

Prospectus

Non-Profit Groups List & Data For Business, Mortgage & Card Lenders

- **1.32 Million Firms**
 - **An Overlooked, \$2 Trillion Economic Sector**
 - **All Groups Classified by Type**
 - **Geographic, Income, & Group-Type List Selects**
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**Important Information about a new SMR Research product
for business lenders**

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Research Corporation

300 Valentine St. • Hackettstown, NJ 07840 • Phone 908-852-7677 • Fax 908-852-6884

WWW.SMRRESEARCH.COM

SUMMARY

When you think of non-profit organizations, what do you imagine they are?

There's the local PTA...the volunteer fire department...the Little League. Non-profits can be the smallest of business entities. **But only sometimes.**

In total, U.S. non-profit groups have combined annual incomes of more than \$2 trillion and assets of about \$3 trillion. An astounding 1.32 million of these organizations exist. Their incomes are about 20% of the gross domestic product.

Yet, non-profits are sometimes overlooked by lenders. Even the smallest is a candidate for a business credit card. Bigger outfits have greater borrowing needs. Membership groups can be "affinity" partners.

Churches and other religious organizations (188,734 of them) must finance their building projects. Volunteer fire departments (9,802) need \$1 million to buy just one new truck. Private schools (more than 26,000) have huge payroll and working capital financing needs. And foundations and employee groups manage tens of billions of dollars in assets.

As you may know, SMR Research publishes high-end strategic research on loan-related subjects. We also do consulting work and predictive modeling.

So, why would we now offer a marketing list? It's an interesting story.

In our last study of small business lending, we found that typical list vendors were missing more than half of all the business entities that exist in the nation. We promised clients we'd try to help fill that gap. We began a long, hard look for names and data on businesses that weren't so easy to find.

Along the way, we found the government's official list of tax-exempt groups. You could find the same list. **Then, you'd have what we had: a list with huge potential value, rendered nearly useless by government negligence.**

The raw list fails to classify about half of all the groups and misclassifies many of the rest. If you specialized in hospital financing, you'd have to search through the 1.32 million records by hand just to identify all the hospitals.

Another nightmare: Errors in group names. If you used the government's list as a mailing list, you'd be mightily embarrassed. Businesses don't want lenders who can't even spell their names.

This brochure will tell you how we fixed the problems, why the list is important, and hundreds of ways you now can "splice and dice" the data to get real loan and card prospects from it.

An Order Form is inserted. Thanks.

HIGHLIGHTS

A GIGANTIC ECONOMIC SECTOR

Non-profit groups are much like for-profit corporations in terms of size distribution. Some are big; most are small.

What may surprise you are their aggregate incomes and assets: \$2 trillion of revenue, \$3 trillion of assets. Non-profits are truly a gigantic piece of the U.S. economy. Most have borrowing needs similar to those of for-profit firms.

These numbers are not wild estimates. The incomes and assets of non-profit groups are public information, except for most churches and groups with incomes of less than \$25,000 per year. We have the officially reported annual incomes of those who report them. See Pages 5-7.

This means you can use income size as a list selection item on non-profits. **And you should.** The Kaiser Foundation Health Plan in Oakland, with annual income of \$15.2 billion, will have rather different financing needs than the Concrete & Aggregates Association of Louisiana (income: \$561,467) – or your local parent-teachers association.

USING THE LIST: EXAMPLES

- **Business credit card solicitation.** We recommend the smaller groups in particular. They change their volunteer presidents all the time, and every change puts in place someone with new decision-making power. Your response rate should be much better than it would be with for-profit small businesses, where the founder stays at the helm for decades.

- **Mortgage lending.** One mailing to churches and religious organizations – with their frequent building projects and refinancing needs – ought to kick up a lot of business. You can wait for them to come to you...or pro-actively seek them out with this list. Churches are just one example.

- **Vehicle and equipment financing.** Using our group-type selects, you can find the groups that really need help. Volunteer fire departments, emergency squads, hospitals, and health clinics are among the groups that need vehicle and equipment financing.

- **General financing by local market.** Serious business lending gets done market-by-market through local offices. Just in Akron, OH – a medium-sized city at best – there are 1,506 non-profit groups. Pick by any geography – or let us make a list for you by location plus group income range.

- **Affinity partnerships.** Membership-type non-profit groups, from churches to charities or employee organizations, may want to co-sponsor consumer credit cards, mortgage, or home equity loan programs to earn new fee income.

