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## Corporate partnerships: The art of the deal

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# Corporate Partnerships:

## The Art of the Deal

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**Y**ou finally mustered enough courage to make that cold call. The Books for Babies program that really pulls heartstrings. It's your work's passion. A great program that's starting to make a real difference with the traditionally underserved populations. Doesn't the name say it all? How can they turn you down?

The phone rings until voice mail kicks in. You hang up. You call several times that day, and the next, and the next. Voice mail every time. Until on day four, when you finally get through, but by this time you are so worked up that you forget your relaxed and well-rehearsed pitch. You fumble. You stutter. The corporate executive on the other line is not giving you any help. Silence. Finally, he says, "So you're asking for a donation? For some library program? You really need to talk to Keri Coulter and she's on vacation for two weeks."

Still you don't quit and two weeks later, when you finally get Ms. Coulter, she says dismissively, "Oh, there's no chance for funding this year. All our monies are committed. Try back next year." Click. The phone goes dead. And so goes your spirit.

Welcome to corporate solicitation, where time is money and money takes time. It is a strange and mysterious world, made all the more inscrutable by its frenzied pace and shifting landscape: Mergers. Changing personnel. New marketing initiatives. Harried executives always racing to stay ahead of the next wave. You don't understand it. You don't really want to understand it. You just want funding. Why does it have to be so hard?

Before you go out knocking on a potential corporate sponsor's door, ask yourself: How important is this money to our organization? Are there other ways I can get the job done? Other pots of money? Ways I can scale down the program? State monies or foundations that I have dealt with before and know I can approach?

If you're still reading this, it's a good sign that you're not totally discouraged. The reality is it's possible to get corporate donations without a terrific amount of work; a gift certificate for a raffle, even \$500 to help a program. But if you're looking for a successful corporate partnership that truly contributes to your bottom line, roll up your sleeves. It will take time

and work and diligence. The payoff will only be as good as the investment you make.

**Hard Lesson #1: It's about catering to their interests.** Crass? Yes. Realistic? Absolutely. Really necessary? Sorry, that's the way it is.

There was a time not long ago when corporations felt they had a social obligation to share the wealth and to improve the community in which their employees live. To give back, as it is often put. They still do, with the twist that many are feeling the heat of the crowded and competitive marketplace to leverage giving into a marketing or public relations benefit. This is not to say there aren't companies who write checks for good causes. But more are swayed by the proposal that includes an appearance by the CEO at the press conference with a large check, their logo on the program guide, and complementary passes to a fundraising event. Even so-called quiet companies are going to scrutinize proposals that allow them to feel that their contribution is going for the maximum benefit. They want to be able to say they—and they alone—sponsor that after-school tutoring program for teenagers. As business people, they may want to know how credible you are. Will you do what you say? What's your track record in administering programs? Will you make sure that they are prominently featured as sponsors?

At Multnomah County Library, we have had solid successes with attracting and keeping corporate partners. (Any business will tell you customer loyalty, not customer acquisition, is the key to longevity).

The Library Foundation, newly formed to raise enhancement funds for the library, including the remodeling of Central Library, has been very successful knocking on boardroom doors. Among its successes, the Foundation has secured a \$50,000 grant from banking giant, Wells Fargo, for our *Home-work Helper* program. For \$150,000, new merger, PGE

- Enron, got bragging rights for the *PGE - Enron Children's Media Center*. In both cases, a similar strategy is noteworthy. PGE - Enron and Wells Fargo were both new to Portland and wanted to make a statement about their commitment to the community. The Library Foundation found out how much the bank and the utility were capable of giving, who to ask, what to appeal to, all in an economic and persuasive way. Hitting all the right notes and not wasting time was essential.



Paul Bragdon, Multnomah county library foundation president and Ginnie Cooper, director of libraries, Multnomah county accept check from Rick Allen, Wells Fargo.

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Perhaps our most illustrious long-term partner is Starbucks Coffee. At their expense, they built a custom espresso bar in the Central Library. The entire operation is turnkey. Aside from monthly rent, which is a percentage of gross sales, Starbucks agreed to participate in library sponsorships, as well. To maximize the relationship, Starbucks has worked with the library on developing some unique campaigns, providing cash underwriting, and marketing support in all 50 Portland area stores. In nine months, they have made a total contribution of more than \$100,000 and helped to reach millions of people at no cost to the library. It is truly a mutually beneficial relationship that we continue to value.

