

Getting your fruits and vegetables: Corporate and foundation research

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Introduction

Your mother always told you to eat more fruits and vegetables to stay healthy. Now you just walked out of your organization's yearly development strategy meeting and your executive director has just told you to find more corporate and foundation funding to bolster the overall fundraising program. You've been nurturing existing relationships, but you need to do more. How are corporate and foundation giving programs different and what are the first steps for finding new funders?

Who are you?

First, you must know what you want to have funded. Sometimes we get so preoccupied with budget numbers that we forget we are not in the business of making money, we are raising money for the mission. If you do not know your organization's funding priorities – the actual programs, projects, and initiatives – keep asking until it is clear to you. This is especially important when you must articulate specific needs, which is usually demanded by the typically more formal world of corporate and foundation giving.

Is a tomato a fruit or a vegetable?

Understanding the similarities and differences between corporations and foundations, large and small will help you decide what might be the best fit for your funding need. A watermelon is clearly not a vegetable and a carrot would not be mistaken for fruit. Likewise, a multinational company such as Citibank is obviously different from your local Rita's Water Ice. But is there a difference between a small sign-making business and a family foundation?

To help you categorize corporate and foundation giving, the simple chart below visually demonstrates some broad generalities.

Typical Corporate and Foundation Giving Motivators and Structure

	Purpose	Motivators	Funding Structure	Giving Structure
Corporate	Make a profit by providing value	Ongoing marketing Public relations Grow the business -in new location -to new audience	Operating budget Marketing budget Comm. Relations fund (also: corporate foundations)	Cause-related mktg Employee volunteers Employee gift match
Foundation	Make a difference through organized giving	Effecting change Prestige through success Power to influence	General fund Specific funds Donor-advised funds	Trustee directed
Both	Address issues and needs affecting local and global community	Workforce development Community improvement Diversity Other specific issues	n/a	Cash gift Sponsorship Written proposal Reporting requirements

Please note: government grant funding is not included in this chart or article.

Corporations and foundations share some motivations and types of giving and some corporations even have separate corporate-operated foundations. The key difference between the two is that a foundation is created to give away money for charitable purposes and a corporation is created to provide a benefit for a profit. Once you pay attention to this simple fact, you can more effectively evaluate any particular foundation or corporation. It is worth noting that very small foundations and corporations frequently need to be cultivated and solicited as individuals. The larger the funder, the more likely it will have a formal process.

Adding fruits and vegetables to your menu

How much money you need and the type of project you are trying to fund are two dominant considerations when deciding where to look for corporate and foundation donors. That carrot from your garden could be served raw as an appetizer, cooked as a side dish or included in a casserole. Similarly, corporate and foundation gifts could be small annual gifts, event sponsorships, or naming opportunities in a campaign.

An experienced chef knows which produce is in season across the year and selects an appropriate recipe. The more you involve yourself in corporate and foundation giving, the better you will become at matching your initiatives and projects with the right company or foundation. You will also become more attuned to the news. (You do read the newspaper, don't you?) If a company on your donor list is featured in the *Business Journal* announcing a new product line aimed at women and you need funding for the renovation of your women's center, you will know it is time to pick up the telephone! A corporation or foundation can give almost any kind of gift it wants to, but to get you started following is a chart listing the most common project preferences.

Typical Corporate and Foundation Project Preferences

Foundations	Corporations
Compelling mission with good results Launch a new program Expand existing program Capital or naming projects	One-time or ongoing events Special projects related to brand In-kind gifts of people or things Capital or naming projects

Strategies for finding the right produce

Researching for new corporate and foundation prospects can be broken down into four broad, overlapping categories: looking inside your database, searching vendor databases, project oriented searching, and opportunities in the news.

Inside your database: what seasonal produce have you overlooked?

Looking into your database for certain indicators might just save you the time and expense of pursuing completely new prospects. Try these searches and create some of your own based on your experience with your organization's donors and funding successes.

- Search for donors who have made multiple gifts and have the business title of president, owner or principal. Depending on the size of your database, expand or contract your search results by varying gift size, consecutive years, number of gifts, etc. If you have a very small database, search for all donors with a business listed.
- Search for all donors who have made a major gift to your organization and check their names in Foundation Center or Guidestar to see if they have a foundation and/or Google to find out each person's business and business title. Vary the criteria to come up with a reasonable and manageable list. For example, you might choose to look for donors who have given multiple year gifts at a certain level.
- Create a list of your best corporate and foundation donors (e.g., consecutive year giving, size of gift, geographic location) and put those individuals and/or company names into a vendor product like DonorSearch.net to create a list of similar donors.

External sources: where can you buy produce in season?

There are numerous vendors offering subscriptions to searchable databases for foundations and corporate giving programs. How much money you need to raise and how often you will be searching will guide you to the vendor for your organization. Some vendors offer partly free services and flat monthly and/or annual fees. Large, popular vendors include BIG Online, Foundation Center Online, Foundation Search America, and Guidestar. Ask or search past threads from the AFP or PRSPCT-L list-serv (you do belong, don't you?), colleagues at a conference, or your favorite consultant for recommendations.

You might also consider a trip to your library. Many libraries have a resource section for nonprofit organizations that include online publications to search corporations and foundations. In Philadelphia for example, the Free Library of Philadelphia is home to the Regional Foundation Center which is staffed by a very resourceful and creative librarian.

