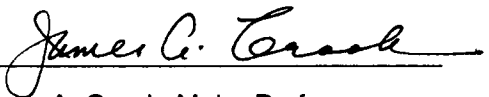
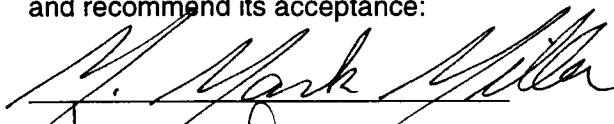


To the Graduate Council:

I am submitting herewith a thesis written by Amy Jean Seifert entitled, "A case study of the role of public relations during a fund-raising campaign in a crisis: 1997 Great Knoxville Rubber Duck Race." I have examined the final copy of this thesis for form and content and recommend that it be accepted in partial fulfillment of the requirements for the degree of Master of Science, with a major in Communications.


James A. Crook, Major Professor

We have read this thesis
and recommend its acceptance:




Accepted for the Council:


Associate Vice Chancellor and
Dean of The Graduate School

**A case study of the role of public relations during a fund-raising campaign in a crisis:
1997 Great Knoxville Rubber Duck Race**

A Thesis
Presented for the
Master of Science
Degree
The University of Tennessee, Knoxville

Amy Jean Seifert

August 1998

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ABSTRACT

The purpose of this study was to examine the role of public relations strategies used by the Boys & Girls Clubs of Greater Knoxville, Inc., when its major fund-raising event, the ninth annual Great Knoxville Rubber Duck Race was deemed an illegal lottery by the Attorney General of Tennessee. Also studied were the crisis communications strategies employed by the organization, subsequent media coverage and public response of the event. This study also evaluated fund-raising strategies and financial outcomes for the organization.

This thesis was based on interviews with members of the board of directors, the staff of the Boys & Girls Clubs of Greater Knoxville, Inc., local media and individuals involved in related events. The thesis also examined news reports that appeared in the daily newspaper and local television station reports. Letters, press releases, promotional material, video and memoranda were examined as well.

The study showed that although the Boys & Girls Clubs did not have a crisis communications or alternative plan in effect in case the Duck Race was cancelled, its broad base of connections with community leaders and leading media outlets helped it survive the crisis.

Interviews revealed that those involved in the crisis had different views why it occurred. Some said the crisis was fueled by the media, was being shut down through legal strategy or occurred because the law was being interpreted differently.

The organization had one month to change its course of action when the Duck Race was cancelled. It planned an unsuccessful Phantom Duck Race, which was cancelled due to rain. Through other opportunities during the year, the organization was able to make up the \$150,000 the event was budgeted to raise for the Boys & Girls Clubs through other special events and donations.

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CHAPTER 1

Introduction

This is a case study of the role of public relations strategies used by the Boys and Girls Clubs of Greater Knoxville, Inc., when its ninth annual Great Knoxville Rubber Duck Race was deemed illegal by the Attorney General of Tennessee. This study will focus on the crisis communications strategies employed by the organization, subsequent media coverage of and public response to the event. This study will also evaluate fund-raising strategies and the financial outcome for the organization.

Statement of the Problem

On March 19, 1997, exactly one month before the ninth annual Great Knoxville Rubber Duck Race was scheduled to take place, the event was deemed illegal by Tennessee Attorney General, John Knox Walkup. In addition to the attorney general's ruling, the club received a letter from the secretary of state, whose office regulates charitable fund raising, notifying the organization to "cease and desist" the event.

The event was considered to be a lottery, or gambling, which is illegal in Tennessee. It contained elements of chance, prizes and consideration. Participants in the Duck Race paid \$5 for a chance to win or would be able to receive up to ten free chances to win prizes.

The decision shocked club officers, because when asked for a ruling on the issue in late fall of 1996 during three telephone conversations former Tennessee Attorney General Charles Burson assured the club the race was legal.

During the eight previous years, the race had raised a total of almost \$800,000 for the Boys & Girls Clubs of Greater Knoxville. The money raised directly helped fund programs such as tutoring; computing classes; the USDA food program, which supplies members with hot supper and snacks; and programs teaching resistance skills to drugs and alcohol.

The race came under scrutiny in 1996 when Tennessee state authorities moved to close

down a Roane County bingo hall purportedly being operated to benefit Tiger Haven, a local exotic cat refuge. Bingo operator Joe Parker argued it (bingo) was being singled out unfairly while other games of chance, the Duck Race in particular, operated with the blessing of authorities.

Academic literature cites a lack of research on the relationship of fund raising and public relations. There is also a lack of research on the role of public relations for an organization undergoing a crisis during a fund-raising campaign or special event. A comprehensive study of the crisis surrounding the Duck Race should add to the body of knowledge concerning successful public relations, crisis communications and fund-raising strategies for non-profit organizations.

Therefore, the following research questions are posed:

1. What was the role of the media in the crisis management and subsequent fund-raising efforts?
(role of the media)
2. How did the reaction of the publics affect the results of the Duck Race fund-raising campaign?
(role of public relations)
3. What were the models of public relations and fund raising used by the Boys & Girls Clubs, and what were their effects? (management of communication)
4. What, if any, crisis or alternative plans did the Boys & Girls Clubs prepare in anticipation of the possible cancellation of the 1997 Duck Race, and what were the results of the Phantom Race? (crisis communication)
5. What was the outcome of public opinion about the Boys & Girls Clubs and subsequent results of fund-raising efforts? (role of publics)

Methodology

A case study, according to Robert K. Yin, allows research to "retain the holistic and meaningful characteristics of real-life events -- such as individual life cycles, organizational and managerial processes, neighborhood change, international relations, and the maturation of industries" (Yin 1984, p. 14).

In this study research will be obtained through personal interviews, descriptive analysis of print and broadcast media content and coverage, and analysis of primary documents concerning the event. Local newspaper coverage will provide background and help construct a timeline of events. Legal documents, letters and opinions will be used to verify events published in newspaper articles.

Primary data will be obtained by personal interviews recorded on audio tape. These interviews will include local media representatives who reported the event, public officials who made statements about the event and held key roles in the subsequent actions, board of directors, volunteers and staff of the Boys & Girls Clubs. Primary data will also be obtained through letters, media releases, advertising and legal opinions.

The thesis will be divided into six chapters. The introduction (Chapter I) will cite the lack of research on the issue as well as provide an overview of the study. Chapter II will describe the events surrounding the 1997 Duck Race and the issue of legalized gambling in Tennessee. A review of related literature will be included in Chapter III. Chapter IV will provide an analysis of the case through crisis communications strategies, media coverage, and results of fund-raising efforts. The reaction of the publics will be the focus of Chapter V through examination of the various publics. Chapter VI will evaluate the findings of previous chapters, and provide conclusions.

CHAPTER II

BACKGROUND / DESCRIPTION

Boys & Girls Clubs of Greater Knoxville, Inc.

The Boys & Girls Clubs is a non-profit organization dedicated to promote the educational, vocational and character development of boys and girls in a safe and caring environment. Membership is open to boys and girls between the ages of five and 18, with special emphasis on those who may be disadvantaged. Registration fees are between \$4 and \$10, however, children are never turned away because of lack of funds.

More than 3,000 youth attend the eight facilities of the Boys & Girls Clubs. Afro-American membership is in the vicinity of 55% and Caucasian membership comprises the remainder. Members are encouraged to adopt good study habits, stay in school, respect adults and peers, and avoid drugs and violence. The Boys & Girls Clubs employs more than 60 full-time and part-time staff who are specially trained in the delivery of programs that help instill in youth a sense of belonging, usefulness and accountability. More than 150 community volunteers support the clubs by serving on corporate and advisory boards.

The Boys & Girls Clubs holds a variety of special events annually, including the Duck Race and the Nike Knoxville Open golf tournament. Not only do the events raise funds, they also heighten community awareness of the work undertaken by the clubs. Other events include the Auction for the Kids, Tim Irwin Bass Fishing Tournament, D.D. Lewis Celebrity Golf Tournament, Knoxville Sports Hall of Fame and the Vestal Dinner.

Nationally Boys & Girls Clubs (of America) serve more than 2.42 million girls and boys through their 737 local organizations at 1,810 club facilities located in all 50 states, Puerto Rico and the Virgin Islands. Staff for Boys & Girls Clubs of America includes 6,700 trained youth workers, 16,800 part-time staff members and 87,000 volunteers. The slogan of the organization is, "the POSITIVE place for kids" (Boys & Girls Clubs, 1997b).

