

What to Do about Charitable Contributions

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Law firms are constantly hounded by charities wanting contributions, selling tables at events and advertisements in dinner programs. The partners often look to the marketing director for guidance. Smart marketing directors have taken several approaches to dealing with charities that want contributions.

Client Involvement. Determine whether a client is making the request, or is on the board of the charity or is speaking or being honored at the event. If so, it's a good candidate for a contribution. Consider requests that have a dual benefit -- they are for a good cause *and* they serve another purpose:

- Prospective client development. Look for a good chance to get some of your lawyers in front of potential clients.
- Current client relations, i.e., a good client of the firm made the request.

Attorney Involvement. Look for a connection between the charity and someone in your firm. Make it a policy not to give money to charitable organizations unless a member of the firm is already involved with the organization--usually as a board member. If no one from the firm is involved, tell the charity you'd like to support their cause actively -- not just with money, but with a member on their board. If they can't offer you a leadership position, give money to other charities that will.

Establish a Budget. An important part of any charitable giving policy is that you determine what you are going to give for a particular calendar (or fiscal) year -- and stick to that. If a group seeking a contribution is not in the budget, their request can be considered for the following year.

Stick to Law-Related Charities. Rather than make a donation to the Harp and Shamrock Society, focus instead on a charity that is involved in the legal profession. Some firms donate almost exclusively to nonprofit organizations providing legal services to the disadvantaged and legal advice clinics.

Set up a Committee. A formalized procedure can be a way to organize the welter of pleas for donations. One law firm in Canada set up a procedure in which a charity must apply in writing

to receive a donation. A committee at the law firm reviews all the applications and selects the recipients, which may get a sizable, multi-year contribution.

Establish a Foundation. A Richmond, VA, law firm saw the importance of making charitable giving a focused effort. The firm set up a foundation which is funded by all the shareholders. This provides them a significant tax break for their contributions, and now when they receive a solicitation from a group, the request is first screened by the marketing professionals.

Seek Positive Publicity. Capitalize on donations by turning them in to public relations successes. For example a Phoenix law firm sponsored an exhibit at the city art museum and it promoted the event in advance. Lawyers from the firm attended the event, which was clearly identified in signs and placards from the law firm. Events like this don't bring clients in the door overnight but they do raise the firm's visibility in the business community.

During the holidays, a partner at the law firm Fraser Milner in Edmonton, Canada, personally collected money from people in the office to buy 70 turkeys, which were delivered on-the-air to a local radio station that was helping a Christmas fundraiser. This way the firm could show the community that your lawyers cared--out of their own pockets—and it made a big impression.

Things to avoid. Stay away from political contributions to politicians and judges. This is not charity; it is politics, which is a totally different animal. Also, avoid buying ads in sports team program books -- because if you buy one, you have to buy dozens.

For more on this topic, call:
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