

Giving Beyond Borders:

A Study of Global Giving by U.S. Corporations



LILLY FAMILY
SCHOOL OF PHILANTHROPY
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A Study of Global Giving by U.S. Corporations

Sponsored by



Researched and Written by



**LILLY FAMILY
SCHOOL OF PHILANTHROPY**

INDIANA UNIVERSITY
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October 2013

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The Indiana University Lilly Family School of Philanthropy is dedicated to improving philanthropy to improve the world by training and empowering students and professionals to be innovators and leaders who create positive and lasting change. The School offers a comprehensive approach to philanthropy through its academic, research, and international programs and through The Fund Raising School, Lake Institute on Faith & Giving, and the Women's Philanthropy Institute. Learn more at www.philanthropy.iupui.edu.

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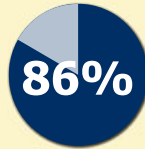
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October 2013

Snapshot of International Giving



Companies that give internationally plan to **increase or maintain** their international giving budget size in the next fiscal year.



Factors Influencing International Giving



NEEDS IN RECIPIENT COMMUNITIES

78%



A COMPANY'S FINANCIAL PERFORMANCE IN RECIPIENT COUNTRY

52%

Factors Influencing Nonprofit Partnerships



NONPROFIT'S EFFECTIVENESS IN PRODUCING RESULTS

68%



NONPROFIT'S ACCOUNTABILITY

25%



NONPROFIT'S REPUTATION

17%

Scope and Scale of Foreign Operation Matters

(between 2000 and 2010)



Companies with at least one foreign **subsidiary** gave more charitable gifts at the million-dollar-plus level than companies with no foreign subsidiaries.



Companies with a larger share of **overseas sales revenue** gave more internationally at the million-dollar-plus level.



Growing Global Philanthropy

CORPORATIONS:
Make sustained investments that create lasting change in beneficiary communities.



NONPROFITS:
Demonstrate and quantify impact and value.

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Information from "Giving Beyond Borders: A Study of Global Giving by U.S. Corporations," Sponsored by Global Impact. Researched and written by Indiana University Lilly Family School of Philanthropy, October 2013.

Research Background

About two decades ago, important questions were raised for future research studying multinational corporations' social responsibility:

- “To which society should a multinational enterprise be responsible—home, hosts, or all of these?”¹; and
- “To which society's values does a company refer when making its principled decisions?”²

As globalization opens new international markets, companies are adapting their strategic focus to evolving business conditions. Stakeholders now dot the globe—employees, shareholders, suppliers, sales agents, customers, and competitors. Corporate social responsibility, especially corporate philanthropy, is often considered critical to a company's success in many countries. How do U.S. companies realign philanthropic strategies in response to this increasingly connected world? Are they able to maintain the unique American philanthropic model and philosophy? And how do they find shared economic and societal values to address social issues in an international context? This

research aims to contribute to the debate surrounding these critical questions by providing a snapshot of large U.S. companies' global philanthropic engagement.

Beginning in January 2013, this study involved three phases: 1) secondary research analyzing data on the top 100 companies on the 2012 Fortune 500 list; 2) a web-based survey of a select group of Fortune 500 companies; and 3) case study interviews with four large U.S. companies. Key findings from these three research phases are organized into eight sections in this report: International Giving, Giving Strategies, Philanthropic Funding, Partnerships, Disaster Giving, The Context, Evaluation, and Future Outlook. A detailed discussion of methodologies employed in each research phase can be found in the Research Methodology section of this report.

We greatly appreciate the invaluable insights provided by all companies that participated in the study and hope that this report will help both corporations and nonprofits create positive, lasting social change in this global community.

¹ Wood, D. J. (1991). Corporate social performance revisited. *The Academy of Management Review*, 16(4), 691-718, p. 701.

² Wood, D. J. (1991). Social issues in management: Theory and research in corporate social performance. *Journal of Management*, 17(2), 383-406, p. 397.

Key Findings

Companies increasingly expand their philanthropic initiatives globally, opening many questions for practitioners and researchers. How do companies donate across borders? What factors influence their philanthropic decision-making? What attributes do companies look for in a nonprofit partner? In which areas do companies seek improvement in the future? This study provides insights into these questions by analyzing the data obtained from secondary databases, a web-based survey of a select group of Fortune 500 firms, and interviews with four large U.S. companies. A total of 59 companies took part in the survey, representing the various sizes and industries of Fortune 500 firms.³

This section details key findings for corporate giving domestically and abroad. International giving is covered exclusively in Snapshot of International Giving and Practices of International Giving, while Strategies of Overall Charitable Giving and A Strong Emphasis on Evaluation explore both domestic and foreign giving.

Snapshot of international giving

Giving internationally (see page 7)

In the past fiscal year, nearly 60 percent of companies (27 out of 47 companies responding to international giving questions) reported foreign charitable donations.

Giving to developing countries (see page 7)

Many companies that gave internationally supported end recipient organizations in both developed and developing countries, with 19 percent giving only to developing countries.

Giving by region (see page 8)

Asia and the Pacific region attracted the most attention from companies that donated internationally, with a majority (70 percent) giving to this geographic area.

Outlook for international giving (see page 9)

Interest in international giving will persist to the next fiscal year, as more than four-fifths (86 percent) of companies that gave internationally reported planning to increase (19 percent) or maintain (67 percent) their foreign giving budget size.

³ The exact number of responding companies varies for each survey question. Please refer to specific sections in the report.

Practices of international giving

Geographic distribution (see page 8)

Most surveyed companies that gave internationally did not focus on a specific geographic region. Nearly 60 percent made charitable contributions globally to almost every geographic area or without a specific geographic focus, while 26 percent gave in a focused manner, giving to only one or two regions.

Decision makers (see page 11)

Regional and local offices have more autonomy in decision-making for international giving, while decision-making around overall (both domestic and international) charitable activities is generally centralized.

Giving channels (see page 13)

When giving overseas, most companies donated through multiple channels to support end recipient organizations abroad. A majority (93 percent) of companies that gave internationally reported giving through U.S. nonprofits. About three-fifths (63 percent) made their charitable giving directly to foreign organizations equivalent to U.S. nonprofits.

Scope and scale of foreign operation matters (see page 9)

Analysis of Fortune 100 companies' million-dollar-plus charitable gifts, their financial performance, and other attributes finds that operating in foreign markets influences their large international gifts.

Companies with at least one foreign subsidiary gave more gifts at the million-dollar level and above between 2000 and 2010 than companies that had no foreign subsidiaries.

Companies with a larger share of overseas sales revenue made more international gifts, and gave more internationally, at the million-dollar level and above between 2000 and 2010, compared to companies with over 90 percent of sales revenue from the U.S.

Host country factors influencing foreign giving (see page 11)

"Needs in local communities" is the most influential factor determining corporate overseas giving, selected by the highest share (78 percent) of surveyed companies that gave internationally. "The company's business operation or financial performance in the host country" ranked the second, indicated by about half (52 percent) of companies.

Nonprofit vetting and employee engagement are most needed resources (see page 13)

The top two resources that surveyed companies identified as most beneficial to their charitable involvement overseas are:

- "Vetting of nonprofits and facilitation of partnerships with international nonprofits" (50 percent); and
- "Employee engagement strategy" (46 percent).

Strategies of overall charitable giving

Seeking a match between business mission and philanthropic passion (see pages 17-20)

Companies' overall charitable giving goals reflect a widely held emphasis on shared value. The top two goals identified for giving by surveyed companies were "supporting the company's mission and values" (95 percent) and "giving

back to the communities where the company operates” (91 percent).

The notion of shared value is also reflected in companies’ decision-making over charitable funding. Surveyed companies most frequently prioritized “alignment with business objectives” and “needs in local communities” when making funding decisions.

Building a sustainable business-nonprofit partnership (see page 22)

When companies consider establishing or maintaining a relationship with recipient organizations, factors that encompass the shared interests of companies and nonprofits generally ranked higher than the attributes of nonprofit organizations themselves. The alignment between a nonprofit’s mission and a company’s philanthropic focus ranked as the most important deciding factor for companies (selected by 77 percent). Companies also prioritized the effectiveness and efficiency of nonprofits in

producing results over other organizational attributes (indicated by 68 percent).

Company size, profitability, and risk matter (see page 30)

Analysis of Fortune 100 companies’ charitable giving, their financial indicators, and other attributes reveals that companies’ charitable giving is influenced by their financial performance. There is evidence that companies give when they are financially successful, but they decrease their giving when cash is tight.

A strong emphasis on evaluation (see page 32)

Companies increasingly emphasize measurement and evaluation of philanthropic initiatives. The interviewed companies in this study expressed a desire to evaluate and measure the long-term, sometimes intangible, impact of their giving. Developing approaches to track both quantitative and qualitative measurements of philanthropic engagement helps inform better decision-making.

Implications

This study provides key insights and implications both for companies expanding their philanthropic footprint internationally and for nonprofits partnering with corporate funders to address social issues around the globe.

Reflecting their growing global engagement, many companies seek to refine their existing philanthropic strategies. An important step in doing so is reaching out to employees, customers, and other stakeholders to identify shared economic and societal values both in the home market and host countries. Matching the company's business mission and philanthropic passion domestically and internationally builds the foundation of a sustainable corporate giving program. Integrating this philanthropic involvement into the company's overall strategic planning can bring long-term value to the business, philanthropic partners, and local communities. Social media provides companies another tool to engage stakeholders in global charitable initiatives.

Partnerships present both opportunities and challenges. In a business-nonprofit relationship, the nonprofit is often the key player that brings other funders and local organizations together in a partnership. Sharing a common cause,

openness to new ideas and possibilities, and trust and honesty all contribute tremendously to a successful relationship. Leveraging each other's resources and expertise, companies and nonprofits can work together to test and improve solutions to address social challenges. Partners may find it helpful to look beyond surface-level issues to consider the underlying community context and environmental causes.

Deepening evaluation and strengthening sustainability are two overarching themes for future corporate philanthropy. Today's world is data-driven. Effectively producing results is important; presenting immediate and long-term impact is just as crucial. As companies shift from measuring output and outcome to quantifying long-term impact, they seek partnerships with nonprofits that prioritize results-driven effectiveness and efficiency. Nonprofits can integrate quantitative and qualitative evidence to illustrate their success and capacity.

Sustainable philanthropic engagements continue indefinitely, supported by the community, after the initial partners have left. Both corporations and nonprofits should consider how to form, manage, and transition out of partnerships over time, while respecting the individuals and communities they serve.

