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# Grassroots

# Fundraising

**In This Issue:**

**How to Develop  
a High-Dollar  
Giving Club**

**In the Public Eye**

**Profile of a  
Major Donor**

**Report from  
the Road**

**Book Report**

# Journal

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*The Grassroots Fundraising Journal is happy to consider articles for publication. Please submit copy typed, double-spaced (no dot matrix print-outs, please). Please do not submit material in all capital letters.*

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# How to Develop a High-Dollar Giving Club

by Carol Blanton

**L**aunching a giving club may be the best way for your membership organization to make a major leap forward in its membership fundraising efforts.

I serve as Membership Director for a national conservation group which is organized in state chapters ranging in size from fewer than 2,000 to more than 100,000 members. Most of these chapters have high-dollar giving clubs that represent between five and 10 percent of their total membership. Despite their relatively small numbers, these club members are responsible for an average of 60 percent of annual operating funds raised. Most of this club income comes from annual dues, not gifts raised through special appeal mailings. That makes club income dependable, predictable, bankable income. These clubs make the job of raising operations funding—usually the hardest and most critical money for most nonprofits to raise—far more productive.

## ***What Are Giving Clubs and Why Are They Such Money Machines?***

In our organization high-dollar giving clubs are a subset of regular membership. Each club is identified by its own name, logo, and member benefits. Annual dues are higher than for regular membership. Club dues begin at \$100, while regular membership dues begin at \$25.

There is an exclusivity and unique status implied in club membership. Our marketing strategy is aimed at reinforcing the notion that these are members who do more for the organization and so can expect special privileges. Members are encouraged to think of themselves fore-

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*Club income is  
dependable, predictable,  
bankable.*

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most as club members and to take pride in that membership. The result is that club members develop a bond with the organization and the club that encourages club renewal. Finally, the club structure encourages members to upgrade through an ascending ladder of club levels, eventually moving into a higher club that begins at \$1,000.

## ***Designing Your Giving Club***

The success of a giving club begins by defining the club as a unique, identifiable entity. First, dues for the club are higher than for regular membership, which under-

scores the value of the donor and his/her contribution to the organization. Annual dues range from \$100 to \$999.

The club must have its own name, preferably one that reflects the mission of the organization. More generic names, such as "Patrons Circle" or "Benefactors Society," are less inspiring. It is also wise to have a club name that lends itself to names for the giving levels within the club. Our club is called the "Conservators," which reflects the land conservation work the organization does. Within that range we have four giving levels: \$100, \$250, \$500 and \$750. Each is identified by a plant or animal associated with our state: the "Poppy Conservators," the "Golden Trout Conservator," the "Kit Fox Conservators" and the "California Condor Conservators." These names are roughly in increasing order of rarity among the species, adding to the perception of increased status at each higher level.

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*Any member who has given \$50 or more should be asked to join the club.*

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With a name—or set of names—you are ready to develop a logo for the club. Again, this image should reflect the organization's mission, yet be distinctive enough to identify the club. You may want to go further and design logos for each of the levels, but this can often lead to additional printing and other related costs that may be unnecessary for a relatively small group. An overall club logo, however, is critical for building visual recognition and member identification.

Determining benefits is the next step. Each club level should have benefits that reflect the hierarchical nature of each level, with more, and more valuable, benefits at each level. They should also, if possible, be appropriate to the organization's mission and relate to the work it does.

Benefits that offer unique or exclusive opportunities not available to all members reinforce the exclusivity of club membership. These might include opportunities to meet senior staff, board members or other important individuals associated with the organization or its mission. Oftentimes these opportunities can occur at special events varying from an open house to black-tie receptions. You might offer a chance to go behind-the-scenes, to see works-in-process, or go on special tours of your facilities.

Unique privileges are another possible benefit: special parking places for club members visiting your facility, first call on reservations for events, discounts at your organization's store, catalogue, cafe or an affiliated

enterprise. In our organization invitations to participate in special field trips with uniquely knowledgeable naturalist guides give club members both a privileged opportunity and reinforce the importance of the organization's work by showing members tangible evidence of our efforts and their support. We also offer a special club newsletter. This is both a marketing device for club benefits and a way of publicizing club activities.

In addition to all these special benefits, be sure to include a special club membership card that notes their club level and membership expiration date. The card reinforces club identification and reminds the donor that membership requires renewal.

Premiums, which are tangible items offered to members as opposed to benefits, may also be appropriate, but are often not as effective at bonding the member to the organization. Furthermore, expensive premiums (ones valued at more than five percent of the donation) tend to encourage members to join only for the premium rather than to support the organization. The result is often a lower renewal rate for premium-solicited members. If you do decide to try a high-end premium—a costly coffee table book or framed print, for instance—track these members separately to determine how well they give and renew. A better strategy might be to offer lesser premiums that reinforce the mission and work of the organization, particularly items that have the club logo on them. We use a bumper sticker, a set of wildlife note cards and a lapel pin in the design of the logo. None cost more than \$3 to produce and fulfill. Consider very carefully how difficult it will be to fulfill a premium. Avoid items that offer a choice of colors or sizes, or that are difficult or expensive to mail.

