

# Libertarian Strategy Gazette

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## Errors in Direct Mail

California Libertarian Activist Richard Ryder has circulated, and now obtained for *Libertarian Strategy Gazette's* use, the following wonderful article on direct mail. With thanks to Richard Ryder, we present

### The 12 Most Common Direct Mail Mistakes... And How to Avoid Them

Successful direct mail doesn't depend on fancy, four-color design or "creative" copy. by Robert W. Bly

#### Summary:

Mistake No. 1: Ignoring the most important factor in direct mail success--the mailing list

Mistake No. 2: Not testing.

Mistake No. 3: Not using a letter in your mailing package.

Mistake No. 4: Features vs. Benefits.

Mistake No. 5: Not having an offer.

Mistake No. 6: Superficial copy.

Mistake No. 7: Saving the best for last.

Mistake No. 8: Poor follow-up.

Mistake No. 9: The magic words.

Mistake No. 10: Starting with the product - not the prospect.

Mistake No. 11: Failing to appeal to all five senses.

Mistake No. 12: Creating and reviewing direct mail by committee.

One recommendation I often give clients is to try an old-fashioned sales letter first. Go to a fancier package once you start making some money.

#### Mistake No. 4: Features vs. Benefits.

Perhaps the oldest and most widely embraced rule for writing direct-mail copy is, "Stress benefits, not features." But in business-to-business marketing, that doesn't always hold true.

In certain situations, features must be given equal (if not top) billing over benefits.

For example, if you've ever advertised semiconductors, you know that design engineers are hungry for specs. They want hard data on drain-source, voltage, power dissipation, input capacitance, and rise-and-fall time...not broad advertising claims about how the product helps save time and money or improves performance.

"I've tested many mailings selling engineering components and products to OEMs (original equipment manufacturers)," says Don Jay Smith, president of the Chatham, NJ-

[Direct Mail] (Continued on page 2)

## Editorial

### Here We Go Again

It is 2002, and the Democratic Republicans have decided to take a lesson from the Green Party and institute recycling. Alas, the item they are recycling is the failed foreign policy of 40 years ago, with the modest difference that this time there is no suggestion that we are defending a pro-freedom small country under attack by foreign neighbors. This time, there can be no doubt that we have decided to launch a war of aggression against a country that is not visibly attacking us.

Once again, the Republican Party is united in opposition to international world communism, um,...islamic extremism. To prove it, we're going to attack one of the few substantially secular socialist countries in the Middle East, a country that does once again prove that 'socialist republic' really is a synonym for 'bloodthirsty kleptocracy'.

The Democratic party is recycling its foreign policy position of the 60s also, which as many Americans seem to forget means that it is putting one foot squarely on the ground on each side of the razor wire. Its pro-intervention wing has lined up squarely behind President Bush. Its antiintervention wing has lined up squarely against Bush's war du jour. We are certainly going to get a measure of the relative importance of passion and quiet. Congressional mail and phone calls ran overwhelmingly against the Bush intervention. Polls show that Bush's 2002 War has 2/3 support, at least so long as we have allies and the enemy does not shoot back with real guns.

For the Libertarian Party, Bush's 2002 War offers enormous opportunities. (It will also offer the opportunity to say once again 'if only you had followed our sound platform, this disaster would never have happened' but that opportunity is not for a while yet.) We are the only substantial political party in the United States to offer a coherent heartfelt alternative to Bush's machoid War Yesterday, War Today, War Forever! and the grovelling servility of his Democratic 'opponents'. Here we have an issue in which the American people are interested, and for most of them there can be no doubt that the Democratic Congressional Leadership did line up with the Republicans, and that we are on the other side.

After all, we offer Peace, Free Trade, Non-Intervention, and International Prosperity for all those who offer us the same. We propose malice toward none, with a stout stick based on an adequate military and an armed unorganized militia ready for those who attack us. We promise an end to foreign aid,

[Editorial] (Continued on page 2)

(Continued from page 1) [Editorial]

an end to shipping billions and billions of dollars from taxpayer wallets through remote foreign places to scenic Switzerland. Bush's "War on Terror", not to be confused with his war on the Al Quaida air pirates, offers an endless prospect of war and more war, with the relatives and friends of the people we attack looking to return the favor on whatever Americans come to hand.

