

**Managenergy
Good Practice
Series:
Using Fund-
Raising to Fuel
the Energy
Agency’s Mission:
The Prioriterre
Story**

This Good Practice Profile is complemented by a number of other Management Good Practices and Tools, and is part of ManagEnergy’s ongoing work to help Local Energy Agencies and actors to learn from effective management innovations and good practice implemented across the network of 400 local and regional energy agencies in Europe.

To view other resources go to www.managenergy.net/management.html

TABLE OF CONTENTS

	SECTION TITLE	PAGE
1.	INTRODUCTION	1
2.	ABOUT PRIORITERRE	1
3.	FUND-RAISING – RATIONALE	2
4.	FUND-RAISING – RESULTS	3
5.	FUND-RAISING – THE PROCESS	4
6.	FUND-RAISING AND COMMUNICATION	4
7.	FUND-RAISING – KEY TIPS	5
8.	ACKNOWLEDGEMENTS	6

1. INTRODUCTION



In this Good Practice Profile, we look at the example of **Prioriterre** energy agency in France (www.prioriterre.org).

As a dynamic energy actor, Prioriterre is interesting in many respects, not least in terms of **having developed a significant fund-raising activity to support the agency’s development and help it to achieve its ambitious goals.**

This profile looks at Prioriterre’s development and the reasons that led it to develop a fund-raising activity, as well as its experience with fund-raising. The last section (Section 7)

provides some tips on fund-raising for other local energy agencies, based on Prioriterre's experience.

2. ABOUT PRIORITERRE

Prioriterre energy agency has been in existence for more than 25 years, longer than most of the local and regional energy agencies across Europe. Unlike many local energy agencies, Prioriterre did not commence activities with a shared EC and local government co-financed project, rather began as an independent association with a significant volunteer dimension. Volunteer workers included conscientious objectors, who were allowed complete military service in a civilian organization.

The agency has grown significantly over the past 15 years, from 4 employees in 1994 to a staff of 17 professionals today. Prioriterre Managing Director Mr. Charles Magnier has been with Prioriterre for 14 years, and during this time has witnessed the agency's steady transformation. In the years following Charles Magnier's arrival, the team worked to steadily put the organisation on a professional footing.

3. FUNDRAISING – RATIONALE

Prioriterre's direct fund-raising income is a distinguishing feature of the agency, not least in terms of its scale. Direct fund-raising

started back in 2005, and up to then the agency's income came from contracts with Local Authorities, EC co-financed projects and national government.

Prioriterre's fund-raising activities were motivated by a **mix of strategic considerations and pressing short-term issues.**

The first reason was the management team's realisation that public financing not going to be sufficient to finance neither the agency's growth nor the developmental areas in which the agency wanted to invest for the future.

A second, and altogether more pressing, reason to start fund-raising was the agency's *Maison pour la Planete* project. **Prioriterre** had launched the project with a construction cost of approximately EUR 1.5 million, of which EUR 250,000 was still needed in order to complete the project. The approach developed was to raise the remaining financing by securing contributions of EUR 10,000 from 25 companies.

A third reason, but no less important, was linked to **Prioriterre's strategic goal of wanting to remain an independent and impartial energy actor, which for the agency also meant being independent of its financing sources.** While the agency's mission remained the same – changing people's behaviour in order to save the planet – the means of getting there were changing.

Another key reason for requiring additional funding streams is that public funds do not allow Prioriterre to remunerate its staff as it would like to, nor provide them with training and professional development. *"Yet, if the agency wants people to stay longer the agency needs to be able to provide them with a better career offer"*, comments Charles Magnier, *"including salaries that are competitive with other comparable jobs in the market."*

Finally, the challenge sometimes experienced by the agency in securing local co-financing to match the co-financing of EC projects was another motivating factor in the drive to raise additional income through fund-raising.

4. FUNDRAISING – RESULTS

The agency has experienced strong revenue growth over the past years, with income growing from approximately EUR 700,000 in 2005 to EUR 1.2 million for 2008. From the first few years, Prioriterre’s fund-raising efforts showed good results with approximately EUR 200,000 in additional income being raised each year.

Fundraising targets for 2009 were initially very ambitious, with the agency seeking to raise between EUR 500,000 and EUR 600,000 in fund-raising income, but the financial crisis and economic downturn has necessitated a drastic reduction in fundraising income targets. *"The global*

economic downturn and financial crisis has affected Prioriterre, in particular our fundraising income", comments Charles Magnier, *"however, we expect nonetheless to maintain overall agency income for 2009 at EUR 1.2 million"*.

One reason underlying the significant decline in fund-raising income is tax-related – donations given by companies are eligible for tax breaks (with 60% of the donation being recovered through tax breaks), and companies will typically decide the amount of their donation between September and December in a given financial year, as they develop a full picture of their likely gross revenues and profit.

Fund-raising – Selected Benefits

Fund-raising has helped the agency during recent years to continue to invest in other important developmental initiatives. One example is Prioriterre’s **Centre de Resources** (resource centre). This centre receives around 8,000 calls each year, and has 3 full-time staff. The telephone help service is supported by an online resource centre, where downloadable files are available for users. Another example of an important development area is quality certification, which Prioriterre considered essential to obtain, but which cannot be financed by public funding. Diversifying its income streams through fund-raising has allowed Prioriterre to obtain ISO 9001 certification during 2008.

