



# Telos Newsletter

## Introducing Telos Research



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After eleven years of working within the voluntary sector, early in 2006 I decided to strike out on my own and set up Telos Research to provide prospect research support across the not-for-profit sector.

Having worked as Research Director at The Factory in Bristol, I came to feel that I would be providing a more tangible benefit to client organisations by working more closely with them. Trading as Telos Research, I am able to spend plenty of time in discussion with clients to identify research needs and to define a brief which takes better account of those needs. As I then also do the research myself I feel I am able to respond to the more subtle aspects of a fundraiser's needs. Therefore am able to deliver the most relevant information about the strongest possible major donor prospects for a campaign—resulting ultimately in greater ma-

ior donor fundraising success.

During this first year of trading as Telos Research I have greatly enjoyed working in this more integrated way with fundraisers from a wide range of organisations and am looking forward to the wide variety of projects I will tackle in 2007.

During 2006 and early 2007, I also worked with fellow prospect researcher Robin Jones to

provide prospect research workshops in London, Cardiff and Bristol. These are much in demand, so I expect to be running these on a regular basis in cities across the UK.

I have decided to produce a newsletter comprising some short features about prospect research and major donor fundraising. As we have just arrived in 2007, the theme for this first issue will be a potted review of 2006 and a look forward to 2007.



**View from the Telos Research office window—just to show off my rural location!**

## Key Philanthropists of 2006 - a few of them anyway

- More than just the donation of the year, in fact hailed as the biggest charitable donation ever, **Warren Buffet's** \$20 billion gift to Bill Gates' foundation was announced in June 2006
- In September 2006 Socialite **Renu Mehta** launched the Fortune Forum "to augment the culture of giving in the UK"
- Also in 2006, **Louise MacBain**, the world's 25th-richest woman founded the Louise T Blouin Foundation in Shepherd's Bush. In line with Louise's business and personal interests, the foundation aims to support arts projects, including those which help to promote cross-cultural understanding and research into creativity
- Impetus Trust, established by social entrepreneurs **Stephen Dawson** and **Nat Sloane** in 2002, continued to make major donations and provide development support to charities working with the disadvantaged and other causes throughout 2006
- **Carol Colburn Hogel's** Dunard Fund donated £500,000 to the Edinburgh International Festival
- **Rosa Monckton** announced plans to donate 5% of sales from her jewellery and homewares business to children's charities. The company chairman **John Studzinski** is one of the City's most generous philanthropists who donates half his £13.5 million salary to charity

[More info on key philanthropists on page 2...](#)

# Fundraising Trends

## Where are we going in 2007?

Recently, almost every fundraising consultant I have spoken to has made reference to the rise of **major gift fundraising** and indeed, according to new research published by the Institute of Fundraising in July 2006, income from major gift fundraising has soared by 300% over the past three years. As John Baguley, trustee of the Institute of Fundraising and director of the International Fundraising Consultancy commented "major donor fundraising is outstripping all other techniques as a cost effective source of very large sums of money".

This rising awareness within not-for-profits of the potential for revenue from higher value donors is coupled with an increase in the sophistication of the prospective



**Early in 2006, author JK Rowling made an undisclosed major donation to the MS Society Scotland.**

donor. Developments in access to information over the past few years via sites such as [www.charityfacts.org](http://www.charityfacts.org), [www.guidestar.org.uk](http://www.guidestar.org.uk), [www.intelligentgiving.com](http://www.intelligentgiving.com) as well as the ability for individual volunteers

to take control of their fundraising through the justgiving website and increased mainstream media interest in charity fundraising has had a deep impact on the degree to which the donor is an interested and informed participant in the fundraising process. As such, the donor has a higher expectation of the fundraiser, is more likely to raise questions and he or she may well want to be involved as more than simply a source of cash.

Greater donor involvement can strengthen a prospective donor's commitment to a cause or organization and therefore should be embraced by fundraisers. Indeed, fundraisers don't have much choice here anyway; if they don't welcome donor involvement, they are likely to find that their donors are taking

their interest elsewhere.

In order to ensure that the new, more informed donor is cultivated such that he or she "buys into" any given fundraising campaign or cause, the fundraiser needs to know who they are, what motivates and interests them and how much they might reasonably be asked to donate. The mantra "know your donor" has never been more resonant. Now, more than ever, good quality up-to-date prospect research is invaluable.

## Key Philanthropists of 2006 - a few more

- Russian billionaire **Alexander Lebedev** made a £100 million donation to the Raisa Gorbachev Foundation which helps children with leukaemia
- **Michael Schumacher** who was the biggest private donor to the Asian Tsunami Appeal, making a personal donation of £6 million, announced his retirement from motor racing. Having given away more than £30 million over the past four years, there is speculation that he intends to spend his time and money on a full-time charitable foundation
- It was only in 2006 that the £50.4million donation from **Christopher Hohn's** The Children's Investment Fund to its charitable arm came to light. The charity which helps to alleviate child poverty in the developing world is run by Christopher's wife **Jamie Cooper-Hohn**. Multi-million pound donations have also been received by US charities working in the same field
- Entrepreneurial philanthropist **Sir Peter Lampl** continues to support the under-privileged by providing educational opportunities through his Sutton Trust
- Scottish-born multi-millionaire business turnaround specialist **Iain MacRitchie** and business partner **Nick Walters** donated £250,000 to establish the MCR Foundation, a charitable trust aiming to support initiatives to help the under-privileged in Scotland. The foundation is set to receive 10% of MacRitchie's holding company's annual profits

# The Big News Stories of 2006

## New Charity Legislation

**On 8<sup>th</sup> November 2006, The Charities Bill for England and Wales received Royal Assent** and is now **The Charities Act** and therefore is law, although it is not yet in force.