The Republicans beat their chests and talk of Bush's vast positive standing in the polls for his latest episode of foreign adventurism. Many Libertarian readers will be too young to remember, but Bush's support for his War on Iraq is weaker than President Kennedy's support for his War in Viet Namh -- a war he inherited from President Eisenhower. The split in the Democratic Party is already deeper than it was in 1966. Furthermore, many of the Peace Marchers of the 1960s are alive, well, and far less afraid to speak out than they were 35 years ago, as witness last week's 100,000 person March on Washington.

A Libertarian Party that remembers the shape of the Nolan chart, the chart that puts us square on the center of the left-right divide, is a party that is ready to take advantage of the political situation we are about to reach. We are not a party of the right, as some newspapers would have us. We are a party of the center, the radical center, agreeing in our sound Libertarian stands with important issues of the Left as well as the Right. By reaching out to the Left, by reminding people of our sound Libertarian stands in favor of

*peace,  
non-intervention,  
ending conscription and draft registration,  
ending the insane war on drugs,  
ending corporate welfare, and  
ending government discrimination between details of  
personal marital arrangements*

we have positive opportunities.

Well, we have those opportunities so long as we keep our eyes on the core mission.

*The purpose of a political party is  
to run candidates for office  
to elect candidates to office  
to use its elected and appointed public officials and all  
other aspects of the legitimate political process to put its  
agenda into effect.*

Finally, the failure of the failure of the Constitution:

Mr. Padilla continues to reside in the Baltimore Gulag, courtesy of George Bush, Attorney General Ashcroft, and their lettres de cachet.

...George Phillies

(Continued from page 1) [Direct Mail]

based ad agency The Wordsmith. "I've found that features and specs out pull benefits almost every time." Vivian Sudhalter, Director of Marketing for New York-based Macmillan Software Co., agrees. "Despite what tradition tells you," says Ms. Sudhalter, "the engineering and scientific marketplace does not respond to promise -or benefit - oriented copy. They respond to features. Your copy must tell them exactly what they are getting and what your product can do. Scientists and engineers are put off by copy that sounds like advertising jargon."

In the same way, I suspect that doctors are swayed more by hard medical data than by advertising claims, and that industrial chemists are eager to learn about complex formulations that the average advertising writer might reject as "too technical."

In short, the copywriter's real challenge is to find out what the customer wants to know about your product - and then tell him in your mailing.

## **Mistake No. 5: Not having an offer.**

An offer is what the reader gets when he responds to your mailing.

To be successful, a direct-mail package should sell the offer, not the product itself. For example, if I mail a letter describing a new mainframe computer, my letter is not going to do the whole job of convincing people to buy my computer. But the letter is capable of swaying some people to at least show interest by requesting a free brochure about the computer.

Make sure you have a well-thought-out offer in every mailing. If you think the offer and the way you describe it are unimportant, you are wrong.

A free-lance copywriter friend of mine ran an ad in the Wall Street Journal that offered a free portfolio of article reprints about direct mail. He received dozens of replies. Then he ran an identical ad, but charged \$3 for the portfolio instead of giving it away. Number of responses that time? Only three.

Here are some effective offers for industrial direct mail: Free brochure, free technical information, free analysis, free consultation, free demonstration, free trial use, free product sample, free catalog.

Your copy should state the offer in such a way as to increase the reader's desire to send for whatever it is you offer. For example, a catalog becomes a product guide. A collection of brochures becomes a free information kit. A checklist becomes a convention planner's guide. An article reprinted in pamphlet form becomes "our new, informative booklet-'How to Prevent Computer Failures.'"

From now on, design your fulfillment literature with titles

and information that will make them work well as offers in direct mail. When one of my clients decided to publish a catalog listing US software programs available for export overseas, I persuaded her to call the book "The international Directory of US Software," because I thought people would think such a directory was more valuable than a mere product catalog.

## **Mistake No. 6: Superficial copy.**

Nothing kills the selling power of a business-to-business mailing faster than lack of content.