To reopen the Central Library after the renovation, Starbucks, along with presenting sponsor AT&T Wireless, was a major cash sponsor of the *Come Home* campaign and received visibility on banners, signs, television ads, and busboards. Starbucks also supported the campaign in all stores with *Come Home* exterior banners, napkins, and T-shirts for all 500 of their employees.

At their own expense, Starbucks created, produced, and mailed 65,000 “free drink” postcards to library patrons who were blocked from using the library because of large overdue fines. Pay off your fine and get a free latte! The *Better Latte Than Never* campaign recovered \$35,000 in additional fines, advertised, and drove traffic to the library espresso bar (thereby boosting revenue again through receipts). One patron paid \$80 for a free latte!

Starbucks has also provided free coffee for library lunchtime Brown Bag lunch series with corporate identification on flyers. It has underwritten theatrical productions at schools in which 100 percent of students and teachers signed up for library cards, with free drink coupons to teachers as an incentive to participate.

Most recently, Starbucks wanted to help reopen the library on Sundays until a new tax levy was passed to keep it open permanently. With their commitment of cash from the sale of newspapers and production of an in-store campaign in all 50 stores that would include visibility for participating sponsors, Starbucks helped the library develop an attractive sponsorship package to lure retailer Nordstrom and high-tech company Tektronix. The other sponsors admitted that having Starbucks pitching for the library gave the cause both star power and credibility.

With stores opening all the time in new markets, Starbucks’ greatest challenge is managing its phenomenal growth. Their market is affluent, conscientious and discriminating. They want to know what Starbucks is giving back to the communities they infiltrate and markets they dominate. By focusing on promotions with an extremely popular institution like Multnomah County Library (80 percent of residents have library cards; circulation of over 8 million items a year tops Los Angeles Public Library),

Starbucks can reach many people both in promoting literacy and revealing its human side. The library wins by maximizing and leveraging Starbucks for its market penetration and deep pockets.

For those of you who want to venture forth and forge corporate partnerships, keep in mind:

### **1. PARTNERSHIPS ARE MUTUALLY BENEFICIAL RELATIONSHIPS.**

You know what’s in it for you. What’s in it for the corporate partner? Is there a publicity opportunity? Something they can put their name to? Can their employees be involved as volunteers? Did an influential business person make the ask for you, playing the game of who owes whom? Is it a great program that has proven results with a modest budget? In that case, decision-makers who are accountants are going to be drawn to the proposal over marketers who are looking for what they can do with it. Keep the dialog going. Knowing the concerns and interests and showing that you are aware of them are key to keeping the sponsor a long-term ally rather than a one-time friend.

### **2. CULTIVATE THE RIGHT CONTACTS.**

In many cases, having the right person ask at the right time can outweigh almost any other consideration. There’s much to be said about business on the golf course. I have seen executives toss a proposal to the side, slap the solicitor on the back, and start jawing about vacations. Ten minutes later with hardly any mention of the program, a commitment was forthcoming. The people in charge do get to call many of their own shots. The key is credibility. If they know they can trust the person making the ask, the rest beyond the amount of dollars are just details. You can go it alone, but if you want to tap into larger donations, find the right person to make the final ask.

### **3. UNDERSTAND WHAT APPEALS TO THEM.**

This involves research (finally, something you’re comfortable with!) as well as an ongoing dialogue. What is the focus of the corporation’s giving? If they give to diseases and shelters, it may be tough. If, on the other hand, they like kids and literacy, you’re halfway there. What else are they contributing to? What other gifts have they made? What’s the range? Who was the recipient? Was it a quiet gift or was their name all over the place? It is also useful to know as you explore the intricacies of a corporation, where money comes from. Do you have the ear of a young marketing coordinator, eager to leverage the most for his company? In that case, the money may be coming from a marketing budget. Stress the opportunity to appeal to their customers. Or are you talking to an employee in human resources who sits on a committee of other managers? In that case, the money comes from a designated pool for donations. Stress program effectiveness and organizational credibility but also try to add something that will make the marketers happy.

