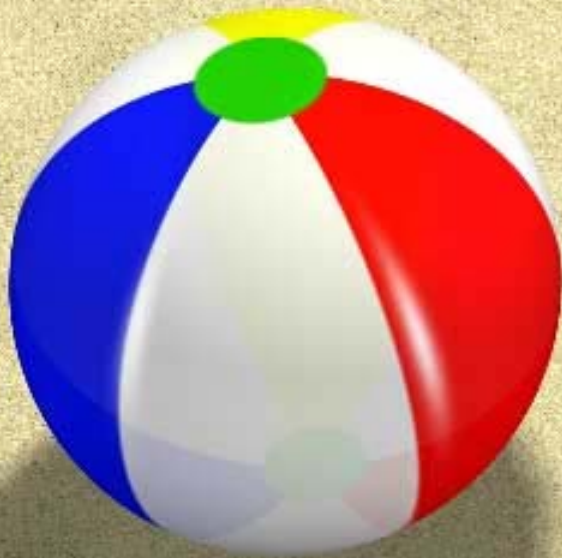


Generating Non-Dues Revenue



By Rick Bannister
Assistant Executive Director
Ohio State Bar Association



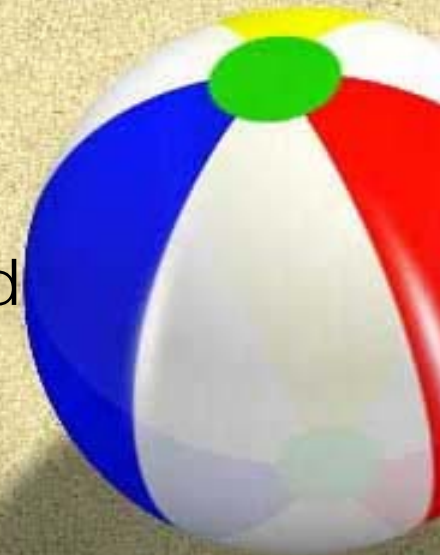
What are your organization's goals?

☾ Mission

☾ BHAG

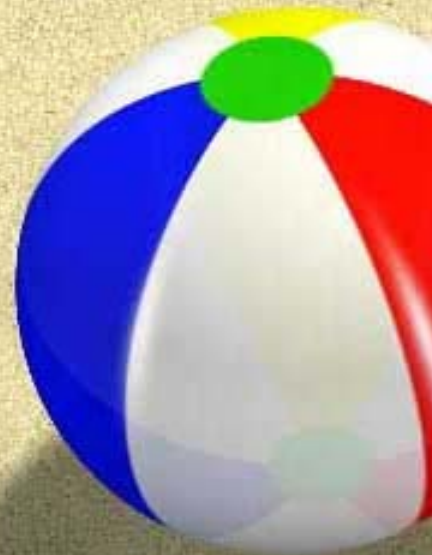
☾ Strategic Plan

☾ Creating the right environment for board
and staff



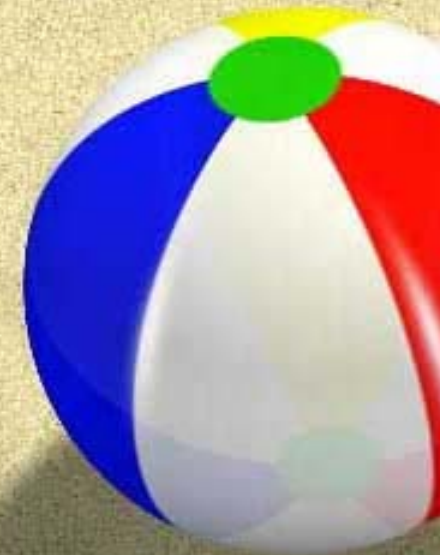
Do you have a reserve policy?

- ☾ Helps to expand non-dues revenue programs
- ☾ Non-dues revenue key to making contributions to reserves
- ☾ Focus away from dues to other revenue