The equivalent in industrial literature is what I call the "art director's brochure." You've seen them: Showcase pieces destined to win awards for graphic excellence. Brochures so gorgeous that everybody falls in love with them - until they wake up and realize that people send for information, not pretty pictures. Which is why typewritten, unillustrated sales brochures can often pull double the response of expensive, four-color work.

In the same way, direct mail is not meant to be pretty. Its goal is not to be remembered or create an image or make an impact, but to generate a response now.

One of the quickest ways to kill that response is to be superficial. To talk in vague generalities, rather than specifics. To ramble without authority on a subject, rather than show customers that you understand their problems, their industries and their needs.

What causes superficial copy? The fault lays with lazy copywriters who don't bother to do their homework (or ignorant copywriters who don't know any better).

To write strong copy - specific, factual copy - you must dig for facts. You must study the product, the prospect and the marketing problem. There is no way around this. Without facts, you cannot write good copy. But with the facts at their fingertips, even mediocre copywriters can do a decent job.

Don Hauptman, author of the famous mail-order ad, "Speak Spanish Like a Diplomat!," says that when he writes a direct-mail package, more than 50% of the work involved is in the reading, research and preparation. Less than half his time is spent writing, rewriting, editing and revising.

Recently a client hired me to write an ad on a software package. After reading the background material and typing it into my word processor, I had 19 single-spaced pages of notes.

How much research is enough? Follow Bly's Rule, which says you should collect at least twice as much information as you need - preferably three times as much. Then you have the luxury of selecting only the best facts, instead of trying desperately to find enough information to fill up the page.

## **Mistake No. 7: Saving the best for last.**

Some copywriters save their strongest sales pitch for last, starting slow in their sales letters and hoping to build to a climactic conclusion. A mistake. Leo Bott, Jr., a Chicago-based mail-order writer, says that the typical prospect reads for five seconds before he decides whether to continue reading or throw your mailing in the trash. The letter must grab his attention immediately. So start your letter with your strongest sales point.

Some examples of powerful openings:

"Which produces the best ad results - 800 phone number? company phone? coupon? no coupon?" - from a letter selling ad space in Salesman's Opportunity magazine. "14 things that can go wrong in your company - and one sure way to prevent them" - an envelope teaser for a mailing that sold a manual on internal auditing procedures. "A special invitation to the hero of American business" - from a subscription letter for Inc. magazine. "Can 193,750 millionaires be wrong?" - an envelope teaser for a subscription mailing for Financial World magazine. "Dear Friend: I'm fed up with the legal system. I want to change it, and I think you do, too." - the lead paragraph of a fund-raising letter.

Some time-testing opening gambits for sales letters include:

- asking a provocative question;
- going straight to the heart of the reader's most pressing problem or concern;
- arousing curiosity;
- leading off with a fascinating fact or incredible statistic;
- and Starting the offer up-front, especially if it involves money; saving it, getting something for an incredibly low price, or making a free offer.

Know the "hot spots" of your direct mail package - the paces that get the most readership. Those include: the first paragraphs of the letter, its subheads, its last paragraph and the post-script (80% of readers look at the PS); the brochure

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cover, its subheads and the headline of its inside spread; picture captions; and the headline and copy on the order form or reply card. Put your strongest selling copy in those spots.

## Mistake No. 8: Poor follow-up.

Recently a company phoned to ask whether I was interested in buying its product, which was promoted in a mailing I'd answered. The caller became indignant when I confessed that I didn't remember the company's copy, its product, its mailing, or whether it sent me a brochure.

"When did I request the brochure?" I asked. The caller checked her records. "About 14 weeks ago," she replied. Hot leads rapidly turn ice cold when not followed up quickly. Slow fulfillment, poor marketing literature and inept telemarketing can destroy the initial interest that you worked so hard to build.

Here are some questions you should ask yourself about your current inquiry fulfillment procedures:

Am I filling order or requests for information with 48 hours?

Am I using telephone follow-up or mail questionnaires to qualify prospects? By my definition, an inquiry is a response to your mailing. A lead is a qualified inquirer - someone who fits the descriptive profile of a potential customer for your product. You are after leads, not just inquiries.

