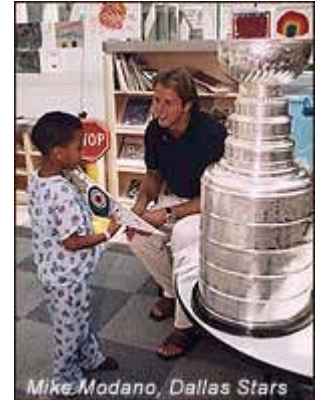


Why Start a Nonprofit Foundation?

Professional sports have developed into a big business. As sports become more popular, so have the problems that come with industry growth. Sports leagues have had their share of problems with athletes, financially breaking even, and increased media attention.

One way professional sports players have learned to increase a positive image to their publics (media, fans, community) is to start nonprofit foundations. These foundations, usually geared toward youth, are how players use strategic philanthropy.

Some players have their own philanthropy projects. The NBA and WNBA players concentrate on their Read to Achieve, and JRNBA and JRWNBA programs. The NHL players focuses on combating cancer and introducing the game of hockey to diverse ethnic groups, and NFL players donates money through a grant to improve the quality and safety of local school and parks football fields.



In the last decade many sports leagues, teams and athletes have began strategic philanthropy campaigns. Strategic Philanthropy is particularly evident in professional teams "that have developed a series of cost-benefit analyses to measure long-term returns of giving and of social responsibility programs" (Burlingame, p. 475). Through the impact of strong community relations and foundation departments, professional sports leagues, teams and athletes can create a positive image for themselves while giving back to the community. This positive image can create more revenue for the team and/or league, through an increase in ticket, and merchandise sales. Increase in revenue will also trickle down to athletes in their salaries and sponsorship packages.

For athletes, charitable foundations are about more than just good works. They're also about good business. Many of the top sports agencies require that athletes agree to set-up a foundation or volunteer their time or money for a charitable purpose before they will represent them. Through this charitable stipulation the agency is really ensuring favorable publicity for their athlete.

But why start a nonprofit foundation?

This is probably the most frequently asked question. The reasons are simple. You are changing someone's life and allowing yourself to have a great standing with the community and the Internal Revenue Service.

