

Connections

Creating wealth

Organization directs people's talents to make money

Nonprofits today are leveraging resources to woo corporate dollars and to sell products, feeding the wealth back into the organization's mission.

BY EMILY BREWER

When the organization Share Our Strength first started looking for ways to make money, it didn't immediately realize the resources it had that were marketable to corporations.

Through fundraising, corporate licensing deals, sponsorships, affinity marketing and special events, the Washington, D.C.-based organization now earns most of the money that it distributes to hundreds of hunger-fighting agencies.

"Nonprofit organizations need to do more than redistribute wealth," says founder and executive director Bill Shore. "They need to create a different kind of wealth — one I call community wealth. It is something that is channeled back directly into

the community."

One of the hunger organization's most popular events is Taste of the Nation, an annual national food and wine benefit showcasing the wares of 7,000 of the nation's best chefs. From this one event, the organization has found several avenues of corporate funding:

- One cognac distributor pays \$100,000 for the right to be there and have access to the chefs who could stock their restaurants with the product.

- The Ohio-based pots and pans maker Calphalon markets a special Taste of the Nation pan, for which it directs \$5 for every pan sold to Share Our Strength. This sort of affinity marketing links a corporation with



Bill Shore

an organization.

- The chefs at the events are so loyal to Share Our Strength that if the organization signs a contract with a winery, for instance, allowing them to use the organization's logo on their wine bottles, a majority of the chefs will stock that wine if \$10 of every case goes back to Share Our Strength.

The secret, says associate director Debbie Shore, who co-founded the organization in 1984 with her brother Bill Shore, is thinking about what your organization can offer the company with which you partner to help it expand its bottom line.

"It's appealing to their self-interests."

The Share Our Strength logo is recognized and respected, and that makes it attractive and profitable for corporations that align with the organization, she says.

Calphalon sales of the pan have quadrupled since it aligned with the organization, making it a profitable relationship for both parties, says

Bill Shore.

Besides their self-interest, corporations have a humanitarian angle and want to help organizations that service humanitarian causes, says Debbie Shore.

"At the end of the day, they're creating pots and pans," she says of Calphalon. "They want more."

The organization has grown through the years as the Shores discover what resources they have that are valuable to corporations.

In April 1997, they created a for-profit consulting service that advises both nonprofits and corporations on how to look for and nurture leveraging opportunities. Community Wealth Ventures offers training sessions and one-on-one assistance to groups on how to use their assets to generate revenue for their organizations or the organizations they fund, says Bill Shore.

While the Shores concede that not every organization has the power to raise community wealth the way theirs has, they believe it is some-

thing more organizations could be doing.

North Carolina examples

Some North Carolina nonprofits raise money by selling products.

In pursuit of its mission to teach children to value diversity and to grow into productive, caring citizens of the world, Shakti For Children, a Durham-based non-profit educational organization has produced a book to teach youth about world cultures to spread the message the organization promotes. The book is titled *Children from Australia to Zimbabwe*.

Executive director Maya Ajmera found a medium-sized publisher in Boston that agreed to use the organization's name as the book label, to market the book and to give the organization a higher-than-average cut of the proceeds. Last year, 40 percent of the organization's budget came from book revenues.

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Victory for nonprofits

Taxpayers get

larger break for donations

Nonprofits may gain as much as \$180 million in additional funds beginning next year.

BY JOAN ALFORD

North Carolina taxpayers who do not itemize their deductions may claim a larger tax credit for charitable contributions under a provision signed into law by Gov. Jim Hunt.

Giving to nonprofits will rise \$180 million annually because of the expanded incentive, legislative analysts estimated. The provision goes into effect for the 1999 tax year.

"The new law shows what can be achieved when nonprofits of all types unite their efforts to make

North Carolina a better place for everyone who lives and works here," says Jane Kendall, president of the N.C. Center for Nonprofits. The center proposed the provision three years ago and worked with the United Way of North Carolina to coordinate the efforts of nonprofit groups who advocated for the measure in the General Assembly.

