BA 2996 Section 001/Fall 2017 Philanthropic Proposal Memo

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Company Description

Nychella Likery is a locally owned and operated business dedicated to providing a relaxing

space for families to read and spend quality time together while they enjoy fresh beverages and

baked goods (think bakery in a library). Our company was founded in 2012 by Nychella

Eichenlaub when she decided to take over her mother's small bakery and combine it with her

hobby of reading and collecting books. Today, the company has over 200 employees in 10

stores throughout Tucson and Phoenix, AZ. Each year, we serve more than 50,000 families.

Dear Mrs. Eichenlaub,

We recommend partnering with Make Way for Books (MWFB) because our mission to provide a

space for family quality time aligns with MWFB's focus on early literacy programs for children

and parents. Together, we can raise awareness about the importance of early literacy by

connecting our customers' children with children from MWFB. Having access to books helps

families and children spend more time together, and thus, they can develop meaningful

relationships as they bond over reading.

Make Way for Books

The mission of Make Way for Books is to give all children the chance to read and succeed by

providing books and offering early literacy workshops for children and parents. MWFB was

founded in 1998 by Dr. Mary Jane Bancroft, who realized that most of the childcare centers

serving economically-disadvantaged children had few quality books for young children. Today,

MWFB has provided services to nearly 300 preschools and childcare centers, and it serves

more than 30,000 children and families and 700 educators annually.

According to Charity Navigator (charitynavigator.com), an independent charity watchdog

organization that evaluates and reports financial ratings of charitable organizations, MWFB's

financial rating profile is as follows:

Overall Score & Rating: 91.81 out of 100

Financial: 96.41 out of 100

Accountability & Transparency: 89.00 out of 100

In addition, 81.2% of its total expenses are spent on its programs, thus we are confident that every dollar of our donation will be used to optimize the benefits of our partnership.

Ways to Get Involved

Book Donation for Membership Reward

- Customers are encouraged to donate children's books that are still in good conditions in exchange for membership reward points. Each book is worth 10 points, and for every 100 points, they will get 10% off their purchase at any of our stores.
- We will collect the donated books and mail them to MWFB on a monthly basis.

Baking with Kids

- Employees are encouraged to plan quarterly baking workshops. They can volunteer as instructors, prepare baking ingredients, or promote the workshops to our customers.
- Our target attendees will be the children from MWFB and the children of our customers.
 Our workshops will focus on teaching children how to bake and encouraging them to interact with each other.
- Our customers will be charged \$10 for each of their children who joins our workshops and the profits will go to MWFB.
- Employees who volunteer as instructors will have a chance to enter a raffle.

Once Upon A Wall

- Throughout our stores, we will dedicate a blank white wall for Once Upon A Wall. Each
 year, we will ask our employees to partner with the children from MWFB to paint the
 walls that deliver a certain message: it can be about the children's favorite fairy tales or
 something that they learn from what they have read.
- We will showcase the artwork from each of the stores online, where our customers and other social media users can vote for their favorite wall. The employees from the store with the highest number of votes will win a special group four-day vacation to the Grand Canyon, Las Vegas, or San Diego.

Annual Cost

Item(s)	Unit Cost	Store(s)	Frequency	Annual Cost
Transportation (monthly)	\$20/month	10	12	\$2,400
Baking ingredients (quarterly)	\$300/workshop	10	4	\$12,000
Marketing materials (quarterly)	\$75/workshop	10	4	\$3,000
Painting materials (annually)	\$650/wall	10	1	\$6,500
Raffle prizes (quarterly)	\$100/store	10	4	\$4,000
Group vacation (annually)	\$5,400/store	1	1	\$5,400
			Total Annual Cost	\$33,000

Benefits for Our Company

Tax Deductions

 According to the Internal Revenue Service rules, monetary contribution to charitable organizations can be tax-deductible: we can deduct up to 15% of our adjusted gross income. With this partnership, and assuming a 15% tax rate, we can deduct up to \$4,695 from our total cost.

Attraction & Retention of Talent

According to the article, "Corporate holiday charity? All part of the PR plan", from
Fortune magazine, giving back to the community helps to address social problems,
which builds a company's reputation. This will attract new talent and retain existing talent
as employees prefer to work for companies that have corporate social responsibility
(CSR) programs.

Customer Loyalty

• According to the article, "CSR is good PR: charity partnerships increase consumer loyalty, finds Forster", from *PR Week* online publication, "nearly two in three consumers

- say they feel businesses should work more with charities to tackle social and environmental issues, and just under half say they would be more likely to buy products from a firm that endorses a charity."
- A company's partnership with a charitable organization serves as a visible reminder to customers about the company's CSR, which will increase customers' awareness that our company is caring and giving. Thus, it will engage existing customers and attract new ones.

Conclusion

With this partnership, we can engage our employees and customers while addressing social problems that are core to MWFB at the same time. Together, Nychella Likery can Make Way for Books and give children the chance to succeed through early literacy.

We have reached out to Ally Baehr, the Director of Community Engagement of MWFB, and she would love to discuss how we can work together. Please let us know when will you be available to schedule a meeting with her. Thank you.