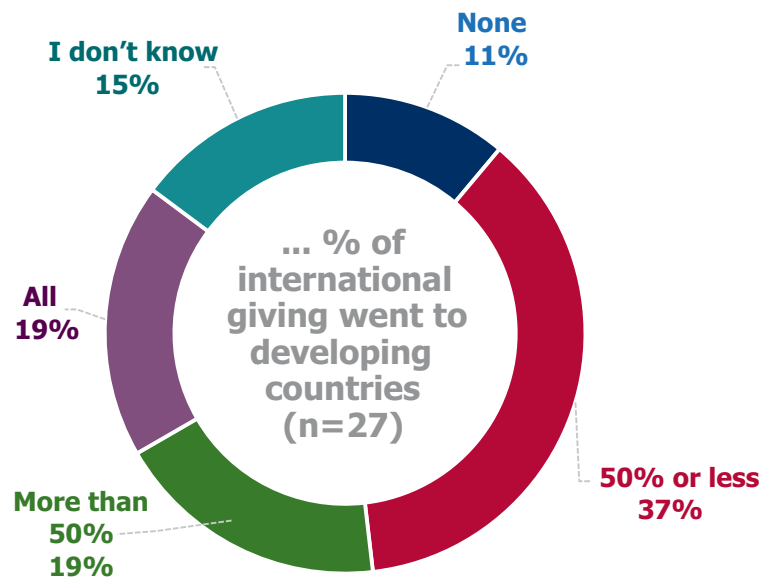
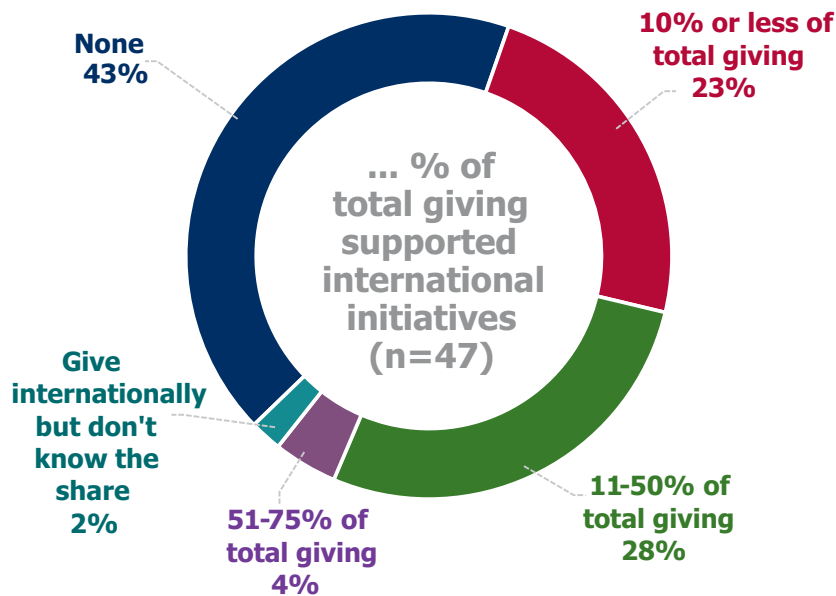
International Giving

Expanding into global markets encourages companies to reassess their philanthropic strategies and their geographic focus. One main purpose of this study is to explore the practices and decision-making processes of corporate international giving. In the past fiscal year, 27 surveyed companies (57 percent of companies responding to international

giving questions) reported foreign charitable donations. These companies—including firms of various sizes and from different industries—further provided in-depth information on the various activities and strategies of their global philanthropic engagement, and the international giving outlook for the next fiscal year.



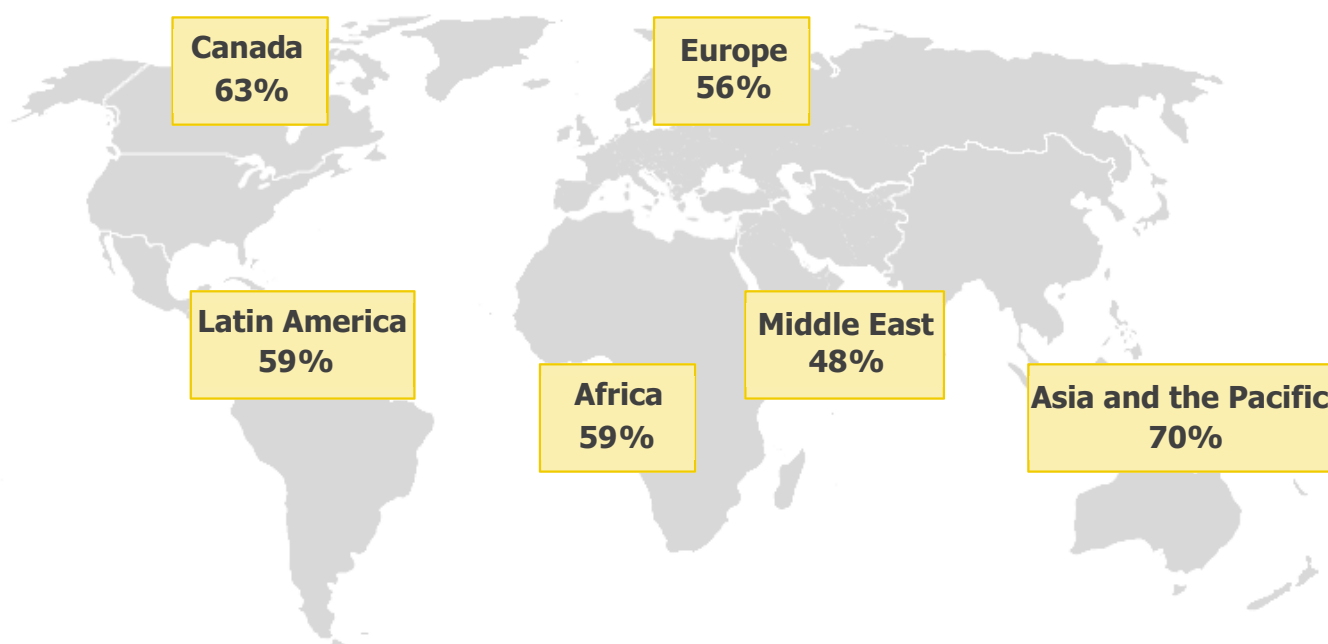
Snapshot of international giving



In the past fiscal year, the percentage of companies that dedicated 11 to 50 percent of their total charitable donations to international causes (28 percent) was roughly equal to the share of companies dedicating 10 percent or less (23 percent).

More than one-third (37 percent) of companies donating to international causes made 50 percent or less of their international charitable contributions to recipient organizations in developing countries.

Which regions do companies support outside of the U.S.? (n=27, % of companies donating)



Geographic distribution of international giving

Among surveyed companies that donated internationally (n=27), 26 percent gave in a relatively focused manner, making charitable donations to only one or two geographic areas. By contrast, nearly 60 percent of companies made charitable contributions globally to almost every geographic area or without a specific geographic focus. End recipient organizations in Asia and the Pacific region received charitable support from a majority (70 percent) of companies in the survey.

Do companies only donate to regions where they operate outside of the U.S.? The answer is no: areas of charitable focus are not always the same as geographical areas of operation. Among companies with overseas giving, all companies that operated in Asia and the Pacific (n=18), Europe (n=14), or the Middle East (n=12) also donated to charitable causes in that same area. Yet, a majority of companies that did not operate in Latin America (82 percent), Canada (80 percent), Europe (75 percent), or the Middle East (71 percent) donated to charitable causes in those areas in the past fiscal year.

The scope and scale of foreign operation matters

Are companies' economic activities outside of the U.S. related to their charitable giving at all? An analysis of Fortune 100 companies' million-dollar-plus charitable gifts, their financial performance, and other attributes shows that the scope and scale of firms' foreign operation influences their large gifts, but has no impact on overall giving.

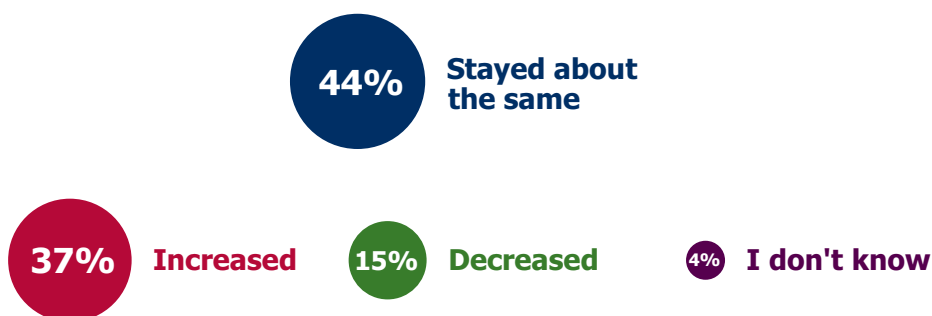
- Companies with at least one foreign subsidiary gave more gifts at the million-dollar level and above between 2000 and 2010 than companies that had no foreign subsidiaries.
- The aggregate number and dollar amount of corporate international million-dollar-plus gifts from 2000 and 2010 are positively linked to foreign sales. Companies with a larger share of overseas sales revenue made more international gifts, and gave more internationally, at the million-dollar level and above between 2000 and 2010, compared to companies with over 90 percent of sales revenue from the U.S.

Outlook for international giving

A majority (81 percent) of companies that gave internationally either increased the dollar amount (37 percent) or remained at the same level (44 percent) in the current fiscal year, compared to the donations they made over the previous fiscal year. Surveyed companies most frequently cited the "launch of new initiatives" and "expansion of existing programs" as reasons for this growth.

This interest in overseas giving will persist to the next fiscal year, as more than four-fifths (86 percent) of companies that gave internationally reported planning to increase (19 percent) or maintain (67 percent) their foreign giving budget size. Approximately one-fifth (19 percent) reported planning to expand their giving to more countries or regions in the next fiscal year, and nearly 60 percent of companies planned to maintain their geographic focus of giving. Another 7 percent planned to shift their geographic focus, but with the same level of involvement.

Change in dollar amount from the previous fiscal year
(n=27)



Planned change in budget size during the next fiscal year
(n=27)



Planned change in geographic focus during the next fiscal year
(n=27)



Decision makers for international giving

Decision-making around overall (both domestic and international) charitable giving is generally centralized; nearly 80 percent of companies in the survey indicated that corporate headquarters in the U.S. usually have a primary role in making decisions for giving. Approximately half of surveyed companies indicated their foundations were important in decision-making. Only one-third of surveyed companies reported that local offices also hold a key role in decision-making.