The key change that this Act will bring in for registered charities is that they will be assessed by the Charity Commission to determine whether they are considered to provide "public benefit".

Those deemed not to meet this requirement will no longer be entitled to register as charities and therefore will no longer benefit from the tax advantages that charitable status confers. It is still unclear whether organisations such as public schools and fee-paying hospitals will be judged to meet the "public benefit" criterion.

A similar process is also underway in Scotland.

**The Charities and Trustee Investment (Scotland) Bill received Royal Assent in July 2005.**



## Fundraising Standards Board

In 2006, the Fundraising Standards Board was at pains to persuade organisations working in the not-for-profit sector to sign up to its self-regulation scheme. Chief executive Jon Scourse was extremely visible – I don't think I attended a

single conference where I didn't see him!

**The FSB has now attracted 151 members and has announced its launch date to the public which will be 12<sup>th</sup> February 2007.**

The take up from not-for-profits and fundraising

suppliers has disappointed the organisation, especially as very few of the largest charities have signed up; notable exceptions to this are the WWF, Alzheimer's Society, VSO and Sense.



A handful of charities are now displaying the FSB tick logo—as shown above – in their literature

## Launch of the Controversial Intelligent Giving website

2006 saw the launch of [www.intelligentgiving.com](http://www.intelligentgiving.com), a website designed by donors to provide information about charities to help other potential donors to assess which charities are most efficient and most deserving. Soon after its launch, the organisation was embroiled in controversy when it attacked the BBC Children in Need Appeal, accusing it of inefficiency and a lack of transpar-

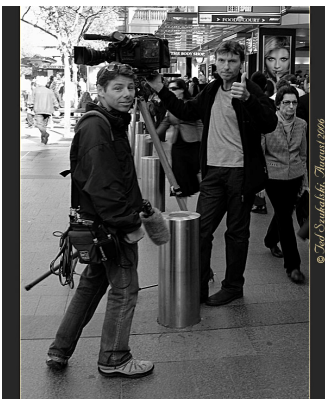
ency and even accuracy in its financial reporting. This provoked a strong rebuttal, both from Children in Need itself, but also from the Institute of Fundraising which described the methods used by [intelligentgiving.com](http://intelligentgiving.com) as "rudimentary" and sparked a more general debate in the media about the criteria by which we assess charities and whether or not it is

revealing or useful to compare charities against one another on the basis of their finances alone. **Guidestar.org.uk was launched in December 2005** to provide comprehensive information on the 168,000 charities registered in England and Wales. Guidestar is a charity itself, but has received substantial government funding and has been criticised as having been excessively expensive to set up and replicating much of the information already available

through the Charity Commission website. Guidestar's objectives of providing information to potential donors are almost identical to those of [intelligentgiving.com](http://intelligentgiving.com). However, [intelligentgiving.com](http://intelligentgiving.com) differs from the official site [Guidestar.org.uk](http://Guidestar.org.uk) in that it provides more comment and subjective evaluation of charities and claims to make the information more accessible to the prospective donor.



**Elton John's White Tie and Tiara fundraising ball**



**the potential for making stories, scoring political points, uncovering "scandals", sparking debate and drawing opinions that our sector holds has not gone unnoticed**

# The Flavour of 2006

## The Media Still Loves Us

In 2000-5 I felt as if the world at large had suddenly looked up and noticed not-for-profits. I used to be able to tell people that I was a prospect researcher – "I help not-for-profits to find out about people with the potential to make five, six and even seven figure donations", to receive a blank look allowing me immediately to move away from talking about work. Now I find myself listening to impassioned monologues about the "who, what and why" of my friends' and family's charitable giving. Even if they are not prepared to give anything at all, they usually have a strong opinion about who, what and why they *would* choose.

All over the internet fierce debates are raging about one aspect or another of the work of not-for-profits, we get column

inches in the national newspapers on an irregular but frequent basis and there are even philanthropy-related reality TV shows.

In 2005, I pondered that this general interest in the not-for-profit sector might be a fleeting fashion, but 2006 has cemented its place on the agenda for mainstream media.

This success in breaking into the mainstream media is not entirely an accident. It is, at least in part, due to the increase in the association of glamorous celebrities with a range of charitable causes and this is to some extent the result of a lot of hard graft on the part of the fundraisers who have carefully plotted and then cultivated these relationships. And where the celebrities go, the media is sure to fol-

low.