Friends of the Tiger: Tiger Haven

On September 20, 1996, a Knox County Chancery Court judge granted authorities the power to shut down a Fountain City bingo hall operated by Joe Parker. Parker's attorneys argued in court that bingo was being singled out unfairly. They argued that if bingo is an illegal lottery, so is the Duck Race. In both events, participants were encouraged to make donations to participate. Proceeds from Parker's bingo games benefited Tiger Haven, an exotic cat refuge operated in Roane County by Parker and his wife. Tiger Haven was registered with the state of Tennessee as a non-profit charitable organization.

On February 24, 1997, Parker's attorney, David Wigler, sent a letter to Knox County District Attorney General Randy Nichols; Steve Hart, special counsel to the state attorney general in Nashville; and Barbara Toms, director of Tennessee's Division of Charitable Solicitations. The letter questioned the Duck Race: "Has this game of chance been approved by the state? If so, Tiger Haven wishes to sponsor a comparable game of chances to benefit its own charitable purposes." Parker said he had nothing against the Duck Race but questioned whether the event received more consideration from state authorities than bingo (Loy, 1997a).

Great Knoxville Rubber Duck Race

On December 18, 1996, the former Tennessee Attorney General, Charles Burson (D-Memphis), wrote a letter to Tennessee Senator Bud Gilbert saying his request for an opinion on the legality of duck races was declined because of a pending state lawsuit in Knoxville against a bingo hall operator. "I'm very concerned because I think the Boys & Girls Clubs is a fine operation," Gilbert said. "They help a lot of kids in our community. I know it has never been their intent to violate the law" (Loy, 1997a).

In a press conference on February 21, 1997, Boys & Girls Clubs officials announced changes in the rules of the Duck Race. The updated rules stated that people could still "adopt" ducks for \$5, but adoptions were limited to ten ducks. People could also get ten ducks for free.

Previously, participants were only allowed one free duck, raising the issue that only those who paid could get more than one duck or increase their chances of winning. Steve Wise, an attorney and board chairman of the Boys & Girls Clubs, said the changes were made for a variety of reasons, including a review of recent court rulings. "We've done our homework," Wise said. "I think had we made no changes, we'd have been fine. We weren't in violation of the laws before, and we clearly -- with the new rules -- are not now" (Loy, 1997a).

On March 19, 1997, exactly one month before the ninth annual Duck Race was scheduled to take place, the event was deemed illegal by Tennessee Attorney General John Knox Walkup (D-Knoxville). For a \$5 donation to the Boys and Girls Clubs, participants had been able to "adopt" rubber ducks. The "adopted" ducks were to be dropped in Fort Loudoun Lake and "raced" for big prizes. Wesley Loy, reporter for *The Knoxville News-Sentinel*, described the race as "an event enjoyed by thousands of ostensibly law-abiding citizens. An event that helps one of the city's most favored charities. An event that had an impressive list of sponsors, including most of the city's major media companies, its main shopping malls, a bank, a prominent car dealer, Tennessee Valley Authority and many others" (Loy, 1997d).

The 1997 Duck Race was expected to generate \$150,000 for the Boys & Girls Clubs, according to Executive Director John Lee. When the opinion was issued, about 700 ducks had been "adopted" and a few people asked for their money back. The club issued refunds to those who requested them. The ducks were rented from Great American Duck Races of Scottsdale, Ariz., a company supplying duck races around the country.

In 1996, the Duck Race grossed nearly \$212,000. With expenses including \$37,570 for "duck rental" and other services proceeds for the organization were only \$117,249. The 1996 annual budget for the Boys & Girls Clubs was \$3.2 million. "You have to spend money to make money," said Lee (Loy, 1996c).

On March 24, 1997, Knox County commissioners voted 12-6 to become an official sponsor of the Duck Race and asked Knox County Law Director Richard Beeler to prepare a possible

legal challenge to allow the event. In a press conference on March 20, Knoxville Mayor Victor Ashe (R-Knoxville) urged people who planned to make \$5 donations to send their money to the Boys & Girls Clubs. Ashe also "ripped" the attorney general's office for waiting until nearly race time to issue an opinion. He said the Boys & Girls Clubs had been waiting since November 1996, for word of whether the race was legal, and had spent \$30,000 on T-shirts and race promotions in hopes of a favorable ruling. "I think the way the state attorney general handled this is deplorable," Ashe said. The long wait for an opinion indicated "incompetence, sloppiness and an utter absence of accessibility to anyone," according to Ashe. He encouraged the Boys & Girls Clubs to "explore every legal avenue" to determine whether a duck race can somehow be held (Loy, 1997c). Lee said, "To get this close to the race hurts us financially" (Loy, 1997b).

Walkup's opinion said it did not matter whether participants were required to pay to play. The rules for the Duck Race said participants could "adopt" a duck for \$5 or could also receive ducks for free.

"Plainly the promoters know that the prizes to be awarded are an inducement to the participants to make 'recommended donations,' and the promoters intend to derive an economic benefit from the game in the form of 'recommended donations,'" Walkup's opinion said (Walkup, 1997).

Gambling in Tennessee Issue

"The Legislature shall have no power to authorize lotteries for any purpose, and shall pass laws to prohibit the sale of lottery tickets in this state" (Article XI, Section 5, Tennessee Constitution). Opinions and rulings have held that a lottery exists even if participants have the option to play for free.

Barbara Toms, director of the state Division of Charitable Solicitations in Nashville, said many Tennesseans don't fully understand the law on lotteries. Often, the critics of state action to stop events like the Duck Race focus on where the money goes or the charity, and forget the method of fund raising, the illegal lottery. "How can anybody object to helping inner-city kids?"

Toms said. "But if the people of Knoxville really want to do that, they don't have to buy a rubber duck" (Loy, 1997d). The issue was not the organization or the value of the charity, but whether a lottery was taking place, Toms said. Critics "don't see the big picture behind it," she said. "If it was a smoky room with guys on their knees throwing dice, people would say that's horrible; it ought to be illegal. But when it comes to standing on a riverbank and throwing ducks into the water, they say that's different" (Loy, 1997d). It was not different under Tennessee law.

In an interview in October 1996, Toms, who took over the office only 18 months before, said "lotteries seem to be more widespread than she ever realized. What's more," she said, "the public never complains about them. Rather, people seem enamored of raffles, lotteries and games of chance, regardless of their legality" (Loy, 1996c).

Great American Duck Races in Arizona staged 115 duck races annually across the United States and more in Europe and elsewhere. Eric Schechter, president of Great American Duck Races in Arizona, said the four duck-race organizers in Tennessee might be able to solve the no-lottery problem by working with state legislators on special duck-race legislation. Connecticut and Virginia changed their laws to permit duck races.

Phantom Rubber Duck Race

On April 15, 1997, the Boys & Girls Clubs issued a media release announcing the first annual Phantom Race. The release stated that the race would be held between 9 a.m. and 1 p.m. at Volunteer Landing on April 19. "The whole family can enjoy refreshments and free carnival games in preparation for the phantom race. Souvenir T-shirts, hats, rubber ducks and lapel pins will also be available and are sure to become collectors' items," said Lee. Proceeds from the Phantom Race will benefit the Boys & Girls Clubs and will help offset current expenses invested in the original and deemed "illegal" race.

At 12:02 p.m. phantom ducks were to be flung off the Gay Street bridge into the Tennessee River. Then, seconds later, the corporate race was scheduled to begin as decoy

ducks were hurled off the bridge. Corporations were allowed to compete in the race by making a donation of \$250 to the Boys & Girls Clubs by 3 p.m. on Friday, April 18, 1997. However, the Phantom Race was cancelled due to rain.

CHAPTER III

LITERATURE REVIEW

Models of Public Relations

Public relations, or the management of communication, “plays a key role in managing, through domination or cooperation, the interrelationships an organization has with the various publics in its environment” according to James E. Grunig (Kelly, 1991, p. 205). In order to determine the role of public relations for an organization, it is helpful to identify the characteristics of its communication and the function of its public relations efforts. Grunig and Todd Hunt developed four models of public relations: press agency, public information, two-way asymmetric, and two-way symmetric.

Press agency is a one-way form of communication where complete truth is not essential from the organization to the public. Examples of press agency include promotion of products, entertainment, etc.

The public information model is another one-way form of communication to disseminate information, however, truth is important. This model is used in non-profit organizations, associations, government and business.

