

# Information Fundamentals of Prospect Development: Research and Applications



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## Words of Wisdom

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The best solicitation occurs when the *right* prospect is asked for the *right* gift by the *right* solicitor at the *right* time in the *right* way.

One of the most important elements in the fund-raising process is determining all of these *rights* .

**For that to occur, research is essential.**

*- Alfred A. Blum,  
Director of Institutional Advancement,  
Boston College Law School*

## Prospect Development

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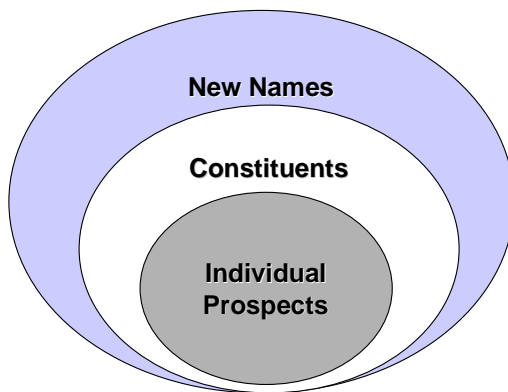
## Focus: Prospect Research

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- **Prospect Research** is the intentional, strategic pursuit and presentation of relevant financial and biographical data that – together with the *internal* anecdotal and relationship information – helps us best determine:
  - Whom to Ask
  - How Much to Ask
  - Whom to Engage
  - When to Ask
  - How to Ask

## Micro to Macro

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- **New Prospect ID**
- **Screening**
  - Peer
  - Electronic
- **In-depth Profiles**
  - Individual
  - Corporations
  - Foundations

## Overview of Prospect Research Functions & Benefits

<b>Function/Product</b>	<b>Benefits to Professionals</b>	<b>Benefits to Volunteers</b>
Research profiles - overall	Ability to assess capacity, access, and inclination in developing long-term relationships and solicitation strategies	Ability to cultivate and solicit peers (for either Annual or Capital/Endowment gifts) with background information
<i>Financial/business information</i>	Rate assigned prospects; set priorities based in part in ratings	Accurate and appropriate ask amounts for solicitations
<i>Interest information</i>	Insights into potential funding interests; talking points for visits	Talking points for visits
<i>Contacts</i>	Identify pool of volunteers to involve in cultivation	Better matched solicitations
Proactive Research	Identify new prospects; add to the “system” with key background information and understanding of capacity	New names to review at meetings and take for solicitation assignments; easier to reach out to new prospects with background information
Records management	Centralized information (both formal and informal); improved standards for confidentiality and accuracy; broader contribution	Comments and suggestions are retained and utilized; peace of mind that records are accurate and safe
Periodical screening	Responsibility for reading and processing information in publications is centralized; can always be “up to date” about a prospect	Receive key updates and news articles about assigned prospects
Responsiveness	Questions about a prospect can be immediately addressed and often answered	Questions about a prospect can be immediately addressed and often answered
Resource availability	Can retrieve information about subjects that may be of interest to prospects	Topic-based events or discussions may be informed by better background information

### Specific Examples of Applications for Volunteers

- Involvement in more comprehensive cultivation strategies
- “Solicitation Briefings” outlining background information and how the solicitation fits into the relationship with a donor
- Customized prospect lists based on a volunteer’s particular interest (prospects within an industry or with a demonstrated interest in a certain topic)
- “Event Briefings;” when hosting or chairing an event, will be prepared

## **Everyday Uses of Research**

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- **To set priorities**
- **To service donors and clients**
- **To facilitate and improve interaction**
- **To document long-term relationships**
- **To develop strategies and partners**
- **To raise philanthropic sights**
- **To prevent embarrassing situations**

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## **Ethical Considerations**

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- **Ethical considerations are central to Prospect Research as a profession**
- **An ethics statement stresses honesty, confidentiality, and professionalism**
- **Seek only that information which is legal and relevant, use it with discretion**
- **Purpose is to build positive relationships**
- **Association for Professional Researchers for Advancement (APRA) at [www.aprahome.org](http://www.aprahome.org)**

# APRA STATEMENT OF ETHICS

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September 30, 1998

Association of Professional Researchers for Advancement (APRA) members shall support and further the individual's fundamental right to privacy and protect the confidential information of their institutions. APRA members are committed to the ethical collection and use of information. Members shall follow all applicable federal, state, and local laws, as well as institutional policies, governing the collection, use, maintenance, and dissemination of information in the pursuit of the missions of their institutions. APRA members shall respect all people and organizations.

## **Code of Ethics**

Prospect researchers must balance the needs of their institutions to collect, analyze, record, maintain, use, and disseminate information with an individual's right to privacy. This balance is not always easy to maintain. The following ethical principles apply, and practice is built on these principles:

### **I. Fundamental Principles**

#### **A. Confidentiality**

Confidential information about constituents (donors and non-donors), as well as confidential information of the institutions in oral form or on electronic, magnetic, or print media are protected so that the relationship of trust between the constituent and the institution is upheld.

#### **B. Accuracy**

Prospect researchers shall record all data accurately. Such information shall include attribution. Analysis and products of data analysis should be without personal prejudices or biases.

#### **C. Relevance**

Prospect researchers shall seek and record only information that is relevant and appropriate to the fund-raising effort of the institutions that employ them.

#### **D. Accountability**

Prospect researchers shall accept responsibility for their actions and shall be accountable to the profession of development, to their respective institutions, and to the constituents who place their trust in prospect researchers and their institutions.

#### **E. Honesty**

Prospect researchers shall be truthful with regard to their identity and purpose and the identity of their institution during the course of their work.

### **II. Suggested Practice**

#### **A. Collection**

1. The collection of information shall be done lawfully, respecting applicable laws and institutional policies.
2. Information sought and recorded includes all data that can be verified and attributed, as well as constituent information that is self-reported (via correspondence, surveys, questionnaires, etc.).
3. When requesting information in person or by telephone, it is recommended in most cases that neither individual nor institutional identity shall be concealed. Written requests for public information shall be made on institutional stationery clearly identifying the inquirer.

4. Whenever possible, payments for public records shall be made through the institution.
5. Prospect researchers shall apply the same standards for electronic information that they currently use in evaluating and verifying print media. The researcher shall ascertain whether or not the information comes from a reliable source and that the information collected meets the standards set forth in the APRA Statement of Ethics.

#### **B. Recording and Maintenance**

1. Researchers shall state information in an objective and factual manner; note attribution and date of collection; and clearly identify analysis.
2. Constituent information on paper, electronic, magnetic or other media shall be stored securely to prevent access by unauthorized persons.
3. Special protection shall be afforded all giving records pertaining to anonymous donors.
4. Electronic or paper documents pertaining to constituents shall be irreversibly disposed of when no longer needed (by following institutional standards for document disposal).

#### **C. Use and Distribution**

1. Researchers shall adhere to all applicable laws, as well as to institutional policies, regarding the use and distribution of confidential constituent information.
2. Constituent information is the property of the institution for which it was collected and shall not be given to persons other than those who are involved with the cultivation or solicitation effort or those who need that information in the performance of their duties for that institution.
3. Constituent information for one institution shall not be taken to another institution.
4. Research documents containing constituent information that is to be used outside research offices shall be clearly marked \*confidential.\*
5. Vendors, consultants, and other external entities shall understand and agree to comply with the institution's confidentiality policies before gaining access to institutional data.
6. Only publicly available information shall be shared with colleagues at other institutions as a professional courtesy.

