

Privacy and Publicity: First Steps in Creating a Communications Strategy

E-Newsletter Article, July 2007 Family Giving News

Family philanthropy is at once an intensely private and a very public enterprise where personal principles meet public obligations. It is often difficult to find a compromise between these competing values. Many giving families opt to keep a low public profile, preferring to remain largely out of the public eye. Others see value in stepping into the spotlight, and many are taking advantage of new technology to improve transparency amid increased media and regulatory scrutiny and an ever more sophisticated fundraising community.

Philanthropy will always be a balance of both private and public — private enough to truly express your family's values and yet public enough to inspire others. This month's *Family Giving News* offers suggestions for creating a communications strategy that strikes the appropriate balance.

Privacy vs. Publicity

In crafting a communications strategy, it may help to clarify how private or public your family wishes to be. What might a higher or lower profile mean for your family, your grantees, and the general public?

Some families opt for a low public profile. One philanthropy advisor tells a story of serving on an awards committee that was about to give an award to an extremely generous community donor before learning of the donor's particular circumstances. The donor lived frugally in what some might call a bad neighborhood, despite being relatively well off.

"He was distraught," the advisor remembers. "No one could know he had that kind of money to give. In accordance with his wishes, we gave the award to someone else."

Concern for one's own safety and the safety of one's family motivates many to keep their family's giving quiet. Families with young children or elderly family members are sometimes very anxious about the kinds of attention their wealth could attract. Others are concerned about how their children might be treated if, for instance, they attend a school where the library, the chemistry department, or the school itself bears a family member's name. Others decline naming opportunities and even recognition on a list of donors out of everyday modesty and humility. Some families are willing to consider a more public profile, but worry that they'll be inundated with grant requests. Families in small communities worry that even casual social gatherings could become impromptu fundraising events as folks become aware of their wealth. Whatever the motives, many wealthy families cherish their privacy.

Reasons for being public are equally varied. Some philanthropists appreciate being thanked and acknowledged for their gifts. Some donors feel they can be a role model to encourage others to give. Still others are looking to gain attention for the causes and institutions they care about. This month's [Profile in Family Philanthropy](#) describes the [Charles A. Frueauff Foundation](#), which enjoyed a relatively low profile for most of its 50-year history until the trustees discovered how

much they could advance the cause of their grantees by taking their Little Rock-based philanthropy public. Other trustees take the position that as stewards of a public trust, they should adopt a profile that ensures transparent and accountable philanthropy.

“Foundations have this reputation of being mysterious, these castles surrounded by alligator-filled moats,” declares Bruce Trachtenberg, Executive Director of [The Communications Network](#), an affinity group of foundations that promotes and strengthens the practice of communications in philanthropy. “You have no idea what goes on there.”

Family philanthropy cannot be completely private. This is especially true for family foundations, because their tax forms are public records easily accessible on the Internet.

How public you want to be is a discussion every family should have. Hold a family meeting to consider the family’s mission, goals, guidelines, and how public your common enterprise has been and ought to be in the future.

“You really need to understand and articulate who you are internally before you can begin to communicate that externally,” explains Rich Polt, Founder and President of [Louder than Words](#), a Massachusetts-based communications agency. He suggests asking the following questions: “Will publicity allow us to further our mission? Will ‘getting the word out’ allow us to do what we want to do better?”

Ask questions about how family members feel about the family’s wealth and the opportunity to accomplish something significant with that wealth. How might they feel about being recognized? How might they feel about being in the paper? How about on TV? How might your grantees feel?

Note where the opportunities and trade-offs might be. Would you be willing to give up a bit of privacy in exchange for helping a grantee attract new funders? Might you consider declining naming opportunities if it made other family members more comfortable participating in the family’s philanthropy? How will your family balance its private commitments and its public duties?

Once you’ve explored these questions, here are some strategies for how your family might strike that balance.

Preserving Privacy

Take your philanthropy “off the grid.”

Those looking to protect their privacy have quite a bit of latitude to do exactly that. Nothing in the law requires you to list your telephone number in the phone book, create a web site, maintain a public office, print business cards, publicize your grants, be acknowledged by a grantee on a list of donors, or take advantage of naming opportunities.

Many families take this “unplugged” approach. One Southeastern family receives a report of

their fund's finances in early November. They make giving decisions around the dining room table the day after Thanksgiving, and a trusted attorney signs the checks before the end of the year. Few outside the family know of their generosity.

Consider the name.

A foundation CEO noted that his employers made an important decision at the outset not to lend the family name to the foundation. While the foundation enjoys a high profile and the family itself is well-known, few know the two are connected. Indeed, a giving vehicle allows a family to create a sort of alter ego.

In a classic example, John Andrus dubbed his creation the [Surdna Foundation](#) in 1917. Surdna is "Andrus" spelled backwards. Other families have been equally creative in crafting brands that deflect attention away from the family and toward the causes they care about. One foundation executive pointed out that her foundation bore the founder's wife's maiden name, which distinguished the foundation from the company that bore the family's name and was not a name anyone in the family carried. The family was free to carry out a very public giving program without being asked if they were *that* "Smith" or *that* "Jones."

Consider other giving vehicles.