The two-way asymmetric model provides an unbalanced form of two-way communication where the organization evaluates attitudes of its publics and uses scientific persuasion to distribute its messages. Public relations in the two-way asymmetric model is weighted in favor of the organization. The organization does not change its actions, but strives to achieve desired change public attitudes and behavior like that of competitive business and agencies.

The two-way symmetric model is a balanced form of communication with a dialogue between the organization and publics, where either is as likely to influence the other group. This model is used with regulated business and agencies (Grunig and Hunt, pp. 22-23).

The Boys and Girls Clubs used a combination of these models of public relations. In the case of the Duck Race, the organization used press agency and two-way asymmetric models

of public relations.

Grunig's theory of public relations is based on systems theory defining the contribution of public relations by its effectiveness in managing the interdependencies between an organization and its various publics. According to Grunig's theory, organizations may lose some of their autonomy by managing these interdependencies. According to Kelly, through this management they reduce the risk of losing even more autonomy (Kelly, 1991, p. 207).

Groups of people, or publics, are formed because they are affected by a common element or issue. According to sociologist Herbert Blumer, a public is a group of people who: are confronted by an issue, are divided in their ideas as how to meet the issue, and engage in discussion over the issue (Grunig, p. 143). Philosopher John Dewey defined a public as a group of people who face a similar problem, recognize the problem exists and organize to do something about the problem (Grunig, p. 143-44). Both definitions imply that the individuals detect a problem or an issue to form a relationship or group. The behavior of the individuals also determines their role.

Milton J. Esman listed four linkages between an organization and its publics or environment: enabling, functional, normative, and diffused. These linkages help define strategic publics. Enabling linkages provide authority and control resources allowing the organization to exist. Functional linkages provide inputs or internal relations with employees and outputs or consumer relations. Normative linkages connect (link) organizations sharing similar values or associations. Diffused linkages, according to Esman, are "elements in society which cannot clearly be identified by membership in formal organizations" (Grunig, pp. 141-42),

There are four types of publics: nonpublic, latent, aware, and active. Nonpublics have no interaction with or effect on the organization, and the organization has no effect with the public. Individuals who face a similar problem created by the organization but do not detect a problem are a latent public. When members of the group recognize a problem, they become an aware public. Only when the aware public organizes itself to take action in reference to the

problem does it become an active public (Grunig, p. 145).

Fraser P. Seitel classifies publics into further categories: internal, external, primary, secondary, and marginal. Internal publics are composed of individuals who are directly related to the organization including donors, members, stockholders, board of directors and others. External publics are not directly tied to the organization like the media, government, community, customers, etc. There are also primary, secondary and marginal publics who vary in their influence to help or hinder the organization's efforts. Traditional and future publics define current and potential donors, customers, volunteers, etc. Proponents, opponents and uncommitted publics are classified by their current beliefs and the efforts needed to reinforce or change those beliefs (Seitel, p. 14). Publics may also be classified as information seeking or active communication behavior and information processing or passive communication behavior (Grunig p. 149).

Fund Raising

Greenfield (1991) defined fund raising as "combination of friend-raising (relationship building) and money-raising designed to meet needs for public benefit this year, next year and for years in the future" (Kelly, 1998, p. 143). "Gifts satisfy donor aspirations; a 'quick buck' is never going to be a reliable source of gift income or of donor satisfaction" (Kelly, 1998, pp. 143-144).

Kathleen S. Kelly developed four models of fund raising to describe how fund raising has been practiced. Her models of fund raising mirror Grunig's four models of public relations derived from combinations of communication direction and balance of intended effects: press agency, public information, two-way asymmetrical, and two-way symmetrical (Kelly, 1998, p. 155). The models represent the values, goals, and behaviors held and enacted by charitable organizations when they practice fund raising.

According to Kelly, charitable gifts come from three primary sources or donor publics: individuals, corporations and foundations (Kelly, 1998, p. 327). Gifts from individuals, including bequests, traditionally account for almost 90 percent of the total amount given each year with

corporations and foundations providing the rest (AAFRC Trust for Philanthropy, 1996). Kelly also describes two types of gifts: lower level and major. The level of these gifts varies with organizations and the majority of funds, although fewer in number are received through major gifts (Kelly, 1998, p. 328).

The theory of donor relations states that non-profit organizations sacrifice some autonomy by managing interdependence with groups and organizations in their environment; but, by doing so they reduce the risk of losing even more autonomy (Kelly, 1991).

Organization's and individual's reciprocal need for recognition for their contributions to non-profit organizations follows the norm of reciprocity. These charitable organizations are dependent upon external sources for private funding. These sources are dependent on the recipient organizations for some form of reciprocity. This exchange process requires management and negotiation in order to achieve some degree of equilibrium for the donor and organization receiving the gift. According to organizational sociologist, Alvin W. Gouldner (1960), "The great norm simply requires that one return some [unspecified] benefits to benefactors" (p. 171). It assumes that "a social unit or group is more likely to contribute to another which provides it with benefits than to one which does not" (p. 164) (Kelly, 1991, p. 182).

Kelly, using Gouldner's terms, determines that "the ongoing process of soliciting and accepting gifts from donors for a charitable organization depends on: 1) the benefits which a donor in turn receives from a charitable organization; 2) the power which the charitable organization possesses relative to its donor; and 3) the alternative sources of money and philanthropic gratifications accessible to each, beyond those provided by the other." Kelly defines *philanthropic gratification* as "gratification derived from benefits and the satisfaction of contributing to the public good" (Kelly, 1991, p. 182).

Expanding on Gouldner's norm of reciprocity, Blau (1986) developed a theory of social exchange, which deals with "voluntary actions of individuals that are motivated by the returns they are expected to bring and typically do in fact bring from others" (p. 91) The object of

exchange theory, according to Blau, "is to explain social life in terms of exchange principles by analyzing the reciprocal processes composing exchange, not to explain why individuals participate in certain exchange relations in terms of the motives and the underlying psychological principles" (Kelly, 1991, p. 189). Blau describes three types of philanthropy: 1) "pure philanthropy" or altruism, which involves no social exchange and conforms with internalized standards; 2) "organized philanthropy," which involves indirect social exchange and conforms to social pressure; and 3) "social exchange" where giving does not involve internalized standards or conform to social pressures (Kelly, 1991, p. 190-91).

The theory of exchange is based on the following assumptions: 1) individuals have a variety of needs, drives, and goals that they seek to attain; 2) some of these can best be achieved within the context of organizational participation; 3) organizations need some mechanism to influence the behavior of their activists (Van Til, p. 28). With philanthropy, exchange involves transfers of money, time or assets. These may be given without expectation of a reciprocal gift or a "one-way" transfer of exchangeables. The gifts may also transfer power back to the donor through influence and a loss of autonomy for the organization. Donors may also receive tax credit for gifts to recover up to 70 percent of the contribution in tax savings (Van Til, p. 29).

Charitable Gambling

Charitable gambling is legal in every state except Arkansas, Hawaii, Tennessee and Utah (National Association of Fundraising Ticket Manufacturers) ([NAFTM], 1996). Money spent on charitable gambling has increased 144 percent since 1985. In 1995, according to NAFTM, Americans bet \$7.6 billion, but only 10 percent went to the sponsoring organization. Slightly more than half of the proceeds received from charitable gambling are generated from game tickets (pull-tabs, jar tickets, break-opens, instant bingo, and Lucky 7s) ([NAFTM], 1996). Bingo accounts for more than one-third of the annual gross receipts. Other popular forms include raffles and Las Vegas or casino nights. Charitable organizations must pay UBIT on income

from gambling except for bingo, which is exempted by federal law. Money given to participate in games of chance, like a raffle, does not constitute a tax-deductible gift.

A study of the fund-raising function in New England Catholic elementary and secondary schools found that one-third of the \$12 million raised by 195 responding schools the year before the study came from bingo (New England Association of Catholic Development Officers ([NEACDO], 1993). Another third came from special events. With the increased opportunities for legalized gambling, it is likely that bingo and other forms of gambling will soon disappear as a source of income for charitable organizations. Legalization of noncharitable gambling like state-sponsored lotteries, video poker and riverboat gambling is reducing the profitability of charitable gaming.

Charitable organizations are partly responsible for the recent flourish of legalized gambling. In 1987, The U.S. Supreme Court passed legislation freeing Native American tribes from state regulation of any type of gambling on their reservations ("Charity gambling on the way out," 1993). After Congress passed the necessary legislation one year later, federal and state lawmakers concluded, "The same laws which permit church-run gambling also pave the way for full-scale casinos on Native American reservation land" (p. 8). According to Kelly, by promoting games of chance, charitable organizations helped make gambling socially acceptable, which allowed states to implement lotteries (Kelly, 1998, p. 303).

