

Charitable Pipes

Evolving Models of Philanthropy.

by Colleen Bryan

When discussing the idea of regional lampworking projects as hothouses for philanthropic events, it became clear that the model guiding such projects is evolving, even in the scant five years since Sean Mueller dreamed up the Colorado Project. Allison Key of the Michigan Glass Project, Craig Lewis of the Armadillo Art Glass Initiative (aka the Initiative), and Nick Deviley of the Glassroots Guild articulate some of what has been learned from their on-the-ground experience

Early Learning

From his experience with the Colorado Project and mentoring other projects, Mueller developed a template of action steps for initiating a regional project. Some features include a mission statement and logo, sample bylaws, and the selection of key leaders. Tips also include checking government websites to make sure the name is not registered to any other entity and developing a project website and Facebook page. Allison Key remembers Mueller sharing one critical pointer with the Michigan startup: “You need a female in the group. Women are very organized.” Including women in the leadership of a project also signals that there is a place for women in the community of lampworkers. Mueller helped the Michigan Glass Project with some of its early development.

Choosing a charity to receive the group’s donation can be a challenge and deserves careful navigation. In cities with deep need, competition for every charitable dollar can be high. Having a selection process that participating pipe makers see as fair and open can be important to maintaining their enthusiasm. Another aspect to consider is that charities targeted to receive the funds may be nervous about the judgment of other contributors or their own tax-exempt status if they accept money from pipe makers. While the artists are eager to normalize their craft, Craig Lewis advises project teams to stay open and understanding throughout the process of selecting a charity.

“I first approached an Austin children’s charity about receiving the donation from our event. They were so excited. About a month into discussions, I was reading back into their charter, and it became clear that we were not a good match. Rather than hoping that no one discovered the conflict late in the game, I talked it over with them, and they agreed that we were not a good match. The Initiative left that organization and chose Meals on Wheels and More (MOWAM), where straightforward conversations revealed no conflicts. The Initiative’s first event in 2013 was able to facilitate a donation of \$16,255 to MOWAM of Austin, and we look forward to raising more for them in 2014.”



Coyle and Joe Peters collaboration



Critical Transparency

Selecting a status for the organization merits much thought, discussion, and perhaps even consultation with attorneys. A 501(c)3 is considered a charity, and donors can take tax deductions for the raw goods value of contributions, but there are notable requirements for attaining and preserving tax exempt status. Craig Lewis from the Armadillo Art Glass Initiative explains: “Artists may donate a piece and want \$3,000 recorded as their donation, but the tax laws only permit a write-off for the cost of materials (perhaps \$100) rather than the market value of the creative piece.” Project leaders speak of the need to “get ready” to become a 501(c)3. The logistics of taking glass in and being able to sell, donate, receipt, and account for it are challenging for 501(c)3 nonprofits.

It is critical to be transparent about what is taken in and what is donated to these charitable enterprises. Artists are donating free glass. Suppliers are donating materials. They need to be able to assure themselves that their specific donations are being handled appropriately. Selling glass as a nonprofit brings increased scrutiny and the need for a great deal of detailed accounting. Deviley intentionally structured the Glassroots Guild separate from his Glassroots trade show and put someone else in charge of the accounting. Such separation helps to build trust, as does posting online photos of check presentations, so donors of glass and supplies can confirm that a transfer of funds to the charity actually takes place.

Many people donate with the assumption that the entire value of what they give goes directly to the charity. Events are costly operations, however, and philanthropy occurs after the bills are paid. Deviley notes: “We fly in well-known artists and put them up in hotels at a cost of \$8,000 to make glass worth \$20,000. From the remaining \$12,000, a share goes to venue rental and taxes. And we have learned that we need to hold back some seed money for next year’s event. That is still worthwhile, but one has to be practical about covering real costs. Going broke is a poor business decision.”