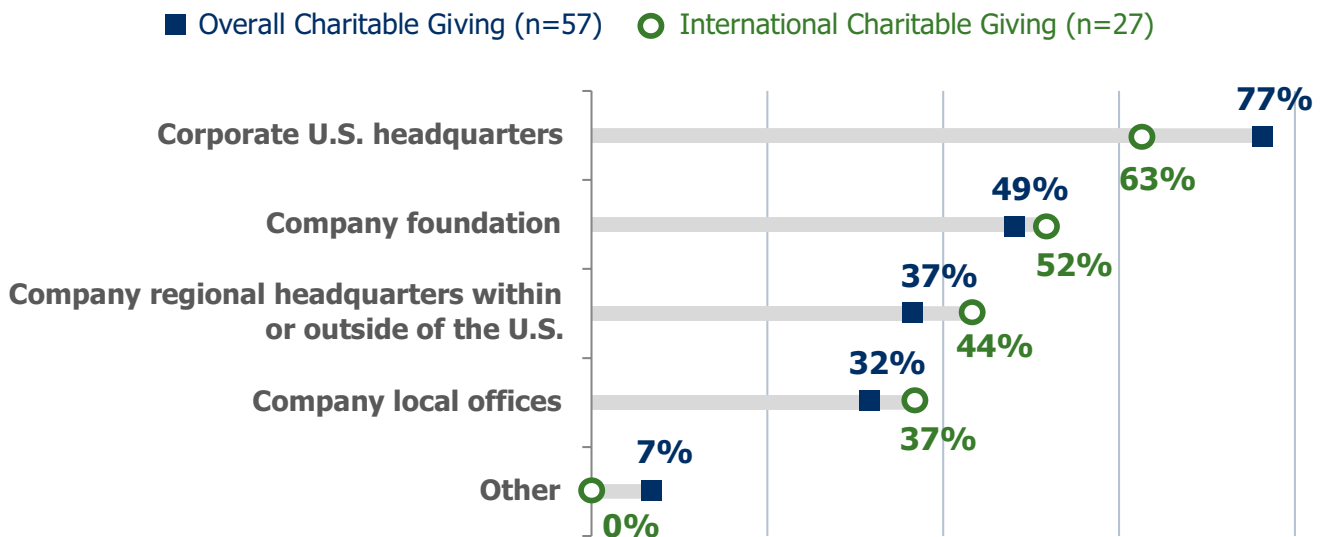
With regard to international giving decisions, corporate U.S. headquarters and company foundations still play a primary role in making decisions at more than half of the companies that donated internationally. Nevertheless, regional and local offices have more autonomy in their international giving decision-making;

44 percent and 37 percent of companies with international donations, respectively, selected these as one of the key decision makers.

Host country factors influencing foreign giving

The survey asked those companies that gave internationally which factors influenced their giving in a host country. The highest share (78 percent) of surveyed companies with foreign giving identified local communities' needs as a key influencing factor. The next-highest percentage (52 percent) of surveyed companies highlighted "the company's business operation or financial performance in the host country." Local nonprofits' capacity and/or accountability ranked a close third, as slightly less than half of companies indicated this as a factor.

Who are the key charitable decision makers?

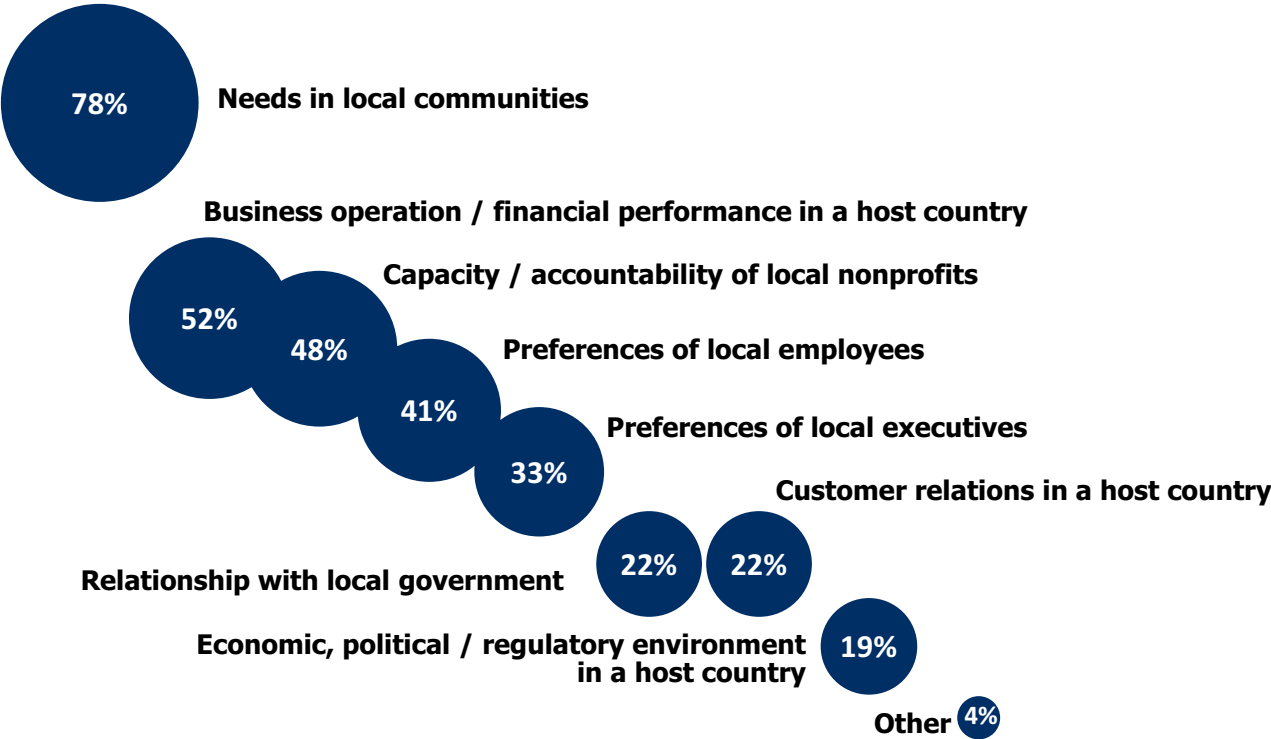


Companies interviewed in the study have recognized that deeply understanding how a local communities' social issues are embedded

in underlying causes and in their surrounding environment is a critical step for planning effective social responsibility solutions.

“You could think about the six hours a year when the patient is in the clinic seeing a doctor; we think about the 8,760 hours when they are not in the clinic. To promote health equity in disadvantaged populations in challenging geographies, what happens outside the physician’s office is sometimes more important than what happens inside.”
— Bristol-Myers Squibb Foundation

Which host country factors influence companies’ foreign charitable giving?
(n=27)



Surveyed companies donate internationally (n=27) . . .



* "Friends of" organizations are independent nonprofits affiliated with foreign charities, but "almost always" U.S.-based; these nonprofits simplify the administrative process of making grants internationally and monitoring the grant's use.⁴

Channels of international giving

When giving overseas, most companies chose to make their donations through multiple channels. Surveyed companies most frequently donated internationally through U.S.-based nonprofit organizations.

Resources needed to facilitate international charitable programs

Given the inherent complexity of international philanthropic engagement, companies face numerous challenges when expanding giving programs overseas.

Surveyed companies engaged in foreign giving identified the following resources that would most benefit their philanthropic involvement outside of the U.S.:

- "Vetting of nonprofits and facilitation of partnerships with international nonprofits" (50 percent);
- "Employee engagement strategy" (46 percent); and
- "Benchmarking and research on best practices" (33 percent).

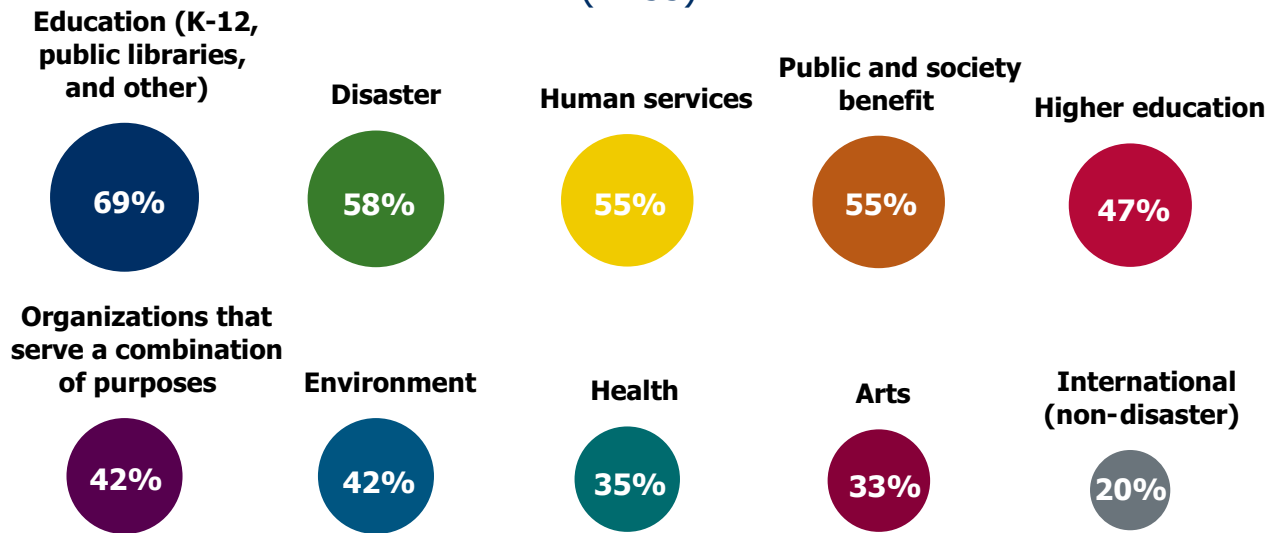
"In general, international giving is more difficult because of the lengthy vetting process. There is no reliable, international 501(c)(3) equivalent, which makes responsible giving harder outside of the U.S."

— A Surveyed Company

⁴ Bjorklund, V. B. & Reynoso, J. I. (2005). How a private foundation can use 'Friends of' organizations, Council on Foundations and the International Center for Not-for-Profit Law: United States International Grantmaking, http://www.usig.org/legal/friends_of_organizations.asp

Giving Strategies

Primary areas of charitable giving (n=55)



This section focuses on strategies companies developed for charitable donations made to both international and domestic causes. According to the surveyed companies, successful charitable initiatives drive forward both the business' goals and its relationship with local communities.

Education and disaster relief are top focus areas

Education (including K-12, public libraries and other educational initiatives) was the top focus for

charitable donations, supported by approximately 70 percent of companies in the survey. Far fewer (less than half) of surveyed companies supported higher education. Disaster preparedness, relief and recovery ranked second, with nearly 60 percent of companies reporting this as a primary area of charitable giving, followed closely by human services and public and society benefit (both at 55 percent).

Only one-third of surveyed companies had very focused giving areas (with three areas or less).

All interviewed companies tailor charitable focus areas to their industry and product. However, the scope of their global reach varies.

For Intel, Bristol-Myers Squibb (BMS), and Western Union, there is often no distinction between domestic and international giving; these corporations operate in many countries across the world. Acting as a good corporate neighbor guides their giving, regardless of the country. Intel’s technological products translated into a focus on digital literacy and science, technology, engineering, and math education. BMS’s biopharmaceutical products encourage an in-depth approach to improving health outcomes. Partnering with key stakeholders around the world, Western Union promotes education as a pathway to economic opportunity.

The Vera Bradley Foundation for Breast Cancer funds life-saving research affecting women worldwide, while Vera Bradley separately funds other contributions to local philanthropic interests as a corporation: health, human services, and the arts. Vera Bradley invests in the local community as “a good corporate citizen.”