### ***Prospecting For Club Members***

Who are your prospects?

Any member who has given \$50 or more should be asked to join the club. Those who have given more than \$100 should be asked to join at a higher level. You may want to test members in the \$25 to \$49 range, but our experience is that this is not a productive group unless you apply demographic or psychographic overlays that select out members with a higher giving potential. Members whose cumulative giving is \$100 or more over a single year may be good prospects, but again this is not as good an indicator. Look also to your board members, life members, those members who have indicated that your organization is in their will, special project donors—in short, any member who has made a special commitment to your organization.

The most efficient way to manage a membership club is through the mail. Initial solicitations, renewals, ongoing communications, and extra gift requests will come to members through the mail. Therefore, I recom-



*A club logo is critical for building visual recognition and member identification.*

mend establishing mail as the primary vehicle for initial solicitation. While personal solicitations by board members and staff can be effective, mail should always be part of the solicitation process. First, it gives you a chance to underline the fact that the donor is joining a club, not making a one-time donation. You have the opportunity to build visual identification with the club by using the logo. And it gives you the chance to describe the benefits and the various giving levels. We find that club members who join via one-on-one relationships with board and staff often require continued personal contact and do not respond well to renewals. On the other hand, a personal relationship that augments mail solicitation with a personal note on the solicitation letters or follow-up telephone calls often recruits the best possible club member. The member has the benefit of receiving a personal en-

dorsement while fully understanding that he/she is joining a club whose membership will need to be renewed.

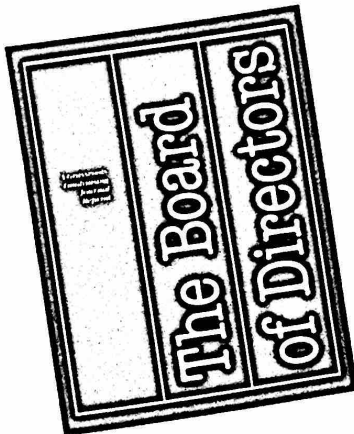
The initial solicitation can be a letter or invitation format. It should begin building visual recognition through use of the logo. It underscores the importance of the club in support of the organization's mission. And it describes the club benefits. It should talk about the work that will be accomplished as a result of this support, but emphasize particularly the ongoing role of club members in providing a foundation of support for the organization institutionally. The package must, of course, have all the standard direct mail components: letter, reply device re-emphasizing the club benefits and levels, and reply and carrier envelopes. Consider using a live stamp on the reply envelope to boost response.

Do not shy away from putting any regular member who makes a qualifying gift into the club, whether or not the gift was made in response to a club solicitation. These donors may not be aiming to join the club, but continuing reinforcement and marketing to them will encourage many to maintain their membership. After all, they did self-select as donors able to give at the necessary level. By making them club members they will be assured of continuing cultivation, which will only increase the possibility of their ongoing and increased giving. If they do not

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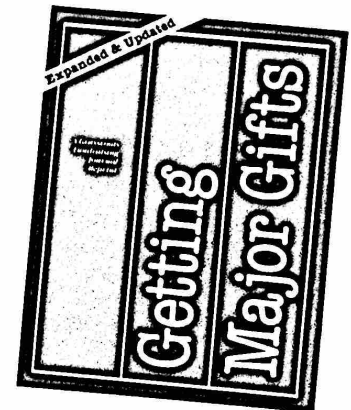
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want to be club members, they will certainly notify you.

### ***Renewing and Upgrading Club Members***

The keys to a successful renewal program are ensuring that members realize that they are part of a club, and reinforcing the critical importance to the organization of their participation in the club. If members have been recruited appropriately, their club membership reinforced, and opportunities to take advantage of benefits offered, the renewal process will be successful.

We have tested two renewal formats: a short, one-page invoice-style form that briefly describes the work of

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*Benefits should be appropriate to the organization's mission.*

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the organization and the club's role in that work. It has a tear-off return section at the bottom asking for the gift. Gift amounts listed vary according to giving history. The second, and currently more successful format more closely mirrors the recruitment package: a two-page letter with a reply device nearly identical to that used for initial solicitations.

Four renewal notices are sent, beginning two months before the renewal month. We will soon begin testing a fifth notice. Responses to each notice are on average as follows: first notice 34.3 percent, second notice 17 percent, third notice 14.4 percent and fourth notice 5.4 percent. Because the cost of the renewal program is little more than for paper and postage, we feel that a fifth notice will prove cost effective.

