

PROSPECT RESEARCH FOR THE NON RESEARCHER

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What does the professional research have that you don't have?

- ⦿ Time
- ⦿ Resources
- ⦿ Training
- ⦿ Experience

What do you have?

- ① A need to know specific information about a prospect's capacity
- ① Access to public information
- ① Personal knowledge of the prospect

What do you need to know?

- ⦿ Where does your prospect live?
- ⦿ Does she/he own property?
- ⦿ Where does your prospect work?
- ⦿ Does that employment contribute to gift capacity?
- ⦿ Does the prospect give elsewhere?
How much?
- ⦿ Where is your prospect connected in the community?

Things you will never be able to find

- ① Your prospect's net worth
- ① The size of his/her bank account
- ① Most investments

A tale of two prospects

- ⦿ \$2,000 unsolicited gift
- ⦿ Home value = \$800,000
- ⦿ Political giving last year = \$5,000

- ⦿ \$2,000 unsolicited gift
- ⦿ Home value = 250,000
- ⦿ Outside giving is unknown

Prospect #1

Prospect #2

Count the cost before you begin

- ◉ Nothing worthwhile is free – even if you don't pay money
- ◉ Sometimes it's worth it to pay a little money if you can
 - Trade cash for convenience
 - Vendors improve search-ability of public data
- ◉ Don't get trapped in analysis paralysis
- ◉ Know that misinformation is mixed in with the information on many sources
- ◉ Give yourself a time limit
 - As you're learning to use these resources, you might need more time
 - As you gain proficiency, you should shoot for about 1 hour per prospect

Real estate

- ⦿ Assessment data is available on all US properties
- ⦿ The kind of home a family owns usually reflects its economic status
- ⦿ Primary source is the assessor for the county or township where the property is located
- ⦿ Two values to look for
 - Assessed value
 - Market value
- ⦿ Links to assessor's websites:
 - www.pulawski.net
 - publicrecords.netronline.com

Real estate

- ⦿ If you don't know the county for the property, look it up here: zip4.usps.com/zip4/welcome.jsp
 - Search for the address
 - USPS server returns the standard format and a link to “mailing industry information” for that property
 - Click on that link to get the county
- ⦿ Get a rough idea of the market value at www.zillow.com.
- ⦿ *Willing to spend a little money?*
 - www.KnowX.com has indexed real estate information from most counties across the country
 - Search many counties simultaneously
 - Retrieving a single real estate record costs about \$7.

Donations

- Political donations benefiting federal candidates are reported by the Federal Election Commission
- Gift sizes are limited, but can total \$115,500 in a two year election cycle
- Not a charitable gift, but...
- Strong correlation between political giving and charitable giving
- FEC report may also show home address, employer and business title
- You'll learn which way they lean politically

Donations

- ◉ Go to herndon1.sdrdc.com/fecimg/norindsea.html
 - Enter the prospect's name
 - You may need to try nicknames to get more complete results (John Smith and Jack Smith)
 - Results screen shows all political donors by that name
 - Narrow down the results by noting the donor's city and state
- ◉ *Willing to spend a little money?*
 - No legal requirement for charitable donations to be reported
 - www.nozasearch.com has collected over 41 million donation records from annual reports
 - Can search by many different parameters including name and zip
 - Annual subscription costs \$800

Public company insiders

- ⦿ Insiders must disclose stock holdings in companies with which they have one of these relationships
 - Director
 - Top officer
 - 10% shareholder
- ⦿ Most people who own stock are ***not*** insiders
- ⦿ Insiders typically are 1% or less of a nonprofit constituency
- ⦿ Go to www.j3sg.com
 - Quick Search
 - Insider Reports
 - Enter your prospect's name and click Go

Other professionals

- ◉ Lawyers: Martindale-Hubbell (www.martindale.com)
- ◉ Doctors: AMA DocFinder (webapps.ama-assn.org/doctorfinder/html/patient.jsp)
- ◉ ZoomInfo: General profiles on professionals automatically compiled from Internet sources (www.zoominfo.com)
- ◉ LinkedIn: A social networking site for professionals (www.linkedin.com)
- ◉ Hoovers: A business directory searchable by executive name (www.hoovers.com/free)

Income

- ◎ If your prospect is an insider, you're in luck. Find insider top officer salaries here:
 - swz.salary.com/execcomp/layoutscripts/excl_companysearch.asp
- ◎ For most prospects, you'll need to depend on salary surveys to get a ballpark estimation
 - www.salary.com
 - www.jobs-salary.com

Why not start with Google?

- A large portion of the Internet is invisible to Google
- Google returns a lot of junk that must be filtered by hand
- Targeted research yields targeted results
- Use key words learned early in your research to improve your Google search as the final step

Research done, now what?

- ⦿ There is no magic formula that translates research data into the perfect ask amount
- ⦿ Research is no substitute for good relationship building
- ⦿ Goals your research
 - Find evidence of philanthropy
 - Suggest a gift vehicle
 - Rank prospects based on evidence of capacity
 - Estimate gift capacity
- ⦿ Some estimation methods
 - A prospect may give 5-10% of annual income
 - Total real estate x 4 x 5% (only when real estate value \geq \$500K)
 - Total stock holdings x 4 x 5% (only when stock value \geq \$100K)
 - 5% of all known assets (only when assets \approx \geq \$1 million)

Can't get enough?

- ◎ www.lambresearch.com has an annotated list of links useful for doing additional prospect research, including alternatives to the sites shown here
- ◎ Need to hire a freelancer? Go here for an incomplete list of reputable firms: home.comcast.net/~lambresearch/OtherPages.htm#ResearchFirms