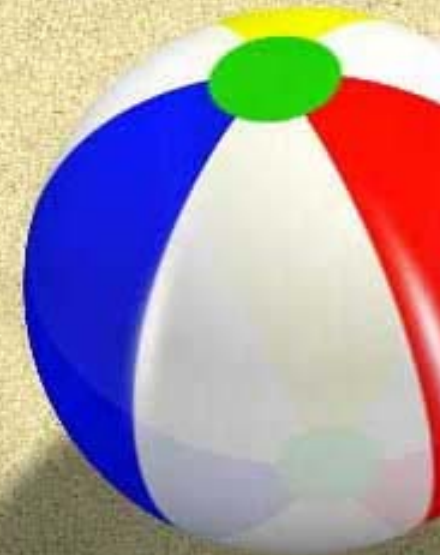
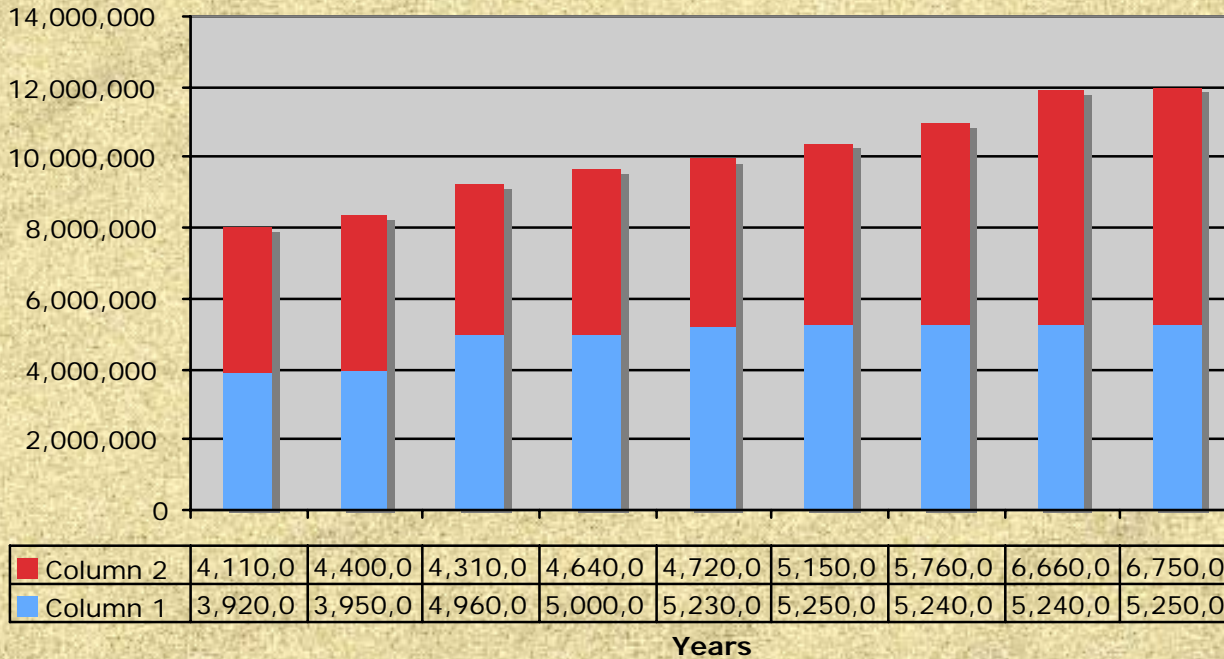
OSBA Goals -

- ☾ BHAG - "To be indispensable to the lawyers of Ohio"
- ☾ Dues revenue less than half of total annual income
- ☾ Make annual contributions to reserves



OSBA - Non-Dues revenue history

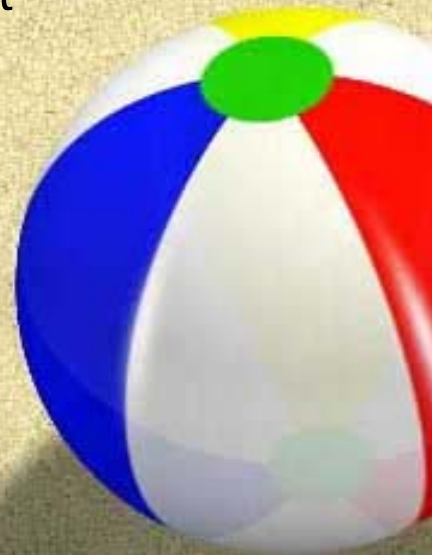
Total Revenue Mix - OSBA



Evaluating non-dues revenue programs

1. How closely aligned to your mission/goals?
2. Revenue generating opportunities?
3. How much is partner willing to invest in growth of program?
4. Programs achieving all of above!

Invest your time/resources in these...



Top non-dues revenue programs for OSBA

- ☾ CLE
- ☾ Insurance Agency
- ☾ Worker's Comp Program
- ☾ Publication Advertising
- ☾ Credit Card Program
- ☾ Investment Income...pffffffhhhh!
(sound of air going out of balloon)

Examples of support...



A wink and a nod won't due...