We further improve the renewal effort by mailing and telemarketing to those whose membership has lapsed for four to six months. We are able to conduct a professional telemarketing effort because our club membership is large, over 7,000 total with 200 to 300 lapsed members each month. Smaller organizations should consider doing lapsed calling in-house. Conversations with lapsed members can begin by asking why he/she decided not to renew, and if there are ways that he/she would like to see the organization change. Often the member does not realize that his/her membership has lapsed and will renew immediately. Donors who are as dedicated to the organization as these club members often require very little persuasion to renew their commitment. As a follow-up to the call or instead of the call, a lapsed renewal letter should be sent. This letter follows the same format as for other club mailings. The response

may not be great, but it will be better than prospecting for new members and it is well worth the effort. Lapsed efforts can be done once or twice a year, but making it part of the regular monthly renewal process is a surer system. It is all too easy to lose track of these lapsed donors once you postpone doing a lapsed mailing. Our combined mail and telemarketing efforts to lapsed members raise our renewal rate by an additional 10 percent to a 71 percent total and bring an average gift of \$168.

Upgrading is accomplished primarily at renewal time by asking the members in the renewal letter and on the reply device to move up to the next club level. By regularly reinforcing the club levels throughout the year—on the membership card, on the reply coupon, in publications and communications—the members become aware of the levels and the benefits for each. The levels give the members a logical way to increase their support for the organization and of progressing within the club. We have tested the club level upgrading strategy against a more conventional strategy of upgrade based on asking for a gift of one and one-half or two times the most recent or largest previous gift. The results were that the average gift increased with the club-level upgrading strategy with no negative effect on the response rate.

It is also possible to encourage upgrading by offering special benefits. As with other benefits strategies, offer opportunities that are unique to the club and the organization and that reinforce the notion of exclusivity and privilege. Oftentimes the benefit can be time specific, such as an opportunity to participate in a particular event available only to members at that higher level. I do not recommend high-end premiums for upgrading, as they too often result in one-time increases. If this technique is tried, members who upgrade should be tracked so that you know whether that strategy is cost effective over the long term.

### ***Ongoing Communication and Extra-Gift Fundraising***

One of the biggest mistakes you can make in managing your club program is to communicate with the members only at renewal time. These people are your best donors. They deserve and your organization will benefit from all the attention you can efficiently give them. The best ways we have found to do this are through a quarterly club newsletter and our special appeal fundraising letters.

The quarterly newsletter serves several purposes. First, it is marketed as a club benefit and, we have found from surveying club members, it is the most appreciated one. It also serves to tell members about other benefits, which before the newsletter was launched required special mailings. The most important of these announcements is a list of special field trips we offer the members;

these trips are their next most appreciated benefit. The newsletter provides a marketing opportunity for the club levels and benefits, and is a way to reinforce the logo and other visual identification with the club. It gives the

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*Club levels give the members  
a logical way to increase  
their support.*

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organization a place to talk about other special donor programs, like planned giving and our high-dollar fundraising trips, in a publication that targets our best donors. Each issue has a giving envelope enclosed to provide an opportunity for upgrading and extra gifts. The revenue from this envelope consistently exceeds the cost of the newsletter. Newsletter expenses are reduced by mailing the club newsletter inside of the regular membership newsletter, thereby avoiding separate postage costs.

Do not assume that club members have given all that they can or want to give through their club membership dues and exclude them from special appeals. You will be

missing a tremendous fundraising opportunity. Our club members receive all six of the special appeal mailings that go to all regular members. The only exception is those club members who are in their renewal cycle, which is first priority. Club members are our best donors to these extra appeals, giving nearly 40 percent of all appeal income (while representing only five percent of the overall membership). Additionally, the appeal mailings serve to inform club members about special projects of the organization.

### ***In Conclusion***

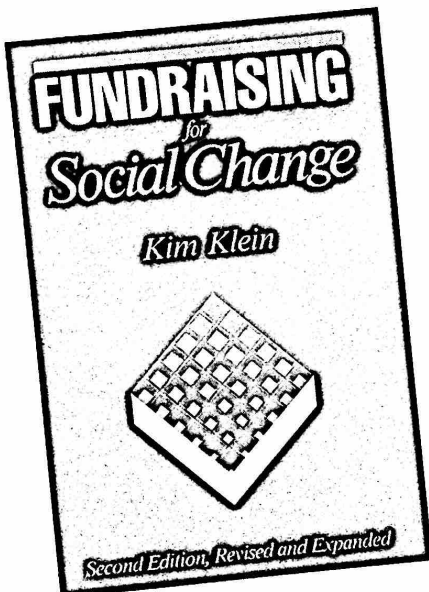
The key to the success of special giving clubs is to treat the members and their gifts as part of an organization within an organization. You must develop within these members a sense of commitment, participation and obligation. With this you are guaranteed ongoing and increasing support by identifying and cultivating the very best institutional supporters within your membership. A high-dollar club really can be a money machine. Build it carefully and keep it well maintained. It will perform for you endlessly. ■

*Carol Blanton is Membership Director for The Nature Conservancy of California.*

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BY KIM KLEIN



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## In the Public Eye

by Wendell Anderson

**H**ow would you like free advertising for your organization? You can get it through publicity. Every nonprofit, regardless of size and reputation, can benefit from a well-designed publicity program.

