



Joint Fundraising Activities
Commercial Co-Ventures
Georgia

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Mission of Pro Bono Partnership of Atlanta:

To maximize the impact of pro bono engagement by connecting a network of attorneys with nonprofits in need of free business legal services.

Pro Bono Partnership of Atlanta Eligibility & Other Information

- In order to be a client of Pro Bono Partnership of Atlanta, an organization must:
 - ✓ Be a 501(c)(3) nonprofit.
 - ✓ Be located in or serve the greater Atlanta area.
 - ✓ Serve low-income or disadvantaged individuals.
 - ✓ Be unable to afford legal services.
- *Visit us on the web at www.pbpatl.org*
- We host free monthly webinars on legal topics for nonprofits
 - ✓ To view upcoming webinars or workshops, visit the [Workshops Page](#) on our website
 - ✓ Join our mailing list by emailing rla@pbpatl.org

Legal Information:

- ✓ This webinar presents general guidelines for Georgia nonprofit organizations and should not be construed as legal advice. Always consult an attorney to address your particular situation.
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Commercial Co-Ventures

What is a Commercial Co-Venture?

- For-Profit Conducts Promotion
- For-Profit Represents Portion of Proceeds Benefits Charity
- Often referred to as “Cause Marketing Promotions” or “Charitable Sales Promotions”

What makes it unique?

- Consumer Spends Money on a Product
- Not a Donation (because consumer receives a benefit)
- Example: Yoplait Lid Campaign, ACS Lady Footlocker Promotion

Commercial Co-Ventures

What is **NOT** a Commercial Co-Venture?

- Donation campaigns
(such as \$1.00 scannables at check-out in grocery store, or a company giving a \$1.00 for every Facebook “like”)
- Sponsorships
(such as a payment for recognition rights at an event)
- Third Party Fundraising Event
(such as a volunteer hosted gala or party to benefit a charity)

Commercial Co-Ventures



- Regulated in various States
- State Laws – Differ
- Fraud Potential
- Consumer Protection Laws
- BBB Guidance

Commercial Co-Ventures

Does Georgia regulate Co-Ventures?

- Yes – Ga Code Chapter 43-17

What are the requirements?

- **Agreement between parties must contain:**
 - Goods or services offered to public
 - Geographic area
 - Start date, end date of promotion
 - How charity name will be used
 - The actual or anticipated dollar amount or % per unit purchased that will benefit charity
 - Any maximum, if any
 - Estimated amount to be sold
 - A final accounting be delivered to charity by a certain date
 - Statement that promotion is subject to the Ga Code
 - Date charity will receive payment or benefit

Commercial Co-Ventures

Additional Georgia Requirements

- Agreement is available to Secretary of State on request
- Agreement signed by authorized representative of both parties
- The accounting for the promotion shall be kept by company for three years.

No Filing Requirement in Georgia

Commercial Co-Ventures

License

- License of trademark to Company
- Review charity trademark use and disclosure requirements in all promotional materials
- Consider reputational issues prior to agreement
- “No Endorsement” language

Commercial Co-Ventures

Other Considerations

- BBB, AG, Consumer Protection Laws
- Avoid UBIT – no promotion by charity, just acknowledgement

Cause Marketing

Disclosure Requirements

Portion of Price

Time Frame

Minimum or Maximum

Why Comply?

Consequences

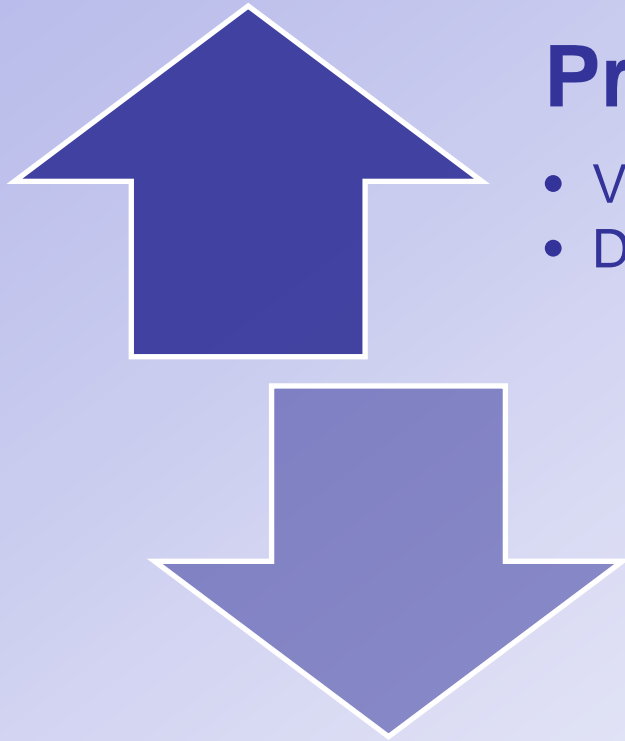
Fees

Repayments to Consumer

Reputational Issues

Example: Yoplait repayment, Glaxo-Smith Kline, Nicorette

Cause Marketing



Pros

- Visibility
- Diversify Income Sources

Cons

- Risk to Reputation
- Costs and Compliance Burden
- Regulated



Thank you!



For More Information:

If you would like more information about the services of Pro Bono Partnership of Atlanta, contact us at:

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