



Leading Through COVID-19

Expanding Corporate Partnerships: NEXT STEPS IN NAMING OPPORTUNITIES

This is the second in a series addressing business partnerships with health care organizations that include naming privileges. The first paper can be found [HERE](#).

The lack of special events and face-to-face engagement has left health care organizations looking for innovative ways to further their philanthropic missions. Finding corporate partners that have the common desire to improve the lives of those who live and work in the community creates a strong opportunity to push forward together. While the options and involvement vary, it is important to understand the benefits and risks associated with corporate partnerships that include naming privileges.

Should a corporation wish to align its employees with supporting a corporate gift, the health care organization would have the opportunity to build engagement and access to those community members and spread its message of being the premier provider in the area. This benefit is demonstrated by the naming gift from Morgan

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Stanley that named the New York-Presbyterian Children’s Hospital. Personal contributions of \$55M by more than 600 employees of Morgan Stanley made that gift possible.¹ “The relationship between the Children’s Hospital and Morgan Stanley reflects our commitment to the local community where our employees live and work,” said Morgan Stanley President and Chief Operating Officer, Robert Scott, regarding their community partnership thought process. “The opening of the new hospital means more than our name on a building. It represents a deep and personal relationship that will last into the future.”²

Additionally, as Big Lots considered a major gift that included the naming of the behavioral health center at Nationwide Children's Hospital, partnership and the ability to transform health care were key topics of interest and priority. "It was a gamechanger in 2016, when the Big Lots Foundation and Big Lots announced their transformational partnership and commitment to help us open the largest behavioral health facility on a pediatric medical campus," said Nationwide Board Chair, Alex Fischer.³ When asked about publicity implications and expectations, Big Lots CEO, Bruce Thorn, responded, "We didn't make this gift for headlines or publicity...when the hospital suggested recognizing Big Lots with the name and signage, we were happy to oblige. It was more about being part of a movement for change."⁴

It is important to consider not only the short-term value potential of a gift but also the potential long-term value that the continued relationship could provide for the health care organization, the corporation, and more importantly, the community they both serve. According to GuideStar, "[The nonprofit] should be able to demonstrate with statistics the societal implications and benefits of your mission being fulfilled... Show them the larger-picture return on investment, in addition to showing them what a partnership will do for their company culture, brand, reputation, and relationship with clients/customers."⁵ The health care organization also benefits from a community-focused corporate partnership to leverage their network to provide brand awareness and services for future patients.

With proper agreements, such as term limits for the naming and clauses that protect the organization should any name become unfavorable, these naming opportunities are worthy and beneficial in raising substantial philanthropy dollars in your community.

There are, however, also potential hazards involved in naming privileges. An unfortunate situation resulting in the removal of a named organization that has compromised its brand and reputation carries risks and costs. **The risk of naming for an individual versus naming for a corporation are similar. If a corporation or individual acts inappropriately, the gift agreement**

should accommodate for the removal of the name, even if it is before the contracted naming period expires.

To establish a beneficial relationship where the health care organization and the corporate donor agree to move forward in partnership, key considerations should be made in the agreement:

- "The duration of the naming rights [while some believe a term limit for naming recognition defines the gift as a sponsorship, this is not the case. It is simply a way to protect the hospital in the event that the named space needs to be updated and a new naming opportunity could be offered.]
- How and where the name will be listed, including publication and signage expectations
- The nonprofit's ability to terminate the naming rights in the event the donor's name is tarnished due to criminal acts or unethical behavior [moral turpitude]"⁶

Passion for the community, relationship cultivation and thorough planning can produce positive short- and long-term impact beyond the partnership. Success with corporations comes from the enthusiasm, drive and philanthropic spirit of the people within the partnership. Naming opportunities are one way to involve corporations and remind employees of the good they are doing for their communities.

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¹ <https://www.nyp.org/news/NYC-Opens-One-of-the-Largest-Childrens-Hospitals-in-the-Country>

² <https://www.nyp.org/news/NYC-Opens-One-of-the-Largest-Childrens-Hospitals-in-the-Country>

³ <https://www.bizjournals.com/columbus/news/2020/02/28/q-a-why-this-columbus-retailer-is-spending-50m-to.html>

⁴ Ibid

⁵ <https://trust.guidestar.org/building-successful-partnerships-how-nonprofits-and-corporations-benefit>

⁶ <https://charitylawyerblog.com/2013/10/23/negotiating-documenting-nonprofit-naming-rights/>