organized look in the finished product.

You can also draw up tiny duplicates of each page (72 can fit on an $8^1/_2$ x 11″ sheet) and arrange them in page order to get an overall idea of the flow of the whole issue. Here, too, there should be an underlying organization to make the product easier to read. Regular monthly features should be distinguishable from special articles, for example. One way editors achieve this is by having a special symbol and typeface for the heading of each; for example, a blaring trumpet to herald the editorial.

Now let's discuss these elements one at a time.

Print

Typefaces are divided into two categories: serif and sans serif. Serifs are the tiny horizontal bars on the tops and bottoms of printed letters, and for some reason letters with serifs are slightly easier to read, so serif type is usually used for the bodies of articles. Sans serif, which looks bolder and more modern, is usually used for headings. It's also particularly handsome when printed in reverse (white on black).

There are dozens of "families" of typefaces available today in each category, but most editors will tell you it's best to use no more than two in any given publication. Usually this works out to one serif face for body type and one sans serif for headlines, captions, and tables. Since most typefaces come in a wide variety of sizes and three degrees of heaviness (light, medium, and bold) as well as in italic form, you can generate a lot of visual variety even with only two families.

In choosing which these families will be, remember that print is the most pervasive single element in your product and that each typeface has a personality of its own. Hence, the one you select will have a lot to do with the image you project. A clean, spare, thin-legged sans serif face will say quite plainly that your organization is more concerned with the future than the past. A traditional serif type, especially if it has well-differentiated thick and thin bars, elaborate corners, and tightly curled commas, speaks of greater conservatism.

The height of type is measured in points. A point is $^1/_{72}$ of an inch. Most newspapers are set in 8 or 9 point type. Point size is not the only factor that determines how large the printed letters will appear, however. Different typefaces have letters of different widths, and a wider letter will appear taller than a narrower one of equal height. Even so, anything smaller than 9 point would probably be much too hard to read in anything lengthier than a caption. The space between lines ("leading") is also measured in points and is also an important factor in ease of reading. The smaller the type is, the more lead space you should have.

Twelve points equal one pica, which is the unit used in counting the width (measure) of a line of type. A line 18 picas wide is about three inches long, which is a fairly comfortable width for a column of type. If the line is any longer, the eye will have trouble going back to find the beginning of the next line. The general rule is that a line should not exceed two alphabets (52 characters).

White Space

The golden rule here is that *white space is not the absence of content*. It's a very important ingredient in the overall appearance of a page. It's where the eye goes for a rest. And it has great attention-getting potential; there are few arrangements more arresting than a small piece

of copy set in a large blank square. Just be sure your white space doesn't assume too snaky a shape; this is confusing to the eye. It should be presented in neat, austere blocks.

Photos and Artwork

Be generous. These elements provide important breaks in the pace of reading the text. In fact, editors stuck with no visual material to accompany an article will often use pieces of the text itself to fill this role. These are called "scans" and consist of a provocative line or two from the article, set in extra-large type somewhere on the page with heavy lines above and below.

When selecting photographs to use, remember that it's pleasanter to look at a movie advertisement than a post office wall. Candids are better than mug shots, and action photos are better than stiffly posed groups. They may take more ingenuity to get, but they make your reader much more interested in reading what the caption has to say. If you do use a studio shot, be ruthless about cropping. Wide and meaningless expanses of background, shoulder, collar, and tie add nothing to a picture—in fact, they can dilute its impact considerably.

Your photographs may be halftones (black and white), duotones (blue and white or brown and white, for example), or color. Four plates, called "separations," each printed with a different color, are superimposed in the printing process to create what the reader sees as "full color illustrations." If these separations aren't perfectly aligned, the edges of each object photographed will appear blurred. A similar error when handling the plates used in duotones and halftones will produce a mottled effect resembling the play of light on irridescent silk. For this reason it's called the "moiré effect." It sounds prettier than it looks and is to be avoided.

There are a number of printing techniques available today that enable you to provide considerable variety in the photographic work you display. One of the newest is line tone conversion, which, by eliminating shading, turns a photograph into something resembling poster art. Another is sandwiching, which binds two transparencies into a double exposure. (One shot should be allowed dominance to avoid visual confusion.) There is also a way of speckling a plate so that it looks like a 200-year-old print. Or you can simply print the negative of a regular halftone photo for an arresting change of pace. Finally, remember that retouching, double dot, and dropout techniques can all enhance the clarity of a photograph that is being printed just as it is.

You can get photographs from commercial studios (these often specialize in certain subjects), or you can hire a newspaper photographer. Newspaper photographers often free-lance in their spare time. Or you can also use a stock photo house. These firms issue catalogues of hundreds of photographs of all possible subjects from which you can select and order whatever prints you need. Two that you can use are: Candida Stock Photos, Suite 1425, 20 North Wacker Drive, Chicago, IL 60606 (phone: 312-726-0960) and Ibid, Inc., 6 North Michigan Avenue, Chicago, IL 60602 (phone: 312-332-3984). Another source is the Bettman Archives, which contain thousands of historical photos. You can write to Dr. Otto Bettman, naming the subject you want, and he will send you a selection of shots from which you can make your selection. Service is fast and reasonable.

There are also stock houses for artwork whose catalogues contain samples you can clip and use on the spot. Here are the names and addresses of four stock art suppliers:

Clip Book of Line Art
Harry Volk Jr. Art Studio
Pleasantville, NJ 08232

Dynamic Graphics, Inc.
6707 North Sheridan Road
Peoria, IL 61614

Metro Newspaper Service
80 Madison Ave.
New York, NY 10016

Valdes Associates, Inc.
Westbury, Long Island, NY 11590

Publishing

A publisher stands in the same relation to his magazine as a producer does to a Broadway play. He may not be in direct charge of the editorial or artistic decisions, but he's responsible for coordinating those decisions with the realities of the business end to bring about the finished product. He oversees the operation from start to finish.

Some organizations do all their own publishing work in-house. Some turn the whole job over to a private publisher who writes and edits the magazine in the organization's name, subcontracts with a printer, and sells all the advertising space, keeping the revenue. Still others opt for an arrangement that falls somewhere between the two, such as having the publisher take care of the layout and artwork. (These can also be farmed out to a graphics studio.)

The arrangement you select will depend on a comparison of your facilities and personnel with the size of the job you have to do. Having a publisher do everything can save a lot of time and responsibility, but it can cause problems, too—the chief of which was summed up by the editor who said, "The problem is whether the publication is going to wag the association or vice versa. Our publisher doesn't bother to clear his copy with the association office—he just goes ahead and writes whatever he wants to." Another director who had retained editorial veto over his publisher nevertheless complained that when something was done in a way he didn't like he'd be told, "Well, if we change it now, we'll be held up for a week." "This type of arrangement can work only when the association and the publisher have the same objectives," concluded one editor, who is quite happy with his publisher. "If you can achieve that kind of rapport, then a private publisher can help produce a magazine of the highest quality at a reasonable price—or even a good profit." So in the end there are no hard-and-fast rules. You just have to go by your own needs.

Advertising

There are house publications that don't sell advertising space, but they're in a minority. For most publications, advertising revenue is a prime necessity for survival. Commercial magazines aim for a volume of 60 percent advertising space to 40 percent editorial content.

As with publishing tasks, the amount of selling to be done when compared to your own

resources will indicate whether you should try to do the job yourself or hire outside help. A good-sized publication will require extensive travel on the part of its sales manager. Some literally go around the world for space buyers, or they have people working under them to cover the territory. If the latter is the case with you, make sure your sales manager keeps his team fully briefed and fully accountable. A sales force needs powerful central leadership and control.

If you decide to contract out your sales work, the person you need is a publisher's representative. These men and women have their own offices and work for publishers on a contractual basis, usually taking 20 percent of the net advertising revenue. Ask the ones you're considering for a list of all their clients, and check these out. Ask for a letter describing how they operate, and try to figure out how many calls they'll make for you. You can find a complete listing of these people in *Business Publication Rates and Data*. Many of them belong to the Association of Publisher's Representatives, 850 Third Avenue, New York, NY 10022.

The typical space buyer has been described as someone who makes an emotional decision that he tempers with facts. The facts he's going to want to know are those which will tell him how good a vehicle your magazine will be for selling his product. First, what people does it reach? Where do they live, what do they do, how old are they, how affluent are they, what do they buy, and why are they reading your magazine? Are they all organization members, or do you reach a wider audience?

Next, what is your editorial content and how well is it read? Do you have good writing, a look of quality, and a few especially interesting issues each year? It's counterproductive to advertise in a boring magazine (or in one whose readership is going down).

How much advertising do you already have, and whom does it represent? Many advertisers are followers, not leaders.

What mechanisms do you have for checking on reader response to the ads you print? Advertisers like to know how they're doing. Reader surveys are one way to find out. Also, keep track of letters to the editor and orders for reprints.

The answers to these questions will give you some idea of how salable your space is. The next step is to get this information to as many potential buyers as possible. Most salespeople make up a media kit for each target that includes information about each of the subjects listed above, plus a breakdown of rates and requirements for copy. These should all be presented in a way that pertains to the specific interests of the prospect. In addition, there are the following ways of gaining exposure:

- A series of letters to possible customers
- An AIA file (a form developed by the Association of Industrial Advertisers) that gives information on your publication for the last five years
- A monthly promotional mailing
- A marketing brochure
- Advertisements in trade publications like *Advertising*

Age

Many organizational publishers neglect the business end of their enterprises in favor of their editorial responsibilities, no doubt partly because, for them, advertising is as much a

matter of the buyer's goodwill as of their own salesmanship. Even so, you shouldn't fall into this error. Remember that postage, printing, and paper costs are going up all the time, and the cost of putting out a magazine is going to go up along with them.

ANNUAL REPORTS

"When you give someone an annual report," one executive declared, "it's sort of like shaking hands. And you want to project a firm handshake."

Numerous observers say that an annual report is the most important single publication any organization can print. In addition to furnishing financial data required by Federal law, annual reports are also put out to sell the organization—to tell who and what it is and what it's doing in a way that will plant a unique and dynamic image of the organization in the reader's mind. This is done with concise, hard-hitting, well-organized writing and with dramatic, eye-catching layout and photos. In fact, the photos may be the most important single element in achieving the report's goal. Surveys have found that stockholders are much more likely to read a report all the way through if it has liberal amounts of color photography than if it has little or none or has only black and white prints. For this reason, color plates are all but universal among corporate reports, even when the corporation in question has had a bad year and is really strapped for money.

Annual reports are usually divided into two parts. The first half contains the "message" and pictures and is usually printed on heavy, glossy, "coated" stock. There are two reasons for using the most expensive kind of paper here. First, its minimum absorbency means that inks and photographs come out most clearly and vividly. Second, it feels rich. This is necessary for the healthy image, the "firm handshake" you want to present. Many organization heads *want* their reports to be as heavy in weight as possible for this reason, and never mind about stock or mailing costs—annual reports are the one place where it pays not to economize.

The back of the book will contain the graphs, charts, and footnotes giving the financial information the law requires you to publish. It will often be on a thinner grade of paper with a duller, matte finish ("text stock") and may be of a pastel shade to contrast with the gleaming white of the front of the book.

The front of your book will contain:

- The organization's name and address
- The names of the board members and officers
- Dates of the period covered by the report
- A statement of the purpose of your organization
- An explanation of where its support comes from
- An account of services rendered during the period covered, together with names and pictures of the people who did the work
- A statement of how much money was spent
- An explanation of how the average citizen can use your services
- The outlook: how your organization is changing to meet changing needs, and where it is going

The tone of the writing should be vivid, coherent, and compelling. Be comprehensible without being childishly simple, and avoid extraneous detail. Aim for a visible unity of style and content from start to finish. Many reports will do this by having an artistic device on the cover, possibly a set of colors, which will flow through the heading inside and even crop up on the envelope. Another idea is to make your report something of an annual event by having a different theme each year. This could be some issue affecting the consciousness of the world at large, such as ecology or the Bicentennial, or some significant development in your own organization that took place that year.

The tone should be upbeat, optimistic, and geared to the future—potential donors want to know what your prospects are. Nevertheless, if you've had a conspicuously bad year it's just as well not to try to gloss it over. One corporation began its report flatly, "We followed the best year in the Company's history with one of the worst." The fact that you have the courage (and the resources) to face developments like that squarely is probably the one way to save morale in such a situation.

All your photography should be geared to the idea that you're in business to help people. Use vivid, dramatic shots of people receiving your services. A certain old saw should probably be rewritten to read, "One *candid* picture is worth a thousand words." In particular, focus on facial expressions—nothing else catches the imagination and remains in the memory so well. When possible, apply the same principle to your board members. It's better to show them doing something than just being enthroned. (One company used tiny black-and-white shots of its top executives and full-page, full-color action shots of selected members of the rank and file to show it knew who was really important.)

Your front section, in short, should be absolutely gorgeous. But don't come to a full stop when you get to the back of the book. In 1974 the Securities and Exchange Commission brought out new rulings that substantially expanded the amount of information you must include here, and much of it is of a sort the ordinary layman would have trouble assimilating. True, the SEC didn't say your reader has to *read* all this stuff, but he'll probably want to get at least some of it, and if he's frustrated his frustration can easily turn him off you and your organization completely. Ample white space on the charts and tables and vibrant graphic aids can do much to solve this problem. The most complex material can be more easily understood if it's represented by physical shapes and forms arranged in families of contrasting colors. Remember that these shapes can be three-dimensional. One company used towering blocks of colors to represent their different holdings. By using a very long perspective and concentrating the print at the bottom, the designer made these assets look like veritable skyscrapers.

Production

Annual reports generally take half a year or more to get together and put out. The production process falls into four stages:

- Planning (discussing theme and objectives)
- Assembling (gathering text and photos)
- Review by management
- Countdown (starting with the release of financial data by your accountants and going through receipt of the finished product)

The last two phases are the sticky ones. Make absolutely sure you get clearance on all materials *before* you go to press—rectification of printed errors here can be tremendously expensive. You can simplify this task by sending each section *only* to that executive who has direct responsibility for approval. Use a standardized style sheet to settle all questions regarding abbreviations, symbols, etc.

The countdown is apt to get frantic because you must include a large volume of figures that can only be collected relatively late in the proceedings. In expediting this down-to-the-wire rush, it's essential to have *one* coordinator in charge of the whole project and no more. Avoid the committee approach!

Now you're ready to mail. You can save a few hundred dollars by using third-class bulk rates instead of first-class mail, but remember that third-class mail is sent out at the discretion of the post office and may take weeks to arrive. Also, third-class mail means that you can't include a covering letter, which is often a good idea. Such a letter could be a fund-raising tool if properly written; it can also be used to thank past donors. In any case, always include a contribution envelope and a bequest form with your report.

Chapter 2

HOW TO BUILD MEMBERSHIP

What's in It for Them? • 31

Know Your Options • 31

Targets and Planning • 33

Where Do You Go for Prospects? • 34

Face-to-Face Recruitment • 35

- Schedule • 35
- Campaign Committee and the Selection of Personnel • 36
- Up and At 'Em • 36
- Incentives • 36
- Preparing Your Recruiters • 38
- Prospects and Apportionment • 39

Organization • 39

- Recruiters • 39
- Committees • 39
- Materials • 40
- Special Campaign Bulletins • 40
- Team Competition • 40
- Publicity • 40
- Meetings • 43

Campaign Evaluation • 43

Success Stories • 45

Mailings • 46

Telephoning • 50

The Treatment of New Members • 53

Life Membership • 53

Advantages • 54

Disadvantages • 54

Renewals • 55

How to Raise Dues and Get More Members at the Same Time • 57

CHAPTER 2

HOW TO BUILD MEMBERSHIP

WHAT'S IN IT FOR THEM?

Organizations need members to stay alive. They need their money in the form of dues, and they need their involvement, energies, and ideas to have good reason to *remain* alive. When your organization tries to get new members, it is selling itself to people who can provide these things, offering them opportunities and benefits they can't get elsewhere in return.

Your benefits are your selling points. They should be the first things you consider when planning the thrust of your campaign, and the first things emphasized to your prospects. It's a good idea to pick one major benefit and make it the theme of your campaign so that your whole sales pitch can be hung on a forceful, direct, uncomplicated approach with one oft-repeated and easily remembered slogan. The point to be emphasized might be a particularly beefy governmental relations program, a system of hospitalization and life insurance benefits, or an unusual educational program.

A number of organizations make periodic membership audits to find out which of their services their members find most valuable. One way for you to do this would be to include the following questions (for example) on your next set of renewal blanks:

1. Which of the organization's benefits have been of the most value to you?
2. Which have been of slight or passing value?
3. How well would you say the organization has performed in the following areas? (list)
4. What programs would you like to see instituted or expanded in the future?

The answers to these questions can be useful in determining what tack to take with a membership market.

KNOW YOUR OPTIONS

There are three possible methods of contacting prospects: face-to-face interviews or meetings conducted by members, direct mailings, and phone calls. Because of the importance of the personal element in this kind of sale, the member-to-member approach is probably the most effective, especially when the prospect is someone the member already knows. It's also

the cheapest method. However, it requires that large numbers of members be trained, organized, and raised to a high pitch of shared enthusiastic commitment. You can't do this on the national level. Your organization must be contained in one area or else have local chapters that are sufficiently large and well-organized to undertake this kind of enterprise autonomously.

Mailings can obviously be made to reach huge numbers of prospects all over the country within a very short time. However, mail is the least personal of the three methods, and for this reason many membership chairmen say it may be the least effective. They contend that an uncommitted prospect needs the feedback afforded by a personal encounter, whether face-to-face or over the phone. We'll explore the realities of each of these three techniques more fully in the next section.

Another decision to be made is whether to plan periodic, all-out campaigns or to have a continuing general recruitment drive. There are things to be said for each method.

A special membership campaign can generate a degree of enthusiasm that couldn't be maintained over a whole year. Then, too, concentrating on membership for only a certain part of the year can leave the rest of your schedule free for other things. More people can be called upon to participate if they know that for those six or eight weeks no other demands will be made on them.

On the other hand, if your membership drive is simply part of your year-round policy, you'll be able to use more discrimination in selecting those prospects who are most likely to have a real affinity for your organization and, therefore, to stay with it the longest. Many organization heads have noticed that an all-out, no-holds-barred campaign is often followed by a rash of dropouts.

An organization's policy about occasional vs. continuous recruiting is likely to be related to the way it deploys its personnel for such work. In the case of a concentrated three-month drive, everyone will probably be asked to drop everything and pitch in. One organization regularly restyles its whole membership into a "Membership Committee" at such times. If recruiting goes on all the time, on the other hand, this would hardly be feasible. In that event, a standing membership committee is usually constituted, often with no other responsibilities at all. These committees, which may be drawn from the elected leadership or the rank and file, will survey the field for prospects, decide how they should be approached, and take care of all matters pertaining to the mechanics of recruitment. In larger organizations, such a committee may run special periodic campaigns, too.

Most associations choose the once-or-twice-a-year approach. The Professional Picture Framers Association and the Maryland Association for Retarded Children both conduct campaigns that run from January to June, and both are satisfied with the results. The National Association of Home Builders (NAHB) runs both a fall campaign, which takes the form of a race between teams headed by the national officers, and an "Early Bird" campaign from February to April, which is designed to bring a spring flow of dues into the treasury. An analysis of when your own organization is likely to face lean periods throughout the year could be used to determine the timing of your campaigns. You might also want to bear in mind the YMCA study that found that campaigns mounted during September, October, and November had better results than any others during the year.

At least one organization, the American Academy of Family Physicians, only mounts

campaigns when it feels the need. Although sporadic, they are intensive. Of course, like all organizations, it makes sure the door is open all the time. The national office routinely mails recruiting aids, such as brochures and ads, to all local offices. The International Association of Fairs and Expositions keeps the names and addresses of all prospects on Addressograph plates and sends them all a brochure, a copy of the monthly publication, a letter, and an application form once a year.

TARGETS AND PLANNING

You must have a goal. You have to know how many new members you want to get; otherwise, you'll be floundering in a vacuum. If your goal is unrealistically high, you're doomed to failure before you begin and will face the added problem of demoralization among the members who feel they've let you down. If your goal is too low, you may not defray the expenses incurred in setting out to meet it. Most organizations try to spend no more than 40 to 60 cents in campaign expenses for each dollar they achieve in new member revenue. Here are some things to remember about hitting that balance.

1. Figure out exactly how much a new member is worth in dollars and cents. How much will he pay in dues? How much will he spend on books, seminars, etc., during his first year?
2. How much will it cost to get him? Consider not only postage and phone bills but also the internal costs of your campaign—gift incentives for salesmen, rallies, dinners, etc. How large and how likely is your prospect pool? How much of an outlay do you think it could make good?
3. How much will it cost to carry each new member? What kinds of service is he most likely to take advantage of?
4. How likely is he to renew?

The last item may be the most important. Once you've extrapolated the answer from your existing membership patterns, you may find you can afford to spend more than you thought. Association executives usually consider the revenue from a new member's dues against the cost of servicing him for one year, but often they forget that income from his possible renewals is also money in the bank.

There's a simple formula for deciding what amount this is likely to be. Let's say you've established that 75 percent of your members renew each year. That means you have a cancellation rate of 25 percent. Divide this figure into 100 to find the average membership life for each of your members during any given year. A 25 percent cancellation rate gives you a four-year average life for each member. A 50 percent cancellation rate gives you two years for each member. A 10 percent cancellation rate, or 90 percent renewal rate, gives you ten years for each member.

Now, let's assume your annual dues are $100. If your renewal rate is 75 percent, your average member will stay with you four years, paying a total of $400. Say it costs you $50 a year to service him. That's $200, leaving a remainder of $200 for overhead and other such expenses—and recruiting.

WHERE DO YOU GO FOR PROSPECTS?

It depends, of course, on what kind of an organization yours is. You want people who already have some affinity with it, people who are interested in and committed to the kind of things you do. Otherwise, their life as members will be short and their contribution nil. Professional or trade associations, like the American Academy of Family Physicians and the National Association of Home Builders, have ready-made prospect lists, so to speak, in their fellow-workers, and go directly to them when the drive is on. Far from suffering from a lack of prospects, these two organizations have an infrastructure set up to deal with screening those they do have to be sure their financial and professional status is in good repair. When such associations are composed of small business people and tradesmen, it will frequently happen that members are recruiting among their competitors, but this is apparently not always the stumbling block it appears to be. "If a competitor approached me for membership, I'd feel flattered," said one such prospect.

If yours is a service organization, you will have to look in places where you're likely to find people committed to furthering the kind of work you support. Here are some possibilities:

1. Published lists of contributors to drives and charitable efforts that are allied to your group's interest.
2. Membership lists of professional groups (social workers, teachers) in fields related to yours.
3. Lists of church and community groups.
4. Nonaffiliated people who have dealt with your group or used its services in the past.
5. Lists of subscribers to magazines dealing with your area of interest.
6. Finally, ask each of your members to search his brain for the names of three people he personally knows to be likely candidates for membership.

You can get mailing lists from brokers who supply them professionally on a commission basis. After a consultation with you, such a broker will be able to help you determine your target population and supply you with an appropriate roster of names. You can find out more about these agents by writing to the Direct Mail Marketing Association, 6 East 43rd Street, New York, NY 10017 (phone: 212-689-4977).

Now it may happen that you will acquire a considerable pool of prospects by these means and be left sending them mailings year in and year out, wasting a lot of postage. Many organization leaders don't mind this and will continue casting their annual nets until a prospect specifically requests that his name be taken off the list. However, one association executive decided he wanted to do something about clearing out what he called the dead wood. So he devised a color-coding system whereby each prospect's card was tabbed with a small metal clip indicating how likely the prospect was to join. The color code was:

red = high priority
yellow = active
green = negative response
blue = no activity

Under this scheme, prospects are tabbed yellow unless there is a known reason to classify them otherwise. A prospect is considered high priority if he has requested information about the association, attended its seminars, or is new to the business. A person tabbed green has refused a membership offer, but he isn't removed from the list until he refuses a second time. In the meantime, the association tries to find out what his reason for refusing is, and it is often able to change his mind. This is also a good way of keeping the organization sensitive to areas of possible improvement. Blue tabs represent prospects who have never replied at all—the potential dead wood. After a certain period of time they are sent a letter saying that in view of their lack of interest they will soon be dropped from the list unless they indicate their desire to remain on it by returning the enclosed business reply card.

FACE-TO-FACE RECRUITMENT

The following is a breakdown of the timing and organization that would be used in an intensive local campaign centering on the personal efforts of members.

Schedule

The period during which members will be doing the actual recruiting shouldn't be longer than seven to ten days—it wouldn't be possible to sustain the necessary enthusiasm for longer than that. But the planning for it might have to begin three or more months in advance. The following is a suggested schedule for this period of preparation.

EVENT	WEEKS BEFORE OPENING DAY
Preliminary organization meeting	12
Campaign chairman and director secured	10
Campaign office set up	10
Division chairmen secured	8
Meeting of division chairmen	6
Team captains secured	4
Prospect list completed, work cards ready	4
Master lists ready	3
Meeting of captains	3
Membership application cards ready	2
Team workers secured	2
Cards divided or selected	1½
Campaign folder or broadside mailed	1½
Team lists ready	1
Division rallies, cards distributed	½ to 1
Second mailing piece, house bulletin, etc.	½ to 1
Opening meeting of the campaign	

Campaign Committee and the Selection of Personnel

Try to get people prominent in business and community affairs, people with status and savvy in public life, to be your campaign leaders. The use of an influential person as your "sponsor" or honorary chairman can boost morale. However, these people shouldn't be so important elsewhere that they would have little time left over to give to your campaign. They are going to have to give more generously of themselves to the effort than anyone else.

Your rank and file workers must be committed too. You'll want as many recruiters as possible, of course, but you should still be cautious about taking on people who just agree to "stop in and help out." They won't have the same enthusiasm as your regular members, and enthusiasm counts in a sales effort.

Up and At 'Em

You have to create an atmosphere of enthusiasm and inspiration to bring your members' efforts to their highest peak. Organizations planning extensive campaigns routinely include kickoff meetings and rallies with pep talks to put their recruiters in the right frame of mind. Simple, catchy slogans are also used. One organization came up with an acronym: GAIN 1 (GAIN = Get Action and Involvement Now). "We had the members of our staff wearing GAIN 1 buttons in the office and putting GAIN 1 stickers on all correspondence," recalls an executive of the organization. "They even put stickers on their 'in' and 'out' baskets. That was overdoing things a bit, but we encouraged it because we felt that if we could get all our people thinking about building membership, they would come up with some good ideas for the campaign—which they did." Perhaps even more effective in making people decide to get out and recruit were the numbers quoted in the letter that went out to all members over the international president's signature: "If you will dedicate just one hour to this program, this plus the other 9,651 hours dedicated by your fellow members will represent a total of 1,207 member-days. Think what can be accomplished through this combined effort!" Thus, members were shown how a minimum investment of time and effort on their part could nonetheless make a difference.

Another means of informing your members about your campaign and raising their interest in it could be your magazine or bulletin, if you have one. Announce that this is the new and pressing order of business. Use editorials, show figures and sums, and run articles giving advice on how to select and woo prospects. Can you staple an application blank into your binding?

Incentives

If you expect someone to be persistent in sales efforts for which he's not getting paid, you must at the very least show that you appreciate him. A personal letter from the president requesting the individual's service, and another thanking him for his efforts or congratulating him on his success, are both good ideas. Here's an example of the first kind of letter, sent out by a local Home Builders' Association president to all members prior to the campaign.

PERSONAL LETTER (*not a form letter*) FROM LOCAL HBA PRESIDENT TO MEMBERS REQUESTING ONE-DAY VOLUNTEER SERVICE. Mail on Monday for Tuesday receipt since less mail is received then than any other day during the week.

(ON LOCAL HBA LETTERHEAD)

Dear _____:

As you know, our cooperative efforts in the __Association__ have resulted in many direct economic advantages for not only our members, but also for allied industries as well. So that we can continue and better serve members and the community, your officers and Board of Directors are undertaking the strengthening of our organization, for which your assistance is needed.

As part of a well coordinated campaign, will you, therefore, give *one day* of your time to the Association on __(Date)__ during a special one-day membership campaign? Nothing more than this one day is asked. Prior to it, all prospective members will have received letters and materials. Your help is needed to highlight and climax this effort with a personal invitation to join.

Our "One-Day Membership Campaign" will be launched with a special kick-off breakfast at the __(Name)__ Restaurant at __(Hour)__ o'clock on the above date, and close with a party that evening at which results will be tabulated.

(OPTIONAL PARAGRAPH: The Membership Campaign Committee (or Spike Club) is offering prizes to high scoring workers which will include __(PRIZES OR AWARDS)__.)

I can assure you that your time will be enjoyably and profitably spent to our mutual advantage. Please use the enclosed, stamped and self-addressed post card to advise me, at your earliest convenience of your decision to accept this invitation.

Cordially,

President

Enclosures: Post Card
(Spike Club Brochure)

Take advantage of all opportunities to commend workers publicly for their part in the drive. The value of a compliment tends to be multiplied by the number of people who can hear it being given. A victory dinner at the end of the campaign is an excellent opportunity to give this recognition. Don't forget your publications, either. Print the names of prize member-getters for all to see, with appropriate laudatory remarks. Those recruiting more than a certain number of members might be awarded a star. Have you found that certain types of members are more likely to contribute to the welfare of your organization than others? Then perhaps you could use a point system of awards, giving extra points to those members who bring in these "prize catches."

Most organizations try to give their star performers more tangible rewards as well. During a recent campaign, the IIA allowed local chapters to keep $10 (instead of the usual $5) of the

$15 registration fee paid by each member they recruited. The two chapters bringing in the most new members each received $100 and a plaque. Each member who had gained a new recruit put his name in a treasure chest, from which 13 lucky winners were drawn at random during the Auditors' annual conference. These winners received briefcases, luggage, calculators, radios. Another organization allowed *all* workers who had signed up a new member to win a gift from an incentive house's catalogue. (In the end, however, this particular gambit proved more expensive than it was worth.) If you plan to use gift incentives, you'll find you'll get more mileage out of the idea if you provide a large number of inexpensive prizes rather than a few big ones. It's better to give as many people as possible something to shoot for.

Many membership chairmen remark that some kind of team competition structure can be one of the most powerful incentives. Some associations play off adjacent chapters to see which can bring in the most members, with the losers treating the winners to some festive meal or outing.

Probably no organization has raised the incentive program to a higher art than the National Association of Home Builders with its Spike Club. This elite group consists of members who have signed up a minimum of six new members in two consecutive years, followed by at least two more members each succeeding year. Twenty-five new members earns you life membership in the prestigious Club. Fifty members entitles the recruiter to a green sport coat, 75 to a gold pin to wear on it, 100 to a red coat, 150 to a royal purple coat, and 350 (never yet reached!) to a special emblem to wear on that. At national conventions, Spikes have private parties that no one else may attend. A computer printout is sent each month to each chapter, informing it of the Spike Club status of all its members. All in all, the prestige of this group within a group is such that membership drives are now occasions of fanatical interest throughout the organization. There are just short of 5,000 Spikes today, and more than 5,000 on the outside doing their best to get in.

Preparing Your Recruiters

But even such incentives might not be enough to get members over the uneasiness they may have about assuming the role of a salesman. Many people feel they need some preparation for this activity. Here, then, are some general tips on face-to-face salesmanship you can pass on to your members:

1. Always call beforehand to set up an appointment. This is simple courtesy, since your dropping in unannounced could easily inconvenience your host. He might very well be busy.
2. Tell him exactly why you want to see him while you're on the phone. Downplaying the object of your visit undercuts its importance and therefore the importance of your organization. But don't try to close the deal on the phone.
3. When you see your prospect, thank him for allowing you some of his time before you do anything else.
4. Be sincerely enthusiastic about all the benefits your organization offers him. But don't promise him things it can't deliver. That kind of oversell is one of the prime causes of nonrenewals. You want a member who will *stay* a member.
5. Don't go too fast. Give each point time to sink in.

6. Don't make the mistake of doing all the talking. People who've made up their minds not to buy something generally say nothing. Elicit questions and responses.
7. Try to find the real reasons behind his sales resistance (dues too high? the press of other business too great?) and refer to specific features in your organization to show they don't apply. Counter every objection with a corresponding benefit.
8. Thank him for his time again when you leave. Leave printed matter behind.
9. Always follow up with a call. He may be conferring with associates about joining, and hearing from the salesman again in a week or so can be the final clincher.

Prospects and Apportionment

Generally, the base rule is that to acquire 200 to 300 new members you should plan a prospect field of 1,000. If you are looking for renewals as well as new members, you might be able to get up to 500 from that 1,000. To get 1,000 new members, recruit among a field of 3,000 to 5,000, and so on.

No worker should be given more than 20 prospect cards—15 is probably optimum. For 1,000 prospects you'll need 50 to 60 workers. Prospects can be divided among them according to geographic convenience or professional or other affiliations. Or, each worker can select his own. (This "requisition" approach usually has the disadvantage of leaving a large number of prospects unselected, which then have to be assigned after all.) Each member should be encouraged to check the master list of prospects the committee will have prepared and solicit any friends, relatives, or associates not on it.

ORGANIZATION

Recruiters

You can break your organization up into divisions (geographic or other; for example, professional), each of which can in turn be divided into four to eight teams of six to ten members each, headed by captains. This structuring makes it easier to apportion prospects and can form a context for competitive effort. Each division should have a secretary who will act as liaison between the recruiters and the committees.

Committees

- The executive or general campaign committee. Consists of the president, the campaign chairman, division heads, and chairmen of all other committees. Serves as a clearing-house for all matters pertaining to the campaign.
- Publicity committee. Prepares the publicity program.
- Program committee. Develops theme and slogan; arranges for meetings.
- Arrangements committee. Prepares all meal functions involved in the campaign.
- Prizes committee. Selects and buys prizes for awards to recruiters.
- Auditing committee. Takes care of paperwork involved in receiving new members' applications and dues.

Materials

Each team captain should have a kit containing:

- Application cards for all prospects assigned to team
- Team's master list
- Blank application cards (extras)
- Captains' instructions
- Workers' instructions
- Copies of publicity materials

Each worker should be issued a portfolio containing:

- The name and number of his team
- His captain's name
- Workers' instructions
- Prospects' application cards
- Campaign information: his team's quota, dates for meetings, rules, etc.
- Packet to leave with each prospect. This should include a membership brochure, leaflets setting forth persuasive reasons for joining, a copy of the organization's publication, etc.

Special Campaign Bulletins

Not your usual newsletters, these carry special news of the campaign and commendations for successful workers. They should be newsy, lively, and informal. They should also be used to maintain enthusiasm and inspire greater effort, but they SHOULD NOT preach or scold.

Team Competition

This gives an added fillip to the recognition of effort and makes a campaign more fun. Give your competition a theme, such as football (the Riverdale Dolphins vs. the Maplecrest Vikings, for example), which will endow each team with a special identity. Have a quota for each team to meet, and keep a record of their progress by prominently displaying thermometers with ever-rising columns of bright red mercury. Have all team captains keep close track of how their teams are doing. Don't wait till the last two days to discover you're behind.

Publicity

Publicity prepares your prospects for their contacts with your members by telling them what the campaign is about beforehand, thus taking care of the salesman's first and most time-consuming job. It also gives those salesmen the confidence that comes from knowing they're selling something that has already been made familiar.

Try to get people for your committee with some experience in public relations, advertising, sales, and public speaking. Inform them of how much money they have to work

with—from 12 percent to 15 percent of the general campaign budget is generally a good idea. They can take your story to the public by the following means:

• The press. Submit articles, interviews, and news stories about your progress to the local papers. Some of them may allow you to insert a guest editorial. You can submit a press release just before your kickoff date. Here's a sample, made up by the NAHB:

PRESS RELEASE:

NOTE: Copy this Release on Your own Letterhead for your Local Newspaper and Radio Commentators.

BUILDERS MOBILIZING FOR NEW ERA

Sighting an era of residential expansion here, the Home Builders Association of __(Name)__ this week launched a major drive to attain full membership strength, __(Name)__, President, announced.

__(Name)__ pointed to community advantages to be gained. The aim, he said, is to see that, through cooperation, all needed homes and facilities are provided.

He estimated that each new home built provides about two man-years of employment and an average of $2,000 additional in immediate business for service industries.

"This Association seeks the support of every builder, subcontractor and supplier who can qualify for membership," _____ said.

The Association was formed in 19____. It now has _____members. They account for over ____% of new homes in __(local jurisdictional area)__. The HBA is one of about 600 Local and State Associations which form the National Association of Home Builders.

Chairman of the membership effort is __(Name)__. "Spike Club members, a special membership recruiting group within the Association, are taking part in the campaign," __(President)__ said.

"A preliminary survey shows it is reasonable to expect that as many as ____ members can be added in our present effort," he said.

Volunteer workers will attend a special kick-off breakfast which will be held at __(Hour)__ a.m., __(Date)__ at __(Name)__ Restaurant, after which they will devote the remainder of the day to the intensive one-day drive climaxing the effort. Prizes are to be awarded to workers signing up the largest number of approved prospects at a party that evening at which results will be tabulated.

One area where you should tread carefully is the purchase of paid advertising space. People who are giving their services for nothing may resent such outside expenditures.

• Local radio stations may allow you five to fifteen minutes as a public service or feature spot announcements by their regular newscasters.

• You can make up posters for display in local businessmen's windows. (It's a good idea to have someone with artistic talent and experience on your committee, too.) You can sometimes get placard space in buses from the organization that sells the space to advertisers.

- Could you make a short film, eight to ten minutes in length, that could be shown in banks and other public places? Perhaps you could also arrange to have a message shown on the screen of a local movie house, at a drive-in theatre, or on a cable TV system.
- Large, brightly colored cardboard booths, big enough to hold two volunteers, can be set up on busy downtown corners where literature can be passed out, questions answered, and new members signed up on the spot. Check local officials for permit requirements.
- Perhaps local merchants would be willing to accept a consignment of "stuffers" (folders or other promotional materials) to put in all outgoing delivery parcels. People are, admittedly, very likely to throw these out without reading them, so make them as short and eye-catching as possible.
- A parade? Publicize it widely beforehand and have banners and balloons printed with appropriate slogans. The sound of a marching band (from a local high school?) is always enjoyable. Here, too, a permit may be required.
- Don't forget handbills (for posting on lampposts or to be given out on corners) or "take one" boxes.
- Finally, you can set up a speakers' bureau. Ideally, it should be made up of people with some experience in public speaking and should, in any case, be chaired by someone with professional expertise therein, like a minister or lawyer. Give them all the facts about the organization and its campaign, all the reasons for joining, and a generous sprinkling of appropriate human-interest stories so that they can rough out a series of short speeches. The chairman should contact all the local fraternal, social, and religious groups he can, asking if they will give five to fifteen minutes to one of your speakers at one of their meetings.

Since it's very likely that not everyone you can get for your bureau will have experience at the podium, here are a few suggestions to help such people feel more comfortable with the role.

1. Make the material a part of you. Read about it, put down all you know about it on paper, talk about it to people you know, think about it. See if you can come up with ideas of your own about it. The purpose of all this isn't simply to make you an expert on it; it's to enable you to talk about it naturally.
2. This may sound frightening. *Don't* read your talk, and *don't* memorize it. Nobody loses an audience faster than a speaker whose eyes are glued to the desk. Audiences want to be looked at. Pick one face on the left and one on the right, and speak to each one in turn.

   As for memorizing your speech, unless you're a professional actor it's apt to lend a zombie-like air to your delivery. There's also the danger that you'll get stuck in the middle and come to a dead stop with no one to cue you. Memorize the general outline of your talk and write a few key words on index cards to remind you of what follows what.

   What you're actually doing is talking to people and telling them something you want them to know. Think of it that way and not as a performance. Speak naturally, using your normal vocabulary. Don't apologize for your lack of experience. And if you find you've forgotten something, leave it forgotten—the audience didn't know it was supposed to be there anyway.
3. Memorize your two or three closing sentences so that you can come to a neat clean stop and resume your seat—don't ramble on and on.

Meetings

Division heads should meet with the committee chairmen about six weeks before the campaign to report their progress in assembling captains, decide on the apportionment of prospect cards, arrange for quotas, prizes, rallies, and so forth. Three weeks before kickoff, the captains should have a similar meeting, ideally a dinner where they can meet their division heads and receive instructions on how to brief their workers. Captains' duties include:

- Assigning cards to workers, emphasizing that they *all* must be covered
- Taking over any cards with which the workers have been unsuccessful
- Urging attendance at all workers' meetings
- Keeping in constant touch with the workers, maintaining individual records of their progress

Workers' meetings have two purposes: (1) to give instructions, answer questions, and solve problems and (2) to inspire enthusiasm. At the first meeting, all the recruiters in each division should be introduced to each other and their captains. The stage for team competition can be set at this time. Later, division rallies, in addition to pep talks and advice, can include a demonstration of an interview with two members taking the roles of prospect and salesman.

The success of a campaign of this type is directly proportional to attendance at meetings, and no meetings are better attended than ones that include a free meal. Decorate the dining room with display charts and have campaign materials available. Give each team its own table. Invite the office staff. Have a procession of dignitaries.

A campaign lasting ten days should include three or four report meetings during that time at which teams can pass in their cards, announce their progress so far, and get their due recognition. Teams with the fewest cards in should report first, so that the meeting builds to a climax. It's a good idea to have someone from the auditing committee on hand to go over the cards so that if a discrepancy arises the worker is there to help straighten it out. Cards that have drawn blanks can be handed over to the captains. These meetings can be held during the lunch hour if most recruiting is done in the evening or after dinner if attendance is apt to be better then.

The closing meeting should be a festive dinner with light speeches, an expression of appreciation by the president, and the awarding of prizes. If your overall quota wasn't met, don't try to cover it up, but emphasize that even so it was a successful campaign and that all the workers have good reason to feel proud of themselves. Many new memberships will probably be brought in at this meeting, so plan a program that will last through the auditing.

CAMPAIGN EVALUATION

Shortly after the end of the campaign, the committee chairmen, division heads and secretaries, captains, and highest-scoring members should get together to review the whole effort, pinpointing strengths and weaknesses. The following outline can be used to suggest points of inquiry:

I. *Campaign results*

Was the quota reached in terms of members? In terms of revenue? If not, why not? Was the goal unreasonably high? Was organization inefficient? Or was it just bad luck? Did the organization derive public relations benefits as a spinoff, such as a more widespread appreciation of its accomplishments among outsiders? If any negative attitudes were encountered, what can be done to counteract them?

II. *Campaign organization*

Was there enough manpower to cover all the cards? Were there many that couldn't be solicited? Should there have been more or fewer teams? Were any of the captains or division heads duds? Did the workers receive sufficient training?

III. *Campaign publicity*

Was the slogan catchy enough? Was it sufficiently exploited? Did the campaign get adequate news coverage? Radio coverage? To what extent was the speakers' bureau used?

IV. *Campaign meetings*

How good was attendance, and what can be done to improve it? How was the spirit at meetings? Was the entertainment good? How about the meals? Was the auditing well timed? How could it be improved? Should there have been more or fewer meetings than there were?

V. *Campaign techniques*

Was the method of apportioning prospects satisfactory? Were the quotas set fairly? Did too many teams fall below or go above 100%? Did the method of scoring success provide the right kind of stimulus? Were the prizes effective? Should there be more or fewer next time?

VI. *Miscellaneous*

Should the next campaign be held at the same time of year? Were there any unusually talented captains, or other workers, who should be considered for the permanent membership committee or the board of directors?

In addition, a questionnaire enclosing a business reply envelope can be sent out to all workers that includes the following questions:

1. Did you enjoy participating in this campaign?
2. What phases of the campaign did you particularly like?
3. What phases would you criticize?
4. Do you have any suggestions to improve the conduct of future campaigns?
5. Any suggestions about the programs at report meetings?
6. Any suggestions about workers' materials, awards, etc.?
7. What do you consider to be the chief benefits accruing to the association from the campaign?

8. Do you think the campaign had any harmful results?
9. Would you be willing to work in one next year?

SUCCESS STORIES

Here's how two very different organizations prepared and carried out intensive one-day drives. The first is B'nai Brith Women, a national voluntary service organization of Jewish women; the second is a trade association, the NAHB.