#### **III. Recommendations**

1. Prospect researchers shall urge their institutions to develop written policies based upon applicable laws and these policies should define what information shall be gathered, recorded and maintained, and to whom and under what conditions the information can be released.
2. Prospect researchers shall urge the development of written policies at their institutions defining who may authorize access to prospect files and under what conditions. These policies should follow the guidelines outlined in the CASE Donor Bill of Rights, the NSFRE Code of Ethical Principles, and the Association for Healthcare Philanthropy Statement of Professional Standards and Conduct.
3. Prospect researchers shall strongly urge their development colleagues to abide by this Code of Ethics and Fundamental Principles.

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## Research Information Basics

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- Financial status
  - Family background
  - Associations
  - Philanthropy
  - Biography
  - Personal interests
  - Relationship with our organization
- This information is a complement to personal and colloquial information

*Marts&Lundy<sup>ec</sup>*

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## Why Financial Information?

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- To establish appropriate ask amounts for any “type” of giving
  - Annual gifts reflective of disposable income
  - Restricted capital/endowment gifts of assets
- To identify particular highly-appreciated assets that may be used to fund a gift
- To help us understand the donor’s investment strategies and habits
  - Understanding of liquidity

# Annotated Prospect Profile

**PROSPECT NAME**  
Date and place of birth

Title,  
Business Address  
Telephone, Fax  
E-mail

Home address  
Telephone

Seasonal address

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## Summary

The summary of a profile may contain several types of information. First and foremost, the summary should be a prose description in *general terms and round numbers* of an individual's major achievements and contributions (both personally and financially) to the organization. Based on research regarding wealth, interests, and philanthropy, the summary may offer suggestions concerning a donor's capabilities and inclinations, as well as a cultivation strategy.

The summary is the appropriate place to describe particularly interesting aspects of a person's life or family, and to detail any information critical to the solicitation process. This may include noteworthy experiences with the organization, as well as strong likes and dislikes in other areas.

## Wealth

The wealth section should provide as much information as possible regarding a prospect's net worth and known assets.

### *Assets detailed*

- Publicly-disclosed stock holdings and options
- Ownership in private companies (include company sales, employees), partnerships
- Salary, stock dividends
- Real estate
- Inheritance
- Art collections
- Lifestyle indicators (cars, planes, vacation homes)

### *Sample sources of information*

- Securities and Exchange Commission - EDGAR filings (now all free on the web, searchable by company and individual name)
  - Corporate annual reports, 10Ks, proxy statements
- Dun & Bradstreet Business Background Reports (private company holdings, by %age)
- Tax assessors (many free on web), Knowx, Lexis-Nexis, DataQuick
- Local and national business and trade journals, newspapers
- Hoover's, Moody's, Standard & Poor's, Local Directories
- Lists (Forbes 400, BusinessWeek Corporate Elite, Financial World Wall Street 100, local magazine lists of wealthiest people)

## **Career Highlights**

This section outlines the prospect's career path by indicating dates of tenure, title, firm names, and locations. It is also a good place to detail military service, current and former corporate directorships, and awards and honors received.

If information about a current business is available, indicate the nature of the business, sales, employees, and general financial trend.

### *Sample sources of information*

- Who's Who sources
- Standard & Poor's Directory
- Dun & Bradstreet books and services
- Directory of Corporate Affiliations
- Taft Owners and Officers of Private Companies
- Local and national business and trade journals, newspapers
- Moody's Manuals
- Specialized business directories
- State and local business directories

## **Education**

Includes dates of attendance and/or graduation, type of degree, major, and honors.

### *Sample sources of information*

- Who's Who sources
- Standard & Poor's Index of Directors and Executives
- Dun & Bradstreet Business Information Report detail
- Martindale-Hubbell Law Directories
- Alumni directories

## **Activities with the Organization**

Known involvement, board memberships, leadership positions, and recent events attended.

### *Sample sources of information*

- Internal computer system
- Internal files

## **Gifts to the Organization**

If the information is available, it is always best to detail the donor's *total* giving history, or total since a particular year. This is the best place to describe a particular gift crediting issue, characterize a giving trend, indicate high gifts, matching gifts, and outstanding balances, if any.

### *Sample sources of information*

- Internal computer system
- Internal files

## **Family**

Include spouse (if married), date of marriages and/or divorces, and summaries of parents and children. Also list other relatives who are affiliated with the organization.

### *Sample sources of information*

- Internal computer system
- Internal files
- Who's Who sources
- Voter registration books and files
- Real estate records

## **Foundations**

Personal, private, and corporate foundation affiliations, including foundation assets, gifts received, grants paid, and sample grants. If possible, a summary of the foundation's gifts to your institution.

### *Sample sources of information*

- FC Search CD-ROM, Foundation Directory, Guide to US Foundations
- Guidestar.org
- Corporate 500: The Directory of Corporate Philanthropy
- Prospector's Choice Database, Taft Foundation Reporter
- Local foundation association
- State attorney general's office

## **Philanthropy**

Known gifts to other institutions (not including foundation gifts), highlighting named philanthropy.

### *Sample sources of information*

- Organization Web Sites
- Chronicle of Philanthropy
- Giving USA
- Waltman Donors CD
- Newspaper articles
- Annual reports, brochures, and donor lists from other organizations

## **Affiliations**

Current and former affiliations with non-profit, civic, professional, and social organizations.

### *Sample sources of information*

- Who's Who sources
- News and internet searches
- Directory of directors (exist for Boston, New York, Chicago, Washington DC, Baltimore/Annapolis, Milwaukee, St. Louis, and several other areas)
- Encyclopedia of Associations

## Organization Contacts

List of known professional and volunteer contacts within your organization, as well as possible contacts from business and volunteer affiliations. Includes individuals who may lead you to the subject, as well as individuals to whom the subject may lead you.

### *Sample sources of information – business contacts*

- Business Directories for colleagues
- Boards of Directors
- Clients, Counsel, Auditors, Bankers
- Competitors

### *Sample sources of information – nonprofit contacts*

- Directories of directors
- Organization web sites, Guidestar.org
- Society pages

### *Sample sources of information – personal contacts*

- Telephone directories and real estate records (neighbors)
- Alumni directories
- Personal reference

Prepared by Researcher for \_\_\_\_\_

cc: Central File

## **Sources consulted** (*many sources are available in various formats, including text, CD-ROM, on-line database, and free or fee-based Internet sites*)

Biography & Genealogy Master Index  
Central File  
Compact Disclosure  
Company AR, 10K, Proxy  
Computer System  
Directory of Corporate Affiliations  
Directory of Directors  
Dun & Bradstreet Report  
Foundation Directory

Guide to US Foundations  
Local government offices  
Select Phone  
Social Register  
Standard & Poors Directory of Directors & Executives  
Ward's Directory of US Public & Private Companies  
Who's Wealthy in America  
On line services: Dialog, Nexis, Dow Jones  
Internet sites: Altavista, several others

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## Types of Assets

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- **Business, public or private**
- **Real estate**
- **Luxury items, artwork, yachts, jewelry**
- **Investments, retirement plans**
- **Rights, royalties, patents**
- **Partnerships**
- **Inheritance**



## Private Businesses

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- Most wealth and businesses are private
- Accurate information is difficult to find
- Information from the prospect and advisers can be essential
- Research can rely on articles, profiles, and industry comparisons
- Differentiating S and C corporations
- Best information when companies are purchased or go public
  - See corporate prospectus, “red herring” or S-1

## Wealth in Private Companies

Since most wealth and most firms are private, we need to find creative ways to assess wealth of the owners of private firms, keeping in mind that private companies have no obligation to disclose to the public any information regarding their operations. If they do choose to disclose information, sales estimates for example, they have no obligation to disclose accurate data. Often, private firms disclose sales and profits that are very, very conservative.