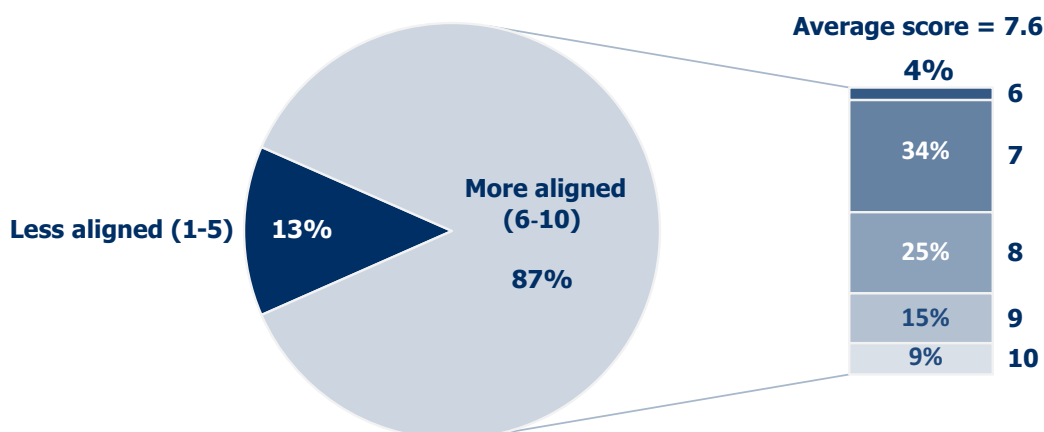
Almost half (47 percent) of companies indicated five or more primary areas of corporate giving. The most common selection was four focus areas, reported by around one-fourth of companies.

A high level of alignment with business goals

Companies tend to align their charitable giving

objectives closely with business goals. The survey asked companies to rank the level of this alignment on a scale of 1 to 10 (with 10 being very closely aligned). The average score was 7.6, with about one-fourth of companies selecting 9 or 10 on the scale. By contrast, only 13 percent of companies indicated a score of 5 or less for the alignment of philanthropic goals and business objectives.

On a scale of 1-10, how closely are philanthropic objectives aligned with business goals?
(n=53)



While interviewed companies closely align overall charitable strategies with business goals, further decision-making patterns diverge significantly.

Intel's foundation focuses on a subset of company-identified giving strategies, while encouraging "regional prioritization and local input to decision-making."

Bristol-Myers Squibb's foundation board, including legal, business, and medical affairs representatives, approves charitable strategy. This step determines the region and disease of focus. Prioritizing community-based care, the company also identifies specific geographic areas that could benefit from intensive intervention. Charitable engagement is often referenced in the company's strategic planning.

When developing giving strategies for the company and its foundation, Western Union works with its consumers, employees, and business partners to identify the charitable issues that are most important to them. Its charitable initiatives are designed to promote education and financial inclusion, which aligns with the company's mission: "move money for better."

Vera Bradley utilizes a more formal philanthropic structure. The company's foundation remains centrally dedicated to breast cancer, while its general philanthropy budget is open to other capital projects, charitable grants, product requests, and "unexpected giving."

Seeking a match between business mission and philanthropic passion

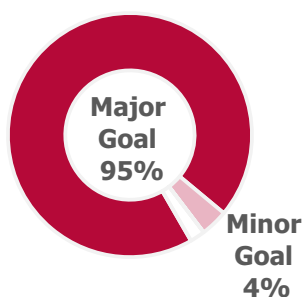
Companies' charitable giving goals reflect a widely held emphasis on shared value. The survey asked companies to indicate the level of importance for each goal. The top two goals identified were "supporting the company's mission and values" and "giving back to the communities where the company operates." External factors, such as political and regulatory

environment and tax rates, held less weight for companies deciding to give charitably.

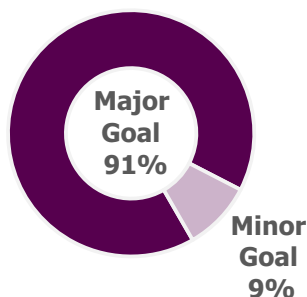
While giving back to the community drives companies' charitable involvement, the financial bottom line is at the heart of business' operations. Matching business mission and philanthropic passion builds the foundation of a sustainable corporate giving program.

What do companies seek to achieve through charitable giving? (n=55)

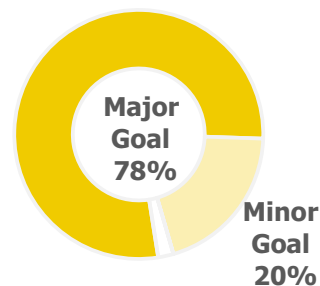
Support the company's
mission and values



Give back to the
communities



Build and enhance
corporate reputation



ADVICE TO NONPROFITS:

- Nonprofits shouldn't assume that their work fits the prospective corporate funder's brand. Reach out to the corporate relations or public affairs department about the company's possible interest first. Have the conversation about the company's priorities and how those fit into your nonprofit mission before creating a full proposal.

Case study: Value-driven signature programs

Companies' mission and value guide the creation of a signature philanthropic program. Vera Bradley's long-term vision is to build deep relationships with women and their communities, while IT giant Intel has committed itself to advancing education and opportunity worldwide.



Vera Bradley's corporate mission is to be a girl's best friend. Supported by a strong social media following, Vera Bradley reinforces this relationship by fighting breast cancer. Vera Bradley's co-founders Patricia R. Miller and Barbara Bradley Baekgaard have turned a personal cause into the corporation's rallying mission. Four years

after the co-founders lost their dear friend to breast cancer, the company founded the Vera Bradley Foundation for Breast Cancer.

Working to ensure that no other woman loses her life to this disease, the foundation's primary goal is funding breast cancer research. Within the Indiana University Melvin and Bren Simon Cancer Center, the Vera Bradley Foundation for Breast Cancer Research Laboratories investigates advanced detection and treatment options. The foundation has already raised \$17.7 million of the \$20 million pledge to the IU Simon Cancer Center. Around the world, breast cancer research also takes place in Peru, Kenya, and China.

“This unique circle of friends has gone beyond our greatest expectations because you believe, like us, that an investment in breast cancer research will pay invaluable rewards in the future.”

— Barbara Bradley Baekgaard and Patricia R. Miller, Vera Bradley co-founders

Both the company and its consumers support the cause. The publicly held company donates about \$1 million annually from sales profits to the Vera Bradley Foundation for Breast Cancer. In-house foundation staff fundraise an additional \$2 million. In 2012, Vera Bradley donated in-kind products and services valued at about \$225,000. Customers at Vera Bradley stores donated \$140,187 to the cause in 2012.



As the “sponsors of tomorrow,” Intel invests in a broad array of educational initiatives that focus on bridging technology and education gaps. These initiatives help build digital literacy; encourage science, technology, engineering, and mathematics student participation; prioritize women’s and girls’ access to technology; and promote technology use in the classroom. Its signature program, Intel Teach, offers free technology training for K-12 teachers, which empowers teachers to develop lesson plans utilizing advanced technology. Students then engage more deeply in classroom material and gain confidence in using advanced technology to learn and solve problems. Intel Teach has trained over 10 million teachers in more than 70 countries.

“Intel Teach professional development courses help teachers integrate technology effectively into their existing curricula, focusing on their students’ problem-solving, critical-thinking, and collaboration skills—precisely the ones required in today’s high-tech, networked society.”

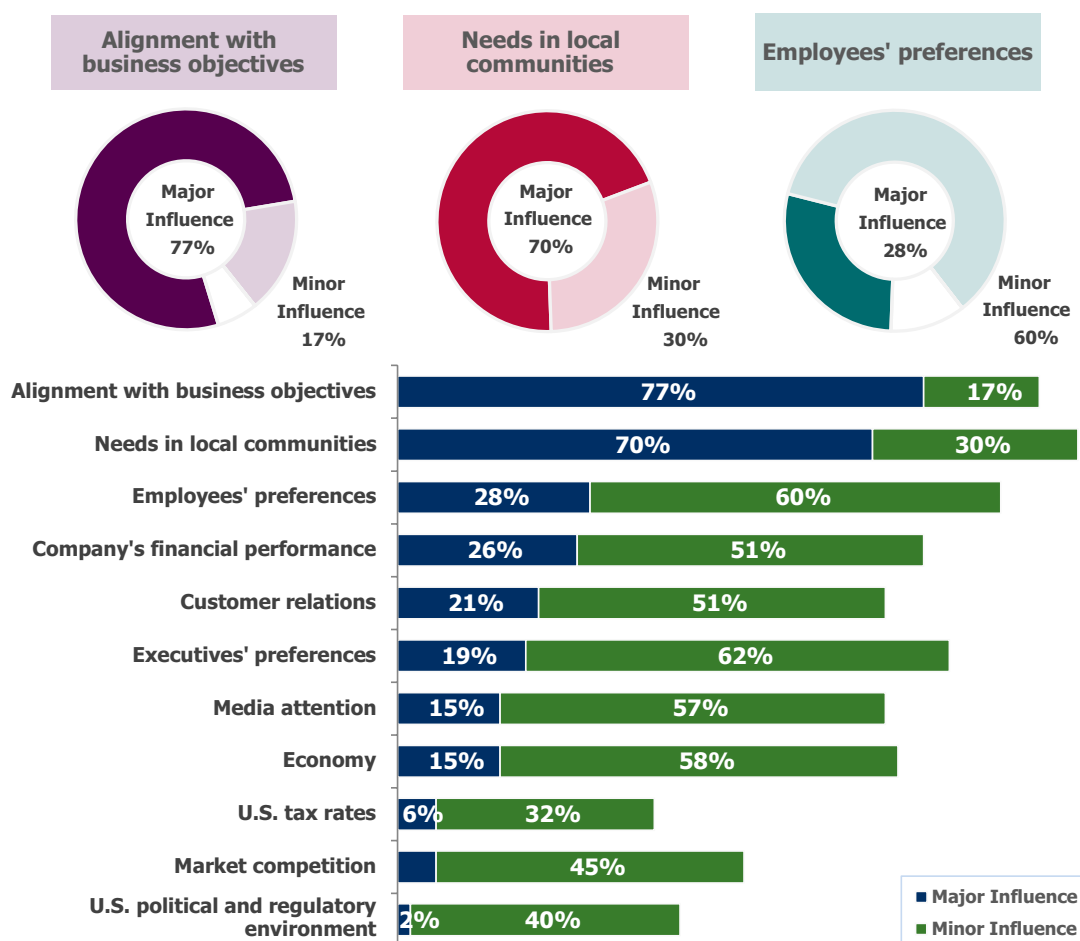
— Intel Corporation

Philanthropic Funding

A lot goes into philanthropic funding decisions. Companies weigh many factors when deciding how to donate

cash and products or how to make various forms of community investments, such as sponsorships, employee volunteerism, or cause marketing.