Non-Profit Organizations

The word, *philanthropy*, comes from the Greek and means "love of mankind." Robert L. Payton defines philanthropy to include "voluntary giving, voluntary service, and voluntary association, primarily for the benefit of others; it is also the 'prudent sister' or charity, since they have been intertwined throughout most of the past 3,500 years of western civilization" (Payton, 1984). According to Jon Van Til contemporary philanthropy is recognized as "being broadly concerned with improving the quality of life for all members of the community by promoting their

welfare, happiness, and culture" (Van Til, p. 4). Philanthropy is also referred to as the "third sector," however not all non-profit organizations are philanthropic.

American society is divided into four major sectors: 1) business (or for-profit), 2) government, 3) not-for-profit (or voluntary), and 4) household (or informal) (Van Til, p. 6). Contributions to non-profit organizations come from households who derive income from the business sector. Business and government provide funds for non-profit through corporate contributions and grants.

There are two types of non-profit organizations, social service and community development organizations and four major types of non-profit revenues -- fees, special events, donations, and public funding (government grants and contracts) (Grønbjerg, p. 7). "Non-profit" is used to describe organizations and sectors characterized as *philanthropic, charitable, voluntary, independent, third or non-profit* (Young, 1988a; Van Til, 1988; O'Neill, 1989). Non-profit organizations face a series of dynamic forces that effect their organizational actions and adaptations. Revenues constitute a convertible resource non-profit organizations use to obtain most other types of resources needed to stay in operation (Grønbjerg, p. 13).

Special Events

A special event is a dramatized effort to promote an idea, a cause or a program. Its purpose is "to improve relationships with an organization's public, develop understanding, and strengthening support through increased effort and contributions" (Leibert, p. 15). Special events are "special" since they target an external market and people without contact or knowledge of the organization hosting the event the opportunity to connect with it. Special events also provide the opportunity to raise funds.

Many non-profit organizations engage in special events. It takes less effort to sell a ticket to a special event than to sell a contribution (Levy, p. 4). A study in 1984 reported almost half of social service agencies (50 percent) and community development organizations (44

percent) used special event fund raisers during the previous two years (1982-1984). A larger proportion (69 percent) indicated they were planning events during the next three years (1984-1986). A more recent survey, with explicit questions about special events revenues, showed similar levels of participation. Almost half (47 percent) of human service organizations in Illinois reported some income from special events in 1990 (Grønbjerg, pp. 71-72).

Special events are similar to fees or service charges since both market products and/or services to consumers who are willing to pay for them. Proceeds from special events are more likely to be sporadic and require intensive but episodic management efforts, which may be peripheral to the organization's primary purpose. These features create uncertainty and closely related administrative contingencies that non-profits must address if they are to rely on special events for significant proportions of their revenues (p. 122).

Historically, non-profits have organized special events as a means of generating revenues and as a public relations vehicle for attracting favorable attention (Leibert and Sheldon, 1972). As a funding source, special events generate relatively small proportions of total revenues for most non-profit organizations, but they have importance beyond their financial role (Mulligan, 1987). The cost of special events is 50 percent or more of the dollars raised (Levy, 1997, p. 5). Special events provide not only revenue, but also bring the organization into the public eye, get people talking about the organization and create a strong public image (Levy, 1997, p. 7).

Special events also provide opportunities for volunteers to be involved, to reward and entertain donors, volunteers, staff (Liner, 1987) and to cheer their accomplishments (Grønbjerg, p. 122).

Special events, in nature, have entertainment value and provide opportunities to leisure activities and interpersonal interaction. They are one of the few sources for earned revenue that is widely accepted as appropriate for non-profit organizations. Some organizations attempt to provide participants sufficient entertainment or leisure value for their money while producing a surplus for the organization. That is the goal of charity balls, fashion shows, art exhibits, bazaars, auctions, fairs, carnivals, house tours, garden walks, theater benefits, bingo, raffles,

walk-a-thons, benefit concerts, white elephant sales, celebrity cocktail parties, and cookie sales.” (Grønbjerg p. 123-24).

According to Grunig, special events are primarily one-way communication activities and are used in press agency/promotion and public-information models of public relations. He states that they can be adapted to a two-way model of public relations by providing an opportunity for dialogue between the organization and consumer (Grunig, p. 497). Most of the time, Grunig writes, “special events are seen by people who are interested in the topic of the display but who do not have an active or potential involvement” (Grunig, p. 498).

Many authors agree that events will have inherent and different problems, some developing into crises or near crises. These issues or potential problems call for “alertness, imagination, thoroughness in planning, and constant attention to details” (Leibert, p. 21).

Crisis Communications

Kathleen Fearn-Banks defines a crisis as “a major occurrence with a potentially negative outcome affecting an organization, company or industry, as well as its publics, products, services or good name” (Fearn-Banks, p. 1). A crisis usually undermines an organization’s most valued assets: credibility and reputation (ten Berge, p. 7). It interrupts normal business transactions and can sometimes threaten the existence of an organization.

Crisis management is “a process of strategic planning for a crisis or negative turning point, a process that removes some of the risk and uncertainty from the negative occurrence and thereby allows the organization to be in greater control of its own destiny” (Fearn-Banks p. 1-2). Crisis communication is “the communication between the organization and its publics prior to, during, and after the negative occurrence. The communications are designed to minimize damage to the image of the organization” (Fearn-Banks, p. 2). Effective crisis management may not only alleviate or eliminate the crisis, but may position the organization in a more positive image than before the crisis.

Communication in Management

W. Howard Chase, who helped develop the term *issues management*, developed a five-step process for issues management: 1) "identify issues with which the organization must be concerned, 2) analyze and delimit each issue with respect to its impact on constituent publics, 3) display the various strategic options available to the organization, 4) implement an action program to communicate the organization's views and influence perception on the issue, and 5) evaluate its program in terms of reaching organizational goals" (Seitel, p. 536). Issues management is a way of anticipating emerging issues and/or trends and their potential effects related to the organization and creating a plan to work with the opportunities. A potential issue may become a crisis for an organization.

Seitel lists seven warning signs of a potential crisis: 1) surprise, 2) insufficient information, 3) escalating events, 4) loss of control, 5) increased outside scrutiny, 6) siege mentality, 7) panic (Seitel, p. 543-45).

To communicate with the media during a crisis, Seitel suggests that each media request be treated separately by the organization on the basis of the following questions: 1) "What do we gain by participating? 2) What are the risks? 3) Can we get our message across? 4) Is this audience worth it? 5) How will management react? 6) Does your legal liability outweigh the public interest? 7) Is there a better way?" (Seitel, p. 545, 547). Effective communication during a crisis relies on perceived risks and benefits of "going public."

Crisis Management

A corporate crisis occurs when "there is a large, important difference between the expectations that corporate management has about the way its plans will interact with the environment and what actually happens. The environment is managed by a process with six distinguishable activities: monitoring, understanding, identifying alternative actions, predicting the consequences of action alternatives, deciding, and providing direction" (Andriole, pp. 24-

26). Monitoring is the process of acquiring information about the operating environment. Understanding is the process by which the broad array of available information is reduced to a set of key factors that demand attention. Identifying alternative actions often occurs virtually simultaneously with the development of a hypothesis that some key feature of the environment requires attention. Predicting the consequences of alternative actions may also occur almost simultaneously with developing an understanding and identifying options. Decision occurs when the manager or responsible management group selects an option for implementation. Direction is the process by which a decision is turned into a viable plan of action (Andriole, pp. 26-29).

Fearn-Banks identified five stages in a crisis: 1) detection; 2) prevention/preparation; 3) containment; 4) recovery; and 5) learning (Fearn-Banks, p. 4). Crisis detection may come from warning signs and also refers to a system or plan within an organization informing key personnel. Crisis prevention can be achieved through ongoing public relations programs including two-way communications with key publics. These relationships may help prevent a crisis or lessen its effect on an organization. A crisis communication plan prepares an organization for potential crises when they do occur. Containment refers to "efforts to limit the duration of the crisis or keep it from spreading to other areas of affecting the organization" (Fearn-Banks, p. 7). In the recovery stage, the organization attempts to return to "business as usual" as well as restoring confidences of key publics. The final stage of a crisis, learning, is the process of evaluating the crisis, subsequent communication and implications for the organization.