Maybe our sector will not always remain a fashionable place for the great and the beautiful to be seen to but it seems that now the media have noticed us, the potential for making stories, scoring political points, uncovering "scandals", sparking debate and drawing opinions that our sector holds has not gone unnoticed and therefore I suspect that we will never completely lose the ground we have gained in the spotlight over the past five or six years. Just look at how the "give a goat" campaign was championed and then slated to see how much scope there is for the media to play in our sector.



## Grant-Making Trust News



**Alan Bookbinder, new director of the Sainsbury Family Charitable Trusts**

### New Director of the Sainsbury Trusts

In November 2006, Michael Pattison, the long-serving director of the Sainsbury Family Charitable Trusts retired. He is succeeded in this role of overseeing 18 of the Sainsbury family's grant-making trusts by broadcaster Alan Bookbinder.

The combined grant total for these trusts is in the region of £50 million in one year alone. The largest trust is the Gatsby Foundation and the

causes supported are wide-ranging, but the approach of the trust is proactive and informed. The trusts occasionally work collectively. The administration has over 30 staff and specialist advisers.

Bookbinder, the former head of religion and ethics at the BBC, also brings his experience as a producer and executive producer on science and education programmes and documentaries to this role.

### Schoolboy's Unusual Responsibility

In August 2006 it emerged that a ten-year-old boy living in the North East of England holds a position on the board of an endowment fund established by his parents.

He helps to decide upon the allocation of funds to worthy causes. The board consists of other members of the boy's family.

# Obituaries 2006

A brief look at just a few of the notable deaths in 2006...

- **Marmaduke Hussey** – former BBC chairman, former managing director of Harmsworth Publications and later chief executive of Times Newspapers – died aged 83 in December 2006
- **Frank Johnson** – former editor of The Spectator – died aged 63 in December 2006
- **Allen Carr** – Quit smoking guru – died aged 72 in November 2006
- **Simon David Davan Sainsbury** – brother of John, Lord Sainsbury of Candover and Sir Timothy Sainsbury, the former Conservative Trade Minister. Simon Sainsbury was self-effacing and publicity shy, but he was the Sainsbury responsible for the finances of Sainsbury's during what the press called "the sale of the century" when the super-market giant was floated on the London Stock Exchange. He was a huge benefactor to charity – his main interests being heritage and hiv/aids research. He particularly loved 18<sup>th</sup> and 19<sup>th</sup> century architecture and Impressionist painting. In 2006, he registered a civil partnership with his partner for forty years, Stewart Grimshaw. Simon Sainsbury died after falling due to Parkinson's disease on September 27<sup>th</sup> 2006, aged 76
- **Sir Kerry St Johnston** – former chairman of Overseas Containers, credited with changing the face of the shipping industry in the 1970s died aged 75 on 6<sup>th</sup> November 2006
- **SooHo Cho** – former chairman and chief executive of Hanjin Shipping which he steered into the position of largest South Korean shipping line. He was president of the US-based World Shipping Council and chairman of the trans-Pacific stabilisation agreement which helps to set trans-Pacific shipping rates. Shares in his company rose 10% on his death showing his perceived significance to the company. He died aged 52 on 26<sup>th</sup> November 2006
- **Philippa Rakusen** – nee Stross – the Stross family were Yorkshire textile barons and Philippa's husband Arnold Rakusen's family were food manufacturers famous for their matzo crackers. Arnold was a solicitor. She was a keen horticulturalist and trustee of the Garden History Society. She died aged 84 on 29<sup>th</sup> October 2006
- **Robert Altman** – American film director who brought us Nashville, M\*A\*S\*H and more recently Pret a Porter. Died aged 81 on 21st November 2006
- **Milton Friedman** – American high profile free market economist who won the Nobel Prize in 1976. Died aged 94 in November 2006
- **John Profumo** – disgraced Conservative Secretary of State for war whose relationship with call-girl Christine Keeler and subsequent lies to parliament were believed to have cost the MacMillan government the General Election of 1964. He spent the next four decades until his death tirelessly working for the charity Toynbee Hall, which became a national institution largely due to his efforts. He died aged 91 on 9<sup>th</sup> March 2006
- **Paul Van Vlissingen** – A Dutch businessman best known in for being the richest man in Scotland. A huge philanthropist as a laird in Scotland and a conservationist in Africa. Died aged 65 on 21<sup>st</sup> August 2006
- **Linda Smith** - well-loved comedian who died in February 2006 aged 48
- **Syd Barrett** - founder member of Pink Floyd who died in July 2006 aged 60
- **Desert Orchid** - immensely popular racehorse, four time winner of the King George VI Chase died in November 2006 aged 27
- **Best Mate** - triple Cheltenham Gold Cup Winner died in November 2006



## Telos Research

Quality tailored research for fundraisers

Telos Research provides the following services:

- New prospect identification
- Prospect profiling at a depth specified by the client
- Prospect Research Workshops and Tailored Training
- Prospect Research Consultancy

Please contact Rebecca Funnell to discuss any of your prospect research needs.

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