Am I sending additional mailings to people who did not respond to my first mailing? Test that. Many people who did not respond to mailing No. 1 may send back the reply card from mailing No. 2, or even No. 3. Am I using telemarketing to turn nonresponders into responders? Direct mail followed by telemarketing generates two to 10 times more response than direct mail with no telephone follow-up, according to Dwight Reichard, telemarketing director of Federated Investors Inc., Pittsburgh.

Does my inquiry fulfillment package include a strong sales letter telling the prospect what to do next? Every package should.

Does my inquiry fulfillment package include a reply element, such as an order form or spec sheet?

Does my sales brochure give the reader the information he needs to make an intelligent decision about taking the next step in the buying process? The most common complaints I hear from prospects is that the brochures they receive do not contain enough technical and price information.

Don't put 100% of your time and effort into lead-generating

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mailing and 0% into the follow-up, as so many mailers do. You have to keep selling, every step of the way.

## Mistake No. 9: The magic words.

This mistake is not using the magic words that can dramatically increase the response to your mailing. General advertisers, operating under the mistaken notion that the mission of the copywriter is to be creative, avoid the magic words of direct mail, because they think those magic phrases are cliches.

But just because a word or phrase is used frequently doesn't mean that it has lost its power to achieve your communications objective. In conversation, for example, "please" and "thank you" never go out of style.

What are the magic words of direct mail?

Free. Say free brochure. Not brochure. Say free consultation. Not initial consultation. Say free gift. Not gift.

If the English teacher in you objects that "free gift" is redundant, let me tell you a story. A mail-order firm tested two packages. The only difference was that package "A" offered a gift while package "B" offered a free gift.

The result? You guessed it. The free gift order in package "B" significantly out pulled package "A". What's more, many people who received package "A" wrote in and asked whether the gift was free!

No Obligation. Important when you are offering anything free. If prospects aren't obligated to use your firm's wastewater treatment services after you analyze their water sample for free, say so. People want to be reassured that there are no strings attached.

No salesperson will call. If true, a fantastic phrase that can increase response by 10% or more. Most people, including genuine prospects, hate being called by salespeople over the phone. Warning: Don't say "no salesperson will call" if you do plan to follow up by phone. People won't buy from liars.

Details inside/See inside. One of those should follow any teaser copy on the outer envelope. You need a phrase that directs the reader to the inside.

Limited time only. People who put your mailing aside for later reading or file it will probably never respond. The trick is to generate a response now. One way to do it is with a time-limited offer, either generic ("This offer is for a limited time only."), or specific ("This offer expires 9/20/87."). Try it!

Announcing/At last. People like to think they are getting in on the ground floor of a new thing. Making your mailing an announcement increases its attention-getting powers.

New. "New" is sheer magic in consumer mailings. But it's a double-edged sword in industrial mailings. On the one hand, business and technical buyers want something new. On the other hand, they demand products with proven performance.

The solution? Explain that your product is new or available to them for the first time, but proven elsewhere - either in another country, another application, or another industry. For example, when we introduced a diagnostic display system, we advertised it as "new" to US hospitals but explained it had been used successfully for five years in leading hospitals throughout Europe.

#### **Mistake No. 10: Starting with the product—not the prospect.**

In my New York University copywriting workshop, I teach students to avoid "manufacturer's copy" - copy that is vendor-oriented, that stresses who we are, what we do, our corporate philosophy and history, and the objectives of our firm.

You and your products are not important to the prospect. The reader opening your sales letter only wants to know, "What's in it for me? How will I come out ahead by doing business with you vs. Someone else?" Successful direct mail focuses on the prospect, not the product. The most useful background research you can do is to ask your typical prospect, "What's the biggest problem you have right now?" The sales letter should talk about that problem, then promise a solution.

Do not guess what is going on in industries about which you have limited knowledge. Instead, talk to customers and prospects to find out their needs. Read the same publications and attend the same seminars they do. Try to learn their problems and concerns.

Too many companies and ad agencies don't do that. Too many copywriters operate in a black box, and doom themselves merely to recycling data already found in existing brochures.

For example, let's say you have the assignment of writing a direct-mail package selling weed control chemicals to farmers. Do you know what farmers look for in weed control, or why they choose one supplier over another? Unless you are a farmer, you probably don't. Wouldn't it help to speak to some farmers and learn more about their situation? Read, talk and listen to find out what's going on with your customers.

