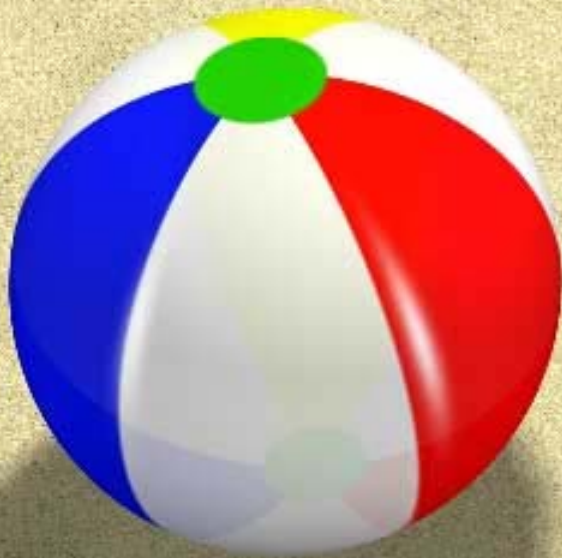


# Generating Non-Dues Revenue



By Rick Bannister  
Assistant Executive Director  
Ohio State Bar Association



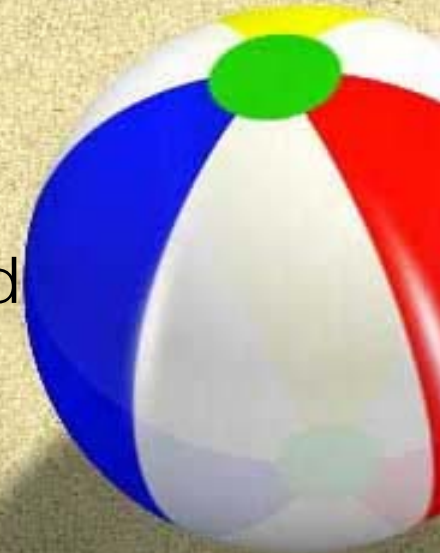
# What are your organization's goals?

☾ Mission

☾ BHAG

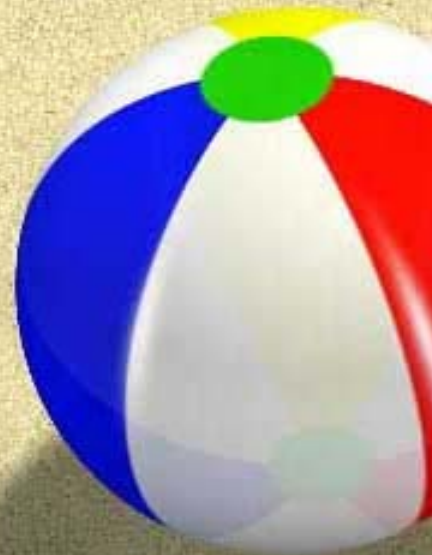
☾ Strategic Plan

☾ Creating the right environment for board  
and staff



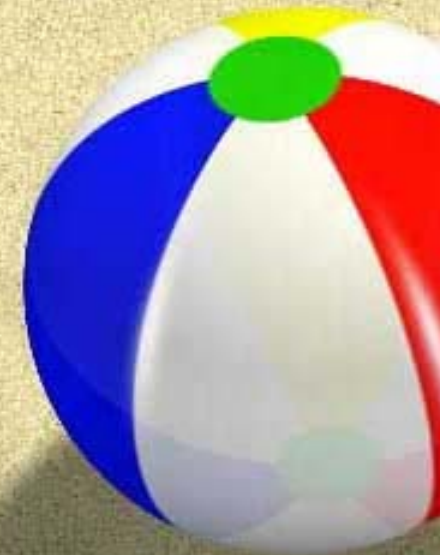
# Do you have a reserve policy?