B'nai Brith Women had been losing members for three years in a row when they decided to confront the problem by changing their method of training recruiters. Hitherto, local membership chairmen had been brought to the national headquarters in Washington, D.C., for instruction and then sent back to spread the word. But in 1965, the leadership decided to send out an expert to a test community that showed good growth potential to demonstrate sales techniques on the spot. Under her direction, the members of the 18 local chapters in the city selected (Cleveland) carried out five weeks of preparation climaxing with a one-day doorbell-ringing campaign. The steps were as follows:

First and second weeks. A master list of all members of the 18 chapters was compiled. Each was contacted and asked for the names of friends, relatives, and anyone else who might make good prospects. Membership lists of other community organizations were also obtained for this purpose. A kit of promotional information was compiled, to be left at the home of each prospect visited.

Third week. The prospect cards were made up. They included the name of the member who suggested the prospect so that she could receive recognition if the prospect joined. The cards were then checked against the master file of members to remove any duplicates. (This step was eliminated from later campaigns since the overlap was almost nil.)

Fourth week. Five names were assigned to each solicitor on the basis of age group and geography. The solicitors were briefed on what to say and how to say it.

Fifth week. A "wishbone letter" was sent to each prospect, telling her that a member was coming to call and inviting her to join.

One hundred women were prepared for the job of knocking on 500 doors on the day of the campaign—a day that found Cleveland blanketed by 17 inches of snow. The women went out anyway, although they were only able to contact half of the desired 500 prospects. Subsequent use of this campaign technique, however, resulted in an increase from 124,000 to 150,000 nationally, and Cleveland organized three new chapters.

The NAHB has a list of screened prospects compiled and made available one month before the day of the campaign. The countdown then goes as follows:

First week. The personal letter from the president, requesting volunteers, is sent out to all members. Letters of acknowledgement and welcome to new members are prepared. Members send letters of announcement to their prospects. The Membership Committee establishes the campaign rules.

Second week. The publicity campaign begins with releases to local papers. Arrangements for the Kickoff Breakfast on Campaign Day are begun. The basic units of NAHB member salesmanship—teams consisting of one "builder" member and one "associate" member—are assembled on the basis of professional relations and mutual congeniality.

Third week. A second letter is sent to all prospects.

Fourth week. All members get a mailed or phoned reminder of the date of the kickoff breakfast. Campaign material kits are prepared. These contain: benefit brochures, leaflets telling why builders should join, and a newsletter for professional builders. Final arrangements are confirmed with the restaurant.

C-Day: Starts early with the kickoff breakfast, at which members pick up their kits and hear speeches of instruction and encouragement. They then scatter and spend the day soliciting. That evening, they bring back their catch for a report party and dinner, featuring announcements, introductions, awards, and merrymaking far into the night.

MAILINGS

Many a campaign consists of direct mailings alone. If you're planning to recruit this way, here are some things to remember:

- If you're using bulk mail, use a postage meter imprint rather than a bulk mail imprint. Your mailing will look less like "junk mail" that way. If you want to convey a really prestigious image, mail first class. The outside of the package does matter. One association's most successful mail effort used a square, off-white envelope resembling an invitation with "The favor of a reply is requested" printed on the back flap.
- Remember to code your mailings so that you can measure your response.
- Always mail on Monday. Less mail arrives on Tuesday than on any other day of the week.

The package you send out should include:

- A personal letter from the president
- A membership brochure, detailing benefits
- A copy of the current issue of the house organ
- Extra information for new members
- An application blank

Now let's take them one at a time.

The letter. Surveys have shown that recipients are far more likely to read brochures and other materials if a letter is sent along with them, so this part is important. It's the one personal element in the package, even it it's printed. The letter should talk in a friendly, informal way about the benefits of joining, and it should hold the reader's interest. Here are two samples of such a letter, both sent out by the NAHB. The first went out to all prospects over the president's signature; the second was sent by local members to their immediate group of contacts.

PERSONAL LETTER (NOT A FORM LETTER) FROM THE HBA PRESIDENT TO ALL PROSPECTIVE MEMBERS. Use this guide to develop a comprehensive sales letter describing your HBA, but *do not ask for a check at this time.*

(ON LOCAL HBA LETTERHEAD)

Dear _____:

Because its activities have a direct effect on your business, I would like to briefly describe for you some of the background and accomplishments of the Home Builders Association. Thus you will be better acquainted with the organization which serves as chief spokesman for the industry here.

In 19____, this professional trade association was organized to help local builders (and others involved with home construction) to better contend with their many problems through collective action. Relationships with city and county planning commissions, FHA-VA, and problems dealing with the community facilities, building codes, mortgage finance, etc., have been a matter of constant concern. As a result of responsible representation, the Association is now sought out by officials for advice and cooperation in these and many other vital activities.

We have continuously stimulated home ownership and business activity for the entire community through such promotions as the Home Show, Parade of Homes, and National Home Week. Our programs have greatly increased the knowledge of builders, enabling them to better serve both themselves and the public. These activities, we feel, have contributed materially to the progress and growth of our whole local industry as well.

We also represent the industry at the state level on matters affecting our business. Upon joining this Association a member also becomes affiliated with the __(Name)__ State Home Builders Association and the National Association of Home Builders, and receives their authoritative and important trade publications. NAHB, composed of more than 75,000 members in about 600 organizations across the nation, serves as our watchman on all national legislation.

Services and technical information concerning many specialized fields are constantly provided by the combined local, state and national organizations. An important by-product of our Association lies with the fellowship and good will generated during exchanges of ideas at meetings, and the interesting programs presented.

Because we feel that you are also concerned with the same basic business objectives which confront us, I have taken the liberty of addressing this letter to you.

Very truly yours,

President

BUILDER'S LETTER TO PROSPECTS

Dear _____:

Working in residential construction as we do, I am sure you recognize that the actual job of construction is only one of the many occupational problems facing Builders and those who work with Builders. Governmental bodies on all levels affect us on all sorts of matters ranging from zoning and construction codes to financing

and taxation. Money markets change—so do customer preferences—and there's always a new problem cropping up. As businessmen we must keep up with current trends in the business aspects of our industry.

To try to "go it alone" on these matters is obviously impractical. Consequently, we rely heavily upon and support the Home Builders Association of _____ and through it the National Association of Home Builders. These Associations represent the Builders, and the subcontractors, mortgage bankers, manufacturers and professional people who participate in the industry and are active in the Association as Associate members. I honestly believe that those who are supported by the building industry should, in turn, support the industry organization.

The strength of our membership will determine the effectiveness of our Association as our industry-wide representative. I know you would make an effective and desirable member of the Home Builders Association of _____ and I want to personally extend to you an invitation to join with us as a representative of your particular phase of the industry. To achieve the greatest mutual benefits and economic success in home building, all of us in the field must pull together and pull our share.

Sincerely,

signed by Builder member

And here's a copy of the second letter the locals sent out later in the drive, after their mailing of campaign materials had been received. It is something in the nature of a clincher.

Dear _____:

I am extremely pleased to advise you that your name has been placed in nomination for membership in this Association, and has been approved by the Board of Directors.

During the past several weeks, while this action was pending, to better acquaint you with our many activities and objectives, you have been furnished informational materials about our Association.

It is, therefore, my privilege and honor to extend to you, herewith, a formal invitation to become affiliated with our organization, and to inform you that on __(Day)__ __(Date)__, members of this Association have been delegated to call upon you to personally extend this invitation to join.

I hope that you will provide them with a cordial reception, and ask any questions which you still may have concerning our efforts to improve the industry with which we all are so vitally concerned.

My congratulations upon the honor which has been accorded to you. All of us look forward to welcoming you personally into our organization in the very near future.

Very truly yours,

President

Membership Chairman

The brochure. Ideally, your brochure should be breathtakingly beautiful, compellingly written, filled with solid facts, and not too long. It has to capture the imagination of people who may be far from committed to you at the moment they take it out of the mailbox and open it.

Be as concise as possible while including all the benefits of membership. Avoid stark lists for the sake of brevity; they turn people off. One executive strongly recommends that you try to secure the services of a professional copywriter with experience in direct-mail sales. He says it's too important and delicate a job to be left to amateurs. You might also want to get someone who knows about graphics, since visual impact is an important element in any printed piece. Graphics also have more to do with the image you present than anything else in your mailing. It is very important that you avoid looking drab or dated.

Even at the current rate of inflation one picture is still worth at least 650 to 750 words. Remember, too, that studies of reading habits show that people are more likely to read the captions under photographs than they are to read column copy in a piece that includes both. Exploit this fact by using as many photographs as possible. They should show your group in action, giving the viewer a sense and a feel of what it would be like to belong.

Finally, remember the importance of having a single theme for your campaign, one that can be wrapped up in a catchy six- or seven-word slogan. Use your brochure to hammer that slogan home.

The publication. If you can manage it, try to have one issue of your magazine or bulletin tailored for inclusion in this mailing. (This issue is not to be confused with the earlier one in which you announced your campaign to your members.) It might include a forceful editorial on the benefits of membership. Another idea would be to devote this issue to letters from members describing how they've benefited by belonging. These can be solicited ahead of time, probably without too much trouble—people always enjoy seeing themselves in print.

Extra information. This would include a printed dues schedule; a description of recent, current, and projected activities; etc.

The application blank. Make it easy to join! Your application blank should be short and easy to fill out, and should offer your prospect the option of sending in his dues at a later date. Don't make him fill out computer keypunch blocks. Put the application on the back of a business reply card or enclose a business reply envelope.

How effective is mailing? One organization had a happy story to tell. They had aimed at a return of $1 on every 50¢ spent and a response rate of 1 percent. Instead, they got $1 for every 13.7¢ spent and a response of almost 2 percent (302 out of a 20,000 mailing). Still, others claim that because it's so much less personal than face-to-face or telephone contacts mailing is not the most effective way to carry out a campaign. Most organizations do require some personal follow-up after a mailing. And they emphasize that, in any case, you should never give up. Keep mailing to your prospects until they buy or ask you to take their names off the list.

There's one more item you might want to include in your mailings if postage costs make it feasible, and that's an advertising specialty. These are small, inexpensive items such as ballpoint pens, ashtrays, keychains, memo pads, and calendars, which are stamped with your organization's name and slogan. They form a daily reminder-in-hand of your existence for their owners, and they seem to work well. The Indiana Retired Teachers' Association used a red-and-white ballpoint pen stamped "There's no match for our services" and reported that it did, indeed, prompt its recipients to write membership checks. (There was a 32 percent

increase in membership after the mailing, and revenues of $6,300 against a $2,800 outlay.) These little gadgets can also embody your slogan. The Oregon Newspaper Publishers Association, looking for advertisers, distributed an 18″ ruler stamped "Oregon weeklies measure up." They also mailed out measuring cups. This campaign, too, was followed by an appreciable increase in sales. Research indicates that over 99 percent of all businessmen have at least one specialty item on hand at all times. You can find an "Advertising Specialties" section in almost any Yellow Pages directory in the country, and you'll be able to get not only a product but sound advice about its selection and distribution from the firms listed there. Two examples of such concerns are the Gowi Madison Company, 5 Whittlesey Ave., East Orange, NJ 07018 (phone: 201-672-2700) and the Dartnell Corporation, 4660 Ravenswood Ave., Chicago, IL 60640 (phone: 312-561-4000).

TELEPHONING

Customer feedback in a direct mailing campaign is limited to the marking of one or another square on a business reply card—or not sending the thing back at all. There's no way to elicit the prospect's real reasons for not joining and zeroing in on them then and there. A brochure that comes in an envelope may contain everything good there is to say about your organization, but it still leaves it with no personal identity. A telephone call, on the other hand, invests your image with a human voice—one that will ask and answer questions, counter objections, take an interest, and, in short, demonstrate to your prospect that your group is alive and well and cares about him. A telephone call is also much less easy to ignore than a printed package. It certainly can't be thrown into the wastebasket unopened. Telephone company surveys have found that campaigns relying exclusively on mailings get a positive return of 1 to 3 percent. When phone followups are added, however, the rate goes up to 10 percent.

All this is true, of course, when the caller is someone who knows the prospect personally. If you're planning a massive telephone campaign, however, this may not be feasible and you may have to hire and train outside personnel to do your calling for you. These people should have two qualities: a pleasing voice and persistence. Most of their time on the job will be spent explaining their business to secretaries and then calling back later because the prospect was busy the first time (and often, the second and third times, too). Some top executives have to be called ten times before they can be reached.

Because of this frustration quotient and the highly repetitive character of the work, one executive found that most workers could only be effective for a maximum of four hours a day. In addition, the turnover rate was fairly high. Even so, he found that the costs of the program were no more than 3 percent of the revenue brought in.

If you plan to use hired callers, particularly if they're not professional salespeople, you might want to use a taped message to carry the burden of your sales pitch. The National Restaurant Association did this and got a 5 percent response for an expenditure of 50 cents on the dollar. Each caller, upon reaching his prospect, asked if he would listen to a short recorded message from the president of the organization. The answer was almost always yes. After the message was over, the caller came back on to solicit a response. He was equipped with a set of flip charts designed to provide him with the answers to any questions the prospect might ask him.

If you plan to use the personal approach in your calls instead, the Bell Telephone Company can help you in training recruiters. In addition to publishing some free booklets on telephone courtesy, your local phone company probably also conducts free seminars in Phone-Power for organizations interested in making sales or conducting campaigns by phone. The Phone-Power program consists of five steps:

- Setting your objective
- Setting up a market test
- Selecting and training personnel
- Establishing a quota for each caller; e.g., 10 calls a day or 30 a week
- Setting up provisions for evaluating the success of the program

The people who conduct such seminars have distilled some pointers about salesmanship you can pass along to your telephone corps. In many instances, these parallel the ones for face-to-face transactions.

1. The first three steps are always the same: statement of the caller's identity (name, title, and group); statement of the purpose of the call (we're interested in having you as a member); and the strategic pause. This last is the point at which you gauge your hearer's reaction. What he says then will determine the course of the call. If he doesn't say anything, don't sound chagrined. Just go smoothly on to the next point.
2. But remember the importance of getting him to talk, too. It's easier to fall into the trap of "running on" when you can't exchange non-verbal cues with your conversational partner. The trick is to ask open-ended questions; i.e., ones that can't be answered yes or no. (What benefits would you look for in an organization like ours? How are you fulfilling those needs at the present?)
3. Close the call with a "forced choice." In other words, don't ask *if*, ask *which*. "All right, and thank you very much for your time, Mr. _____. You'll want to think it over before I get back to you, of course. I'll check with you again at the end of the week. Shall I call Thursday afternoon or Friday morning?"

Now let's imagine that your caller, primed with the above, dials the worst prospect imaginable.

TELEPHONE SCRIPT

PROSPECT: Hello?

CALLER: Hello, Mr. _____? This is __(name)__, __(title)__ of __(organization)__. I'm calling you today because we're conducting a membership drive, and you're someone we'd particularly like to have in our organization.

P: Ah—that's very nice of you, but to tell you the truth I couldn't even think of it. I've got so much to do I couldn't begin to take an active role as a member.

C: That's all right. In fact, it's wonderful that you see your membership in terms of responsibility! It proves you're exactly the kind of member we were hoping to

attract. Of course, we understand how busy you are. We wouldn't ask you to hold any office you didn't want or serve on 15 committees. We have members engaged in all possible levels of activity, from the lowest to the highest. And even if you don't have the time to do anything at first, you'd still be giving us your financial support in the form of dues, which we need and, I think, deserve.

P: Well, that's it, really. I don't know if I could afford the dues.

C: Are you sure? You know, our dues are only _____ a year. That works out to _____ a month, or _____ a week, or _____ a day! I'm sure you could spend _____ a day. Especially when you think of what it entitles you to: (fill in ad. lib.: health insurance program, monthly publication, summer group travel plan, public relations benefits). Let *me* ask *you* a question: How much are you paying for those things right now? If you were a member, they'd come as part of your dues.

P: Well, that's probably true. I might as well be frank with you. I know some of the people who run the local chapter, and I've never cared for the way they do things. I wouldn't feel comfortable in the same group.

C: Look, nobody likes everybody. We've got plenty of people who don't like some of their fellow members. We want you because we know we need balance. We want your point of view. If you were in instead of out, you could lend your weight to changing things to the way you want them.

P: Yes, but what for, actually? What is your organization doing that's so important anyway?

C: Ah! If you were on the inside, you'd know! You'd be getting our publication, for one thing. You'd know about, and take part in, (our government relations program, our local welfare projects, our service chapters. Bring out recent newsworthy accomplishments, tie in with issues currently in the public eye, like environmental concerns, urban problems, etc.).

P: (if yours is a trade organization) Well, yes. I can see you've been doing a lot. But there's one thing that continues to bug me, and that's that I don't like the idea of my competitors knowing all about my business.

C: Of course you don't. And they don't want you knowing theirs, either, but they belong just the same. That's because they know there are bigger things to be gained by working together—public relations, working on proposed legislation. What we're doing here is pooling efforts and ideas. That's not prying.

P: Well, I don't know. I'd have to think about it and let you know later.

C: Fair enough. I wouldn't want you to decide without thinking it over. I'll call you some time at the end of the week or the beginning of next—would Friday or Monday be better?

P: Uh. . . .

C: I'll call you Monday so you can have the weekend to mull it over. Thanks for your time, Mr. _____. It was good talking to you.

THE TREATMENT OF NEW MEMBERS

A member's experiences during his first few weeks in an organization are probably the most decisive factor in determining whether or not he'll renew at the end of his first year, so don't drop him like a hot potato once you've got him. New members probably don't know too many of the people around them, and they may be waiting to see if there really is a place for them. Here are a few things to do to help them feel they're a part of things from the beginning:

1. Make a special effort to introduce them to other members. You might put a red tab on their name cards and encourage older members to approach them with a special greeting.
2. New members often feel more comfortable if seated with other new members at their first meeting, at a special table perhaps, so that they can compare notes with other people as inexperienced as they. Some groups have a special "New Members Dinner" at which newcomers can be welcomed publicly.
3. Welcome them as well in your publication, including short biographies. Talk them up.
4. Give them something to do as soon as possible. This shouldn't be something too trivial, nor should it be an obvious piece of make-work—that could be perceived as an insult. But it shouldn't be too demanding either—that could be discouraging.
5. Some organizations have a new members' counselling program in which each new member is invited to come for an interview. The main objectives of the organization are explained to him; his interests and reasons for joining are discussed; and he can be taken on a tour and meet the staff.
6. A new member is a source of new ideas—show him you appreciate this potential in him. After he's been with you a short while, ask him his opinion of the group's structure and functions. Ask him if he's getting everything he had hoped for out of belonging.

A few organizations attempt to offer new members something tangible to make them feel that joining is worthwhile. The Steel Plate Fabricators Association offers new members a 50 percent reduction in dues for their first year. The National Restaurant Association decided that its annual convention would be a good occasion to offer new recruits a special premium. Their convention brochure accordingly announced that anyone joining during the convention would be eligible for a free gift. These devices are not common, however. Many organizations can't afford them, and some feel that it cheapens membership to use obvious inducements to get it.

LIFE MEMBERSHIP

Some organizations have various classes of membership. In addition to their active or regular members, they may have associate members, who pay lower dues and cannot vote; honorary members, who pay no dues and have no privileges, just public affiliation; junior members, who are beginners or students; and life members.

Life membership is usually an honor conferred on a member for a long history of outstanding achievement, often upon his professional retirement. However, a small number of associations offer their members the option of buying such status for a special fee. If the member is willing to pay the fee, he will have a voice and a share in the organization for as long

as he lives, never again to be faced with the necessity of renewing. For the organization, there are both advantages and disadvantages to the arrangement.

Advantages

The association benefits from the interest accruing from a larger amount of capital, usually a few hundred dollars, than it usually gets at one time.

It may be an incentive to join.

It may result in an even higher sense of commitment from the member because of the special status he conspicuously enjoys.

Even when it has a financial basis, life membership constitutes an elite within the organization (obviously, not everyone is going to take it), which can be good for morale.

Disadvantages

The most obvious disadvantage is financial. The cost of servicing a member, like the cost of anything else, will always continue to rise, while the amount he paid for life membership will never be augmented. One association had to discontinue its life membership program because of this, although they had probably been charging too little in any case. Their fee, $100, was lower than the sum most groups charge for this status. (The American Association of Cost Engineers charges $540.) Another group, the American College of Nurse-Midwives, was only able to keep their program going by raising their other members' periodic dues. (Think about the effect of this on morale, however.) The Association of the United States Army raises the price of life membership from time to time, in step with inflation.

Then, just as lifetime status could enhance a member's sense of commitment, it could also work the other way. Members who don't pay regular dues may feel they no longer need take an active responsibility.

In the case of trade associations, where members' dues are often paid by their employers, these employers may balk at having to pay a large sum for something that may continue long after the member's retirement.

Finally, it may complicate your filing system. Not everyone can afford IBM data-base retrieval.

Here are some things to ask yourself when considering how well suited a life membership program is to your organization.

1. What is the average age group of your members?
2. How many members would be able to pay the fee?
3. How is the association budget spent—on fixed expenses like in-services, or on outside programs that can be expanded or contracted at need?
4. What will be the proportion of life dues to regular dues?
5. Will the life member get any special services?
6. If he has to be terminated for some reason, will he get a refund?

RENEWALS

Associations in a noncritical situation vary as to how long they will carry a member who hasn't sent in his renewal check before terminating him. Some make an effort to continue providing him with services so that he'll be re-awakened to the value of membership. The maximum period for this kind of treatment is usually three to six months.

The first renewal notice or dues bill is usually sent out two to eight weeks before the actual expiration date. The Mississippi Association of Insurance Agents, which claims an unusually high retention rate, sends out a recertification card 30 days before the renewal date, September 1. They generally get an 85 percent return by Oct. 1. They then send the remaining 15 percent reminders every 10 days for a month. Holdouts beyond this point get a letter explaining that MAIA must make a report to the quarterly board meeting on any delinquent members. This is followed, if necessary, by a mailgram, which usually clinches the matter. Most groups use personal letters from the president or calls or visits from board members during the months immediately following the renewal date to apply the spur. (The personal element has been found to be particularly important at this juncture.) Letters sent out at this time usually say that the member faces being dropped, or, in fact, has been, but that sending a check within a certain period will reinstate him.

Now let's suppose that your overall renewal rate is showing signs of sagging and you want to catch it before it goes any further. There are methods you can try, using the mechanics of your regular mailings and your present membership, that might help to reverse the negative trend.

Divide your members into two groups, odd and even numbered. Use the odd-numbered group as your control and continue sending them your regular materials. Send the even-numbered group a new set of experimental mailings that include innovations designed to make renewal appear more desirable, more necessary, or simply easier. These might include:

1. A new stuffer emphasizing the benefits of membership in a new way, or one announcing some new action or achievement by the organization.
2. A new invoice permitting payment of dues by credit card.
3. A business reply card offering the option of a new car decal or sticker.
4. A new membership card that says "Member since _____" and "Valid until _____" instead of "Expires on _____." Perhaps this could be made of plastic instead of paper (though plastic cards can run into money).
5. An insurance company reminder, if applicable in your case, that the holder's benefits will expire at midnight on the date shown on his old card.
6. A change in billing procedures, allowing more or less lead time.
7. A letter to dilatory members from the president, with a message on the left and a blank space on the right wherein the recipient is invited to write any comments or complaints he may have.

You can probably think of many more. Once any of these measures causes the renewal rate of the even-numbered group to go up past $^{7}/_{10}$ of 1 percent, adopt it as standard. Switch it over to the control group and start trying your next idea on the experimental group.

Be careful to allow enough time for this kind of experiment—one month will probably be too little. People take holidays, mail sometimes gets delayed, and things sit around on desks before they get taken to the mailbox, all of which can cause the results generated during one month to leak over into the next. Let your experiment run for three months, at least.

Another thing to remember, as in any experiment, is to use only one variable at a time. If you try two innovations simultaneously you won't know which is generating the response. Or they may cancel each other out.

One old but good idea that can be used to keep renewals up is the membership plaque. Laminated in oak or maple, with the name of the member, the organization, and a removable disc showing the date of membership, it makes a handsome credential to hang on an office wall. The operative part is the annual disc, which is sent only on receipt of dues. Thus a member will have to renew, and promptly, to keep his wall complete and up to date.

One organization, the National Association of Accountants, decided to use a telephone campaign when they saw their renewals flagging. They hired a "telephone contract coordinator," briefed her for two weeks on the advantages of membership and the mechanics of renewal, and monitored her calls in the beginning so that any wrinkles in her technique could be ironed out. She made 6,618 calls in nine months, reaching 2,741 terminated members (about 2½ tries per contact). About 40 percent of the members reached promised to pay their delinquent dues and, of those, 61 percent did so. The program had the greatest success among those who had been members longest and the least among those who had only belonged for a year or so. The association concluded that many people had joined on an experimental basis, a rule that can probably be generalized to any organization.

The accountants had been advised not to use a woman for this job since men were supposed to be better at breaking through the secretary barrier, but they're glad they ignored this warning. A member being called to ask why he hasn't paid his dues is being placed in a defensive situation. The association believes that a woman's voice suggested a lighter, less accusatory, more understanding approach to the member's explanations. In any case, it certainly worked for them—the program made $2 on every $1 spent.

Such measures as the above are probably most effective in holding the line against the passive non-renewals—the ones that don't come through because people moved, or forgot, or lost their invoices, or fell prey to a general slackening of interest for which they themselves could probably give no specific reason and which would disappear in the face of a well-planned personal approach. But, of course, people also decide not to renew because there's something about the organization that they don't like, and the only way you can deal with these is while they're still members.

One of the chief reasons for which people terminate their membership is dues. Organization executives are increasingly being forced to the conclusion that getting their money's worth is what, in the end, makes up people's minds about staying or leaving. Surveys show that members who take the greatest advantage of their organization's benefits are the ones most likely to keep renewing. But even they may feel they have to rethink their expenditures when their dues are raised, especially during times of financial difficulty. That difficulty, of course, is precisely what is causing organizations to raise their dues in ever-increasing numbers. These increases are almost always followed by a membership crisis. If you're faced with this problem, is there anything you can do? You can take a lesson from the American Association of School Administrators.

HOW TO RAISE DUES AND GET MORE MEMBERS AT THE SAME TIME

In 1970, the AASA's books showed a $69,228 deficit—the first in the organization's history. The Executive Committee proposed a dues increase at that time, which the membership soundly defeated. By 1972 things had gotten so bad that members gave the Committee permission to double their dues, from $20 to $40. By the time the increase could be realized, however, the deficit had grown to $226,678—and costs were going up all the time. The national office had just managed to balance the budget by cutting salary expenses drastically when the oil crisis struck. As a result, the annual trade show brought in $303,000 less than the previous year. Another increase seemed unavoidable—practically on top of the unprecedented doubling. Would the members stand for it?

The leadership decided to lay the whole problem before them in their official magazine. The April 1974 issue of *The School Administrator* contained a front-page article by the executive secretary detailing the history of the financial crisis, plus a reproduction of the finance committee's annual report warning that another increase would be inevitable. The committee actually proposed the increase in June, accompanying it by a provision that probably saved the organization's life: If members approved it, they could get one year's additional membership at the old rate if they renewed between the approval date, September 1, 1974, and January 1, 1975.

The July-August 1974 issue of *The School Administrator* contained a second article about the increase and an impassioned editorial by the president. At the same time that the magazine went out, its subscribers received a letter from the executive secretary explaining that the organization simply could not continue to exist on its present dues and pledging seven expanded programs if the increase were approved. This was followed by post cards to all state association heads, asking them to stump for the raise with letters and tapes prepared by the national office. Finally, in August, the president sent out a letter reminding members that the proposed increase would actually cost them less than ten cents a day. On September first, the membership voted to approve the raise by 55 percent. Because the old rate was still being offered as a bargain package to new recruits until January 1, the organization actually ended up with more members than before. Energy and candor in mobilizing membership support, with the aid of some well-thought out incentives, turned a threat into a triumph.

There are other causes of membership attrition, of course. One common one is that members can actually be unaware of all the things their organization is doing for them. If you think that one difference between a lapsed member and a new member is that the former at least knows what his benefits were, you're probably mistaken. The Greater Cleveland Hospital Association, for example, was astonished recently when a member hospital asked what it was getting for its dues. The association group purchased almost all its members' professional needs at considerable savings and provided extensive insurance and educational benefits. When they found that nobody knew this, they realized they were facing what could ultimately become a membership threat. They went to work, assembled the facts and figures, printed them up, and sent them out with a covering letter. Other organizations also publish the equivalent of a membership-benefit brochure for people who are members already. The

American Academy of Family Physicians prints a monthly column in its newsletter entitled, "What Have We Done for You Lately?"

You can get the information needed for such preventive measures as these through the same kind of audits you would use in making up a membership brochure, or you could secure outside help. When the American Society for Medical Technology faced a membership crisis because of a dues increase, they called in the Gelb Market Research firm. Gelb conducted group interviews with medical technicians both in and out of the organization to see how they related to their profession. Working from the results of these interviews, ASMT made up a survey, which it sent out to 2,592 members. The organizational actions suggested by the answers, when put into effect, brought membership to an all-time high.

A third major cause of member disaffection can be described as the "invisible man" syndrome. Infrequent publications, impersonal handling of comments or complaints, or even simple inefficiency in dealing with members' needs can lead your people to believe you don't know they're there. Don't let this happen. In addition to keeping the lines of communication free and clear in both directions, maintain as much direct personal contact with your members as you can. If you're the head of a business or professional organization, for instance, try to visit your members at their offices.

Your host will consider your visit an event. Show him you do the same. Don't claim that you just stopped by to say hello. Call in advance, explaining that you're in need of some information or an educated opinion he alone can provide (marketing techniques, a technological innovation, a new development in governmental relations). Use the visit to observe as much as you can about the real world your members live in. What publications does your man have on his desk, what plaques on his walls? What transactions does he make over the phone? What are his employees doing? If a tour of the premises is offered, jump at the chance. Above all, listen to what your member has to say. These visits aren't only window dressing or morale builders. They'll equip you with a sensitivity and perspective on the working lives of your members, which will stand you in good stead the next time you sit down to address them in your magazine—and that's something every organization head needs, no matter who his members are.

Chapter 3

GUIDE TO FUND RAISING

Planning and Organization • 61

Major Donors • 69

Legal Aspects of Fund Raising • 74

Fund-Raising Events • 75

- Dinners • 79
- Fairs • 82
- Fashion Shows • 86
- Art Shows • 87
- Dances • 88
- Theater Benefits • 89
- House Tours • 90
- Other Trips and Tours • 91
- Parties • 92
- Sporting Events • 92
- Speakers • 92
- Miscellaneous Social Fund Raisers • 93
- Selling Services • 95
- Fund-Raising with Sales • 96
- Direct Fund-Raising • 101

Fund Raising for Schools and Colleges • 104

Some Case Histories • 106

Post-Campaign Evaluation • 107

Better Business Bureau Standards for Charitable Solicitations • 108

CHAPTER 3

GUIDE TO FUND RAISING

Money. Cash. Dollars. Whatever you choose to call it, no organization can function effectively without it, no matter how dedicated its members.

Money is always difficult to raise. During tight economic times, normally generous contributors tighten up. Even when prosperity reigns, the competition is very keen among nonprofit organizations, whose resources are being eroded by inflation and the rising demands of its members. Moreover, the number of organizations moving into the battle for the privately contributed dollar is growing annually.

How to deal with these problems more effectively is the subject of this chapter. It will discuss how to plan and organize for a successful fund-raising drive; what fund-raising activities have been most popular and successful in the past; and how to carry these out with the limited resources that most nonprofit organizations have.

PLANNING AND ORGANIZATION

1. Developing the plan. When developing long-range plans, be sure to always keep your goals in mind. Will the end—the dollars raised—justify the time, effort, and expense that you and your workers will have to put into the campaign? If the answer is an unequivocal yes, your first step must be to establish a specific financial target.

Be realistic. If your goal is too high and you don't reach it, the effect could be depressing and discouraging. If it is too low, you've failed to raise as much money as you could with a realistic goal.

A goal is really the sum of many parts. It is the cumulative result of what each separate fund-raiser achieves. With this in mind, it is wise to set a quota for each of the fund-raisers so each will have a dollar amount to shoot for. To be on the safe side, the sum of the various quotas should add up to more than your stated goal for the entire campaign. The purpose, obviously, is to give yourself a cushion against people falling short.

Step two in the plan is to decide which tasks have to be done, what kind of committees are needed for those tasks, and how many workers will be needed for each committee. Set down clear lines of authority and responsibility. Make sure every job is defined, every subordinate and superior is spelled out. Ambiguity in your table of organization can lead to inefficiency and even disastrous disruption.

Now, decide which method of fund raising is most practical for your group. Will you

have a special event or solicit by mail? Do you have people who will go out and ask for a donation, either door-to-door or during a personal visit? These decisions will depend largely on how long the campaign will last, how many volunteers you have, how much money needs to be raised, how much experienced leadership exists, how appealing the cause is, and the reputation of your organization.

Finally, establish a time table for achieving your goal and prepare a budget for the campaign, making sure you take into account the cost incurred for staff, office space, utilities, insurance, expenses, postage, and the like.

2. *Finding the leaders.* Once the organizational structure is decided upon, it is necessary to find the leaders and the workers you need. The first person to locate is the campaign director. He is the pivotal force; he will guide and plan the fund-raising effort. The director differs in function from the campaign chairman, whose job it is to lead the workers in approaching prospective donors. If you are planning to solicit funds on a face-to-face basis, you will need a campaign chairman who has sufficient time and status, as well as contacts whom he would be willing to call upon. The campaign leader or chairman should have influence with others, be well liked, believe in the project strongly, and speak well. Moreover, a campaign chairman must be representative of the community in which he will be asked to work and give.

The director, on the other hand, has a different kind of job. He secures equipment, works with the campaign leadership, develops jobs and committees, arranges for printed materials, analyzes prospects and solicitors, leads the staff, and keeps records. It is not a policy-making, example-setting role as such, but one that requires strong administrative skills and the capacity to bird-dog a job through to completion.

If you are raising funds for a small organization, your campaign director and leader might be the same person. He must be able to delegate authority and handle the people working under him with diplomacy and tact.

3. *Working with the workers.* The leader's first job is to enlist people to help, assign them jobs, and stay with them until the job is done. Don't expect people to volunteer to work; you'll have to ask them. Your chairman can supply the names of friends and colleagues. Ask him to contact these people himself. Try your board of directors, as well as the organization's standing committees, and their friends. Be sure to ask past volunteers and past donors. Check with other organizations that have the same goals. And be particularly alert to involving new members of your organization, for these are often an excellent source of highly motivated people. Tip: Try circulating a short questionnaire with a checklist of jobs to see if any interesting job description will snag volunteers.

Volunteers should have ample materials and be well trained. People must know exactly what is expected of them—what to say, how to respond to a wide variety of situations, etc. They must also be inspired with the importance of the fund-raising drive to your organization. Give the volunteers an opportunity to see demonstrations of what is expected of them. Offer to send an experienced person on a house call, or have such a person standing by when the volunteer makes his first phone calls.

When delegating a prospect to a volunteer worker, give him at least one "sure" donor so he is not discouraged. Another technique for reinforcing morale is to organize volunteers into teams and establish some kind of competition among them. Team captains (your experienced fund-raisers) could encourage and assist members of the team and help keep them on track.

One important point: Not everyone is able to ask for money. Don't expect a volunteer to do something he finds unpleasant. There are many other jobs in the campaign, and there is always work enough for everyone. Also, bear in mind that just because someone volunteers for a particular job doesn't mean he is suited or qualified for it. If you find you have selected a person who is not working out, try to get someone to work with him. If that doesn't work, sit down and explain the problem. As often as not, the person knows he is not working out and is relieved to have a different assignment.

The people who do your fund raising will represent your organization in public. They should be pleasant, express themselves well, be fully informed and committed to your cause.

And good workers should be rewarded continuously. Most people ask nothing more than recognition of a job well done and a thank you—both in public and in private. Beyond that there are other rewards for excellent effort, ranging from momentos to parties and dinners, formal awards, and advancement in your organization. People who are recognized tend to come back and help again. Failure to perform these simple courtesies is almost invariably rewarded with a refusal in the future.

4. Organizational structure. An ideal structure for a fund-raising drive consists of (a) a campaign chairman, (b) a campaign executive committee, (c) a campaign director, (d) a special gifts committee (a group willing to give large donations and ask others to do so), (e) team captains, and (f) workers.

The structure for an individual fund-raising event would be somewhat different. Under a campaign chairman for an event, you would have several committees; i.e., finance, publicity, dinner (or other event) committee. This entire subject is covered in greater detail in the chapter on Special Events.

5. Materials and forms. Forms are essential if you are to keep accurate and efficient records of your prospects and donors and of the activities of your fund-raising team. A card file on prospects should be set up with pertinent information such as name, spouse's name, home and business addresses, telephones, occupation or position, interests, history of previous donations, friend available to contact the donor, and the name of the person assigned to solicit him.

When the person has given a donation, the amount should be recorded with any remarks and the card should then be transferred to a donor file. If you have more than 3,000 names, it may be feasible to invest in a punch card system.

Other forms required would include receipts for donations, memorial giving cards, and pledge forms. The materials needed may vary according to the type of fund raising you plan to do. Among the other materials that are useful in a fund-raising campaign are:

Posters
Displays and exhibits
Window and counter cards
Car bumper stickers
Banners
Tickets
Name tags
Merchandise or rummage materials
Business reply envelopes and stationery

Brochures and pamphlets
Annual reports
Coin cans
Award certificates
Films and slides
Tapes and records
Lapel buttons

Below are several examples of forms and devices that could be useful in your campaign. The first of them is a questionnaire that is sent to prospective donors as a way of getting them to pre-qualify themselves. As you can see from the questions, the prospect proceeds from expressing support for the organization's activities to fitting himself into a financial category.

NAME _____ PHONE _____

ADDRESS _____

OCCUPATION _____

1. How did you first become interested in our organization? Through whom and when?
2. Do you support other organizations such as ours, as a donor or volunteer?
3. Do you feel our organization has carried out its aims? To what degree?
4. How would you evaluate our goals and our ability to achieve them?
5. Are there specific projects you would like to see us undertake?
6. Would you donate to our organization should we undertake the above?
7. Can our organization count on your help by giving a donation and asking others to do so?
8. Would you be willing to host a small event to enable us to raise funds?
9. Would you serve on our board if you were asked?
10. Would you serve on a development committee?
11. Can you suggest any people we might reach out for as donors?
12. Would you be willing to speak to them on our behalf?

Do you find a category below that fits your giving and getting potential for this organization?

Size of Gift Over _(period of time)_	Personal	Bequest Deferred	From Others
(Write figures here which are suitable for your organization.)			

Here are sample card forms for your index file: (this sample is for a university appeal)

Front of Card

Name Area Assigned to Code

Business Address Directorships

Type of Business

Telephone Sec'y

Residence

Memberships

Telephone

Other address

Mailings University relatives

Prospect's salutation Date of Birth Religion Politics

Father's Name Mother's Maiden Name

Wife's Maiden Name Married Salutation Education

Children Birthdate Married to Education

University Undergraduate Activities

Other Educational History

University contacts Interests/Hobbies Estimated wealth

Back of Card

Name Area Assigned to Code

Gifts since 9/70

Date Amount Remarks

Cumulative total prior to 9/70

Contributor's Card File

Front:

Name _____ Address _____

Assignment Record				Contribution Record		
Year	Team #	Captain	Solicitor	Date	Amount	Helped by:

Back:

Name _____

Residence _____ Tel. _____

Bus. Position _____ Address _____ Tel. _____

Interests, hobbies, politics, charities _____

_____

Friends or Approaches _____

Should give $_____ Is donor or spouse a member? _____

Solicitor's Remarks:

_____

---

6. *Federated financing*. Federated financing is done by a fund-raising drive held by one organization in which the proceeds are divided among several organizations. They may have joined forces merely to make the fund-raising drive more effective and efficient or they may have an on-going common purpose. The perfect example of a federated fund drive is your local United Way.

What are the advantages of this type of fund raising?

1. Costs are lower because it is one campaign rather than several.
2. It eliminates several appeals to the same community.
3. It permits the combination of the best fund-raisers from each of the participating groups, and more money should result from this powerhouse combination.
4. Smaller organizations without a real capacity to mount a campaign will, nonetheless, not be overlooked in receiving financing.
5. Fewer volunteers are needed per dollar raised.

Before you race right out and put together a federated drive, consider the disadvantages:

1. Your own members will be less involved due to the reduced need for people.
2. Larger donors, who may be interested in only one of the several causes represented, may reduce donations if they know the money is being divided. In fact, you run the risk of a major donor actually being hostile to a participating organization and refusing to give anything!

3. The educational aspect of a separate campaign will surely be minimized when your appeal is submerged into the greater effort.
4. Stronger groups (if yours is one of these) may not get the contributions they might have gotten on their own.
5. Your individual organization gives up considerable autonomy since the federation usually reviews the members' budgets and may even have a voice in those budgets.
6. If you need supplemental funds later in the year, the federation may not permit supplemental fund raising.

If you are considering joining or initiating a federated fund drive, you should ask yourself these questions:

- Will I be able to maintain my organization's independence and identity?
- Will my joining really produce enough revenue for all my needs (assuming that supplemental or additional fund raising is forbidden)?
- Can I raise more money on my own and will the community still support my organization if I don't join the federation?
- Will the federation allow me to raise supplemental funds?
- If I am a local chapter of a state or national organization, will the federation permit me to support the parent organization with any part of the funds it provides?
- If my needs increase, will the federation give my organization more money? Also, find out if you can accept membership dues, fees, tuition, grants, bequests, and memorials (many federations do permit such contributions).
- If I don't join the federation, can I still get enough volunteers on my own?

If enough of the above questions are answered to your organization's satisfaction, you still have to sell yourself to the federation. You'll have to submit your "case" and the budget to the federation's board. Both should be realistic, accurate, and whenever possible, prepared by a real expert. It must be easily justified and defensible. Remember, you are speaking to people who are being asked to give out a share of their pie.

As for the preparation itself, follow these simple rules:

- Have informed, influential people go with you, but not too many.
- Be businesslike and direct in your presentation and responses.
- Present your needs, but don't dwell on them too long.
- Talk about future plans.
- If you are part of a national organization, include your obligations to them.
- Affirm your ability to participate in the fund-raising effort, and describe your resources for doing this.

7. *Professional fund-raising help.* When should you seek professional assistance in your fund-raising efforts?

- When you have had successive disappointments without such help.
- When you don't have people with enough training to direct a fund-raising appeal.
- When you need additional help that you cannot get from within your own organization.
- When you are running a capital campaign and your goal is over $100,000.

The advantages of having fund-raising help include:

- Fund-raising firms are more "objective" and have the tools, the people, and the experience.
- They can help train and supervise your organization's personnel.
- They will help plan the goals, the leadership and the volunteer requirements, the timetable and the schedule of events, and the budget.
- They will leave a sound and workable plan for the future.

What should you look for when hiring professional help? If possible, get a "selection committee" together to evaluate the firm. Try to visit the offices of the firm you are considering so you can see them at work. Speak directly to their past and present clients. Check with the Better Business Bureau and investigate the firm thoroughly. Don't sign any papers without having an attorney check them first.

Firms under consideration should submit names and backgrounds of those people who will be assigned to your organization, examples of previous experience in fund raising in your field, and of course, references.

When hiring an individual or company to direct your fund raising, look for a wide-ranging background and the ability to communicate. Is your professional a problem solver who is skilled in language and likes people? Have the applicant submit a resumé and then interview him personally. Look for a reliable, experienced, compatible person with a good reputation.

What should you expect from a good professional fund-raiser or fund-raising firm? Either should be ready to:

- Participate in pre-hiring interviews, without obligation.
- Present expense budget in advance.
- Incur expenses only on organization's approval.
- Charge a set fee, not a percentage.
- Not guarantee that your goal will be fulfilled.
- Help you evaluate your strengths and weaknesses.
- Help you make your strongest case and create a plan that fits your project and budget.
- Help you get started and guide you as long as you need him.
- Help you find your prospects.
- Be able to write the materials you cannot write.
- Train your workers.
- Help you choose the right events and plan them.
- Help you set up records and files.
- Coordinate publicity, if you need it.

