

COMING OUT OF THE DARKNESS
EVENTS IN A POST PANDEMIC WORLD

FORGET ALL YOU USED TO KNOW ABOUT FUNDRAISING EVENTS

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OF CHARITY FUNDRAISING EVENTS**

**NAMED #14 OF "44 BEST CHARITY BOOKS OF ALL TIME"
BY BOOKAUTHORITY 2019**

CHARITYBUZZ

Coppy Holzman started Charitybuzz.com out of his Westport, Connecticut home in April 2005. The idea came from a conversation he had with President Bill Clinton and Chevy Chase at a fundraising event in late 2004 to benefit the Clinton Library. The company's website states that it has raised more than \$450 million for non-profits since inception.

The current president of Charitybuzz, Ben Erwin was friends with Coppy's son (Ian Manheimer) and after Erwin graduated from The George Washington University, he joined Callaway in the golf industry. He was there for just a year and it was a perfect job for his passion of golf and his (then) 3 handicap. When Callaway wanted to transfer Erwin away from Connecticut to the Pacific Northwest, he left Callaway and started working with Charitybuzz until he found a new job.

These were the early years of Charitybuzz and at one point Coppy told Erwin that he could still work there but he didn't have the money to pay him. Erwin approached his father for advice, and his dad asked him if he believed in the concept and company, when Erwin replied that he did, his dad encouraged him to stay even with no pay.

Erwin later played a role in trying to find new ownership for Charitybuzz and was part of the group that brought in Todd Wagner as the new owner in October 2015. Wagner attended Indiana University with his later business partner, Mark Cuban and together



CHARITYBUZZ

DO GOOD LIVE WELL

they founded AudioNet in 1995 and they later changed the name to Broadcast.com in 1998 and then sold the company to Yahoo in 1999 for \$5.7 billion making both of them billionaires.

Wagner also has a law degree from the University of Virginia and became a licensed CPA in the state of Texas. Wagner is currently partnering with Cuban on 2929 Productions, HDNet Films, Landmark Theatres and the Dallas Mavericks. He owns Charity Network, the parent company of Charitybuzz and also has large stakes in Lions Gate Entertainment, The Weinstein Company and Content Partners LLC.

At Charitybuzz, the premier online auction site, you'll find a specially curated marketplace of extraordinary experiences and one-of-a-kind luxury items that benefit important charities. With our ever-changing, dynamic inventory, we'll help you realize your dreams.

WIN FROM ANYWHERE AT ANYTIME

Simply sign up for a free account from the comfort of your desktop or mobile device. Then explore and bid on experiences with the world's most acclaimed celebrities and visionaries, exotic travel packages, autographed sports memorabilia, and hundreds of other luxuries. As you count down the exciting final minutes, 80% of your winning bid goes toward helping some of the world's most worthy causes

LIVE OUT YOUR WILDEST DREAMS

Imagine yourself on a private tour of the Vatican, teeing off with your favorite golf pro, or sleeping under starry African skies. Now point with pride to the Warhol on your wall, rock out with a guitar signed by a music legend, or let an iconic designer decorate your space. When your dreams become reality, the power of experience becomes a memory that lasts a lifetime

EVERY BID MAKES A DIFFERENCE

By bidding on amazing experiences, you make a real-world impact in the lives of others. From education and health issues to animal rights, conservation, the environment, and more, every bid benefits a worthy organization working on some of the most pressing issues of our time---Charitybuzz website.

START WINNING NOW

Since 2005, Charitybuzz has helped hundreds of thousands of amazing individuals do good and live well. Our inventory is constantly changing, so check back often. Register and create your free account. Making a difference is only a click away... ---Charitybuzz website.

I personally first interacted with Charitybuzz in 2013 when Gavel Group was hired by three charities in Palm Springs to conduct an estate sale for President Ford and Betty Ford's estate. The three charities were the Betty Ford Center, Boys and Girls Club Coachella Valley and the Ford's church (St. Margaret's Episcopal Church in Palm Desert).

After President Ford and Betty Ford passed away, the Ford children went through their two homes, one in Aspen, Colorado and one in Palm Springs, California and took the items that they wanted and said that charity could have the rest of the items. In

California, all the remaining items were put in storage and awaited being inventoried to benefit charities. That's what Gavel Group was hired to do.

Gavel sent a crew of 10 people to Palm Springs on three different days to go through hundreds of items. The items ranged from President Ford's lounge chair to his former smoking pipes, to his golf clubs, to numerous Betty Ford dresses and purses and so much more. We discovered so many hidden gems that would sell for big dollars to the right audience. One of the items was a faux Faberge egg gifted to President Ford by President Clinton. Another was Betty Ford's "Person of the Year" custom Tiffany jewelry piece awarded to her by Time Magazine. A third item was the full set of fine china used by the Fords to entertain in Palm Springs. We approached Charitybuzz and asked if they would accept the top 20 items to be sold on their site. They asked for a list, reviewed the list and approved all 20 items.