Hunt signed the provision into law at the center's annual conference on Oct. 15.

"When you work together — the nonprofits — you can do amazing things," Hunt said. "Think about what you've just celebrated. Most of you never imagined that you could do that. You

all came together, you made your-

"You all came together, you made yourselves heard and you really made a difference."

—Gov. Jim Hunt



Photo by Karen Tam and courtesy of the N.C. Center for Nonprofits

Gov. Jim Hunt signs into law an expanded income tax credit.

selves heard and you really made a difference. As a result, North Carolinians will be able to better support the good ideas that are working in their communities."

The tax credit applies to charitable giving by people who do not itemize their deductions on their federal income tax returns.

Under the provision, nonitemizing taxpayers may claim a tax credit of 7 percent of the amount of charitable contributions that exceeds 2 percent of their adjusted gross income.

For example, a family with a

total income of \$40,000 that makes \$2,000 in donations may take the credit on the amount of charitable contributions that is more than 2 percent of adjusted gross income — \$800. That means the family may claim the credit on \$1,200.

The result is that the family may claim a credit of 7 percent of \$1,200, taking \$87 directly off its state income tax bill.

For more information about the tax credit, contact the N.C. Center for Nonprofits at (919) 790-5307.

Conference on homelessness scheduled

A two-day conference on serving North Carolina's homeless population will provide workshops and feature national speakers.

The North Carolina Conference on Homelessness is set for Nov. 30-Dec. 1 at the Jane S. McKimmon Center in Raleigh.

The conference will include workshops on housing development, health care for the homeless, education of homeless children, program evaluation, and job training and development.

Scheduled guest speakers include Michael Stoops of the National Coalition for the Homeless and Laurel Weir, National Law Center on Homelessness and Poverty.

As many as 300 homeless service agency and organization representatives are expected to attend.

The North Carolina Interagency Council on Coordinating Homeless Programs of the N.C. Department of Health and Human Services is sponsoring the event.

Registration is \$45 and increases to \$65 after Nov. 9. For more information call (919) 715-5850.

—Joan Alford

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State employees seek to raise \$3.6 million

Organizers of the State Employees Combined Campaign want to reach all state employees through three new donation programs.

BY PATTY COURTRIGHT

State workers are working to raise \$3.6 million during the annual State Employees Combined Campaign, now under way.

A record \$3.45 million was raised during last year's campaign.

The State Employees Combined Campaign is the only charitable giving program authorized for state employees to designate their gifts through payroll deduction. More than

1,200 agencies receive money raised in the campaign.

"One of the best things about SECC is that this campaign is mostly run by volunteers," says campaign chair Richard Moore, secretary of the Department of Crime Control and Public Safety. "In fact, that ensures most of the money — about 87 percent — actually goes to the charitable organizations, and not for administrative costs."

To meet the goal, campaign leaders have revamped the SECC's leadership giving program and introduced three new programs.

Instead of asking people to give a percentage of their income, as last

year's leadership giving program did, the 1998 program sets four gift categories: Dogwood for gifts of \$150-\$399; Cardinal, \$400-\$649; Emerald, \$650-\$999; and Diamond, \$1,000-up.

Last year's program brought in nearly 400 leadership givers who gave about 7 percent of the total amount of funds raised, and organizers hope to increase leadership giving this year, says Sandra Johnson, statewide campaign director.

Leadership giving chair Ned Brooks, associate vice provost at the University of North Carolina at Chapel Hill, says this year's program has two goals: to have at least 1,000 leadership givers and to have 75 or

more people who donate in the Diamond, \$1,000-plus category.

Programs new to this year's campaign include a loaned-executive program, retiree solicitation and a new-employee program.

Through the loaned-executive program, cabinet secretaries and leaders of larger state agencies select a staff member to coordinate the campaign throughout each agency. The idea was borrowed from private fundraising campaigns as a way to enhance support from the agency head down to individual employees, says chair Stacey Phipps, assistant

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