If you have decided to consult a professional fund-raiser, you might contact the American Association of Fund-Raising Counsel, Inc., 500 Fifth Avenue, New York, NY 10036. This association is made up of several member firms conforming to certain standards and operating according to the Fair Practice Code of the AAFRC.

This Code is:

Fair Practice Code of the AAFRC

1. Members of the Association are firms whose primary business is providing consulting and management service and raising funds for philanthropic organizations. They will not knowingly

be used by an organization to induce philanthropically inclined persons to give their money to unworthy causes.

2. Member firms do business only on the basis of a specified fee, determined prior to the beginning of a client relationship. They will not serve clients on the unprofessional basis of a percentage or commission of the sums raised. Intended services and estimated costs are defined in contractual relationships. Additional services, as required, are furnished by mutual agreement.

3. The executive head of a member organization must demonstrate at least a six-year record of continuous experience as a professional in the fund-raising field. This helps to protect the public from those who enter the profession without sufficient competence, experience, or devotion to ideals of public service.

4. The Association looks with disfavor upon firms which use methods harmful to the public, such as making exaggerated claims of past achievements, guaranteeing results, and promising to raise unobtainable sums.

5. No payment in cash or kind shall be made by a member to an officer, director, trustee, or adviser of a philanthropic agency or institution as compensation for using his influence for the engaging of a member for fund-raising counsel.

6. In fairness to all clients, member firms should charge equitable fees for all services with the exception that initial meetings with prospective clients are not usually construed as services.

For other recommendations, you should contact other nonprofit organizations that may have used professional help. There are other groups that can be contacted, such as the National Society of Fund Raisers, Inc., 130 East 40th St., New York, NY 10016; National Public Relations Council of Health & Welfare Organizations, 419 Park Avenue South, New York, NY 10016; and the American Alumni Council, 1 DePont Circle, N.W., Washington, DC 20036.

MAJOR DONORS

1. Organizing the team. There is no substitute for asking a person directly for a donation—the eyeball-to-eyeball, face-to-face, person-to-person approach. The people who go out to request money must give a donation before they can reasonably expect others to do so. A leader should be expected to give a substantial gift, one that is greater than others working in the same cause.

Before assigning prospects, set up a card file on each prospect, including an estimate of his ability to give. This should be based on thorough research, including how wealthy he is, how close he is to your cause, how much he has given to other worthy causes, and whether you have someone on your committee who can influence the prospect. Verify names and addresses and avoid duplication. Keep accurate records of who was visited, what was donated, and who did the asking. Plan how to thank your donors—anything from a simple thank you note or phone call to a testimonial dinner for an extraordinarily large gift.

Assign members in teams to go out to solicit donations and have a team captain for each group. The team captain will be responsible for seeing that the workers are getting their jobs done, and he will help them with problems as they arise. Assign five to ten prospects to each worker. Training sessions should be held for the solicitors so that they can speak convincingly and with knowledge about the cause and the need for funds. For more details on training volunteers, see Chapter 10.

If you are having a large community appeal, approach your large prospects at least six weeks prior to that appeal. As you receive large donations, it will help if you publicize them (with the permission of the donor, of course). Begin with your best prospects first, and leave literature with each prospect and thank him even if he doesn't give.

Make sure you have enough workers and that you have contacted them in sufficient time for them to be trained and do their jobs well. Workers should be able to select the prospects they would like to call on, except when you feel the prospect should be seen by someone who has given a gift comparable to the one you seek. You should also change an assignment if you feel that the giver and the asker would not be compatible.

And try to give everyone at least one prospect you are fairly sure will give a donation. Assign your best prospects to your most influential askers. Sometimes it is advisable to get two people to work as a team on top prospects.

During the interview, present your case thoroughly and don't get off the track. Be proud of the cause and the organization. Remember, you are not begging. Aim high, and in the case of a prospective large donor, try for a decision during the visit. Do not leave a pledge card. If the prospect cannot make a decision, come back.

2. *Approaching major individual donors.* Before you approach someone for a large donation, you have to decide if he or she has the capacity to make such a contribution. Once that is established, it is not especially important to have a pre-sold prospect. It is your job to persuade him to give. You must do a lot of initial research on his wealth, including his total assets, his income, the size of his family, hobbies and other interests—anything that makes a claim on his wealth.

After these are reviewed, an estimate is made of what he might contribute. The next question is who will approach him for the money? In the case of a major contributor, you will try to find a business associate of his, a relative, a close friend, or someone who has a lot of influence. You might select someone who is persuasive because of his personality, his business standing, or his importance in his field.

Whom do you approach for large donations? If you are a university, you approach your alumni; if you are a hospital, your board of trustees and wealthy former patients, people who have used your facilities or who have given generously in the past. The following are sources of names of wealthy individuals:

- Political Contributors of $500 or More
- Martindale-Hubbell Law Directory
- The Social Register
- Standard and Poor's Register of Corporations, Directors and Executives
- Taft Information System
- Who's Who in America
- Who's Who in Finance and Industry
- Who's Who in American Philanthropy

Most of the above publications are available in libraries.

There are ways for a large potential donor to give money to an organization other than giving cash. These ways include making the organization the beneficiary of life insurance, donating stocks, and setting up various forms of trusts. These can be best explained and

worked out through an attorney or accountant since such contributions are often tied to estate and tax benefits to the contributor or his heirs.

There are also various annuity plans that pay income to the donor during his lifetime and upon his death turn the capital over to the organization. Deferred giving is often the only way that certain people can or will make gifts, and as long as your current needs can be met by other fund-raising methods, a bequest should be counted as a blessing.

A brochure should be available that will encourage people to remember your organization in their wills. It should be made clear that the gifts of real property can be bequeathed, as well as cash and securities. The brochure should explain the tax advantages of bequests and explain the different types of trusts.

The importance of having a will should be stressed, as well as the fact that it should be reviewed periodically because of changes in both federal and state laws, place of residence, and the values of property and stocks. Explain in your brochure that one can give in one of the following ways:

- Establishing a trust to receive life insurance, securities, cash, royalties, real or personal property, and treasures—organization to receive remainder upon death of primary beneficiary
- Cash bequest—specific, residuary, or remainder
- Securities—stocks, bonds, rights, warrants, notes, etc. (do not stipulate number of shares)
- Real or personal property—organization named as secondary donee to receive remainder amount upon death of primary beneficiary (check fair market values, determine table of deductions, and be specific on use)

The main point to stress in asking for a bequest should be that it is a continuation of giving to the cause that one has helped to support during one's lifetime. Bequests should be mentioned periodically in other literature the organization gives out so that people are aware of the idea. And it should be suggested to people at all levels of giving. A small bequest is as gratefully accepted as a large one.

Prospects for bequests include:

- People who gave to your other appeals
- People who have helped your organization in more than the usual way
- People who have volunteered to help your organization
- Persons of wealth and prominence
- Relatives, friends, and business associates

If your organization is large enough, or if you are making a special appeal for bequests, a deferred giving committee should be set up with a person of stature as chairman. Also add any lawyer, accountant, trust officer, and stock broker who is willing to serve. Prospects should be sent a descriptive letter, perhaps suggesting a visit to your organization or to some activity it is sponsoring. This should then be followed up with a face-to-face visit and presentation by some members of your committee.

Your committee should be aware of current tax laws so that you can let donors know the best way to contribute and what tax advantages will accrue to them when they give to your

organization. Remember, if you lobby with the money you raise, the contribution to your organization is not tax deductible. You can, for example, set up a tax-deductible organization for the educational aspects of your program. If this organization is approved by the Internal Revenue Service, such contributions would be tax deductible.

But do not forget that the bequest must be put in the donor's will. A letter of intent promising the donation does not take the place of a well-drawn will.

3. Approaching Corporations. Corporate giving is not a large part of American philanthropy. Compared to giving by individuals and foundations, it is relatively small. However, in the areas where corporations do contribute (education, health, welfare), the business contributions are often significant and can make the difference in the survival of the program. Corporations can also make gifts in kind, products that are needed by the benefiting organizations. They can, in addition, make contributions in free services of company personnel as officers, board members, directors of fund drives, and volunteers in other capacities.

Many corporations have set up contribution committees or foundations and have definite policies for giving which they put in writing for use by soliciting organizations. These policies usually mention the area in which the company feels its greatest interest and sometimes even mentions the names of specific organizations it wants to help. Corporations are responsible to their stockholders and will probably only give to those organizations the stockholders know about and approve. All corporations like to give in the area where their plants or branches are located, especially if there is a direct benefit to their employees.

When appealing to the small or family-owned corporation, you should deal directly with the president or his representative in the same way you would approach a large individual donor. Usually, requests for funds in the larger corporations go to the Contributions Committee or a public relations representative. Try to see these people personally, and don't go over the head of the person you are designated to see. If you are requested to write to them for a contribution, you should include the following points:

1. Brief background and information about the organization.
2. Need that exists for the service—and where.
3. How many people have received benefit directly or indirectly.
4. What other organizations, if any, are performing similar services.
5. Data suggesting how a contribution to the organization will bring benefit to the company.
6. Some idea, if possible, of what other corporations are providing support.
7. Tax exemption status of organization.

When you are going to see the person or committee at the corporations, an appeal should be made to them stressing what they can do for the community in which they are located. In every such community, opportunities can be found to do things no one else can or will do, that may contribute directly to the company through better health and living conditions and in terms of local prestige and good will. Gifts from corporations may not only result in direct or indirect benefits to employees, but may increase business through improving customer relations or may finance research that will prove useful to the corporation.

In addition to the corporations you know about in your local community, you might check the following sources in your library for names and information about corporations:

- Corporate Annual Reports
- Fortune 500 Directory
- Council for Financial Aid to Education
- Funding Sources Clearinghouse, Inc.
- Moody's Industrial Manual
- Standard and Poor's Register of Corporations, Directors and Executives
- Profiles of Involvement (Human Resources Network, 2010 Chancellor St., Philadelphia, PA 19103)

4. Capital Funds Campaigns. A capital funds campaign requests donations to be used specifically for such things as buildings, land, equipment, facilities, endowments, special projects, scholarships, major events, conferences, or any one-time, long-term program. This is not something that is done on an annual basis except in the case of colleges, hospitals, and like institutions.

A college development fund is another term for a capital gifts campaign, which is planned long-range support, not for current expenses, but for future growth. It can be set up by fund-raising counsel (outside) and continued afterwards by staff trained in fund-raising techniques. A campaign like this requires regular meetings between fund-raising and public relations people and other offices connected with alumni and students. Inasmuch as a campaign of this kind is based on alumni support entirely, there will be more on it in the section on Direct Fund Raising.

When planning a capital needs campaign, you must consider the following:

1. Are the board and membership convinced of the need and committed to seeing the campaign through?
2. Are you able to recruit top-level community leadership?
3. Do you have sufficient funds to cover expenses and sufficient manpower to work?
4. Will the project meet your capital needs, and are there resources to maintain the project when the capital campaign is over?
5. Does the agency have enough status? Do the results of previous campaigns justify a capital needs campaign?

Involve your board of directors and officers. They should be major contributors in a position to approach others for large donations. Paid staff provides the resources and assistance but should not be expected to go out and ask for contributions. Take the time to enlist people and make volunteers feel they are a part of the group. Never send anyone out on an interview to request money who has not had some kind of training in this direction.

Fund-raising counsel, or someone on your staff capable of doing so, should conduct a study that will include: a recommended goal, the leadership required, what pace-setter gifts are needed, the capital campaign expense budget, the number of volunteers needed for a specific amount of time, a timetable, what materials need to be developed, and a public relations plan.

A kick-off event is usually held in conjunction with a capital funds campaign. It helps to develop enthusiasm, start the ball rolling, and gather the workers together. It can be a public event such as a dinner, a conference, a dance, or any other activity that calls attention to your cause and serves a public relations function. A kick-off event might be a "special gifts" event for major gift contributors and prospects where attendance is limited to those able to give

substantial gifts plus leaders from earlier campaigns or leaders directly involved with the cause, such as alumni leaders in a university campaign.

Checklist for Capital Needs Campaign

1. Develop the program for the capital expenditure.
2. Staff and leadership should review plan, set up timetable, advise on required leadership and volunteers, decide which materials are needed, and determine the budget required.
3. Develop lists of prospects.
4. Recruit leadership.
5. Prepare kick-off event, distribute material, train volunteers.
6. If using professional help, interview and hire.

LEGAL ASPECTS OF FUND RAISING

When you are raising and handling money, it is always very wise to check every action with experienced counsel. On any of the following suggestions, we recommend that you consult a lawyer or, in some cases, an accountant before proceeding.

When soliciting for funds, you cannot claim the donation will be tax-deductible unless you are a tax exempt organization. (More on this under Foundations.) If you lobby with the money you raise, the contribution is *not* tax deductible. If part of your project is for educating people regarding conditions to be changed through legislation, you can set up a tax-deductible organization for the educational part of your program. (Check into section on Foundations for the method of setting up tax-deductible organizations.) While awaiting tax-exempt status, you can use a funnel organization to raise funds.

A funnel organization is a tax-exempt organization that agrees to raise funds for you and will probably want some of the money raised to cover its costs. If it requests more than 10 percent, find another group. The funnel organization should have some connection with yours, but in any case it is advisable to check state and local laws before you use a funnel organization.

When holding a fund-raiser, check with local officials to be sure that you are meeting fire, health, and license regulations. If your fund-raiser involves gambling, check with state, county, and municipal officials—before you even plan it.

Consult federal and local tax laws regarding sales and income taxes, amusement taxes, etc.

You may need special liability insurance coverage in case someone is injured or property is damaged at an event. You should know what your organization might be liable for in case of theft or damage at such events as art shows, home tours, consignment selling, and so forth.

When you are contracting for products or services, it is best to have a lawyer check the contracts. If you are buying premiums for resale or incentives, find out about the company's policy on return of unsold goods or payment for unused services. If you are using contractors, are they reputable and insured? When renting amusements and games, check out the company with local safety inspectors. In the contract, check on guarantee, cancellation clause, deposit, who handles the money, what the split is, and who is liable in case of injury. It is best to use tickets instead of cash to protect yourself.

Shoplifting can be a problem at such events as bazaars, thrift shops, craft and antique shows, and the like. When offering valuable jewelry, make sure items are in locked cases, or wear the items or secure them to the table. Assign someone to keep an eye on small items.

Be sure that what you contract for is legal, safe, and worth the price. If you are hiring professional help, check them out with the Better Business Bureau or your nearest consumer protection agency. Make sure your fund-raiser is reputable and does not use high-pressure methods that may antagonize the community and potential donors.

FUND-RAISING EVENTS

1. Introduction. A fund-raising event is held primarily to raise funds, but it has many other advantages. It calls attention to the cause, gives volunteers and members a target to work toward, is a substitute for direct request for donations, and can enhance the spirit of togetherness and fellowship that is so important in getting a job done well.

What kind of event you select depends on the size of your organization and the ability and quantity of your volunteers. It depends on how much money you need to raise and how much money is available for expenses. Don't forget to consider the community's interest and customs. If another organization within your community holds an annual fair, it would be more appropriate for you to consider another type of event.

Many professional fund-raisers and institutions such as universities feel there is no substitute for the personal or face-to-face approach. This was explained in the section on major donors. There are organizations that do the major part of their fund raising by mail. This was detailed in the chapter on that subject. Both of these methods can be used in conjunction with a fund-raising event. Where you have a fund-raising drive that lasts a given period of time, one or more fund-raising events usually are put on to highlight the campaign. Phone solicitation is another way of raising money, although it is not by itself very effective. It should be used in conjunction with other methods, as a follow-up to mail solicitation, and as a way of reaching marginal prospects.

An anniversary celebration is a good reason to hold an event. It dramatizes and highlights the work that an organization has been doing by calling special attention to a milestone. A theme should be adopted for the anniversary, and a special logo or symbol designed to be used on all stationery and publications. An anniversary committee should be formed (beyond your regular fund-raising group) that will decide what events should be used to highlight the anniversary celebration. If your staff of volunteers are overburdened with other jobs within your organization, it might be practical to hire a public relations firm for the anniversary period.

In addition to the usual fund-raising events, which will be detailed in this chapter, there are several other suggestions for celebrating anniversaries that are not covered elsewhere:

1. Special program for "Founder's Day"—the day the organization was started.
2. A convocation where special awards can be given for outstanding service to the organization or to prominent people.
3. A lecture series relating to the purposes of the organization; if possible, have them reprinted for sale.

4. An arts festival, featuring music, drama, or art.
5. Dedication of new facilities and an open house and guided tour.
6. If your group is large enough or well known, your mayor or governor might be persuaded to have a day or week set aside in recognition of your anniversary.
7. If you are a religious group, a specific Sunday or Sabbath might be set aside as an observance of your anniversary, the service to be followed by an open house.
8. Those things done regularly, such as an annual meeting, graduation ceremonies, homecoming days, and membership dinner, should have a special anniversary program.
9. Consider a souvenir publication or a publication of the history of the organization.

All anniversary events, as well as any fund-raising event, sale, or service, should be well publicized. In addition to any publicity activities you may select for an anniversary celebration, you might devise a calendar of events and an anniversary program to be mailed to your membership. Press kits should be prepared for newspaper, radio, and television reporters. You might consider the purchase of a supplement to your newspaper and selling space in it to advertisers to pay for the cost.

Whether it is an anniversary year or not, fund-raising events are an important part of any organization. Fortunately, there are many suggestions in this chapter to choose from, and some of them should be ideally suited to your organization's needs.

2. *Launching the Campaign.* Here are some of the questions you should ask yourself before launching the campaign:

- Is the event suited to the taste of your constituency and competitive with other events?
- Is it important and interesting enough to attract attention?
- Is it clearly part of the organization's program and identified with the cause?
- Will it convince people to respond, to contribute, to join, to volunteer?

Things to remember:

- Set up a timetable of events and checklists.
- Promote the campaign through printed materials, brochures, pamphlets, letters.
- A special events committee should be formed, composed of knowledgeable, responsible, promotion-minded volunteers.
- Thank-you letters must be sent to volunteers, contributors, businesses.
- A final report, including mistakes and successes, should be presented.
- Plan a follow-up fund-raising drive or event for members, volunteers, contributors, and prospects, either for cultivation purposes or for a direct appeal for funds or volunteers.

For any special event, check on insurance coverage. Traditional, prudent financial and accounting procedures should be followed.

General Events Checklist

Budget	Advertising	Lights, Microphone, etc.
Calendar	Awards	Printed Material
Site Selected	Tickets	a. Literature b. Pledge Cards

Guest of Honor or Guest Speaker

Chairman

Honorary Chairman

Committee Chairmen

Committees
- a. Selected
- b. Assigned
- c. Meetings

Entertainment and Emcee or Master of Ceremonies

Prospect List

Mailings
- a. Printing
- b. Addressing
- c. Mailing
- d. Follow-Up

Publicity

Phone Squads

Hotel Reservations

Press Conference

Menu

Transportation

Reception/Cocktail Party
- a. Room
- b. Invitations

Signs

Flowers & Decorations

Hostesses

Badges

Security

Photographer

Press Table

- c. Memorial Cards
- d. Receipts

Agenda
- a. Invocation, Anthem
- b. Introductions
- c. Speeches
- d. Entertainment

Registration Tables
- a. Seating List

Head Table
- a. Assigned
- b. Place Cards

Seating Chart

Telegrams

Committee or Staff Assignments

Thank-You Letters

File on Event

3. Membership Fund-Raising Events. Many of the general public fund-raising events can be adapted to membership events. Certain types of events seem to attract mostly members of a particular organization even when the public is invited. In this section, however, we will concentrate on those fund-raising events that are particularly suited to or limited to the membership.

A testimonial dinner is used to recognize outstanding achievements by a member of your organization. It is often used by colleges to honor alumni or by community organizations to honor citizens for outstanding service to the community and can be used as a vehicle for raising funds either by ticket sales or by a direct appeal for funds at the dinner. This type of dinner should not be held too frequently or it will lose its special significance. A committee should be formed to review nominees well in advance of the dinner.

A similar type of dinner is the awards dinner, which honors one or more persons for achievement in obtaining new members, for length of service, for bringing in the most funds, and for many other reasons.

Any anniversary or reason for celebration within an organization is a way of bringing members together for a fund-raising dinner.

Other opportunities for membership fund-raising events include:

a. Annual meeting, which may be dinner where tickets are sold and other fund-raising possibilities are available. The annual meeting usually serves to answer criticism and

counter dissatisfaction as well as to recount accomplishments during the year and tell of plans for the future. The format should be interesting so that people will want to return the following year.

b. Building dedication and ground-breaking ceremonies are actually possible only through a previous fund-raising effort, but they do call attention to your cause and the need for further funds to complete and maintain your project. Donors, board members, staff, volunteers, and the press should all be invited. The press should be supplied with a fact sheet detailing the ground-breaking ceremony, and good speakers should be obtained for the dedication.

c. Once the building is completed, an open house tour of the facilities can be promoted to acquaint the public with the organization's purposes, activities, and services. This could very well lead to their more active involvement through volunteering or donations. It is also good publicity.

4. Campaign Opening Events. A preliminary kick-off event prior to the main fund-raising campaign might be just for the planning committee, volunteers, and workers. It could also be for the planning committee, leaders, and prospects.

A preliminary special gifts event might be a leadership conference, which is often a weekend of program events: general meetings, special meetings, tours, dinners, and, perhaps, a sports activity. Large donations are solicited prior to any public campaign. If this is not done on a one-to-one basis, it should be at a small private meeting.

The public launching of a fund-raising drive would be an event to which leaders of the campaign as well as school, church, civic and other leaders, prospects of all categories, and the press would be invited.

A public campaign kickoff should be held in a large auditorium or banquet room to assure the largest possible attendance. A dinner meeting with a lively program is the most effective. The program should stress the theme and mention the timetable, the needs of the organization, and how those needs will be met. Announce the fund-raising campaign and who the leaders will be. A keynote speaker is a must.

The purpose of these kickoff events is to create publicity, attract volunteers, and encourage and prepare people to make contributions.

5. Social Fund-Raising Events. Events that bring people together to enjoy themselves while they are being asked for money are social fund-raising events. Each of the following events requires a chairman and committees to attend to such matters as publicity, sales, arrangements, decorations, and entertainment.

One of the committees that should be organized for any fund-raiser is the phone squad. Callers should be trained and given directions. Their pitch or message, as well as answers to often-asked questions, should be written out. Phoners should not work alone. Enthusiasm is much greater when they work as a group or in a phone bank.

Most of the following events require the selling of tickets. A running total should be kept of those sold and those not sold. This will help to spotlight those in an organization who are doing well and those who have blocks of unsold tickets. If someone is unable to sell the tickets, make sure the tickets are returned in sufficient time for someone else to give it a try. A competitive team endeavor might be tried, with rewards going to that team that has sold the most tickets.

In selecting a date for your fund-raising event, keep in mind which season would be best for this type of activity and when competing fund-raisers might be held by other organizations. Avoid holidays or holiday weekends. Although people have more money to spend on weekends, week nights are best when tickets are sold in advance because there is less competition with other organizations and less competition with people's social lives.

Dinners

Dinners are popular fund-raisers and are often combined with another event, such as a dance, cocktail party, reunion, theater party, golf tournament, and the like. Luncheons follow the same format as a dinner, but a luncheon usually does not run as long, so the agenda and the menu should be simple.

The testimonial dinner was mentioned briefly as a membership fund-raiser. The guest of honor should be connected with your cause, if possible, and should be a person of prestige and influence. Among the people invited to the dinner should be those associated with the guest of honor, including his associates, friends, relatives, and acquaintances, as well as those who generally support your cause. Whatever fund-raising tactic you use at the dinner should be cleared first with the honoree. Also, remember that you have an obligation to see that the event is well attended so your guest of honor is not embarrassed.

When giving a dinner, estimate your costs first and then charge enough so that you make money on it. After all, that's what it's all about. An annual dinner should get bigger every year. In addition to selling individual tickets, try to sell tables of ten to businesses and wealthy donors, particularly those who have a good personal or business reason for responding to your guest of honor.

When giving a dinner prepared by your membership or volunteers rather than by a caterer, consider the following suggestions:

1. Check cookbooks for equivalent quantities to determine how much to buy and how much it will make; e.g., 1 lb. of apples yields a certain amount of applesauce.
2. Price the meal so that you make at least 25 percent profit. One rule of thumb is that the tickets should cost the guests about three or four times the cost of the food.
3. Train volunteers to serve the food and give them tips for seating people, clearing tables, etc.
4. You will need people in charge of ticket sales, the check room, toilet facilities, and a cleanup squad.
5. You should have four people working in the kitchen for every 50 dinners served. If there are leftovers, try to sell them.
6. Try to get supplies donated.

The kinds of dinners you can have are limitless. Here are some popular types of dinners and luncheons:

Chicken Barbeque
Gourmet Dinner (where everyone in the group makes a specialty)
New England Clambake
Foreign Specialty

Celebrity Chef
Progressive Dinner (where people go from one home to another for each course)
Midnight Supper
Fish Fry
Box Supper
Picnic
Low-Calorie Luncheon

The following checklist is adaptable to most dinners but was designed for a fairly large dinner to be held in a banquet hall or hotel.

Checklist of Arrangements for a
Fund-Raising Dinner

1. Arrange date.
2. Appoint a chairman.
3. Organize committees:
   a. *Program committee,* which is responsible for obtaining a guest speaker; arranging for any entertainment, including a master of ceremonies; and making any necessary arrangements for out-of-town speakers.
   b. *Invitation committee,* which is responsible for compiling a list of people to be invited, arranging for the invitations, and seeing that they are followed up by telephone calls.
   c. *Arrangements committee,* which is responsible for selecting a place to hold the dinner and choosing the menu, arranging decorations and speakers' equipment, selecting guests for the head table and arranging for accommodations for those from out-of-town, assigning places at the head table (with place cards), and arranging for a pre-dinner reception if that is occasioned.
   d. *Selection committee,* which reviews nominees for award(s) or testimonial.
   e. *Journal committee,* which arranges for publication of the dinner journal and for the sale of ads in the journal.
   f. *Publicity committee,* which handles all announcements to the press.

   The chairmen of these committees are selected and assigned those people who volunteer. They may also ask for help from whatever source they wish.
4. If the dinner is a testimonial event, you must select the recipient and arrange for the purchase of a plaque or citation.
5. Line up guest speaker and award recipient(s).
6. Select place to hold dinner, keeping seating capacity in mind.
7. Invitations:

   Design invitation and select paper and envelopes for the invitation and return card. Tickets may be printed and enclosed with the invitation or sent out as reservations are accepted.

   Price of the dinner should be determined.

   Invitation list should be compiled.

   Invitations sent out.
8. Dinners:

   Select menu.

Advise caterer of approximate number of dinners, with allowance for extras.
Arrange for guest reception prior to dinner.
Make sure there are dinners reserved for press people, musicians, and entertainers.
Work with manager on floor plan and time of service.
Coordinate seating plan with table numbers.
Arrange for car attendants and cloakroom.
Decide if gratuities are extra or included in dinner contract.

9. Entertainment:
   Arrange for emcee.
   Decide who will present award(s).
   Arrange for any entertainment or music.
   Arrange for clergyman if there is to be a benediction.
   Arrange for transportation and accommodations for guest speakers, entertainers, etc.
   Arrange order of events.
10. Seating:
   Arrange seating plan and coordinate with table numbers.
   Prepare list of expected guests with table numbers.
   Arrange for a table for the press.
11. Decorations:
   Arrange for flowers, including any corsages.
   Arrange for decorations and make sure they are hung the day of the event.
   If needed, arrange for lectern and microphone.
12. Souvenir journal:
   Determine cost of space and print up blanks for ads.
   Obtain bids for printing from reliable printers.
   Compile list of prospective advertisers, such as friends, relatives, and business associates of the guest of honor, the committee, and the organization generally, as well as local businesses. Include ad blanks with a covering letter in your invitation mailing or separately.
   Follow up mailing with personal solicitation or phone call.
   Fill those pages not taken by ads with copy about your organization and the work it does, as well as a photograph and biography of your award recipient.
   Send all copy to printer and work closely with him.
   Thank all advertisers and give them copies of the journal.
13. Publicity:
   Biographical data and photos from guest speaker and guest of honor.
   Release these to press with advance stories about the dinner.
   Send invitations and complimentary tickets to the press.
   If possible, obtain advance copies of speeches for the press.
   Make sure a photographer is present.

Sample Timetable

1. Select dinner chairman by November 15th.
2. Select committee chairmen by December 1st.

3. Obtain committees by December 15th.
4. Select guest of honor by January 15th.
5. Obtain guest speaker, emcee, and entertainment by January 31st.
6. Publicity should be ongoing from February 20th to April 21st.
7. Invitations printed and mailed by February 20th.
8. Ticket sales and follow ups to mailing from February 20th to April 19th.
9. Dinner on April 20th.

At the Dinner

Seating list at door, along with extra tickets.
Journal at each place.
Assign people to take care of guest, speakers, and entertainers so they know where they are to go, when they will speak, and what to do.
Someone from publicity committee assigned to work with press.

Afterwards

Doublecheck number of dinners served or tickets collected by waiters.
Remove decorations.
Pay bills.
Thank you notes to participants and workers.
Record invitation list for future use.
Bill advertisers who have not paid.

Final Evaluation

Determine proceeds.
Write reports from committees.
Try to evaluate whether event was valuable as a fund-raiser or whether time and expense involved would justify a different kind of event.

Fairs

Of all the social fund-raising events in this section, a fair requires the most time and volunteers. The number of people you will need depends upon how many booths you plan to have. Yet, even with a modest number of booths, you will need many separate committees to oversee the different areas of running a fair. The functions of the various committees would be:

Arrangements: Selects site, oversees booths as they are set up; secures any necessary equipment; arranges for traffic, security, and parking guards.

Booths: Stocks and runs booths; helps to set them up. Oversees running of booth if it is run by an outside group.

Decorating: Oversees decorating of booths; decorates fair grounds; makes signs and posters. Decorating should be done with central theme in mind so that the booths look uniform.

Special Events: Arranges for feature attractions, such as contests, parade, talent show, pet show, puppet show, and band concert.

Tickets: Responsible for printing tickets and script, if desired. Collects admission and arranges for booths to sell script.

Finance: Collects booth money each evening; keeps records and works out a budget.

Publicity: Releases stories to newspapers and broadcast media before, during, and after the fair. Sends notices to local industries, churches, clubs and organizations, and local schools. Tries to get posters in banks, department stores, etc.

Programs: Lays out and sees to printing of program. Solicits ads. Include names of sponsors, patrons, committees and members, credits for merchandise, and a map of fair grounds. If a program of this sort is not feasible, a map of the fair grounds should be printed and handed out.

Merchandise: Solicits free merchandise for sale and prizes. If it cannot be obtained free, see if it can be obtained at a discount or sold on consignment.

Refreshments: Solicits donations of homemade foods and of food from local businesses or foods to be sold on concession basis. Oversees refreshment booths and helps out if necessary.

Patrons: Solicits extra funds from patrons and sponsors and sees that they get proper credit and admission tickets.

Cleanup: Makes sure that the fair grounds are left in the same condition in which they were found.

A fair is an event that is held out-of-doors in warm, clear weather. Be sure to have a rest area with a few benches and chairs if they are needed. If you plan to have entertainment, keep it short and repeat it frequently so that people can move on to other attractions at the fair. Have a reserve of volunteers to help in booths that may need help (also remember to provide some way for ready identification of the staff). Make sure you have a good mix of booths, some of which might be:

1. *Chances:* Those booths that have prizes that are won by chance, either by a drawing or a roulette-type game of chance.
2. *Merchandise:* Member-made or donated by businesses. Also, merchandise booths can be run by local merchants who agree to give the organization a percentage of the sales.
3. *Exhibits:* Produce displays, craft items, animals, local businesses, artwork, etc.
4. *Demonstrations:* Showing off various special skills by members or others.
5. *Entertainment:* Palmistry, handwriting analysis, sideshows, magic, bands, singing.
6. *Games:* There are innumerable game booths that can be set up. A few suggestions are: penny throwing, guess your weight, baseball throw, shell game, bean bag toss, nail driving contest, putting green, balloon bursting, test your strength.
7. *Refreshments:* Food and drink are essential to keeping visitors happy—and your treasury full.
8. *Special events:* Pet show, puppet show, auction.
9. *Services:* First aid, babysitting, lost & found, change booth or script sale booth, information.

A children's fair could be held in conjunction with a larger fair if you have the volunteers to man it. An area can be roped off just for children, with special events such as:

- Rides—carnival-type equipment can be rented.
- Pony rides.
- Marble tournament.
- Sponge toss (at targets or volunteers).
- Make-up booth (make them up as clowns, monsters, dolls).
- Grab bag.
- Clown.
- Sale of used and new toys.

Checklist for a Fair

1. Select chairman and chairmen for various committees:
   - Arrangements
   - Booths
   - Decorating
   - Special Events
   - Tickets
   - Finance
   - Publicity
   - Program
   - Merchandise
   - Refreshments
   - Patrons
   - Cleanup
2. Organize workers.
3. Set date.
4. Select site. Get municipal permit.
5. Donations:
   - Merchandise:
     - prospects
     - contacted
     - receipt and thank you
   - Handmade items:
     - prospects
     - contacted
     - receipt and thank you
6. Establish prices for:
   - food
   - merchandise
   - chances
   - entertainment
   - games
7. Arrange for entertainment and special events.

8. Arrange for food:
   - donated
   - purchased
   - concessions
9. Decorations, signs.
10. Rent equipment:
    - tables
    - chairs
    - booths
    - cooking and refrigeration items
    - utensils
    - tents
11. Purchase or solicit for:
    - paper plates and cups
    - plastic utensils
    - napkins
    - garbage bags
12. Publicity:
    - advance stories
    - announcements
    - radio spots
    - posters and handbills
13. Special services:
    - Babysitting
    - First aid
    - Lost and found
    - Rest rooms
    - Traffic and parking people
    - Security guards or police
    - Information
14. Map of grounds.
15. Tickets.

Before Fair Opens:

- Set up booths
- Decorations
- Arrange merchandise and prices
- Schedule of entertainment given to entertainers
- Double-check workers manning booths
- Security should be checked

During Fair:

- Cash boxes to ticket sellers
- Cash boxes to booths or receptacles for script

After Fair:

Return unsold merchandise or sell at discount or save for another fair
Return borrowed or rented equipment

Fashion Shows

A fashion show is usually held in conjunction with a luncheon, and the cost of the food is figured into the price of the tickets. Your costs will depend upon whether you use professional models or members of your group. As a rule, favors and door prizes are given at fashion shows as they are with many afternoon events, such as card parties.

Your first step is to contact a clothing store or a specific designer if you feel you will have people attending who are potential customers. Usually, a store will coordinate the show and cooperate for the publicity value the show will give them and as a way of attracting customers. Preliminary publicity should include notes to fashion and society editors. Invitations should be extended to the press, and photographs of some of the collection can be taken in a novel location. A script has to be worked up and presented during the show by someone who has had experience with fashion shows or is a very good speaker. The ideal duration of the show is 45 minutes.

Checklist for a Fashion Show

1. Appoint chairman and organize committees:
   - Fashions
   - Models
   - Patrons
   - Publicity
   - Program
   - Prizes and favors
   - Luncheon or tea
   - Invitations and tickets
   - Decorations and equipment
2. Set date.
3. Arrange for items to be modeled with accessories.
4. Select site.
5. Select commentators and script.
6. Select models.
7. Arrange for music.
8. Invitations and tickets:
   - Price tickets
   - Invitation list
   - Printing
   - Invitations mailed
   - Tickets sent
9. Follow up by telephone.

10. Obtain donated prizes and favors; sell chances for door prizes or select winners from entry tickets.
11. Plan seating.
12. Equipment:
    Runway and spots
    Microphone and lectern for commentator
13. Decorations, flowers, centerpieces.
14. Equipment for dressing room:
    Clothing racks
    Sewing equipment
    Mirrors
15. Person to take charge of models and clothing.
16. Luncheon:
    Arrange for food
    Floor plan to banquet manager
    Table numbers, if reserved seating
17. Agenda:
    Decide on order of events
    Go over script with commentator and musicians
    Select appropriate music and timing
    Have program printed
    Get person to direct drawing for door prizes
    Rehearse nonprofessional models

At Show:

Test equipment
Have ticket seller at the door
If selling raffles, arrange to have volunteers go around to the tables
Place programs on tables
Box or basket for tickets; see that there is someone to pull the numbers

Art Shows

There are two kinds of art show. One is just an exhibit; the other offers art work for sale. The latter will be covered in our section on Fund-Raising Sales. The former type of art show makes money on admissions. Items in the exhibit are not for sale and are usually on loan from private collections, estates, museums, galleries, or the artists themselves. A great deal of responsibility is involved in this kind of show. It must be held in a fireproof place, with "no smoking" signs everywhere, adequate insurance coverage, and a qualified mover to get the works of art delivered. Another alternative is to hold an art exhibit in a home or a series of homes on a one-night basis, with art work from well-known local and national artists obtained through the artists or their agents. This type of exhibit can be run like a house tour and can end with coffee and cake or start with cocktails. There are huge lists of artists' agents in the Manhattan Yellow Pages and in the Yellow Pages of most large cities.

Dances

So many organizations have dances that they often seem to end up with only members attending. To combat this trend, a dance must be well organized, have a unique theme, and be well publicized. Some suggested themes for a dance are:

Square Dance
Coronation Ball
Roaring 20's Dance
Costume Ball
Artists & Models Ball
Outer Space Ball
Seasonal Dance
Holiday Dance
Cabaret

Tickets should be either mailed with the invitations or sent as soon as a reservation is made. This will avoid confusion at the door. Don't forget to include a return card and envelope and to number the tickets.

A special kind of dance is the Charity Ball. To succeed with this, you must have a top-notch chairman, a hard-working committee, ample time to prepare (10 to 12 months), and the financial assistance of patrons. Expenses must be kept to a minimum, with as much merchandise and as many services as possible donated, and a great deal of thoughtful planning. It helps to have well-known people on the committee as well as an honorary chairman of influence and renown. It is possible to have a "casino" at the ball if local and state laws permit.

Checklist for a Charity Ball

1. Select chairman and honorary chairman.
2. Select chairmen of committees:
   - Arrangements
   - Invitations
   - Sponsors and patrons
   - Souvenir journal
   - Entertainment and music
   - Favors and decorations
   - Publicity
   - Casino and prizes (optional)
3. Organize workers.
4. Select date.
5. Select site.
6. Decide on theme.
7. Line up patrons.
8. Invitations and tickets:
   - Determine cost
   - Invitation list
   - Invitations printed
   - Invitations mailed

9. Decorations.
10. Select orchestra or band and other entertainment.
11. Favors.
12. Souvenir journal (see checklist on dinners).
13. Casino, if desired:
    - Rent equipment
    - Solicit prizes
    - Get people to act as croupiers and cashiers
    - Set up system for selling tickets or script
    - Distribute prizes
14. Food and drink:
    - If serving dinners, arrange with banquet manager
    - If serving drinks and hors d'oeuvres, arrange for bartenders and servers
15. Do seating list, if needed.
16. Publicity:
    - Advance stories
    - Tickets to the press
    - Set up photographer
17. During the affair and afterwards (see checklist on dinners).

Theater Benefits

A Broadway theater party is an attractive event that can be used as a fund-raiser. The price of the tickets to these shows, however, has risen considerably in the past few years, and after you add the organization's profit to the cost of the ticket your asking price to see a show will probably be quite high. If you feel you can sell the block of tickets you would have to commit yourselves to, and you have enough manpower to work on it, the theater party can be profitable. Most theaters have a phone number just for theater parties that you can call to arrange for your block of seats.

You might try to coordinate it with another event, such as a cocktail party prior to the show or an after-theater supper party.

If possible, find a celebrity willing to participate. The star of the show might be willing to attend if you can interest him or her in your cause or if you have a mutual friend who can appeal to the star.

The majority of theater benefits would be outside the New York area and would involve local productions, summer stock, or national road companies of Broadway shows. Tickets for these shows will usually be less expensive than the Broadway productions and will be easier to sell. In addition to stage shows, theater benefits include movie benefits, night club benefits, single performers, concerts, and children's theater. You could also consider including entertainment put on by your own group.

If you put on your own play, staged reading, or review, you must select a director first, possibly a professional if the budget permits. He will then conduct tryouts. Since renting costumes can be expensive, it might be best to put on a modern play so you can use everyday street clothes. In the Manhattan Yellow Pages, you can find the names of theatrical producers,

play brokers (such as Samuel French & Co., 25 West 45th Street, New York, NY) who will send you catalogs of plays available to produce, and companies that provide theatrical equipment and supplies. You should check the Yellow Pages of your nearest metropolitan area for such companies near you.

A souvenir program would be another way of raising money in conjunction with a theater benefit. If your benefit is held in a local theater, your local business organizations would be likely to take advertisements in your program.

SAMPLE INVITATION
TO
THEATER BENEFIT

Name of Charitable Organization
presents
A Benefit Performance of

THE
PLAY

by Daniel M. Gaby

Wednesday, October 19, 1977, at 8 p.m.

Your Name _____

Address _____

Enclosed is my check for $ _____
for _____ tickets.

LOCATION	PRICE
Mezz.	$20.00
Mezz.	22.50
Orch.	25.00

Please make checks payable to (organization's name) and return with this form.
Ticket prices include a tax-deductible contribution of ten dollars each.

Theater Benefit Checklist

1. Set date.
2. Select chairman.
3. Organize committee.
4. Select show.
5. Reserve tickets.

6. Decide on coordinated function:
   Cocktail party
   Supper
   Party with cast of show
7. Chairman and committee for coordinated function.
8. Invitations and tickets:
   Determine amount of desired profit
   Gather names for invitations
   Have tickets and invitations printed
   Mail invitations, including response card
9. Follow up by telephone or letter.
10. Souvenir program (see dinner checklist).
11. Host or hostess to greet theater-goers and to assist those who may have forgotten their tickets.

The souvenir program should be distributed at the door as people are coming into the theater. If you have a block of seats together that you have taken for the entire party, you might want to put a copy of the program on each seat in the group's area.

House Tours

Many people enjoy seeing other people's homes that they would not ordinarily get to see. This is especially true if the homes have inherent historic, architectural, or artistic interest. A tour of collector's homes, historic houses, artist's studios, or homes with outstanding gardens would draw attention. Local newspapers are usually quite willing to do features with photographs because the houses are interesting to their readers.

A letter or phone call followed by a letter is necessary when you are lining up the homes on the tour. A program or catalog with an itinerary and brief description of each house is important. There should be a chairman and hostesses for each house to see that visitors do not go in areas the owners have restricted and that they do not touch anything. The hostesses should also be able to answer questions about the house. Try to pre-sell tickets, but have a booth at the starting point to sell tickets as well. This type of event is held on a Sunday afternoon, and although many people will plan in advance to go on the tour, several others will decide at the last minute to go. If your event is successful and you plan to hold it again, select new houses each time.

Other Trips and Tours

Guided tours to art galleries, museums, local factories, or places of culinary or ethnic interest, such as Chinatown, are another way of raising funds. This idea might be expanded to include walking tours, day-line cruises, ski weekends, camping trips, and expanded vacation trips. When arranging for other than local trips, work with a reputable travel agent. Give yourself enough time to sell your package so that if you don't reach the minimum you need, you can still cancel.

Parties

Parties are the most social of the events and can be a great deal of fun. They do not, however, usually raise a great deal of money. In a few instances it might be appropriate to make a pitch for funds at the event, and in a few others you might be able to charge a substantial amount for admission. Some of these are: a cocktail party, a garden party at a large attractive home (in case of rain), a masquerade party, and a wine and cheese party.

Many other parties are possible, such as a beach party, a block party, a card party, a bowling party, a bridge marathon, a games party (checkers, monopoly, pool), a skaters party, an opera party (with records), a hayride, and a scavenger hunt.

Teas are included under the category of parties and might include a book review tea, a tea-tasting party, a garden tea, etc.

Parties are usually given to welcome new members, to celebrate a successful fund-raising campaign, or to thank workers or contributors in a special way.

