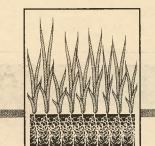
Nonprofits

Philanthropy Journal of North Carolina



More than three-quarters of people surveyed for a new Gallup Poll were concerned about the amount nonprofits spend on fundraising and other expenses not related to their mission.

The public trust

OCTOBER 1993

Marketing culture Arts groups learn from businesses to make ends meet

In the face of increasing competition for a declining pool of charitable dollars, arts organizations are adopting marketing tech-niques from business. Some groups are finding success in business tactics that include repackaging program offerings, offering innovative pricing and recruiting corporate sponsors.

BY KATHLEEN MCDONALD

wo years ago, the Charlotte Symphony Orchestra teetered on the brink of ruin. A 1991 strike and mounting debt threatened to push the 62-yearold symphony over the edge

Enter William F. Lester, 42, a miracle worker of the orchestra industry. Since being hired in December of 1992 as president, he's managed to put the symphony on stable ground. The strike is long over, public per-ception is on an upswing and 1993-94 ticket sales are booming - already 51 percent ahead of last year's final numbers, with three months of sales activities to go.

"It's one of those really exciting periods of times for us," says Lester, in that almost everything we touch is working.'

The symphony's position is envi-able among most arts groups facing tough times. A sluggish economy has made fundraising difficult. And as government support declines and corporations contribute less, arts groups are forced to compete for a diminishing amount of charitable dol-

lars. "When the economy suffers and local, state and federal governments are having to tighten their belts, the arts tends to fall into the category of frills," says Bonnie E. Pierce, execu-tive director of the Arts Council of the Lower Cape Fear in Wilmington. "It's regrettable, but it's a fact of life.'

There are few corporate head-quarters in Wilmington. So, the Arts Council relies heavily on government allocations. While the state legislature increased funding for Wilmington's grass-roots arts program this year by 14 percent, or \$3,080, Wilmington city government and New Hanover County government ment cut a combined \$7,880. Worse, the Arts Council owes \$42,000 in delinquent federal payroll taxes. A lien has been placed against the organization.

"We've been kind of struggling through the summer and just trying to keep our head above water," says Pierce, "but it's going to be a tough year."

Wilmington could use a little bit of Lester's magic. But Lester says there is no magic potion. An ex-marketing man, Lester has built something of a career turning around troubled organizations. When he took over the San Antonio Symphony in 1987, it was near collapse, losing \$1 million a year. Five years later, it not only broke even, but it turned a profit.

Lester's solution simply is to use



Eleanor Jordan says the Raleigh Little Theatre is having a tough time soliciting corporate sponsorships to help fund new staff positions.

hoto by Robert Thomas

ing symphony programming, has added a Winter Pops series to appeal to a more diversified audience, is offering concertgoers more "packag-ing" options and has revamped the pricing structure. Last season subscribers got a meager 5 percent discount, but this season their savings could top 40 percent.

"Now we're able to use in all of our subscription advertising the most powerful word in marketing: free. If you subscribe you get two or three free concerts," says Lester.

Lester isn't the first to realize that to survive in the 90s, arts organizations must develop new strategies in marketing and management. Michael Marsicano, president of the Charlotte-Mecklenburg Arts & Science Council, says that in philanthropy today, accountability is the major issue.

'We have increased the annual

Look for ARTS, page 23

Saving farms Farmers, lawyers work to stem losses of small, minority-owned farms in NC

Since it was founded 10 years ago by a group of black lawyers, the Land Loss Prevention Project in Durham has been providing free legal advice to thousands of North Carolina farmers threatened by drought, debt and development. Although the group has been successful in reaching needy farmers, staff members say the state's farm crisis continues.

BY BARBARA SOLOW

uction Day" begins with a little

As the camera traces their steps, she speaks her thoughts.

"My dad says a lot of people are coming to our farm today. He's been sad a lot...Maybe when all those people come today, they'll buy a lot of food and that will make everything all better.

The narration on the televised public-service an-

nouncement stops and a phone number flashes across the screen. Viewers worried about

losing their farms are urged to call the Land Loss Prevention Project in

Durham for free help and advice.

For the past 10 years, the nonprof-

Through educational programs, visits to farms and public service announcements like "Auction Day," the group has tried to stem the steady decline in the number of small and minority-owned farms in North Carolina.

ARTS

'We have manipulated all four of

the P's that they teach you in mar-

keting class: packaging, promotion, placement and price," he says. Since Lester's arrival, the Charlotte Symphony has received a

major overhaul. Lester has hired a

new music director who is transform-

basic marketing rules.

Statistics from the state Department of Agriculture and other sources show

that between 1980 and 1991, North Carolina

every three farms in the state. Those losses included the disappearance of more than half of all black-owned farms and nearly half of

went out of business for reasons ranging from drought to debt to development pressure.

Despite success with helping individual farmers hold onto their land, project staff members say there's still a long way to go.

I look at the numbers and see that North Carolina is continuing to lose about 2,000 to 3,000 farms a year," says David Harris, the group's executive director. "We are having an impact in terms of educating attorneys and in terms of the clients we serve. But to really address the problem, we have to increase our economic development activity. It's one thing to keep the shyster from taking the

On the air **Chapel Hill** nonprofit eyed by TV

The Group B Strep Association in Chapel Hill is dedicated to educating parents of children infected with the Group B Strep bacteria. Now, thanks to a proposed TV series on nonprofits, the group may get much wider exposure.

BY BARBARA SOLOW

When Gina Burns and Jay Fulkerson lost their new-born son almost four years ago to a bacterial infection they had never heard of, they mourned and reflected, then turned their sorrow into action.

ENVIRONMENT

lost 33,000 farms, or about one of

girl walking along-side her father through a field strewn with leaves.

it organization has been working to reach out to North Carolina farmers in danger of losing their land.

all farms owned by Native Americans. Between 1980 and 1989, nearly one in three North Carolina farmers property but if the property is not

Look for LANDLOSS, page 5

Look for TV, page 5

Salvation Army aids hurricane cleanup During the first days after Hurricane Emily's hit along southern Hatteras Island, Salvation Army mobile units provided food and supplies to nearly 7,000 people, including almost 2,000 bags of ice. For information on Salvation Army hurricane relief efforts, call 1-800-695-GIVE.



Emily's legacy

Pilot project for youth The North Carolina Governor's Crime Commission has awarded a \$45,000 grant to Wake County Communities in Schools' Project CARE. The Communities Actively Responsible for Education project will offer tutoring and other services to truant students.

Nonprofit center helps with phone rates The North Carolina Center for Nonprofits in Raleigh has created a program to help nonprofits save 25 to 40 percent on long-distance telephone service. The program is open to members of the center. For information, call Phyllis Matthews, (919) 571-0811.

Nature conservancy expands holdings Rare plants, endangered squirrels and peregrine falcons are among the species living on North Carolina Nature Conservancy land at Grandfather Mountain. The conservancy has expanded its land protection efforts in the Boone area. For information, call (919) 967-7007.

Ropes course aids drug education Cary officials have constructed a three-acre rope courses for use by participants in Project DARE (Drug Abuse Resistance Education). The wood, cable and rope obstacles course will be used to help teach confidence and trust to students.