What factors influence companies' funding decisions for charitable giving?
(n=53)



Factors influencing funding decisions

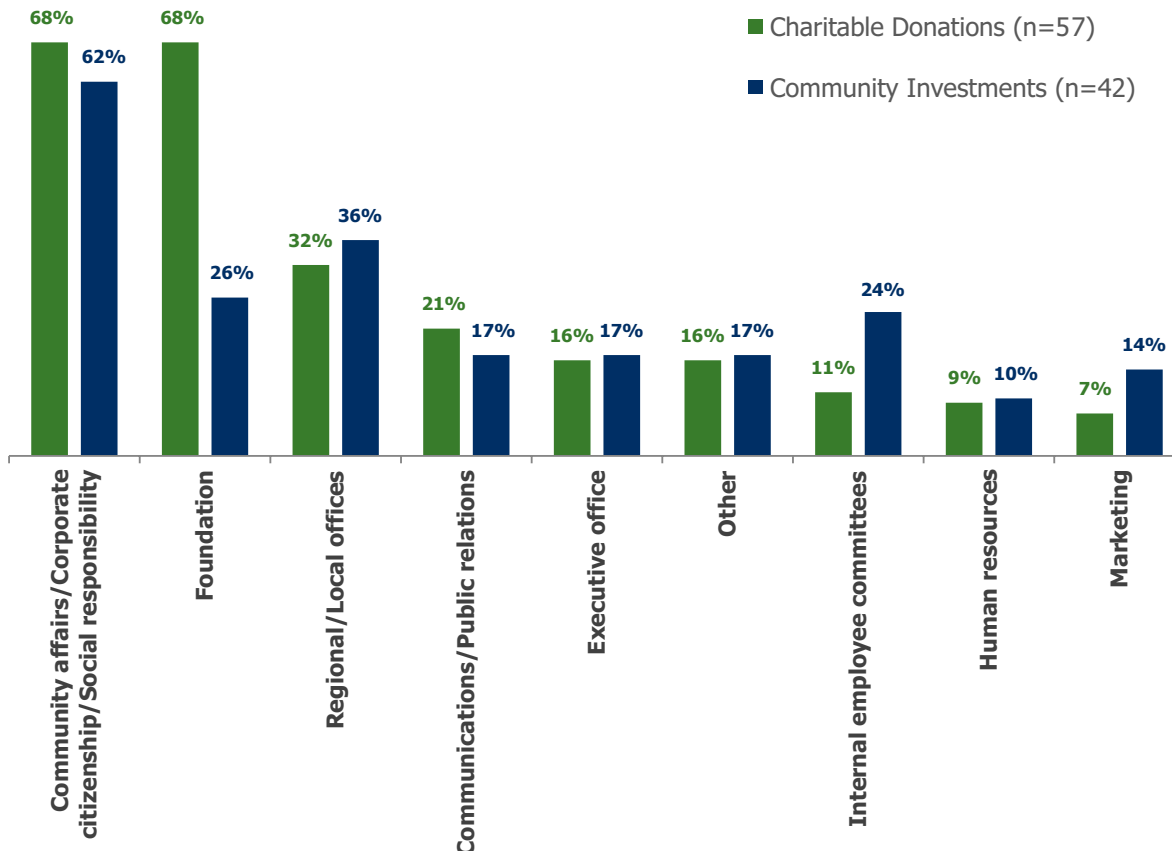
Various internal and external factors guide a company's charitable giving decisions. The surveyed companies most frequently prioritized "alignment with business objectives" and "needs in local communities" when making their decisions about charitable funding. This again emphasizes a strategic match between corporate business values and charitable causes.

Funding responsibility for community investments resides largely with a dedicated department

Funding for charitable donations and other

types of community investments (for example, volunteerism, cause marketing, or sponsorship) usually comes from multiple units within a company. A department dedicated to community affairs, corporate citizenship, or social responsibility most frequently makes charitable contributions and community investments, according to the survey. Companies' foundations provide funding primarily for charitable giving, rather than other community investments. Regional or local offices also take responsibility for making donations and investments at about one-third of surveyed companies.

Through which units do companies make . . . ?



Partnerships

Companies often adopt different strategies to manage short-term and long-term relationships. With limited resources, they must carefully choose whom to work with and how they will work together in order to form successful partnerships.

What matters in building a sustainable business-nonprofit partnership?

The survey asked companies to choose up to three important factors that they consider when establishing or maintaining a relationship with

recipient organizations. Factors that encompass the shared interests of companies and nonprofits generally ranked higher than the attributes of nonprofit organizations themselves. The alignment between a nonprofit's mission and a company's philanthropic focus ranked as the most important deciding factor for companies. From a company's perspective, a nonprofit's effectiveness and efficiency in producing results weighed in as more important than other organizational attributes in building a sustainable partnership.

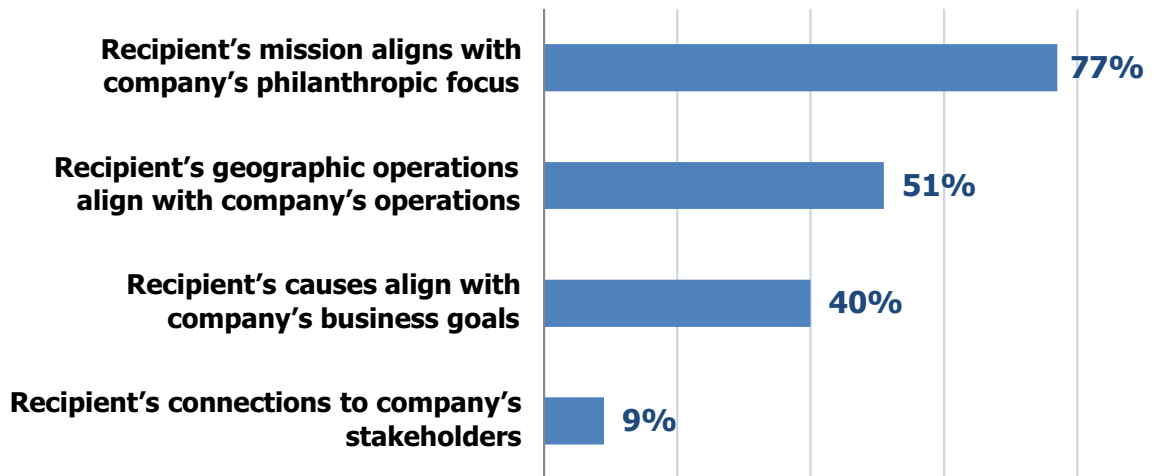
The budget structure itself can engage stakeholders in discussion over program priorities. In general, interviewed companies separate charitable giving into company giving and foundation giving.

Intel identified three sources of funding: corporate affairs, a corporate foundation, and individual business units. Bristol-Myers Squibb (BMS) has separate charitable giving strategies and funding mechanisms. The company side is annualized, more responsive to requests, and improves business visibility. BMS's foundation side addresses the R&D of social change. Both companies anticipate difficult economic times by either transferring money to the foundation early for future use or prefunding recipient organizations to cover upcoming needs.

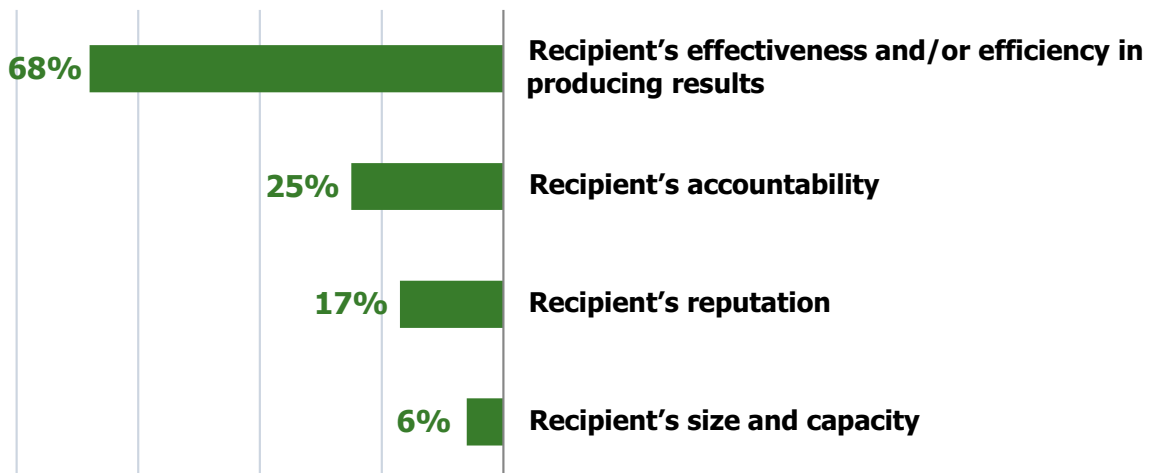
Western Union and Vera Bradley actively fundraise for their respective corporate foundations. While the dissemination of charitable funds is centralized through the company's foundation, Western Union's charitable initiatives receive funding from two sources: a portion of corporate profits, which is enhanced through various departmental and regional business unit budgets, and stakeholder fundraising, reaching employees and vendors. With the exception of five to ten annual "synergies," the company and foundation fund separate initiatives. Vera Bradley's foundation receives charitable funds from two sources: a percentage of company sales profits, normally measuring about \$1 million; and the foundation's in-house fundraisers, who raise an additional \$2 million annually.

What leads to a sustainable business-nonprofit partnership? (n=53)

Integrated Business Case



Attributes of Nonprofits



Note: Surveyed companies were asked to select up to three factors.

Partnerships promote a company's mission and local engagement as well as present management challenges. Area nonprofits may lack capacity, while companies are not always certain of the best way to transition engagement after priorities have shifted.

For Intel, partnerships further charitable initiatives with on-the-ground support. Bristol-Myers Squibb (BMS), on the other hand, understands the need for partner investment in partner selection. Collaboration, BMS notes, happens more often across industries than within the pharmaceutical sector.

Western Union extends relationships with business partners into the company's philanthropic mission. Western Union leverages business partners' local knowledge of nonprofits to support programs with the most impact, serving communities in which Western Union and the business partner both operate. Vera Bradley relies on existing relationships and the nonprofit's alignment to the company's brand and giving priorities.

Case study: Partnerships

Partnerships drive forward social change in local communities, even after the company shifts its geographic or issue focus. Bristol-Myers Squibb and Western Union illustrate two highly successful models of partnership creation and engagement.



**Bristol-Myers Squibb
Foundation**

disease prevalence and limited access to care serve as optimal sites for BMS's community-based care model.

Bristol-Myers Squibb (BMS) goes beyond transactional philanthropy to create global microcosms of change. A community-based care model of disease management directs BMS's charitable involvement. This approach engages partners across sectors and prioritizes local ownership of the health initiative, ensuring that BMS facilitates sustained disease-management improvement. Rural areas with high

To make this model successful, BMS proactively invests in local partners. The foundation may even co-develop proposals directly with potential grantees to help facilitate funding. BMS at times invests in the area's infrastructure in partnership with these existing grassroots organizations, working toward improved financial management, governance, and external evaluations. At the start of BMS's involvement in sub-Saharan Africa in 1999, BMS created an external advisory board

with representation of African national ministries and local HIV expertise from academia, NGOs, community- and faith-based organizations, and people living with HIV. BMS placed small teams on the ground, heeding the advice of African partners, and funded the growth of nascent organizations while evaluating their future strength. Local ownership is key; any programs would be “run by Africans for Africans with African solutions.” BMS notes that partnership management is crucial. Increasing the number of partners at the table often complicates project execution and budgeting. The company stresses the value of investing in their partners’ capacity, because it takes multiple strong partners to develop successful programs.