Sustainability

Quick turnover from glass to cash is essential for these events. Lewis cautions: "Security, venue, lights, stage, drape, and food bills are all due within 30 days. Even if someone were to donate a \$100,000 worth of glass, it is still not a donation until it's sold." In the early years of the Michigan Glass Project, Key held all the glass produced at the event so it could be professionally photographed before putting it in a silent auction for sale. "It is a way of giving back to our artists for the pieces they donated. People would approach us wanting to buy on the spot, but we held off to get everything photographed." They discovered, however, that the energy and enthusiasm of watching a spectacular piece being made can wane over time and reduce its sale price. Both Key and Lewis plan to have photographers on site at their upcoming events to close the gap between creation and sale.

Figuring out what sells is essential to a project's success, Key and Lewis agree. In addition to run-of-the-mill \$30 pipes that flood head shops, pipe makers are producing intricate, phantasmagorical pieces of freestanding functional sculpture that command tens of thousands of dollars. Superheadies are highly intricate, expensive, desirable lampworked pipes, sold chiefly in head shops and music festivals, and bought by collectors. Lewis observes that pipes are made more collectible and expensive by virtue of being fabricated by collaborative teams of famous glassblowers, containing an exclusive choice of materials or colors, or having a limited number of copies. Having even a few exceptional pieces on hand attracts energy and enthusiasm to a project event. And having enough high-ticket items to balance the tons of lower-priced glass items can be important to minimizing post-event auction demands.

Mueller and Key agree that managing these projects takes at least 20 hours a week, even with a lot of delegation to volunteers. The time needed for coordination grows as events become more complex. That level of commitment is not sustainable beyond 12 to 18 months through a volunteer model, and several of the projects have stumbled with leadership transition. Paid leadership is a critical element for stabilizing projects and allowing them to grow year by year. All of the people interviewed agreed that it is essential to adopt a model that allows paying people for the coordinator's role.

Beyond the financial or public relations success of pipe projects, meeting and working together for a common cause with other glassblowers and with other members of the larger community serves to lift the "glass curtain." These joint efforts both strengthen community among glassblowers and raise their technical proficiency at the torch. "When we went to trade shows in 2010 and 2011," Mueller remembers, "we were definitely a glass community of lampworkers from all around the Front Range of Colorado." The Colorado Project helped to brand and improve Colorado glass."



Adam G and Robert Mickelsen Collaboration



A Business Model

The evolution of the template from the Colorado Project was perhaps most clearly manifested in the Armadillo Art Glass Initiative four years later. Craig Lewis, president, started the initiative with the support of distributor Nick Deviley in Austin, Texas, in 2013. "I had attended early Colorado and Michigan projects and other glassblowing events, and we both had a sense of some of the areas where we could learn from their experiences and help each other's cause."

The Austin team chose two big departures from the earlier model:

- A shift in emphasis from community building among pipe makers to a sharper focus on normalizing the pipe, making it approachable and less taboo as people are exposed to pipe makers at their torches. That shift drives choices such as site selection and entry fees.
- A move away from 501(c)3 status to a limited liability corporation with paid leadership, a business model that Lewis and Deviley hope provides greater sustainability than the nonprofit structure.

The Initiative event was staged to immediately precede the Grassroots wholesale trade show at the Palmer Events Center, a large convention venue that opens onto an inviting public park space with fountains and walkways. The Initiative and Grassroots are functionally separate events, although the Initiative sells glass after the Initiative event is complete from a wholesale booth at the Grassroots show, a business-to-business show that is not open to the public. Still, Lewis notes, "So many buyers, collectors, and glassblowers come in for Grassroots, and many people come early to meet their friends and attend the Initiative. It works nicely for us." By serendipity, the 2013 event took place concurrently and across the street from the Austin Reggae Fest and the opening of F1 Track, the Formula One race track for the Circuit of the Americas, which brought 200,000 people into the city. These events brought additional random visitors to investigate the glass event as well.

The 2013 events began with a pre-party, where top artists demonstrated newer soft glass techniques. The main event included live glassblowing demonstrations by renowned artists, live local music, a silent auction, and vendor booths selling crafts of various media. A rotating silent auction remained open to the public under a canopy outside the events center throughout the event. It closed with a public "AfterFest" party for dinner and movie watching.

