

A Message from TLC about COVID-19

Arlington, VA | March 9, 2020: As you know, the spread of the COVID-19 virus is a growing concern. At this juncture, no one truly knows how long this will last, how far it will spread, and how much we all will be affected, personally and in terms of the impact on our work together.

I'm writing to provide some perspective and advice, as well as to let you know what TLC is doing to monitor and address the situation.

While anxiety is running high at the moment, it is good to remember and remind ourselves that we have faced, survived, and mastered other crises. At TLC, we successfully helped our clients navigate 9-11 and anthrax in the mail in September and October of 2001. During those crises, we had clients refuse to mail, a volatile stock market, and results that fell for five straight months; yet by the end of most fiscal years in 2002, results (and the stock market) had rebounded to nearly 5% above budget.

The same thing happened during the Great Recession of 2008-2009. The financial crisis and the fall of the stock market caused an average revenue decline of 16% across all clients and as much as 25% for some clients. Within nine months, results and revenue had returned to normal, about 3% above projection.

The moral of these stories: It's never as bad as it seems. My mom used to say: "This too shall pass." And she was right. Americans are generously philanthropic, and we are a tough bunch.

So as we weather this storm together, what should you expect, do, and not do? And what is TLC doing?

1. You can and should anticipate a falloff in visitation, membership numbers, fundraising results, housefile/donor response rates, and prospecting/donor acquisition. The falloff isn't only the result of concerns about the spread of the virus; it is also due to the volatility of the stock market and the resulting nervousness. This will happen primarily between now and early June. How much of a decline is hard to predict and will be determined by both the intensity (actual and media-driven) and the geography of the spread.
2. Whatever you do, do not stop or reduce mailing or emailing renewals, housefile/donor, and reactivation. This strategy proved to be a huge mistake during 9-11/anthrax.
3. If you are doing membership acquisition or prospecting/donor acquisition via direct mail between now and mid-June, you should work with your account team to evaluate reducing the mail quantities to your best internal and external lists. Again do not stop mailing or digital advertising, but be prudent with your investment dollars.

4. Finally, you should work within your institution to participate in discussions about the potential impact of the spread of COVID-19. COVID-19 has caused international, museums, theaters, and theme parks to close, so it is not out of the realm of possibility that health officials might recommend closures in the United States.

For our part, here's what you need to know:

- Should the need arise for people to stay at home, all of your account, production, digital, and analytics team members here at TLC are equipped to work remotely. Everyone in the company has a laptop that is loaded with Microsoft Teams and Zoom so our work for you will continue unabated.
- Direct mail manufacturing vendors may be negatively impacted because the machines and other equipment they run are very large and require centralized staffing. List, digital, and most telemarketing vendors are capable of working remotely. The good news is TLC uses some 70-80 print, personalization, and mail shop vendors all across the country so we have a lot of flexibility should that become necessary. One concern is vendors that specialize in the manufacture of in-line packages. There are fewer of these vendors so less flexibility on our part. We will pay special attention to this situation.
- In addition to monitoring information about the virus and the potential impact on our mail vendors, we are in the process of communicating with each vendor to understand their plans for responding in the event that COVID-19 becomes a more serious concern. We are asking each for a written policy.

Moving forward, we will keep you apprised of our continued efforts to address this situation. We will also gather information on the action plans of other organizations and share them with you.

If you have questions or concerns, please don't hesitate to reach out to us at info@thelukenscompany.com. Remember, this too shall pass.

Fondly,

Walter Lukens
President & CEO

About The Lukens Company

Founded in 1986, [The Lukens Company \(TLC\)](#) is an award-winning, multi-channel direct response marketing agency serving the needs of nonprofits, cultural organizations, missions and ministries, and public policy advocacy groups, in addition to political candidates, committees and causes. TLC has offices in Arlington, VA, Glendale, CA, and Charleston, SC.