Sporting Events

Sporting events as fund-raisers can raise a great deal of money, depending upon the popularity of the particular sport you select in your community and whether you can attract professionals or people from outside your community. You could hold an exhibition athletic event such as a gymnastics demonstration or a high school or community softball or basketball game; for example, students vs. teachers, boys vs. girls, fathers vs. offspring.

An invitational tournament is another way to raise funds. The participants can compete against a pro or against each other. An entrance fee for contestants and an admission fee for spectators will bring in money. Popular sports for this type of fund-raiser are tennis, golf, and bowling. Another way of doing this is to sponsor a major professional tournament. This has been done in tennis and golf with much success.

Speakers

Speakers are usually hired to enhance a meeting, dinner, luncheon, or seminar. However, a lecture series utilizes a few speakers, and the speakers themselves are the draw that sells the tickets. A one-time lecture with a well-known and interesting speaker could also be held. A famous personality as emcee or featured speaker can attract people to your fund-raising event. You must decide whether you are willing to pay a fee and whether you will pay the speaker's travelling expenses. Many nonprofit organizations and companies send out speakers at no charge, but in most cases you will have to pay a fee or honorarium. If you book the speaker through an agent, you can get a performance bond guaranteeing the speaker will appear.

Plan your event well in advance, and when you write to your potential speaker be sure to give him an alternate date if you feel you definitely want him at your event. Explain the nature of your organization and fund-raising project, what topic you wish covered, the nature of the audience, how many people you anticipate, and what kind of place it will be held in

(auditorium, banquet hall, etc.). You should mention whether you plan to have questions from the audience or some sort of audience participation.

When looking for a speaker, check the Yellow Pages of a city telephone book under "Lecture Bureaus." The Manhattan directory lists individual speakers, speakers' bureaus, and speakers' agents. Many trade magazines list a few speakers each month who are available without charge. Check with your nearest university, which will undoubtedly have a speakers' bureau. Many large companies have speakers who will come to talk on specialized subjects related to their firms.

Below are the names of some organizations you might contact for speakers:

National Conference of Christians & Jews
43 West 57th St., New York, NY 10019

American Association for the U.N. Speakers Services
345 East 46th St., New York, NY 10017
(They have centers in other places such as Chicago and Kansas City. Write to the New York address for the exact locations.)

English Speaking Union of the U.S.—Speakers Bureau
16 East 69th St., New York, NY 10021

Pan-American Women's Assn.
20 West 40th St., New York, NY 10018

Also contact your nearest chapters or branches of:

Planned Parenthood
Legal Aid Society
League of Women Voters
American Cancer Society
American Civil Liberties Union

You might obtain speakers through government agencies at all levels. Try libraries, schools, colleges, local organizations, companies, banks, museums, and hospitals.

There are many speakers' bureaus that act as agents for individuals who are well known. W. Colsten Leigh, Inc., has offices in New York at 521–5th Ave. (10017), Chicago, and San Francisco, and represents many authors, news personalities, commentators, movie stars, and other well-known personalities. Another speakers' bureau that handles people who speak on a variety of subjects is Bantam Lecture Bureau, 666 Fifth Avenue, New York, NY 10019.

Miscellaneous Social Fund Raisers

Children's Entertainment

Puppet Theater: Libraries have books on how to do your own puppet show. Many states have puppetry organizations if you wish to hire someone. The organization can be reached by writing Olga Stevens, Exec. Secretary, P.O. Box 1061, Ojai, CA 93023. The Puppeteers of America is a national group of professional puppeteers who have high standards of admission.

Many of their shows are for adults and older children, and they are trying to educate the public to the fact that puppet shows are not just for the very young.

Magicians: Check the Yellow Pages for the names of magicians.

Children's Saturdays: A weekly Saturday outing with enough chaperones and insurance can be exciting for children and raise some money. You can take them to zoos, airports, museums, TV studios, lakes with boats, bird walks, ships, ferry boats, circuses, theater, puppet shows, pet shows, and films. They like to hear stories, and, perhaps, they can put on their own pet shows or plays.

Children's Theater: Putting on a play can be a great experience for a child and will certainly attract friends, parents, and relatives, as well as your members, to see it.

Shoppers' Nurseries: Check local regulations before setting up a shoppers' nursery and make sure there is adequate supervision. It's much easier to run than a regular nursery because the hours are shorter.

Children's Art Exhibit: Charge admission to spectators. Have well-known judges and give prizes to best work by a child in each medium.

Flower Shows

You can set up education exhibits and demonstrations and charge admission. You can also arrange a competition to find the best flowers or plants of the same kind.

Horse Shows

Sponsor a competition and charge an entry fee for the participants and admission for spectators.

Pancake Festivals

Hold a breakfast or brunch of pancakes including a pancake flipping contest.

Gambling

Local and state regulations must be checked before you consider any casino-type fund-raiser. Play money can be used for gambling and redeemed by prizes instead of cash. See section on Charity Balls for more on this subject. Winners can also use the play money to bid on items at an auction held after the gambling session. Bingo and other games have been used successfully in some areas as fund-raisers.

Regional Miss America Contest

Your organization can sponsor a regional contest to send a finalist to your state Miss America contest. Try to get local organizations to sponsor their own contestants. To tie in with the state contest, you must contact the state office of the Miss America Pageant for permission

and instructions. The local contest is usually held in an auditorium, and it is the responsibility of the sponsoring organization to publicize the contest and the contestants. You will need a professional emcee, programs, music, prizes, bouquets, and chaperones. You raise money through ticket sales and ads in your program. If your winner comes out on top in the state competition, it will be excellent publicity. If not, she would still tie in well with local promotions.

Selling Services

When offering a service as a means of raising money, make sure the service is readily available to the donor. Offer it graciously, and publicize it well. Choose a project with which your group can identify and for which there is clearly a need. And, by all means, don't take on more than you can deliver; nothing could be worse for your organization's reputation.

Among the services you should be able to provide are:

1. Catering services.
   - Cakes. Make sure you follow good recipes, you have good cooks, and the decorations are suited to the occasion.
   - Dinners and special meals. Prepare the menus and price list and use experienced cooks. You might need to rent or invest in serving dishes.
   - Prepared hors d'oeuvres and casseroles that are ready to pop right into the heating oven.
2. Rental services.
   - Clothing and costumes; art and sculpture.
   - Books. Concentrate on best sellers and fiction. Look in *American Book Trade Directory* for suppliers or "package" library chains. When the books are no longer in demand, offer them for sale.
   - Party supplies.
   - Baby equipment.
3. Lawn cutting, baby sitting, and odd jobs such as shovelling snow, mending clothes, and addressing envelopes. Pay your workers, taking a percentage of their earnings for your cause.
4. Community car wash. This can be held in a school yard, parking lot, church yard, or shopping center.
5. Window washing. Go from door to door and take orders beforehand. This works best with two people inside and two people outside.
6. Children's parties. Volunteers could provide entertainment such as puppet shows and magic tricks, organize games, help serve, and clean up.
7. Workshops and demonstrations. Use knowledgeable people to show how they do crafts, dried flower arranging, gardening, specialized cooking and baking, and so much more.
8. Miscellaneous services. Your group could offer to do gift wrapping, toy repairs, day nursery, dog and cat sitting, gardening cooperative.

Wherever there exists a need for a service that does not require much capital investment or hard-to-find skills, your organization can arrange to provide that service—and provide yourself with a surprisingly large number of dollars.

Fund-Raising with Sales

Perhaps one of the most certain ways of raising funds for your organization is to sell something at a profit. By providing something of real value in return for money, you obviously are going to appeal to far more people, and probably raise far more money, in a much shorter period of time.

However, taking this avenue requires a wide range of skills that many organization executives and volunteers simply don't have—the skills of the retail businessman. You will become immediately involved in such problems as site location, cost of merchandise (unless it is donated), inventory control, cash management—at the least. Most important, you will have to apply the critical factor of judgment and taste to the selection of what you sell. Select the right items at the right price, and success is virtually assured. Choose items with limited appeal, and you may be living with them—and their cost—for a long time.

In this section, we will describe a variety of sales activities that you might consider for your organization, ranging from the very simple and obvious to the more complex.

1. Premiums. So important is the sale of premium items to organizational fund raising that it has spawned an entire industry. There are many firms around the country that develop extensive lines of relatively low-cost merchandise for re-sale by nonprofit organizations. Look in the Yellow Pages under "Premium Goods," "Novelties," and "Advertising Specialties." The range of things available is great. They cannot even be categorized here, but you should get in touch with local vendors and examine their catalogs. Remember, always comparison shop because there is a wide range of prices among such suppliers for the same merchandise. The key to your decision should be (a) how widely will the merchandise appeal to the target audience and (b) how profitable will the sales be. For general information and sources, write to the National Premium Sales Executives, 1600 Route #22, Union, NJ 07083.

2. *Bazaars.* A bazaar is a collection of selling booths, usually linked by a common theme or type of merchandise. Possible items include art, ceramics, books, sewing and knitting, holiday decorations, stationery, children's things, clothes, garden items and plants, international items, cakes and cooked items, men's wear, white elephants, needlework, gadgets, mystery packages, pet corner, services, and back-to-school products. The list is limited only by your imagination. Remember, though, once again the principle consideration is wide appeal.

A bazaar takes a lot of planning, which should begin six to eight months before the bazaar date. It will require enthusiasm and dedication, plus many volunteers to assemble merchandise, put up booths, decorate the premises, price the items, and man the booths. The best time is late in the fall, when people are in the market for Christmas gifts. Here are some general tips:

- Try for an original theme, one that will excite your volunteers and intrigue prospective buyers.
- Aim for high visibility—big, bold, bright decor, with the design of booths and displays interrelated.
- Identification must be clear and simple. That means strong signs for the booths and visible name tags, armbands, and directional signs.
- Establish a standard of workmanship for the bazaar items. Make sure that any items purchased at your bazaar give full value.

Here is a checklist you can use in planning your bazaar:

Preliminary Arrangements

1. Set date.
2. Locate place to hold bazaar.
3. Select chairman.
4. Name heads of various committees:
   a. Booths
   b. Cleanup
   c. Decorations
   d. Equipment
   e. Handmade and secondhand articles
   f. Pricing
   g. Publicity
5. Organize workers.
6. Compile list of potential donors.
7. Contact potential donors by letter.
8. Arrange for committee to follow up potential donors, either personally or by telephone, five days after letters have been mailed.
9. Conduct personal solicitation in the community for handmade articles and secondhand items.
10. As notices are received regarding donations:
    a. Send notification forms on a weekly basis to committee members responsible for the donation.
    b. When merchandise is delivered, forward receipt and thank-you note to each donor.
11. Set price for door prize chances.
12. Equipment and decorations:
    a. Rent tables and booths.
    b. Get decorations.
    c. Have signs made (if necessary).
    d. Get shopping bags.
13. Publicity:
    a. Submit advance stories to press.
    b. Prepare and distribute announcements.
    c. Prepare spots and submit to radio stations.
    d. Arrange to have posters printed and distributed.

The Day Before the Bazaar

1. Price merchandise, use adhesive-backed stickers.
2. Set up booths and tables.
3. Arrange merchandise.
4. Put up decorations.
5. Be sure that all booths will be adequately manned.

During the Bazaar

1. Establish an accounting system for monies received at booths and for chances sold for door prize.
2. Supply booth attendants with cashboxes for handling money.
3. Arrange to sell door prize chances; set up two tables at entrance.
4. Have receptacles ready to receive stubs for door prize.
5. Appoint someone to draw winning ticket for door prize.

After the Bazaar

1. See that all borrowed or rented equipment is returned.
2. See that decorations are taken down.
3. If carpentry work is done, see that it is taken down.
4. Arrange to dispose of unsold merchandise.
5. Write thank-you notes.
6. Pay bills.
7. Preserve the donor file for use in future bazaars.

Summary

1. Add up income and expenses and determine net proceeds.
2. Evaluate the bazaar and determine how the next one can be improved.

3. Auctions. Unlike the bazaar, the auction sells merchandise to the highest bidder, and all selling takes place in front of all potential buyers. Also, the auction requires higher-quality items, and you will often have no more than one high-quality item available for sale.

It is essential that you have a professional auctioneer because of the speed and complexity of the auction process. An amateur, no matter how well motivated, can bog down the process and invite disputes about who bid what and who won the bidding.

If you plan to run the auction all day, be sure that there is food available for purchase (another way of raising money). There must, of course, be enough parking spaces, enough chairs, proper ventilation (if indoors), and sufficient lighting so that items can be clearly viewed from a distance. The best time for an auction is a Saturday during the summer, and the best location is near another event that is drawing its own traffic (such as a fair, sporting event, picnic).

One point about tax deductibility: If a contribution to your organization is tax deductible, the buyer can only deduct the amount that exceeds the value of the item purchased. If he pays less than a reasonable market value, there is no deduction, even if your organization got the entire amount.

A few unusual auction ideas are:

- Art auction. For items, contact art schools, art centers, and artists in the area. It could be held in conjunction with an art show, with the exhibit being auctioned off at the end of the show.
- Vacation auction. Often, resorts, hotels, airlines, etc. will provide a free vacation for the publicity they receive before and during the auction. A rule of thumb is that for every 100

requests you make for a contribution, you'll get two vacations. For maximum effectiveness, prepare a brochure in advance describing the vacation. Since vacations usually go for about one-half of their real value, you could probably charge admission to the auction itself.

- Picnic basket auction. If the situation calls for picnic meals, members could bring in full hampers for auction. These would not be identified as to source.
- Blind auction. As the name suggests, the items would be wrapped so they could not be identified. This, of course, adds an element of suspense and surprise to the event.

4. Rummage Sales. Here you are essentially selling what others have discarded, although you should not accept items that cannot be cleaned up, fixed, and made useful to others. The best time to have a rummage sale is at the end of the season, when many families are getting rid of clothing and home furnishings. Clothing must be cleaned, mended, and labeled for size. It should be categorized for easy browsing. Price items attractively, but don't fall into the trap of practically giving them away. If an item doesn't sell, it can always be marked down toward the end of the sale.

The physical set-up of the sale is important. You'll need a large area such as a school gym, church social room, civic center, or vacated store. Keep the entrance and the exit separate so that you can control traffic and make sure that everything is paid for. Have plenty of old bags and boxes for customers. Wire hangers are also essential. And, make sure that you receive cash or checks for all sales and that purchased items are so marked.

5. The "Next to New" Shop. Unlike a rummage sale, which can last only several days, the "next to new" shop is an on-going retail outlet, run just like a store. It sells either donated items or items given on consignment (that is, the owner places the item in the store but is paid only after it is sold). To make a go of such an operation, your organization must get the store for a reasonable rent, the location must get good traffic, and you must have 20 to 30 reliable volunteers who will commit themselves to spending some time each week in the store.

The logistics of this operation are much like any retail business. You need basic equipment, such as racks, shelves, hangers, bags, chairs, etc. Quality merchandise is sold at an attractive price. Tight inventory control must be maintained. There should be a card for each item in the store identifying the consignee. The consignee usually gets between one-half and two-thirds of the retail price. It is wise to show him a copy of the sales slip to verify the price.

6. Art Shows. One of the most popular forms of fund raising is the art show. When it is done correctly, the amounts raised are often staggering. One of the most successful and longest-running annual organizational art shows is conducted by the Essex County (New Jersey) Section of the National Council of Jewish Women. This group has run the art show for the past 23 years, with traffic and net proceeds increasing every year.

The show is held in the first week of December, but work begins 11 months in advance, when scouting committee members are dispatched in April. From the works turned up by the scouting committee a selection committee picks specific art works in the fall of the year. Several hundred participants are selected, with artists being rotated each year so the public gets a variety.

The works are priced from $25 to $10,000 and include sculpture, jewelry, photography, paintings, and prints. There are special categories, such as World Treasures (Picasso, Renoir);

Young Collectors, framed for up to $400; and Young Collectors, unframed from $25 to $100. In the main room are the rest of the pieces at assorted prices. The public can, in some instances, commission an artist, with the NCJW getting from 10% to 30% commission.

On opening night (Saturday) there are cocktails and hors d'oeuvre for $15 a couple. This payment also buys admission to the show on all days. Admission on other days (Sunday, Monday, Tuesday, Wednesday) is $1.50. A printed program is prepared for opening night guests only, in which ads are sold to patrons and the full list of participating artists is provided.

In this program, there are two levels of "benefactor"—the Silver Benefactor (listing is $35) and the Golden Benefactor (listing is $75). In addition, each division of the county section is given a work of art (usually donated), and the Silver Benefactors are eligible to win the piece in a drawing. For the Golden Benefactors there is a dinner-dance held the evening of the opening.

The show benefits the NCJW in three ways: (1) It is a strong financial success; (2) it generates excellent positive publicity for the organization; and (3) it actually aids in recruiting members. The show is so prestigious that many women join the NCJW just for the opportunity to work on the show. In all, there are about 500 volunteers working on the show. The proceeds fund about one-third of the county section's budget and pay for 16 or 17 community service projects.

Attendance at the show increases every year and now stands at about 10,000. It is promoted via paid advertisements in local newspapers and cultural magazines and gets much free publicity as well.

At the end of each show, each department involved must write a complete report. Evaluation meetings are held to critique and make recommendations.

As an incentive to the members to obtain program ads and sell tickets, the organization awards a dinner for two to each member selling the most tickets in her division. Any member selling more than $100 worth of tickets or ads is entitled to attend a sponsor event in the spring. Recently, that event was a champagne breakfast at a posh local department store, and approximately 200 people earned the right to go.

For community relations reasons, the NCJW also conducts free tours for students, senior citizens, and for their community service project workers. They also hold workshops in art for children while their parents are attending the show.

7. Antique Shows. The antique show is different in that it must be conducted using only reputable antique dealers, who control their own merchandise. The approach is not to charge the dealers a percentage of their sales but to levy a flat rental fee for the booth. Your income will be derived from this rental fee plus income from admission charges, program ads, parking, and the sale of food. In return for the rental, you must guarantee the dealers a strong effort to bring in traffic via advertising, publicity, mailings, etc.

8. Gardening Sale Idea. Plants, flowers, and gardening in general have very wide appeal and can be the source of quite successful sales. Among the possibilities are:

- Flower and plant sale, with plants, herbs, seedlings, and fresh flowers donated by members or taken on consignment from vendors.
- Herb bazaars, with knowledgeable people manning the booths to answer questions and advise on the fascinating array of herbs available.

- Flower marts conducted by several local garden clubs that share an interest in your organization's activities.
- Cooperative greenhouse conducted by your members, who then sell what is grown.
- Mums for Mom, a cut flower sale preceding Mother's Day.

9. Permanent Projects. Many organizations faced with a continuing need for funds prefer a continuing source of revenue. While this approach does require more on-going work and volunteers, there are many benefits. First, the up-front organizational work is done only once. Second, your volunteers have the chance to build experience and expertise in the activity. Third, you build recognition in the community for the special type of fund raising you are doing. All of this together means that you are probably going to raise more money for the volume of work invested than you could with separate, one-time annual events.

Check this list of projects for some ideas for your organization:

- Items from manufacturers, particularly those with some unique qualities such as Vermont syrup, Wisconsin cheese, etc.
- Items your organization produces, such as engagement calendars and birthday and general greeting cards.
- City and town directories, which contain emergency numbers, community services, street maps, etc. These could include ads you sell to patrons and local businesses.
- Know Your City booklets. These would include town history, local landmarks, local government systems, voting districts, schools, school zones, parking information, sports and recreational facilities, points of interest, civic events, public office holders, etc. They could be sold door to door, through numbers, or through local stores, museums, libraries, etc. Here, too, ads could be sold to patrons and merchants.
- Town cookbook, with tested local recipes and illustrations.
- Birthday books. These are specially prepared scrapbooks with clippings that chronicle the events of the days in which the babies were born.
- Birthday records. You can cut records of birthday greetings to individuals, with stories, anecdotes, songs, and jokes relating to the recipient. Cook Laboratories Inc., 101 Second Street, Stamford, CT specializes in pressing small quantities of records from tapes.
- Handiwork and craft items such as quilts, aprons, pot holders, coasters.
- Donor cards. In lieu of a gift for a birthday, anniversary, or other event, a donor could give your organization a contribution. You would then inform the "birthday person" of that gift in his or her name in some attractive form. You would develop several card formats for recurring gift-giving situations, with space to fill in the name and message.

Direct Fund-Raising

1. Face-to-face fund-raising. The best way to raise money is to ask for it. There may be different methods of asking for it, but it is straight, direct, with no gimmicks, no sales, no social affairs to mask it.

Face-to-face, eyeball-to-eyeball, person-to-person, whatever name it goes by, it is the fund-raising method explained in the section on major donors. It means compiling a prospect

list, investigating your prospects, and sending one or more persons to see the prospect to ask him or her for a specific amount of money. You arrange an appointment, explain the campaign, tell how much is needed, how much you expect, and then ask him for his gift.

This can be done in a small group at a home, sometimes called a Parlor Meeting, and can be accompanied by dinner, brunch, coffee, etc. After a welcome by the host, a guest speaker will talk about the program of the organization. Either the host or an officer of your organization can then make the pitch for money. After pledges are made, questions can be asked of the speaker. If questions come before pledges are made, your pitch will lose some impact since they sometimes tend to drag on.

Asking for money at a weekend retreat is another way of direct fund raising. Weekend retreats are usually held for educational purposes, training, or discussions, but they can be used to raise funds by setting up various activities and workshops and concluding with a pitch. For information on setting up a weekend retreat, see our chapter on conventions, workshops, and meetings.

2. *Card calling*. This is another method of asking for money and is very effective. It does have one drawback, however. Some people find it embarrassing and others find it uncomfortable to have names and amounts called out. Make sure that when people are asked to a dinner or other function where card calling is to be done that they know in advance what to expect. Large donors should be seen in advance of the function and a pledge received from them. The speaker or "pitchman" should make his own gift first, and it should be a very large one. His pitch is usually preceded by an impressive guest speaker whose talk should be inspirational. In announcing pledges, it is important to point out that small gifts are important, too, and no gift should be minimized.

3. *Coin cans*. This could be considered a supplementary way of direct fund raising. Seek varied locations for the placement of the coin cans, particularly in areas of high pedestrian traffic, where people are likely to have change (cash registers). Be sure you have tight control over numbering of the cans, distribution, pick up, replacement, recording of results, and "thank yous" for those who have provided the locations.

4. *School collections*. If your organization and its activities can command broad public support, it may be possible to use schools as a means of raising money. This is particularly effective if a school will permit children to take home fund-raising appeals and collection envelopes. Check with your local Board of Education.

5. *House-to-house collections*. When this kind of fund-raising effort is handled by volunteers, it has several important benefits. First, you are touching many people in the community. Second, people are dealing with other people, usually neighbors, rather than letters or phone calls. Third, the return on time invested is usually quite good. Here are tips to remember when you are planning a door-to-door drive:

- The chairman must be a good organizer and be able to lead the enthused volunteers. He should have a knowledge of the geography being covered. He should be experienced and well known.
- Be sure to check with the police and other authorities for all necessary permits.
- When canvassing homes, you need one volunteer for every 15 homes covered.
- Develop a kit for use by the volunteer that includes collection envelopes (one for each house or apartment assigned), return contribution envelope (one for each volunteer),

gummed "I Gave" window stickers for each contributor, receipt book, label identification button, and literature explaining the use to which the contributions will be put.

Checklist for a House-to-House Fund Drive

1. A house-to-house chairman should be appointed four months prior to the drive.
2. For every 50,000 persons to be covered, appoint one Area Commander, five Regional Captains, seven Section Leaders, and twenty solicitors, or block captains. The Committee, Area Commanders, and Regional Captains should be appointed two months before the drive.
3. Enlist the support of all school groups, organizations, unions, civic groups, newspapers, radio and TV stations, etc.
4. Begin recruitment of house-to-house Section Leaders and Block Captains early.
5. Assemble campaign kits and have them ready for distribution two weeks before the drive.
6. Hold a rally for all leaders, captains, and workers, briefing them on your organization, program, methods of operation, and use of campaign materials.
7. Assign areas to commanders, captains, leaders, and workers, and check maps to be certain of complete coverage.
8. Block captains or solicitors should have their kits a week before the drive. Publicity can be helpful at this time.
9. Assign specific homes to each worker.
10. Brief volunteers on financial requirements, the program of your organization, and the mechanics of the campaign.
11. All-out publicity starts five days before drive.
12. During the campaign, every house, street, and area should be covered and patrolled by men's groups if need be.
13. Kits should be returned to the leaders within a week after the completed canvasses.
14. Announce public accounting of collections.
15. Prepare "Thank You Party" and personal notes for leaders and those cooperating in drive. Present awards for outstanding service.
16. Analyze results by areas for use the following year.
17. Inform volunteer solicitors at mid-year as to progress of programs and services.

6. Fund raising on television. The electronic medium, so all-powerful in our society as a selling tool, is only lately coming into its own as a fund-raising medium. It is used both to appeal to the general public (as in the telethons that are now so widely used) and via closed circuit television (a nonbroadcast use of TV that will be discussed).

The major benefit of the CCTV approach is that you can broadcast your address to a predetermined place, time, and audience. This gives you the capacity to limit your audience to leaders and influential persons—while using the impact of TV on them. The TV signal is moved through telephone lines and comes directly into particular large screens live. It can be broadcast to a few locations or to many, with the same intimacy.

Some examples:

- The United Jewish Appeal used CCTV to bring the Israeli Prime Minister live to 40,000 people who were attending 20 fund-raising dinners.

- The U.S. Government addressed private sector managers to encourage bond sales simultaneously in 34 cities.
- The Museum of Modern Art has raised funds by linking an art auction at Parke Barnet with bidders in New York, Chicago, Los Angeles, and Dallas.

Here is why more and more organizations are seriously considering closed circuit TV as a dramatic fund-raising medium:

- CCTV makes a national or regional event out of a meeting that might otherwise be routine. It is particularly valuable if you have a guest whose impact should be as widespread as possible.
- CCTV brings a sense of unity to everyone involved, linking staff, volunteers, general members, and guests in a powerful way. It permits grass roots people to see and be inspired by your organization's leaders.
- CCTV can raise large amounts of money. The initial outlay is great, to be sure, but the amounts raised are usually much greater, and it cuts down on other costs such as travel, hotels, phones, etc.
- CCTV can be taped for future use, an advantage that is particularly valuable if there are people involved whose impact you would like to use again and again.

FUND RAISING FOR SCHOOLS AND COLLEGES

A sense of loyalty, gratitude, and fond memory plays a larger part in a successful fund-raising drive for schools than any other tactic. The pool of contributors is largely limited to alumni of the institution, although the fund-raiser is one step ahead because the more educated citizens are usually the more affluent. And most graduates take with them a strong sense of obligation toward the school that prepared them for success.

Fund raising for schools and colleges is usually divided into two categories: the development fund and the annual giving. The development fund is a long-range drive to acquire money for capital projects. The annual giving is, as its name suggests, a yearly effort to raise money for both operating expenses and capital needs.

The development fund is usually set up by an outside fund-raising counsel and continued later by someone at the school staff who has been trained in fund-raising techniques. A high degree of cooperation is required among the outside counsel, the school's administration and public relations staff, the alumni association, and current students. In particular, alumni support is pivotal and must be cultivated right from the start.

The most commonly used techniques are personal visits, phone calls, individual (not form) letters, and meetings of small groups of potential givers.

The annual giving campaign pursues a wider base among the alumni and is, therefore, somewhat different in technique. Many more volunteer solicitors are needed, and these must be recruited and trained using the techniques described elsewhere in this book. Greater use is made of letters and other direct mail and sales promotional devices. One technique is to key the annual giving to a significant event at the school, such as the retirement of a prominent faculty member or the receipt of a distinguished award.

As in all school fund raising, the alumnus must be made to feel his responsibility and a

sense of pride in the institution. While large donations are, of course, most welcome, it is not necessary to ask for a large contribution. The alumnus should be urged to give "a thoughtful gift, not a token gift." He will get the message.

The key to getting alumni to respond to the school is to keep in touch with them after they graduate and make sure they continue to identify with the school and its goals. To this end, you could:

- Follow the careers of alumni and keep in touch with them via mailings and personal letters.
- Draw on their special skills and contacts to enrich the school's educational program.
- Sponsor forums, professional discussions, etc. that will get the alumni back to the campus—and into the spotlight.
- Encourage class reunions and see that the reunion committee receives full cooperation and the use of school facilities. (A reunion is a particularly appropriate time to ask a graduate to support the school.)

Following is a suggested schedule for an alumni appeal. The dates are used only to show the amount of time that should be allowed between the sequence of activities:

Date	*School Fund-Raiser's Job*	*Alumni Representative's Job*
Dec. 5	Send out your special appeal to the major donor list and the general appeal to all others on the alumni list.	
Dec. 6	Send a rough draft of the president's fund appeal to the alumni reps with a request for suggestions.	
Dec. 30		Send copy of the alumni reps' appeal to the school fund raiser for review.
Jan. 20–24		After approval by school, sign alumni reps' appeal.
Jan. 30	Mail alumni reps' appeal.	
March 1	Mail names of class members who have not responded to the alumni reps and ask them to follow up personally.	
	Send all alumni committee members a manual of instructions for their guidance.	

Date	*School Fund-Raiser's Job*	*Alumni Representative's Job*
March 5		Assign follow-up names to people on your alumni rep committee for follow up.
May 1	Mail final appeal.	
June 5	Mail reminder to previous donors.	

SOME CASE HISTORIES

Among the many association professionals with extensive knowledge in fund raising, there are three with extensive experience that we thought would be useful to others with comparable challenges. Following are some case histories cited by these three people.

The first is *Zelda Baum, National Executive Director of the Cooley's Anemia Research & Blood Foundation for Children, Inc., and a member of the National Society of Fund-Raisers*. She said that in her experience most money at dinners was made on the journal, not on the dinner. Further, she is convinced that people give to people, not to causes, and that one could raise money for any purpose if the right people were doing the asking. "But people have to be asked," she said. "They want to be asked and expect it."

In special event fund raising you should not appeal to your own membership. The key to success is selecting an honoree who is in a strong buying position, someone people are beholden to.

When Ms. Baum was with the National Hemophelia Foundation (Metropolitan Chapter), she ran a dance marathon at Adelphi University. She supervised, but most of the work was done by students, and the campus was used for most events. The marathon was scheduled to run from Friday to Sunday, a total of 50 hours. Couples had to pay $200 to participate, which they could pay themselves or get from sponsors. To get the $200, students ran a cake sale, a basketball marathon, and a fraternity/news celebrity softball game. Entrance tickets to the dance marathon could be pledged (credited) to a specific couple. Pledges on couples were also generated by "beer busts," a celebrity auction, a waffle breakfast, a craft fair, and a children's party.

All the publicity was handled by students and journalism teachers. There was an auction that was held the first ten minutes of every one of the 50 hours, conducted by disc jockeys. A fast food chain donated a trip for two to Bermuda during college vacation week, which went to the couple that raised the most money. There was a separate tennis raffle because so many tennis items were donated.

There was also a fifty-fifty raffle as people came into the marathon as spectators. This gave someone a chance to win all the dollar bills that had been collected (they were on display throughout the marathon in a plexiglass box, being blown around by a fan).

There was also a tethered hot air balloon, and they raised money by selling rides.

Finally, she made a deal with Burger King that gave the Hemophilia Foundation 25 cents for every Whopper that was bought on particular days—if the receipt was turned in by the

fund-raisers. Needless to say, this was well promoted on campus and resulted in many dollars coming in.

The result of all this ingenuity and action: $24,000 was raised, and total expenses amounted to just $3,000 since virtually all labor was donated for publicity, accounting, music, promotion, and feeding.

Another interview brought forth valuable advice on how to make money on a souvenir journal. This information was provided by *Steven Nagler, Executive Director of the New Jersey Civil Liberties Union,* who said that his organization had an arrangement with a professional whose business is doing souvenir journals. The basic journal costs the NJCLU nothing, and they receive enough copies for everyone attending the dinner and the advertisers. The professional's income comes from the sale of ads in the Journal, but he cannot sell to anyone on the NJCLU mailing list. They, in turn, solicit their own ads from their own lists and retain 100% of the revenue.

The principle source of ads for the organization are people who support it and people who are in some way associated with the honorees of the annual dinner. Those being honored give Nagler a list of friends, relatives, associates, and others. This list is used to sell both tickets and ads.

In 1976 this method produced a profit of $14,000 on the Journal, $4,000 on the dinner, and $3,000 on a major donor cocktail party with the honorees preceding the dinner.

The final case history was provided by *Seymour Josephson, formerly Executive Vice President of Junior Achievement of New York and now with Friends of the Earth.* He described a Junior Achievement testimonial dinner called "Futures Unlimited Banquet," which was held to honor Bob Hope, Howard Cosell, Bill Russell, and Mayor Abe Beame.

One problem that arose immediately because of the prominence and schedules of the honorees was the need to prepare a back-up program if either Hope or Cosell could not make it at the last minute. Josephson prepared three different scripts of 148 pages each. Ironically, all the guests could make it and the back-up materials were not needed.

Josephson stressed that the dinner should not be cast in concrete until there were ticket sale guarantees. To assure this outcome, the Junior Achievement detailed people to visit with the major corporations in the city that supported the Junior Achievement idea. Influential members of the board made calls and commitments to blocks of tickets. In fact, this approach worked so well that fully half of the 1,600 tickets that were eventually sold were pledged before any details of the dinner were worked out.

Total net proceeds on the event were $70,000.

POST-CAMPAIGN EVALUATION

With the fund-raising campaign completed, you should not just sit down and begin an evaluation of the results. You should ask yourself what you can learn from this experience that will make your next drive more successful. In order to answer this question intelligently, you will need a lot of information, and your first task in the evaluation is to gather this information.

An important tool in this process is a questionnaire aimed at people who were the target of your fund-raising effort. Their impressions can be invaluable in sharpening the next program

aimed at their particular group. Following is the kind of information you will need. The questions should be altered to relate more closely to the activity you conducted.

- If the activity was organized around an event, find out exactly how many people attended the event.
- How long did most of the attendees stay at the event?
- What general impressions were gathered?
- What did the attendee like best about the event? Least?
- If the respondent worked on any committees, solicit his views on how well organized and how well led he found them to be.
- What was the reaction to the location, parking facilities, food, music, decor, etc.?
- What changes would he make if he were planning the next event?

When you have gathered as much information from as many sources as you can, sit down and determine how close you came to achieving your original goals. Make a distinction between long-range and immediate goals. Also, you will have to do the tough job of identifying those people who did and did not do a good job. Then there's the task of evaluating which materials were most cost-effective and which could be scrapped.

All this information is then put into writing in a clear, objective style for presentation to the organization's Board or any other entity set up to judge the overall effectiveness of the fund-raising activity.

BETTER BUSINESS BUREAU STANDARDS FOR CHARITABLE SOLICITATIONS

It is the sorry truth that there are unethical and even dishonest fund-raising activities going on all the time, cloaked in the guise of charity. For this reason, the national office of the Better Business Bureau has established standards for the guidance of its members—to spell out in detail acceptable and unacceptable practices in the nearly $25 billion-a-year fund-raising industry.

Since so many companies and individuals are now using these standards as one means of judging the validity of your appeal, we believe you should be familiar with them.

BBB Standards for Charitable Solicitations

These STANDARDS were developed to promote ethical practices by philanthropic organizations. They are based on the belief that full and accurate disclosure of an organization's programs, management and finances will encourage public support of philanthropy. Following is a summary of STANDARDS highlights. For a newly updated copy of the detailed STANDARDS, write the Council of Better Business Bureaus, 1150 17th St., NW Washington, D.C. 20036 and enclose $1.00 plus a self-addressed, stamped business envelope.

To meet the BBB Standards for Charitable Solicitations, organizations are required to:

A. GENERAL

Disclose upon request current information about activities, finances, voting trusteeship and accomplishments.

B. RESPONSIBLE GOVERNING BODY
1. Disclose upon request information about the decision-making structure.
2. Meet with reasonable frequency and attendance.
3. Avoid business transactions in which any board or staff member has a substantial financial interest.
4. Limit compensated board members to a minority in any decision of the voting trusteeship.

C. FINANCIAL ACCOUNTABILITY
1. Provide upon request an annual, externally audited financial statement and the auditor's report.
2. Employ generally accepted accounting principles in preparing the annual financial statement, which shall be audited independently in accordance with generally accepted auditing standards. Disclose in the statement all income and accrued expenses, including all fund raising costs.
3. Spend a reasonable percentage of total income directly for program services, as distinct from fund raising and administration.

D. ETHICAL FUND RAISING
1. Pay no commissions or percentages for any fund raising activity.
2. Inform recipients of unordered items that they are under no obligation to pay for or return them.
3. Maintain adequate systems of control over contributions.

E. TRUTHFUL ADVERTISING AND INFORMATIONAL MATERIAL
1. Ensure that information distributed by any means is not untrue, misleading or deceptive in whole or in part.
2. Ensure that photographs, films and illustrations of programs, services or recipients of aid are accurate and topical representations.

The Philanthropic Advisory Service, a division of the Better Business Bureau, also publishes TIPS FOR GIVING, which sets standards for the evaluation of mail appeals, telephone solicitations, and door-to-door appeals. It would be wise to check your materials and tactics with these tips in mind.

TIPS FOR GIVING

MAIL APPEALS

- Does it make a clear statement of purpose and need?
- Is the appeal deceptive or disguised as a bill or invoice?
- Does it make clear you are not obligated to pay for or return any enclosed unordered items, such as stamps or key rings?
- Does it include an address where you can write for more information?
- Does it state whether donations are tax-deductible?
- Is the appeal overly emotional in trying to pressure you to give?

TELEPHONE SOLICITATIONS

- Does the solicitor state clearly at the outset the identity of the sponsoring organization and purpose of the call?
- Does the appeal have overtones of intimidation or harassment?
- Is the solicitor willing to answer all reasonable questions and to put the request in writing?

- If soliciting for a special event, what percentage of donations is tax-deductible?
- Does the solicitor try to pressure you into a decision by insisting on the need for immediate collection?

DOOR-TO-DOOR AND STREET APPEALS

- Does the solicitor carry identification specifying the benefiting organization and solicitor's name?
- Does the solicitor make clear, if selling merchandise such as candy or magazine subscriptions, how much goes to the benefiting organization?
- If children are soliciting, are they supervised by an adult?
- Is the solicitor willing to accept your check payable to the organization instead of to an individual?
- Will the solicitor provide you with a source for obtaining more information?
- Are donations tax-deductible?

Chapter 4

FUND RAISING BY MAIL

Mailing Lists • 118

Maintaining the List • 119

Using Directories and Mailing List Houses • 120

How to Set Up and Maintain Mailing Lists • 125

The List Broker • 126

Researching Potential Donors • 131

Making Your Direct Mail Pull Responses • 131

Getting Repeat Contributions • 132

How to Prepare Your Own Direct Mail Materials • 133

Getting Them to Open Your Envelopes • 136

Cutting Costs on Direct Mail Production • 139

Testing Your Direct Mail for Results • 143

What's the Best Time of the Year to Raise Money via Mail? • 147

Post Office Regulations • 148

CHAPTER 4

FUND RAISING BY MAIL

Of all the methods of raising money that your organization can use, the mail offers the greatest potential—and the greatest pitfalls. The potential is enormous, because the possible donors may be found in every corner of the world where the mail goes. The pitfalls are equally awesome, because costs are as high as the failure rate.

Other ways of raising money are relatively easy for the amateur to grasp. Nothing matches the simplicity of simply asking someone for a contribution, as you would in direct, personal solicitation. The fund-raising event—which demands time and organizational skills—is still a manageable situation in which one is likely to net some funds for the organization treasury.

But fund raising by mail is an entirely different matter. Here, the game is complex, the chips are costly, and the competition is intense. Yet many organizations are succeeding. This chapter aims to provide relatively simple guidelines for success. In this chapter, we have quoted extensively from various experts because their experience is so extensive and their advice so valuable.

The first expert is Lauren R. Januz, President of Januz Direct Marketing Corp., Chicago, who provided the Direct Mail/Marketing Association with these "15 Basic Rules for Direct Mail Fund Raising," copywritten by Januz Marketing Communications, Inc.*

> Direct mail fund-raising is not necessarily the "cure-all" to every group's fund-raising efforts. If properly used, however, it can be a valuable tool to most groups that seek a continuing source of funds and should be a major part of nearly every organization's fund-raising program.
>
> Direct mail fund-raising requires a straight-forward approach with a down-to-earth appeal that will motivate the prospective donor. Poorly thought-out campaigns that look amateurishly prepared will seldom succeed.
>
> There are several basic rules that every fund-raiser should study before embarking on a direct mail fund-raising program.
>
> 1. The Market—probably the most important part of any mail campaign—and certainly a direct mail fund-raising campaign—is the correct market. The right mailing list can make a campaign succeed and frequently covers up for some violated principles in copy. But the wrong mailing list will cause the most professionally executed campaign to fail.

*Reprinted with permission of Lauren R. Januz, Editor/Publisher of the *Januz Direct Marketing Letter*, 1370 Longwood Road, Lake Forest, Illinois 60045.

Through the miracles of computer list maintenance, increasing amounts of data can be obtained, studied and profitably used. This applied information can help insure a profitable campaign. Your list broker or direct mail consultant can be of tremendous help in this area.

2. Like in any direct mail campaign, the fund-raiser is involved in selling his merchandise (the appeal) to the prospect. If he's going to have a successful campaign, the ideas must be sold to the prospect—and this is just as important in fund-raising as it is to an insurance salesman trying to sell a policy to a newly married man. Unless you convince your prospect that he should "buy" your service, you're wasting your money when you mail!
3. If you're going to an audience that doesn't know about your organization, take the time to explain who your organization is, what it does, and a little background about it. Many a mailing has "bombed" because the prospective donors were uncertain about the goals and operation of the organization. This material can be handled through letter copy, a separate brochure, or numerous other ways, but it's extremely important.
4. Hang your hat on a specific! Tell a story; illustrate a problem you've solved; appeal to the prospect's basic interests. The Chicago Area Council of the Boy Scouts of America had a very successful campaign in 1971 built around a theme that appealed to their prospects: "We can't guarantee you that a Chicago Boy Scout won't stick up a grocery store, shoot heroin, or turn into a bum. But we'll give you odds."

   Virtually every person who saw those words was motivated by them because they touched into the home of every person who had a son, nephew, grandchild or boy next door. The campaign was successful because it turned the prospect on with a specific.
5. Acknowledge the gift! . . . particularly if you hope to get another one next year from the same donor! It's amazing how many fund-raising groups never say "thank you" to the people who give them funds. A simple card acknowledging the gift does a lot in long-range direct mail fund-raising success. If possible, give the donor a small gift in remembrance of his donation. Big contributions should be acknowledged with personally typed (or autotyped) letters, certificates of appreciation, etc.
6. Take a long look at your mailing pieces. It goes without saying that copy is extremely important. Selection of paper and inks and layouts can be just as important. Lavish use of expensive paper stocks and four-color process printing can kill a fund-raising mailing if it lets the prospective donor believe that you're spending his money foolishly.

   Two-colored and multi-windowed envelopes are fine for merchandise promotions, but they give a "Cadillac" look to the mailing. A campaign that looks just a bit lean—or hungry—frequently outpulls one that looks expensive. The lavish presentation gives the same reaction to a prospective donor as the new Rolls Royce would if driven by your printer.

   Conversely, the difference between a one and two color letter can effectively do a better selling job. When you go beyond two colors for your mailing pieces, tread with caution and only after sufficient testing. An expensive mailing does not mean a successful mailing.
7. It's amazing how many fund-raisers fail to make it easy for that prospect to respond. Consider using a direct mail format that has the name and address label affixed to the response envelope—you've made it easier for him to respond. Be sure to enclose an envelope and test business reply versus letting the donor pay the return postage.

   Think about different means of payment such as bank charge plans, American Express, Diners Club, etc. Several Midwestern state universities have had good success with use of Master Charge and Bank Americard . . . they're possible ways of getting bigger donations

from people who don't have big checkbook balances but who have good credit. The few cents that the credit card charges for processing can be peanuts compared to the increased donations.