5. FUNDRAISING – THE PROCESS

The Fund-Raising Process:

Key Messages from Prioriterre

Charles Magnier emphasises the importance of having a medium-term vision of why an agency should develop a fund-raising activity, warning that this is not a fast route to new income streams. Over the years, Prioriterre has realised the importance of working through the agency’s network and your own professional networks and contacts. A key learning point has been the need to approach the head of the organizations (MD, CEO etc.) that are being targeted as part of the fund-raising effort – trying to go through employees or middle management staff rarely (if ever) works.

“A sense of commitment from the would-be contributors is key”, says Charles Magnier, giving an example of the President of the Foncia Real Estate Group who came by plane and met Prioriterre to discuss fundraising and Prioriterre’s activity. Charles Magnier advises other agencies not to be shy in asking your own contacts and network for direct access to the Managing Director/top management in an organisation that you are interested in approaching.

Another important factor is to have clarity as to what you are offering prospective contributors. Prioriterre offers corporate donations for a minimum of EUR 10,000, with an average funding contribution of EUR 30,000. Another point is to decide what it is in your offer - for example, what types of

benefits do contributing organisations receive? Prioriterre, for example, not only offers donating organisations the benefit of being associated with its image and specific projects, but it also proposes a menu of services or actions that it can deliver to the donating organisation in return, up to a value of 25% of the donation. The Agency also proposes to prospects a menu of programmes from which they can choose the programme or action that they would like to support.

Another key factor is to work to create a club – communicating towards prospective and current contributors that there are admission criteria, and that not everyone can come into the club. For Prioriterre, certain types of companies are excluded from becoming sponsors of the agency, such as energy utilities or oil companies. Another admission criterion for Prioriterre is that would-be sponsors need to be prepared to move in some way towards sustainable development. Prioriterre have started organising regular meetings of Prioriterre’s contributors. Prioriterre also organises visits to the *Maison de la Planete*, as well as updating its blog on a weekly basis.

6. FUND-RAISING AND COMMUNICATION

Communications and a national profile

During the last 3 years, Prioriterre has increasingly been working outside of its region as it builds its national profile. As

director of the agency, Charles Magnier undertakes a significant amount of external communications work, including speaking at conferences and talking on radio show. In this respect, the work on developing its network for fund-raising and the work on developing the agency's external image are closely linked. For Prioriterre, fund-raising is also easier to undertake when an agency has a national profile and is active country-wide, and not just confined to one region.

Prioriterre also has used the profile of its managing director to develop its own **blog** (see www.prioriterre.org/blog/index.php/), which has become an important communication vehicle in its own right. Other activities to increase the profile of Prioriterre include a book publication, for which plans are already well advanced. The agency has also bought the rights for the Swiss label for energy efficiency for houses (*la belle minergie*) for France.

Having an Attractive Product

For Charles Magnier, image is key and hence spending money on logo and image is very important, as is having programmes tailored to key target groups such as children, adults etc. that allow the target group to feel emotionally concerned by the agency's message, as well as wanting to become involved.

Prioriterre has advised other energy agencies on their marketing and communications, and emphasises the importance of local energy agencies not just talking about their agency but also about themselves and their mission.


In other words, make it personal and exciting – create BUZZ! Companies and other would-be donors want to be associated with an agency that gives them an **image benefit**.

For example, Prioriterre has recently signed a contract with Foncia (Management of buildings), where Prioriterre are also working on an awareness-raising campaign on energy savings in buildings. Foncia is thus both an innovative partner and a fund-raising provider.

For Charles Magnier, the agency also needs to be more than about engineers. *‘I believe that an agency needs to show that they work and fight for the planet, and never to lose your soul, as this is what one is ultimately selling’.*

7. FUNDRAISING – KEY TIPS

Prioriterre's experience is interesting for other learning agencies from a number of perspectives. The inset box below sets out a number of key tips for local energy agencies interested in considering developing a fund-raising dimension to their activity:



***Interested in Fundraising?
Some Tips from Prioriterre***

1. Don't hesitate to ask your own contacts and network to provide you with direct access to the Managing Director/top management in an organisation that you



Interested in Fundraising? Some Tips from Prioriterre

- are interested in approaching.
2. Have clear fund-raising offers (e.g. minimum donation amount etc.
 3. Decide what you are offering in return – visibility and association with a certain type of sustainability brand (or, like Prioriterre, you will also offer some limited services to funders)
 4. Build choice into your offer - propose a menu of programmes to prospective funders from which they can choose. This makes the funding more *personalised* for your funder.
 5. Also need to create a club / membership – don't hesitate to communicate that there are admission criteria and that not everyone can come into the club.
 6. Create a sense of excitement and buzz about your agency's mission – make people want to be involved in supporting you.
 7. And last but not least - strong communications is important for successful fund-raising.

8. ACKNOWLEDGEMENTS

The ManagEnergy Support Team would like to thank Mr. Charles Magnier, Director at Prioriterre, for taking the time to share Prioriterre's experience with ManagEnergy.