### *Common resources*

Dun & Bradstreet Business Information Report  
(see <http://www.dnb.com/products/samples/gorman.htm>)  
Ward's Directory of US Public & Private Companies  
Standard & Poor's  
Local business directories  
Trade journals  
National and local business publications

**Compare what you know about a firm from any published source (sales, employees), to similar companies in both the private and public sectors**, then make conservative estimates about a company's value, and most importantly, its owners' gift capacities.

Consider using a product like Dun's Insight, the software version of D&B's handbook on Standard Industry Norms & Ratios, to get a VERY, VERY **general sense of what the net worth, total assets, and gross profits would be for typical (not necessarily healthy) firm with the same primary SIC code**. Since by definition there is not an existing market for a private company, discount total assets by 25-33% to come up with an approximate figure for a company's value and selling price.

Other tips to understanding industries occur in the M&A press, in which **analysts may remark that a typical selling price might be 5 times sales**, for example. Save those articles in industry files and refer to them when appropriate.

**Refer to a public company database** like Compact Disclosure to find the total market value (outstanding shares times stock price) of companies with the same primary SIC code and like range of employees and sales. If there are too many hits, we restrict the search to regions of the country which are similar (Northeast or OH, PA, IL, MI if manufacturing) to ours.

Then, armed with these two approaches, **make estimates**. Sometimes, industry norms approach might yield a market value figure of \$25 million, and public company comparison might give us figures of \$16 - \$30 million. In a situation like this, pick \$20 million as the single owner's net worth, and assign a five-year major gift rating of \$1 million. There are some times you may get ranges of \$8 - \$200 million. On those occasions, we try to eliminate the extremes and look to other information (gifts to other institutions, e.g.) to establish a gift rating.

Since the gift capacity rating is always the ultimate objective, compare donors to each other if necessary. So, for example, if you have one \$25,000 annual donor who owns a widget factory with \$20 million in sales and 100 employees, take that gift and rating into consideration when researching another widget maker.

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## Public Companies

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- Public companies must disclose information regarding the compensation and holdings of directors and key executives
- Only “insiders” are required to disclose their holdings in public companies
  - Officers
  - Directors
  - 10% owners
- We are interested in holdings, stock options, compensation, and other perks

## Executive Compensation

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- Salary, bonuses, stock options, appreciated rights, incentives
- Fringe benefits include insurance policies, severance agreements, interest-free loans, and cars
- Retirement plans and employment agreements
- Data in corporate proxies

## Wealth in Public Companies

Only **insiders** are required to disclose holdings, salary, and other financial arrangements with a public company. By definition, *insiders are key officers, directors, or any individual or syndicate (such as a family or partnership) which owns more than 10% of the outstanding shares of a firm.*

In order to assess the wealth or assets one has in a public company, consider the following information, which can be found primarily in the Proxy Statement or Annual Report on Form 10-K. Although in recent years the SEC has required corporations to be more direct in the way they present executive compensation, it is still necessary to read through a proxy and be very attentive to footnotes.

<b>Salary, compensation director's compensation</b>	Employee compensation is derived from cash salary, bonuses, fringe benefits, and incentive grants (see stock options below). Directors generally receive base fees of about \$30,000 per year, and around \$1,000 per meeting attended.
<b>Dividends</b>	Profitable and highly capitalized companies often issue dividends to stock holders of record each quarter. If one has extensive holdings in such a company, dividend income can be quite significant.
<b>Stock</b>	Companies will list the stock held by insiders, their immediate families, and any trusts in which the insider has either voting rights or beneficial ownership. Check footnotes, because options (see below) which are exercisable within 30 days of the annual meeting are often listed as outright stockholdings.
<b>Options and Stock Appreciated Rights</b>	As incentive, companies often offer stock options and stock appreciated rights (SARs) to executives. The stock option, which is vested like a retirement plan, allows the executive the right to purchase shares, usually at a significantly discounted price.  A stock appreciated right is the right to receive the cash equivalent of a certain number of shares. The more successful a company is, the higher its stock price, and the greater the reward.
<b>Employment Agreements</b>	Employment agreements detail retirement plans, "golden parachutes" life insurance policies, and other stipulations. These are very important to read if you think that an executive is edging toward elective retirement or termination.
<b>Loans and Business Dealings</b>	As long as they are disclosed, companies are permitted to make interest-free personal loans to executives, and to make independent investments in firms founded by the executive or his or her family members.

## Guide to SEC Documents Used in Prospect Research

The Securities and Exchange Commission was created in 1934 as a result of the 1929 stock market crash. Its mission has been to ensure fairness and protection of the public interest through the disclosure of information relating to those securities for which there is a public market.

Public companies are required to regularly file many documents, including the following.

<p><b>Proxy Statement Notice of Annual Meeting to Shareholders Form DEF 14A</b></p>	<p>Because they assume all shareholders will not actually come to the annual meeting to cast votes, companies mail notices and proxy forms so that shareholders may cast votes regarding the board of directors, officers, and other policies before the company. As a result, the proxy statements contain thorough information about officers and directors, their qualifications, and holdings in the firm.</p>
<p><b>Financial Annual Report Form 10-K Quarterly Report Form 10-Q</b></p>	<p>The 10-K is the only Annual Report a company is legally required to follow. Glossy Annual Reports are meant to please and attract shareholders. The 10-K has a comprehensive overview of the company, a description of its business, and annual financial information. It names officers and directors, but does not typically contain detailed information about them.</p> <p>A form 10-Q contains the same material, but is produced quarterly.</p>
<p><b>Form 8-K</b></p>	<p>A form 8-K is produced when there is a substantial, unscheduled, material change in the company, such as a departure or arrival of a key officer, litigation, or major acquisition.</p>
<p><b>Prospectus Red Herring Form S-1</b></p>	<p>These documents are related to Initial or Secondary Public Offerings of securities. They detail the risk involved for potential investors, and disclose the same information about officers and directors as a proxy statement (and often include how much, if any, an insider will sell at the offering).</p> <p>A Red Herring is an initial prospectus that is released to determine if there is enough interest for a firm to go public.</p>

### What is Edgar?

EDGAR Electronic Data Gathering, Analysis & Retrieval, an electronic filing system for documents required by the SEC. It began in 1984, and became active in 1993.

The EDGAR archives, dating back to 1994, are available and searchable on the internet at <http://www.sec.gov>. While the archives contain records for thousands of companies, and most are listed, some older records are not included.

Other sites for finding information on insiders include: [finance.yahoo.com](http://finance.yahoo.com), [marketguide.com](http://marketguide.com), [www.sec-online.com](http://www.sec-online.com), [www.free-edgar.com](http://www.free-edgar.com), [www.10-kwizard.com](http://www.10-kwizard.com)

## Calculating Publicly-held Wealth

<p><b>Stock value</b></p>	<p>Multiply the number of shares held by the current market price. Read the footnotes! Note that proxy statement footnotes often include exercisable options in total holdings, as well as those held in trust or by family members.</p> <p>Also note that some companies have different stock issues, in addition to preferred and common stock. To determine the value of untraded stock, find the ratio at which it may be converted to a marketable security.</p>
<p><b>Current value of an exercisable option</b></p>	<p>Current value is equal to the current market price less the exercise price (the price the executive has to pay in order to purchase the stock). Multiply the difference by the number of shares.</p> <p>You will need to take into account that executives generally hold options at different exercise prices. It is not unusual for options in a start-up or unsuccessful firm to be worthless (costs more than the market price).</p>
<p><b>Current value of an unexercisable option</b></p>	<p>Technically speaking, unexercisable options have no actual current value because they have not vested. You may, however, indicate what they would be worth if they were current.</p> <p>In addition, it is a good idea to provide the vesting schedules, prices, and expiration dates. Doing so will help the organization approach prospects at opportune times.</p>
<p><b>Annual Dividend</b></p>	<p>In addition to salary, benefits and deferred compensation, like all shareholders officers and directors may receive dividends based on their holdings each quarter.</p> <p>Not all companies issue dividends.</p>

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## Real Estate

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- For most people, real estate is greatest asset, although the meaning and interpretation varies widely
- Much information available free on the internet, through government offices
  - [Searchable by name or property](#)
- Fee-based national name searching
- Multiple residences are good indicators
- Properties in trust are indicators of estate and sophisticated financial planning

## Other Assets

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- Only disclosure from the prospect will reveal the value of one's private investments, such as stock, bonds, trusts, and insurance policies
- Art collections, planes, yachts, are lifestyle indicators; their value can be determined when are used as vehicles for gifts

## Understanding Real Estate

Real estate is the most widely-held asset. For most people, residential real estate constitutes their single most significant asset, although the percentage declines among the more affluent (who own businesses, stock, portfolios), with the exception of those involved in the real estate industry.