8. Remember your donor several times during the year, including when you're not soliciting a contribution. An inexpensively prepared newsletter sent as a self-mailer will keep him advised of how you're spending his money and condition him to being favorably disposed to donate again. It's another way of saying "thanks for the contribution" and telling him that you're using his money to the best advantage. It will come back in dividends later through increased contributions.
9. TEST—TEST—TEST—TEST!!! Don't be afraid to try new approaches and experiment. If you're planning a large-scale fall mailing, test your copy in the spring. Test lists, test layouts, test formats . . . but remember, you can only be testing one thing at a time. Don't hesitate to test a new approach if you think it's got possibilities. But don't try a drastically different approach to your entire 500,000 name list before finding out if it will work.
10. Ask your donors for names of friends who should be supporting their organization. One good client of ours has an 18% conversion on referrals. In my book, that's pretty fantastic! He has space for listing the names of six persons who should be on his mailing list and he usually gets a couple new names with every check. The name that's referred from a "customer"—which is really what a donor is—is your best source of new names. Donors to other organizations rank next, with compiled lists taking a third. Each type of name source can be profitable, but seldom does anything compare with referrals.
11. Seem "human" in your letter. Make your letter sound like it's coming from a person (which it is) instead of an impersonal "foundation" and make it sound like it's going to a person. A well written letter based on the "you" approach will outpull a letter written on the "we" approach.
12. Don't expect miracles from a cold list. Most fund-raisers look at the use of a "cold" list as a break-even situation the first year. It's the repetitive donations on a year-after-year, appeal-after-appeal basis that pay off. If you break even on a cold list, you've had a successful mailing. Mail the donors next year and a good share of them will donate again—hence, the mailing will pay out. Anything over break-even to a cold list enhances the success, of course, but a mailing that doesn't break even the first year can be successful when the repetitive contributions are considered. Add up the donations over five years and then you can tell if the list was profitable or not.
13. Seek professional direct mail advice. The average local organization does not have direct mail expertise on an "in-house" basis. There are lots of outside organizations with direct mail fund-raising expertise who can help. Their fees are usually moderate and are recovered in increased response. But before using an outside consultant, find out who else he's done work for and verify that he knows what he's talking about. Once you've verified that he does know direct mail fund-raising, then take his advice! It'll be the best money your organization ever spends.
14. Consider using specialty formats. There are numerous direct mail specialty formats that can help increase your response. Frequently the organization that manufactures the specialty formats can assist in the creative aspects because they've developed approaches that do work well with their formats.
15. Don't be afraid to borrow a good idea. What works for an unrelated direct mailer or other fund-raiser can work for you. Build a file of all the direct mail you receive—the entire

package, including outer envelope—and borrow ideas liberally when it comes time to create your campaign. A good idea that worked for somebody else can work for you.

Direct mail can be a profitable source of funds for many organizations. Tempered with the right knowledge and experience, coupled with the correct approach, direct mail can pay off for both long- and short-run appeals. It is, however, most effectively used over a long haul in developing and cultivating a steady backbone of donors who give substantial gifts on a regular (monthly, quarterly, semi-annual, or annual) basis. Couple direct mail with your other fund-raising and you'll keep your organization well financed.

For those who could use continuing advice on direct marketing, Lauren Januz publishes the JANUZ DIRECT MARKETING LETTER. For $45 per year, this valuable little publication will keep you abreast of fresh ideas to use in your direct marketing. To subscribe, write to 1370 Longwood Road, Lake Forest, IL 60045.

The second set of suggestions is provided by Andi Emerson, President of Emerson-Weeks & Towers, Inc., New York, who also provided the Direct Mail/Marketing Association, Inc., with this article, entitled "The Professional Approach to Fund Raising Through the Mail."

It is not as easy to raise money by mail as one might think. In fact, the number of organizations who really do a bang-up job of attracting dollars are few and far between.

But those who are successful have a straight-forward, business-like approach. They do not *substitute* heart for logic, enthusiasm for knowhow. They do not permit poorly thought out, poorly executed campaigns simply because the people involved mean well.

Here are the 9 rules for successful fund raising used by the professionals:

1. The first cardinal rule for fund raising is to accept the basic fact that you are SELLING something that people will, or will not, BUY.

   You may be "selling" pity, or memories, or conscience salving. You may even be selling fun, or products, or services with charitable overtones—but you are a salesman. You must interest someone else in your idea, or need, so much that they will send you *their* money for *your* idea.

2. The second rule is to sell a specific. Please, don't try to sell the general concept of "goodness" alone! People may give money, on a personal basis, to a highly trusted individual or group—but mass solicitation should be done for a particular person, a particular thing, a particular gap that needs to be filled.

   Allow the person who sends money to you to feel that he or she "bought" a chair for a hospital, crutches for a special child, a month's worth of education for a prospective seminarian, 5 new books for a library. It is very unfair to ask large numbers of people to hand over hard earned money with no sure knowledge of how it will be used.

3. The third rule is to be gracious enough to explain just who you are, how long you've been in operation, and which people, if any, sponsor your activities. It pays to give a very brief outline of what you've done with money you raised in the past, and to tell why you came into being.

   It is virtually unbelievable how many organizations assume that everyone knows everything about them. In light of the continuing barrage of unfavorable publicity against unscrupulous charity drives, it is unbelievably bad business not to separate yourself from the masses if you *are* honest.

4. Fourth—give something in return for a donation. Book markers, imprinted book plates, a framable certificate, mention in a publication. If the gift is large enough, send out a plaque, or put the donor's name on your letterhead. Religious fund raisers have a greater variety of things they can do or send than most, but everyone can at least send a printed "Thank You for your donation" card—and it's astonishing how few bother. We are NOT talking about unordered merchandise sent in advance of a donation—but rather about the sort of legitimate "thank you" a legitimate donor should receive . . . particularly if you want another donation.
5. Fifth—remember you are asking for money because you NEED it. Let the obvious quality of your mailing piece be consistent with the amount of individual donation you seek. Don't send an elaborate 4-color process mailing, on coated stock with multi-die windows—to ask for $2.00. But don't send a mimeo'd "note" asking for hundreds of dollars to build a new laboratory for a university. Let common sense, not pride or haste, be the determining factor.

   This does not mean that inexpensive-looking mailings are "cheap." There is just no excuse for illegible printing, shoddy looking envelopes or cheap paper. Remember, you are writing to a human being who deserves the courtesy of receiving a decent looking package asking him to part with his money.

   One other thing on the subject of physical appearance. Using two colors in your letter can often be an aid to understanding the printed piece, and a blue signature looks more personal. Duotone illustrations on your envelopes can add a tremendous amount of extra appeal with very little increase in cost. Sometimes a 4-color half-tone or line drawing on a brochure or letter can be shown through a window envelope to give your mailing an attractive appearance for little extra cost.
6. The sixth rule is to make it easy for the recipient to send back a donation. Be *sure* to include a reply envelope—and test whether asking for postage, sending a Postage-Free envelope, or affixing a 5¢ stamp helps your results the most. Make your donation slip easy to fill out, and don't forget to restate what their money will do, right on the slip! Too often an entire mailing effort will be vitally damaged right at the "point of sale" when the would-be donor sits down to fill out the slip and finds it inconvenient, inconsistent, inaccurate or just plain not "needful" enough. Tell him again just what you want him to give, why how and where to send it, and what he will get in return.
7. Seventh—enclose an "extra" gift slip to be given to a friend who would *surely* like to send a donation too. This can not only increase the number of donations received, but will also tend to strengthen the believability of the entire piece. Obviously, if you feel your cause is important enough for the recipient to tell a friend about it, then it *must* be really vital.
8. The eighth rule is to choose your lists wisely. Your own previous donors' lists pay best, donors to other causes come in second, and compiled lists rank third. There are so many variations on these three basics alone that the best possible advice is to consult a reputable list broker and "professional" mailers among your acquaintances. Your friends can give you much valuable advice, but the broker is likely to be the best specifically helpful.
9. The ninth, and last, rule is to write a letter to an individual, and then mass produce it for your mailings. While this sounds easy it actually is very complicated to do. The best and most simple procedure is to actually mentally choose a person you know, who knows *nothing* about your organization. Then sit down and tell him or her, in a letter, exactly why his donation is so important. Let the "human being" who is YOU write to the "human being" who is going to receive the letter. It is a terrible insult (and doesn't raise money) to use a "computer to computer" style.

Here, then, are the basic rules followed by all professional fund raisers:

1. Accept the fact that you are "selling."
2. Sell a specific.
3. Give the story of your organization and its people.
4. Give something tangible in return.
5. Let the appearance of your mailing be consistent with the donation requested.
6. Make it easy to donate.
7. Enclose an extra donation slip.
8. Choose your lists well.
9. Write your letter as though you were writing to a friend.

MAILING LISTS

An important job in any direct mail program is building up a mailing list. You can do this yourself (checking into the almost infinite range of sources touched on in this chapter), or you can use the services of a professional list broker. You can find out about the wide range of brokers available by writing to the Mailing List Brokers Professional Association, 663 Fifth Avenue, New York, NY 10022, or the National Council of Mailing List Brokers, 55 West 42nd Street, New York, NY 10001.

It takes time, patience, accuracy, and some luck to build a productive mailing list yourself. If your organization has limited resources and must put together a working list fast, you would be wise to consult a list broker. However, there are some sources that should be kept in mind, because you should be building up a precisely tailored mailing list of your own, even if you're using a broker.

- Business, trade, and professional directories. Among the best are Standard & Poor's Million Dollar Directory; Dun & Bradstreet Credit Directory; Poor's Register of the directors, officers, and executives of 6,000 major corporations; Thomas Register (Industrials); McRae's Blue (Industrial); Standard Advertising Agency Register; and a Directory of Directors of U.S. Corporations. For a more complete list of such directories, see Chapter 11. Also, check "Guide to American Directories," published by B. Klein & Co., New York.
- Membership directories and lists of other associations and organizations.
- Chamber of commerce directories, for local and state units.
- Telephone directories and, for businesses, the Yellow Pages. If your focus is more narrowly geographic, you can get a reverse directory from the phone company that provides names, addresses, and numbers on given streets.
- Who's Who in America, Who's Who in various regions of the nation, and Who's Who in major professional categories; and Social Registers.
- Governmental agency records providing lists of registered voters, licensed drivers, taxpayers, births, vehicle registrations, hunting and fishing license recipients, gun permit holders, taxpayers, homeowners, holders of various professional and occupational licenses. The post office will also help by permitting you to mail to certain geographic regions without a list (i.e., rural boxholders).

- Commercial mailing list houses. These organizations will sell you lists of virtually any imaginable category of human being. The names are usually sold on a cost per thousand name basis.
- Membership lists of existing organizations. In this category you would place labor, religious, fraternal, civic, cultural, veterans, university alumni, and other special interest organizations. First, you would want to determine if the names were available. Many organizations in need of additional operating funds are now willing to provide a list of members' names for such solicitation.
- Trade and consumer publications. Sometimes, these organizations are willing to rent out lists of subscribers to their magazines, in whole or part. If they do, you would want to determine, again, if their particular range of interests makes them good candidates for fund solicitation by your organization.
- Newspapers. If you have the personnel to call local newspapers, you'll find a gold mine of information. You can check for feature articles about wealthy people; sometimes other organizations publish lists of donors; the newspaper itself might run a special holiday gift drive and name the contributors and amounts given; the financial section of the paper often identifies successful business people in the community; the real estate section could identify the buyers and sellers of expensive homes; you can check published lists of people who have paid large amounts of income tax.

Magazine publishers sometimes rent their lists of subscribers for a fee. Also, there are list brokers who will act as agents to find a list if the particular kind wanted is not readily available.

Maintaining the List

An inaccurate list can nullify an otherwise excellent campaign. Frequent users of direct mail strive constantly to maintain the accuracy of their lists. Infrequent users often conclude that direct mail is a poor medium because it doesn't bring the results that are expected. When a list is out of date, many of the pieces mailed will not reach the prospects for whom they are intended.

The various services offered by the U.S. Postal Service can be used to help keep mailing lists current. For example, first class is forwarded free or returned to the sender if the addressee left no forwarding address. Examples of services for which a fee is charged are:

1. Use of Form 3547 as an endorsement for "Address Correction Requested" on any piece of mail that can be forwarded. Mail is forwarded, and Form 3547 is returned to sender for a fee of 10 cents, showing both old and new address.
2. Form 3547 is used also for 2nd, 3rd, 4th, and controlled class mail. When mail is not returned, Form 3547 is forwarded to sender in 10 cents due penalty envelope and will include old and new address and specific reason for nondelivery. When mail is returned, sender pays 10 cents for the correction service plus the postage necessary to return the piece of mail.

Users of direct mail advertising should check their local post offices for detailed information of the appropriate forms and fees involved in handling various classes of mail.

The U.S. Postal Service also corrects lists of names that are submitted on cards. The charge is 5 cents per name, with a minimum of $1. Each name and address must be on a separate card, about the size of a post card. The carriers check names and addresses but cannot vouch for spelling of names and correct titles. If the names to be checked are imprinted by stencils or other mechanical means, they can be sent by parcel post rates; but if they are written by hand or typed, they will require first class postage.

While the correction service is provided by the U.S. Postal Service, the law, section 412, Title 39, United States Code, forbids furnishing to the public any list of names or addresses of postal customers or other persons.

If the direct mail operation is large enough, it is better to leave the correction of lists to professional houses that specialize in this kind of work. The effort instead should be concentrated upon the preparation of the pieces, the campaign strategy, market analysis, and product selection. If the operation is small or part time, the task of keeping the list will be part of the workload of the person who handles the mailings. Whether the firm is large or small, constant checking of lists by someone is essential.

Using Directories and Mailing List Houses

There is an entire industry devoted to gathering names, grouping them into usable categories, keeping these lists of names updated, and making those lists available for fund raising and marketing purposes.

While you could, conceivably, develop such a list yourself, it is very unlikely that you could do it as economically, accurately, or quickly as the directory publisher or the list house. Moreover, you also get valuable advice on list selection and use when you purchase a mailing list.

This section includes a listing and description of both general-line and limited-line mailing list houses. The general-line house offers a fairly wide range of geographic and demographic lists for general purpose use. The limited-line houses tend to specialize in one or more occupational or professional categories; and in particular, limited geographic areas.

A subject index is provided at the end of each house listing to help you more easily identify the subject of your particular interest.

The firms named below are divided into general-line houses and limited-line houses, with a brief statement as to the kinds of services offered by each.

Listings, generally, are based upon information collected by the Mail Advertising Service Association, in which members indicated their own classification. (The inclusion of the name of any company shall not be construed as a recommendation of either the company or the service it offers. Write to the individual "house" for detailed information.)

Following these lists is a "finding guide" for quick reference to special classifications listed.

General-Line Houses

1. ADAMS' LETTER SERVICE, Inc. 222 North Rockton Ave., Rockford, IL 61103. Occupant lists for northern Illinois and southern Wisconsin. Local lists for execu-

tives and clubs. Offset printing, Addressographing, bindery, mailing, IBM typesetting MTST, and pre-inked rubber stamps.

2. BRYANT, GEORGE and STAFF, Post Office Box 190, 71 Grand Ave., Englewood, NJ 07631.

   Lists for fund raising, sports, gifts, business, horticulture, children, and investments.

3. CREATIVE MAILING SERVICE, Inc., 1100 Stewart Ave., Garden City, NY 11530.

   National lists of business firms by financial ratings, general and specific businesses (catalog of lists by SIC numbers available). Geographical selections. Lists of realtors, attorneys, executives, accountants, and newly promoted executives.

4. DEPENDABLE MAILING LISTS, Inc., 425 Park Ave. South, New York, NY 10016; 1025 Vermont Ave. N.W., Washington, DC 20005.

   Individuals and firms in the business, executive, financial, professional, cultural, scientific, and consumer markets compiled from trade and business directories, state registrations, association and professional rosters, program listings, and complete library and classified phone directories. Specialists in people of above average income, education, and intelligence.

5. E-Z ADDRESSING SERVICE, Inc., THE, 80 Washington St., New York, NY 10006.

   Specialists in financial lists, such as brokers, banks, investment advisers, security traders, security analysts, corporation presidents, etc. Complete addressing and mailing.

6. FARMER, MARGIE LETTER SHOP, 101B Builders Exchange Bldg., Minneapolis, MN 55402.

   Minneapolis Loop offices. Folding, mailing, addressing, and bindery. Instant and conventional printing, xerox.

7. KRAUS COMPANY, THE WALTER S., 48-01 42nd St., Long Island City, NY 11104.

   Supplies quality lists and provides efficient mailing services of every type. Electronic coding and selection is designed to meet requirements of large and small advertisers. Price list on request.

8. LEWIS ADVERTISING COMPANY, Inc., 325 East Oliver St., Baltimore, MD 21202.

   Twenty thousand classifications for United States by income, executive, and specialty. Occupant mailing for Maryland. Direct-mail advertising, addressing, mailing, market research.

9. NATIONAL BUSINESS LISTS, a division of COMPUMARKETING SERVICES CORPORATION, 162 North Franklin St., Chicago, IL 60606.

   Over 4,000,000 business firms on magnetic tape by SIC number.

   Magazine publishers sometimes rent their lists of subscribers for a fee. Also, there are list brokers who will act as agents to find a list if the particular kind wanted is not readily available.

10. NAMES UNLIMITED, Inc., 352 Park Ave. South, New York, NY 10010.

    Direct mail list brokerage for all American and Canadian lists. Direct marketing consultants, computer applications specialists.

11. POLK, R. L., & COMPANY, 6400 Monroe Blvd., Taylor, MI 48180.
    Complete listing service. Automotive market, United States Jaycees. Lists for Canadian business firms.
12. PONTON, W. S., COMPANY, 1414 Hawthorne St., Pittsburgh, PA 15201.
    About 12,000 mailing lists covering manufacturers, wholesalers, and retailers. Business firms by SIC catalog. Addressing, mailing, stencil cutting, IBM list services, list compilation and maintenance.
13. S. & F. OFFICE SERVICES, 143 W. Broadway, Waukesha, WI 54186.
    Occupant list. Photocopy, mimeographing. Speedaumat addressing, offset duplicating.
14. WUERTH LETTER SHOP, 439 Alcatraz Ave., Oakland, CA 94609.
    Local industrial firms. Offset printing, mimeographing, and mailing.

Subject Index—General-Line Houses

Accountants—No. 3
Attorneys—No. 3
Automotive—No. 11
Banks—Nos. 4, 5
Brokers—No. 5
Canadian—Nos. 10, 11
Children—No. 2
Corporation Presidents—Nos. 4, 5
Executives—Nos. 1, 3, 4, 5, 8
Fund raising—No. 2
Gardening—No. 2
Gifts—No. 2
Investments—Nos. 2, 5
Jaycees—No. 11
Juvenile—No. 2
Occupant—Nos. 1, 8, 13
Realtors—Nos. 3, 5
Securities—No. 5
Self-improvement—No. 4
SIC—Nos. 3, 9, 12
Sports—No. 2

Limited-Line Houses

1. ABILITIES, Inc. OF FLORIDA, 2735 Whitney Rd., Post Office Box 4010, Clearwater, FL 33518.
   Resident lists, Cheshire labeling, machine inserting, machine folding, auto-typing, and all associated mailing services.
2. ACME MIMEO SERVICE, 312 South Seventh St., Klamath Falls, OR 97601.
   Occupant and business lists, offset, mimeographing, and mailing.
3. ADVERTISING DISTRIBUTORS OF AMERICA, 1329 Arlington, Cincinnati, OH 45225.
   Occupant lists. Addressing, inserting, and mailing; door-to-door paper distribution; premium handling.
4. ADVERTISING DISTRIBUTORS OF AMERICA, Inc., 205 Eiler, Louisville, KY 40214.
   Occupant lists. Addressing, inserting, mailing.
5. AMITY ADVERTISING & LETTER SERVICE, Inc., 2314 Iowa Ave., Cincinnati, OH 45206.

Occupant and local professional groups. Art, folding, mailing, Cheshire addressing, offset printing, photocopy, typewriter addressing, packaging service.

6. AMUNDSEN LETTER SERVICE, 170 Foshay Tower, Minneapolis, MN 55402.
   Brokers for any type of mailing list. Addressing, mailing, offset printing, auto-typing, photo typesetting.
7. ATLANTIC LETTER SERVICE, 709 East Seventh St., Atlantic, IA 50022.
   Residential lists. Others to order. Multilithing, addressing, and mailing.
8. BENDER DIRECT MAIL SERVICE, Inc., 1320 West 22d Pl., Tulsa, OK 74107.
   Occupants, manufacturers, doctors, attorneys, retail merchants. Addressograph and Speedaumat addressing. Lists prepared and maintained on plates. Magnacraft Labeler, Phillisburg 6-Station Inserter, Auto-Typists.
9. BENJAMIN BUSINESS BUREAU, 2736 Florida St., Post Office Box 2151, Baton Rouge, LA 70821.
   Local lists, special groups, occupant. Addressing, multilithing, mailing, automatic typing, offset printing.
10. BLOTZER, CATHERINE C., 716 Braddock Rd., Pittsburgh, PA 15221.
    Addressing, letter services, printing, offset, mimeographing, duplicating.
11. BUSINESS AID SHOP, Inc., 70 Washington St., Salem, MA 01970.
    Insurance agents nationwide. Lettershop and printing services.
12. COMMERCIAL LETTER, Inc., 1335 Delmar Blvd., St. Louis, MO 63103.
    Occupant lists for eastern Missouri, southern Illinois, and Greater Metropolitan St. Louis area. Executives Greater St. Louis area. Lists may be ordered on Cheshire tapes for rental.
13. CURTIN & PEASE, DIVISION OF INDUSTRIAL PUBLISHING COMPANY, 2725 North Reynolds Rd., Toledo, OH 43615.
    Manufacturers by four-digit SIC number, number of employees and financial strength. Complete mail marketing services, creative and production. Regional offices: Boston, New York, Cleveland, Chicago.
14. DE LONG MAILING SERVICE, 501 South Harvey, Post Office Box 26927, Oklahoma City, OK 73125.
    Occupants of Oklahoma. Addressing, inserting, and mailing.
15. EICHMAN LETTER SHOP, 401 South 9th St., Post Office Box 102, Boise, ID 83701.
    Occupant lists of Idaho, professional people (doctors, lawyers, etc.), residential and business lists, homeowners lists. Complete duplicating and mailing service.
16. HOOD'S MAILING & PRINTING, Inc., Post Office Box 860, Cross & Oxford Sts., Lewiston, ME 04241.
    Offset printing, art-layout-design, photography, letterpress printing, letterpress services, direct mail agency, addressing and mailing, occupant mailing, Maine automobile directory service.
17. OTT, JOE ADVERTISING, PRINTING & DIRECT MAIL, 520 East Erie St., Milwaukee, WI 53202.
    Five-hundred thousand heads of households in Milwaukee County and southern Wisconsin automatically addressed by Speedy plates from $12.25 per thousand to $14.00 per thousand. Can also be run as occupant. Brides and grooms, widows,

widowers, union workers, wealthy individuals, manufacturers, professionals, and income people in Wisconsin. Catalog sheets, mailers, artwork, printing and letterhead designing, lithographing, automatic folding, inserting, sealing, stamping, and metering mail.

18. LUCILLE'S LETTER SERVICE, 132 Commerce St., Kingsport, TN 37660.
    Occupant plates for Kingsport. Customer mailing lists. Preparation of RFD mailings. Addressing, contract mailings, offset, private bindery, office copying.
19. MAIL ADVERTISING CORPORATION OF AMERICA, 430 North Michigan Ave., Chicago, IL 60611.
    Forty-five million name and address list coverages of every United States and Canadian post office, occupant lists of every letter carrier and rural route in United States and Canada. Selection available by income, home value, education, family size, and other census-tract characteristics. Addressing, inserting, imprinting, mailing, and market research.
20. METRO-MAIL ADVERTISING COMPANY, DIVISION OF METROMEDIA, Inc., 375 Park Ave., New York, NY 10022.
    Forty-seven million unduplicated consumer households with listed private telephones in 48 states. List delivers coverage of households commanding nearly 90 percent of the country's purchasing power. Continuous updating on a daily basis. Both new homes and changed addresses are covered automatically. Overlaid with demographic data from census, research, historical sources, which is used to classify households for direct-mail target marketing of prospective customers. Can be addressed by name or in "resident" style. Male-headed households may be addressed as "Mrs." to insure maximum housewife response.
21. RELIGIOUS LISTS, Inc., 20 South Main St., New City, NY 10956.
    Mailing list brokers specializing in Catholic and Protestant list rentals. Free consultation service.
22. SASS, MARTIN, Inc., 20 South Main St., New City, NY 10956.
    Direct-mail research consultants.
23. SERVICED MAILINGS, 40 East 23rd St., New York, NY 10010.
    Presidents by name of largest U.S. corporations, nationwide. Addressing, mailing, and maintenance of mailing lists.
24. SERVICES UNLIMITED, 1421 Sabine Pass, Beaumont, TX 77701.
    List of residences and letter service for city of Beaumont by Workshop for Handicapped. Resident address plates for Beaumont area. Addressing and mailing services, offset printing, and letter shop services.

Subject Index—Limited-Line Houses

Attorneys—No. 8
Canadian—No. 19
Consultants—No. 22
Doctors—Nos. 8, 15, 17
Executives—No. 12
High income—Nos. 15, 17, 19, 23
Manufacturers—Nos. 8, 17
Occupant—Nos. 2, 3, 4, 5, 8, 9, 12, 14, 15, 17, 18, 19, 20, 24

Professional—Nos. 5, 11, 15, 17, 23
Religious—No. 21
Residential—Nos. 1, 15, 17, 20, 24
Retail Merchants—Nos. 8, 13
Rural—No. 18
SIC—No. 13
Widows—No. 17
Widowers—No. 17
Union workers—No. 17

How to Set Up and Maintain Mailing Lists

This section is particularly for those organizations that have chosen to build and maintain their own mailing lists rather than use a list broker.

The first step is to set up a filing system. Each name should be put onto a separate card, on which you place the name, address, phone number (if available), and any other information that might be pertinent (such as amount of last contribution, special interests expressed, etc.). Make sure you leave room for any additions or deletions you might want to make later.

The reason for using cards is quite simple: It permits you to add and subtract names quite easily without defacing the entire list. You can remove cards for corrections easily. And, if you so desire, you can break down the list into sections (if you want several groups to handle the mailing, for example).

Another tip is color coding the cards. You might want to have different color cards for different levels of giving, for various professions or sections of town, etc. Also, make sure you keep donors and prospects separate. You may wish to mail to donors more frequently and invest more in the mailing.

Another tip is coding the envelopes or the reply cards. You will want to know which mailings are working and which are not so you can refine your decisions for the next mailing.

A cautionary note: The American society is highly mobile. It is vital that you continuously cull your list for dead wood. Particularly if the list includes relatively affluent people, you can depend on a high percentage of executive transfers and promotions as well as the normal number of deaths, divorces, retirements, etc.

Beyond the culling and checking you can undertake yourself, you may want to enlist the aid of the local post office in keeping your lists up to date. After all, considering the continually rising cost of postage, it is well worth your while to keep a sharp eye out for the names on your list that are not what or where you originally thought they were.

There are two ways the post office can help you, and both are priced modestly.

The first is on your third or fourth class mail. You can imprint ADDRESS CORRECTION REQUESTED just below your own return name and address in the upper left hand corner. If you do, the postmaster will return the mailing with the new address of the addressee. If there is no new address, he will return the piece with the reason it could not be delivered. All this costs ten cents per piece (at the time this was written) or the third and fourth class rate—whichever is higher.

The second way the post office can help keep your lists current is by reviewing your lists before you mail. For five cents each (the price at the time of this writing), the individual postal carrier will review your list (they must be on cards, as described above). Print one name on each card with your name in the upper left hand corner.

Incidentally, the post office will provide the zip codes for your list without charge.

The List Broker

What *is* the actual role of the list broker in your program? How can he help? What should you watch out for? Florence R. Wolf is Manager of C.P.M. DIRECT in Chicago, a list broker, and has discussed "The Role of the List Broker in Building and Developing Direct Mail Programs." It is reprinted here from a publication of the Direct Mail/Marketing Association, Inc.:

A mailing list broker can help put you in touch with thousands of new prospects; can help you find new markets you didn't know existed; can give you more hours per year for your most vital direct mail function—thinking and planning—by doing detail work for you.

The list broker can give you more arms than an octopus—with a telephone on each one of them. He can even help you find stray money lying around in file drawers. And perhaps the nicest thing of all about his many services is that they don't cost you any money. Someone else pays for them.

However, before I start to expand on what a list broker can do for you, maybe I should explain what a list broker is, because ours is a very specialized corner of the direct mail medium. There are thousands of direct mail users in the country and only 23 qualified members of the Mailing List Brokers Professional Association. So you can be a pretty sophisticated direct mail user and still not know anything about our role in the medium.

What does a list broker do? Basically, we make our living doing just what stock brokers or real estate brokers do; we bring a buyer and seller together. When we succeed in doing this, a sale results and the seller pays us a commission.

There are literally thousands of lists at your disposal totaling millions of people, owned by hundreds of organizations all over the country. From this gigantic pile of possibilities, how do you sift out the kind of people who would most be interested in your product? Generally, the fastest, most efficient way is to call upon a broker who may represent hundreds of list owners with thousands of different lists to sell. Outline your requirements to him and let him do your research for you.

Your broker's first task is to analyze your needs. His second is to collect data—from his own files, from other brokers and from list owners—of what is available. His third is to present his recommendations on these availabilities which he believes will give you the circulation you're looking for. When you have made your selections, he then has to get the necessary clearances, write the necessary orders, and do all the necessary long-distance phoning to make sure you get what you want, where you want it, and when you want it. When all this is done, he mops his brow and collects his commission.

This outline will give you a quick idea of what the list broker does and, incidentally, why there aren't more people doing it.

On our off days, we sometimes wonder why we are doing it . . . and why we didn't go into selling something a little more tangible like, for instance, real estate.

What you "buy" from your list broker is completely tangible. You have simply bought the privilege of using a list—often without seeing it. And, to add to the confusion, the pros in the field refer to these tangible transactions as "list rentals." "Rentals" are simply the fees you pay list owners to address your material for you.

There are a couple of points about a list rental that I would like to underline as they are important to the broker's relationship to you. First, your broker doesn't own the intangible commodity he sells you, any more than your advertising agency owns the magazines in which your ads are placed. He gets a fixed, standard commission from his list owners just as your agency gets a fixed standard commission from media. Second, the broker and the agency are both paid by the "seller." They are in business to look after your interests rather than the seller's.

All list owners pay your broker the same 20% commission. Thus, he has no ax to grind in recommending one list instead of another. He can afford to be objective. In fact, if he expects to stay in business very long, he can't afford not to be!

From this outline, you can get a general picture of why he can be such a valuable member of your marketing team.

He is an expert on a complicated subject few marketing men have even the inclination (much less the time) to master for themselves. He knows mailing lists and where to find them. Like a capable lawyer, when he doesn't know the answer to your problem, he knows where to find it in a hurry. He knows the subtle differences between lists that look alike.

He has an encyclopedic knowledge of which lists respond well (or poorly) to which offers. He's likely to know more about the intricacies of postal regulations than many post office employees. His intimate, often painful knowledge of individual list owners and their trade practices can be invaluable to you (although you may not even be aware that he has used this knowledge to protect your interests). In addition, he is apt to be a better-than-average guesser on offers, premiums, gimmicks, timing and mailing frequencies . . . not because he's smarter about these things than you are but because he's been privileged to watch so many people guess wrong. And, last but not least, he can help make you an expert on any or all of these subjects—often on incredibly short notice.

Let's say you're now properly impressed with the list broker as a guide, counsellor and friend. How do you go about getting the most out of him?

That's easy. Call in a qualified member of the Mailing List Brokers Professional Association to give you data, suggestions and ideas when you're ready to start planning—not when you're ready to start mailing.

Give him *time* . . . to ask questions of you . . . to dig up answers for you . . . to weigh and evaluate data . . . to let your problems seep into his subconscious . . . in short, time to think!

Finally, give him something to think about. Start by telling him what you want. But don't stop there. Tell him why you want it, what you hope to do with it, and if what you want turns out to be impossible, he can at least make constructive suggestions on practical alternatives. Even when you can get exactly what you think you want, he may have a useful idea about a better way.

Now, as a mailing list user, and a busy man with a lot of other problems on your mind, you can raise several objections to this kind of joint planning with your list broker.

You can argue that often there just isn't time for it. Other times, when your campaign is a simple "cut and dried" approach to familiar, proven markets, there's no real need for it. And still other times—rarely, I think—there may even be "security" problems that might make it downright dangerous to divulge plans to anyone outside your own organization for fear of a premature leak to your competition.

I'd be the last to argue, in the interest of "selling" my own profession, that you can solve all your direct mail problems just by dumping them in your list broker's lap. You undoubtedly have some problems he's never going to solve—no matter how much time or information you give him.

I *can* argue that the more information you give your list broker and the more time he has to digest and evaluate it, the more intelligent his contribution to your direct mail program will be.

When you're mounting a major effort in a medium this costly and tricky, it's time well spent to make sure the broker has all the facts he will need about your product.

What are some of the facts he should have? Here are some quick suggestions to start your own thinking on a basic checklist for "broker briefing" purposes:

> What the product is—how much it costs—in what quantities do your customers buy it—what its repeat sales potential is—are there significant geographic differences in sales—what are the benefits of using it—who's using it now—who's not using it who should be—what have you tried before that has worked—what have you tried that was a flop, and why—what's it worth to put a new customer on the books—will this same one be a prospect to buy other products you sell?

If yours is a consumer product, what do you really know about your present customers in terms of age, sex, income, publication reading preferences, interests, etc.?

If it's an industrial product, what kind of companies buy it, in what quantities and how often? How big are they in terms of net worth or payroll size? Are they concentrated on big cities or small towns? How much do you care about credit? Who in the company makes the buying decisions? Which trade magazines pull inquiries best for you—in terms of quantity and in terms of conversion to sales?

These are just suggestions for the general kind of background that can be useful. The checklist for your product might be entirely different, because what is relevant for one product is insignificant for another. Each one has to make his own checklist based on inside knowledge of his product and his markets.

If you've never actually taken time to write down a checklist like this for your product, try it sometime. It can be a stimulating exercise—and a profitable one as well. In drawing up such a list of things your broker should know, *you* may come up with some things you should know—and *don't*. Sometimes the answers are well worth getting.

Give your broker the same kind of methodical briefing you give your ad agency. After all, he's the one you have entrusted to supply the most important single ingredient in your promotion—the audience who will read it and act on it or ignore it.

It's a good idea to ask your broker to sit down with your agency when the campaign is still on the drawing boards. The agency's combination of "outside viewpoint" and inside knowledge of your problem can give the broker some valuable insights in finding "high yield" lists for you . . . often in places where no one ever thought of looking. In turn, the broker's intimate knowledge of the people on the lists and their interests can be equally valuable to an alert agency in planning and exploring creative approaches.

Don't let your broker forget about you and your problems once he's made the sale. Call him back for a "post mortem" after the mail is out and the results are in . . . when you are ready to total up the score.

In most direct mail programs, "results" is the name of the game. To the sophisticated direct mail user, the post-mortem analysis is as important as the advance planning . . . or sometimes more so. This is when you ask yourself what worked . . . and why? What flopped . . . and why? What came close . . . and why wasn't it closer? What can we do to make the next mailing better?

Answering questions like these is something more than "Monday-morning quarterbacking" . . . of being smart after the event. It is part of the never-ending process the successful direct mail user goes through of trying to be a little smarter next time.

Probing for these answers involves more than just counting the number of reply cards by key numbers. It demands a combination of analytical arithmetic and intuitive insight, of cold-blooded logic and creative inspiration. It also demands a lot of hard work. Usually, it's a time-killing job. And often it's disillusioning as well.

The broker is used to being disillusioned, however. The time he spends poring over and evaluating figures with you is time he is glad to spend for one simple, purely selfish reason: The process of analysis makes him smarter just as it makes you smarter.

This kind of follow-up study gives him insights into your direct mail problem that he simply can't get in any easier, faster way. Learning what lists worked well on your latest mailing is the first step to finding others that will work even better. Learning what didn't work is a useful guide to what to avoid next time.

The broker also brings to your post mortem a fresh, objective viewpoint on your direct mail problems because he doesn't know them as well as you do. No matter how long and closely he works with you, he'll never be as familiar with your field as you are. And his relative ignorance can be an asset.

Any broker can tell you stories of "long-shot" mailings that seemed not to make sense—until they were tested. Who would have predicted in advance that men who had purchased high priced erotic books by mail would be eager for information about hearing aids? Or that women who had purchased mail-order gift items would be avid buyers of power tools?

Now and then, your broker can make you a free gift of an offbeat, improbable hunch like one of these that you'd never dream of . . . just because his hunches are apt to be less inhibited than yours. Some turn out just the way you thought they would—dismal failures. But now and then, one is a bonanza and you're richer by thousands of customers you would otherwise have missed.

Where do such hunches come from? They don't come out of thin air. More often than not, they're born while poring over those long columns of figures and asking what they mean, what they prove and what they hint at.

It's no wonder you'll find the list broker not just willing but positively eager to go over these figures with you. By doing so, he's helping to make your direct mail more productive, and making your direct mail more productive is the only thing that makes sales for him.

At the beginning I mentioned one other useful service the broker can do for you. To whet your appetite, I said he could help you find money locked away in file drawers. He can help you convert waste paper into *pure gold*.

I've kept this subject for last on purpose . . . for reasons of caution. Unfortunately, it involves standing up in public and making a suggestion that many direct mail advertisers still find dangerous, shocking and immoral. I must risk mentioning it anyway. Besides, it involves making money. And what is so immoral about making money?

I'm going to recommend to you that you take your own confidential customer and prospect lists from under lock and key and let your broker rent them for you—at a profit to you as well as a commission for him.

At this point, some of you may be asking, "What's so shocking about that? I've been doing it for years." Okay. To you sophisticates, my apologies. My defense is that, unless you are a mail-order advertiser, you are in a distinct minority.

Mail-order advertisers, of course, have been making their lists available for years. So have book publishers and magazine publishers. There are some magazines that make more money off list rentals than off circulation or advertising space sales. In the mail-order fraternity, the practice has grown so widespread that some advertisers swap names year after year with direct competitors.

The typical consumer or industrial advertiser outside the mail-order ranks doesn't feel this way. He knows there are callous cynics who rent their lists for money. And he's not necessarily averse to doing an occasional deal with one of them. He's not just cool to the idea of renting his own list, he's apt to be a little offended by the suggestion—almost as if you'd suggested that his credit might be a little shaky, or he needed the money or something.

Although your broker makes your sales for you, you reserve the right to turn down any you don't like for any reason. The broker sees to it that everybody who's planning to use your list supplies you with a sample of his proposed mailing in advance. You simply refuse any of which you are doubtful.

Following is a list of list brokers who are among the many who are available to discuss your mailing list needs:

ACCREDITED MAILING LISTS, Inc., 15 East 40th St., New York, NY 10016

ACCREDITED MAILING LISTS, Inc., 5272 River Road, Washington, DC 20016

ALLISON MAILING LISTS CORPORATION, 329 Park Ave. South, New York, NY 10010

GEORGE BRYANT & STAFF, Post Office Box 190, 71 Grand Ave., Englewood, NJ 07136

THE COOLIDGE COMPANY, Inc., 11 West 42nd St., New York, NY 10036

DEPENDABLE MAILING LISTS, Inc., 425 Park Ave. South, New York, NY 10036

DEPENDABLE MAILING LISTS, Inc., 1025 Vermont Ave., N.W., Washington, DC 20005

DEPENDABLE MAILING LISTS, Inc., 333 North Michigan Ave., Chicago, IL 60601

DEPENDABLE MAILING LISTS, Inc., 16661 Ventura Blvd., Encino, CA 91316

DIRECT MARKETING, Inc., 150 Purchase St., Rye, NY 10580

ALAN DREY COMPANY, Inc., 333 North Michigan Ave., Chicago, IL 60601

ALAN DREY, Inc., 420 Lexington Ave., New York, NY 10017

WALTER DREY, Inc., 130 East 18th St., New York, NY 10003

EASTERN ADMISSION SERVICES, 4881 Northgate Drive, Manlius, NY 13104

BOB ENGEL ADVERTISING, Inc., 5906 North Milwaukee, Chicago, IL 60646

GALE-RAMSEY, Inc., 23 East 26th St., New York, NY 10010

GEORGE-MANN ASSOCIATES, Inc., Six Old Cranbury Road, Cranbury, NJ 08512

GUILD COMPANY, Post Office Box 160, Engle St., Englewood, NJ 07631

LEONARD G. MOLLAND ASSOCIATES, Inc., 549 Allen Road, Woodmere, NY 11598

KMS-LIST BROKER, 1000 West 25th St., Kansas City, MO 64108

WALTER KARL, Inc., Post Office Drawer J., 20 Maple Ave., Armonk, NY 10504

LEWIS KLEID, Inc., Division Dart Industries, Inc., 230 Park Ave., New York, NY 10017

E. J. KRANE, 20 Nassau St., Princeton, NJ 08540

WILLA MADDERN, Inc., 215 Park Ave. South, New York, NY 10003
MOSELY MAIL ORDER LIST SERVICE, Inc., 38 Newbury St., Boston, MA 02116
NAMES IN THE MAIL, 215 Stemmons Tower West, Dallas, TX 75207
NAMES IN THE NEWS, 31 East 28th St., New York, NY 10016
NAMES IN THE NEWS, 105 Montgomery St., San Francisco, CA 94104
NAMES UNLIMITED, Inc., 352 Park Ave. South, New York, NY 10010
PRESCOTT LISTS, 17 East 26th St., New York, NY 10010
RELIGIOUS LISTS, 20 South Main St., New York, NY 10956
RUSSELL ROSE ASSOCIATES, 27 Locust Ave., White Plains, NY 10605
WILLIAM STROH, Inc., 568-570 54th St., West New York, NJ 07093
FLORENCE WOLF, Inc., 919 North Michigan Ave., Chicago, IL 60611

RESEARCHING POTENTIAL DONORS

Before you get involved in extensive discussion with mailing list brokers or go ahead to build your own mailing list, stop and consider: Who am I trying to reach? Unless you clearly understand the qualities and characteristics of your target audience, you'll flounder.

One simple way to do this is to examine the list of your present donors and try to isolate those qualities that are more prevalent among people who tend to give you money. What is the median age, occupations, income level (and don't be fooled into automatically believing that the most generous people are the wealthiest)? Where do the donors live, and what is their general range of education? How much of what you get comes from wills and bequests?

From such an examination, you can probably give the list broker some very solid direction, not to mention the guidance you can give the person who is actually writing the appeal.

If a study of present donors doesn't give you enough—or if you just want to double-check your findings—consider sending a questionnaire. This format permits you to get a more substantial body of information in a more orderly way. Just send the questionnaire to all the donors you already have and focus on two categories of questions.

First, check the demographics: age, occupation, race, marital status, family size, education, etc. Second, solicit the reader's feelings and opinions about your organization. What does he like about the organization, its programs and actions? What does he dislike, and what would he change?

Important: Keep it anonymous. If you want honest answers, don't ask the respondent to put his name on the questionnaire. In fact, discourage it. You want honest answers, even if they hurt.

MAKING YOUR DIRECT MAIL PULL RESPONSES

All the time, energy, and money that you put into a direct-mail fund-raising effort can go down the drain if the appeal itself is ineffective. That is why so many otherwise well-done

solicitations never pay off. Here are some tips on how to make your own direct mail more effective once it gets inside the home of a potential donor.