### *Read All About It*

One objective of a publicity program is to place your organization's name frequently before the public. One place to be seen is in the newspapers. You can, of course, buy advertising. But anyone can buy newspaper space. You want stories about your organization. Newspaper readers trust editorial features more than advertising. They accept, as a newspaper reporter described it to me, "the pseudo-authority of the written word."

The favored method for getting stories about your organization in the newspaper is to issue a news release. (The modern term, by the way, is "news release," not "press release.") The news release is the foundation of an effective publicity program. It is the most reliable way for the media to find out about your organization. Unless your building is bombed or your organization's name comes up in a Senate hearing, the media hear little about you. When was the last time a reporter from your home-

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*Every nonprofit can benefit from a well-designed publicity program.*

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town paper poked her head in your door to ask what's new? It's up to you to let the media know what's new.

A study by the *Columbia Journalism Review* several years ago revealed that 111 stories featured on the inside pages of a chosen issue of *The Wall Street Journal* originated as news releases.

### *What's New?*

What information should your news release contain? Whatever makes news. What makes news? People and events make news. Newspaper editors generally consider the following elements to have news value.

**Proximity:** People are interested in local names and events. A story about your new board chairman can have appeal in your town that it wouldn't elsewhere. Also,

news about the local chapter of your organization is more interesting than news about the national headquarters.

**Timeliness:** Newspapers print stories on the latest trends, styles, and fads and events. They also print seasonal and holiday articles. If you can create a holiday or

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*The news release is the foundation of an effective publicity program.*

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seasonal angle to your news you increase your chances of having it published.

**Surprise:** This is the old "man-bites-dog" angle. Novel and unusual items make news. People like to read about premiers, oddities, and different ways of performing common tasks.

**Progress:** Every paper carries stories on new organizations, technological advancements, innovative techniques, moves or expansions, and awards to agencies or to agency staff members.

**Drama:** The famous vaudeville star George M. Cohan said, "I don't care what they say about me as long as they spell my name right." Disasters, crises, and mistakes are news. At first glance, a story about a fire or a cut-off of funding may seem counterproductive. But newspaper readers identify, and often sympathize, with an organization's struggle.

**Human Interest:** These are the good-news stories about people. Readers respond emotionally to individuals. When businesses or individuals donate time, money, or gifts to your organization, it's news. When your organization or individual staff members donate time, money, or gifts, it's news. When an individual, family, or group improves their situation as a result of help from your organization, it's news. The human element is always newsworthy.

**Write Right**

When writing the news release, as in writing anything else, you must keep your reader in mind. In this case, your reader is the editor of your local newspaper. While editors don't expect you to write complete news stories, they do expect you to submit newsworthy items written in plain English.

The true purpose of the news release is to generate a story, not to be the whole story. Your release, therefore, should pique the editor's interest enough to persuade him to send a reporter to your office to get the scoop.

Your job is to help the editor by writing a compelling, clear release.

Following are some tips on writing news stories that you can use when writing your releases. By following these tips, you'll make the editor's job easier and yours more rewarding.

**Remember the five "W's" and one "H."** To help pull together facts for your release, answer who, what, where, when, why, and how: the foundation of the news story.

**Use the inverted pyramid formula.** A picture of the standard news story would look like an upside down, or inverted, pyramid. At the top—that is, the base of the pyramid—are the most important points. Secondary aspects of the story occur in descending order of importance, with the least important appearing last.

The most important ideas appear in the lead, which is usually one paragraph long. The lead should grab the reader's attention and focus on the point of the story. The ensuing paragraphs complement the lead by documenting facts, revealing further details, recapping important points, or explaining what the event or situation means to the reader.

**Include a headline.** The headline "hooks" the

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Executive Director  
555-1234 ext. 10

Susan White  
Public Affairs Director  
555-1234 ext. 15

June 10, 1993

**New Grant Benefits Women's Shelter**

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—MORE—

**Grant**  
2-2-2

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END

reader, the editor. It should grab her interest and make her want to read the release. Always write headlines in the present tense. Use a noun-verb-object structure. For example: "AIDS Clinic Expands Hours"; "Smith and Associates Donates \$10,000 to Home for Battered Women"; "Homeless Project Hires New Director." The editor probably won't use your headline, but give her the opportunity to turn it down.