HIGHLIGHTS (continued)

NEW & IMPROVED. REALLY.

The quality of the federal non-profits group data, in raw form, leaves you worried. You hope the people who created this database are not the same federal employees fighting international terrorism.

In the raw data, the Helmet Peak Volunteer Fire Department in Sahuarita, AZ, is listed as a Boy Scout group. The Christ Tabernacle United Church of San Pablo, CA, is listed as a farm. The New York Chamber Symphony is listed as a "singing group."

For 239,849 non-profit groups, the federal database doesn't even show a primary activity.

As for "dirty data," you get what the government input operators produce, including spelling errors in group names by the thousands. Luckily, since the government needs to send these groups their annual tax forms, the mailing addresses are good.

SMR programmers attacked the classification problem with more than 2,000 lines of new programming code. We put the right non-profit organizations into the right classification groups. We cleaned up the spelling errors, too.

Result: A database with huge potential, but fatal problems, is now clean and effective.

SELECTIONS, COST, & OUTPUT

You can make list selections by **state** – or **any other geography** you'd like to discuss with us. You also can select by **type of group**, or by **income ranges**.

In addition, you can select groups by **recency** (the date when the group won its tax-exempt status). **The newly formed groups may still need to set up their first financing relationships; we do recommend them.**

We output lists on CD-ROM. Lists may be set up in flat ascii, delimited ascii, or Microsoft Access files. Each list record has a group name, full mailing address, and SMR classification. Contact person names are available on some records.

The list price makes this one of the most compelling bargains you'll find anywhere. Our base price is only \$50 per 1,000 names. Geographical selections are free. There are some additional fees for other selection criteria (see the Order Form). **More good news on list rental terms: Use your CD as many times as you like for a full year.**

Non-Profit List Counts by State

# of Groups	State	# of Groups	State	# of Groups	State	# of Groups	State
4,542	AK	6,740	ID	8,527	MT	1,075	PR
17,068	AL	59,190	IL	34,183	NC	6,443	RI
11,561	AR	32,988	IN	5,806	ND	17,175	SC
17,074	AZ	16,697	KS	12,810	NE	6,361	SD
133,799	CA	16,793	KY	6,937	NH	25,812	TN
23,789	CO	17,517	LA	36,310	NJ	83,210	TX
18,324	CT	33,274	MA	9,164	NM	7,398	UT
15,620	DC	26,316	MD	6,287	NV	33,090	VA
4,256	DE	8,314	ME	87,484	NY	5,303	VT
55,973	FL	42,875	MI	57,708	OH	30,942	WA
28,162	GA	31,335	MN	17,412	OK	30,995	WI
6,411	HI	32,257	MO	19,451	OR	9,937	WV
27,432	IA	10,084	MS	59,260	PA	4,066	WY

TOTALS, ALL STATES: 1,321,537

Annual Income Distribution of Non-Profit Groups

(Does not include churches and other religious groups exempt from reporting incomes. Others not reporting income typically are below \$25,000 and are included in that category below.)

Annual Income Range	# of Groups
\$0-25,000	710,905
\$25,001-\$100,000	157,285
\$100,001-500,000	153,889
\$500,001-1,000,000	42,854
\$1-5 million	56,825
\$5-10 million	12,624
\$10-25 million	9,377
\$25-100 million	5,847
\$100 million-\$1 billion	2,498
Over \$1 billion	188
Total	1,152,292

Non-Profit Organizations: Counts for Major Types of Groups

(Mean incomes are averages for groups that reported incomes)