According to Richard E. Hayes, the effectiveness in dealing with crises is dependent on two factors: 1) "the extent to which the existing plan of action was based on a high quality understanding of the environment and therefore contains the elements of flexibility and contingency planning needed to deal with the crises, and 2) the capacity of the corporate management system to develop and implement a new plan" (Andriole, p. 30).

Strategic Planning

Grunig and Repper (1992) identified theories on strategic management, publics, and issues as having two primary propositions. Both are conducive to a study of crisis communications programs: 1) Public relations is most likely to be excellent -- will contribute to organizational effectiveness -- when it is an integral part of an organization's strategic management process and when public relations is managed strategically. 2) Public relations is managed strategically when it identifies stakeholders -- separates active publics from stakeholder categories -- and resolves issues created by the interaction of organization and publics through symmetrical communications programs early in the development of issues" (Fearn-Banks, p. 14).

"Marra (1992), in an attempt to build and validate a model of excellent crisis public relations, suggested that organizations develop a theoretically based crisis public relations model that would allow practitioners to identify which variables can be adjusted to make a crisis communications plan work and which variables, if not adjusted, make it fail.

Marra identifies strategies and techniques common to excellent responses to crises with the following hypotheses:

1) Any organization having strong and well-developed relationships with its key publics prior to a crisis will suffer less financial, emotional, or perceptive damage than organizations with weak and poorly developed relationships with its key publics prior to a crisis. Key publics would not only be media, but employees, customers, community, and so forth.

2) Marra believes, as the Grunigs and Repper do, that organizations with weak precrisis relationships are those with asymmetrical practices, Models 1, 2, and 3 (press agency, public information and asymmetrical). Therefore, an organization that uses two-way symmetrical crisis communications procedures will suffer less financial, emotional, or

perceptual damage than the Model 1, 2, or 3 (press agency, public information and asymmetrical) organizations or those who use silence as a response to crises.

3) An organization that establishes and puts into effect continuing risk communications activities and prepares crisis communications plans prior to crises will have stronger relationships with key publics, use two-way symmetrical crisis public relations practices and, as a result, will suffer less financial, emotional and perceptual damage than the organization that does not.

4) An organization with communication ideologies that encourage, support, and champion crisis management preparations, crisis communications plans and actions, and two-way symmetrical communications practices will suffer less financial, emotional, and perceptual damage than the organization that does not" (Fearn-Banks, p. 15-16).

Strategic planning is characterized by an emphasis on the external environment of an organization. The strategic process relates the internal strengths and weaknesses of an organization to the challenges of the environment. All organizations have some strategic weaknesses, and all organizations make mistakes. Crises occur when environmental threats pick out organizations and bring them face to face with their weaknesses and mistakes. Carolynne F. Smart, in a paper entitled, "Strategic Business Planning: Predicting Susceptibility to Crises," lists environment as the most important influence on the activities of contemporary organizations. A more complex environment leads to a greater probability of an aspect of the environment affecting the organization or creating a crisis. Organizations with predictable environments will generally be less susceptible to crises. Susceptibility to crises may be reduced by developing a contingency plan for possible crises (Andriole, p. 11).

Corporate Image

The surprise of a crisis itself is the first damaging factor in most crises. After the first 24 hours, external perceptions are established. Once the perceptions are in place, it is very difficult to change them. Whether an organization gains control of the situation is determined within a day (ten Berge, p. 6). Organizations must have a crisis plan in place before the crisis occurs to respond rapidly and effectively.

A crisis usually implies bad news, but it also may provide opportunities for organizations to turn it into a positive situation. A well-managed crisis develops a sense of togetherness among employees - in the spirit of "all for one, and one for all" (ten Berge, p. 9).

Public Opinion

With instant communication, the impact of the media has increased the influence of public opinion. Organizations now answer to many different publics for their policy and behavior. External groups with little or no direct relationship to an organization can have a profound impact on both the organization and the climate in which it operates. The potential for crisis situations has increased as well as the potential for disastrous consequences if a crisis isn't handled effectively (ten Berge, pp. 10-11).

When an organization faces a crisis, and it is made public, the way executives manage the release of information and handle themselves in dealing with the media can be as important as their business decisions (Meyers, p. 45).

CHAPTER IV

ANALYSIS OF THE CASE

Crisis Communications Strategies

In the summer of 1996, the Boys & Girls Clubs began making plans for the 1997 Duck Race. This special event was estimated and budgeted to raise almost \$150,000 for the organization. A timeline of related events, media coverage and actions taken by the Boys & Girls Clubs is included in this chapter (see Table 4.1). Media coverage and its impact on the Duck Race will be discussed separately later in this chapter.

In September 1996, the issue of the Duck Race and the Tennessee Constitution were discussed in a civil court case for Tiger Haven. According to David Wigler, Tiger Haven attorney, "There was no question that the Duck Race was one of the most visible, highly publicized, games of chance to benefit a charitable organization. There was advertising for the Duck Race everywhere" (Interview, 1998). Wigler explained that an attorney has a duty to his client to do everything in his power to get the results the client wishes to obtain. He explained the reasoning behind the comparison with the Duck Race: "When a highly visible game of chance is conducted by one charity and supported by law enforcement, by the district attorney's office, supported by banks and major corporations, I felt that it became my duty and my obligation to my client to draw those analogies and comparisons between the two games. And it certainly was not done in any effort to bring down the Duck Race. To the contrary, we were hopeful that we would get the judge to rule that the Duck Race was lawful, and that's how it would have helped my client" (Interview, 1998).

The local media reported the comparison discussed in court. Steve Wise, Boys & Girls Clubs board of directors chairperson, said, "It was all immaterial until in the court room when the defendant raised the specter of similarity between the Duck Race and their bingo activity. That was put in the paper. And it was put on the front page and made a big headline. It was a small civil lawsuit that was put on the front page of the paper and the headline was 'duck race,'

Table 4.1

Boys & Girls Clubs: 1997 Great Knoxville Rubber Duck Race Events	
Related Events / Media Coverage	Boys & Girls Clubs Actions
1996 Week of September 15 - Hearing on Friends of the Tiger bingo operations in Knox County Chancery Court - Local media report on hearing (<i>The Knoxville News-Sentinel</i>, TV).	
Friday, September 20 Chancellor enjoins Friends of the Tiger (Tiger Haven), sponsor of Roane County bingo hall, from bingo operations.	
Monday, September 23 <i>The News-Sentinel</i> prints front-page story: "Ruling on bingo may bode ill for rubber duck race: State official says that probe could be in order." - Barbara Toms, director of Tennessee Division of Charitable Solicitation inspects the rules from the Boys & Girls Clubs of Greater Knoxville's 1996 Duck Race. She suggests the same action be taken as for bingo. She launches investigation into whether the Duck Race is an illegal lottery. - Jim Acosta, WBIR-reporter, submits a formal request to Tennessee State Senator Bud Gilbert for an opinion from the Tennessee Attorney General on the legality of Boys & Girls Clubs' Duck Race.	Monday, September 23 - John Lee said the Boys & Girls Clubs was not notified (when asked by media) - Boys & Girls Clubs issues news release stating that they will review the Duck Race rules and comply with Tennessee regulations.
Tuesday, September 24 <i>The News-Sentinel</i> prints front-page story: "Clubs to scrutinize legality of rubber duck race: Bingo ruling raises questions on event." - Knox County Chancery Court judge signs temporary order to close Tiger Haven's bingo hall.	
Tuesday, October 1 Chancery Court judge issues order.	
Thursday, October 3 Sen. Gilbert asks for opinion lawful / compliance of the Boys & Girls Clubs' Duck Race from Tenn. Attorney General Charles Burson.	
Sunday, October 6 <i>The News-Sentinel</i> prints front-page story: "Knox not the only city in deep water over duck race." Story reviews events and interviews with Tennessee state officials.	