**Attribute every quote.** Editors and readers want to know who said it. Quotes such as "An agency representative announced a breakthrough," or "A client praised the innovation" sound contrived. Editors and readers trust quotes attributed to actual people.

**Don't advertise.** A news release is not an advertisement. Avoid self-serving hype and obvious promotion in your release. If you submit an ad disguised as a release, the editor will simply direct it to the round file and may never read another release from your organization. Use understatement in your release. Weed out unnecessary

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### *People and events make news.*

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adjectives and adverbs. No one will believe your organization is unique or worthwhile unless you show, not tell, that it is.

**Keep yourself out of the story.** As the author of a news release, you are, in effect, a news reporter. Reporters must be objective; they don't participate in the events they describe. Keep your "I's" to yourself.

**Write tight.** Be brief. Try to keep your release to one or two pages. Discard redundancies and extraneous facts. Be specific, avoid generalities. Make the paragraph the main element of your release. Introduce one idea per paragraph. Keep paragraphs short, two or three sentences. Keep sentences short, 17 to 26 words.

**End simply.** If you've used the inverted pyramid formula, you've placed the important facts at the beginning of the release. End the release by simply stating the last and least important fact. Recaps, observations, catchy phrases, and well-known quotes are for feature articles, not news stories.

**Include artwork.** Photographs, drawings, and graphs add interesting detail to your story. They also land you more space in the paper. Always describe, on a piece of paper attached to the back, what each photograph, drawing, or graph represents.

**Use the standard form.** Don't try to catch the editor's eye with brightly colored paper, fancy letterheads, or snappy sayings. You don't have to type across the top

in big letters, "NEWS RELEASE." Most editors recognize a release when they see one. It's also useless to type "FOR IMMEDIATE RELEASE." The editor knows when a story is timely.

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### *Help the editor by writing a compelling, clear release.*

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Submit your release on plain white bond paper. You can use letterhead, if you wish. If not using letterhead, type the name and address of your organization in the top left corner. In the top right corner, type the name of a contact person the paper can call for more information. Skip down two lines and type the name and phone number of the person who wrote the release. Tab over to the right, and type the date of the release. Skip down several lines, and type the headline, flush left. Indent first lines of paragraphs. Double space the text.

If your release is more than one page long, type the word "MORE" at the bottom of each page except the last. Begin the second and subsequent pages by typing one or two words from the headline and numbering the pages "2-2-2"; "3-3-3"; and so forth until the last page. When you get to the end of the release, type the word "END," and center it.

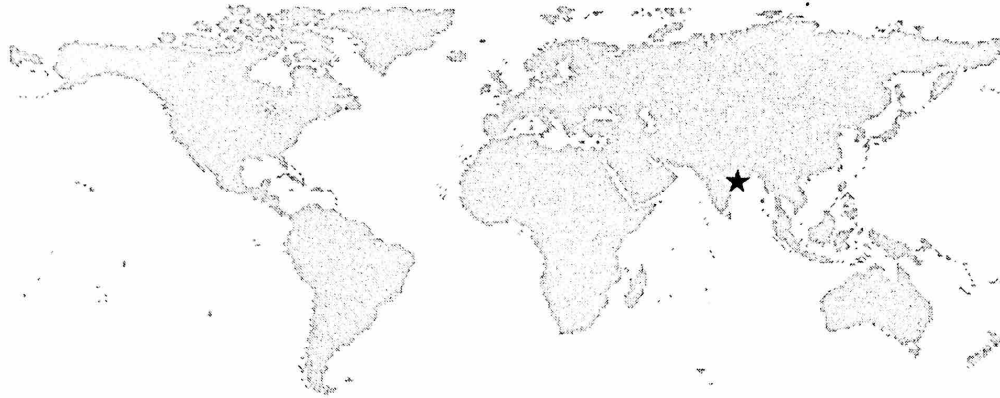
**Send your release to one person.** Don't try to cover all your bases by sending your release to the city editor, a sympathetic reporter, and an advertising representative. It's best to deal with only one person, the editor. If, however, out of courtesy, you want to send a copy of your release to a reporter with whom you've been working, let the editor and the reporter know that you are submitting multiple copies.

**Never call the editor** to see if he's going to run your release. If you pester the editor, you could hurt your chances for future consideration. Editors make editorial decisions based on a number of journalistic and business factors. If the paper doesn't run your release soon enough to suit you, it's probably because, in the editor's professional judgment, the timing or the story was not right.