COUNT: # OF GROUPS	MEAN ANNUAL INCOME	REFERENCE CODE	TYPE OF GROUP
RELIGIOUS			
144,805	3,118,044	1	Church, synagogue, etc. (income for few reporting some)
2,009	792,161	6	Missionary activities
4,162	1,842,357	7	Evangelism
43,884	1,631,880	29	Other religious activities
SCHOOL & RELATED			
18,835	20,797,441	30	School, college, trade school, etc.
1,160	9,843,531	31	Special school for the blind, handicapped, etc.
3,637	802,392	32	Nursery school
6,632	1,830,151	34	Alumni association or group
30,191	98,721	35	Parent or parent teachers association
44,909	530,880	36	Fraternity or sorority
1,697	1,039,587	37	Other student society or group
24,017	985,146	40	Scholarships--general
2,551	9,283,261	46	Other private school
42,737	3,053,917	59	Other school related or educational activities
CULTURAL			
9,331	4,386,612	60	Museum, zoo, planetarium, etc.
8,439	1,322,470	61	Library
5,295	756,817	62	Historical site, records or reenactment
2,087	1,711,109	64	Commemorative event (centennial, festival, etc.)
2,956	1,585,110	65	Fair
8,789	1,168,272	88	Community theatrical group
3,287	165,280	89	Singing society or similar group
10,773	1,335,073	90	Cultural performances
1,175	614,806	92	Literary activities
1,172	1,578,306	93	Cultural exchanges with foreign country
1,476	232,729	94	Genealogical activities
26,399	1,741,093	119	Other cultural or historical activities
2,490	1,455,101	120	Publishing activities or groups
2,370	3,363,595	121	Radio or television broadcasting
854	557,176	122	Producing films
9,256	1,207,020	123	Discussion groups, forums, panels, lectures, etc.
2,863	1,979,896	124	Study and research (non scientific)
MEDICAL/SCIENCE			
9,148	60,180,221	150	Hospital
1,396	1,251,856	151	Hospital auxiliary
1,794	7,319,500	152	Nursing or convalescent home
6,241	3,292,581	153	Care and housing for the aged
6,370	29,038,103	154	Health clinic
5,950	577,095	158	Rescue and emergency service
12,239	2,814,120	160	Aid to the handicapped
10,046	6,960,979	161	Scientific research (diseases)
520	3,249,000	162	Other medical research
2,159	5,409,889	165	Community health planning
5,445	2,955,728	166	Mental health care
9,326	7,374,276	179	Other health services
2,558	5,020,062	199	Other scientific research activities
BUSINESS PROMOTION/PROFESSIONAL SOCIETIES			
42,051	1,936,751	200	Business promotion (chamber of commerce, etc.)
2,330	1,759,621	201	Real estate association
40,965	1,195,280	205	Professional associations and societies
3,527	17,758,727	211	Underwriting municipal insurance
650	5,476,441	229	Other business or professional group
1,688	2,477,209	230	Farming
2,697	340,165	231	Farm bureau
1,876	2,715,644	232	Agricultural group
788	14,133,106	235	Farmers cooperative marketing or purchasing
2,586	7,315,695	250	Mutual irrigation, phone, electric or similar firm
4,320	12,887,251	251	Credit union
1,010	2,888,716	253	Mutual insurance company
9,960	6,137,425	260	Fraternal beneficiary society, order, or association

Non-Profit Organizations: Counts for Major Types of Groups

(Mean incomes are averages for groups that reported incomes)

COUNT: # OF GROUPS	MEAN ANNUAL INCOME	REFERENCE CODE	TYPE OF GROUP
EMPLOYMENT RELATED			
915	1,610,259	261	Improvement of conditions of workers
46,698	2,066,588	263	Unions, other employee groups, & benefits units
2,913	37,501,371	264	Employee or member welfare association
8,102	22,774,868	265	Sick, accident, death, or similar benefits
1,594	913,009	126	Apprentice training
5,928	864,782	149	Other instruction and training
10,123	12,429,216	279	Other services or benefits to members or employees
CLUBS, RECREATION & SPORTS			
2,741	2,374,454	280	Country club
1,788	452,747	281	Hobby club
619	303,253	284	Dog club
5,991	238,433	285	Women's club
2,680	227,138	286	Hunting or fishing club
2,937	250,544	287	Swimming or tennis club
28,665	384,857	288	Other sports club
5,638	1,227,614	296	Community center
3,471	565,167	297	Community recreational facilities (parks, etc.)
1,206	1,059,867	298	Training in sports
3,271	1,291,253	300	Amateur athletic association
4,183	2,551,387	317	Other sports or athletic activities
7,116	379,146	318	Other recreational activities
108,398	488,050	319	Other social activities
YOUTH RELATED			
1,265	3,279,962	320	Boy Scouts, Girl Scouts, etc.
2,276	1,119,300	321	Boys Club, Little League, etc.
3,513	414,486	322	FFA, FHA, 4 H club, etc.
1,846	8,265,375	324	YMCA, YWCA, YMCA, etc.
3,486	2,407,419	325	Camp
3,816	2,447,898	326	Care and housing of children (orphanage, etc.)
1,546	736,435	327	Prevention of cruelty to children
3,529	995,868	328	Combat juvenile delinquency
15,819	929,768	349	Other youth organization or activities
ENVIRONMENT			
15,195	1,931,858	350	Preservation of natural resources (conservation)
1,319	1,496,073	351	Combating or preventing pollution (air, water, etc)
1,448	476,517	353	Soil or water conservation
1,799	1,809,771	355	Wildlife sanctuary or refuge
1,904	862,485	356	Garden club
2,793	985,321	379	Other conservation or environmental activities
HOUSING & COMMUNITY PROTECTION & DEVELOPMENT			
2,896	773,036	380	Low income housing
700	1,181,804	381	Low and moderate income housing
623	846,034	398	Instruction and guidance on housing
17,840	1,087,453	399	Other housing activities or group
8,317	1,196,197	400	Area development, redevelopment or renewal
2,803	402,163	401	Homeowners association
2,904	1,759,055	402	Other activity to combat community deterioration
3,072	1,473,586	403	Attracting or retaining industry (also see code 200)
1,865	767,103	404	Community promotion (also see code 200)
1,984	647,125	406	Crime prevention
9,802	263,440	407	Voluntary firemen's organization or auxiliary
15,162	1,290,664	408	Community service organization
3,790	2,386,372	429	Other inner city or community benefit activities
SOCIAL ISSUES			
3,970	1,110,688	430	Defense of human and civil rights
1,395	1,075,589	431	Elimination of prejudice and discrimination
1,059	2,205,659	462	Legal aid to indigents or other legal services
744	1,497,097	480	Propose, support, or oppose legislation
576	455,463	482	Voter education
821	814,117	537	Use of drugs or narcotics
592	288,826	543	Legalized abortion