- Get the reader started. It is essential that you get the reader into the message, right at the first sentence—or you've lost him entirely. Make sure it is dramatic, compelling information. Maybe you can find something that will affect the reader personally. Or you can cite a powerful accomplishment of your organization, or a powerful threat to the reader that your organization is battling for him.
- Arouse a desire to help you help others. Tell the potential donor what your organization can do for him (or has done for him). If you can appeal to the emotions and the heart, rather than just to reason, your chances of success are much better. To achieve this end, it is preferable for you to cite individual instances of human suffering, struggle, or success. A word about style: Keep it simple and straightforward.
- Secure conviction. Back up your opening salvo with irrefutible facts and the qualifications of your organization. Tell what you have accomplished, ideally in terms of what it has meant to the lives of real men, women, and children.
- Get the reader to act—now! Include a strong sense of urgency and immediacy. Tell why the gift should be sent right then and there, how that gift will be helping someone who has a real need right now. It is often effective to ask for a specific amount as a contribution or to give the donor a range of optional amounts. Some organizations bring those amounts to life by showing what can be purchased for the various amounts so that the donor feels he is not just giving money, but giving tangible help.
- Close on a warm, constructive note. If you have persuaded the reader to give, it should not be out of a sense of guilt or intimidation. That kind of donor is hard to get a second time; indeed, he probably resents being made to feel that way.

Often one hears a debate about which is more effective—the long letter or the short letter. In fact, there is no answer for this. The length of the letter is not something that should be decided in advance. It should emerge naturally out of what you have to say and how you want to say it.

Use plain English. Use short sentences. Use short paragraphs. Assume a personal (but not familiar) tone. Be inventive with the envelope (some of the greatest copy never gets read because the envelope never gets opened).

Some tips on getting attention:

- Use a good quality envelope. Try to get the address put on by separate typewriter or handwritten. Get color on the envelope or a drawing. Maybe even a different size envelope is enough to make it stand out.
- The letterhead itself can instantly communicate something for you. One device is the committee listing on the stationery. If it's impressive, benefit from it by using bold type.

GETTING REPEAT CONTRIBUTIONS

Another rule of fund raising is simply this: If he gave before, he's a better prospect to give again. Obviously, he thought enough of your organization and its programs to support you in

the past. But to keep those contributions coming in, you must continue to "sell" the donor on what you are doing—and the fact that your needs are as strong (or even stronger) than ever.

This is a three-step process that could lead directly to a nice additional contribution from the person who supported you in the past.

Step One: Make sure you immediately acknowledge the contribution you have already gotten. Do it personally, if you can. Or at least do it by personal letter. Even the most altruistic individual expects to be thanked and is miffed if he is not.

Step Two: Even though the donor gave you a contribution, don't assume that he knows everything he should know about your organization. Or that he remembers what he knew before. Tell him more about what you are doing when you send the thank you note. Tell him as precisely as possible what his contribution is accomplishing. If there is something you can afford to give, send it to him. Even if it's just a photo or a pamphlet.

Step Three: Go back and ask for another contribution. What interval is appropriate before asking again? No one has ever really settled that argument. The only answer is that it varies with the situation. It depends on the perceived urgency of the problem you are dealing with. It is probably, however, best to err on the side of asking too often than not asking often enough.

HOW TO PREPARE YOUR OWN DIRECT MAIL MATERIALS

There's no trick to putting out impressive and effective direct mail materials if you have the money to hire professionals. There is a considerable body of expertise in most communities that is ready to sign on if the price is right.

Unfortunately, all but the largest national and regional nonprofit organizations are often left to their own devices, and must produce their own direct mail materials. To help you prepare the mailing yourself, we are reprinting here an article entitled "How to Prepare Direct Mail Materials," by Andi Emerson, President, Emerson-Weeks & Towers, Inc., New York, by permission of the Direct Mail/Marketing Association, Inc.

While all good copy and layout are based on the same principles, direct mail is such a different technique that most companies employ a "Direct Mail Specialist" in addition to an advertising manager.

The reasons for this are sound. Direct mail should be highly personalized, both in copy and layout. Direct mail uses more white space than newspapers, color instead of just black and white, requires a knowledge of printing, papers, inks and postal regulations. As a rule, reproductions of even the best newspaper ads make simply terrible direct mail pieces, so don't take the "easy" way out when you are planning a direct mail campaign. You must rewrite and re-layout a newspaper ad if you want to achieve maximum success.

Here is a quote from Orville Reed that contains a pretty good list of things NOT to do in direct mail from the point of view of appearance.

> "Some mail has a shoddy appearance, caused by inferior paper and envelope, sloppy printing and letter reproduction. Circus-like attention getters on the mailing envelope, preposterous claims that nobody can possibly make good on, and nobody believes.

Words or pictures on the mailing envelope, put there to get attention but having nothing to do with what's inside the envelope. That's the physical side of shoddy-looking mail."

DIRECT MAIL LETTERS

Headlines

A headline is an effective attention getter when you have a really punchy sentence. Direct mail pros tend to use it more often than not. When you do use one, run it flush left. Do not center it over the copy.

Salutation

Remember, this is supposed to be a letter. Use a salutation: Dear Customer, Dear Friend, Gentlemen, etc. The whole point of a letter is that it is written by a person, to a person. It's supposed to read that way—not sound as though it were written by a committee, or a machine! Use a dateline, a specific one if possible—otherwise the month and year will do.

Body Copy

Unless your letter consists of a series of very short paragraphs, always indent. Make them on the short side, approximately 5 or 6 paragraphs per page. Paragraphs of special interest should be set shorter than the regular width of the letter, and printed in contrasting color, if possible.

Subheads

Use the subhead technique whenever your letter runs more than one side of a page. As in newspaper ads, the use of a subhead provides a break in the reading material, as well as giving you the opportunity to slam home the benefits. Customary subheads include: 1) Here's proof; 2) Here's what you get; 3) Full money-back guarantee; 4) Any unusual feature that you really want to emphasize.

Closing Paragraph

Your closing paragraph should contain the "do it now" phrasing. Either a time limit, or short supply, or "stop wasting money" approach. Don't forget to ask for the order now, nor to include something about "We are looking forward to serving you."

Signature

Use a signature cut to simulate a hand signature. There are quite inexpensive attachments that can be added to a printing press so you can have a blue signature without any trouble.

Photos

Although using a photograph in a letter would seem to scream that this is not "personally" written, yet for some reason every test to date indicates that letters *with* photos outpull letters without photos. The customary place to put this picture is in the upper right hand corner of the body, underneath the letterhead and the dateline. Run your body copy around the photo. The picture should be of one of 3 things: the person signing the letter; the product or service being sold; or the factory or plant that produces the product or service; or obviously, the choice of subject matter depends on the particular situation.

The 4th use of a picture in a letter is to depict the premium being offered. In this case, the photo is placed flush left or flush right in the body copy at the point where the premium is being discussed. Again run the copy around the picture.

DIRECT MAIL BROCHURES

The secret of a successful brochure lies more in the layout than in the copy—the direct reverse of the letter, where copy is the most important aspect. The best copy in the world won't save your campaign if your brochure is sloppy or cheap looking, with poor illustrations and badly placed copy elements.

There are many different kinds of brochures. To name a few of the most important versions:

The Letter Brochure

Sheet size, 11 x 17—folded to 8½ x 11, printed in at least two colors. The letter is reproduced on the front cover, the insides are treated in usual brochure style, and the back contains an order coupon (if you are using a coupon), plus the guarantee.

The One-Page Brochure

Sheet size, 8½ x 11, printed in two colors on both sides. Here the front is mainly illustration and headline, with 1 or 2 paragraphs of copy. The back contains the rest of the copy, plus guarantee section and coupon.

The Standard Brochure

Sheet size, 11 x 17, printed in two colors, folded to 8½ x 11. The front is illustration plus headline and 1 or 2 paragraphs of copy. Inside is standard brochure treatment, with the usual back page treatment.

The Odd-Size Brochure

Here the sheet size is usually 11 x 22 with a gate fold down to 8½ x 11. However, the sheet size may be bigger or smaller, with accordion or overlapping folds. This brochure is seldom used by professionals, except when the need for a really unique presentation occurs.

Here, we will consider the treatment of the various elements.

Headlines

As noted before, the brochure headline is usually featured on the front, with the exception of the letter brochure. The same rules apply for this headline as for newspaper headlines. It should be as wide and big as possible, clean, well-leaded characters, and printed in a very dark ink. (It can be reversed, but then the background must be very dark.) *One thing to watch very carefully is that the folding of the brochure does not interfere with the reading!* Never have the headline that can't be read without unfolding the brochure. This is a cardinal *must!*

Main Illustration

Again, the same rules apply as for newspapers. The main illustration should be of the product IN USE, if possible. It should be big, clean, and exciting.

Body Copy

The body copy rules are the same as for ads, except that the copy on the front of the brochure should be so interesting that it forces the reader to turn the page. This usually means putting the vitally interesting points on the front of the brochure, even though they will have to be repeated again inside.

Subheads

Good brochure writing uses a technique not used in other advertising writing. That is the double headline. One headline on the front page, another, different one inside the brochure.

Regular subheads are a must inside the brochure and on the back page. Remember, the letter is personal but the layout of the brochure is not, even when it's written in the first person. It is essential that the appearance of the brochure be a professional looking one. There is just no excuse for a sloppy job here.

Center Spread

Copy must be tightly written, and copy blocks should be boxed off, subheaded, and separated out by the use of tints, screens, reverses and colors. Don't do *ALL* of these things in one brochure, or you will spend a lot of money to create a hodge-podge that will hurt sales. But your brochure must be exciting.

Your center spread should carry the second headline across the entire 11 x 17 space, if it is important and big enough. Otherwise, confine it to the first or second half, again making it big and bold. Uusually this second headline is set in upper and lower, as it shouldn't be quite as big as the main head.

Pictures in the center spread are very important. This is the place for little "technical" shots, showing the different features and points of interest. The more of these, the merrier, as long as the total cost doesn't rise too high.

Back Page

Subheads, guarantee, order coupon, testimonials and the closing sales pitch are all on the back page. Sometimes pictures are used, sometimes not. If you are using a coupon, make sure that the brochure remaining after the coupon has been deleted contains all the sales elements.

GETTING THEM TO OPEN YOUR ENVELOPES

It has become almost a cliche in direct mail fund raising: Getting the recipient to open your envelope is at least half the battle. That battle is waged right on the front of the envelope—and it is won or lost in those precious few seconds when Mr. Potential Donor is sifting through a pile of mail deciding which go directly into the waste basket and which are opened for further attention.

A particularly valuable review of "envelope opening" techniques was presented by Virgil D. Angerman of Boise Cascade's Columbia Envelope Division, Addison, IL, and is presented here, in part, with the permission of the Direct Mail/Marketing Association, Inc. It is entitled "13 Ways to Get Your Envelopes Open" and originally appeared in *Advertising & Sales Promotion Magazine:*

APPEAL NO. 1: Ways to make your mail appear important

If the message on your envelope convinces the prospect that the contents are important, you have won the first round in the battle for the order. Here are three ways to make your mail appear important.

- You can do this with a phrase such as "Important Message Inside This Envelope." If the copy is printed at an angle it will add extra attention value.

- A simulated rubber stamp impression with the words "Contents Important" will help to get your mail opened. A box around the copy adds emphasis to the message.
- The words "Last Reminder" indicate that this mail is most important. The way the copy is handled is compelling and stimulates action.

APPEAL NO. 2: How to individualize your teaser copy

You can get greater acceptance of your mail if it carries an individual appeal to the prospect. Individualizing is breaking down the total list into groups of people with similar backgrounds or interests. You should give the reader the impression that he is reading a letter that was written with him in mind.

APPEAL NO. 3: Simple phrases will get action

That's what you want—action! You can get action by using simple phrases in your teaser copy that motivates people.

- One of the most compelling pieces of teaser copy we have ever seen is used by an investment service. It reads: "Return Collect Telegram Enclosed." The copy is in the form of a simulated rubber stamp and appears immediately above the window in the envelope, where the name and address of the prospect appear. This copy gets action.
- A variation of the collect telegram idea is to use a simulated rubber stamp impression with the copy, "Return Air Mail Envelope Enclosed," printed at an angle. This suggests urgency.

APPEAL NO. 4: The profit motive attracts customers

Everyone is interested in ways to make or save money. Hence, this appeal will command immediate attention for your mail. In writing your teaser copy, be as specific as possible.

APPEAL NO. 5: News headlines create anticipation

People are so accustomed to reading the headlines in newspapers that if you write your teaser copy in newspaper headline style, you will capture the reader's interest.

APPEAL NO. 6: Questions will stimulate Readership

When you meet a friend and ask him a question, you expect an answer. If you are contacting prospects by mail and ask them a question, you hope that it will stimulate a reply. Questions should have a "soft sell" approach, for if they are not expressed in a friendly way, they can irritate the prospect and you may lose a customer.

APPEAL NO. 7: Use interesting facts to pave the way

Offer the prospect information that pertains to his health, business, social, religious, or financial status and you have an eager listener.

APPEAL NO. 8: Seasonal appeals will win attention

An often overlooked opportunity is the seasonal appeal. If your proposition lends itself to a gift promotion, a fashion angle, or a holiday offer, a very effective teaser copy can be written.

APPEAL NO. 9: Use curiosity to arouse interest

There is an old saying that "curiosity killed the cat." But people are curious, too. Appeal to this impulse and you are sure to get action.

- And here is a real stopper: "—about your appointment in Washington, April 15." What's this all about? Do I have an appointment in Washington? You can also use a hand written technique in red ink to command attention.
- If you received an envelope with "HA" and "PRI" on the face, wouldn't you be curious?

APPEAL NO. 10: The sympathy appeal opens envelopes, hearts and pocketbooks

Picture an abandoned child crying for food, or an orphan boy or girl in need of shelter, clothing, food, or an education, and you have an appeal that gets action.

The sympathy appeal is used chiefly to raise funds for religious missions, hospitals, schools for orphans, institutions for the mentally ill, etc. Illustrations are frequently used instead of a message, for, as a Chinese philosopher once said, "A picture tells a thousand words."

- All of us are familiar with the Easter Seal Fund Campaign for fighting crippling arthritis, polio, palsy and the many afflictions of the unfortunate.
- If you received a mailing with an illustration of a lonely boy looking through a window at Christmas time with this copy on the envelope: "Give him the warm-hearted joy of a happy Christmas this year," wouldn't you open the envelope? Thousands of people did and they sent their Christmas contribution which testifies to the effectiveness of the right use of teaser copy.

APPEAL NO. 11: Use suspense to hold the reader's attention

Webster defines "suspense" as a condition of mental uncertainty, anxiety or apprehension. The suspense appeal can start on the envelope as the beginning of a letter, the opening paragraphs of a thrilling novel or an important message, which are continued from the envelope to the sales letter.

APPEAL NO. 12: Appeal to civic pride for action

A powerful appeal to use if your community needs a library, a swimming pool or a playground is civic pride. Everyone wants others to know that his community is progressive, that it has all the advantages that make it a good place to own a home.

Cities, too, are proud of their cultural and recreational facilities or historical places to visit. Civic pride can be featured on envelopes in the promotion of cities and institutions.

APPEAL NO. 13: Play up special interests to influence prospects

Almost everyone has a hobby. It may be golf, boating, fishing, hunting, skiing, crafts, athletics, music, investments, gardening or scores of other leisure time activities. Tap your prospect's special interests and he will want to know more about your offer.

A word of caution: Postal Regulations (Section 123.22) require that you leave at least $3\frac{1}{2}$" of clear space, from top to bottom, at the right end of the address side of envelopes, folders or labels. This space will be used for address, postage, postmark, and other endorsements such as airmail and special delivery.

On large envelopes, a clear rectangular space on the right hand side of the envelope of not less than 3 x $4\frac{1}{4}$" for the address, stamps, postal imprint, postmark, etc., is acceptable.

To play safe, it is a good idea to submit a rough layout of your envelope for Post Office approval before you prepare any finished art or proceed with the manufacturing of your envelopes, if you have any questions.

The important thing to remember in using teaser copy is that the theme must be carried over from the envelope to the letter, otherwise you lose the impact.

Teaser copy has increased direct mail results for others, so why don't you try it?

CUTTING COSTS ON DIRECT MAIL PRODUCTION

Once again, the powerful demands of the restricted budget come to the fore. Many nonprofit organizations have found that their net revenues on fund raising by mail have been sharply reduced because production costs got out of hand.

In fact, organizations such as yours have lost considerable sums of money in an effort to raise funds through the mails—simply because there was insufficient planning and a lack of knowledge of the various aspects of producing the materials to be mailed.

The Direct Mail/Marketing Association, Inc., has published the following guide, entitled "40 Ways to Cut Direct Mail Production Costs":

PLANNING

Plan in advance: By far the most important avenue for controlling direct mail costs is to plan all details carefully, well in advance of the mailing date, being sure to make allowances for emergencies and upsets. It is almost inevitable that a job planned and produced against tight deadlines will not only require sacrificing a certain degree of quality but will involve extra charges.

Check the post office: The safest rule to follow is to check every planned mailing with the postal officials before a single sheet has been printed. Never assume a mailing meets postal requirements or can be handled properly. Take a few moments to make this check during planning stages, and, in the long run, you will save yourself a lot of headaches.

Set a schedule: Once a job has been planned, set a specific production schedule, with deadlines for all concerned. Make sure the deadlines are realistic and acceptable to everybody—and then make sure each supplier sticks to what he has promised.

Project future needs: Whenever possible, project your future needs for a given direct mail piece. In almost every case, it is much less expensive to order larger quantities during the initial production, rather than to plan on reprints at a later date.

Avoid dating material: Unless it is absolutely necessary, do not "date" direct mail material. An "old" piece can often be used again if it is not made obsolete by dating in original production. Some of the factors to consider are clothing and hair style on models, calendars or identifiable issues of publications in illustrations, copyright or "cover" dates, etc. And particularly, avoid making copy references that could make your mailing obsolete.

Check additional uses: Every element of direct mail production and individual finished pieces can have possible additional uses if such planning is considered in advance. Art, typography, and engravings, for example, can often be utilized for other printed material. Folders, brochures, and booklets may provide excellent aids for salesmen.

ARTWORK AND PHOTOGRAPHY

Use tissue overlays: When instructions are required—and they should be kept as simple and as few as possible, put them on a tissue overlay. In this way, instructions can be directed to the specific area involved. Marking up an original layout just confuses everybody.

Avoid close registration: Whenever possible, avoid close registration of colors or different elements. This will save considerable time in all phases of production and frequently will eliminate costly extra charges. It also reduces rejects in printing.

Build reuse into art: A single piece of artwork can often be converted into dozens of different illustrations through reductions, enlargements, cropping, color changes, different engraving techniques, etc.

TYPOGRAPHY

Prepare clean copy: Always remember that you can hire a typist for at least an hour for what you would spend for ten minutes of a typographer's time. Thus, clean copy can be a major economy. Always retype a heavily corrected manuscript before sending it out for typesetting.

Master copy: Always maintain one master copy of a manuscript. If a number of people are responsible for checking copies of the manuscript, transfer their corrections to this master copy (usually with identification marks to indicate who called for the correction). Retype copy with changes before ordering typesetting and read the retyped copy against the master.

Duplicate copy: Always retain an exact duplicate of copy sent to the typographer, complete with instructions. This will enable accurate and quick reference if questions arise.

Develop a style manual: Establish a standard style for your copy. Adopt one of the standard style manuals, such as those published by the New York Times, University of Chicago Press, Government Printing Office, etc. Then add your own list of preferred spellings of words that occur frequently in your copy and a list of deviations, if any, from the manual. Make sure your typographer has a copy of this complete style guide. This procedure will not only simplify copy preparation but produce substantial economies in typesetting, proofreading, and eliminating expensive alterations.

Cast copy accurately: Do not just guess how much copy it takes to fill a given space. There are plenty of methods for tailoring copy to fit a space—or for determining the amount of space required for a given amount of copy set a certain way. Learn one of these systems and use it regularly.

Avoid vertical rules: When preparing charts, you can save a lot of money and time by having the typographer insert only the horizontal lines. Vertical lines can then be added by an artist. Or if the job is to be run in two colors, use the basic color for copy and horizontal rules and have the vertical rules set to run in the second color. If both horizontal and vertical rules are handled by the typographer for one color printing, it requires setting each column of material separately or sawing slugs apart to allow insertion of vertical rules. The net result is not only greater cost, but greater chance for error and poorer quality. Even if you are printing by letterpress, it may easily be more economical to have an artist draw in the vertical rules on a reproduction proof and then have an engraving made, rather than to have the whole job handled by a typographer.

Doublecheck the obvious: One of the most common mistakes is to overlook careful checking of frequently repeated material such as the company name and address. Since such copy is so "automatic," it may be overlooked on the original copy and in the first proofreading. Thus, there is great chance for errors to creep in. So make a mental note to always doublecheck the obvious.

PLATEMAKING

Avoid oversize and undersize copy: When copy must be greatly enlarged or reduced, it is usually most economical to handle the initial enlargement or reduction by Photostats or photocopies. Check with your engraver for the maximum reduction and enlargement he will allow without premium prices. And compare his extra charges for reductions and enlargements with the cost of having this job handled elsewhere.

Send platemaker the best copy: Do not skimp on copy sent to a platemaker. Poor copy requires extra time—and time is money. It will be a lot less expensive to have a photographer prepare a better print or an artist touch up rough work rather than to turn over the responsibility for quality upgrading to a platemaker.

Avoid strip-ins: When preparing copy for platemaking—particularly for offset—try to combine as much material as possible on a single "flat." Each item which must be stripped in on the negative before the plate is made involves added cost. As mentioned previously, it is usually less costly to have an artist handle the positioning of material rather than to have the task handled by a platemaker.

Do not order unnecessary mounting: Be sure to check with your printer to determine if he wants plates mounted. He may prefer to use a special metal base to which he will attach the plates himself. If they are mounted by the platemaker, he will have to strip off the base material—an added cost to you, in addition to the original cost of mounting.

Watch "extra" charges: Do not be misled by the engraver offering the lowest unit rate. The big charges for platemaking often come when the extras are billed, and there are great differences in what different platemakers will charge for extras. You will only learn your lesson in this area by experience (or from the experience of others), but it is worthy of serious study.

PRINTING

Gang-printing jobs: In many cases, you will be able to combine two or more jobs for a single press run. This is a possibility which should always be considered.

Use trim space: Before any job goes to press, check to see (1) if the full capacity of the press is being utilized and (2) if there will be "waste" trimmed from the paper being used or if another larger standard size sheet could be used. If both checks indicate there will be room for additional printed material, consider working in an "extra" job in that "trim space." The cost will be low—usually just a little extra for trimming, packaging, delivery, and additional platework. Consider for trim space: memo pads, routing slips, thank-you notes, envelope enclosures, letter tip-ons, business cards, salesmen's give-aways. Build a file of trim space possibilities and then put them in the works whenever the opportunity arises.

Split-fountain printing: In multicolor letterpress printing, it is wise to consider split-fountain printing. This involves dividing the ink fountain on the press so it holds more than one color of ink. With special equipment which most printers have available, you can have more than one additional color at very little over the two-color cost. It will require special planning to utilize this

possibility effectively, so be sure to check with your printer in advance to determine all limitations. One important caution: To allow a "neutral" space between colors, be sure to determine just how closely your printer can split his fountain.

Give your printer a complete dummy: Written and verbal instructions are no substitute for a detailed dummy of the printing job. Paste all engravers and typographers proofs, plus pick-up material, in exact position in your dummy. Do not just indicate them with penciled note. Then be sure your dummy is folded as you want it and that each page is carefully numbered.

Provide color samples: Always provide your printer with a sample of the exact color you desire. Instructions such as "Use a reddish brown" or "Add a little yellow to the ink shown on the enclosed sample" only lead to costly confusion. There are dozens of excellent guides available from which you can select your colors. Build a file of interesting color samples from printed pieces which cross your desk.

Watch those bleeds: Bleeds—areas where printing runs off the edge of the paper—are often a costly headache. Four-side bleeds are out of the question for most jobs, unless you want to buy oversize paper and have the sheets trimmed after printing. An area must always be allowed for the grippers—metal fingers which hold the paper in place during the printing operation. Consult with your printer every time you plan to use bleeds.

Set up jobs for simple changes: When you have a piece requiring special copy for limited markets in addition to a long run for regular use, it is not necessary to handle the situation as two completely separate jobs. When planning the piece, include copy or design panels which can be eliminated after the regular run, replacing the eliminated material with the copy required for the special markets. Or, after the initial run, simply remove the copy or design panels and continue the run with these areas blank. When you have sufficient sheets for the special markets, simply put them back on the press for imprinting the special copy in the blank areas. This method is particularly useful for multicolor jobs. On black-and-white jobs, chances are the savings in plate costs and makeready time will more than offset the cost of the additional press run for imprinting.

FINISHING

Avoid hand-folding: Folding equipment is available somewhere to handle nearly every job mechanically. Since hand-folding is a costly, inferior process, always seek out mechanical folding first. If your own printer is not equipped to handle the folding mechanically, it may prove to be most economical to have the job farmed out to a trade bindery.

Watch inserting requirements: Automatic inserting equipment can introduce considerable economy in preparing mailings, but only if material has been designed to fit the limitations of this automatic equipment. Be sure to check all inserting requirements before a job is produced.

Keep an eye on postage costs: Postage costs should always be kept in mind during finishing operations. Trimming as little as an additional $^{1}/_{64}$ of an inch off the edges of a piece may result in a substantial postage saving if the weight is reduced to the next lower bracket. Other factors to consider include the number and kind of staples used in binding, gluing in place of stapling, and even the weight of adhesives used in tipping operations.

PAPER AND ENVELOPES

Use standard paper sizes: Always give first consideration to standard paper sizes for any printing job. Almost without exception, they will be less expensive than odd sizes.

Design to eliminate waste: Design your direct mail printed materials to use the full area of a sheet of paper, and shift to other standard sizes of different types of stock if you cannot get an economical "cut" from the sheet originally chosen.

Check weight carefully: Determine the total weight of your printed piece before a final decision on paper is reached. A minor change in paper specifications may result in major mailing economies.

Check folding qualities carefully: Be sure to check the folding qualities of your paper—including what happens to the printing on it when it is run through a folder. Many otherwise "perfect" jobs have been ruined when it came to folding the printed signatures.

Combine paper orders: If you can project your paper orders, you may be able to come up with substantial savings by ordering in multiple cartons or carloads. Quantity discounts add up quickly in paper purchasing.

Use standard sizes: Special sizes of envelopes require tailormade dies and often cannot be produced economically. Every major envelope-maker offers a wide range of standard sizes, so stick with these for the majority of your requirements.

MISCELLANEOUS

Control inventories: When direct mail printed materials are carried in inventory, it is dangerous to find yourself face to face with an empty bin. This may result in costly rush jobs for replacements or in holding up mailings beyond deadlines. Establish minimum quantities required and then have your suppliers wrap that amount in a brilliant color of paper. These specially wrapped items must never be opened without special permission. You are thus automatically warned when reorders are necessary.

Check bills carefully: Your production bills can often indicate possibilities for substantial economies on future jobs. Check each extra charge carefully. Frequently, proper planning will eliminate such a charge on future jobs.

Analyze each job thoroughly: One of the most important costsavers of all is to analyze each job thoroughly, making special effort to seek out previously overlooked economies. Do not try to do this alone, but invite all of your suppliers to offer their suggestions.

TESTING YOUR DIRECT MAIL FOR RESULTS

Why bother testing if your direct mail is going to be successful? Some would say that the returns on the mailing are test enough. Not so. It is not enough to be successful. You must know *why* the mailing succeeded so you can reproduce the winning formula with confidence. And it is just as important to know why you failed, so you can avoid the same mistakes.

Testing also helps keep costs down. Obviously, it is far better to fail with a small sample batch of letters than with the full list.

How do you go about it? There are several guidelines for testing your mailing to assure yourself that you are moving in the right direction:

- Make sure the quantity is correct. Don't use less than 2,500 pieces for your test or the results will be of questionable validity. Don't use more than 10,000 pieces; that's an unnecessary expense.

- Make sure your control sample and your test sample are well matched. Keep your two lists the same except for the particular characteristic in the mailing you want to test. For example, all the recipients should be in the same socio-economic category. The mailing itself should be exactly the same for both groups—except for the variable you want to test. The variable could be different copy, different graphics, etc. Test only one variable at a time.
- Make sure the lists you are using are typical of the universe, the total list you plan to use. This is done by taking every Nth name on the lists and using these names rather than being selective about the names. Remember, the key to a successful test is "projectability," the extension of the test onto the entire list.

Now we will discuss the "variable" that is being tested. There are a number of such variables that could have a profound effect on the results of the mailing. And even the most experienced direct mail expert has great difficulty predicting just what approach will be most effective. That's why *everyone* in the direct mail industry tests, tests, and re-tests:

Some of the most important variables are:

- The length of the letter or piece.
- The salutation and fill ins.
- The size of the paper and envelope; their color.
- Use of computer letter versus a printed form letter.
- How the envelope is addressed; what kind of postage is used (stamp or indicia).
- Enclosures or no enclosures.

Then, make absolutely sure you keep good records. When the results start coming in, be sure you know which pieces pulled best, at what rate the replies came back, and how much the various results cost you.

Here are "12 Rules for Direct Mail Testing," published by the Direct Mail/Marketing Association, Inc., and reprinted here with its permission:

1. *Test one thing at a time—or everything.* There are only two valid types of direct mail tests. The first involves the "package" testing concept wherein you test one complete mailing unit against another complete mailing unit and send both to lists which can reasonably be considered "equal." The more common type of testing, however, involves evaluation of elements of a mailing—copy, lists, reply devices, offers, prices, format of various elements, etc. In such cases it is important to test just *one* thing at a time—with all other factors the same.

To determine the relative value of window envelopes against full-face envelopes, all other elements of the mailing should be the same. Or if you want to test first-class vs. third-class postage, you will destroy the validity of your test if you try two different types of copy at the same time.

The one exception to this "rule" is that you must keep elements in harmony with one another. You cannot very well make a reasonable test of different prices if both your selling copy and reply device do not carry complete pricing information. In fact, *one cardinal rule of testing is to evaluate all elements of the mailing package to make sure you have not confused your offer by introducing a test element into one part of the mailing without changing other items which are in conflict with such an offer.*

2. *Make sure your tests are representative of the entire list.* When making a comparison test, be sure that all lists used are equals. The easiest method is to simply split your list on an every-other-name, every-third-name, etc., basis. This may present some mechanical problems, but they are usually quite easily solved.

Probably the best method to handle this type of list division is to run the two or more versions of the item to be tested through a collating machine so they will be stacked in proper test order. For example, if your test will involve three different reply cards you can have them stacked on a 1-2-3-1-2-3-1-2-3-1, etc., basis before they are run through the addressing machine. Of course, if the reply device is not one of the basic variables in the test, it is still important to have it properly coded so you will be able to quickly analyze test returns.

If it is not practical to pre-sort in test order, keep each of the lists being used in identical geographical order so that they can be quickly inter-filed before mailing to take advantage of bulk mailing economies. (The Post Office does not care if you vary features of your mailing just as long as all pieces are of the same size and weight. Size and weight are the only things the Post Office considers when it requires pieces to be "identical" to qualify for bulk mailing rates.)

To determine the pulling power of a given list, make sure the portion you choose to test is representative of the entire list. It may not be practical to conduct list tests on an every-other-name basis. This creates problems in making extension mailings without a lot of duplication. If there has been just a single change in a list between the time of the test and the extension, it becomes almost impossible to obtain the portion of the list which has not already been mailed since the 1-2-1-2-1, etc., sequence is no longer the same.

One common method of selecting a segment of a list for testing is to choose equally spaced portions. For example, if the list is on Addressograph plates, you may want to use every fifth or seventh drawer of plates; or an inch system wherein you measure off the list and address to those plates which fall within the first inch of space in every foot (or every 6 inches, 10 inches, and so forth).

When it comes to very large lists, you will have to settle for a less representative cross-section in many cases. Since most large lists are arranged geographically, make sure your test sample includes names from all of the areas covered by the list: One of the most common methods of testing such lists is to select a *major* state in each of the five basic regions—South, East, Central, Mountain, and Pacific—and then establish a consistent pattern for which section of the lists for those states you will include (or which additional states you wish to add if any of the chosen states will not provide sufficient names to make up a representative sample segment for a given region). If possible, make sure your sample portion from any region is in the same proportion to the total sample as the total number of names from that region is in proportion to the entire list. In such testing, double check to make sure you have not by accident, come up with a list that represents only major cities or only non-metropolitan areas. This will, of course, automatically introduce a certain amount of bias into your test sample.

Another type of bias to avoid, shows up if your sample represents only a small part of the alphabet. (See "Testing—The Scientific Approach in Direct Mail," prepared by the Research Committee of the Direct Mail Advertising Assn., New York, New York, under the direction of Wm. Arkwright Doppler, Ph.D., 1953.)

If you are renting lists, make sure you are getting a true cross-section of the total list. It is not at all an uncommon practice for many list renters to introduce bias into samples by including a higher percentage of their "best" names than will be found in the entire lists. Only experience—both your own and that of list brokers with whom you work—will protect you from the "loaded" list sample.

3. *Keep track of the portion of any list used for testing.* Unless you would just as soon remail to names on a test list, keep records of the portion of any list tested so those names can be eliminated when making subsequent tests or when mailing to the entire list.

If you have used equally spaced portions of a list, a simple mathematical record will provide the information you need. However, you may want to supplement this with more detailed information such as the first and last name in each test segment so you can double check when making subsequent mailings. Most mailers do not worry too much whether or not there is a slight duplication unless, of course, the mailing pieces are particularly expensive. In such cases, it may well pay to even keep a duplicate record of *all* names involved in a test.

Since it is almost impossible to make unduplicated followup mailings when selection has been on an every-other-name basis, it may well pay to have the entire list addressed when the sample list is prepared and then hold "unused" names pending results of the tests.

4. *Be sure to use a sufficient quantity to obtain reliable test results.* Both the quantity of pieces mailed and quantity of returns are important in determining whether you have made a large enough test to produce reasonably reliable results.

The most commonly used rule of thumb for list tests is to use a minimum of 2,000 names or 10 percent of the list, up to a maximum of 10,000 names. When a list is larger than 100,000 names, the usual procedure is to conduct a series of tests in increments of 10,000 until a full 10 percent has been tested. However, if the list is particularly large and results from the first one or two tests indicate probable success, subsequent tests are usually made in quantities considerably larger than 10,000.

When you are making comparison tests, a common rule is to keep mailing until you have a minimum of 200 replies upon which to base your comparisons. In many cases, however, this will prove to be far too small a quantity of returns to really prove a point.

5. *Consider two-flight testing.* A good rule of thumb for all direct mail testing is to follow the "two-flight" principle, wherein you follow up your initial test with another identical test to make sure that some extraneous factor has not prejudiced test results.

6. *Mail all pieces at the same time.* Direct mail results can be drastically affected by current events. Weather can be a major factor, and newspaper headlines and other factors can cause major variations in results.

So be sure to deliver all pieces in your sample to the Post Office at the same time—not just the same day, but preferably intermixed in the same bundles and/or mailbags. An hour's difference in delivery of mailings to some post offices can mean as long as a week or 10 days' difference in eventual delivery of the pieces.

All control of your tests stops the minute you deliver your mailings to the Post Office. Therefore, do everything possible to control them to the very last minute they are in your hands. It often pays to make an advance check with your local postmaster to determine the best possible time to drop your mailing so it can be handled in one lot without a great deal of delay.

7. *Do not make any major decisions based on minor results.* Avoid making any major decisions until you have a quantity of returns large enough to present clear-cut evidence.

A leading publisher keeps charts to determine how many letters must be mailed before he can rely on the results. Factors being tested are plotted on the graph by lines representing return results. If one letter brings 3 percent on a small test and another brings $2^1/_2$, one line starts out a little above the other. These lines perform strange antics of crossing and uncrossing through mailings of 1,000 and 2,000 (quantities believed by many to give conclusive answers)—and even through mailings of 5,000 and 10,000.

When one line stays above the other, then he knows which letter or other factor being tested is

superior. It often takes 25,000 to 30,000 before the question is settled, leaving no possibility of the result figures reversing themselves.

8. *Don't follow results blindly.* Don't trust any initial results until all evidence is in. But even when all the evidence appears to be at hand, keep your eyes and mind open to the possibility that you may not really have found the hard-and-fast rule you seek.

Too many circumstances change—and often change quickly—to make it advisable to accept the results of any test as the final word. The only sure way is to use the information you do develop, but keep testing to find out if there might not be new circumstances which require a new approach.

9. *Don't get test-happy.* Keep testing—but do not get so bogged down in testing that your mind becomes closed to the possibility of following your intuition and getting on with the business of advertising and/or selling your products.

Testing should always be a secondary activity for direct mail advertisers. If time and money are available for tests, fine. But never let them dominate your direct mail program.

Do not get involved in testing minor details. Forget all about trying to test whether a blue envelope and an orange reply card will outpull a purple envelope and a yellow reply card. Such tests may provide interesting conversational tidbits to toss around at direct mail meetings, but chances are they will not mean a blasted thing when you try to apply the results to another mailing.

Test the big things—copy approaches, complete packages, lists, major variations in reply devices, different offers, etc. And test them as often as your schedule and budget will permit. Then you will not have time to worry about minor things such as the color of ink for your postal indicia.

10. *Do not try to read non-tested factors into your results.* An always-present danger is the tendency to find answers to questions which were not subjected to controlled testing. Whenever there is a variation in results, a lot of direct mail advertisers immediately try to find out "why" by studying their mailing package.

There are just too many "outside" factors which can influence results to make such a search very profitable. If you do come across something which might suggest a route to success, make it the subject of a test under controlled conditions. Do not trust your hunch until you have some reliable evidence to back it up.

11. *Follow up quickly.* When you have completed a test and are convinced you have the basic answers you need, follow up quickly with your regular mailings and/or list extensions. Outside factors can change rapidly and make your subsequent mailings subject to a whole new set of circumstances.

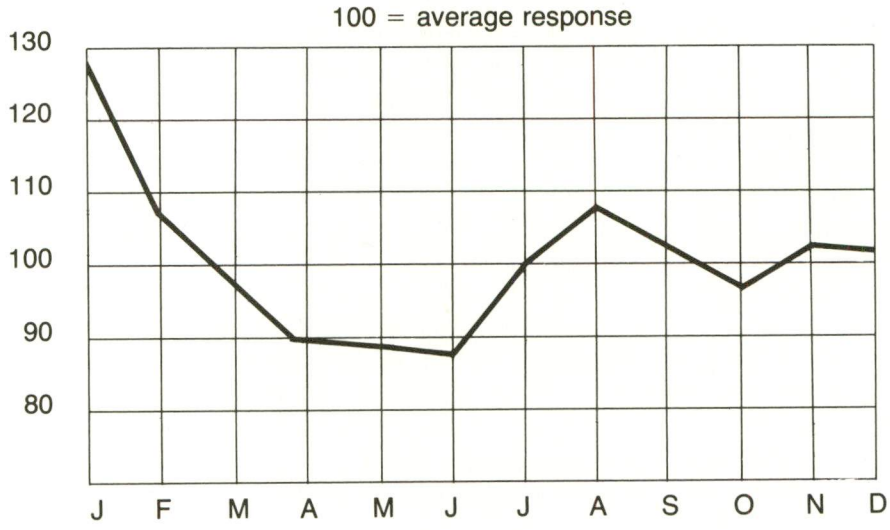
12. *Continue to keep tab on your results.* This is particularly important when it comes to extensions on rented lists. It will pay to always suspect rented test lists as being at least slightly loaded with better-than-average names. By keeping close track of your results on extensions you can get a good picture of the reliability of those from whom you rent your lists plus evidence with which you can do a better job of projecting probable returns when making future tests.

WHAT'S THE BEST TIME OF THE YEAR TO RAISE MONEY VIA MAIL?

April is almost the cruellest month of the year for direct mail fund raisers, at least according to information published by the Direct Mail/Marketing Association. April is one of the poorest mail order months. The best month? January is the easy winner. In fact, responses run about one-third above the average monthly response.

The big mail order mailers send their spring/summer catalogs right after Christmas because they have found that January is the best month to mail information on general-line merchandise.

Shown below is a chart that represents the composite response experience of magazine and book publishers:



There is, however, another school of thought that claims that the mailers of smaller volumes of mail should avoid these peak periods of January and August and "hit 'em where they ain't" in order to avoid the mail order clutter.

POST OFFICE REGULATIONS

The first decision you must make when considering which way to mail is which class of mail you will use. These are the classes of mail available to you; each is more particularly suited to a certain type of mailing and desired result:

First Class Mail. This is indicated when you have a relatively small mailing to specially selected names. These letters receive privileged handling by the post office and go to their destination fast. Moreover, the recipient is likely to recognize first class mail and treat it with more respect than other mail he might consider "junk." Obviously, the rate is higher, and this will have to be taken into consideration when you make the decision.

Second and Third Class Mail. These are much less expensive than first class mail. You might try testing these categories of mail versus first class to see how much difference—if any—there is in the results. There is more work on your end when you use these classes of mail. First, you must buy an annual bulk rate permit at the post office of origin. Second, you must have at least 200 pieces of identical mail at each mailing, and they must be sorted according to zip code.

Metered Mail. The handling of this is very fast, since the metering equipment stamps, seals, and counts the mail in one operation. It gets out of the post office because it doesn't need canceling. Other benefits: you can put a slogan or message from your organization on the envelope by having a plate made for the meter. It can also print names and addresses. One drawback: good only for relatively small envelopes.

It is imperative to remember that post office regulations and postal rates are changing constantly. You must check directly with your local postmaster before making any final mailing plans or budget to make sure you are adhering to the very latest regulations.

One last point on the subject of regulations and governmental involvement: Unfortunately, the whole process of raising funds by mail has not been entirely free of abuse or fraud. As a result of such offenses, there are now strict regulations in most states and localities governing precisely how you must go about raising funds. It is, therefore, important for you to check local and state law enforcement agencies, the Chamber of Commerce, and the Better Business Bureau. As a general guideline in your discussion, local laws usually concern themselves with:

- The registration of your organization and the organization that is raising funds for you. This is an important weapon in protecting the legitimate organization, and you should not consider this registration a reflection on your integrity, but rather a way of guarding the honest fund-raising activity.
- Limits on the fee or percentage a professional fund-raiser can charge your organization. There have been instances in which the professional fund-raiser charged off most of what was raised to "expenses."
- Some areas prohibit the use of the telephone for solicitation; others have established precise information that must accompany all mail solicitations.
- Many communities and states also require that regular written reports be filed with the government on the structure, operations, expenses, and other activities of the soliciting organization.

Chapter 5

HOW TO GET GRANTS

Government Grants • 153

Applying for a Government Grant • 155

Financial Accountability • 156

Auditing • 156

Financial Administration • 157

Limitations • 158

Foundation Grants • 158

The Next Step • 162

The Letter • 162

The Phone Call • 164

The Meeting • 165

The Proposal • 165

Be Courteous • 168

Sad but True • 168

CHAPTER 5

HOW TO GET GRANTS

A grant is a gift of money paid by the government or a foundation to an individual or (much more commonly) a nonprofit tax-exempt organization that needs it to carry out a project. If you're seeking this kind of funding, you must know exactly whom to approach for it and how to apply. You must convince your potential benefactor that the project for which you want money is both necessary and worthy of expenditure. And you must arrange to keep him fully informed on how you're spending his dollars.

GOVERNMENT GRANTS

The government will award grants to projects it considers valuable enough to be subsidized with taxpayers' money. This could be a program of social or scientific research, a study of how governmental processes themselves operate, or a social welfare project, such as day-care centers, that would benefit the community. Generally, the programs most likely to be picked for funding are those attacking problems with clear and urgent public implications, or those proposing research into areas never before studied. It also helps to have a person in charge of the program with outstanding scholarly or professional credentials in his field. In return for its money, the government will require three things: that you play the game by its rules as far as equal opportunity practices in employment are concerned, that your staff meet certain legal and professional requirements, and that you give a full accounting of all dollars spent. Government personnel will be around to audit.

The first step in getting a government grant is to find out which of the many government agencies is the right one for your organization to approach for help. The following listing of the major agencies and their proper beneficiaries might give you some idea of where to start.

US Department of Health Education and Welfare:

- US Office of Education: Local education agencies, state departments of education, institutions of higher learning, money for teacher training, student loans, junior years abroad, graduate fellowships.
- US Public Health Service: Hospital construction, migrant health service, state health depts.
- National Institutes of Health: Medical schools and graduate departments in biomedical science.

National Institute of Alcohol and Drug Abuse: State and local abuse and addiction agencies, medical schools, colleges and universities, community service agencies.