In conclusion, a publicity program that includes newspaper stories can garner your organization a positive image, possibly increasing both your membership and donations. ■

*Wendell Anderson is the editor of Business News in Eugene, Oregon and a freelance writer. His article "Profile Your Ads" appeared in Volume 7, Number 3 of the Journal (June 1988).*





## KIM KLEIN: REPORT FROM THE ROAD

*Since June, 1992, my partner and I have travelled to the Caribbean, Australia, the Far East, India, and the Middle East, visiting and providing training to nonprofit organizations in many countries. This report describes our time in India.*

We spent two months in northern India, visiting Calcutta, Varanasi (also known as Benares), Bodhgaya (where Buddha became enlightened), Delhi and Dharamsala (the Tibetan capital in exile). During that time we met and talked with a number of small non-governmental organizations (NGOs, as nonprofits are called abroad).

We were in India from January to March. This was a very tense time for India and many people thought the country might break into full-scale civil war. Fortunately, that did not happen. Let me give some brief background on this tension.

On December 6, 1992, right-wing Hindu fundamentalists demolished a mosque in a town near Varanasi. This mosque has been a source of conflict between Hindus and Muslims ever since it was built, about 400 years ago. Some Hindus claim it was built over the birthplace of the Lord Rama and that a Hindu temple was destroyed to build it. Others dispute this claim, saying there is no evidence that a Hindu temple ever existed there. Nevertheless, for many years Hindu fundamentalists have threatened, and occasionally attempted, to tear it down. The British "solved" the problem by forbidding the mosque to be used for any religious purpose. (Even after India's independence, it was not reopened.)

That this mosque was demolished now is indicative of how the fundamentalists have grown in power. A wave of riots and killing followed the mosque's destruction and by the middle of February more than 1500 people had been killed throughout northern India; thousands more were wounded. Bombay was in a state of virtual anarchy for ten days, with thousands of homes and neighborhoods torched. There was violence and

rioting off and on in almost every town we visited, though luckily never while we were there.

### *Communalism and Secularism*

The problems that led to this violence are complex. Several political parties in India want India to be a Hindu theocracy. The most powerful of these are the BJP, the RSS and the Shiv Sena. The Congress party, however, which is in power (and is the party of Mahatma Gandhi, Nehru and Indira Gandhi, among others), though riddled with corruption and mostly ineffective now, is in favor of India remaining a secular state. They are joined by the four major Communist parties and a host of smaller political parties. The BJP and its allies have drawn support from middle-class business people and working-class Hindus by saying that Muslims are taking jobs that could be held by Hindus, that Pakistan (a majority Muslim country) is trying to take over India and that Bangladesh immigrants (also mostly Muslim) are taking jobs from Indian citizens. They also rally religious zealots by saying that 10,000 mosques are built over Hindu temples and that it is a religious obligation to tear them down. Some of the political leadership, such as Bal Thackeray of the Shiv Sena party, have said that Muslims are just like Jews and should be gassed. On the other side are some Islamic fundamentalists who burn down Hindu temples and have burned Hindus alive in their homes, especially Hindus living in Pakistan and Bangladesh.

It was abundantly clear to us from talking to people and from what we read in the press that the majority of Indians, regardless of religion, believe that India should be a secular state open to all religious beliefs.

Most of the groups we met with are doing some work to address what we would call this religious fundamentalism, which they call "communalism." Opposing communalism are groups working for "secularism."

The largest of the groups we met addressing communalism was an NGO in Delhi called the Voluntary Action

Network of India (VANI). VANI, a network of hundreds of NGOs, has three primary goals: promoting India as a secular state, coordinating the work done on structural adjustment (related to repaying debts owed by the government to the World Bank), and providing a forum for activists to talk to each other and do research (they have an impressive library). VANI also runs a guest house upstairs from their office, where we stayed.

The guest house has three rooms with four single beds each and two bathrooms. No food is served, but in the morning each guest is given a glass of hot milky and highly sweetened tea. Activists from all over India and occasionally foreigners like ourselves stay there. Lodging costs 40 rupees (\$1.25) per night, which is very inexpensive even by Indian standards. Even activists who get paid for their work tend to make under \$1,000 a year, so this guest house is a great service.

For us, it was a fantastic way to get to know some activists, both those who were working there and those who were staying there to do business in Delhi. VANI was just then organizing an enormous conference on organizing against communalism for about 5,000 activists. The staff (mostly volunteers, many of whom are students) were at work literally day and night getting mailings out, setting up workshops, finding places for people to stay and arranging for buses to take people to the site (20 hours by train or bus from Delhi). The conference lasted three days and the organizers told us afterwards that it went on well into each night.

### **Organizing Women Workers**

In addition to the people organizing this conference we also met activists who were in Delhi to meet with funders. One was a man named Pranab Mandal. Pranab is in his 50s, and had come from Calcutta. At the train station he tripped and broke his leg. He was not allowed to leave his room in the guest house for about two weeks, and we spent a lot of time talking to him. Pranab organizes women who work as day laborers in the construction industry. These women are generally very young (teens and twenties) and come to Calcutta from outlying villages to get work. They are hired for pitiful wages, low even by Indian standards, and below what is paid to men. They have no training for their work and are used for dangerous or really dirty jobs. There are few safety regulations in the construction industry and it is dangerous work for everyone. In addition, many of these women are used as prostitutes for the men at the construction site. If they do not comply, they will not get paid at all. Working with a team of women organizers, Pranab is trying to form these young women into a women's union inside the construction workers union, and also to help them understand the laws that apply to them and how to get legal help.