In his book "Or Your Money Back," Alvin Eicoff, one of the deans of latenight television commercials, tells the story of a radio commercial he wrote selling rat poison. It worked well in the consumer market. But when it was aimed at the farm market, sales turned up zero.

Mr. Eicoff drove out to the country to talk with farmers. His finding? Farmers didn't order because they were embarrassed about having a rat problem, and feared their neighbors would learn about it when the poison was delivered by mail.

He added a single sentence to the radio script, which said that the rat poison was mailed in a plain brown wrapper. After that, sales soared. Talk to your customers. Good direct mail--or any ad copy--should tell them what they want to hear. Not what you think is important.

#### **Mistake No. 11: Failing to appeal to all five senses.**

Unlike an ad, which is two-dimensional, direct mail is three-dimensional and can appeal to all five senses: sight, hearing, touch, smell, taste. Yet most users of direct mail fail to take advantage of the medium's added dimension.

Don't plan a mailing without at least thinking about whether you can make it more powerful by adding a solid object, fragrance or even a sound. You ultimately may reject such enhancements because of time and budget constraints. But here are some ideas you might consider:

Audiocassettes. In selling summaries of business books recorded on cassette, Macmillan Software Co. sent an audiocassette in a cold mailing to prospects. The cassette allows the prospect to sample the books-on-tape program. I would have said, "Too expensive." But inside information, and the fact that I got the package twice, tell me it's working for them.

Do you have a powerful message that a company spokesperson can deliver in dynamic fashion to your audience? Con-

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sider adding a cassette to your package.

Videocassettes. Some companies are taking the idea one step further and mailing videocassettes cold to prospects. Again, that's expensive--but successful in many instances. One company I spoke to got a 30% response to such a program. And in telephone follow-up, they learned that 95% watched the tape.

Pop-ups. Chris Crowell, president of Essex, Conn.-based Structural Graphics Inc., says pop-ups can increase response up to 40% when compared with a conventional flat mailing. You can have a pop-up custom designed for your mailing or choose from one of many "stock" designs available.

Money. Market research firms have discovered that enclosing a dollar bill with a market research survey can increase response by a factor of five or more, even though \$1 is surely of no consequence to business executives or most consumers. Has anyone tried using money to get attention

in a lead-getting industrial mailing?

Sound. Have you seen the greeting cards that play a song when you open them because of an implanted chip or some similar device? I think that certainly would get attention. But as far as I know, no one has used it yet in direct mail. Product samples. Don't neglect this old standard. Enclose a product or material sample in your next mailing. We once did a mailing in which we enclosed a small sample of knitted wire mesh used in pollution control and product recovery. Engineers who received the mailing kept that bit of wire on their desks for months.

Premiums. An inexpensive gift such as a slide guide, measuring tape, ruler or thermometer can still work well. One recommendation and warning: A lot of us, including me, need to be a little more imaginative if we want our mailing package to stand out in the prospect's crowded mailbox. At the same time, we must remember that creativity can enhance a strong selling message or idea but cannot substitute for it. As copywriter Herschell Gordon Lewis, president of Communicomp in Plantation, Fla., warns, "Cleverness for the sake of cleverness may well be a liability, not an asset."

#### **Mistake No. 12: Creating and reviewing direct mail by committee.**

Do you know what a moose is? It's a cow designed by a committee.

Perhaps the biggest problem I see today is direct mail being reviewed by committees made up of people who have no idea (a) what direct mail is; (b) how it works; or (c) what it can and cannot do.

For example, an ad agency creative director told me how his client cut a three-page sales letter to a single page because, as the client insisted, "Business people don't read long letters." Unfortunately, that's an assumption based on the client's own personal prejudices and reading habits. It is not a fact. In many business-to-business direct mail tests, I have seen long letters outpull short ones sometimes dramatically. Why pay experts to create mailings based on long years of trial-and-error experience, then deprive yourself of that knowledge base by letting personal opinions get in the way?