Table 4.1 (continued)

Boys & Girls Clubs: 1997 Great Knoxville Rubber Duck Race Events	
Related Events / Media Coverage	Boys & Girls Clubs Actions
	November 22 • Steve Wise, Boys & Girls Clubs attorney and chairman of the board, sends revised Duck Race rules to Sen. Gilbert.
November 25 • Sen. Gilbert sends revised Duck Race rules (from Steve Wise, chair of Boys & Girls Clubs) to Tenn. Attorney General -- asks for informal conference and opinion.	
December 18 • Tennessee Attorney General Burson responds to Sen. Gilbert that his "request for opinion on legality of duck races was declined because of pending state lawsuit against bingo hall operator."	
1997	1997
	Wednesday, February 5 • Boys & Girls Clubs mails Quacker Grams or invitations to the Duck Race kickoff celebration.
Friday, February 14 • John Knox Walkup becomes Tennessee Attorney General.	Friday, February 21 • Boys & Girls Clubs holds news conference to issue / announce new rules for duck race limiting free ducks and purchased ducks to ten per person.
Saturday, February 22 • <i>The News-Sentinel</i> article on page A4 features Duck Race (sponsors, prizes, etc.).	
Monday, February 24 • David Wigler, Tiger Haven (bingo hall) attorney, sent letter to Knox County District Attorney General with <i>The News-Sentinel</i> article from February 22, 1997.	
Saturday, March 1 • <i>The News-Sentinel</i> prints front-page story: "Ex-bingo operator questions status of duck race." Story includes excerpts from Wigler's letter.	

Table 4.1 (continued)

Boys & Girls Clubs: 1997 Great Knoxville Rubber Duck Race Events	
Related Events / Media Coverage	Boys & Girls Clubs Actions
	Monday, March 10 Boys & Girls Clubs hosts kickoff gathering for Duck Race at Calhoun's where the "top ducks set pace for race."
Wednesday, March 19 - Tennessee Attorney General issues opinion declaring the Duck Race an illegal lottery - WBIR-TV breaks story about attorney general's opinion declaring the Duck Race an illegal lottery and the "cease and desist" order on evening newscast.	Wednesday, March 19 Boys & Girls Clubs receives "cease and desist" order.
Thursday, March 20 <i>The News-Sentinel</i> runs front-page story about the opinion and subsequent "cease and desist" order for the Duck Race: "State says it's illegal lottery, so duck race off: Boys & Girls Clubs lose fund-raiser." - Knoxville Mayor Victor Ashe holds news conference to show support for the Boys & Girls Clubs and asks for public to send in donations.	Thursday, March 20 Boys & Girls Clubs issues news release with statement from John Lee about "cease and desist" order," and plans to research options.
Friday, March 21 <i>The News-Sentinel</i> prints front-page story: "Ashe urges donations to duck-race cause, rips delay in opinion."	
Saturday, March 22 <i>The News-Sentinel</i> prints front-page story: "Ducks redux? Commissioner floats county sponsorship." Story reports Knox County Commissioner Scott Davis' request for the Commission to become a sponsor.	
Sunday, March 23 WBIR-TV, Channel 10 broadcasts program, "Forum." Duck Race is the topic.	
Monday, March 24 - Knox County Commission votes 12-6 to become an official sponsor of Duck Race. - Knox County Commission asks county law director Beeler to prepare legal challenge to the Duck Race opinion.	

Table 4.1 (continued)

Boys & Girls Clubs: 1997 Great Knoxville Rubber Duck Race Events	
Related Events / Media Coverage	Boys & Girls Clubs Actions
Tuesday, March 25 • <i>The News-Sentinel</i> prints front-page story: "Knox to be Duck Race sponsor, challenge state ruling event is illegal." Story reports on Knox County Commission vote to become sponsor.	
Sunday, March 30 • <i>The News-Sentinel</i> prints front-page "Analysis" lead story: "Lottery debate gets louder: Duck race demise could spur change in constitution."	
Sunday, April 6 • <i>The News-Sentinel</i> prints letters to the editor with the headline: "Attorney general's duck race opinion elicits comment."	
	Tuesday, April 15 • Boys & Girls Clubs issues news release announcing first annual Phantom Duck Race
Saturday, April 19 • <i>The News-Sentinel</i> prints story on page A5 about Phantom Rubber Duck Race: "Boys & Girls Clubs fund-raiser moves inland since duck race grounded."	Saturday, April 19 • Phantom Race is cancelled due to rain.

which really had nothing to do with that lawsuit. But the media, the newspaper in this instance, wanted to talk about the Duck Race" (Interview, 1998). At that point, Wise said, the Duck Race became an issue the Boys & Girls Clubs needed to work on. And at that point it did.

Wise described it as an evolving process. "At first blush there didn't appear to be any problems, because we had a whole litany of opinions that said the Duck Race was valid," said Wise. "Within that year legal perceptions of what's legal and what's illegal and the constitution and the state statute had changed judicially." Wise said they first looked into ways to "tweak" the rules. "We looked at the prospect of what would have to be changed in the state constitution," said Wise. "What would have to be changed in the state statute, if that's necessary? Could we get a dispensation? Could we get a special statute passed?" (Interview, 1998). Wise and other lawyers volunteered their time to research legislative remedies. Remedies included changing the rules, or perhaps the court was wrong and the Boys & Girls Clubs should litigate over the issue. Their goal was to find ways to salvage the Duck Race. Through research they determined they did not want to litigate. "We didn't want to be tied up arguing with the state," Wise said. "It would be unseemly and inappropriate" (Interview, 1998). The issue was not as simple as should the Duck Race be shut down or not, said Wise.

In response to the media coverage the Boys & Girls Clubs issued a news release: "Great Knoxville Rubber Duck Race under review" on September 23, 1996. The release stated that the organization would "review its Great Knoxville Rubber Duck Race and comply with any new rules and regulations enforced by the State of Tennessee." The release was written with John Lee, executive director of the Boys & Girls Clubs, as the primary spokesperson. The release explained the issue. Lee said the Boys & Girls Clubs would "follow the controversy about charitable fund-raising events sparked by the temporary closure of the Friends of the Tiger Inc. bingo hall in Fountain City last week." Lee said that for eight years the organization understood the Duck Race to be a legal fund-raising event. "Support for the event has been extensive and it reflects the community's commitment to our mission; to ensuring and enhancing

the quality of life for Knoxville youth, with a special concern for the disadvantaged," Lee said in the release. "By no means will we jeopardize the organization which has been serving youth in the Greater Knoxville Community for 53 years. We are anxious to hear the ruling about this case and then take appropriate action ourselves," Lee said (Boys & Girls Clubs, 1996b) (see Appendix D).

"We were always positively reassured that there wasn't going to be any problem," said Wise. "We were never told there weren't going to be any problems and to just 'march right ahead and don't you worry about it.' They were all very positive responses from Charlie Burson's office" (Interview, 1998).

Also on September 23, Jim Acosta, a local television station, WBIR-TV, reporter, faxed a request for Tennessee Senator Bud Gilbert asking for him to request an opinion from the Tennessee Attorney General on the legality of the Duck Race. Acosta's request asked: "Are the Greater Knoxville Rubber Duck Race and its pay for play charity drawings lawful and in compliance with the state statute and constitutional law?" At this time, the Boys & Girls Clubs including Lee and Wise were unaware that the request had been made to the attorney general (see Appendix E).

Prior to Gilbert's request for an opinion, Knox County Chancellor McDonald issued a "Memorandum Opinion and Order" in the Friends of the Tiger case on October 1. McDonald's opinion stated :

Three elements must be present to constitute an unlawful lottery: prize, chance and consideration. Defendants (Friends of the Tiger) concede their proposal involves prize and chance, but deny that it involves consideration. They propose a charity fund will be raised from which bingo prizes are to be paid; the fund will be raised from donations made after each bingo game, with a charity fund raising goal for each evening to be announced. The donations, while described as voluntary,

nonetheless must be made for there to be prizes so that the bingo activity can be sustained: the donations for one game will support following games. It appears that if there were to be no donations, there would be no prizes for following games, and thus there would be no following games, at least not for long. It is apparent that the setting of a nightly fund raising goal will deliver its intended message to the players: pay, if you want to play. The proposed donations are disguised consideration for gambling, a lottery (McDonald, 1996) (see Appendix F).

McDonald concluded that the Friends of the Tiger proposal "does not avoid Tennessee's prohibition, constitutional and statutory, against gambling and lotteries" (McDonald, 1996). His opinion included reference to the Knoxville Boys & Girls Clubs' Duck Race brought up by the defendants citing the Equal Protection Clause of the Fourteenth Amendment of the United States Constitution. The defendants claimed that although "public authorities are undertaking to stop charity bingo, they are nonetheless allowing the Knoxville Boys & Girls Clubs to operate a charitable fund-raising activity known as the Great Knoxville Rubber Duck Race," thus denying them the equal protection of the laws (McDonald, 1996).