Rehabilitation Services Administration: State welfare agencies, child abuse and family planning agencies, legal service agencies.

Social and Rehabilitation Services: State agencies for the handicapped, mental retardation agencies, programs for cerebral palsy and epilepsy, vocational rehabilitation agencies.

Administration on Aging: State agencies for aging, senior citizens' programs.

National Science Foundation: College and university faculty in the sciences, graduate departments, research institutes.

National Endowment for the Arts: State arts councils, opera companies, symphony orchestras, dance and theater groups, museums, artists-in-residence at colleges.

National Endowment for the Humanities: Colleges and universities, research studies in languages, literature, history, jurisprudence, philosophy, archeology.

US Department of Justice: State and local crime control commissions, police departments, law enforcement research and education programs, juvenile delinquency control.

US Department of Defense:

Air Force Office of Scientific Research: Nonprofit scientific research organizations, colleges, universities, research in the physical sciences.

US Army Research Office: same as above.

Office of Naval Research: same as above.

US Department of Labor:

Manpower Administration: State departments of vocational education, vocational schools, colleges.

Two overall publications can be very useful to you here: the *Federal Register* and the *Catalogue of Federal Domestic Assistance*. Both can be ordered from the Superintendent of Documents, Government Printing Office, Washington DC 20402. At this writing, the *Register* is published two or three days a week (it costs $5 a month and $45 a year) and gives the guidelines and regulations for all government grant programs. The *Catalogue* provides a list and description of all federal programs offering assistance to the American public and is considered the best single source of information about government grants. In addition, individual agencies, such as those listed above, have their own publications on this subject.

There are also state and local agencies empowered to disburse federal funds. Under the Elementary and Secondary Education Act of 1965, local education agencies were set up to supply services for disadvantaged children, supplementary education services, and textbooks for each public and private school in their districts. Local public welfare departments are in charge of day-care centers, family planning services, and special services for the elderly or handicapped. You can apply to these agencies at the local level for federal funds if your project seems to fall within their spheres.

Newspapers and magazines sometimes have information on grant sources. The *Washington Post* is particularly apt to be helpful. Finally, don't forget your congressman. Let him know what you want to do and how it will affect his constituency. Have him put you on his mailing list for the *Congressional Record* (another valuable information source), and find out

if he was ever on a committee with some special relevance to the program you are involved with. His office staff may be able to do some ground-level research into what federal programs are applicable to your needs, and he might even be able to set up some preliminary appointments for you. Ask if one staff member can be designated as your special contact in his office. You can get a good deal of information, assistance, and support there.

Some special types of grants: Entitlements, Formula Grants, and Contracts

Entitlement refers to the fact that certain groups, such as voluntary relief organizations, are automatically eligible for government assistance simply by virtue of the work they do (as long as they meet certain legal criteria). *Formula grants* involve money paid to certain institutions according to a built-in economic factor. New York State capitation is an example of this; this is money paid to all the institutions of higher learning in the state according to the number of degrees awarded each year.

A nonprofit organization will occasionally propose a project that will benefit the government in some way, such as a training program or a survey. In these cases, the government will award the grant in a form called a *contract* to the organization that is, in effect, doing business with it. The kinds of projects undertaken through such contracts include evaluations of government programs, provisions of technical assistance, planning services, publications and the production of audiovisual aids, the design of equipment for use by a government agency, and conferences conducted for the members of such an agency.

A government agency that feels the need of some such service will send a document called a Request for a Proposal (RFP) to a likely organization, which will then file its proposal for a contract. These contracts are not easy to obtain, especially for organizations with no previous experience in working with the government. Once granted, they require compliance with a high degree of government supervision—unlike regular project grants, which are designed to keep the grantee program as free of outside control as possible.

Applying for a Government Grant

There aren't too many how-to manuals for seekers of government grants on the market. One you might want to check is Philip Des Marais' *How to Get Government Grants*, published by the Public Service Materials Center, New York, which came out in 1975 or *The Art of Winning Government Grants* by Howard Hillman, published by The Vanguard Press, New York, in 1977. However, government agencies publish their own guidelines and formulae for applying for grants, and one of the most serviceable of these is the National Science Foundation's *Grants for Scientific Research* (publication number NSF 73-12). You can order it from the NSF, Washington, DC 20550. It describes applications for the kind of research project the NSF would be funding, but most agencies require the same minimum body of information, to wit:

1. Title of proposal.
2. Name of the person who will be in charge of the project (the "project director" or, in the case of a research project, the "chief investigator").
3. Dates for the period for which the grant is requested.

4. Statement of total direct costs.
5. Name of organization applying for grant.
6. Name of official signing for the organization; i.e., the person who takes the responsibility of acting as government-organization liaison.
7. Name of official in business office who will be responsible for accounting for expenditures made.
8. Description of objectives.
9. Detailed budget estimate.

The proposal should be prepared by the person in charge of the project. It will be reviewed by the agency addressed and by special study committees made up of professionals, who will analyze the work to be done in detail. Remember that there are deadlines for grant applications. To get the money by a certain date, you must apply for it by a certain date, usually a year before. A schedule of these deadlines is included in the *Federal Register*.

Financial Accountability

State and local government agencies generally request regular reports of costs incurred, which they reimburse periodically. Each federal program has its own timetable regarding such accounting, but they all require continuing announcements of expenditures in one way or another from the time you file your preliminary budget until you submit your final report. (Don't worry about the variations that will inevitably be played on your preliminary plan; federal agencies know they're going to occur and will be reasonable and cooperative about changes you have to make.) Federal grant money is paid in the form of a letter of credit or a treasury check, and it comes for one year at a time only, since the cash flow is dependent on continuing appropriations from Congress. Your application must be renewed for each succeeding 12-month period.

The formal reports of expenditures you will file with your granting agency should be in narrative form (unless they provide you with a printed form), should include lists of persons or institutions serviced, and should state the outcome of the services or research undertaken. They must be submitted by certain deadlines. A more summary form of report can be used if the results of your work are being published elsewhere—as papers delivered at academic or professional meetings, for example, or as articles in popular or learned magazines or chapters in books. These publications, by the way, should not be regarded simply as a spinoff of your project—they are also essential for keeping it going. The more items you publish, the more likely you are to get your grant renewed. Total silence, on the other hand, could easily cause your cash flow to dry up completely. If you find yourself facing that prospect, it might even be a worthwhile investment to subsidize a publication with your own organizational funds.

Auditing

Prepare a file including copies of your grant application and grant award announcement, your grant budget, and a record of all your expenditures. Keep this up to date and in good repair

for your government auditor's visit. It is possible, though not inevitable, that he will challenge one of your expenditures. If this happens, call the project director in. The auditor may simply not understand certain program necessities that the director would be able to explain. If the auditor is not satisfied with the explanation and takes his complaint back to the agency, the final decision will be made by the agency's "program people"—those officials with special expertise in the area dealt with by your project.

Financial Administration

Different government agencies will have different guidelines for how they want their grants overseen, and different organizations will have different policies about who attends to what in administering grant money. It's generally agreed, however, that there should be one overall financial administrator to authorize and monitor the disbursement of funds received. He will not be the project director, although the project director will work closely with him. The financial administrator's job will be to draw up the budget and decide what amount will be needed; to apportion grant funds as needed according to the agency's guidelines, the organization's policies, and the project's requirements; to prepare and sign reports of expenditures; and to act as financial advisor to the staff directing the project. He will, in short, be responsible to the government for the prudent discharge of its subsidy. He will have to be knowledgeable in government grants generally. He must have a sound understanding of the budgetary process. He must be conversant, as well, with the work of his organization in general and that of the grant project in particular. Tact will be called for, too, as well as savvy.

The NSF requires this job to be divided between an "Authorized Institutional Representative," who takes the responsibility for fiscal administration, and a "Business Officer," who does the reporting on expenditures. (In some organizations, the business officer may simply take care of the actual disbursement of funds.) In addition, some sources recommend a liaison figure between the project director and the financial administrator, who will act as an advocate for the director's proposals while taking the responsibility for reviewing them to assure they are reasonable and feasible. You will find a thorough explanation of the guidelines, procedures, and principles involved in administering grants in the *Grants Administrative Manual* put out by the Department of Health, Education and Welfare. You can get it free by writing to the Secretary, Department of Health, Education and Welfare, Washington, DC 20201.

What exactly are the items on which your grant money can be legitimately spent? The HEW's *Manual* divides them into two categories: direct and indirect. Direct costs include all expenses run up by the actual work of the project: wages and salaries paid to staff, plus personnel benefits; money necessary for travel and communication; and supplies and equipment. Indirect costs are incurred by the various support functions the project may require: salaries for personnel involved in accounting and payroll for the project, plant operation and maintenance, depreciation of buildings and equipment, etc. Funds for this latter category go directly to the organization's treasury—the project director can make no claim on them. The government auditor will work with the financial administrator to determine which category each projected expense will fall into.

Limitations

Two factors exist that might limit the amount you were planning to ask for.

1. All recipients of federal grants for *research* projects are required to shoulder a minimum of 5 percent of the costs incurred. This payment can be made in the form of equipment or services (computer, secretarial, or whatever, to be paid for by you instead of the agency), or in extra time put in by the staff.
2. You cannot ask the government to pay your regular employees any more for their work on the project than you would have paid them in wages for an equivalent amount of time on your own payroll. You have more latitude in the case of extra personnel taken on specifically for the project. Many institutions take this into account when determining their base wage scales.

FOUNDATION GRANTS

When you apply for a government grant, you are dealing with one of the largest bureaucracies on the face of the earth. They send you forms; you fill them out and return them. There will be deliberative processes going on at the other end, but you will have no part in them once you've filled in all the blank spaces. The figuring in this can be grueling, but at least it's completely impersonal.

When you approach a foundation, however, you will be meeting your potential benefactor face to face. You will have to prove the worth of your project in ways that go beyond typing the answer to a question on a printed line. Foundations may not have printed application forms, so you're going to have to write your own from scratch. You're going to have to sell yourself in letters, phone calls, and interviews. So, in one sense, much more depends on you.

A foundation is a nonprofit organization in business to give money away. It might be administered by a corporation or a donor family, or it might be a community institution working in a specially limited geographical area. It will give its money to facilitate activities in some area of the common weal in which it has a particular interest. To give you some idea of how this is done, on page 159 the Ford Foundation, perhaps the biggest in the country, describes itself, its organization, and its methods. To get a foundation to support you, you must first of all prove to it that you are acting within its field of interest.

What are these interests likely to be? The answer varies slightly from year to year, but there are certain consistent tendencies. Here, for example, is the 1973 breakdown of how all foundation grants of over $5,000 had been spent in the preceding fiscal year:

36%	Education
24%	Health
12%	Science and technology
9%	Welfare
9%	International activities
8%	Humanities
8%	Religion

FORD FOUNDATION

Applying for Grants

About the Foundation
The Ford Foundation is a private philanthropic institution chartered to serve the public welfare. Under the policy guidance of a fifteen-member Board of Trustees, the Foundation works mainly by giving funds for educational, developmental, and experimental efforts designed to produce significant advances on selected problems of national and international importance.

Through 1975, the Foundation has made commitments totaling $4.8 billion for 7,108 institutions and organizations and for individuals. The recipients have been located in all fifty states and in various foreign countries, especially in less-developed areas. Grants in the United States have gone mainly to colleges, universities, local school systems, artistic and cultural groups, research agencies, and national and community voluntary organizations.

Inquiries
Before any detailed formal application is made, a brief letter of inquiry is advisable in order to determine whether the Foundation's present interests and funds permit consideration of a proposal.

Applications
There is no application form. Proposals should set forth:

—Objectives
—Detailed program for pursuing objectives
—Qualifications of persons engaged in the work
—A detailed budget
—Present means of support and status of applications to other funding sources
—Internal Revenue classification

Domestic applications should be sent to the Secretary, Ford Foundation, 320 East 43rd Street, New York, N.Y. 10017.

Applicants in foreign areas where the Foundation has an office should direct proposals to the resident representatives. The Foundation has representatives in Cairo, Arab Republic of Egypt; Dacca, Bangladesh; Rio de Janeiro, Brazil; Bogota, Colombia; New Delhi, India; Jakarta, Indonesia; Nairobi, Kenya; Beirut, Lebanon; Mexico City, Mexico; Lagos, Nigeria; Islamabad, Pakistan; Lima, Peru; Bangkok, Thailand.

Organization
The Foundation's grant-making programs are conducted by seven units:

—Education and Research Division (Higher Education and Research, Public Education)
—International Division (Asia and the Pacific, Latin America and the Caribbean, Middle East and Africa, Population, European and International Affairs)
—National Affairs Division (Government and Law, Social Development, Urban and Metropolitan Development)
—Office of the Arts
—Office of Communications
—Office of Resources and the Environment
—Committee on Public Policy and Social Organization

In addition, an Office of Program-Related Investments considers proposals for the investment of Foundation capital funds directly for social purposes.

Details of the present activities and interests of the Foundation are given in the *Annual Report* and in the pamphlet, *Current Interests*.

Grants to Individuals
Most of the Foundation's grant funds are given to organizations. While the Foundation also makes grants to individuals, such grants are: (a) few in number relative to demand; (b) limited to research, training, and other activities related to the Foundation's program interests; and (c) subject to certain limitations and procedural requirements under the U.S. Internal Revenue Code.

In the main, the Foundation's grants to individuals are awarded either through publicly announced competitions or on the basis of nominations from universities and other nonprofit institutions. In some instances, grants are also awarded to persons who apply directly, or who are nominated by Foundation staff members or by others with relevant professional experience. In all cases, recipients are selected on the basis of the merits of their proposals and their potential contribution to the advancement of the Foundation's program objectives.

The Foundation does not conduct programs of undergraduate scholarships; nor are grants awarded for purely personal needs. Most support for graduate fellowships is funded through grants to universities and other organizations, which are responsible for the selection of recipients.

Limitations
The Foundation's funds permit it to act favorably on only an extremely small proportion of the proposals it receives. In 1975, 855 grants were made against some 20,000 proposals received. Of necessity a great many worthwhile applications are turned down.

Grants are not made for medical projects (except as they affect population problems), programs for which substantial government support is readily available, religious activities as such, routine operating costs of institutions or, except in rare cases, for the construction or maintenance of buildings.

FORD FOUNDATION
320 East 43 Street New York, N.Y. 10017
5/76

From time to time one particular area will become "fashionable" and come in for a particularly large piece of the pie for a while. Currently, environmental concerns (especially population control) and the training of paraprofessionals are filling that slot.

Ironically, foundations are most likely to favor your request if it falls within an area that is already receiving generous funding. They're also going to want to be assured that your staff is competent. They are *least* likely to disburse funds for general-expense requests (as opposed to specific projects), noninnovative programs, emergency funding, projects already in existence, and construction work. And, by law, they *cannot* help you if your organization is politically oriented—if your project would seek to effect legislation by lobbying or to influence the outcome of an election. They also may not give money for the purpose of facilitating an individual's education or travel (unless certain stringent requirements are met).

More important than any of the above in qualifying for a grant, however, is your status as a tax-exempt organization. You *must* be able to provide an IRS Letter of Exemption when sending in your proposal or no foundation will touch you. If you don't have that status already, you can get the application for it by writing to the Internal Revenue Bureau, 1111 Constitution Avenue, Washington, DC 20224. Ask for IRS Publication 557, which will give instructions on determining your eligibility, and for IRS Form 1023, which is the application itself. If it is granted, your organization will be designated a 501 (C)(3) tax-exempt organization. You can file it yourself, but it might be easier if you retain a lawyer for the purpose.

Once you're thus equipped, you're ready to go looking for the right tree to shake. As with a grant from the government, your first job is to find out which are the right places to go with your request. Fortunately, there are a number of books currently available that can help you with this step.

First on any fund-raiser's list would have to be the publications of the Foundation Center, located at 888 7th Avenue, New York, NY. The Center exists to collect, organize, and make available information on American foundations and the grants they make. It maintains its own libraries in New York and Washington and has also designated a number of public libraries around the country as Regional Centers, where copies of its materials are stored. Its publications, which are put out by the Columbia University Press, Irvington, NY, are as follows:

- *The Foundation Directory,* Edition 4 (1971), which lists and describes over 5,000 foundations with assets of $500,000 or more that made grants of $25,000. Where possible, it gives the names of the donors and trustees of each, and of the person to whom your preliminary letter should be addressed. It also contains a breakdown of how much each foundation spent on each area in the year preceding publication, a useful piece of information to have when you're deciding how much you can ask for.
- *The Foundation Center Information Quarterly.* In addition to a regular updating of the information in the *Directory,* each issue contains a bibliography of books, pamphlets, and articles about foundations and related subjects, and a digest of current foundation newsletters and annual reports. The Specialized Grant Listing gives information on grants currently being offered in two selected areas of particular interest each quarter, such as Women, Legal Programs, and Inner City Problems.
- *The Foundation News,* issued six times a year by the Council on Foundations of the Foundation Center, includes articles that are chiefly of interest to Foundation officials. However, the Foundation Grants Index that is included in each issue can be useful to applicants, too, since it contains extensive information on all recent grants of $5,000 or more. The donors are listed alphabetically by state.

• *The Foundation Center Source Book* lists the larger grant-making foundations; gives their historical backgrounds, present policies, programs, and application procedures; and details their most recent major grants.

The Public Service Materials Center has printed some compendia that can help you figure out where the biggest grant money is going. *Where America's Large Foundations Make Their Grants* (1975) includes the names of 750 foundations with assets of $1 million or more. *Foundations That Send Their Annual Report* gives the names and addresses of 425 large foundations that will send you their annual reports free of charge. These are useful because they include an itemization of all the money spent on grants in one fiscal year. And the *1976–77 Survey of Grant-Making Foundations* not only lists 1,000 foundations with assets of over $1 million, but also provides information on when to approach them, whom to write to, and what kind of assistance they give.

Some other important listings of foundations and their gifts are:

• *Giving USA: 1973 Annual Report: A Compilation of Facts and Trends in American Philanthropy of the Year 1972*, published by the American Association of Fund-Raising Counsel, Inc., New York. You can get it free if you subscribe to their magazine, *Giving USA*.

• *Annual Register of Grant Support* is issued annually by Marquis Who's Who, Inc. It lists government and private support programs by area of interest, giving grantor's name, type of support, purpose, eligibility, financial data, application information, etc. for each program. It's indexed by subject, organization, and area.

• *The User's Guide to Funding Resources* is put out by the Human Resources Network and published by the Chilton Company, Radnor, PA. It lists sources for grants by areas funded (13 in all) and includes introductory chapters on program planning and proposal writing.

• *The Foundation Reporter* is published three times a year by the Taft Information System, a subsidiary of the Taft Corporation, Washington, DC. It lists foundations by type, telling who the person to contact is, what kinds of grants they give, and for what purposes.

• *Foundations 500* gives details about the nation's biggest foundations. It's published by the Foundation Research Service, and you can order it from Lawson and Williams Associates, Inc., New York.

Then there are a number of sources that aren't designed to be aids for fundseekers but provide useful information nevertheless. Chief among these are the annual reports issued by the foundations themselves, for the reason indicated above. You can read them all on microfilm at the Foundation Center. The Ford Foundation (320 East 43 St., New York, NY) and the Rockefeller Foundation (1130 Avenue of the Americas, New York, NY) will send free quarterly newsletters on request that list only information about grants given and so are more concise and to the point than the more compendious annual reports.

However, 99 percent of all foundations don't publish annual reports. The information that would appear in them they are instead required to file with the IRS each year on 99-AR forms. These are available on microfilm, too. For information on how to get them, consult any July issue of the *Foundation Directory Supplement* or write to the Director, IRS, PO Box 187, Cornwells Heights, PA. One drawback here is that these forms are not available to the public until two years after they are printed.

Remember also Standard and Poor's Register, which gives data on 55,000 companies and 75,000 top executives. You can rent it from Standard and Poor Corporation, New York, NY. The *Directory of Directors* and the *Million Dollar Directory*, put out by the same company, might also be helpful.

You may find some names useful to know among the 70,000 in Marquis' *Who's Who*, available in libraries, and in the *Social Register*, published by the Social Register Association, New York, NY. Finally, don't forget that some business management magazines may have relevant information; try *Business Week, Fortune* and *Forbes*.

If you don't have the time, manpower or expertise to do your own research on likely grantors, there are some agencies that will do it for you. The Foundation Research Service, New York, NY, will provide that service. The Funding Sources Clearinghouse, Chicago, IL, will do an unlimited number of grant searches for its members; it will also undertake individual computerized searches. Finally, the American Association of Fundraising Counsel, Inc. publishes a *Directory of Members* that includes the names of many counseling firms that can help you in your research.

The Next Step

Now let's assume your research is done and you've selected the ten or so foundations to which you'll apply for aid. It's time to establish contact. If at all possible, try for a face-to-face meeting, which you will set up either by a letter or over the phone. This is because foundation executives (like anyone else) are much more likely to relate to your proposal if they can see you in the flesh, and you'll probably find that it's easier to explain the nuances of the more sensitive points in person than by mail. Also, you'll be able to get the most up-to-date information possible on the foundation's guidelines, policies, and requirements.

If the foundation's offices are too far away to make a meeting feasible, send a letter about one page long outlining your request and your credentials. It's usually only after the meeting is held or your letter is answered that you'll actually send your formal grant proposal (assuming the response was favorable, of course).

Let's take these steps one at a time.

The Letter

We talked to the representatives of two very different foundations about the kind of letter they prefer. One was Bryant George of the Ford Foundation and the other was Gordon MacInnes, Executive Director of The Fund for New Jersey, a local foundation. Both men agreed that your preliminary letter should be as short and simple as possible. Mr. MacInnes tries to read everything that comes in himself, so he particularly appreciates brevity. At the same time, there is a certain minimum body of information you *must include:* who you are and what your organization is and does, what the project you want to undertake entails, about how much money it will require, and how big an operation it will be. These facts are important even if you're only trying to set up an appointment because, as Mr. MacInnes remarked, "There's no point in setting up an interview or sending in a formal proposal until I can judge whether your request falls within our interests and what its priority for funding would be. I should also be able to estimate the scope of your project from your letter, in order to know if we could handle it."

If Mr. MacInnes is interested in your letter, he'll ask you to send him a more thorough

description of your project, including a detailed budget. "If you already have a written proposal, send it to me at this point. If not, I'll ask you to answer five questions about your proposal. If your answers are satisfactory, we'll set up a meeting."

Approximately the same procedure is followed by the Ford Foundation, according to Mr. George, except that there the preliminary evaluation will be made by whoever covers the particular field with which your project is involved. "Address your letter to that individual, if you know his name, or else to the Secretary of the foundation, who will direct it to him," Mr. George advised. "Once he takes an interest in your project, he then assumes responsibility for the investigation and checks for accuracy, sometimes with the aid of an outside consultant who's an expert in the field." (You can find the name of the various program heads of a number of foundations in some of the sources listed above, as you may recall, but if you have to do some research of your own on this point it's well worth the time.)

Even though your letter should be succinct, and even though any suggestion of pushiness is to be avoided, you should try to get across how much your project turns you on. Ideally, you want to convey the notion that any person of intelligence and good feeling would want to see it carried out. Most important, you must prove that your program is in the foundation's interest and that it specifically serves those purposes the foundation is in business to support. However, there is one mistake you should never make. "*Don't* ever look at a pamphlet or annual report to see what a foundation's interests are and then send them a 'laundry list' of possible proposals," Mr. MacInnes warned. "It turns them off. Have a specific program within their field of interest."

Volunteer to furnish any additional information requested and close with a restatement of your request for a meeting. Enclose resumés of your key project people and a copy of your 501 (C)(3) Form. Finally, remember that your letter will be read by a human being, not a machine. The style in which you write it, while not unbuttoned, should be informally conversational.

If your letter has to serve in place of a personal meeting, you might use a little more detail in describing your proposal, although you should still try not to exceed one page in length. Be sure your appended resumés are thorough. Also, ask for the dates at which the trustees meet to vote on grants so that you'll know when to submit your proposal. Generally, they meet only quarterly, and if you happen to just miss them you may have a long layover period. Foundations understand that you have a right to this information.

One final word: Foundations are well aware that you are applying to more than one place at a time. However, it's neither polite nor wise to rub their noses in this fact. XEROXES ARE OUT. Type all communications individually.

Now it may happen that the foundation will be able to tell at once from your letter that it can't help you and will notify you of its refusal right then. If this happens, be gracious. Leave the door open for future friendly dealings. Send them a letter thanking them for their time. It's all right to include queries as to exactly why your proposal was rejected—it may simply be that there was no money available for that particular field at that particular time, and you might stand a better chance next year if you can wait that long. Or there may be some purely technical problems in your presentation. When that's the case, the Ford Foundation will send a letter saying that nothing can be done with the proposal in its present state and asking if it could be changed to comply with Foundation requirements. Also, foundations are often happy to tell you other places where they think you might have better luck.

The Phone Call

If you're making your appointment by phone, do your homework first. You *must* know the name of the right individual to speak to, and you should have all the pertinent information on your project at your fingertips in the form of index cards. (Spread them out so that you won't have to make um-ah sounds while shuffling.) If you can't get through to the executive you want, try to make an appointment through his secretary. Be sure to get the secretary's name in any case and use it in future calls.

If you do get your man on the line, be as brief and concise as is courteously possible. Your opening, for example, should be something like this: "Hello, Mr. Blue? I'm Mr. Green, from the Purple Agency. I wonder if it might be possible for me to stop in and see you for about 20 or 30 minutes some time in the near future to discuss some of our new projects." If you meet resistance in the form of "Send me something in writing" (a tactic commonly used by executives who don't want to make an appointment), you might try "Ours is a brand-new project, and we don't have any materials prepared yet that would give you an adequate description" or "It would be very difficult to describe it fully in a brief letter, but if I could just give you some brief idea of what we're trying to do." Or you may simply be told that they have no money available. Don't sound downhearted if this happens. Say that since you're just beginning to talk to people about your proposal, it would be a great help if you could just get your listener's reactions and comments. (It's always pleasant to be asked for the benefit of your wisdom and experience.) A lot of proposals have made their first step to funding at this point, because officials *do* sometimes change their minds on hearing about a project and decide that maybe they can find the money after all.

If your executive is receptive and asks you to describe your project, answer informatively but briefly. You shouldn't sound ill-prepared or evasive, but you should try to remind him that it would be easier to talk about it face to face. (And you should remember for yourself that it's easier to sell a concept in person than over the phone.)

If some especially prominent or wealthy person is interested in your project, by all means mention his or her name at the very beginning of your conversation. ("... of the Purple Agency, and Mr. Fandango Muchbread suggested I call you. . . .") If Muchbread wants to attend the meeting, that piece of information should also be up front. (If he doesn't, say you know he'll try to make it if he possibly can.) Or it may be the case that you have no such angle but that someone high up in your organization has some personal or professional relationship with someone at the foundation. Research your people beforehand to find out if any such connection could be traced with any of your potential benefactors. In that case, perhaps this person could be detailed to make the preliminary contact. This is legitimate and does not come under the heading of influence, pressure, or attempting to sneak around channels (a procedure that can be counted on to end in disaster).

All of the above should be done fluently. Questions should be fielded with poise and the project presented with enthusiasm but not pushiness. This can be a large order, and for that reason many organization heads prefer to work through the mail.

You may be able to get only a tentative meeting date, but that's infinitely better than nothing. If you have to confirm, do so by letter or through the secretary (whose name you remember). Don't ask to speak to your executive again—he just might want to change his mind.

The Meeting

Whom should you take with you? In part, it depends on the amount you're applying for—the larger it is, the more important should be the people who attend. In general, a good rule of thumb is that your people should represent the same organizational level as that of the foundation people you'll be meeting. You might also want to bring along an expert if the project you intend is so technical that special explanations will be necessary. In general, these meetings are small. Sometimes only two people are present, though this is not too common.

You're going to be grilled, so be prepared. Hold dress rehearsals with your associates. Make sure you know your proposal up, down, and sideways. Be ready to answer the most searching, probing, specific, concrete, hard-nosed questions you can dream up about your project. (And answer them honestly. Foundation executives have built-in exaggeration detectors.) You must radiate expertise as well as enthusiasm. No one is going to throw away money on someone who doesn't know what he's doing.

But you have the right to ask questions, too, and there are several that will help you get the most out of the meeting. Find out when the Board of Trustees meets and what the deadlines for applications are. Ask for all possible information about what the format, length, and style of your proposal should be; how many copies you should submit; and to whom you should send them. The foundation may even be willing to have you send them a tentative draft of your proposal, on which they would make constructive suggestions based on their knowledge of what turns the trustees on or off. Or they might allow you to submit more than one specific proposal with regard to your project and then choose among them.

Don't press for a decision—nothing of substance can be decided on the spot at this point. Invite the foundation to send representatives to visit your facilities. If a further meeting is needed, as it often is, that would be an ideal location. Don't dally; leave while the iron is still hot (remember the meeting should only take half an hour or less).

The Proposal

Your proposal will be accompanied by a covering note of a page or less that will contain essentially the same information that went into the exploratory letter with which you asked for a meeting. You'll say what your project is, how much it will cost, and how it ties in with the foundation's interests. You'll establish your personal and organizational credentials, convey your enthusiasm, and volunteer to supply additional information as needed. This letter should be signed by the person whose name appears on the title page of the proposal as the project's initiator.

Now for the proposal itself. Here's a sample format for the title page:

A Proposal for a

$100,000 Grant

to establish

A Day Care Center for Children of One-Parent Families

submitted to

The Brown Foundation

on

October 31, 1975
by

Forrest Green

Associate Director,

The Purple Agency

1000 Indigo Blvd.

(712) 586-1776

Notice, by the way, that the amount requested is the very first item. Many grantseekers feel it's more delicate to bury this piece of information somewhere in the budget section. They're being unrealistic. The money is, after all, what your request is all about in the first place. It's certainly the first thing the foundation will want to know.

The body of your proposal should not exceed ten double-spaced typewritten pages (the budget section can be single-spaced). Eight is really the ideal length—some sources say it should be no longer than five. It should include approximately the following sections:

I Introduction, Summary or Overture
II The Need
III The Objective
IV Methods of Implementation
V The Organization's Credentials
VI Evaluation
VII Budget
VIII The Future of the Program

There will also be certain important addenda. Now for a brief sketch of the material appearing under each heading.

I. The Introduction. This paragraph will tell what your project is, whom it will benefit, and, once again, how it relates to the foundation's philosophy. You should also include a brief glance at your credentials—who you and your key personnel are and what your organization's history and goals are. You may have the feeling you've written all this at least twice before, in your exploratory and covering letters. You're right, but even so it's a good idea to write this section of your proposal last, when you'll have the broadest possible perspective on it.

II. Need. Use persuasive facts, expert opinions, and the names of authorities in the field to prove there is a real need for your program and that yours is the best organization to carry it out. Be realistic and honest (as you should be throughout your proposal). Don't make inflated claims.

III. Goals. State the most important one first. Your job in this section is to prove that what you want to achieve is realistic, possible, and (most important of all from your reader's point of view) *concretely measurable.*

IV. Methods. Here's where you prove your expertise. Show that you know the best way of achieving your objective, that you're up on the latest developments in your field, and that you know what pitfalls to avoid. Provide a step-by-step timetable of what you'll do.

V. Qualifications. You've already touched lightly on this in section I. Now emphasize the history of successes your organization has had in this and related fields. If it's too young to have such a history, detail the past accomplishments of your key members. Describe their positions and responsibilities and give brief biographical sketches of each. Assure the foundation that you can hire qualified personnel if necessary and describe your nonpersonnel resources—libraries, equipment, etc.

VI. Evaluation. This is something many grantseekers overlook, but your foundation will want to know you have a mechanism for checking the efficiency of your venture. Try to have a reputable third party on tap who will monitor your progress and measure your final success and explain in your proposal exactly how this will be done.

VII. Budget. Be as realistic and specific as possible in this crucial section. Itemize your projected expenses under the following heads:

Personnel. Or wages, salaries, and benefits. This will be your biggest single category of expenditures. If your project will last longer than a year, allow for cost-of-living increases.

Outside services. Don't list any (secretarial, accounting, etc.) that you don't know for a fact you'll be getting. Your proposal is a legally binding document, and foundations are becoming increasingly fond of requiring documentary proof that you got all the services you're claiming to have paid for.

Rent. Office space, etc. If you're afraid it might sound too high, get a letter from a local real estate agent attesting to the going rate in the area.

Utilities. Such as telephone bills, which can be impressive. If gas, water, and electricity are included in your rent, list them as "$0."

Supplies. List the bigger ones like printed stationery and postage separately; rubber bands and paper clips come under "General Office Supplies."

Travel. This should be your most carefully itemized section. "Trip to Chicago" won't do; it sounds as if it's covering expense-account shenanigans.

Miscellaneous. Dues, printing, insurance, anything that doesn't fit in anywhere else.

General reserve. This is the provision you make for all of the unforeseeable expenses that *will* come up. Figure 5 percent of the total budget.

One final word: Don't pad. You'll have enough trouble wringing out the bare minimum you'll need to get by on.

VIII. The Program's Future. Omit this section if you won't be needing funds after the initial grant period. If you will, present a realistic plan of action for raising the additional money. Your foundation will be concerned about this because it will want to know it's not throwing money away on a project that will never see completion. It will also want to be assured it won't have to support you for the rest of its life. You may, however, request a promise of renewal if the project meets a certain predetermined level of success.

Since the foregoing should fit into about eight pages, you're going to have to be very selective and include only the most saleable features of each topic. Make your proposal easy on the eyes. This means using wide margins, generous indentations, and lots of inviting

break-up. Don't use trade jargon here or anywhere else in your communications. Don't include irrelevant information, but be very sure not to leave anything out that might be necessary to an understanding of the project—this can make you look careless or insufficiently informed about your work. As always, be concise and avoid inflated rhetoric or hyperbolic-sounding claims. Be sure you understand all the nuances of the words you're using. At the same time, don't be too coldly impersonal in style. Your proposal will not be read by an institution but by human beings, whose blood you want to stir. Use vivid, even graphic language when describing the problem you seek to alleviate. Remind your readers that real people will benefit concretely from your work.

If you feel you don't have the skill to wrap all that into a smooth prose package, have someone do it who can, even if you have to pay him for it—it's money well spent. And have as many qualified people on your end pick over the finished product as possible. Be merciless so that the foundation won't have to be.

Now a word about the addenda, which, despite their name, should not be physically appended to the proposal unless they're exceedingly spare. Use a ring binder with cellophane-protected pages, and include any or all of the following:

- Your references. These are letters from recognized experts in the field, reputable heads of kindred organizations, and community leaders attesting to the need for your program and your unique qualifications to carry it out.
- Names of board members and vitae of the key people in the project, especially if they're illustrious.
- Additional statistics and facts that buttress your claims about your project's importance but were too bulky to be included in the body of the proposal. News items relating to the social problem you seek to attack can also be included here, as can photos or artwork depicting it, if they're convincing.
- Your IRS 501 (C)(3) form!
- Your annual report.
- A list of other funding sources and the names of the other foundations you're approaching.
- A survey of what's going on in your field at the present moment.

Be Courteous

Let's assume you've gotten your grant. Thank your benefactor promptly and enthusiastically. Don't forget that your foundation will want to be kept posted on your progress and expenditures—keep them posted regularly, promptly, and thoroughly, with repeated expressions of thanks. Cultivate your foundation so that your relations with it will be in good repair for many years to come.

Sad but True

It wouldn't be entirely fair to leave you with the impression that it's easy to get a foundation grant. It's very, very hard. Bryant George told us, "If you have a good idea, a good

organization and a leader who can sell himself, you'll get money from somebody," but the Ford Foundation is able to pass favorably on less than 5 percent of all the proposals it receives each year. And its smaller counterparts can't do too much better.

Gordon MacInnes says that the Fund for New Jersey has to turn down ten proposals for every one it votes yes on. And, as a result of the Tax Reform Act of 1969, the situation is probably going to get even worse. This Act tightened the screws on foundations to a considerable degree by limiting their holdings, imposing a 4 percent tax on their investment incomes and requiring them to give away part of their assets by a certain date, among other things. Because of this, experts say, there will probably be fewer new foundations in the future (smaller donors will be squeezed out of business), and the ones that do exist will be making fewer grants. They'll also be applying higher standards of professionalism to each potential grantee and, in general, feel much less free about acting innovatively. So the competition for money is going to get tougher and tougher.

Is there anything you can do to add to your appeal in the face of all this? One thing is to be absolutely sure you qualify legally for disbursement. The burden of proof in this matter is on the foundation that funds you, and they're the ones who will be penalized with a fine if something is wrong. So they'll be extra-cautious. Then, foundations are probably more likely to prefer a request that's for a one-shot operation, with no future expenses beyond the grant since they don't want to have to worry about bailing you out for years to come. Finally, it's been said that the best way to get a grant is to have one already. This isn't so impossible as it sounds. It refers to two things: donations in hand and the matching game.

You can try to raise money from donations from small local sources, like churches, before you begin trying for your grant. Foundations are impressed when you come to them with this kind of seed money in your pocket. Or you can try to match your grants. That is, if you need $5,000, you can ask a foundation for $2,500 and say you'll match it dollar for dollar. Then you approach another foundation with a separate proposal and tell them you need $2,500 to guarantee your getting a matching grant. Foundations are always happy to see their money having more value than it's actually worth. If you choose this option, remember to approach two foundations of approximately equal assets or else go from a small one to a bigger one. There's no point in trying to get your community chest to match a gift from the Ford Foundation.

Or you can try to get a sponsor in the form of another reputable nonprofit organization who will, in effect, ask for your grant for you. This enhances the validity of your project in the foundation's eyes. Try to make sure your sponsor is in the same field of interest as you—the IRS likes it better that way. Sponsors usually get a small percentage of the grant money for their service, though some churches will do it for nothing, but this amount shouldn't exceed ten percent.

Finally, there are quite a few books on the market written to help people get foundation money. For a listing of these books, refer to the bibliography.

There are also agencies that will provide training, evaluating, and counselling services for people engaged in writing for grants. Chief among these is the Grantsmanship Center in Los Angeles, a nonprofit corporation that offers a one-week, 40-hour course in grant-getting for representatives of nonprofit agencies. It also publishes the *Grantsmanship Center News*, including articles on how to use sources, book reviews, and current bibliographies. At this writing, it comes out eight times a year.

Tamblyn and Brown, Inc., in New York, gives general counselling to agencies seeking funds from government or foundation sources.

The Funding Services Clearinghouse, Inc., in Berkeley, California, will evaluate your letter proposal and your formal proposal. Marts and Lundy, in New York, will evaluate your entire program. Finally, John Price Jones Brakeley, in New York, will not only evaluate your project but will take on the whole job of applying for you, up to and including the writing of your proposal. This firm also publishes the *Philanthropic Digest*, a periodical that comes out 16 times a year and details recent grants and bequests.

Chapter 6

HOW TO LOBBY EFFECTIVELY

Visiting a Member of Congress • 174

Writing to a Congressman or President • 175

Letters to the Editor • 176

Ads and Mailings • 177

Advice From the Other Side • 177

The Roadrunners Meet the New Jersey Legislature • 178

Pointers for Organizations That Lobby • 180

- Information and Communications • 180
- Alliances • 180
- Publicity • 182

The Freedom of Information Act • 183

A Last Word About Lobbyists • 184

In the Public Interest • 185

Committees • 186

The Legal Aspect • 191

When Charities Lobby • 193

CHAPTER 6

HOW TO LOBBY EFFECTIVELY

In days gone by, citizens with a concern they wanted to bring to their legislators' attention would congregate in the lobbies of their state houses, waiting for their man to pass through on his way to the Assembly or Senate chamber. There, they'd try to buttonhole him and tell him their problem before he went in to vote. The name of the room where this activity took place gave lobbying its name.

That kind of lobbying is still done, but today it's only one activity among many by which individuals and organizations can work with their representatives in government to see that their interests are protected.

Here's how a Senate committee in 1957 classified all the forms of activity it defined as "lobbying":

- Direct contact with Congress by someone employed or retained to influence legislation.
- Such contact by a person so employed when the person spends all or a part of his time lobbying, even though lobbying is only a part of the client association's business.
- Occasional or direct contact by a member or employee of a business or union who spends most of his time doing the firm's or union's usual business.
- Direct Congressional contacts by any individual not covered by the first three categories.
- Public media campaigns containing explicit appeal to the public to contact Congress.
- Such campaign containing *implicit* appeals to do the same.
- Preparation of books, pamphlets, etc., that might influence legislation even when not intended to produce Congressional action.

Today there are firms of registered professional lobbyists, often lawyers, who undertake such activity as a full-time job. Corporations and associations retain such people, sometimes along with corporation and tax lawyers and public-relations experts, to influence legislation affecting their interests. But lobbying isn't restricted to the massively orchestrated campaign of a heavily endowed interest group. When a group of local merchants petitions the city council about a one-day-a-week closing law, or some neighborhood mothers decide to write letters asking to get a certain play street closed to traffic after school hours, they're lobbying, too. When a group of handicapped citizens rallies outside the governor's mansion in their wheelchairs to protest funding cutbacks, that's lobbying, too. And when a single citizen sits down to write a letter to his congressman, he is also a lobbyist.

The Friends' Committee of National Legislation has printed a series of "How-to" pamphlets for people who wish to lobby at the individual level by such means as visits to their congressman, letters to him and the President, and letters to newspaper editors (another and much-neglected means of bringing about action). We'll start with a consideration of these person-to-person means of lobbying, which can be undertaken by individuals either acting on their own or as representatives of a group.

VISITING A MEMBER OF CONGRESS

This doesn't have to mean going to Washington. Most legislators have one or more offices in their home state and schedule time there when Congress is not in session so they can meet with constituents. Even if you plan to meet with your representative in Washington, you can still use his home office to make your appointment with him. By all means, get acquainted with his local office staff and share your concerns with them, the Friends' Committee advises. They can be helpful in passing your thoughts along.

A local meeting would be more convenient for you, of course, and it has another advantage as well—you can bring along other constituents, thus showing your legislator that your concern is shared by other responsible people. Research your man beforehand to find out which groups he's most sensitive to and which played the largest role in electing him—clergy? the elderly? business? labor? certain ethnic groups? Plan the makeup of your contingent accordingly. Don't make the mistake of bringing too many people, however. Your groups shouldn't total more than five or six people—more would look like a demonstration.

On the other hand, if you go to Washington, you'll have the advantage of speaking to your representative at the very time and place that the actual decisions are made. This is especially important if the person you're visiting is a member of a congressional committee since the most important decisions made on a bill—often those determining its life or death, not merely its shape—are usually made in committee. The FCNL strongly advises that you try to attend at least one committee hearing while you're in the capital; about two-thirds of them are open to the public, and you need no pass to get in. A list of each day's open hearings appears in the Washington papers every morning.

Another activity you might want to schedule would be listening to a House or Senate debate from the galleries. For this you'll need a pass, which you can obtain from your legislator's home office.

If you're not able to schedule a Washington appointment through the home office, write for one in advance, offering several alternative dates for the period you'll be in Washington. Send these letters to Representative ————, House Office Building, Washington, DC 20515, or Senator ————, Senate Office Building, Washington, DC 20510. Call CApitol 4-3121, asking for your congressman's office, to confirm your appointment once you arrive in Washington.

When scheduling your visit, remember that committee meetings usually begin at 10 AM, that House and Senate sessions convene at noon and can go on from one to twelve (sometimes more!) hours, and that the busiest legislative weekdays are Tuesday through Thursday. You'll be most likely to get an interview on one of those three midweek days, either before ten in the morning or late in the afternoon. (A staff member *may* sometimes be able to call a legislator off

the floor for a talk.) Weekends are the least likely times, along with most days at the end of a session, which are frantically busy. Remember, too, that most legislators are on vacation during public holiday periods.

Now for the meeting itself. How do you behave with an elected lawmaker?