"If you're a foundation, someone's going to find you," says Trachtenberg. It is legally impossible to give anonymously through a foundation, due to tax reporting requirements. Add to that the increasingly sophisticated services of organizations like the [Foundation Center](#) and [Guidestar](#), both of whom make the Form 990-PF of the nation's foundations available online in searchable databases, and, chances are, your foundation's filings will be seen by enterprising grantseekers and fundraisers, curious reporters, and casual web users.

For this reason, many families consider alternative vehicles such as donor-advised funds or giving circles. If you have a foundation and are concerned about privacy, you may want to consider whether your goals can be achieved through another kind of vehicle. Some families even have multiple giving vehicles for different kinds of giving.

Avoid unwanted contact.

Ironically, one way of preserving privacy in some areas is to communicate more in others. If you're a foundation, begin with the Form 990-PF. On page 10, there is a box that can be checked to indicate your foundation "only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds." Include this language on your web site, if you have one, and on any materials for current and potential grantees.

Pursuing Publicity

The possibilities for rich communication are growing exponentially. There are numerous ways for foundations and funds of all kinds to attract attention for the causes and institutions that matter to them. Here are a few:

Get everyone “on message.”

Attempting to tell a single, powerful story can be a difficult task if you’re sending mixed signals. The [Council on Foundations](#) recommends making public the basic information about your philanthropy: names of the board members, mission, guidelines, grant process (including whether unsolicited proposals are accepted), finances, procedures, timetable, grantee list with amounts and purpose, etc. Meanwhile, you have a number of potential audiences: your family and staff (if any), grantees, the media, regulators, and the general public. That can be a lot of information to impart to a lot of people. Will your message make it to its destination?

Trachtenberg recommends creating a basic fact sheet—a one-to-two-page document that details all of the above information, the essential facts of your philanthropic life from your values and history to the grants that express them. Take care that all communications—from conversations with grantees to interviews with reporters—reflect the information on this fact sheet and the story you wish to tell.

Create a web site.

“The best place to get information is from the foundation directly,” asserts Anna Kay Freuauff Williams, trustee and Vice President of Communication and Programs at the Charles A. Freuauff Foundation. And one of the best ways to impart that information today is through a web site. Your web site can serve as the one-stop shop for information about your philanthropy in lieu of or in addition to a traditional printed annual report.

Begin with the information on your fact sheet: contact information, mission, grant guidelines, and finances. The web sites of the [Dyson Foundation](#) and the [Johnson Scholarship Foundation](#) are models of transparency. At the Dyson Foundation’s web site, you can see the foundation’s annual reports and view statements of financial position. The Johnson Foundation posts its financials and even provides a glimpse into how its assets are managed.

Once you’ve established your basic web presence, you can experiment with more personal and more interactive features. The [George Gund Foundation](#) makes its famous annual reports available online. Each year, a photographer is commissioned to highlight a particular area of interest for the foundation’s annual report. The Foundation simultaneously promotes the arts, the communities it serves, and the field’s interest in accountability.

The [Helen Bader Foundation](#) offers an online application process, streamlining the application process for interested grantees and busy staff. The [Frieda C. Fox Family Foundation](#) offers in-house video production to select nonprofits and hosts the resulting documentaries on the Foundation web site.

Creating a compelling web site needn’t be overly complicated. In fact, you may already have the talent and resources within your family. The Fox Family Foundation’s web site was created entirely in-house—from the logo to the programming. If you’re considering a web site, think about tapping next generation family members for help. You might be surprised at what they’re able to create. Other foundations have used students and faculty at local universities to create

their sites. Talk to fellow donors with web sites or contact your local community foundation or regional association and ask how they built their online presence.

Remember that your foundation already has an online presence at sites like the Foundation Center and Guidestar. Both organizations allow foundations to update their profiles. Take a moment to see what grantees and the general public are seeing when they log on to sites like these. If you'd like to take that profile a step further, the Foundation Center provides free web sites to foundations through its "[Foundation Folders](#)" program.

And keep in mind that family foundations aren't the only giving vehicles with an online presence. The [Jonas Center for Nursing Excellence](#) is a project of the Barbara and Donald Jonas Family Fund, a donor-advised fund at the [Jewish Communal Fund](#) in New York. [Dining for Women](#) and [Bread for the Journey](#) are networks of giving circles around the country.

Explore media and public relations.

Start small. The Helen Bader Foundation's now well-known communications efforts started small with one-on-one conversations with reporters about foundation priorities. You can begin your own media relations program by assessing the outlets—press, radio, TV, online—in which you'd like your stories and the stories of your grantees to appear. Identify the person at those outlets responsible for the kind of stories you'd like to tell. If there isn't a philanthropy reporter, perhaps there's an education, health, or religion reporter who might be interested in your story. Introduce yourself and pitch your story.

"If you're really trying to build public will and support for something extremely important," Trachtenberg suggests, "It may make sense to hire someone." As your communication needs grow, consider hiring a consultant or an experienced staffer or perhaps retaining the services of a public relations firm.

Don't be discouraged if your grantees aren't front-page news tomorrow. Even if your story doesn't catch on, you're developing relationships with people who might be interested later. You might be called upon later for answers to questions about developments in philanthropy, an excellent opportunity to promote your family's efforts and the achievements of your grantees.

Striking a Balance

Family philanthropy inevitably operates along a continuum of private and public--from anonymous giving to high-profile grantmaking. Wherever your family's giving happens to fall, consider making your public profile a conscious decision, striking a balance between private values and public commitments and ensuring a rich, rewarding experience for you, your family, and the communities you support.

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