Pranab is a long-time member of the Communist Party of India. The state of Bengal (of which Calcutta is the capital) has elected Communists to power since independence. Though loyal to Communism as a philosophy and political method, Pranab has become increasingly disillusioned with the splits within the party, which he thinks are largely semantic or the power grabbing of individuals. He has watched the Communist Party split into the CP of India and the CP-Marxists, then further split into CP-Marxists-Leninists, Maoists, Trotskyites and so on. From one party at independence, there are now four major Communist parties and a variety of smaller ones.

For many years Pranab fought in the jungles of Nagaland for the independence of that state. He left the jungle when he realized that even in these extreme liberation struggles, women were not treated as equals. "Communist men make women do all the same work as us and then fix dinner," he said. He has spent the last ten years working with women.

### **Fundraising and "Swadeshi"**

Most of the groups we met raise some of their money from overseas. They also sell publications and sometimes handiwork, they have memberships and occasionally sponsor special events. They were eager to learn more about fundraising and many felt that they could raise a lot more money in India. It is a nation of 870 million people, and even though the majority are poor and often very poor, about 10% of the people are upper class and another 15% are employed and middle class. This means upwards of 220 million people have incomes and even inheritance they could donate. Mobilizing these resources will be a major organizing effort, complicated by the usual lack of checking accounts, lack of familiarity with fundraising outside of a religious context, and so on. But it can be done.

As part of the struggle for independence from the British, Gandhi promoted the concept of "swadeshi," which is a philosophy of purchasing only things made in India. This philosophy has inspired a huge desire for self-sufficiency: Swadeshi is being applied to raising money locally and taking pride in moving away from foreign sources of money.

By far, the way most of these NGOs finance their work is by spending very little money. They are extremely cost-conscious and will sacrifice any comfort (such as good lighting for their offices or salaries for staff) to save money. They use a vast network of volunteers to get their work done. If they combine the same ingenuity they use in managing their money with the knowledge they are gaining in fundraising, they will have all the money they need.

Next, our visit in Israel and Spain and some final reflections on NGOs around the world. ■

# Profile of a Major Donor

by *Kim Klein*

This couple lives in a small town in the Northwest. Both were raised in New York. He is 33, a political consultant; she is 40, a massage therapist. Both are heirs to large industrial fortunes. Her parents are dead and her inheritance of just under \$1,000,000 is almost entirely invested in real estate. She receives \$20,000–\$30,000 annually from these holdings. His parents are still alive, and he has received stocks worth around \$500,000 and a trust that yields an income of \$50,000 a year. In addition to their inherited income, both have incomes from their professions. She earns around \$20,000 and he makes about \$40,000 a year, varying with each political campaign. In the 9 years they have been together, they have never had less than \$100,000 in income, and for the past three years they have had over \$150,000, including the dividends from his stock holdings.

As a couple, they give away \$20,000 a year to a community foundation that makes grants to small organizations in their region. Their gift to the community foundation is anonymous and they do no other giving. I was introduced to them by the staff person at the community foundation that is the recipient of their annual gift.

This couple lives in a ramshackle two-story house on an acre of land. They have a garden and are

part owners of an organic farm. They eat only organic vegetables, no meat, no sugar, and little dairy. They do not drink any alcohol, and try to confine themselves to drinking only water.

The woman described their lifestyle as follow: "We live very simply. We are strict about our eating partly because of health, but also for moral reasons. For example, we don't drink coffee because as an export crop for the third world it is grown in place of food and requires heavy use of pesticides. We don't eat any fruit that isn't grown in this bioregion. I haven't had a banana in ten years. We don't eat flesh because we believe it is wrong to kill animals. We believe in earning low incomes so that we can be in solidarity with most of the world's population."

I asked how they justified keeping their inheritance in light of their goal to be "in solidarity" with most of the world. He responded, "We agonize over that. We know we can always give it away, but we can never get it back once we do." She had a different interpretation. "I keep mine for my children. They may have different values from me and I don't want them to hate me because I gave away all this money." Since they have no children, I asked when they planned to do so. She replied, "We agonize over that, too. We haven't decided to have any, but if we do, I want to have my money."