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## Corporate Partnerships *(continued from page )*

### 4. FOCUS YOUR EFFORTS.

Just like relationships, it's tempting to want to throw in the towel if you are unsuccessful at first. It takes work to make them work. I don't like asking for money from strangers. It's not fun. I would much rather cultivate a friend so that the asks can eventually come down to a quick e-mail or phone message. When a relationship is established, it's easy to find support. The only way to do that is focus on a handful of good prospects. Don't paper the city with proposals to people you don't know, unless you need some prizes for a Summer Reading program. Target the likeliest funding sources and cultivate their support.

Oftentimes, what you thought was a solid idea for funding morphs into something the corporation favors. Caution: don't be transfixed by the lure of money. Is this really what you want the money to go for? Does it fit your organizational objectives? Or is there some way of making the library and funding source happy by compromising? Perhaps not a full-fledged, door-to-door outreach program, but maybe a published resource guide and web page?

### 5. DO WHAT YOU SAY.

So the money is in hand. You can relax. Right? Sorry, again. The key to establishing a good reputation in the corporate giving world is follow-through. Do what you say you were going to do. If the corporate logo was going on the program's T-shirts, make sure

## Cooperative *(continued from page )*

reference collections. In FY1997-98 MIX libraries made nearly 1.3 million direct loans. Washington County residents borrowed 306,544 items at other counties, and our participation in the MIX program will cost the Cooperative \$81,504 this year. At 27 cents per loan, that is a very cost-effective extension of our services.

Assuring Excellence: The County defines library service levels through our contract with city and non-profit associations. The current contract's formula for distributing funds is based primarily on reimbursement for circulating materials, paying for service provided. While circulation may not sum up the total worth of a library, over the years we have found that in addition to being an easy and objective unit of measure, it tends to parallel other levels of a library's service. If you have knowledgeable staff that provides good customer service and your collection meets the needs of the local community, your library will circulate more books. Just like department stores, people return to places that have good products and good service.

In 1993 we added a reference component to the formula. Libraries received an amount of money adequate to maintain a current basic reference collection. The goal was to assure that even the smallest library could provide basic reference service and

it is there and send them a few as tokens of appreciation. If you were going to buy three computers, show them photos or give them a tour of your new center. Have them meet with some of the participants. Up to this point, I have talked about serving corporate needs. Don't underestimate the power of your programs. Let them sit in on a story hour for preschoolers rapt with attention over the telling of *The Very Hungry Caterpillar*. Have them meet one of your most inspired volunteers in the *Homework Helper* program. Emotion is good. Appeal to their hearts as well as their brains.

### 6. YOU CAN NEVER, EVER SAY THANK YOU ENOUGH.

Find different ways. Report back on the success during the funding period, offering highlights. Have volunteers or participants write letters of thanks. Give them a certificate of appreciation or plaque they can frame. When we re-opened for Sundays at Central, we had a thank you brunch (with donated food) for Starbucks, Tektronix, and Nordstrom. Nothing is as powerful for givers as to be thanked by their own employees for making a gift.

You may find that developing a corporate partnership is easier than I have outlined here. You would be lucky if that were the case. But if you follow these guidelines, you'll be in a better position to realize the kind of partnership that keeps on giving. **Q**

that larger libraries could enhance their reference collections. In 1996 we added a third component as an incentive to increase library access. Libraries received additional funding equivalent to .25 or .50 of an average library assistant's salary to meet OLA standards of Adequate or Excellent for hours open to the public. (The amounts were enough to staff a building for the additional number of hours.) Countywide we have less than half the square footage recommended by OLA, so to make the best use of these crowded facilities, we created this incentive to keep the buildings open longer hours. It worked. All libraries met at least the Adequate standard for their respective service populations, and beginning this month there are now seven libraries open seven days per week.

In the future we'll be looking at ways for the reimbursement formula to measure better collection value, i.e. reward libraries for investing in the quality of their collections, especially items that are expensive or non-circulating like reference materials and local databases. We've also discussed using the Reference Grant funds as a pool to be used for subscriptions to shared electronic databases, rather than distributing it in small amounts to libraries. In the last 24 years we have matured from providing basic service to delivering a full range of services for a diverse and growing community. **Q**