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**Not All Gloom and Doom for Corporate Charitable Giving in 2009,  
According to Survey Released by LBG Research Institute**

*Overall giving will be down, but not as much as history would suggest*

STAMFORD, CT – January 6, 2009 – The good news for many charities is that the majority of corporations surveyed by LBG Research Institute anticipate no change or an increase in charitable giving for 2009. More good news: Of those with corporate foundations, half say their foundation budgets will stay the same in 2009, according to the report, “Doing More with Less: How the Economic Downturn Will Impact Corporate Giving in 2009,” released to the public today by LBG Research Institute.

Although 42% of corporations and 37% of corporate foundations surveyed say their charitable giving budgets will decrease in 2009, the Institute predicts that the overall decrease will be far less than the 12.1% drop in 2001 reported by *Giving USA 2002*. “When you look at the size of predicted budget increases and decreases across the sample, the percentage decrease will probably be in the range of 3% to 5%,” said Donna Devaul, the Institute’s executive director. “That doesn’t diminish the impact on the nonprofits, though. One percentage point is still millions of dollars in fewer contributions to the nation’s charities.”

***Doing More With Less: A Focus on Strategic Giving***

More than 80% of corporations report that their giving will be more strategic next year. That holds true regardless of budget size or whether the budget is going up or down. What does that mean to the responding corporations? It means carefully scrutinizing where their dollars go and making sure their giving is in line with their corporate goals. To quote one respondent, “[We’ll contribute] more dollars to fewer groups for greater impact and greater efficiency at work.” Another said, “Because there will be less dollars, we need to ensure we are investing this in the community where it can have the greatest impact.”

As companies shift their giving strategies, some causes may gain and others may suffer. For example, basic needs and social services charities may get more dollars in 2009. Of those companies that support basic needs charities, 23 percent plan to increase their support. One survey respondent indicated that its entire budget increase will be directed to basic needs – food, clothing and shelter. For social services charities, other than basic needs, 12 percent of the companies that fund these causes will increase their

support. Combined, that's a lot more dollars directed to those in need in a community during tough economic times.

<b>Causes for which respondents say they will increase their support in 2009 (percentage of those that support that cause)</b>	
Environmental causes	24%
Basic needs (food, clothing, shelter)	23%
Education/Literacy	16%
Health	14%
Social services (excluding basic needs)	12%
Arts and culture	4%
Civic (public safety, transportation, etc.)	2%
Disaster relief	2%

Arts and culture organizations, however, are in the most precarious position, according to the survey. Forty-nine percent of companies supporting arts and culture say they will decrease their giving in this area. This is particularly troubling for any arts organization that had hoped to turn to corporate support to make up for decreased giving from their traditional funders: high-net-worth individuals. A considerable number of these individuals have been hit by stock market losses, layoffs and the Madoff debacle. The fallout for arts and culture organizations is unknown, but it is unlikely they can turn to corporations and their foundations to fill in the gaps.

The complete report, "Doing More with Less: How the Economic Downturn Will Impact Corporate Giving in 2009" is available for \$9.95 on the LBG website at [www.lbgresearch.org/8.php](http://www.lbgresearch.org/8.php), or by calling 203-240-5766. The report includes more data on amount of budget increases and decreases, giving trends and the challenges facing community involvement staffs.

Members of the press may receive a complimentary copy by calling 203-240-5766 or emailing the Institute at [lbgresearch@gmail.com](mailto:lbgresearch@gmail.com).

The survey was conducted in November 2008 via email to LBG Research Institute's proprietary database of corporate giving and community involvement professionals. More than 70 major U.S. corporations participated.

#### ***About LBG Research Institute***

*LBG Research Institute is the only nonprofit organization solely devoted to conducting research in the area of community investment. Our research and events are supported by Fortune 500 companies who have discovered that membership in the Institute has given them a trusted partner in their community involvement programs. That's why our motto is "Empowering Companies to Better Communities." Find more information at: [www.lbgresearch.org](http://www.lbgresearch.org)*

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