## "Living in Solidarity"

I returned to the issue of living in solidarity: "Your combined earned income puts you in the top 10% of American wage earners, and you have other income as well. Your giving is about 15% of your gross income. What do you do with the rest of your money, and how do you see your earnings as an act of solidarity?" The question received a thoughtful response from him. "Giving away money makes people hate you. They hate you for having

more than they do. We only make one gift, and that anonymously, so that no one will know we are rich. We reinvest our excess income into stocks and real estate, and we travel occasionally. The fact is that we could be a lot richer, if we paid attention to our money, or if making more money was a goal. Our solidarity is by not seeking to earn more than we already do."

I wanted to know more about what experience had caused him to think that giving away money made people hate the giver for having more than they did. "It's clear," he replied, "that people without money hate those with money." I said it was my experience that what people hate is the having of money, and that giving it away may be the only redeeming quality of wealth.

She responded defensively, "No one in this community knows we have money except the person at the community foundation who introduced you to us. All we want is to be ordinary people working for a better world by our lifestyle. We do our share of giving. If we did more, people like you would be beating down our doors. A friend of ours who is wealthy and gives away more than half of her income is besieged by fundraisers guilt-tripping her to give more, more, more. They will never be satisfied until they have it all." She seemed embarrassed by her outburst and sat back in her armchair with her arms folded over her chest and stared at the floor.

I asked them if there was anything they would like to ask me. He asked, kindly and like he really wanted to know, what it was like to interview people about such private things as their money. I explained that, in my view, I don't ask people things about their money that are private, such as what they paid for their house, or how they choose presents for each other, or any other spending questions. I ask people about their giving and their rela-



relationship between their money and their values. I also apologized for being a bit harsh in my questioning with them.

### Working with Perceptions

What is interesting about these donors is that their perception of their lives and their sense that they live their values is less close to reality than for many of us. They are decent people with admirable values, but, although they truly agonize

about their money, they seem to prefer to remain agonized rather than coming to terms with it. As a result, they choose to believe things about themselves that aren't true—such is the seduction of wealth. For example, their perception that no one in the community knew they were rich was completely false. Although I had gained access to them from their friend at the foundation, I had heard of them both from many people where they lived and in the east coast town where they grew

up. Their belief that people would hate them if they were known to be wealthy does not match what others have said about them to me.

One lesson from this interview is clear: as fundraisers, we work with people's perception of themselves, and rarely are facts and perceptions the same. We can never underestimate the number and quality of fantasies people have about their lives and about what other people think about them, particularly with regard to money. ■

## Book Review

### 999 Tips, Trends and Guidelines for Successful Direct Mail and Telephone Fundraising

by Mal Warwick, with Deborah Block, Stephen Hitchcock, Ivan Levison, and Joseph H. White, Jr.

Strathmoor Press  
2550 Ninth Street  
Berkeley, CA 94710  
800-388-3348

\$34.95 plus \$3.00 shipping  
(CA residents add \$2.88 tax)

Reviewed by Bruce Immerman

Fundraising through direct mail is one of the oldest strategies and the most successful, low-cost way to generate income for your organization. With high competition for the charity dollar, only the most urgent, well-thought-out direct mail programs will perform satisfactorily.

More and more people are buying through the mail, as the convenience and quality of catalogue sales attest. Consumers now wade through thousands of pieces of unsolicited mail to find something that catches their eye. One of the biggest challenges fundraisers face involves getting their direct mail package noticed and opened in the first place.

Mal Warwick's latest book offers advice to solve that problem. Warwick is an experienced direct mail and marketing consultant who frequently writes about direct mail fundraising techniques. This book is mainly a collection of newsletter columns from the past and a compendium of journal articles written by Mr. Warwick's associates. The combined wisdom of the book's contributors gives valuable insight into starting a direct mail program, building relationships with donors through the mail, improving copywriting skills, producing direct mail packages and raising big gifts through the telephone. Many of the methods are tried and true, even though the articles in which they were originally published are showing their age.

The book is itself written in "direct mail" style; that is, it's replete with bulleted paragraphs, short sentences and extra indentations, as though its audience is a converted subscriber to the art. Three-sentence fundraising tips appear italicized in the margins of longer articles.

Many of Warwick's most interesting observations are derived from sending money to charities (hundreds of them) and critiquing the direct mail packages that are sent back to him in return, including acknowledgments, special appeal requests, renewal notices and acquisition packages from new organizations that have "bought" his name. Though these experiences are alluded to occasionally in this book, they are not elaborated on. Nor does the book deal with testing mail packages, though Warwick and his colleagues repeatedly remind the reader to test results before declaring victory. Instead, Warwick refers readers to his book, *You Don't Always Get What You Ask For*, published last year.

These criticisms aside, the tips and suggestions in this book are a fertile starting point for beginning and developing a direct mail fundraising program. The guidelines are both useful and allow room for creativity. The overall achievement of this book is that it packs in a lot of resourcefulness in a breezy and informative way. ■

*Bruce Immerman is Associate Director of Membership for The Nature Conservancy of California, and raises money through direct mail and telemarketing.*

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