However, the client declined using Charitybuzz stating that they wanted all items to be sold in Palm Springs to local buyers. We pointed out that the key was supporting the charities selected by the Ford family with as much money as possible, but this argument was declined. Items sold for pennies on the dollars instead of for a premium as they would have sold on Charitybuzz.

After this missed opportunity, Gavel suggested to many of our clients that they put specific items on Charitybuzz, but they always asked us to do it for them as part of our auction services. It took a few more years until 2018 when Gavel Group negotiated a

test with Charitybuzz that would allow Gavel to post the items for our clients, work directly with Charitybuzz as the non-profit's agent or liaison, and Charitybuzz would provide the net revenues directly to the charity. In just over six months in 2018, Gavel posted items that sold for just under \$1 million netting our clients approximately \$750,000.

After learning most of the ins and outs of Charitybuzz, 2019 saw Gavel post 995 items with gross sales of \$2,653,880 for an average sale price of \$2,667.22. Gavel's average selling price is approximately 10% higher than Charitybuzz's overall average.

Charitybuzz posts more than 11,000 lots per year and the average price sold is just under \$2,500 for annual sales of more than \$26 million.

So, what items sell better on Charitybuzz than at your physical event? The more unique the item the better it sells on Charitybuzz. When Goodyear donates a 30-minute blimp ride for two people, the average price range it sells for at physical events is \$3,500-\$5,000. There are events where it sells for \$1,250 and I am sure there are events that it sells for \$25,000, but the range is a fair average. Whenever we have sold the blimp on Charitybuzz, it has never sold for less than \$11,000. \$11,000 less the 22% charged by Charitybuzz nets \$8,580 or well above the highest average range.

The key to Charitybuzz's success is developing and maintaining a large group of international bidders. They have the same responsibility as does each non-profit.

Identify, cultivate and retain donors (bidders). Charitybuzz's customer service is second to none. Charitybuzz carefully vets the items that non-profits wish to list, wanting to gain confidence that the item will live up to its billing. If someone wants to list attending the Academy Awards as an item, they are going to need to justify to Charitybuzz who they have access to the item. If Charitybuzz does not have a good experience with a non-profit listing an item(s), they very well might not allow for additional postings. Conversely, if a bidder is the winning bidder and does not fulfill their purchase, they too might be barred from the site so that both the non-profit and the bidders have confidence in the transactions.

“There's no doubt we are operating in a new, uncertain reality that brings with it unique challenges for charity auctions. The one-on-one meetings with A-listers and business moguls, VIP exclusive experiences at concerts and events, and luxury vacations around the world may not be marketable for the time being; but bidders are spending money, especially on things to get them through this tough time. Charitybuzz is already seeing positive results from this “instant gratification” phase, and we are seeing many customers make aspirational purchases, like travel with extended booking deadlines and event packages for 2021.

I urge anyone in the business of supporting non-profits to take this time to strategize and prepare for the impending release of all that pent-up demand. By then, even if the economy is rebounding, non-profits' needs are going to have compounded after months of financial insecurity. Times like these are when Charitybuzz's mission becomes more focused and more urgent than ever,” said Charitybuzz President Ben Erwin

It is often said that one's true colors are visible in times of crisis. During the Covid-19 crisis of 2020, Charitybuzz not only remained open, but they constantly communicated with their non-profit clients of ways to try and offset loss revenues from postponed and/or cancelled physical events. They came up with a creative list of items that would

do very well when society was quarantined in their respective homes. Items such as a Skype session with a chef teaching the winning bidder how to make something. Yoga instruction with a guru. An hour conversation with a radio host etc. Charitybuzz's team members were calling non-profits to not ask them what they could list with Charitybuzz, but to check in on them asking how they were and how they were going to get through the crisis. They built even stronger bonds with their charity partners.

Charitybuzz identified a three-prong cycle during the crisis. The first prong would be when everyone was quarantined in their homes and included the Skype items described above, wine, memorabilia, jewelry and other things that could be redeemed in the home. The second prong was Aspirational Items. The items that people would want to do after the crisis and would be introduced on the site when the quarantine was nearing an end. Prospective bidders were aspiring to be on beaches, yachts, golf courses, VIP seats to sporting events and concerts and more. Finally, the third prong would be to provide a large segment of items that would feed the pent-up demand of the bidders.

QUOTES FROM CHARITYBUZZ PURCHASERS

“For me, Charitybuzz provides me an easy and fun way to give back to so many of the great and worthwhile charities around the nation.” ---Chris Bishop (Ridgefield, Connecticut)

“The Granite Foundation is a 501c3 charitable family foundation. We have found Charitybuzz to be a ‘fun’ way to give money away. It also makes us aware of so many previously unknown causes with interesting and compelling needs. Also, the eclectic choices of goods and services at auction can be cycled to others as needed.” ---Timothy Madden (Mendota Heights, Minnesota)

CHARITYBUZZ RESPONDS:

Charitybuzz exists to help non-profits raise new unrestricted funds. By providing incredible exclusive, luxury experiences to high-net-worth individuals and tapping into those entertainment budgets, we are increasing the overall “size of the pie” going to charity. We are constantly innovating to best serve our broad spectrum of non-profit clients. This predisposition to challenge the status quo led Charitybuzz to make rapid, effective adaptations to its inventory in light of the Coronavirus pandemic. This promising momentum is vital, as we know non-profits are currently facing the trying combination of increased demand and decreased funding.