Some of the features of these databases are the ability to search for keywords related to your project or mission, geographic focus of the funder, giving amount, past gifts, and the trustees or contact staff of the funder. You will need to expand or contract your search criteria to generate a manageable list of funders. Once you have your list you will need to examine each prospect in detail to see if they fund the type of project and/or gift size you are seeking and if anyone in your organization is close to its trustees or staff.

Project-oriented searching: I want what they're having!

You are likely to find that your funding need is the same or similar to another academic institution or nonprofit organization. Find out how those other organizations received funding!

- Using a search engine, use various keywords relevant to your program, with and without quotes, to find out if anyone is doing the same thing. Check to see if the program has its own donor list and find out who is on it.

- If you find a similar program, call whoever is in charge and ask them about the funding challenges. Fundraisers are often very willing to share and they might be able to help you identify the type of funder that would be interested.
- If you subscribe to a database that allows you to search gifts listed in a foundation's IRS Form 990s by keywords, do it! Corporations and foundations fund projects they like and that can include atypical projects such as salary.

Opportunities in the News: find new recipes!

Set aside a specific time or make a daily habit of reading. You might be surprised how easily you can fit it in to your day or week, especially if your reading is focused on what you want to achieve and you keep track of the time spent. The ability to scan content for relevancy and avoid everything else is a valuable.

- Read your local papers, especially the *Business Journal* and keep a running list of possible prospects and where you heard about them.
- Subscribe to relevant online newsletters or RSS feeds such as those from the Foundation Center and Guidestar.
- Read fundraising periodicals and/or create Google alerts for news on what other organizations are doing in the corporate and foundation relations arena.
- New foundations are born every day – often as a result of a critical event in someone's life. That event might be the same issue addressed in your mission. Announcements and articles can be found in the local newspaper, online newsfeeds, or other sources. These foundations will not appear in the online foundation subscriptions for some time. You could be one of the first to develop a relationship with a new funder so keep your eyes open!

Follow the recipes in your cookbook

After you have taken the time and care to find possible prospects for your funding priorities, look very carefully at any giving guidelines, corporate policies, and gift history as well as current news or other information about the organization. Guidestar and Foundation Center Online give you access to the IRS Form 990s for free. Guidestar even explains the anatomy of a Form 990 here: http://www.guidestar.org/help/tutorial/990_1.jsp

Much of the corporate information you need can be found on the company's website, in the news, search engines for gifts, and at your local library. My favorite library online resource is EBSCOhost ▶ Business Source Premier ▶ Company Profiles. Here you can find DataMonitor profiles of most larger companies. These profiles outline the company structure, competition and financials. You will also find databases for searching newspapers and regional business publications.

Serving a multi-course meal: a success story

By the time you read a newspaper headline about an exciting corporate or foundation gift, many times years of cultivation have already occurred. Consider this abbreviated, fictionalized example:

Julia has been working closely with a trustee of her New York City-based nonprofit that helps runaway teenagers who have HIV. The trustee chaired its successful spring gala. Julia applied through the trustee's large hip-hop clothing company's formal giving process to receive a sponsorship for the gala. The trustee also contacted his company's marketing firm and that company was also a gala sponsor. As a sponsor the marketing company received a lot of contact from Julia. The marketing company continued to sponsor the gala over the next couple of years and when its employees wanted to volunteer as a team, Julia helped coordinate it with her organization's program director.

Later Julia read in the newspaper that this marketing firm lost a multinational client. She talked to her trustee and they held a meeting with the marketing firm. As a result of the easy communication from Julia's nurturing, they worked out a project to benefit both the marketing company and the nonprofit. A number of months later a series of edgy, well-designed ads are strategically placed in a New York magazine raising awareness about the nonprofit and its mission. The trustee's company sponsored the ads from its marketing budget and benefitted from the publicity; the marketing company offered its design pro-bono and was able to demonstrate to potential clients its skill; and Julia sent a well-designed report to both companies illustrating the benefits to the nonprofit such as the number of phone calls received, donations in response to the ads, number of new volunteers, etc.

As a direct result of the ad campaign and the results generated for the nonprofit, the marketing company was able to secure another large client it had been cultivating. At the follow-up dinner with the marketing executives, Julia learned that another nonprofit the marketing company had been supporting didn't even approach them for an event sponsorship that year. The executives suspected it was because of the news about the lost contract. After hearing this Julia knew that she had established a new level of trust with the donor.

Corporate and Foundation gifts in the food pyramid

Just like fruits and vegetables are a vital part of good health, corporate and foundation gifts have an important place in the development program. Numerous smaller corporate and foundation gifts provide sponsorships of special events and specific programs, mid-sized gifts target a specific objective and might provide temporary naming rights while large multi-year gifts are fewer but provide a solid branding opportunity for a company (name in front of large audiences over an extended period of time) or a significant achievement for a foundation (a program with a national scope or subsequent Nobel prize-winning scientists).

No matter how your organization fits this giving into its program, corporations and foundations deserve the same attention and care as individual donors. This means thoughtful prospect research strategies that create a match between your organization's mission and culture to that of the prospect. Create your own healthy menu of tasty fruit and vegetable dishes!

About Aspire Research Group:

Aspire Research Group, LLC provides academic institutions and local and national nonprofits with in-depth prospect research and advice on using research throughout the development program to grow donor support. Visit www.aspireresearchgroup.com/foundscorps.html to find an annotated link collection on corporate and foundation research, including links to grant writing resources.

Our services revolve around you. We are:

- Caring – Providing solutions that respect your organization's needs
- Clear – Communicating with easy to understand profiles and other resources
- Careful – Delivering thorough research that is sensitively prepared

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