The spirit of partnership permeates the program structure as well. Prioritizing peer support builds patients’ ownership of the program. In BMS’s first mother-to-child transmission study in Swaziland in 2000, the intervention was only effective with the patients’ full understanding and cooperation. By mobilizing community understanding and support and providing needed resources among mothers, the company’s follow-up pilot program dramatically improved the success rate, but at a high program cost. This further motivated the foundation to look for an effective, yet more affordable, approach to continue the program. The answer was individualized peer support. Establishing someone who shared the patient’s experience as that patient’s point of contact within the program strengthened the community—whether in the immediate area of care delivery or more diffused psychosocial support.

BMS’s goal, however, is not to stay within the community indefinitely. Instead, BMS serves as a catalyst to improve community care, allowing existing organizations to eventually become sustainable. As BMS’s financial contributions to an existing community-based care model wane, the company continues to provide technical assistance seed funding to teams of two to ten people; public and private partners fund the rest. This small investment leverages technical advancement to improve the program’s outcome as BMS manages the transition.

At the end of the program, after tens of millions of dollars of investments, BMS can leave the program without impacting the treatment of hundreds of thousands of patients. Optimally, existing partners, such as national governments, USAID, and local nonprofits, fund the mission after BMS’s transition. A successful community-based care model is completely operational and sustainable, even after BMS leaves.

ADVICE TO NONPROFITS:

- **Leverage your capacity for partnership-building.**

Nonprofits have a unique role in developing sustainable partnerships with corporate funders. Working directly in local communities, nonprofits are often more familiar with the area's complex social dynamics and have close connections with local stakeholders. Leveraging each other's resources and expertise, nonprofits and companies can partner together to test and improve effective solutions to address social challenges. In a business-nonprofit relationship, the nonprofit is often the key player that brings other funders and local organizations together in a partnership.

- **Show your impact effectively.**

The business world is data-driven. Effectively producing results is important; clearly presenting impact is also crucial. Nonprofits can craft a research-based advocacy plan highlighting outcome targets and immediate and long-term community impacts.



Western Union focuses on three priority areas: educational opportunity, economic development, and financial inclusion. The company engages stakeholders in both the company's business model and charitable mission. Western Union's

money delivery service business model creates multi-level stakeholder engagement in its charitable mission, both through donations and in-kind gifts.

On the most basic level, the consumers who send and receive money use the product itself as a tool of global social change. Acting independently on a personal scale, those who send money through Western Union often fund children's tuition, a family's food supply, and other life-changing purchases. The company's consumer base spans the globe, connecting bustling cities to remote areas.

The company's employees identify with the consumer-driven mission: 55 percent of employees donated to the company foundation in 2012. Western Union fully matches U.S. employees' donations to specified nonprofits, doubles U.S. employees' donations to the Western Union Foundation, and triples non-U.S. employees' donations to the foundation. Agents, the local businesses through which Western Union operates, may donate in full partnership with Western Union Foundation to area certified nonprofit organizations. Partnering with the international employee base and agents around the world allows Western Union to accomplish greater impact with limited resources.

"The more focused we get, the more strategic we are, the more we are able to understand and measure the desired outcomes, the stronger these collaborations will be. Guided by a defined strategy, cross-sector partnerships transform existing capacities to deliver resources to the last mile."

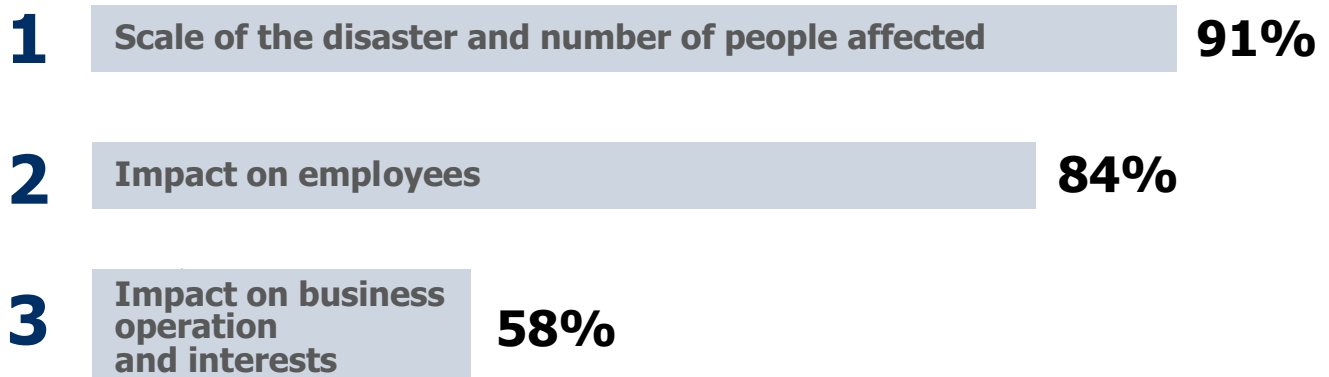
— Western Union Foundation

Disaster Giving

Forty-six of 50 surveyed companies reported giving charitably to disasters since 2001; a majority (85 percent) donated to both domestic and international disasters. Cash is the primary type of donation for disaster relief and recovery, as reported by nearly 90 percent of companies. Most companies (over 80 percent) have set policies guiding disaster response; one-third of surveyed companies have a contingency fund budget

for future disasters. The highest percentage (91 percent) of surveyed companies indicated that the community impact (e.g., the scale of the disaster and the number of people affected) is the most important factor in determining how they respond to a disaster. The second-largest proportion of surveyed companies highlighted the disaster's impact on their employees as a key factor driving their response.

Which factors influence companies' funding decisions for disaster giving?
(n=45)



Disasters elicit a range of corporate responses. As these crises occur, some companies prefer to remain slightly flexible, while others have organized structured communication and budgetary protocols. In general, cash donations provide the most direct impact in large-scale disasters.

Intel and Bristol-Myers Squibb have adopted similar approaches to disaster giving. Neither have a set budget for disaster relief; instead, each event warrants an individualized approach. The first consideration for both companies is the impact to the company's site community and the second is disaster severity. Companies select partner organizations to address these crises through existing relationships, or, in extenuating circumstances, by releasing an RFP. They then mobilize employee giving through a charitable matching program.

Western Union's and Vera Bradley's approaches show that structure also has its benefits. Western Union and Vera Bradley have both formalized once-spontaneous disaster relief responses. Western Union moved from a disaster-specific response to annual partnerships with disaster relief nonprofits, allowing the company to provide disaster relief partners, like the Red Cross, with needed support in a timely and proactive way. With a need for consistency, clarity, and efficiency, Vera Bradley has organized a streamlined, top-level team of directors who connect within a few hours of an emergency. This plan allows the company to communicate with its consumer base more easily. Vera Bradley still retains flexibility in the final amount donated and partner selection, as national nonprofits may work in some but not all disaster scenarios.

Case study: Giving for disaster relief

Across the world, disasters strike every year. With the advent of social media and an increased public commitment to social responsibility, companies must respond quickly and appropriately. Cash is often the gift of choice. Western Union and Vera Bradley illustrate two disaster relief approaches.



Western Union partners with several nonprofits around the world that provide immediate response in times of natural disaster. Through the foundation, Western Union provides an annual grant to these nonprofits to provide them with needed capital to address preparedness, relief and response, and long-term rebuilding efforts. Many times, the impact of a disaster is felt long after the crisis has concluded; Western Union balances long-term support with immediate relief.

After disasters, Western Union often provides in-kind donations by waiving fees for customers. Western Union determines on a case-by-case basis to offer fee-free transfers within specific regions

to disaster-struck areas. Western Union's global business network allows the foundation to support disaster relief efforts quickly, even in the most remote areas of the world. The foundation also involves consumers in giving through its website.



“Vera Bradley’s organized and streamlined approach to disaster response allows us to share that news with our employees and customers immediately through social media. We can then mobilize these stakeholders to act as well in appropriate circumstances,” Catherine Hill, Director of Corporate Philanthropy, said. The company

assembled a small, top-level team of sales, philanthropy, and public relations directors who connect within hours of any large-scale disaster.

Vera Bradley’s public response falls under one of three tiers: sending a positive message via social media; publicizing the company’s charitable donation and encouraging social media followers to do the same; and publicizing the company’s gift while inviting consumers to donate at company stores, where the company will match their gifts. While a planned budget and a preference for nationally known nonprofits guide disaster relief donations, Vera Bradley does allow itself flexibility. Hurricane Sandy inspired the company’s CEO to make a larger donation than what was originally budgeted, while location-specific disasters may warrant partnering with a more specialized nonprofit.

ADVICE TO NONPROFITS:

- As companies seek to maximize the impact of their donations, disaster-relief nonprofits can emphasize their geographic reach, capacity in disaster-struck areas, and positive public reputation.

The Context: Influence of Financial Performance on Giving

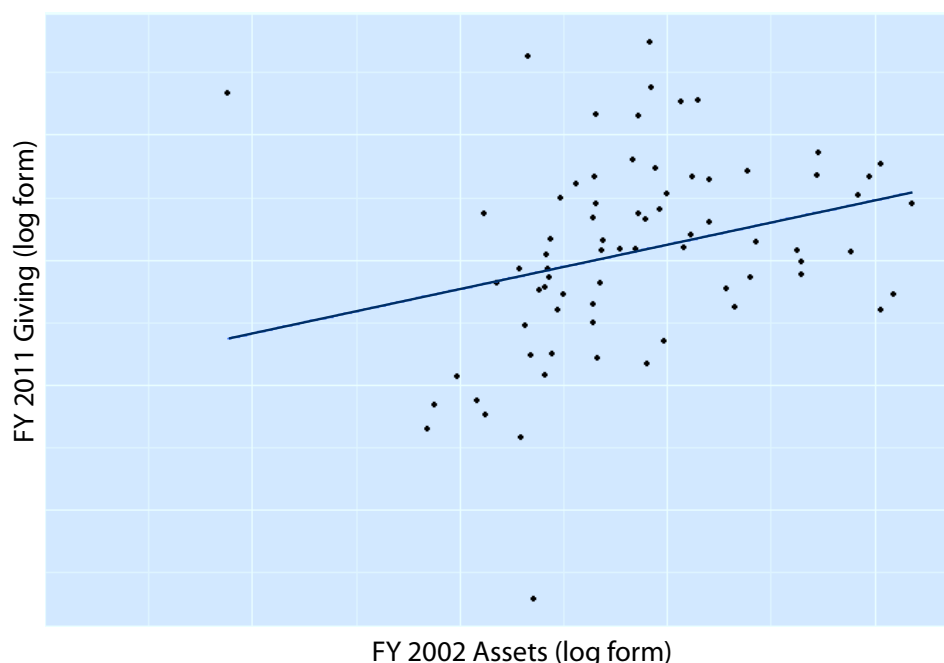
An examination of Fortune 100 companies' charitable giving, their financial indicators, and other attributes reveals that companies give when they are financially successful, but decrease their giving if future cash reserves are uncertain. Key findings from data analysis are discussed below. A detailed explanation of statistical analyses and variables can be found in the Research Methodology

section of this report. Full results from all statistical regressions are presented in the Appendix.

Company size, profitability, and risk matter

Analyses show that companies' charitable giving is related to their financial performance. A company's assets, profitability, and financial risk are all factors.