- Be on time.
- Know exactly what you want to say beforehand so that you can speak promptly and to the point. Be brief—a congressman's time is at a premium.
- Be specific about what you are asking for—a positive or negative vote on an issue, sponsorship of a bill, a meeting with certain people at home, or whatever.
- Be positive. Start on a friendly note, perhaps commending your representative for some stand he's taken in the past. Even if your object is to change his way of thinking, don't be too critical. *Don't* get angry; don't harangue like a missionary.
- But don't be afraid to show that your conviction is based on passionate moral conviction. The depth of your commitment can be a decisive factor in how persuasive you are.
- Leave some printed material behind when you leave if at all possible. Paper never forgets.

WRITING TO A CONGRESSMAN OR PRESIDENT

It *is* important; it *does* make a difference. Elected officials in this country have always relied on letters from home to gauge public feeling. The drift of opinion evidenced in their mailbags can enable them to take a more emphatic line on an issue than they might have taken had they felt no one was behind them. It can also persuade them to stop supporting legislation they see is unpopular with the people who will be voting for them in the next election. It's true that national legislators get a tremendous volume of mail—up to 300 letters a day for some representatives, more for senators—and they can't read them all. But all those letters *do get read,* by staff members whose job it is to prepare the daily mail tallies, which show the way constituent opinion is running. And, with a very few exceptions, all members of Congress read and sign their outgoing mail.

Letters to congressmen should be sent to the House and Senate office buildings whose addresses were given in the preceding section. Letters to the President should be addressed to President ————, The White House, Washington, DC 20501. Be sure you've got everyone's name spelled right, and remember that the names of legislators at the state and national levels should be preceded by "The Honorable." Be sure to include your own name and address, too.

In addition:

- Be brief—one page is the maximum.
- Start on a note of praise. Don't get contentious or bellicose.
- Come right to the point, giving solid facts. If you are writing about a bill, identify it by number (if possible) and title.
- Don't hesitate to refer to a personal experience that may be relevant. This is often the most persuasive of all kinds of detail.
- Write in a simple, natural, pleasing style. Don't try to impress your reader with your erudition or your fancy thought processes.

- Write about only one subject in a letter. (But don't be afraid to write more than one letter on a subject. The Friends' Committee suggests that you ask yourself how often you would write to a personal friend on the same subject.)
- Ask a question. You want to get more than a form letter in reply.
- Time your letter. This is important! It should arrive when the bill is being readied for consideration and members are busy marshalling their arguments pro and con—that's when it has maximum effect. This is particularly important if you're writing to a member of the committee working on the bill.
- Follow through. In the words of former Representative Byron Johnson, "But having written [to your congressman], your job really is not over. If he votes with you he must come home and defend his vote before those who may think differently. You must create a public climate of opinion that agrees with you. . . . If you have the audacity to tell your elected representative what he should do, and why, surely you can discuss these things with your fellow citizens."

Letters have the most influence, of course, when they come in large numbers on a given issue, and many organizations try to set up mechanisms whereby a letter-writing campaign can be put into motion whenever necessary. Here's how Al Swenson of New Jersey SANE described SANE's "letter lobby" to us:

"Each district has a Captain who runs the 'letter tree' in his or her area. This Captain is given a letter containing background information, things writers should stress, and so on. Then he calls the people in his district and asks them to write letters. We encourage them to call the SANE office if they have a problem the Captain can't help them with. Sometimes, when we have time, the Captains send out a sample letter to the press, containing arguments they can use or put into their own words. We also use the tree to solicit telegrams and phone calls to Washington, but if you want to do this I'd say find out what the rates are from your area—you don't want to ask people to do it who can't afford it." There are special rates for 15-word public opinion telegrams, which you can send by phone. These are particularly effective if sent within six hours of a major Presidential address or news conference. As for post cards, form letters, and petitions, Swenson says, "They're all worth doing," although he admits that the first two are less valuable than letters and that petitions are weakest of all. They may carry some clout on the local and state levels, but on the national level they're practically worthless.

LETTERS TO THE EDITOR

These are a form of lobbying, too. They alert public opinion. Surveys have shown that these letters are among the most-read features in any newspaper. If yours is published, you will probably have the largest audience for your views you'll ever get in your lifetime. But there's more—most members of Congress have someone on their staffs assigned to check the editorial pages of the major and capital city newspapers for these letters every day. They are an invaluable tap on public feeling. Here are some tips to help insure that yours will appear among them. Some of these instructions will probably sound familiar by now.

- Type (double space) if at all possible.
- Make your first sentence short and compellingly catchy.

- Start out with a complimentary word even if you write to criticize, and avoid violent language.
- Be crisply concise (most editors prefer letters no longer than 250 words).
- Don't be afraid to use a relevant personal experience to illustrate a point.
- And don't be afraid of affirming that your position is based on moral conviction. Appeal to your readers' sense of fairness and justice.
- You *must* sign your name for your letter to be considered. The editor will withhold your name from publication on request, but the Friends' Committee urges you to be forthright about your authorship. "The times call for a fearless witness," they say.

Don't be discouraged if your first letter isn't printed. Keep trying. You can also make slight changes in your letter and send the new version to newspapers in other cities. DON'T USE CARBONS for this.

ADS AND MAILINGS

Letters to the editor are not only a form of lobbying because they come to the attention of lawmakers, they also work by informing the public at large of your concern. And the public can and should be lobbied. Many groups use ads, circulars, mailgrams, and the like to alert a likely audience to the need for action and, they hope, start a chain reaction in the form of yet more letters, phone calls, and visits. SANE has used full-page ads, designed and written with Madison Avenue style and expertise, to inform readers about the zooming defense budget and the possible consequences of a spiraling nuclear arms race. These reach a wide audience. It is true that many readers might not be interested, since the only pre-selective process involved was choosing the publication in which the ads would appear. For a smaller circle, drawn, for example, from the mailing lists of likely organizations, there are special mailings, including letters requesting specific action. Another means of reaching such a circle is the mailgram. These are only slightly less speedy than telegrams, cost much less, and can contain up to 100 words. They are useful when an emergency summons to action becomes necessary.

The New Jersey Education Association, which devotes a lot of its attention to molding public opinion, is one of many groups that send out circulars, pamphlets, and single-sheet mailings announcing an issue on which public support is needed. With headlines like "Without Vocational Education: There'll be a Rough Road Ahead" and "The Budget is cut in Trenton . . . the pain will be felt everywhere," these mailings urge their recipients to call, write, or visit their representatives to press them to remember specific educational interests. They're done with much the same layout that an ad in a publication would have, but they reach an audience that is most likely to respond.

ADVICE FROM THE OTHER SIDE

We went to three legislators on the local, state, and national levels to find out if they had any advice for lobbyists based on their experience. Gayle Rosen, a Councilwoman in West Orange, New Jersey, remarked that most people didn't understand the mechanics of govern-

ment well enough to know where to go. "You have to know whether you should see someone in the legislative or administrative area," she explained. "Most people go to see legislators when in fact they should be seeing someone in the administrative branch. For example, say you have a problem about a traffic light. You should go to the Department of Transportation, not your representative."

"Another important thing is the style of your approach. Don't ask a legislator to do something as a favor or say 'I voted for you, so'—I'll listen to any constituent. Here on the local level you can just phone for an appointment."

Lobbying isn't an activity restricted to private citizens. Legislators do it to each other, trying to change their colleagues' minds or bring their constituents' interests to the attention of those empowered to aid them. Councilwoman Rosen says, "I'd lobby on the state or county level when something is needed at the municipal level over which the county or state has jurisdiction." But it isn't Rosen's status as a local lawmaker that makes lobbying a necessity for her. Legislators at the national level have recourse to it too. Joseph Minish, who represents New Jersey's Tenth Congressional District in the House of Representatives, says congressmen lobby each other, the Senate, and the White House all the time.

One thing you may not realize about lobbying is that legislators, far from regarding lobbyists as a nuisance, are actively grateful for the information and data they are able to provide. Lobbyists function, in part, as volunteer researchers, digging up facts the legislators don't have the time to go after, and this service is deeply appreciated. Says Rosen, "A good lobbyist with a clear, concise presentation of facts is an invaluable aid to a municipal official, legislator or any other person in government." "Legislators often don't have the time, energy or inclination to look into every issue," says New Jersey State Assemblyman Peter Shapiro. "Lobbying saves a legislator time and work. Sometimes a group's research will make it possible for me to speak on the floor about something I was already interested in but didn't broach because I didn't have enough facts." Shapiro believes that small citizens' groups can wield quite a lot of influence in the state houses since most representatives know it's important to try for something a committed, articulate bloc of their constituents really wants. And such a group doesn't necessarily have to have had a lot of previous political experience or present political connections. What follows is an account of how a group of lay people with a common interest got together, planned, and carried out a successful citizens' campaign to get the legislation they wanted.

THE ROADRUNNERS MEET THE NEW JERSEY LEGISLATURE

When the Garden State Parkway was opened about 15 years ago, there was a rash of motorcycle accidents. A study commissioned by the Parkway Authority resulted in the conclusion that motorcycles would not be compatible with automobile traffic on the Parkway. Motorcycles were thereupon banned from it, forcing their riders to take the more hazardous, alternate north-south roadways, with their traffic lights and manhole covers. These people felt that they were being discriminated against, and in 1974 they decided to take action. They formed a committee headed by John Keating of the Raritan Roadrunners Motorcycle Club. Mark Rosen, vice president of the American Motorcyclist Association and a registered New Jersey Lobbyist, tells what happened next.

"First, they got a mailing list of New Jersey legislators and started to feed them information—things like the fact that the Garden State Parkway was the only highway *in the world* not allowing motorcyles. Then they set up about 30 or 40 meetings with assemblymen and senators to present their arguments face to face. They also tried to get other constituents to see their legislators about the issue too. Practically every meeting was successful." Finally, a bill in aid of the cyclists was sponsored by John Horn of the New Jersey State Senate.

"The motorcyclists saw to it that each legislator got mail about the bill two to four times a month," Rosen continued. "They were able to generate national publicity with the aid of sympathetic photographers and reporters. When Senator Horn opened hearings on the bill in the Senate Transportation Committee, the riders brought in so many experts to testify—insurance people, doctors, highway engineers, people from the state Highway Authority—that they had to move the hearings to a bigger room. One doctor on the other side wanted to show slides of motorcycle accidents but couldn't because he hadn't gotten permission from the committee chairman. It's vital to get permission.

"All the people who spoke brought enough copies of their testimony for all concerned and for reporters, including two from AP and UP. One Senator had a son in a motorcycle accident and wouldn't vote for it no matter what. There was no way to change his mind and trying would only have antagonized him."

Meanwhile, mail was coming in from cyclists all over the country, much of which reminded the legislators that the ban was affecting tourism since the Parkway was the only safe, scenic road leading to the shore resorts. On the day of the Senate vote, two members of the committee buttonholed each Senator on his way into the chamber. The bill was passed overwhelmingly and went on to the Assembly Transportation Committee. Once again, there were meetings, letters, and lobbying of all sorts, and once again it proved successful—the bill passed this second test, some nine months after it had been started. It only needed the Governor's signature. The motorcyclists organized a demonstration to dramatize their claim to him.

"About 2,000 people came," Mark Rosen remembers. "They had to get permits, certain permissible kinds of signs and a guarantee of peace and order. They'd sent out circulars beforehand to newspapers, radio and TV stations and there was a lot of news coverage and some editorializing. The Governor called some of the demonstrators into his chambers." He subsequently invited all interested parties to a hearing that lasted three hours. And then things hit a snag.

The Governor said he would not sign the bill because the wording was defective and it would not accomplish what it set out to do. The trial period he recommended instead was voted down by the Highway Authority. Once again, there were telegrams, letters, mailgrams—this time targeted to the Highway Commissioners, with whom the cyclists' group began meeting regularly. Eventually, the chairman was replaced by a man more sympathetic to their interests, and in time his staff drew up regulations for a one-year trial period. At the end of the trial period, a federally funded study revealed that despite heavy use of the Parkway by motorcycles there had been only 28 accidents and no fatalities. In February 1977, the Parkway was opened to motorcycles on a permanent basis—the crown of three years' good, hard, serious work.

"Something can be done by working in the system," concluded Mark Rosen. "The motorcycle group could have attempted to overturn the ban with illegal acts like putting thousands of cycles on the highway on July 4th, causing havoc. They chose not to do that or

anything illegal. Until this experience, they'd felt they had no clout. They knew most people regarded them with suspicion or disdain. This proved to them that collective, concerted action can work."

POINTERS FOR ORGANIZATIONS THAT LOBBY

Information and Communications

The first step in making your organization an effective lobbying force is to find out everything possible about the political contacts each member might have and what informational needs the government might have that you could help to meet. In other words, you should identify all possible channels of communication between your organization and the lawmakers. A local chapter of the American Institute of Architects did precisely that a few years ago when they decided they wanted to change their lobbying role from a passive to an active one.

First, they sent letters to all their members asking what personal contacts they had with regional, state, and national officials, and what subjects they would be willing to testify on as expert witnesses. Next, they wrote to all the city and county clerks in their area, asking for lists of all the people on relevant committees and commissions. Finally, letters were sent to all the mayors and chairmen of county boards of supervisors in the region, announcing that the AIA stood ready to help them find architects who could serve on planning and design commissions or evaluate and select others who might do so.

The response to these letters was satisfying, indeed. Those members who responded revealed a tremendous amount of involvement in public affairs. The information they submitted was put into a data bank and indexed four ways—by the subjects they would testify on, by the legislators they knew, by the names of agency heads who dealt primarily with matters touching architecture, and by the names of AIA members who were serving or willing to serve in appointive public positions. As for the government clerks, they were happy to supply printed organization charts for all their bureaus, containing not only the names of all commissioners but also their addresses, their phone numbers, and the dates on which their terms were to expire. Several mayors responded at once, asking to know the names of all the member architects in their communities who would be interested in serving on public commissions. Thus did the East Bay Chapter of the AIA, in Oakland, California, show its local government that it had good and loyal friends in the architecture profession. If the day ever comes when those architects' professional interests are menaced in any way, all parties concerned will be able to deal with the problem in the context of that friendship.

Alliances

Good vertical relations between you and the government aren't enough. You must have good horizontal relations with other organizations in your field and even in different fields that abut it as well. There are several reasons for this. For one thing, the added volume of people and organizations working together always means that much more clout. Lawmakers will be

able to see that a real problem is involved if it affects the interests and summons the energies of so many diverse groups. Then, the experience of working with other groups will make available new perspectives on how to deal with the problem, new channels of communication with leaders, and new stores of professional and political expertise. Finally, contact with other associations means contact with additional publics, whose response can be stimulated and orchestrated into your campaigns.

Because of such considerations as these, businesses and professional groups frequently undertake what is called a government relations audit. This is a survey that seeks to uncover groups whose interests coincide with the auditor's, and to find out what connections they have that might be useful in a campaign. It's something like the survey taken by the AIA but on a larger scale. The subjects will be asked: What political action have you attempted lately? With what success? In what states? On what issues? With whom did you speak? How much infrastructure do you have for handling this kind of work? etc. On the basis of the answers they get, the auditors may then set up joint committees or liaison councils with selected respondents to make possible smooth functioning behind a united front. Sometimes these are formally incorporated with written laws; sometimes they are loose associations founded to promote a common interest. Sometimes one member organization will assume a dominant role, in which case a certain vigilance is required to maintain equilibrium in what should, after all, remain a team effort. And sometimes, inevitably, differences of interest will come up among the member organizations. When this happens, it should be faced and discussed openly so that the area of common ground can be established at the outset. The parties involved should decide what they can endorse unanimously, publicly, and without qualification. Later, at the discretion of the leadership, they might issue their own conditional statements on the issue.

Sometimes these groups are formed to keep channels open among associations that will probably need to work together from time to time, and sometimes they are ad hoc arrangements to meet a situation that has arisen. Two examples of the former are the Forum on National Growth Policy and the Inter-Association Committee on Consumerism. The Forum, which includes groups involving architects, engineers, contractors, mortgage bankers, and housing officials, seeks to establish a constructive dialogue on issues concerning economic growth in a way that will educate both the government and the public. The Committee on Consumerism is chiefly composed of textile and apparel manufacturers. When the issue of flammable fabrics flared up a few years ago, it was able to sponsor a study of the problem and then launch a public relations campaign involving newsletters and posters to educate people on ways of preventing injury to themselves from such materials.

An example of an ad hoc interest group would be the Massachusetts Council for Better Health Care. It came into being in 1972, when the Massachusetts Federation of Nursing Homes decided to do something about the fact that the state government owed it about $20 million in back payments for services rendered for a period going back to 1968. The Federation did some research and discovered that a very large number of other health care providers in the state were in the same boat. From these providers, the Council was formed, representing nine different state associations of nurses, hospitals, pharmacists, podiatrists, physical therapists, ambulance drivers, and gerontologists. It was an informal association, collecting only minimal contributions from its members to defray mailing and meeting costs, but requiring a lot of hard, devoted, well-coordinated work. As a result of this effort, the Council was able to launch

a media campaign that eventually resulted in its members being paid most of the $100 million they had coming to them.

Don't look for fellow-lobbyists only among your natural allies. One of the guiding principles of people experienced in governmental relations is "Lobby your possible opponents before they have a chance to lobby against you." A case in point would be the campaign undertaken by a group of pharmaceutical merchandisers to stop a bill prohibiting price advertising. The merchandisers wanted to be able to use the fact that their product cost less as a selling point. The health professionals' group that had pressed for the bill (and had a grip on the market it didn't want to lose) contended that competitive pricing would mean a decline in quality. Ordinarily, consumer-advocate groups would be expected to side with the proponents of the bill on the grounds that a decline in quality could mean a threat to public health. However, the merchandisers got to them first and explained that, unless some devise to keep the price low were permitted, large numbers of low-income people such as inner-city dwellers and elderly people on fixed incomes would not be able to buy the drug when they needed it. As a result, the consumerist groups joined forces with the merchandisers. This was, to be sure, only one element in a large and well-thought out campaign. The merchandisers also commissioned studies on the effect of price-advertising on prices (it lowered them 30 to 50 percent) and of lower prices on low-income groups. They got union members, inner-city representatives, and committees on the aged to write letters to the editor and mounted a public relations campaign through the media. They brought over 200 octogenarians to a critical committee hearing and deluged the legislators with written arguments as well. In short, they did everything a well-connected, well-organized lobbying group should do. And they won. But surely not the least among the elements in their final victory was the visible fact that they had attracted people to their side who ordinarily would be expected to oppose them. It suggested that theirs was a claim whose merit transcended conventional categories.

Publicity

It's axiomatic among lobbyists that one good news story is worth a thousand letters, calls, and visits. Nothing can quite equal the impact on a legislator's or citizen's mind of a front-page story about a disaster that happened because an industry didn't have sufficiently stringent safety or quality controls, or a political scandal that erupted because guidelines concerning campaign contributions or conflicts of interest weren't enforced. Of course, you can't count on dramatic news stories bursting forth to make hay for you at exactly the right moment. But you can make your own news to a certain extent. There are legitimate ways (independent of paid advertising) of getting your case into the media where legislators can see it and know that the public is seeing it, too, and possibly being moved by it. Here are some examples of how it's been done.

A group of agricultural producers had been trying for years to get funding for research about a certain particularly vital crop. Their pleas had fallen on deaf ears because, although the matter was economically crucial to them, interest in Washington was almost nil and hearings on the question had very poor attendance. Moreover, the economic situation was causing cutbacks in *all* agricultural programs.

The association decided to get its case into public view. They sponsored a luncheon for

the major agricultural editors of the region featuring a quotable speech and the distribution of a brochure outlining their case with the aid of charts. This was followed up by press meetings with individual editors and news releases to local papers. Results began to appear almost immediately. The releases were printed widely, many of them in the districts of congressmen on the relevant committee. The charts were reproduced in many newspapers, and feature stories and editorials on the issue began to appear in national farm monthlies. The next time the association's research director went to Washington he had a briefcase full of clippings from newspapers and magazines all over the country to use in making his point. And Congress voted a 20 percent increase in research funding for the crop in question at its next session.

That operation took something over six months. Here's a different operation that took four days. A major food-processing industry found itself caught during Freeze III under a price ceiling that had remained in effect while the cost of the necessary raw product had risen 25 percent. Desperate, they took their problem to the Cost of Living Council. But the COLC was hearing sob stories like theirs on every side and wasn't too alarmed by the industry association's claim that it was facing imminent demise. So the association decided to unleash its staff on the media. Two days later the *Wall Street Journal* put a story on its front page reporting that two-thirds of the industry's plants had been forced to shut down temporarily because of the freeze. That afternoon the association director was invited to a special meeting with the COLC. Two days after that, the COLC announced a special exception for this one industry—one of the *very few* such allowances made during Freeze III.

Press releases, press conferences, press kits packed with well-organized statistics, luncheons, speeches, and suggestions for feature stories printed up and sent out are all standard equipment in the armory of the lobbyist or PR professional. They can't help you if you don't have a good case to document in the first place, but if you do they can mean the difference between success and failure more than any other single tactic. Organizations haven't always wanted to use them; for years many groups felt safer and surer of success if they worked "quietly," "behind the scenes." Today, though, with the Freedom of Information Act having made virtually all communications with government officials public property, it's essential that you have a demonstrably sound, salable case. Of course, you should anyway. If you don't, you're probably doomed from the beginning.

THE FREEDOM OF INFORMATION ACT

Don't regard the Freedom of Information Act as a sword of Damocles hanging over your head. It can be quite useful to you in your governmental relations. Here are some things you should know if you plan to invoke it.

Passed in 1966, the FOIA stipulates that all government agencies make public their rules, opinions, orders, records, and proceedings on request for a reasonable fee. If an agency refuses to comply with such a request, the burden of proof is on it to show that the request pertains to material covered by the nine specific exemptions listed in the Act's Subsection (b). Court cases resulting from such agency refusals provide useful precedents for future information seekers.

The FOIA requires government agencies to publish descriptions of their work and how

they operate in the *Federal Register* and to establish procedures by which the public can apply for the desired documents. (Learn what these are in each case. If you don't follow them properly, the agency may delay action on procedural grounds.) Finally, the Act provides that a person whose request is denied may file in the federal district courts for judicial review to compel disclosure.

Here are the nine categories of material that are exempted from public disclosure by the FOIA:

1. Materials kept secret by executive order in the interest of national security.
2. Materials relating solely to the internal personnel and practice rules of an agency.
3. Materials specifically exempted from disclosure by statute.
4. Trade secrets obtained from a person, which are considered privileged and confidential.
5. Inter- or intra-agency memoranda that would not be legally available to any party not in litigation with the agency.
6. Medical files, the release of which would clearly constitute an unwarranted invasion of privacy.
7. Investigatory files compiled for law-enforcement purposes.
8. Materials of special use to agencies supervising financial institutions.
9. Geological and geographical data, including maps, that pertain to wells.

Documents requested must be specifically identified. Although the burden of proof is on the agency refusing disclosure, care should still be taken to express the request so that it clearly avoids falling into one of these nine categories.

A LAST WORD ABOUT LOBBYISTS

If yours is one of the many organizations that retain professional lobbyists to handle their governmental relations, there are a few principles to remember about your relationship with your lobbyist. One is commitment. You should not hire him and then sit back and think that's that. Government relations are an ongoing thing. They can protect you from political attack and serve as a continuing source of awareness about your public's attitudes and needs. Your rapport with your lobbyist should be kept in good repair, with everyone on your side understanding and assenting to the program to be undertaken. Silent resistance from people who feel their needs have not been noticed, gaps in communications, and the obstacles characteristically thrown up in the course of internal power struggles can render the best-thought out campaign worthless. As one observer put it, "A lobbyist is only as good as the organization behind him."

Another important principle to remember is that the lobbyist has a legitimate right to a certain amount of authority. His job is to initiate action as well as to implement policy, and he should not be hamstrung when he is trying to do so. While management should pay him all due attention, it should also guarantee him freedom from interference once his goals have been set. It's best to designate a single person in the organization as government relations coordinator and then see to it that the lobbyist is assured clear lines of access to him.

IN THE PUBLIC INTEREST

Some organizations exist solely or partly for the purpose of lobbying on some general issues of the public interest. Examples of these are the League of Women Voters, which has used many techniques over the years to create an informed electorate and a responsible government; Ralph Nader's Public Citizen, which concerns itself chiefly with the protection of consumer interests; and Common Cause, which aims at making the government more accountable to the governed. Since its inception in 1971, Common Cause has fought against the Congressional seniority system, outside income for lawmakers, questionable campaign contributions from corporations likely to get government contracts, illegal use of franking privileges, etc. Thanks to the variety of the legislative battles these groups have joined over the years, they've acquired considerable political expertise and been able to put together corps of paid and volunteer workers of impressive talent and savvy.

Lucy Mackenzie, a statehouse lobbyist for the New Jersey League of Women Voters, told us about the work her group does in Trenton.

"League people write up bills and send copies to the legislative leaders of both parties. We try to find somebody who'll introduce it on the floor, and we try to get the chairman of the appropriate committee to sponsor it. You have to help make the decision about which committee it should go to, and sometimes you have to push the sponsor a little bit. One thing is sure—one approach is never enough.

"The League has been very influential regarding election laws, legislative process and environmental bills. The 1973 New Jersey Campaign Contribution and Reporting Act was one of our successes. We're known to have great expertise and we're depended upon. We're trusted because our facts are accurate and true, and we can get things done because we know the committee aides and legislative aides who are there all the time and who make it all work."

Ralph Nader's Public Citizen groups, such as the Tax Reform Research Group and Congress Watch, do a lot of hard facts-and-figures research to provide liberal congressmen with ammunition to use in floor debates and committee battles. Legislators have often expressed their admiration of and appreciation for the skill with which the groups do this, although some critics say Nader concentrates too much on the national arena and scants the grass-roots approach. (On the local level, Public Citizen's efforts are aimed chiefly at getting people to become more actively involved in politics.) Another characteristic of Public Citizen is that it likes to maintain firm and continuing alliances with other interest groups—sometimes, some critics say, to the point of avoiding an issue on which its allies might be in conflict.

Common Cause, on the other hand, isn't interested in keeping relationships going for their own sake. "We try to call 'em as we see 'em," one Common Cause lobbyist said. "If a guy is with us on one issue we'll praise him in our newsletter. But that wouldn't stop us from attacking him if he's against us on another issue." In keeping with this philosophy, Common Cause makes no official endorsement of any political candidates.

Common Cause uses what it calls an "inside-outside" approach to lobbying. The "outside" part is the kind of thing individual citizens can do—letters, phone calls, visits with legislators. Members taking part in an "outside" program are advised not to mention their Common Cause affiliation when writing to their congressman—not because CC wants to

conceal itself, but because a letter originating from individual initiative is more effective than one prompted by a group campaign.

"Inside" lobbying is the day-to-day work done in state houses by members who have been specially trained by Common Cause in monitoring house sessions, following the legislative process, and talking to lawmakers. Like the League of Women Voters, Common Cause will occasionally use the services of a member with legal experience to draft a bill they want to get sponsored. They'll print concise position papers for lawmakers and work up presentations of data showing the need for implementation of the Common Cause position. They'll also get out press releases for the media as things happen. They give testimony at committee hearings. They research legislators to find their positions on every issue. During an "alert," the undecideds become the prime targets of attention, and lobbyists try to swing them up until the last minute before the vote. If they see they can't convince a legislator, they try to find another lawmaker who can. They try to get the governor, lieutenant-governor, attorney-general, and secretary of state to use their considerable influence with the legislature when they know these officials are with them. They keep files on every legislator, containing information on his record, his special interests, his electoral history, his status in the legislature, and his contacts with Common Cause. (They also keep records of all their conversations with legislators.) They send out newsletters to their members telling them what's going on and what needs to be done.

This is the real muscle and nerve of lobbying, the most political activity a person would ever be involved in. It demands energy, intelligence, altertness, a sense of conviction as hard and bright as stainless steel, a thorough knowledge of the issues, a *complete* understanding of how the legislative process works, self-confidence, an ability to talk to people convincingly and engagingly, and a near-total incomprehension of the words "give up." It's probably an achievement as remarkable as any of Common Cause's political triumphs that it has been able to recruit and train private citizens for this work so well that they eventually not only excel in it but actually enjoy it.

COMMITTEES

Inside lobbyists like Common Cause and the League of Women Voters emphasize that the committee discussion is the most important stage in a bill's life. If you're working on the state level, it's imperative that you know *exactly* what your state constitution says about these committees (and the lawmaking process as a whole, of course). What committees are there? Who decides which bills will be considered? Can a bill "die" in them or can it be forced back to the floor for a vote? Is there a "graveyard" committee? What does the rules committee decide? Lucy Mackenzie urges that you make sure all your bill's proponents are present on the day the committee will vote on it and recommends that you lobby to delay the vote if they're not. "Delay is better than defeat," she says. She also remarks that the assignment of a bill to the proper committee is absolutely crucial. Also, testimony before a committee can be the most important single piece of work you do. Because of the number of things that hinge upon this step of the legislative process, we append here a list of all the Congressional committees, with their addresses and scopes of practice, at the time this book went to press. In addition, special committees, congressional commissions, and joint committees may be set up from

time to time. For information on these, and for all addresses and telephone numbers, refer to the current *Congressional Directory,* available from the Superintendent of Documents, Government Printing Office, Washington, DC 20402.

House Committee on Agriculture
Longworth Office Bldg., Rm. 1301
New Jersey and Independence Aves. SE
Washington, DC 20515
(202) 225-2171
Laws dealing with general farm policy. Pest control, agricultural chemistry, entomology, livestock, agricultural exports, soil engineering.

House Committee on Appropriations
The Capitol, Rm. H-218
Washington, DC 20515
(202) 225-2771
Review of budget estimates, appropriation bills, federal funding reports.

House Committee on Armed Services
Rayburn House Office Bldg., Rm. 2120
South Capitol St. and Independence Ave. SW
Washington, DC 20515
(202) 225-4151
Depts. of Army, Navy, Air Force, and Defense; forts; arsenals; bases; ammunition depots; pay and privileges of armed forces personnel; their size and composition; strategic defense materials.

House Committee on Banking and Currency
Rayburn House Office Bldg., Rm. 2129
South Capitol St. and Independence Ave. SW
Washington, DC 20515
(202) 225-4247
Banking and currency, price of commodities, Federal Reserve System, deposit insurance, gold and silver, currency printing, mortgage credit, insurance, urban planning, mass transit, evaluation of the dollar, international finance and trade, the balance of payments, consumer financial affairs.

House Committee on Government Operations
Rayburn House Office Bldg., Rm. 2157
South Capitol St. and Independence Ave. SW
Washington, DC 20515
(202) 225-5051
Budget and accounting, executive branch reorganization, the economy and efficiency of governmental operations, intergovernmental relations, General Accounting Office reports.

House Committee on Interior and Insular Affairs
Longworth House Office Bldg., Rm. 1324
New Jersey and Independence Ave. SE
Washington, DC 20515
(202) 225-2761

Conservation of water resources, hydroelectric projects, public lands, forest reserves, mining interests, including schools, the National Park System, historic preservation programs, relations with American Indians, Puerto Rico, Guam, The Virgin Islands, and American Samoa.

House Committee on Intersate and Foreign Commerce

Rayburn House Office Bldg., Rm. 2125
South Capitol St. and Independence Ave. SW
Washington, DC 20515
(202) 225-2927

Interstate and foreign communications, the National Weather Service, the Federal Aviation Administration and the Civil Aeronautics Board, transportation and fuel, railroad labor and unemployment, motor vehicle safety, newsprint and paper, travel and tourism, food, drugs, public health and the National Institutes of Health.

House Committee on Merchant Marine and Fisheries

Longworth House Office Bldg., Rm. 1334
New Jersey and Independence Aves. SE
Washington, DC 20515
(202) 225-4047

Lights and signals for marine safety, lifesaving equipment, fire protection on vessels, licensing of small boats, the Coast Guard, the Panama Canal, oceanography, oil pollution, fisheries and wildlife, Merchant Marine academies and personnel.

House Committee on Post Office and Civil Service

Cannon House Office Bldg., Rm. 207
New Jersey and Independence Aves. SE
Washington, DC 20515
(202) 225-4054

Federal personnel policy: manpower, compensation retirement, census, statistics and data processing, paperwork reduction, the National Archives.

House Committee on Public Works

Rayburn House Office Bldg., Rm 2165
South Capitol St. and Independence Ave. SW
Washington, DC 20515
(202) 225-4472

Economic development programs, federally aided highway programs, water pollution, sewage treatment, hydroelectric power, the TVA, energy, disaster relief, highway safety.

House Committee on Veterans' Affairs

Cannon House Office Bldg., Rm. 335
New Jersey and Independence Aves. SE
Washington, DC 20515
(202) 225-3527

Veterans' affairs.

House Committee on Ways and Means

Longworth House Office Bldg., Rm. 1102

New Jersey and Independence Aves. SE
Washington, DC 20515
(202) 225-3625

Federal taxes, foreign tariffs, customs, social security, public assistance, bonded debt of the U.S., renegotiation of government contracts, national health insurance.

Joint Committee on Atomic Energy
U.S. Capitol, Rm. H-403
Washington, DC 20510
(202) 225-6171

Anything concerning military or civilian use, development, and control of atomic energy.

Joint Committee on Printing
Congressional Directory Office
Joint Committee on Printing, U.S. Congress
The Capitol, Rm. HB-30
Washington, DC 20515
(202) 225-2240

Organization and personnel of House and Senate and their staffs, committees, boards, commissions, agencies.

Congressional Record Index Office
Government Printing Office, Bldg. 4
715 North Capitol St. NW
Washington, DC 20402
(202) 541-3350

Debates and statements in the *Congressional Record* and its indexing.

Federal Electronic Printing and Microform Committee
Joint Committee on Printing
U.S. Capitol, Rm. S-151
Washington, DC 20510
(202) 225-5241

Standardization within the government of automation of printing, computerized microform, automatic typesetting, automatic indexing of publications.

Joint Committee on Reduction of Federal Expenditures
New Senate Office Bldg. Annex, Rm. 406
127 C St. NE
Washington, DC 20510
(202) 225-3750

Federal government expenditures and related fiscal matters.

Joint Economic Committee
New Senate Office Bldg., Rm. G-133
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-5171

Economic developments, trends, programs, and activities designed to foster economic growth, employment, production, and purchasing growth in the face of economic fluctuation.

Senate Committee on Aeronautical and Space Sciences
Old Senate Office Bldg., Rm. 231
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-6477
Aeronautical and space activities.

Senate Committee on Agriculture and Forestry
Russell Senate Office Bldg., Rm. 324
Constitution Ave. and 1st St. NE
Washington, DC 20515
(202) 225-2035
Livestock and meat products, animal industry and medicine, agricultural colleges, forestry, agricultural research and industry, rural electrification, crop insurance and soil conservation, entomology, human nutrition and home economics.

Senate Committee on Appropriations
New Senate Office Bldg., Rm. 1235
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-3471
Budget estimates, appropriations bills, funding of federal programs and activities.

Senate Committee on Commerce
New Senate Office Bldg., Rm. 5202
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-5115
Interstate and foreign commerce, consumer protection, interoceanic canals, surface traffic, including pipelines and highway safety, civil aeronautics, fisheries and wildlife, weather services and satellites, international communications, the metric system.

Senate Committee on Finance
New Senate Office Bldg., Rm. 2227
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-4515
Federal revenue system, state taxation on interstate commerce, the public debt, customs, tariffs, import quotas, social security, welfare, unemployment compensation.

Senate Committee on Interior and Insular Affairs
New Senate Office Bldg., Rm. 3106
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-4971

Water resource and hydroelectric power development, desalination, national parks and outdoor recreation, irrigation, public lands including the outer continental shelf, mines, American Indians, environmental studies, national forests.

Senate Committee on Public Works

Dirksen Senate Office Bldg., Rm. 4202
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-6176

Legislation relating to water resources, rivers, harbors, beach erosion, hydroelectric power, pollution and noise control, highway construction, disaster relief, regional development.

Senate Committee on Rules and Administration

Russell Senate Office Bldg., Rm. 305
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-6352

Funding of committee investigations, Library of Congress, Smithsonian Institute, Government Printing Office, Federal elections, Presidential succession, parliamentary rules.

Senate Special Committee on Aging

New Senate Office Bldg., Rm. G-233
Constitution Ave. and 1st St. NE
Washington, DC 20510
(202) 225-5364

Problems of the elderly: housing, employment, health, medical services, retirement income.

THE LEGAL ASPECT

Congress has been interested in legislation that would monitor and regulate lobbying for about forty years. During the 1930's, three acts were passed in a space of four years that required some kind of registration and periodic reporting by private individuals seeking to influence either Congress or various executive agencies. These were the Utilities Holding Company Act, the Merchant Marine Act and the Foreign Agents Registration Act. Then, in 1946, The Federal Registration of Lobbying Act was passed as part of the Legislative Reorganization Act. It provided that individuals and groups seeking to influence legislation must register with the Secretary of the Senate and the Clerk of the House, and file quarterly financial reports with the latter.

The 1946 Act was the first federal statute to deal with lobbying on a broad scale. Unfortunately, it had a number of loopholes. It only requires registration by individuals who are being paid to lobby by someone else. It is applicable only to organizations or individuals who spend their money *primarily* for the purpose of lobbying—the National Association of Manufacturers is one of many large organizations that have claimed they don't have to register under the Act since lobbying is not the main expense for which they collect dues. The Act deals only with direct contacts with members of Congress. According to a 1954 Supreme Court

decision, it says nothing about attempts to generate grass-roots pressure. It also says nothing about attempts to influence executive agencies. Finally, it has few, if any, teeth. The Secretary of the Senate and the Clerk of the House cannot *compel* anyone to register under the Act, nor are they required to investigate registrations and reports for truthfulness. Even the Justice Department, which can prosecute violators, doesn't investigate such documents and acts only when it receives a complaint. Not surprisingly, there have been only four prosecutions under the Lobby Act since 1946. Even so, the Act's constitutionality was challenged on the grounds that it violated First Amendment rights to freedom of speech, freedom of assembly, and the right to petition for redress of grievances. In a 1954 case, *US v. Harriss*, the Supreme Court upheld the Act, albeit construing it very narrowly.

In 1971 the House Committee on Standards of Official Conduct reported out a revision of the 1946 Act to be called the Legislative Activities Disclosure Act, but no action was ever taken on it. Its critics said it went too far. Then came Watergate, which among many other things implicated some Capitol Hill lobbyists. In its wake, a number of states passed new regulations concerning lobbying disclosure. California's "Proposition Nine" in particular placed tight limitations on lobbyists. It has been called unconstitutional by its critics. (Most states had at least some regulations about lobbying before this, usually requiring registration and fiscal reports by anyone who received compensation for lobbying and sometimes demanding some sort of identifying badge.) In December 1974 Congress passed the Antitrust Penalties and Procedures Act, requiring defendants filing for proposed consent decrees in antitrust cases to provide the Court with logs of all pertinent oral communications with Government officials not directly involved in the judgment.

Finally, in 1976, the two houses of the 94th Congress each passed a lobby reform bill. The Senate bill, S2477, was voted for 82 to 9 on June 15, becoming the first act on lobbying the upper house had passed since 1946. Its provisions were as follows:

Only an organization can become a lobbyist. It can do so in three ways:

1. If it retains a law firm or similar organization to lobby for it, paying it at least $250 a quarter. (There are a number of such organizations in Washington now, a response to what the corporate world increasingly sees as the adversary relationship between itself and the government.)
2. If it engaged in 12 or more oral lobbying communications with Congress in a quarter.
3. If it spent $5,000 or more in a quarter soliciting lobbying (the grass-roots approach).

Executive lobbying is covered by the bill only when it pertains to a measure before Congress.

Enforcement and administration are vested in the General Accounting Committee, which has some rule-making and investigative powers.

All Federal litigation arising from this bill is the responsibility of the Department of Justice.

The House's bill, HR 15, also gives administrative authority to the GAC, and also stipulates that only an organization can be a lobbyist. According to HR 15, this can be determined in two ways:

1. If it spends $1,250 in a quarter for the retention of another person to make oral or written communications with a Federal officer to influence legislative or executive agency

decisions involving levels I through V (the highest) as these activities are defined in the bill.

2. If it employs at least one individual who spends 20 percent of his time during a quarter lobbying on its behalf.

HR 15 was passed by a roll-call vote in the early morning hours of September 29, 1976, after 14 hours of debate, during which a substitute bill proposed by the House Standards Committee was defeated. It was then sent to the Senate for consideration, but because the end of the session was so near no action could be taken on it.

HR 1180, the Public Disclosure of Lobbying Act of 1977, is currently in hearings in a subcommittee of the House Judiciary Committee. It reproduces the provisions of HR 15, itemizing the following disclosures to be required in the lobbyists' quarterly financial reports:

1. Gifts exceeding $25 made to federal officers.
2. Expenditures exceeding $500 for receptions, dinners, etc. (These two kinds of expenditures once represented a fair amount of "lobbying" activity. This isn't the case anymore.)
3. A description of the primary issues on which the organization lobbied.
4. A description of its grass-roots efforts.

Administrative and enforcing authority is vested with the Comptroller-General. Civil penalties may result in fines of not more than $5,000 for each violation. Criminal penalties may result in fines not exceeding $10,000, or imprisonment for not more than two years, or both.

WHEN CHARITIES LOBBY

Section 501 (C)(3) of the Internal Revenue Code grants tax-exempt status to nonprofit charitable, religious, scientific, cultural, or educational groups and to groups engaged in testing for public safety or preventing cruelty to children or animals. These "public charities," as tax people call them, are entitled to tax-deductible contributions. They are, that is, unless they engage in what the Tax Code calls "substantial" efforts to influence legislation. Public charities treasure their tax-exempt status since they believe it would be nearly impossible to attract contributions without it. Nevertheless, a certain amount of lobbying is sometimes part and parcel of the work they do. The American Lung Association, for example, has been fighting attempts to weaken the Clear Air Act, and various nutrition groups were active in the Senate battle over food stamps.

The main problem with the Tax Code restriction is not that it seems to take a dim view of lobbying per se, but that its language is so vague. How much, after all, is "substantial"? Charity spokesmen say their participation in legislative activity has been all but killed off by their uncertainty about when the Code could be used against them. One National Health Council representative said some tax-exempt groups won't even dare answer a congressman's request for information unless he puts it in writing. Charity lobbyists argue that this is wrong, that legislators should want to have the benefit of their groups' often considerable expertise.

Nevertheless, many legislators are just as happy to retain the Code's vague wording because they think it's the best way to keep the public charities "walking the straight line." They're afraid that otherwise they might be deluged by a torrent of zealous lobbyists. The moralizing principle has, to be sure, always been a recognized presence in the American political arena.

To solve this problem, Representative Barber B. Conable Jr. (RNY) and Senator Edmund Muskie (DME) pooled their efforts to push through their respective houses of Congress a bill that would make explicit the amount of money a public charity could spend on lobbying annually. The bill, which became Public Law 94-585 in October 1976, met the approval of even some of those legislators who had worried in the past about keeping charities in line. It features a sliding scale, by which the amount permitted for lobbying expenditures would depend on the group's budget as a whole. The allowances are as follows:

*Group's Budget**	*Allowable Lobbying Expenditures*
$500,000	$100,000 (20%)
$1 million	$175,000 ($100,000 + 15% of expenditures over $500,000)
$1.5 million	$225,000 ($175,000 + 10% of expenditures over $1 million)
$5 million	$400,000 ($225,000 + 5% of expenditures over $1.5 million)
$10 million	$650,000 ($225,000 + 5% of expenditures over $1.5 million)
$15 million	$900,000 ($225,000 + 5% of expenditures over $1.5 million)
Over $17 million	$1 million maximum (the ceiling for everything on up)

The Conable-Muskie Act includes an "affiliated organization" section, ruling that a group may not splinter into separate, smaller groups to overcome the spending limitation. It permits charities to spend no more than 25 percent of their permitted lobbying expenditure on grass-roots work. Finally, it softens the pre-existing penalties for violators. Under the Revenue Code, an organization that violated the "substantial" test lost its 501 (C) (3) status immediately. Not only that, its donors' deductions were retroactively disallowed. The Conable-Muskie Act simply puts a 25 percent tax on excess expenditures. The organization can keep its tax-free status unless its average lobbying expenditures exceed 1½ times its limit over a four-year period. All in all, the Act can allow public charities to release a long-buttoned-up sigh of relief.

*This refers to the budget after fund-raising expenses have been deducted.