Most real estate data is public record since tax assessment is a matter of public interest. As a result, a government agency will make its ownership, assessment, purchase price, and sometimes even mortgage information available via local offices, municipal web sites, or fee-based services. There are two municipal agencies that Researchers consult: **Real Property Assessors and Recorders of Deeds.**

**Location, location, location** is an understatement when it comes to conducting real estate research on a national basis. Why?

- Different areas of the country conduct assessments and deed transfers at different levels (statewide, county, municipal, town, every other block in Westchester County, New York)
- Revaluations occur on different schedules for various municipalities
- They do so with different standards of assessment, "actualization rates," or "percentages of fair market value" for which properties are assessed.
  - o Massachusetts assesses all properties at 100% of "Fair Market Value", so a \$500,000 assessed home is worth reasonably close to a \$500,000
  - o In New York, some of the wealthiest areas assess at 3-7% of FMV, meaning that a \$500,000 home could be a \$7 million home
  - o Many Western states assess agricultural land for pure and productive value
  - o Proposition 13 in California regulates the growth of the taxable base of any given property over time (an oversimplification)

### Typical Data

**Owner** – the owner of the property in question. May list individuals, couples, trusts, or trustees. If your subject is not listed here, it is because he or she has likely *sold* the property to the present owner.

**Property address** – this is the address of the property.

**Mailing/Reference address** – to which the tax bill is mailed.

**Total Market Value** and Date– this is the "market value" of both the land and the buildings on the land, as determined by the assessor. Market values utilized for taxation primarily; it is not at all unusual for the actual "on the market" value of a property to be significantly higher than the value as determined by the assessor. Components of Total Market Value, indicating the difference between the land and the structures on the land are **Market Land Value** and **Market Improvement Value**.

**Total Assessed Value** and Date– the combined assessed value of the land and improvements as determined by the assessor. This is the figure upon which the assessor determines the property taxes due. In many regions of the country, tax departments indicate an Assessed Value that varies from the Market Value.

**Selling Price and Date** – the last price at which your subject either purchased the property, or sold it, with date indicated.

**Comment** – sometimes a selling price comes from a deed transfer, sometimes from a Mortgage, and sometimes from an assessor. In the latter two cases, the amount of the sale may be projected. That is usually the case when the only figure available was the transfer tax, and given standard rates for these taxes, a selling price is derived.

**Loan Amount** – for those properties for which mortgage data has been identified, this indicates the amount of the loan. Data here represents purchase price, mortgage amount, non-purchase moneys (like home equity or home improvement loans), as well as refinancing.

**Terms** – The terms of the loan where available.

## **Philanthropy**

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- Foundation affiliations
- Gifts to other institutions
- Attitudes toward philanthropy
- Assets, gifts received, grants paid, and sample grants from foundations
- Knowledge of donor-advised funds or trusts

## **Associations**

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- Business directorships
- Education
- Civic and philanthropic boards and committees
- Professional memberships
- Social memberships
- Political affiliations

# Researching Foundations

Information about private foundations is readily available on the internet, searchable by foundation name and location, at Guidestar, the Foundation Center, and Grantsmart. The key to interpreting the details of private foundations is navigating the form 990PF Tax Return that is filed on a fiscal year basis with the Internal Revenue Service.

Basics to look for:

## Total Assets (always page 1)

Form **990-PF** Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

Department of the Treasury Internal Revenue Service

CMB No. 1545-0052

1998

For calendar year 1998, or tax year beginning 1998, and ending

Use the IRS label. Otherwise, please print or type. See Specific Instructions.

Name of organization: **STEPHEN A MARINO TR FND MARINO FOUNDATION**

Employer identification number: **22-6499509**

Telephone number: **(215) 329-6485**

Check type of organization:  Section 501(c)(3) exempt private foundation

Fair market value of all assets at end of year (from Part II, col. (c), line 15): **\$ 1,493.00**

Accounting method:  Cash  Accrual

## Contributions received (presumably from the founding donor) (always page 1) Grants paid

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 9 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received (attach schedule)	3,000			
2 Contributions from split-interest trusts				
3 Interest on savings and temporary cash investments	0			
4 Dividends and interest from securities	72	72	72	
5a Gross rents	0	0	0	
b (Net rental income or (loss))	0			
6 Net gain or (loss) from sale of assets not on line 10		0		
7 Capital gain net income (from Part IV, line 2)			0	
8 Net short-term capital gain			0	
9 Income modifications				
10a Gross sales less returns and allowances				
b Less: Cost of goods sold	0		0	
c Gross profit or (loss) (attach schedule)		0	0	
11 Other income (attach schedule)		0	0	
<b>12 Total. Add lines 1 through 11.</b>	<b>3,072</b>	<b>72</b>	<b>72</b>	
13 Compensation of officers, directors, trustees, etc.	0			0
14 Other employee salaries and wages	0			0
15 Pension plans, employee benefits	0			0
16a Legal fees (attach schedule)	0			0
b Accounting fees (attach schedule)	505			0
c Other professional fees (attach schedule)	0			0
17 Interest	0			0
18 Taxes (attach schedule) (see page 12 of the instructions)	0			0
19 Depreciation (attach schedule) and depletion	0			0
20 Occupancy	0			0
21 Travel, conferences, and meetings	0			0
22 Printing and publications	0			0
23 Other expenses (attach schedule)	0			0
<b>24 Total operating and administrative expenses. Add lines 13 through 23.</b>	<b>505</b>			
<b>25 Contributions, gifts, grants paid.</b>	<b>2,500</b>			<b>2,500</b>
<b>26 Total expenses and disbursements. Add lines 24 and 25.</b>	<b>3,005</b>			<b>2,500</b>

**Names and addresses of officers and trustees**

f

Form 990-PF (1998) THE MARINO FOUNDATION 22-6499509 Page 8

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 19 of the instructions):**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
STEPHEN MARINO 5550 N. SYDENHAM STREET PHILADELPHIA, PA 19141-1620	TRUSTEE 1	-0-	-0-	-0-