For 2014, the Initiative will add an auction party in the middle of the follow-on Grassroots show. "Having multiple different kinds of offerings is important. People come for different reasons: to see the pipes, to support the charity, to spend a fun day in the park with their kids. The more people we can attract from outside our own little circle, the better. We focused on uniting as many people as possible under the single idea of raising money to help feed the hungry people in Austin. Maybe even somebody in your family."



Fueling Enthusiasm

The first year's theme was the armadillo, a perennial Austin icon with historical and cultural significance to the city. Pipe makers generated endless variations on the theme, some functional and some not. And while the event went well, Lewis observes that it was difficult and time consuming. "We could have made better use of materials and time." This year, he has been working with color companies to choose signature colors in lieu of a theme. "We have an agreement that custom color and line tubes will be made for this event only, and glassblowers will work those colors into their pieces."

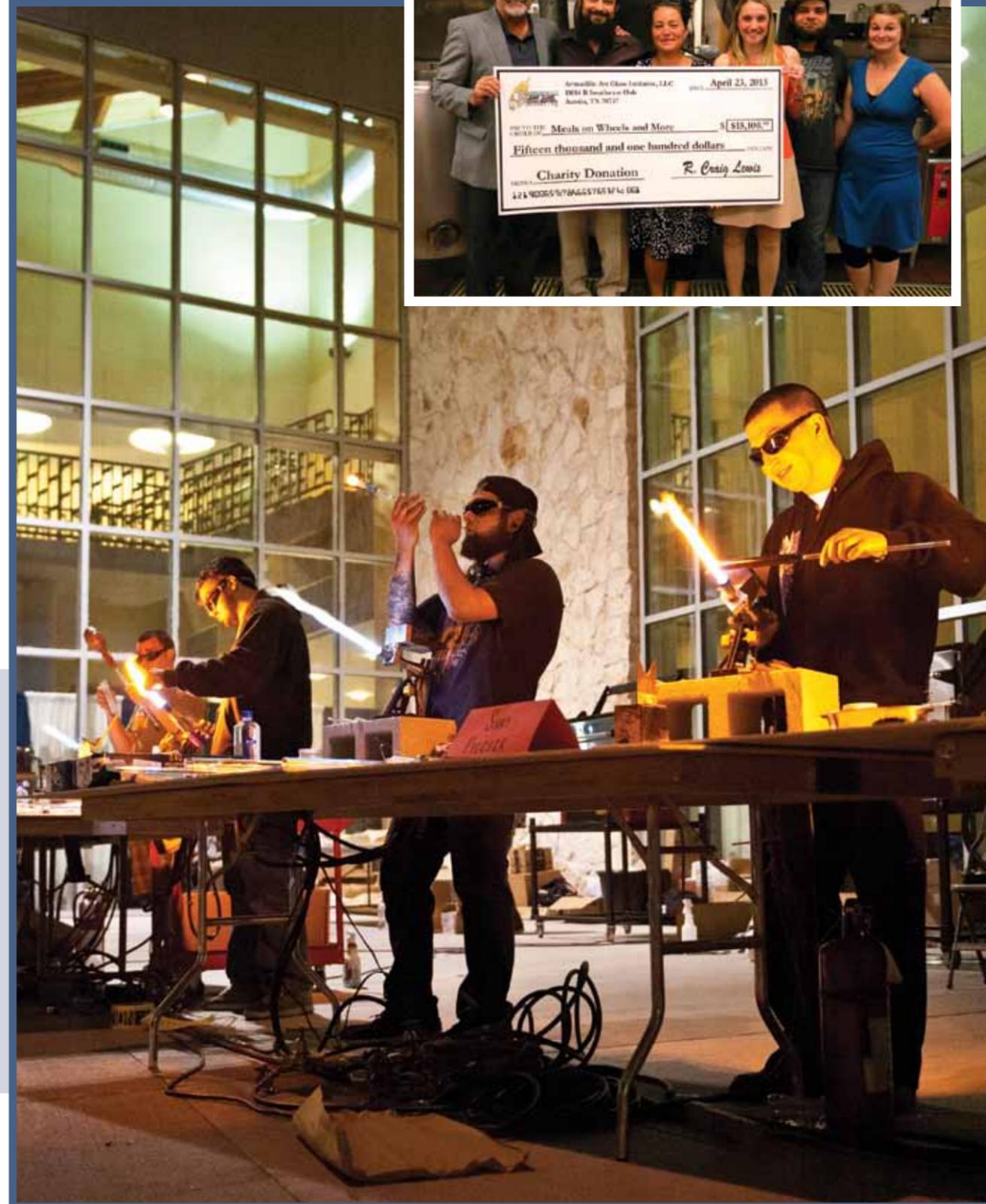
These kinds of decisions help make the glass more exclusive and elevate its collectability, desirability, and price. "Putting the artists immediately in front of potential buyers—the head shop owners, patrons, and secondarily, the collectors—is a powerful spark to sales," Lewis declares. "If they've been at the event all weekend and watched the pieces being made, they know which pieces they are interested in buying."