Even during this precarious time, what we’ve found, already with data to back it up, is that Charitybuzz bidders are exceptionally generous and committed. We’ve cultivated this loyal customer base over more than a decade and that value is more apparent than ever.

PRIZEO

“GIVE SMALL. WIN BIG”

Support a great cause and win the experience of your dreams. For as little as a \$10 donation, the next winner could be you---Prizeo website

Prizeo has stated that it has raised more than 50 million dollars since 2013 or approximately 7.1 million per year. The concept is that instead of placing a top auction item such as dinner with Paul McCartney in your physical live auction where it might sell for \$100,000 or on Charitybuzz where it might sell for \$200,000, sell \$10 chances to the masses and try to sell \$500,000 in chances.

“We’re seeing donors choose to engage with our campaigns because they want to support a particular cause, now, more than ever, which is heartening. Our charity partners are collaborating with us to present grand prizes that are attractive to people in this landscape. And we’re all looking ahead to be prepared for when the economy starts recovering and we can bring amazing in-venue sweeps to concerts and other events, and offer even more “IRL” grand prizes,” said Prizeo General Manager Lauren Werner.

Prizeo was founded in 2013 by Bryan Baum, Leo Seigal and Andrej Pancik in Los Angeles. Todd Wagner, the billionaire owner of Charitybuzz purchased Prizeo exactly two years after its inception. Prizeo is now a member of Wagner’s Charity Network, which is also the parent company to leading charity auction site Charitybuzz and strategy consulting firm Global Philanthropy Group.

As undergraduates at Oxford University, co-founders Bryan Baum and Leo Seigal worked with the Aloysius Society a philanthropic group of current, and former Oxford



University students dedicated to supporting those in need around the globe. Aloysius Society members organize large-scale events to raise money and awareness for their chosen charities. Although the society raised \$1 million running auctions, Baum and Siegal were frustrated at the cost of their fundraising strategy and lack of scale. In 2012 the duo teamed up with co-founder Andrej Pancik and Lukas Bosko to create Prizeo, a sweepstakes platform to help non-profits raise funds and awareness. Early investors (pre Todd Wagner) including William Morris Endeavor and Edgar Bronfman, Jr.

Since launching, the platform has held nearly 200 sweepstakes campaigns featuring once-in-a-lifetime experiences and raising more than \$50M for hundreds of charities Prizeo campaigns have featured celebrities such as Lin-Manuel Miranda, Ellen DeGeneres, Tom Brady, Martha Stewart, Imagine Dragons, Tiger Woods, Lady Gaga and many more---Prizeo website

CHOOSE YOUR DREAM PRIZE

Charities and their celebrity partners work with Prizeo to create once-in-a-lifetime sweepstakes for experiences that you can win. Whether you are into film, music, or sports, there’s something for everyone!

SUPPORT AN AWESOME CAUSE

You can enter with just a small donation to the celebrity’s chosen cause and the more you donate, the more chances you have to win! You can also always enter for free (no donation or purchase necessary). See the sweepstakes official rules for details

EARN ENTRIES FOR SHARING

Help charities spread the word by sharing your unique link and earn extra entries. You can do this via Facebook, Twitter or e-mail and make someone's day!

WIN!

The winner will be chosen at random after the sweepstakes closes and will enjoy an experience of a lifetime

ABOUT PRIZEO

Prizeo was born from the belief that celebrities have the power to mobilize their legions of fans to make a real difference and raise awareness and funds for important causes around the world.

With automatic entry available at the basic \$10 donation level, and free entries (no donation necessary) always available for every sweepstakes, everyone has the chance to win big and make a difference. See the sweepstakes official rules for details---Prizeo website

Assorted Prizeo items have included experiences with:

Carson Wentz

Ellen DeGeneres

Dave Matthews Band

Drew Brees

The Points Guy

Martha Stewart

Rainn Wilson

Tiger Woods

José Andrés

Similar to Charitybuzz, Prizeo charges the non-profit 22% of the gross sales including the credit card rate. Prizeo creates and markets each campaign through social media, email marketing and paid digital advertising. The creation and coordination of these materials are covered as part of the platform fee. Hard paid digital advertising expenses are a cost of the campaign, so are deducted from campaign proceeds and are a shared expense between Prizeo and the non-profit. Both Prizeo and Omaze must offer free entries into the sweepstakes to comply with sweepstakes laws.