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



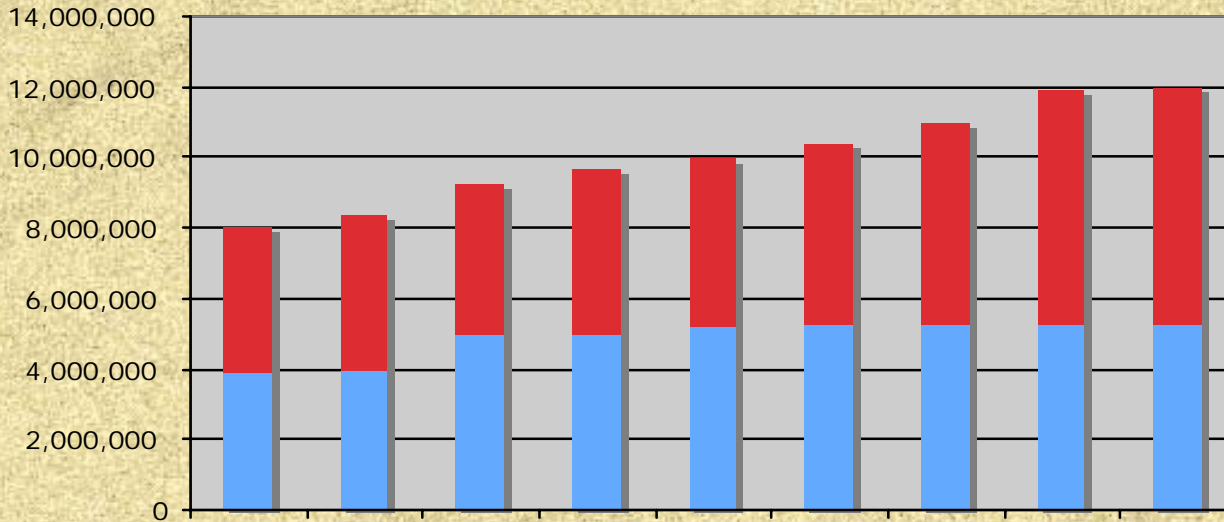
# OSBA Goals -

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



# OSBA - Non-Dues revenue history

**Total Revenue Mix - OSBA**



■ Column 2	4,110,0	4,400,0	4,310,0	4,640,0	4,720,0	5,150,0	5,760,0	6,660,0	6,750,0
■ Column 1	3,920,0	3,950,0	4,960,0	5,000,0	5,230,0	5,250,0	5,240,0	5,240,0	5,250,0

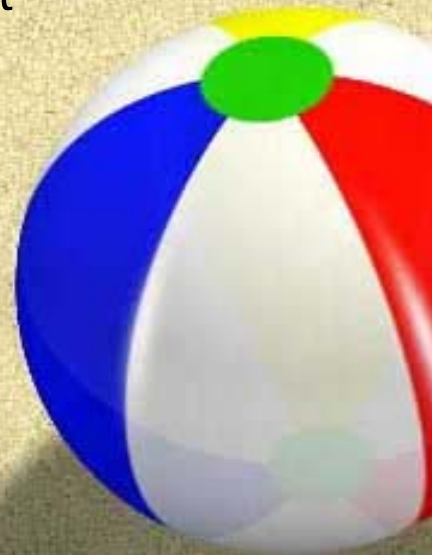
**Years**



# Evaluating non-dues revenue programs

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

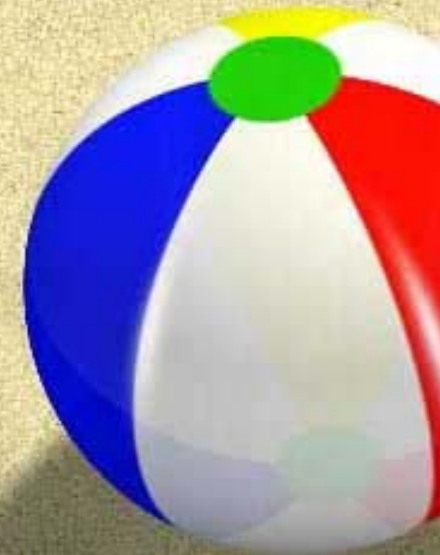
Invest your time/resources in these...



# Top non-dues revenue programs for OSBA

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

Examples of support...



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

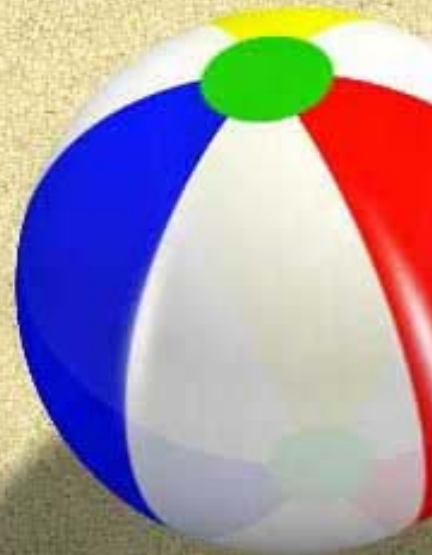
☾ Are you really supporting your programs?

☾ Staff resources

☾ Investment in R&D

☾ Commit to advertising - informing your members

☾ Let them succeed...



# Long range planning

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



# Future possibilities?

☾ Economic conditions may provide opportunities

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



# Questions/Comments?

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# Generating Non-dues Revenue

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

# Basics about the NCBA

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

# Non-Dues Revenue

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

# NCBA Non-dues Revenue Sources

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

# Investments

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

# Local Bars

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

# Advertising

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

# List Rental

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

# Affinity Partners

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## ■ Getting Started

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

# Affinity Partners

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

# Affinity Partners

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

# Affinity Partners

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

# Affinity Partners

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## ■ Lessons Learned

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

# Affinity Partners

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## ■ Ending programs

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

# Generating Non-dues Revenue

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

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