Total giving and assets
(n=68)

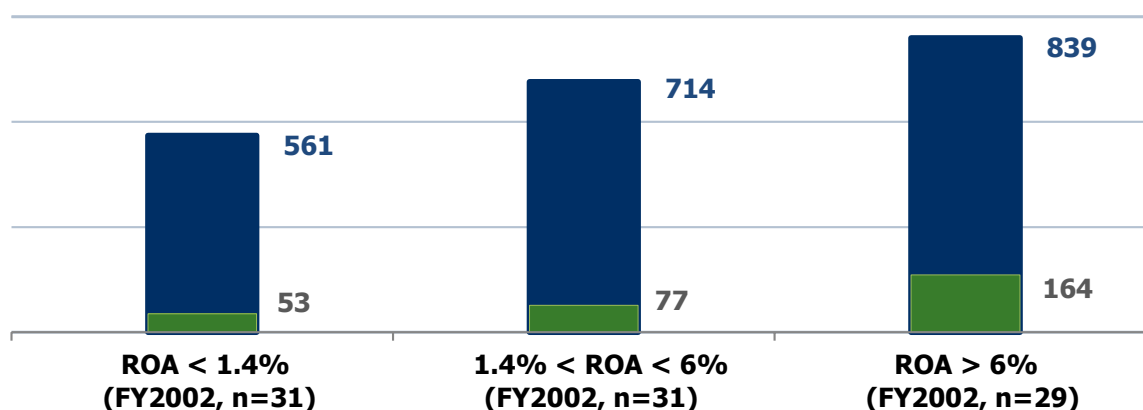


- A company's assets are a strong predictor for corporate giving in the analysis. A positive, and statistically significant*, relationship between giving and total assets exists for total donations, cash contributions, and aggregate million-dollar-plus gifts made to all charitable causes and specifically to international causes between 2000 and 2010.
- Financial performance is a good indicator for corporate gifts at the million-dollar level and above. The aggregate number of corporate million-dollar-plus gifts

made to all charitable causes and to international causes specifically between 2000 and 2010 is positively associated with profitability, as measured by return on assets (ROA).

- Financial risk potentially limits a company's ability to make charitable donations. In particular, the aggregate number of corporate million-dollar-plus gifts made to international causes between 2000 and 2010 is negatively related to financial risk, as measured by debt-to-asset ratio.

Million-dollar-plus giving and return on assets (n=87)



* A statistically significant correlation is a statistical term used to describe the relationship between two variables that is unlikely to exist by chance. A statistically significant positive correlation between two variables means that when one variable increases, the other variable also tends to increase, and vice versa. A statistically significant negative correlation exists if when one variable increases, the other variable tends to decrease, and vice versa.

Evaluation

The business world is data-driven. Companies increasingly emphasize measurement and evaluation of philanthropic initiatives. Developing approaches to track both quantitative and qualitative measurements of philanthropic engagement helps to inform better decision-making.

While evaluation demands considerable resource investment, companies expressed a desire to evaluate and measure the long-term, sometimes intangible, impact of their giving. Companies develop different evaluation approaches to track the outcome and impact of their charitable initiatives. Evaluation often guides future charitable investments.

Case study: Evaluation

Regular evaluation allows companies to understand the inputs, outputs, and long-term impact of their charitable work. Two companies—Bristol-Myers Squibb, a global biopharmaceutical company, and Intel, a microprocessor producer—apply the technical lessons of evaluation to their philanthropic initiatives.



**Bristol-Myers Squibb
Foundation**

Bristol-Myers Squibb (BMS) forms external partnerships to support its sophisticated, multi-level evaluation strategy. Grants support four highlighted evaluation measures:

1. An annual, two-day grantee summit brings together outside speakers and grantees to discuss approaches and outcomes.
2. An independent diabetes evaluation team at the University of Kansas created an outcome-mapping platform for all grantees, consistently approaching indicators across projects.

3. The Center for Health Law and Policy Innovation at Harvard Law School works with grantees to assemble a sustainability-based advocacy plan, outlining the public economics of these projects to push for public reimbursement.
4. The Morehouse School of Medicine's National Center for Primary Care serves as the "lesson hub and the scalability center."

Combining grantee dialogue, medical research teams' sophisticated expertise, and the guidance of public health advocates, BMS comprehensively tracks its charitable impact.



The data-driven technology culture of Intel also prioritizes a philanthropic culture of analysis and evaluation. A social impact measurement framework guides Intel's grantmaking. Intel has organized a comprehensive "loop of: plan, do, check, act" which embeds regular measurements in both the planning and execution of its programs. Outcome evaluations go beyond the number of

teachers trained to exploring how these teachers professionally developed and how the training changed their classroom.

Intel's rigorous measurements allow for a detailed, periodical strategy discussion. An annual discussion on the external environment, the company's impact, and future goals evaluates existing grants. Internal reviewers examine issues in which Intel's particular strength and expertise may address economic and social prosperity in areas relevant to the company's goals. This strategic planning and review process has recently prioritized women's and girl's education, as the company partnered with the film *Girl Rising* and supports women and girls in technology.

ADVICE TO NONPROFITS:

- If your organization struggles with evaluation, combine resources with organizations strong in that area. This partnership could attract additional sponsorships or business collaborations.

Future Outlook

The two questions posed at the beginning of this report appear to be even more thought-provoking today, as companies have become increasingly engaged in socially responsible activities (including philanthropic activities) worldwide. This study indicates that some companies have adjusted their corporate philanthropic strategies to reflect distinct cultural and social characteristics of each country where they operate.

In this fast-changing global environment, one challenge faces all companies: How do companies manage philanthropic programs in response to the many changes happening in

their internal and external environments? As companies constantly adjust business strategies and product lines, how do they adapt their philanthropic mission and models to create shared economic and societal values in the global context?

As companies deepen evaluation and work to strengthen partner sustainability, it is more essential than ever for both companies and nonprofits to put the human side of philanthropy front and center. A truly sustainable model centers on the individuals and communities it serves, at home or abroad.

One aspect of this investigation asked interviewees to “dream out loud” about future plans. Deepening focus on sustainable partnerships and improved evaluation were commonly cited priorities. After establishing local relationships, companies work with local partners to ensure that the programs will continue after the company’s charitable focus moves elsewhere. Two companies also emphasized developing stronger outcome measurements that encompass the intangible benefits of corporate-nonprofit partnerships.

Research Methodology

A main purpose of this research project is to expand knowledge about U.S. companies' global philanthropic engagement. The research seeks to gain a deeper understanding of the practices and strategies for philanthropic involvement by analyzing information collected from three approaches—secondary research, a web-based survey, and case study interviews.

Secondary research

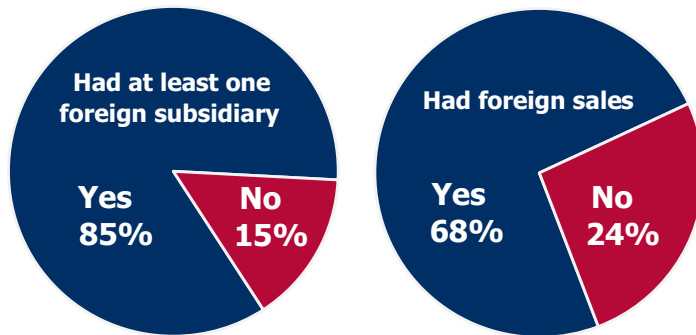
In the first phase, the study analyzed data on charitable giving and financial performance of the top 100 companies on the 2012 Fortune 500 list. Regression analyses were employed to estimate the relationship between corporate financial performance and charitable donations. In the regression models presented in the Appendix, fiscal year 2002 was used for financial indicators, fiscal year 2011 was used for measures of giving, and the period between 2000 and 2010 was used for measures of million-dollar-plus gifts. The year 2002 was chosen in order to examine how previous financial performance influences charitable giving, teasing out the potential effects that giving had on financial performance. Additional

analyses were conducted with financial data from other years, and the key findings are robust in these alternative models.

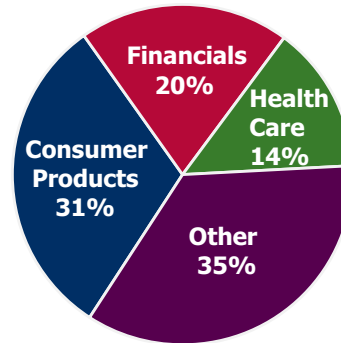
Charitable giving data were collected from multiple sources, including *The Chronicle of Philanthropy*, Foundation Center's Foundation Directory Online, and the Indiana University Lilly Family School of Philanthropy's Million Dollar List—a large database of charitable gifts at the million-dollar level and above. Data on financial performance (for example, total revenues, assets, liabilities, or foreign sales) and other company characteristics (for example, industry, headquarter location, or number of employees) were collected from several business databases, including LexisNexis Academic, MarketLine Advantage, Mergent Online, and Mergent WebReports. Additional information was also collected from companies' websites and annual reports. All variables included in the analysis were selected based upon existing academic studies on corporate giving and corporate social responsibilities. A profile of companies included in this phase is presented on the next page.

Company profile in secondary research

Foreign Operations (FY 2011)

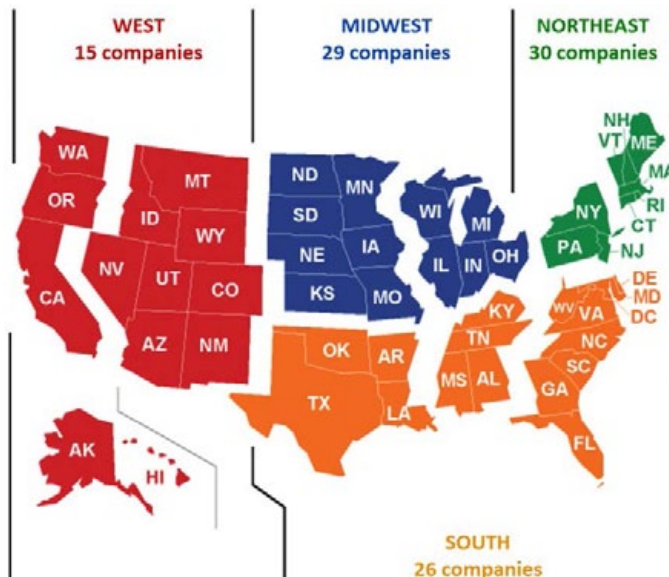


Industry Breakdown



Note: Industries are classified according to the Global Industry Classification Standard (GICS)

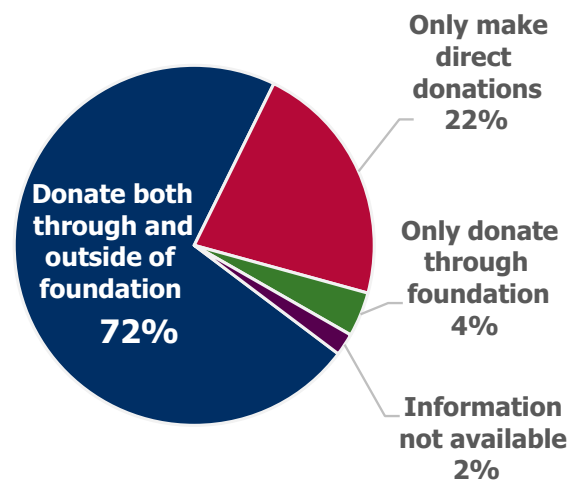
Headquarter Region (FY 2011)



Map source: "U.S. Census Regions and Divisions,"
U.S. Energy Information Administration,

<http://www.eia.gov/consumption/commercial/census-maps.cfm#census>

Structure of Corporate Giving



Charitable Giving

	Average Amount (in millions of 2011 dollars)	Median Amount (in millions of 2011 dollars)
Total Giving (FY2011, N=80)	\$229	\$58
Cash Giving (FY2011, N=73)	\$60	\$34
Million-Dollar-Plus Gifts (2000-2010, N=100)		
Aggregate Number of Gifts	23	11
Aggregate Amount of Gifts	\$322	\$43
Aggregate Number of Gifts to International Causes	3	0
Aggregate Amount of Gifts to International Causes	\$24	\$0

Note: FY2011 had the most complete data available for giving variables included in the analysis.