Keeping and recruiting new sponsors is the constant gardening required of event coordinators. Almost all of the costs for the 2013 Initiative event were covered by sponsorships. Color companies donated color in exchange for sponsorship advertising of their logos. Vendors were required to donate an art piece worth at least \$100 wholesale value for the silent auction. Vendors displayed an array of goods in a variety of media. A main focus was put on interaction with glass artists and raising money for the charity.

The Initiative rented out an old renowned Austin bar, the Flamingo Cantina for the "AfterFest" closing party. Lewis' team sold tickets to the public for a meal and invited the guests to watch the glass film, *1050 Toronto* by Max Tubman. The proceeds from the after-party were put toward the final donation to Meals on Wheels and More of Austin.

In another departure from some of the other projects, Lewis charged no entry fees for the main event, which was free and open to the public. A downside of this strategy is that he has no way to count how many people attended the event.

The silent auction consisted of 55 art donations from various artists of mixed media, including glass, with no functional tobacco pieces. "We wanted an area where people of any age and taste in art would be able to bid without having to deal with age-restricted merchandise." Sarah Hauser, public relations ambassador for the Initiative, directed the silent auction, which had to be laid out and taken up each day of the show. "The silent auction money was an immediate and direct donation to the charity." Staff walked the auction item winners to an on-site computer that directly linked to the charity's website. There, patrons entered payment information and received an immediate donation receipt from Meals on Wheels and More of Austin. "That money increases the tally toward our donation goal and is not money the Armadillo Art Glass Initiative takes in. Our goal is to facilitate as many donations as possible directly to MOWAM."



Pogo, Johnny Glover, LFD, Salt

The glass pieces that were made by the artists at the event were either put into the silent auction or sold to head shops at the Glassroots Art Show. Nonfunctional pieces were auctioned to the public, and functional pipes were put up for sale to credentialed resale shop owners at Glassroots. Many of the pieces left over after Glassroots have been sold throughout the year to local glass shops to help cover production costs for the 2014 event. Retail merchandise such as T-shirts, bumper stickers, and posters are also sold to help advertise and to cover costs. "Much of the way we designed our event activities and distribution was with a thought to Texas business and tax laws. Hours of research and great effort were put toward developing business practices that complied with all laws and regulations while still facilitating the largest direct donation to MOWAM as possible."

The 2013 donation goal was \$10,000. The Initiative exceeded that goal with its \$15,100 donation. In addition, they sponsored a family for the holidays with proceeds from late-selling items, and another \$1,155 was tallied, for a total of \$16,255 contributed to Meals on Wheels and More of Austin. The model for these philanthropic events is likely to continue to change, both in response to local culture and needs, and to reflect new learning. **GA**

You'll find more about annual philanthropic events sponsored by seven different regional groups of lampworkers in the May/June 2014 issue of Glass Art.

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