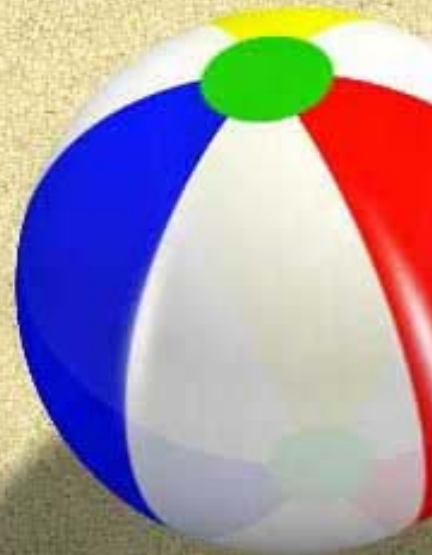
☾ Are you really supporting your programs?

☾ Staff resources

☾ Investment in R&D

☾ Commit to advertising - informing your members

☾ Let them succeed...



Long range planning

- ☾ What is anticipated life span of program?
- ☾ What is potential for growth?
- ☾ Plan to achieve maximum growth during life span!



Future possibilities?

☾ Economic conditions may provide opportunities

- ✓ Merchant card services/banking
- ✓ Web site development/services
- ✓ Law office support services
- ✓ Other ideas?



Questions/Comments?

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Generating Non-dues Revenue

Whitney von Haam
Director of Membership
North Carolina Bar Association
NABE Administration & Finance Section Workshop
February 10, 2009

Basics about the NCBA

- 16,500 members including our paralegal and law student members
- Voluntary – NC also has mandatory State Bar
- Association has a \$5 million budget
- Outspend our dues revenue by \$1.5 million
- CLE...a great source of revenue for many Associations, but not for us – our CLE is run through our Foundation, so the Association does not receive benefit from it

Non-Dues Revenue

- In real estate it is all about ... Location
- The non-profit sector needs to be all about...Diversify

NCBA Non-dues Revenue Sources

- Investments
- Local Bar Services (HR, IT, accounting, etc)
- Advertising
- List Rental
- Affinity Partners

Investments

- Did I mention the need to diversify?
- With an average 30-40% loss by many individuals and organizations in their investments, lessons learned by all...

Local Bars

- The NC Bar Center houses several organizations
- Our Foundation owns the building
- Several smaller specialty and local bars lease from the Foundation
- AND, they pay for services from the Association – such as IT, accounting and HR
- Win, win – they don't need to outsource to for-profit and we obtain additional non-dues revenue

Advertising

- Print publication – NC Lawyer, has ads, but not self-sustaining
- Banner ads on Web site – NCBA doesn't do. Strict policy against per our Board
- NC Legal Marketplace – compromise for online ads
 - Career listings
 - Business listings
 - Classified listings
- Limited to members to search; public may list

List Rental

- Powerful demographic
- Most list purchased electronically now
- We charge \$.35 per name, which can be cross-sectioned by ZIP, county, section...
- We require approval of mailings, especially for those advertising CLE programs
- Problem: State Bar (mandatory – now offers entire listing of members in Excel format for \$19.99!

Affinity Partners

■ Getting Started

- NCBA hired a consultant about 7 years ago
- Took a step back to look at what programs we were already endorsing – what worked well, what didn't
- Decided on a tiered approach
 - First tier: Products/services critical to firms
 - Second tier: P/s important to firms
 - Third tier: P/s nice to have in firms
- Change in structure of agreement – exclusivity
- Reporting also required

Affinity Partners

- Basics Required to become a Partner
 - Unique Product or discount
 - Must reach all members geographically
 - Tiered approach to members: Small, medium and large firms
 - Marketing plan
 - Revenue stream back to Association
 - Monthly reporting

Affinity Partners

- Programs that have worked
 - National brands (local bars would probably have better luck with local vendors)
 - First tier, critical needs
 - We're now working on second tier needs:
 - Web and telephone conferencing
 - Network solutions providers
 - Credit card services (impactful in this economy for members)

Affinity Partners

- Programs that didn't work
 - Cellular phones
 - Gateway computers
 - Other technology needs
 - DHL Express
 - Anytime the win triangle is anything other than equilateral

Affinity Partners

■ Lessons Learned

- Easy-to-find information on our Web site
- Necessary that the sales force understand legal market
- NCBA endorsement does not bring flood of customers
- Don't glut the program with too many partners
- No longer require partners to attend Annual Meeting
- Partner programs help bridge generational gap

Affinity Partners

■ Ending programs

- Like relationships, it's so hard to say goodbye
- When triangle is not in balance, it's time
- When sales force is not stable, it's time
- When communication is next to impossible, it's time
- When members are complaining (not just one or two, but many), it's time
- When service is outdated, it's time

Generating Non-dues Revenue

- Each program is unique
- Sometimes a sure bet doesn't work out, sometimes a far shot can be a success
- Questions? Thoughts? Success Stories?
- Feel free to contact me –
Whitney von Haam

whitney@ncbar.org or 1-800-662-7407