**2 Compensation of five highest-paid employees (other than those included on line 1—see page 19 of the instructions):**

**Sample grants (more frequently an addendum or attachment)**

Form 990-PF (1998) THE MARINO FOUNDATION 22 6499509 Page 10

**Part XV Supplementary Information (continued)**

**3 Grants and Contributions Paid During the Year or Approved for Future Payment:**

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<b>a Paid during the year</b> AMERICAN FRIENDS SERVICE COMM 1501 CHERRY STREET PHILADELPHIA, PA 19102-1479			ADVOCACY FOR HOMELESS	\$500.
MERCY HOSPICE 334 SOUTH 13TH STREET PHILADELPHIA, PA 19141-1620			FOOD FOR HOMELESS WOMEN AND CHILDREN	\$500
ST. JOHN'S HOSPICE 1221 RACE STREET PHILADELPHIA, PA 19107-1694			FOOD FOR HOMELESS MEN	\$500
ST. VINCENT DE PAUL DINING ROOM 109 E. PRICE STREET GERMANTOWN PHILADELPHIA, PA. 19144-2145			MEALS FOR HOMELESS PEOPLE	\$500
WHOSOEVER GOSPEL MISSION 101 E. CHELTON AVENUE PHILADELPHIA, PA. 19144			TO PROVIDE COMPREHENSIVE REHABILITATION TO HOMELESS MEN	\$500

g

## **Family Relationships**

---

- Names, dates of birth, and occupations of spouse and children
- Dates of marriages and/or divorces
- Names of significant living or deceased relatives who have been involved with our organization

## **Biography and Personal Interests**

---

- Date and place of birth
- Dates of marriage and divorce
- Life-altering experiences, such as poverty, immigration, illness
- Political perspectives and donations
- Hobbies and avocations

## Standard & Poor's Entry

DIALOG(R)File 527:S&P`s Register-Corp.

(c) 2000 McGraw-Hill Companies Inc. All rts. reserv.

0061530

MINERALS TECHNOLOGIES INC.

405 Lexington Ave.

New York, \*NY\* USA 10174-0002

TELEPHONE: 212-878-1800

BUSINESS: Precipitated calcium carbonate; mineral & refractory products

PRIMARY SIC: 2819

SECONDARY SIC(S): 3297

YEAR STARTED: 1968

SALES: \$609.19 Mil

EMPLOYEE TOTAL: 2,040

MARKET TERRITORY:

NATIONAL

INTERNATIONAL

THIS IS:

A PUBLIC COMPANY

An S&P MidCap 400 Co

CORP DESCRIP

STOCK EXCHANGE: NYS; PSE

CUSIP NUMBER: 603158

BANK: Chase Manhattan Bank New York NY

ACCOUNTING FIRM: KPMG LLP New York NY

EXECUTIVES AND DIRECTORS:

\* Chrm & Chief Exec Officer Valles, Jean P.  
Chairman, Chief Executive Officer, Inside Director  
V-P (Fin) & Chief Fin Officer Bardach, Neil  
Chief Financial Officer, Vice President  
V-P (Human Resources) Crabtree, Howard  
Vice President  
Industrial Relations, Personnel, Administration  
V-P (Pres-Minteq International Inc.) Dulski, Anton  
Vice President  
V-P, Secy & Gen Coun Gray, S. G.  
Vice President, Secretary, General Counsel/Attorney  
Administration, Legal  
V-P (Taxes) Kromberg, William A.  
Vice President  
V-P (Pres-Specialty Minerals Inc.) Saueracker, Paul R.  
Vice President  
Cont Cipolla, Michael A.  
Controllor/Comptroller

\* ALSO DIRECTORS

OTHER DIRECTORS:

Curcio, John B.

Golub, Steven J.

Lurie, William L.

Meister, Paul M.

Pasquale, Michael F.

## Foundation Directory Entry

The Abramson Family Foundation  
 376 Regatta Dr.  
 Jupiter, FL 33477  
 Contact: Judith Abramson Felgoise, Trustee

Donor(s): Judith Abramson Felgoise.  
 Type of grantmaker: Independent foundation.  
 Background: Established in 1996 in FL.  
 Purpose and activities: Giving primarily to Jewish organizations.  
 Fields of interest: Arts; Education; Higher education; Hospitals (general); Human services; Israel; Jewish agencies & temples; Jewish federated giving programs.  
 Geographic focus: National  
 Limitations: Giving on a national basis.  
 Trustees: Leonard Abramson; Madlyn K. Abramson; Judith Abramson Felgoise; Jerome S. Goodman; W. James Quigley; Marcy Abramson Shoemaker; Nancy Abramson Wolfson; Joseph M. Yohlin.  
 Financial data: (yr. ended 06/30/98): Assets, \$113,514,184 (M); expenditures, \$11,514,452; total giving, \$11,150,762; qualifying distributions, \$11,319,062; giving activities include \$11,150,762 for 82 grants (high: \$10,000,000; low: \$25; average: \$5,000-\$50,000).  
 EIN: 311482888

## Real Estate Information

<b>Owner Information</b>	
<b>Name:</b> GOSMAN ABRAHAM D <b>Mailing Address:</b> 513 N COUNTY RD PALM BEACH FL 33480 3504	
<a href="#">All Owners...</a>	
<b>2002 Preliminary Appraisal</b>	
<b>Improvement Value:</b> \$11,448,568	<b>Number of Units:</b> 4
<b>Land Value:</b> \$26,000,000	<b>Total Sq. Ft:</b> 81738
<b>Market Value:</b> \$37,448,568	<b>Acres:</b> .00
<b>Use Code:</b> 0100	<b>Description:</b> SINGLE FAMILY
<a href="#">Structural...</a> <a href="#">Extra...</a> <a href="#">Land...</a>	
<b>2002 Preliminary Tax</b>	
<b>Ad Valorem:</b>	\$510,542.79
<b>Non ad valorem:</b>	\$418.00
<b>Total:</b>	\$510,960.80
<a href="#">Detail...</a>	
<b>2002 Preliminary Assessed &amp; Taxable Values</b>	
<b>Assessed Value:</b>	\$25,015,837.00
<b>Exemption amount:</b>	\$25,000
<b>Taxable:</b>	\$24,990,837.00
<b>2002 Exemption</b>	
<b>Homestead Receipt #:</b>	0233706
<b>Exemption Address:</b>	513 N COUNTY RD
<b>Regular Homestead:</b>	\$25,000
<b>TOTAL:</b>	\$25,000

## Where to Find Information on the Web

Resources used in Prospect Research are often found in a multiple resources and formats. For example, an entry from a business directory may be found in a print volume, on a CD-ROM, on the publisher's web site, or in any of several fee-based online resources. Each of these formats may have different searching and saving features. Determining how you access each resource will depend on your needs, as well as the time and financial resources available.

Although one can accomplish a lot on the Internet without incurring costs, serious and complete Prospect Research requires access to fee-based services, the most important being an online-service that has access to newspapers, business and trade journals, periodicals, and basic business references. You can access these services as you use them (each article may cost \$2 - \$3), or for economical flat monthly rates.