In reference to the Duck Race issue brought up in the case, Chancellor McDonald stated:

Strong and logical argument was made that the Defendant's bingo activity constitutes gambling no more than does the Duck Race. Simply put, Defendants ask: if the Duck Race can operate, why can't we? The head of the Tennessee Charitable Solicitation Division of the Office of the Secretary of State opined in her testimony that the Duck Race as presented in the evidence was unlawful, and that upon such knowledge coming to her she would take the same action as to the Duck Race as she was authorized to and did take as to Defendants: recommend to her supervisor, the Secretary of State, an investigation of the Duck Race.

(McDonald, 1996) (see Appendix F).

McDonald determined that according to Toms' statement that there was, indeed, equal protection in this case and that there would also be an investigation into Duck Races as fund-raisers.

On October 3, Senator Gilbert requested an opinion from Tennessee Attorney General Charles Burson: "I would appreciate advice from your office as to whether the Greater Knoxville Rubber Duck Race and its pay for play charity drawings are lawful and in compliance with the state statutory and constitutional laws regarding lotteries." Gilbert enclosed a set of Duck Race rules from the 1996 duck "adoption papers" included with Acosta's fax. He described the Duck Race as a "charity event (that) has been in existence for a number of years in Knoxville and raises considerable sums for a very worthwhile 501(C)(3) institution in our area" (Gilbert, 1996a) (see Appendix G).

Ducks are "adopted" to participate in the duck race through "adoption papers." These papers are available at designated locations throughout Knoxville, through the Boys & Girls Clubs offices and are mailed to previous year adopters. Following are some of the "official rules and regulations of the Great Knoxville Rubber Duck Race" from 1996 relevant to the Duck Race issue:

1. A maximum of 50,00 ducks will be entered in the race.
9. The Presenter reserves the right to limit the number of duck adoptions per individual.
10. No purchase is necessary in order to enter or win. Presenter does encourage a donation of at least \$5 per duck adoption to benefit the Boys & Girls Clubs of Greater Knoxville, Inc., a charitable organization under Section 501(c)(3) of the Internal Revenue Code. One free duck per person may be adopted at the Boys & Girls Clubs of Greater Knoxville, Inc., 407 Caswell Avenue, Knoxville, Tennessee, 37917; WIVK, 6711 Kingston Pike; or WBIR, 1513 Hutchinson Avenue, during regular business hours.

16. Chances of winning depend on the total number of qualified entries.

17. This event is subject to all federal, state and local laws and regulations and is void when prohibited by law.

18. The conduct of the race, and the determination of race winners will be audited by a representative of an independent accounting firm. All decisions and interpretations of rules and regulations will be made by Presenter and its judgement is final (see Appendix A).

The Boys & Girls Clubs' board of directors then revisited the issue of rules for the Duck Race. Wise and other lawyers, who volunteered their time and research efforts, helped to look at the status of what the law was and came up with their own conclusions. Then the organization redrafted the Duck Race rules to conform with more recent decisions. "Eight years had gone by and the law had evolved," Wise said. "We had not reviewed it" (Interview, 1998).

According to Wise, the Boys & Girls Clubs became aware of Gilbert's request in November. On November 22, Wise sent the revised rules to Gilbert to send to Burson. Wise's letter stated the rules were revised "with an eye toward complying with both the spirit and the letter of the law, as it is now being interpreted." Wise wrote: "The current Rules, consistent with what we believe to be the current standard of the law, make no distinction whatsoever between entrants who choose to make a contribution and those who choose not do to so." Wise also stated that this was consistent with Burson's most recent opinion at that time regarding the Lincoln County Fair Charitable Giveaway, dated August 30, 1996. Wise described how entry or adoption forms would be distributed. "No purchase, donation, gift or contribution of any kind is required to enter, and no greater or different burden will be placed upon entrants who choose not to make a donation," Wise wrote. Wise concluded his letter emphasizing the importance of the Duck Race to the Boys & Girls Clubs to provide necessary funding for programs: "Because these programs are so important to the inner-city children of Knoxville, every possible effort must be taken to insure their continued success" (Wise, 1996) (see Appendix I). The revised

rules for the Duck Race as enclosed in Wise's letter to Gilbert included a change in rule number nine. After revision adoptions became limited to "10 ducks per individual."

Gilbert sent the revised rules to Burson on November 25. On December 18, 1996, Burson replied to Gilbert's request for an opinion on the Duck Race rules. At the time, current litigation involving the Tiger Haven bingo hall was still pending. So Burson declined to issue an opinion on the legality of the race or others conducted in a similar manner (Burson, 1996) (see Appendix K). Wise said another reason Burson may have declined to opine was that he was leaving office. Wise suggested Burson might have felt it would be better to let his successor issue the opinion (Interview, 1998).

The Boys & Girls Clubs prepared a sheet with background information for Loy on October 3, 1996. It said, "Prior to our first Duck Race, we met with the then Attorney-General, the late Ed Dorssett, who had absolutely no problems with us holding the highly visible and popular fund-raising event." The background also said the Duck Race is considered to be "one of the most successful in the country and often attracts other race organizers who come to glean ideas." The sheet said the race is one of the organization's best marketing opportunities and that the Duck Race should not be compared to bingo: "It is a classic case of comparing apples and oranges." The background concluded with a statement that the Boys & Girls Clubs would comply with any new rulings about charitable fund-raising events (Boys & Girls Clubs, 1996c) (see Appendix H). Loy received the background information when he met with John Lee for an interview about the Duck Race and Boys & Girls Clubs.

On February 5, the Boys & Girls Clubs mailed "Quacker Grams" or invitations to a Duck Race kickoff gathering on March 10. The invitation was described as the "duckiest party in Town" to join the "top ducks who'll set the Pace for the Race!" The event was to be held at Calhoun's on the River, a popular restaurant as well as a sponsor of the Duck Race.

On February 14, Burson's successor, John Knox Walkup, became the attorney general for Tennessee.

To kickoff the 1997 Duck Race publicly, the Boys & Girls Clubs held a news conference. "The event was already in the news," Wise said. "We thought we could tie into that and capitalize on it. In a way to both put a positive spin on what was going on and to remind people that this is what we are talking about" (Interview, 1998). The sponsors also played a role in the Duck Race announcement with media coverage and promotions. The conference was primarily promotional to begin the activities associated with the Duck Race. A media alert announced new rules for this conference. The stated purpose of the event was "to announce the rules, date, sponsors and prizes." It also included a quote from Lee. "Since the inception of the Great Knoxville Rubber Duck Race nine years ago, the revenue generated has been used to provide vital services for inner-city youth," Lee said. "Knoxville's race is the second largest (in terms of adoptions) of more than 130 races held through the world. In 1996 we had more than 43,000 adoptions and we hope to have more than 50,000 adoptions this year" (Boys & Girls Clubs, 1997e) (see Appendix M).

In addition to the media alert that was faxed to local media, the Boys & Girls Clubs also prepared a news release on February 21: "Great Knoxville Rubber Duck Race adopts different flight path." The lead sentence of the release stated, "One of the most popular events on Knoxville's Spring calendar, the Great Knoxville Rubber Duck Race, will adopt new rules for 1997." The new rules limited duck adoptions to a maximum of ten per person. "Other than that one change, the race will be operated the same as it normally is, and we expect a bumper year in terms of duck adoptions," Lee said in the release. "Since its inception, this event has generated hundreds of thousands of dollars for the Boys & Girls Clubs of Greater Knoxville. It has directly assisted us in the expansion of our programs and services. For example, in 1989 we served 1,100 inner-city children, and since then we have increased the number of our facilities to the point where we can serve more than 3,300," Lee said. The release also included a list of 1997 Duck Race sponsors: WIVK, *The News-Sentinel*, WBIR-TV, Delta, Calhoun's, First American, Sleep Fair, Star of Knoxville, JCPenney, Southern States Asphalt Company, TVA, McDonalds,

Wal-Mart, Kroger, East Town Mall, Pilot, West Town Mall, Delmar Haynes, World Travel Agency, and AAA Cooper Transportation (Boys & Girls Clubs, 1997f) (see Appendix L).

Activities scheduled for the day of the Duck Race included a carnival for children and parents beginning at 9 a.m. at Volunteer Landing, a park on Fort Loudoun Lake. The race was scheduled to begin at 12:02 p.m. followed by activities for children at World's Fair Park at 6 p.m. (Lackey, 1997).