Financial Performance (FY 2011)

	Average (in millions of 2011 dollars)	Median (in millions of 2011 dollars)
Company Size		
Total Revenues	\$44,753	\$33,302
Total Assets		
Number of Employess	109,524	75,100
Profitability		
Pretax Earnings to Total Assets Ration	6.9%	5.2%
Net Income		
Return on Assets (ROA)	3.7%	3.1%
Financial Risk		
Total Debt-to-Asset Ratio	68.4%	67.5%
Foreign Operations		
Foreign Sales	\$12,391	\$4,614

Web-based survey

In the second phase, the study conducted a web-based survey with a select group of Fortune 500 companies. The survey sought information on the company's charitable giving and other types of community investment initiatives (for instance, sponsorships, volunteerism, cause marketing, or strategic investments to address social needs). A total of 59 companies participated in the survey, representing various sizes and industries of

Fortune 500 companies. A profile of companies participating in the survey is presented below.

Case study interviews

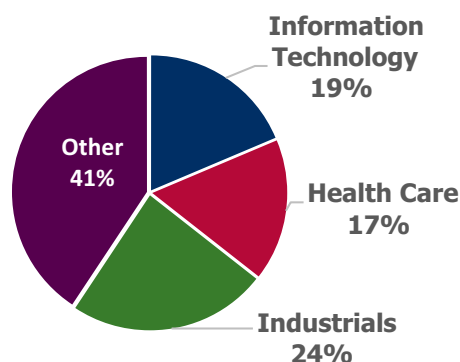
For the third phase, the study conducted case study interviews with four large U.S. companies that actively engage in philanthropic efforts in order to obtain in-depth knowledge on corporate philanthropic practices, strategies, and challenges they face. A profile of the corporate foundations

Company profile in the web-based survey

Survey of Respondents by Fortune 500 Ranking

2012 Fortune 500 Ranking	Number of Companies (% in the sample)
Rank 1-100	18 (31%)
Rank 101-200	8 (14%)
Rank 201-300	12 (21%)
Rank 301-400	10 (17%)
Rank 401-500	10 (17%)

Industry Breakdown



Note: About one-third of companies in the sample were in the Fortune 100 —with FY2012 revenues over \$30 billion. About one-third had revenues between \$10 billion and \$30 billion, while the final third had revenues between \$5 billion and \$10 billion .

Distribution of Donations

Amount Spent on Donations if Tracked Separately from Other Community Investments			Amount Spent on Donations and Other Community Investments if Not Tracked Separately		
Industry	Average	Median	Industry	Average	Median
Industrials (23%)	\$18,181,974	\$6,900,000	Industrials (20%)	\$5,900,000	\$5,900,000
Information Technology (18%)	\$223,640,771	\$105,000,000	Information Technology (40%)	\$400,000	\$400,000
Health Care (16%)	\$218,924,980	\$25,700,000	Health Care (20%)	\$12,511,000	\$12,511,000
Other (40%)	\$137,264,731	\$14,995,340	Other (20%)	\$2,742,924	\$2,742,924
Total (n=36)	\$128,753,387	\$12,609,272	Total (n=5)	\$4,390,785	\$2,742,924

International Charitable Donations by Share of Revenue from U.S. Market

% of Pre-Tax Profit from the U.S.	% of Companies with International Charitable Donations in the Last Fiscal Year (n=27)
1-25%	11%
26-50%	22%
51-75%	15%
76-100%	15%
I don't know	37%

participating in the interviews is presented below.

Bristol-Myers Squibb Foundation

The mission of the Bristol-Myers Squibb Foundation is to promote health equity and improve the health outcomes of populations disproportionately affected by serious diseases and conditions, by strengthening community-based healthcare worker capacity, integrating medical care and community-based supportive services, and mobilizing communities in the fight against disease. The Foundation engages partners to help develop, execute, evaluate and promote innovative programs to improve the health outcomes of those populations disproportionately affected by type 2 diabetes in the United States, China and India; HIV/AIDS in Africa; cancer in Central and Eastern Europe; hepatitis B and C in Asia; and serious mental illness in the U.S.

Intel Foundation

Established by Intel in 1988, the Intel Foundation fosters educational opportunities and quality of life improvements for communities worldwide. By developing programs, exercising leadership, and funding grants, the Intel Foundation fuels innovation in science, technology, engineering, and math (STEM); empowers girls and women;

inspires underserved youth; and engages with our communities. By these efforts the Intel Foundation works to increase opportunities for all—especially girls and underrepresented populations—in STEM education and related careers.

The Vera Bradley Foundation for Breast Cancer

The Vera Bradley Foundation for Breast Cancer is celebrating its 15th year of funding the Indiana University Vera Bradley Foundation for Breast Cancer Research Laboratories at the Melvin and Bren Simon Cancer Center in Indianapolis through a multi-year \$20 million pledge. The Foundation has played an integral role in changing the face of breast cancer research by supporting 22 labs and 38 researchers and clinicians who are leading major advancements in drug therapies and setting a worldwide standard. The Foundation receives funding through national events, a \$1 million annual gift from Vera Bradley, Inc., and through donations on its website.

Western Union Foundation

The Western Union Foundation is dedicated to creating a better world, where the ability to realize dreams through economic opportunity isn't just a privilege for a few but a right for all. With the support of The Western Union Company, its employees, Agents, and business partners, The Western Union Foundation works to realize this vision by supporting education and disaster relief efforts as pathways to a better future. Our combined social ventures efforts make life better for individuals, families and communities around the world. Since its inception, The Western Union Foundation has committed more than \$90.2 million in grants and other giving to more than 2,657 nongovernmental organizations in more than 130 countries and territories. The Western Union Foundation is a separate 501(c)(3) recognized United States charity.

Appendix: Regression Results

Independent Variables	Dependent Variables					
	(1) FY2011 Total Giving (Log)	(2) FY2011 Cash Giving (Log)	(3) Number of All MDL ^o Gifts 2000- 2010	(4) Amount of All MDL ^o Gifts 2000- 2010 (Log)	(5) Number of International MDL ^o Gifts 2000-2010	(6) Amount of International MDL ^o Gifts 2000-2010 (Log)
Financial Performance						
FY2002 Total Revenue (Log)	- 1.037** (0.485)	- 0.593 (0.487)	0.010 (0.060)	-1.662 (1.325)	-0.363** (0.168)	-1.337 (1.744)
FY2002 Total Assets (Log)	1.012*** (0.361)	0.931** (0.359)	0.713*** (0.045)	4.141*** (0.899)	0.980*** (0.141)	3.429*** (1.183)
FY2002 Debt to Assets	-0.042 (1.289)	-0.064 (1.232)	0.459** (0.197)	-0.646 (3.458)	-1.979*** (0.469)	-5.382 (4.551)
FY2002 Return on Assets	13.048*** (3.982)	6.575* (3.874)	7.691*** (0.617)	26.710** (12.116)	7.939*** (1.392)	19.579 (15.949)
Industry						
GICS: Financial	-0.430 (1.301)	-0.228 (1.285)	- 0.855*** (0.153)	-5.937* (3.478)	-0.971** (0.442)	-3.153 (4.578)
GICS: Health Care	0.515 (0.681)	0.206 (0.643)	- 0.337*** (0.110)	-1.679 (2.183)	0.833** (0.324)	2.428 (2.873)
GICS: Other	0.268 (0.629)	0.228 (0.655)	-0.168* (0.091)	0.560 (1.815)	-0.456 (0.296)	-0.908 (2.389)
Structure of Corporate Giving						
Has Foundation?	-0.347 (0.677)	-1.691* (0.882)	1.033*** (0.142)	0.945 (1.796)	1.511*** (0.374)	0.410 (2.365)

Appendix: Regression Results

Independent Variables	Dependent Variables					
	(1) FY2011 Total Giving (Log)	(2) FY2011 Cash Giving (Log)	(3) Number of All MDL ^o Gifts 2000- 2010	(4) Amount of All MDL ^o Gifts 2000- 2010 (Log)	(5) Number of International MDL ^o Gifts 2000-2010	(6) Amount of International MDL ^o Gifts 2000- 2010 (Log)
Other Company Characteristics						
FY2002 Number of Employees (in thousands)	0.003** (0.001)	0.002* (0.001)	0.000*** (0.000)	-0.000 (0.005)	0.001** (0.000)	0.003 (0.006)
Advertising Reported in FY2002	1.010** (0.469)	0.541 (0.505)	0.384*** (0.071)	2.071 (1.599)	-0.856*** (0.246)	-1.463 (2.105)
R&D Reported in FY2002	0.822 (0.607)	0.469 (0.606)	-0.085 (0.101)	1.765 (2.030)	-0.998*** (0.302)	0.610 (2.672)
Foreign Operations						
Has at Least One Foreign Subsidiary	0.503 (0.669)	0.243 (0.652)	0.811*** (0.113)	1.116 (2.216)	0.553 (0.386)	0.380 (2.917)
FY2002 Foreign Sales: 10%-29% of Total Sales	0.141 (0.544)	-0.443 (0.524)	-0.020 (0.079)	0.129 (1.736)	1.732*** (0.312)	5.815** (2.285)
FY2002 Foreign Sales: 30%-49% of Total Sales	0.274 (0.694)	-0.549 (0.723)	0.072 (0.110)	-1.962 (2.121)	2.572*** (0.370)	4.645 (2.792)
FY2002 Foreign Sales: 50% or more of Total Sales	0.473 (0.774)	0.084 (0.754)	0.372*** (0.110)	-0.108 (2.370)	3.470*** (0.389)	9.953*** (3.120)
Constant	1.713 (5.717)	1.082 (5.470)	-17.164*** (0.853)	-71.320*** (15.919)	-21.665*** (2.473)	-63.518*** (20.954)
N	63	56	78	78	78	78
R ²	0.625	0.544		0.564		0.468

Notes: ^o MDL gifts refer to charitable gifts at the million-dollar level and above.

The coefficients are reported in the table, with standard errors presented in parentheses.

Reference category of GICS Industry is consumer products.

Reference category of FY2002 Foreign Sales is less than 10% of total sales.

***p < 0.01, **p < 0.05, *p < 0.10



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