<b>Online databases and fee-based services for general research</b>	<a href="http://www.nexis.com">www.nexis.com</a> (\$) <a href="http://www.dialog.com">www.dialog.com</a> (\$) <i>pay as you go for Dialog and Lexis-Nexis</i> <ul style="list-style-type: none"> <li>- <a href="http://web.lexis.com/xchange/ccsubs/cc_prods.asp">web.lexis.com/xchange/ccsubs/cc_prods.asp</a></li> <li>- <a href="http://openaccess.dialog.com">openaccess.dialog.com</a></li> </ul> <a href="http://www.factiva.com">www.factiva.com</a> (\$) <a href="http://www.rpbooks.com">www.rpbooks.com</a> (Prospect Research Online - \$)
<b>Locating people</b>	<a href="http://www.argali.com/">www.argali.com/</a> <a href="http://www.superpages.com">www.superpages.com</a> <a href="http://www.tray.com/cgi-win/indexhtml.exe?MBF=NAME">www.tray.com/cgi-win/indexhtml.exe?MBF=NAME</a> (addresses via political donations) <a href="http://www.accurint.com/">www.accurint.com(\$)</a> <a href="http://www.nexis.com/">www.nexis.com(\$)</a>
<b>Public companies</b>	<a href="http://www.sec.gov">www.sec.gov</a> <a href="http://www.secinfo.com">www.secinfo.com</a> <a href="http://www.hoovers.com">www.hoovers.com</a> <a href="http://finance.yahoo.com">finance.yahoo.com</a> <a href="http://www.tenkwizard.com">www.tenkwizard.com</a> <a href="http://www.marketguide.com">www.marketguide.com</a> <a href="http://www.pinksheets.com">www.pinksheets.com</a> (for over the counter and "penny" stocks)
<b>Private companies</b>	<a href="http://www.businesscreditusa.com/index.asp?bhcd2=989934404">www.businesscreditusa.com/index.asp?bhcd2=989934404</a> <a href="http://www.hoovers.com">www.hoovers.com</a> <a href="http://sbs.dnb.com/default.asp?bhcd2=1066242338">sbs.dnb.com/default.asp?bhcd2=1066242338</a> <a href="http://www.dnbsearch.com">www.dnbsearch.com</a> (\$)
<b>Biographical information</b>	<a href="http://www.anybirthday.com">www.anybirthday.com</a> <a href="http://www.ancestry.com">www.ancestry.com</a> <a href="http://www.marquiswhoswho.com/">www.marquiswhoswho.com/(\$)</a> <a href="http://www.obituaryregistry.com">www.obituaryregistry.com</a>
<b>Real estate</b>	<a href="http://www.orps.state.ny.us/">/www.orps.state.ny.us/</a> (NY ratios and information) <a href="http://www.mynassauproperty.com">www.mynassauproperty.com</a> (Nassau County) <a href="http://indorgs.virginia.edu/portico/assessors.html">indorgs.virginia.edu/portico/assessors.html</a> <a href="http://list.realestate.yahoo.com/re/homevalues/">list.realestate.yahoo.com/re/homevalues/</a> <a href="http://www.domania.com">www.domania.com</a> <a href="http://www.netronline.com/public_records.htm">/www.netronline.com/public_records.htm</a> <a href="http://www.knowx.com">www.knowx.com</a> (\$) <a href="http://www.nexis.com">www.nexis.com</a> (\$)
<b>Doctors and Lawyers</b>	<a href="http://www.martindale.com">www.martindale.com</a> <a href="http://www.ama-assn.org/iwcfhelp.htm">www.ama-assn.org/iwcfhelp.htm</a>
<b>Foundations</b>	<a href="http://www.guidestar.org">www.guidestar.org</a> <a href="http://lnp.fdncenter.org/finder.html">lnp.fdncenter.org/finder.html</a>
<b>Prospect Research</b>	<a href="http://www.aprahome.org">www.aprahome.org</a> <a href="http://www.internetprospector.com">www.internetprospector.com</a>
<b>Political Giving</b>	<a href="http://www.tray.com">www.tray.com</a> <a href="http://www.opensecrets.org">www.opensecrets.org</a> <a href="http://www.elections.state.ny.us/finance/fdismenu.htm">www.elections.state.ny.us/finance/fdismenu.htm</a> (NY political giving) <a href="http://www.cfb.nyc.ny.us/">www.cfb.nyc.ny.us/</a> (NYC political giving)

## How to Find Information on the Web – To 10 Hints

- ❑ Master the art of using search engines, such as Google, Altavista, Yahoo, and perform the same search on several of them to increase results. “Mastering” search engines means learning the boolean language that is common to all of them. Specifically, entering:  
**rodney dalrymple** retrieves *anything* with either rodney or dalrymple, but:  
**”rodney f. dalrymple”** retrieves his name, with initial as shown  
**+rodney +dalrymple +felicity** may retrieve anything that mentions Mr. Dalrymple and his wife, Felicity  
**+”rodney dalrymple” –poker** retrieves pages with Rodney Dalrymple, but omits references to the Rodney Dalrymple, not our subject, who is a professional poker player  
**+”rodney dalrymple” +domain:.org** retrieves hits from nonprofit web sites only
- ❑ Look up someone in a telephone directory, always. Depending on uniqueness of name, you may identify multiple residences, spouse name, additional phone numbers, etc. By entering in last name and street name only, you may also find children’s names from separate lines.
- ❑ Search for family members, including spouses and children.
- ❑ Take advantage of copying and pasting utilities. You can “dump” your findings into a word processing profile template, then clean up later, saving time on re-keying information such as lists of potential contacts.
- ❑ If you know someone is associated with an organization, go directly to that site and search on its internal search engine for additional information. Not all pages in a university site, for example, may be picked up by search engines, and you might also find donor lists, named gifts, awards, honors, class notes, etc. Also, going to Guidestar.org and viewing a 990 can help you determine whether someone is on a nonprofit board.
- ❑ Consider that there are certain kinds of information – such as real estate assessments and political contributions - that may be valuable not necessarily for the information they provide on a particular subject, but because they may give you hints as to occupation, spouse name, initials, and employer name.
- ❑ Subscribe to the Prspct-I mailing list for Prospect Researchers to keep up to date on new sites, developments and challenges. See [groups.yahoo.com/group/PRSPCT-L?yguid=63601620](http://groups.yahoo.com/group/PRSPCT-L?yguid=63601620) to get started.
- ❑ Organize your bookmarks, and be conservative – don’t overload. Some people organize bookmarks by the order in which they access them, the category of information they retrieve, or how they are searched.
- ❑ If at all possible, be willing to utilize “pay as you go” or subscription services available on the web, focusing on the most reliable and “brand-name” data, such as Dun & Bradstreet, Dialog, Lexis-Nexis, Foundation Center, etc.
- ❑ Take time to surf and explore, but know when to consult traditional resource or stop altogether.

[www.google.com](http://www.google.com)

[www.altavista.com](http://www.altavista.com)

[www.alltheweb.com](http://www.alltheweb.com)

[www.yahoo.com](http://www.yahoo.com)

[www.hotbot.com](http://www.hotbot.com)

[www.teoma.com](http://www.teoma.com)

[www.yahoo.com](http://www.yahoo.com)

[www.vivisimo.com](http://www.vivisimo.com)

[www.wisenut.com](http://www.wisenut.com)

[www.looksmart.com](http://www.looksmart.com)

## Getting Started – Research On A Shoestring

- ❑ Determine what, if any, funds you have to designate to the purchase of texts, memberships, Internet subscriptions, or the all-important online service.
- ❑ Secure internet access and an online service (such as Lexis-Nexis, Dow Jones, or Dialog).
- ❑ Contact your local library's reference desk to see what books and CD-ROM products they have. You would probably be interested in Directories of Directors, foundation directories and corporate resources such as Standard & Poor's and Dun & Bradstreet.
- ❑ Contact any specialized libraries, such as regional foundation centers or genealogical societies with a similar inquiry.
- ❑ Gather the telephone numbers of local government offices, such as town clerks and assessors, of any municipalities you may need to contact on a regular basis. Inquire about the information they have available on the Internet, and the information they will supply over the telephone. Most assessors will supply real estate assessments over the phone.
- ❑ Purchase any directories, services, or memberships that will be most helpful as you get started. Remember that an online service, such as Nexis or Dialog, may have a relatively high cost, but will save you hours in time and productivity. Otherwise, sometimes the best place to start is a local business directory or directory of directors. If you have a limited budget, you may consult with your local APRA chapter about getting used volumes from other institutions. Local libraries often sell year-old volumes as well. If you end up purchasing certain texts, do so every-other year to expand your collection over time.
- ❑ Create a "Prospect Research" Checklist with all the resources at your disposal, including relevant Internet sites, any internal publications, files, or systems you may have.
- ❑ Create some standardized reports/templates, either in word processing or in your database so that prospect research information can be kept online.
- ❑ Begin by looking into prospects as they become active or are brought to your attention by volunteers.
- ❑ Eventually, consider using the resources at your disposal to proactively identify new prospects for your organization.