Non-Profit Organizations: Counts for Major Types of Groups

(Mean incomes are averages for groups that reported incomes)

COUNT: # OF GROUPS	MEAN ANNUAL INCOME	REFERENCE CODE	TYPE OF GROUP
1,531	2,670,891	559	Other public issues group
1,881	1,141,519	125	Giving information or opinion/advocacy
CHARITY & SOCIAL SERVICES			
11,218	1,636,676	560	Supplying money, goods or services to the poor
2,571	5,020,654	561	Gifts or grants to individuals (see also code 602)
932	880,767	563	Marriage counseling
1,310	1,489,718	564	Family planning
561	2,324,212	565	Credit counseling
4,573	2,759,479	566	Job training, counseling, or assistance
650	822,462	568	Vocational counseling
2,068	1,033,202	569	Referral service (social agencies)
975	1,330,030	572	Rehabilitating convicts or ex-convicts
4,357	1,686,801	573	Rehabilitating alcoholics, drug abusers, gamblers
6,821	1,082,983	574	Day care center
8,387	1,715,037	575	Services for the aged
5,693	3,077,593	600	Community Chest, United Way, etc.
6,704	198,743	601	Booster club
81,914	3,204,585	602	Gifts, grants, or loans to other organizations
22,059	1,820,500	20	Charitable group, not elsewhere classified
1,640	4,148,400	21	Social welfare group, not elsewhere classified
MISCELLANEOUS			
1,740	3,629,692	603	Non-financial services or facilities for others
7,772	1,421,261	900	Cemetery or burial activities
1,526	969,130	901	Perpetual care fund (cemetery, columbarium, etc.)
923	2,112,621	902	Emergency or disaster aid fund
42,322	411,963	907	Veterans activities
7,116	518,386	908	Patriotic activities
6,838	687,114	913	Prevention of cruelty to animals
736	4,231,273	915	Erection or maintenance of public building or works
2,308	3,271,984	922	Endowment fund or financial services
5,354	2,423,176	927	Fund-raising, general
723	270,838	928	4947(a)(2) trust or 4947 (a)(1) private foundation

Small Business Research & Lists: Coming Soon

In 2000, SMR published a large market research study on small business lending, scoping out the number of small businesses that actually exist in the nation, projecting future numbers, and looking at leading lenders.

In the process, we found that more than half of all the small businesses that exist typically can't be found in the files of most list vendors. We promised clients we'd try to fill some of the gaps. The Non-Profits List is one such effort.

More is coming. The single most common small business in America happens to be home rental – small-time landlords who buy a house and rent it out. More than 9 million individuals show real estate rental income annually on their tax returns. **SMR is working on securing a list of landlords – and a list of small farms also omitted from many vendor lists.**

We also are working on other small business groups – and on a bigger project to look into changes in the financing habits of small business owners and operators. Stay tuned!