

## Business Plan: Giving Money Away

By Carrina Stanton

For The Chronicle

David Hartz likes to say charity is just part of his DNA.

Twenty years before he purchased the now 40-year-old Book 'n' Brush in downtown Chehalis, his career was working for non-profits. Couple that with a strong Christian upbringing and he said there's just no way he wouldn't do what he could to help local charities.

"I feel like I've sinned if I haven't at least tried to tithe," Hartz said. "So I've always done that from our personal income, but then I had to think of what do I do for our business?"

Despite the recession, charitable giving by businesses and corporations continues. According to the non-profit Charity Navigator, total giving to charities in 2008 nationwide was about \$307.65 billion, with corporations accounting for about \$14.5 billion, or about 4.5 percent of the total giving.

At the top of the giving list were individual donors, who made donations totaling \$229.3 billion in 2008 to account for about 75 percent of total gifts. The motivation to give to charity among businesses is usually a top-down attitude.

Kay Logan, marketing manger for Security State Bank, said in the 24 years she has been with the business, charity has always been a part of their corporate giving. She said the top administrators for the bank have always set the example by giving generously.

"You can't have a healthy bank without a healthy community, so we really feel the importance of giving back to our community," Logan said.

Growing a healthy community in which he can both make a life and a strong business was also the motivation for giving back for Mitch Moberg, owner of the Twin City Trading Post in downtown Chehalis. Though just starting up, Moberg actually

wrote into his business plan that he would offer zero commission sales for charities at his store.

Though technically a pawn shop, Moberg said he wants his business to break the stereotypes of those kinds of shops, and he said he believes having a firm commitment to helping his community can only help.

"You're in a community where you're developing relationships," Moberg said. "Why wouldn't you want to give back? It's just the right thing to do. Long term, yeah I want to make a profit, but I don't need to become a billionaire doing it."

In 2008, TransAlta Corporation ended up giving more than \$3.5 million to communities in its service area. Its steam plant in northern Centralia is involved in the major corporate level charitable giving. Richard DeBolt, head of corporate relations for TransAlta in Centralia, said giving back has always been a top-down attitude for the company and certainly giving back can pay in business success.

He said he believes his business sees benefits such as a better educated community, which creates a better pool of potential workers for the steam plant. More social services mean a stronger community with more buying power, he added.

"If you act locally in your local community you can only benefit because if the community is stronger, your employees become stronger and your business becomes stronger," DeBolt said. "With us, it's an overall attitude."

But corporate giving can also become a morale booster for employees. Locally TransAlta has an employee giving team, which invests a fund of corporate money each year in causes of its choice. Children, seniors, health and education are the biggest causes in which TransAlta is involved.

DeBolt said each year, about 20 causes receive donations from local baseball teams to the new Vernetta Smith Chehalis Library to Centralia College.

"I think the main thing the employees get out of it is they get to be involved in their community and create a better place where they live," DeBolt said.

Far from the hundreds of employees at TransAlta, Hartz said he has also seen a need to include his handful of employees in Book 'n' Brush's campaigns.

He said he usually talks to his staff before launching new fundraising initiatives, such as they new "Round Up for Charity," which asks customers to round their transactions up to the nearest dollar and the difference will be donated to a handful of local charities.

Giving employees a sense of ownership of a project by involving them in the decision making process empowers them to fully participate in the cause, he explained.

"They will only remember to ask customers about donating if they believe in it," he said.

Security State Bank makes corporate donations mainly in the areas of health, welfare and education, said Cheri Wilder, vice president of human resources and branch administration for Security State Bank. But for the last five years it has also offered a chance for employees to be more intimately involved in charitable giving through Employees Caring for Our Communities.

Employees actually raise the money themselves, giving their own money to "purchase" privileges such as wearing jeans to work on Fridays or at events such as taco feeds.

The local ECC also has its second cook book for sale to customers, the proceeds from which benefit local charities. In June, the committee gave \$7,000 to a handful of local organizations.

"One of the things I've learned over the years is to let the employees know about the contributions because it gives them a sense of pride," Wilder said.

One of the challenges for businesses in

being involved in charitable giving can be knowing where to start.

As a former president of the United Way of Lewis County board, DeBolt said he knows many business owners want to give back but simply don't know how to get their feet wet. He said he recommends starting with a well known charity. He said the United Way is a good one because even a small donation can make a big difference.

"A lot of businesses don't have the resources our company has, but I'm sure they still want to give back," DeBolt said. "It's been a tough year."

Money is not the only thing charitable organizations need from businesses, Logan said. Many of Security State Bank's employees also give of their time, logging about 3,200 hours of charitable work each year.

One of the bigger ways is through the annual Relay for Life event, which raises money for the American Cancer Society.

"That's an easy way to start," Logan said.

Dealing with the multitude of requests each month is another challenge, especially for smaller businesses, said Hartz. He said it is almost startling to see the number of requests his business alone gets. Choosing a cause is also difficult since there is only so much one business can do.

Hartz said choosing a direction for your charitable giving is a good way to start. For instance, Book 'n' Brush primarily gives to causes supporting literacy and education. Hartz said he also sometimes uses a community member's commitment to his business as a determining factor.

He said he doesn't require requesting agencies make purchases at his store to receive a donation, but if they are familiar faces to him he's often more likely to support them in return.

"What's amazing to me is a lot of people come in and they don't make the connections that my ability to support causes is dependent on the community supporting me," Hartz said.