# SAMPLE Prospect Research Checklist

Prospect Name \_\_\_\_\_

Prospect Address \_\_\_\_\_

## Internal Sources

- File
- Development Information Systems
- Development Staff
- Other \_\_\_\_\_

## Basic Data

### *Telephone and Address Information*

- Telephone Directories (Anywho, Infospace, Printed)
- (Real Estate Assessors)
- (Political Contributions) Federal Election Commission
- \_\_\_\_\_
- \_\_\_\_\_

### *Biographical*

- Date of Birth (Anybirthday, other records)
- Who's Who – L-N
- Standard & Poor's Executives – L-N
- Social Register
- \_\_\_\_\_
- \_\_\_\_\_

## Wealth

### *Insider Holdings*

- EDGAR People Online
- 10K Wizard
- Free Edgar
- Marketguide
- Quote.Yahoo.com
- \_\_\_\_\_

### *Real Estate*

- Assessor: \_\_\_\_\_
- Assessor: \_\_\_\_\_
- Knowx.com: \_\_\_\_\_
- \_\_\_\_\_

### *Business/Professional Associations*

- American Business Information – L-N
- American Directory of Medical Specialists – L-N
- Directory of Corporate Affiliations – L-N, Library
- Dun & Bradstreet Business Background Report
- Hoover's – L-N
- Martindale Hubbell (lawyers) – L-N
- Securities & Exchange Commission
- Standard & Poor's – L-N
- \_\_\_\_\_
- \_\_\_\_\_

## Prospect Research Checklist (continued)

Prospect Name \_\_\_\_\_  
Prospect Address \_\_\_\_\_

### *Philanthropy*

- FC Search, Guide to US Foundations
- Foundation Finder
- Guidestar
- Waltman Associates Donors CD, Prospect Research Online (\$)
- Gift list: \_\_\_\_\_
- Gift list: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

### **Broad Searches**

#### *Online Service*

- Lexis-Nexis, Dialog, Dow Jones
- Northern Light
- Dow Jones
- \_\_\_\_\_
- \_\_\_\_\_

#### *Search Engines*

- Google
- Altavista
- Lycos
- \_\_\_\_\_
- \_\_\_\_\_

### **Other – Prospect Specific**

- Alumni directory: \_\_\_\_\_
- Genealogical: \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

### **Notes**

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**Name**  
address

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**BUSINESS ADDRESS**

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**SEASONAL/ALTERNATE ADDRESS**

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**SUMMARY AND RECOMMENDATIONS**

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**PRIMARY BUSINESS DESCRIPTION**

---

**SALARY AND INCOME**

---

**SECURITIES HOLDINGS**

---

**REAL ESTATE**

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**CAREER HISTORY**

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**CORPORATE DIRECTORSHIPS**

---

**TRUSTEE BIOGRAPHIES (Foundation Profiles)**

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**CIVIC & COMMUNITY AFFILIATIONS**

---

**NON-PROFIT AFFILIATIONS**

---

**SOCIAL AFFILIATIONS**

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**AWARDS AND HONORS**

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**EDUCATION**

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**BIRTH INFORMATION**

---

**CHILDREN & FAMILY**

---

**POTENTIAL CONTACTS**

---

**PRIVATE FOUNDATIONS**

---

**NONPROFIT CONTRIBUTIONS**

---

**POLITICAL CONTRIBUTIONS**

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**SOURCES CONSULTED**

Information was found in the following, although many sources were checked

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**KEY ARTICLES**

Jonathan Fairman Brown  
Nanette Lewis Brown  
(Jon and Nan)  
Ritz-Carlton House  
2 Commonwealth Avenue  
Boston, Massachusetts 02116  
(617) 555-1776

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**▣ BUSINESS ADDRESS**

**Jonathan Brown**  
General Partner  
Apex Venture Capital Group LLC  
100 Federal Street  
Boston, Massachusetts 02109  
(617) 555-1812  
jbrown@apex.com

**Nanette Lewis Brown**  
President  
NLB Marketing, Inc.  
500 Boylston Street  
Boston, Massachusetts 02116  
(617) 555-1967  
nan@nlbmarketing.com

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**▣ ALTERNATE ADDRESS**

Willows End  
Mashpee, Massachusetts 02649  
(508) 555-0070

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**▣ BUSINESS / SOURCE OF WEALTH**

Jonathan Brown is founder and general partner of Apex Venture Capital Group LLC, a venture capital firm specializing in \$1million+ investments in start-up computer software, communications, and biotechnology firms. According to *Financial World* magazine (July 1997), the firm has over \$500 million in assets under management for institutional and wealthy individual investors. Although research is unable to determine the total value of Mr. Brown's holdings in the firm, his personal holdings in the five Apex companies that have gone public are worth more than \$20 million as of October 6, 1997. *Financial World* has named Mr. Brown to its last two "Wall Street 100" lists of highest earners on Wall Street, estimating that his annual earnings were \$10 million and \$12 million in 1995 and 1996, respectively.

Nanette Lewis Brown is founder and president of NLB Marketing, Inc., a firm which specializes in the marketing and planning of large corporate-sponsored community activities. The firm's recent accounts have included Coca Cola's participation in the 1996 Summer Olympic Games in Atlanta, the Tournament of Roses Parade, and the Macy's Thanksgiving Day Parade. According to Dun & Bradstreet, NLB's 1996 operating revenues were \$12 million, and Ms. Brown owns 100% of the capital stock of the firm.

Research suggests that the Browns have an aggregate net worth well in excess of \$25 million, resulting in a possible five-year gift capacity of at least \$1 million.

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**▣ CAREER HISTORY**

**Jonathan Brown**

1986-present	Founder and general partner, Apex Venture Capital Group LLC
1978-86	Vice president, Merrill Lynch & Company
1972-78	Associate vice president, Bain Capital Corporation

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**▣ CAREER HISTORY (continued)****Nanette Lewis Brown**

1976-present President and founder, NLB Marketing, Inc.

1972-76 Vice president, Hill Holliday Connors &amp; Cosmopolos, Inc.

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**▣ CORPORATE DIRECTORSHIPS****Jonathan Brown**

(All directorships are related to the investments of Apex Venture Capital Group LLC.)

Alliance Systems, Inc.

Organosense Corporation

Connectivity Solutions, Inc.

Regeneration Systems Corporation

First Wave, Inc.

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**▣ SECURITIES****Jonathan Brown**

<b>Firm</b>	<b>Shares Owned 9/30/97</b>	<b>Price Per Share 10/6/97</b>	<b>Value 10/6/97</b>
Alliance Systems, Inc.	150,000	12.00	1,800,000
Organosense Corporation	475,864	17.75	8,446,586
Connectivity Solutions, Inc.	575,982	3.25	1,871,942
Regeneration Systems Corporation	67,541	28.875	1,950,246
First Wave, Inc.	1,002,744	8.50	8,523,324
			<u><b>\$22,592,098</b></u>

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**▣ REAL ESTATE**

Condominium unit 4F at 2 Commonwealth Avenue in Boston with a 1997 assessed value of \$1,247,860. The Browns have owned the unit since 1994, when they purchased it for \$1,050,000.

Single family residence at Willows End in Mashpee with a 1997 assessed value of \$317,780. The Browns purchased the unit in 1996 for \$350,000.