Here are some things you can do to become a better direct-mail client: Reduce the review process. The fewer people who are involved, the better. At most, the mailing should be checked by the communications manager, the product manager and a technical expert (for accuracy). Resist the temptation to meddle. Point out technical inaccuracies and other mistakes. But don't dictate the piece's content, tone or style. Make a commitment to judge direct mail not by what you like or by aesthetics, but by results—which can be measured accurately and scientifically. Become more educated in direct mail by reading books. I recommend:

"Successful Direct Marketing" by Bob Stone (NTC Business Books, Chicago (800) 323-4900; 496 pp.; \$29.95) as a good place to start. Know what's going on in the industry. Subscribe to at least one of the direct marketing magazines: Direct Marketing, Zip Target Marketing, DM Nexus. Also, keep in touch with industry developments by reading the more broadly based marketing publications, such as BUSINESS MARKETING and Advertising Age.

If you challenge your direct mail pros, be willing to spend for a test. In direct mail, the answer to "Which concept is best?" is the same as the answer to the question, "Which mailing piece pulled best?":

Because nobody can argue with results.

### **Useful Graphic**

Doc Ondrusek <DoctorLiberty@dejazzd.com> writes: Want a fresh, sharp Lady Liberty image? I spent a few hours with PhotoDeluxe today cleaning and sharpening a scratchy old .jpeg image of her to use in my campaign flyers. Go To <http://www.digital-exp.com/lplc/LPLC-related.html> and scroll down to "Libertarian Party Resources" - where you can pick up either a .zip file or .exe self extractor (if you don't have a Zip client). It's a 2.5 meg bitmap zipped down.

### **An Exemplary Campaign**

(Max Pappas, State Representative, Massachusetts) We originally bought 500 yard signs and 10,000 palm cards. And at this time we have run out of yard signs and almost all except a few hundred cards are left. The campaign does have between 7-8,000 thousand dollars left in the bank. We are preparing 3 other campaign items which are a mass mailing to voters of over 10,000 letters, a special letter to all of the republican voters since the Republican party has endorsed us and finally an advertisement in the papers listing a very large number of endorsements including local and national groups and prominent individuals living in the district. The media is labeling us as libertarians running as independents. The label is apparently not hurting the campaign. It seems that a big mistake the LP does is the "Govt. is the problem in everything" instead of stating which laws are causing more harm than good. Being able to run on issues and not Labels or an activist cry of Govt. Is Bad, has certainly helped the campaign.

Having the candidate run as a candidate and not as an activist also seems to get over the hurdle of Party labels and into the nitty gritty of campaigning. We unlike other candidates help out at dinners including serving and washing dishes while the Dem shows up and hangs around for 5 minutes for a possible photo op. We gained a lot of support by listening and helping out. Our two opponents have started taking everything very personally and have been trying to smear our candidate.

...Richard Watras

Campaign Manager for Max Pappas

## New Federal Regulations

Courtesy of LPNC Treasurer Bob Dorsey we have the report he wrote to the LP of North Carolina on the new FEC funding regulations and how they affect state parties. I have slightly edited phrasings that refer specifically to the LPNC, because every state party in the country is in the same boat at this point.

Here are some terms and their meanings as they apply in FECA and BCRA. This will help in understanding my recommendations for ensuring that we are in compliance with these laws.

1) FECA: Federal Election Campaign Act (the "Act"). Currently in effect. Remains in effect after 11/6/02 but some parts are modified by BCRA.

2) BCRA: Bipartisan Campaign Reform Act. Becomes effective on 11/6/02. by modifying FECA.

3) Political Committee: A political organization that during a calendar year raises more than \$1000 in contributions OR spends more than \$1000 in "expenditures". "Contributions" and "expenditures" must be given/made for the purpose of influencing a federal election. When a political organization becomes a Political Committee, it must register and file reports with the FEC.

4) Federal Funds: Funds that comply with the limitations, prohibitions and reporting requirement of the Act. Also known as "hard money".

5) Non-Federal Funds: Funds not subject to the Act. Also known as "soft money".

6) Levin Funds: A new type of funds creating under BCRA. Levin funds are subject to some requirement of the Act and some additional requirements in BCRA. Can be used to pay for certain type of FEA (see below). Named after the legislative sponsor of the amendment that created these funds. All contributions we receive from fundraising letters and pledges, except those amounts that exceed \$10,000 from any contributor in one year, are Levin funds. On 11/6/02 much of our funds will be considered Levin Funds. Under BCRA, we will have lots more Levin funds than we will need.

7) FEA: Federal Election Activities. This is a new class of activity defined in BCRA and means any of the following activities:

- Voter registration activity during the 120 day period prior to a federal election.
- Voter identification, generic campaign activities, and GOTV activities in connection with a federal election.
- A public communication that refers to a clearly-identified federal candidate and that promotes, supports, attacks or opposes any federal candidate.
- Service provided by an employee who spends more than 25% of his compensated time during a month on activities in connection with federal election.

Although a large part of BCRA deals with FEA and the new Levin funds, LPNC only engages in a very limited amount of FEA and we will have plenty of Levin funds to pay for these expenses. The primary impact of BCRA on

us will be unrelated to these issues.

8) "In connection with a federal election" means that time period between the earliest filing deadline for the primary ballot for federal candidates to election day.

9) "Voter registration activity" means contacting individuals by telephone, in person or by other individualized means to assist them in registering to vote. This includes simply sending them a voter registration form.

10) "Voter identification" means creating or enhancing voter lists by adding information about voters' likelihood of voting in a particular election or voting for a particular candidate.

11) "Generic Campaign Activities" means a public communication that promotes a political party and does not promote or oppose a clearly-identified federal or non-federal candidate.

12) "GOTV Activities" means contacting registered voters by telephone, in person or other individualized means in order to assist them in voting. This includes providing individual voters, within 72 hours of an election, with information about when and where polling places are open as well as transporting or offering to transport voters to polling places.

13) A "public communication" means any communication by means of TV, cable, satellite, radio, newspaper, magazine, billboard, mass mailing, telephone bank of any other form of general public political advertising. Communications over the internet are specifically not included in the definition of public communication.

Below are my recommendations and the actions required for the LPNC to comply with FECA and BCRA.

Summary...

1) Request National send us our UMP payments via check rather than via electronic deposit.

2) Open a separate bank account to serve as a Federal Account.

3) Seed this account with a small contribution to cover expenses from 11/6 to 11/15.

4) Payments to National starting on 11/6 must come from the Federal Account.

5) Payments for allocable expenses starting on 11/6 must come from the Federal Account.

6) Deposit the 11/15/02 UMP check into the Federal Account.

7) Register with the FEC when we exceed the \$1000 registration threshold

8) Once registered with the FEC, file reports as required.

9) Classify our existing bank account as a combined

Non-Federal/Levin Account.

10) Avoid engaging in certain types of FEA (those that must be paid solely with Federal Funds).

11) Pay for the other types of FEA with Levin Funds, not with Federal Funds.

12) Maintain a reasonable accounting method to be able to demonstrate that sufficient Levin Funds were available to pay for these types of FEA at the time each payment was made.

Details...

The Bipartisan Campaign Reform Act (BCRA) becomes effective on 11/6/02 and will impact LPNC in several areas. First, it requires National to be 100% Federal Funds based, meaning they can only accept and expend Federal Funds. This impacts us because any money we now send to National, for any purpose whatsoever, must now be Federal Funds. Mostly we just send them membership dues from new members joining through the Thomas Paine Fund.

The problem right now is that LPNC doesn't have any Federal Funds to send to National. However, the requirement that National be 100% Federal Funds based provides a solution. Namely, any UMP payment after 11/6/02 will be Federal Funds so we can use these funds to send membership dues to National. My recommendation is for us to set up a separate bank account that will be exclusively Federal Funds.

## To Be Continued

## Stand Up for Liberty!

George Phillies exciting new book of Libertarian Party strategy is now available as an ebook in multiple formats from Third Millennium Publishing, <http://3mpub.com>.

## Grassroots Libertarians

dedicated to fixing the Libertarian Party from the bottom up. Now on the web at [www.grassroots-libertarians.org](http://www.grassroots-libertarians.org).  
Our Message: "Just Be Active! Run for Office! Campaign! Help!"

## Pioneer Valley Libertarian Association

Massachusetts' oldest local Libertarian group, with regular meetings since 1995. We meet the second Wednesday of every month at Bickford's Family Restaurant, Old Boston and Pasco Roads, Springfield.

## Our Web Pages

<http://www.pvla.net>      <http://www.cmlc.org>

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