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**▣ PROFESSIONAL AFFILIATIONS****Jonathan Brown**

Venture Capital Association of America

**Nanette Lewis Brown**

The Ad Club of Boston

---

**▣ SOCIAL AFFILIATIONS**

Harvard Club of Boston and New York

Somerset Club

---

**▣ CIVIC & COMMUNITY AFFILIATIONS****Nanette Brown**

City of Boston Commission on Tourism and Special Events

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**☐ NON-PROFIT AFFILIATIONS****Jonathan Brown**

The Boston Foundation, director since 1994  
The New England Aquarium, trustee since 1996  
Harvard Business School Alumni Association, president 1986-87

**Nanette Lewis Brown**

The Wellness Center, director since 1993  
United Way of Massachusetts Bay, director since 1991

---

**☐ EDUCATION****Jonathan Brown**

Harvard University MBA 1972  
Northwestern University BA 1970

**Nanette Lewis Brown**

Harvard University MBA 1972  
Brown University AB 1970

---

**☐ BIRTH INFORMATION****Jonathan Brown**

May 18, 1948 in Evanston, Illinois

**Nanette Lewis Brown**

April 15, 1948 in New York, New York

---

**☐ CHILDREN & FAMILY**

Jonathan and Nanette Lewis Brown were married September 12, 1974; they have two children, Benjamin Lewis Brown and Sarah Fairman Brown, twins born January 15, 1975. As of 1995, Benjamin Brown was a student at Princeton University and Sarah Brown a student at Brown University; both presumably graduated c. 1997.

Jonathan Fairman Brown is the son of Beatrice and the late Carlton Brown, who was an executive at the Chicago-based Marsh & McLennan insurance firm. Nan Brown's parents, Joseph and Louise Lewis, owned a New York City catering firm until their retirement. (They now live in Boca Raton, Florida.)

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**☐ HOBBIES AND OTHER INTERESTS****Jonathan Brown**

Cycling

**Nanette Lewis Brown**

Sailing

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**☐ PRIVATE FOUNDATIONS**

Nan and Jonathan Brown are president and vice president, respectively, of the Brown Family Foundation, which was founded in Massachusetts in 1986. As of year-end 1996, the foundation had assets of \$7,269,851, and paid grants totaling \$350,000. The high grant was \$50,000; low grant was \$500.

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**▣ PRIVATE FOUNDATIONS (continued)**

**Sample Grants, 1996**

The New England Aquarium, \$50,000  
United Way of Massachusetts Bay, \$25,000  
The Wellness Center, \$7,500  
Brown University, \$5,000  
Dana Farber Cancer Institute Jimmy Fund, \$5,000  
Rosie's Place, \$5,000  
Boston Aid to the Blind, \$2,500  
Boston Symphony Orchestra, \$1,000  
Environmental League of Massachusetts, \$500

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**▣ POLITICAL CONTRIBUTIONS**

**Jonathan Brown**

Forbes for President, 1996, \$1,000  
Weld for U.S. Senate, 1996, \$1,000  
Gantt for U.S. Senate, 1996, \$1,000

**Nanette Lewis Brown**

Clinton/Gore '96 Committee, 1996, \$1,000  
DNC Services Corporation, 1996, \$5,000  
Kerry for U.S. Senate, 1995, \$1,000

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**▣ POTENTIAL CONTACTS**

**Partners at Apex Venture Capital Group LLC**  
**Trustees of the New England Aquarium**  
**Directors of the Boston Foundation**  
**Neighbors at Ritz Carlton House**  
**Directors of the Wellness Center**  
**Directors of the United Way of Massachusetts Bay**  
*Names listed...*

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**▣ SOURCES CONSULTED**

Information was found in the following, although many sources were checked

Boston Assessor's Office  
Boston Directory of Directors  
Boston Foundation Annual Report  
Boston Globe  
Federal Election Commission  
Financial World  
Harvard Business School Alumni Reports  
Mashpee Assessor's Office  
Pratt's Guide to Venture Capital Resources  
Securities and Exchange Commission  
Select Phone  
Who's Who Among American Women  
Who's Who in Finance & Industry

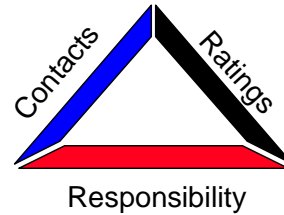
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**▣ KEY ARTICLES**

Reprints of articles that have appeared in newspapers, journals, and trade publications.

## Putting Research to Work

- Gift capacity rating
- Contacts
- Prospect manager
- Potential funding interests
- Potential volunteer interests



## Ratings and Net Worth

←Age, Access, Giving Scale, Liquidity and Inclination→

Net Worth	2.5% Rating	5% Rating	10% Rating
\$1,000,000	\$25,000	\$50,000	\$100,000
\$2,500,000	\$62,500	\$125,000	\$250,000
\$5,000,000	\$125,000	\$250,000	\$500,000
\$10,000,000	\$250,000	\$500,000	\$1,000,000
\$25,000,000	\$625,000	\$1,250,000	\$2,500,000
\$50,000,000	\$1,250,000	\$2,500,000	\$5,000,000
\$100,000,000	\$2,500,000	\$5,000,000	\$10,000,000
\$250,000,000	\$6,250,000	\$12,500,000	\$25,000,000

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## **Ratings Shortcuts**

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- **Capital/Endowment Special Gift**
- Rating  $\geq$  largest known gift to another organization
- Rating = 5-10% of insider stockholdings
- Rating = 5-10% of real estate portfolio, or 5% of residential real estate
- Rating = single largest FEC gift x5 or x10
- Rating = single largest Foundation gift x5 or x10; or 5%-50% of family Foundation assets
- Rating = single largest meaningful annual gift x10-20

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## **Strategy Development**

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- Ultimate Objectives
- 12 Month Objectives
- Most Relevant Information
- Next Steps
- Other Comments

## Prospect Strategy Worksheet

Prospect Name(s) \_\_\_\_\_ Date \_\_\_\_\_

Manager \_\_\_\_\_

### Ultimate Solicitation Objectives

- *This section should include ideas about a “mega-gift” that is either outright or deferred, as well as major leadership expectations.*
- *Be specific and optimistic about an ultimate gift amount!*
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### Twelve-month Objectives

- *Include objectives (with amount) for the annual gift, as well as other volunteer roles you would like to the prospect to assume.*
- *Include any relationship-centered goals, such as involving a spouse or children.*
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### Most Relevant Background Points

- *What facts are most relevant to and supportive of your objectives? These can include financials, as well as biographical realities, such as “prospect has no heirs.”*
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### Immediate Next Steps, Dates

- *What are you going to do next? Who is going to execute the action, and when? Be specific!*
- *A planned face-to-face encounter with the prospect by a professional or a volunteer should be included, as should any “touching base” you might need to do with a prospect’s associates or former solicitors.*
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### Other Comments

- *Is there something important that doesn’t fit anywhere else? Perhaps the prospect is coming to an event next week, or has just been honored by another organization...*

## Levels of Research

### Indepth Prospect Profile

- ❑ Contains complete biographical and financial record
- ❑ Rating and cultivation recommendations where appropriate
- ❑ Contacts and reprints of key articles
- ❑ May take up to three days to complete

*Examples of when one might request:*

- ❑ Preparing for a significant solicitation of someone with long relationship
- ❑ New cultivation of a prospect known to have significant capacity

### Shorter Research

- ❑ Responds to a specific question
- ❑ May focus on Wealth, Gifts and Philanthropy
- ❑ May be completed within one day

*Examples of when one might request:*

- ❑ Have a close relationship with donor
- ❑ Still in strategy-development phase of cultivation
- ❑ Need more external information to establish a rating

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## Prospect Development

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