The News-Sentinel printed a story on the Duck Race the following day, February 22. Wigler, attorney for Tiger Haven, then sent a copy of *The News-Sentinel* article to state officials in Nashville and asked: "Has this game of chance (duck race) been approved by the State? If so, Tiger Haven wishes to sponsor a comparable game of chance to benefit its own charitable purposes" (Wigler, 1997). Wigler's letter prompted *The News-Sentinel* to run a front-page article.

Lee described a meeting he had with Burson about an opinion. According to Lee, Burson said "John, you know, if they hadn't brought you up..." Lee said once Burson made the ruling against Tiger Haven (bingo), "he had to treat us in the same manner," said Lee. "And they were looking for a way to shut us down, because they were afraid to be drug back into court" (Interview, 1998).

Going ahead with its plans for the 1997 Duck Race, the Boys & Girls Clubs hosted its kickoff gathering for "top ducks," sponsors and media at a local restaurant. However, its plans come to a halt when, on March 19, the Boys & Girls Clubs received a "cease and desist" order from Riley Darnell, Tennessee secretary of state. Darnell's letter was prompted by an opinion issued by Attorney General Walkup that same day.

Attorney General's Opinion and "Cease and Desist" Notice

Walkup's opinion entitled, "Legality of Fund-Raising 'Rubber Duck Races' at Which Valuable Prizes are Given Away," questioned if the conduct of "rubber duck races," games of chance where valuable prizes are given away in conjunction with fund-raising activities, violate Tennessee's gambling statutes or lottery prohibitions." Walkup determined that "yes" this type of

game "would be sufficient to support a determination by a tier fact that it constitutes an illegal lottery. Walkup stated that the opinion was determined by the "official rules" or "adoption papers" he received. He stated that gambling provisions of criminal code had become broader than those of earlier law. Since duck races "contain the elements of a possible profit whose return is entirely contingent upon chance," and if participants "'adopt' ducks with the intent to obtain the chance to gain profit," then that participant has "risked something of value" or a "suggested donation." Walkup then stated: "Common sense suggests that, in the game promoted as outlined above, most people are not paying a 'suggested donation' per adopted duck merely for the benefits to be derived from making a charitable contribution. Rather, they are paying in order to acquire the chance to win one of the advertised prizes" (Walkup, 1997).

In Darnell's letter to the Boys & Girls Clubs, he stated his concern regarding the legality of the Duck Race, and that he also had requested an opinion from the state attorney general. About Walkup's opinion, Darnell wrote, "I believe that the promotion of this fund-raising activity as an illegal enterprise may mislead or deceive the public. Conduct that misleads and/or deceives the public is expressly prohibited by Tennessee's charitable solicitation laws." Darnell commended the Boys & Girls Clubs goal of raising much-needed money for services and opportunities for boys and girls. However, he wrote "the illegal means you have chosen to achieve that end cannot be condoned." Darnell concluded the letter serving a notice for the organization to "cease and desist" further plans and activities to promote or hold the Duck Race (Darnell, 1997).

In response to Darnell's notice, the Boys & Girls Clubs issued a statement from Lee in the form of a news release the next day, March 20. Lee said Darnell's notice with Walkup's opinion arrived at 5:15 p.m. and came: "as a shock because we asked the former Attorney General, Charles Burson, for a ruling late in the fall of 1996. We had been assured during three telephone conversations before he left office that the Duck Race was legal. Although we will suffer from the loss of this important fund-raising revenue (expected to be in the vicinity of \$140,000), we remain committed to providing top quality services to our members." Lee listed

some of the benefits for the organization and its members during its eight year "reign." He said the organization planned to "further research the event to see if there are ways that we can come into compliance with state law." The release concluded stating that preparations for the Duck Race had been in "full swing" since January 15" (Boys & Girls Clubs, 1997 g) (see Appendix Q).

The morning of March 20, *The News-Sentinel* printed a front-page story about the Duck Race: "State says it's illegal lottery, so duck race off: Boys & Girls Clubs lose fund-raiser." The article explained the opinion and "cease and desist" order, and included a brief description of what the Duck Race would have been. The only quote from the Boys & Girls Clubs in this article was from Lee: "To get it this close to the race hurts us financially" (Loy, 1997b).

Knoxville Mayor Ashe distributed a news release to announce a news conference that afternoon, March 20, to "voice the continued need for community support of the Boys & Girls Clubs program in the Knoxville area" (Ashe, 1997). Ashe's expressed concern for the Boys & Girls Clubs, and Lee's photo at the news conference appeared on the front page of *The News-Sentinel* the next day, March 21. Ashe showed his support for the Boys & Girls Clubs and the Duck Race, and Knox County Commissioners voted to become sponsors of the event. They hoped the sponsorship would provide a way to legally challenge the opinion and "cease and desist" order.

Including the front-page coverage from *The News-Sentinel*, all three local television news broadcasts told the story of the plight of the Boys & Girls Clubs. The impending crisis for the Duck Race was told through the media, as well as the final decision and public opinion on the issue.

Phantom Rubber Duck Race

Lee said the idea of a Phantom Duck Race came to him in the middle of the night. "We didn't stop," Lee said. "We started selling stuff, like we did before, except they didn't get any ducks in the race. Because there wasn't a race. And I had Phantom T-shirts printed up" (Interview, 1998). Vice President of Volunteer Services for the Boys & Girls Clubs Ernie Brooks, said he

had never heard discussion of the Phantom Race at board meetings.

Duck Race media sponsor, WBIR-TV, helped to publicize the Phantom event with a promotional video entitled, "Jailhouse Duck." The video showed the rubber ducks in prison stripes, dancing in a jail and singing an Elvis song. Acosta said the advertisement won an award.

The News-Sentinel printed an article about the Phantom Race the day of the event that described planned festivities as well as background on events that led up the Duck Race cancellation. "We're just hoping to break even on this," Lee said (Courtney, 1997). All games at the Phantom Race were free. Merchandise was for sale at the event: Phantom duck T-shirts, hats, food and rubber duck souvenirs. Proceeds from merchandise would be used to offset the \$45,000 the Boys & Girls Clubs had already invested in the Duck Race for promotions and plans (See Appendix C).

Lee said the "cease and desist" was only a warning. If the court found that it was an illegal event then the Boys & Girls Clubs would face fines. "So we could have gone ahead with it," Lee said. "But then you switch from wearing a white hat to a black hat, because then you're almost in defiance" (Interview, 1998).

The Boys & Girls Clubs had less than a month to plan and promote the Phantom Race. It did not include the primary attraction of the original Duck Race: the Duck Race with prizes. Media and other sponsors helped to promote the event, but the Phantom Race never took flight and was not successful, as compared with the original Duck Race. "It was something that we hoped might catch on, that people were sympathetic," Lee said. "And obviously they were not" (Interview, 1998).

The day the Phantom Race was scheduled to take place it rained. "We just cancelled the whole thing," Lee said. "There wasn't any reason in doing it, the weather was bad so no one was going to show up" (Interview, 1998).

With the cancellation of the Duck Race and merchandise sales from the Phantom Race, the Boys & Girls Clubs only lost about \$3,000. However, this did not raise the estimated \$150,000

the race had been budgeted to generate.

Media Coverage

Media coverage of the events preceding the "cease and desist" order played an integral role in this case. Wise said, "The media created it (the issue) and they kept it alive" (Interview, 1998).

When the Duck Race was brought up in a chancery court case as an example of hypocrisy of enforcement for legalized gambling rules, local media reported the story. On September 19, WBIR-TV, the top-rated local newscast, aired a report at six o'clock entitled, "Betting on Trouble." The station's approach to the story was that the bingo parlor was defending its operations "claiming other charities use games of chance for prizes as well." This story "may leave you confused about what the law is on gambling," said Bill Williams, anchor. The story, by Acosta, raised the question of legal gambling activities in Tennessee. Acosta showed a copy of *The News-Sentinel* saying that it was legal to print gambling odds on an upcoming sporting event, but it is illegal to bet on them. He said the bingo hall owners "say it is no different than the Great Knoxville Rubber Duck Race, and therefore is legal" (Acosta, 1996a). The story briefly showed film footage of rubber ducks being dropped into the river, but focused primarily on bingo and the issue of charitable gambling in Tennessee. It included interviews with Wigler, Burson, Gilbert and a man on the street. Acosta said, "Prosecutors say bingo at Friends of the Tiger is unlawful because people that play for free cannot play as often as those who donate." Then he held up a copy of Duck Race adoption papers and said that according to Duck Race rules, participants may only "adopt" one duck (Acosta, 1996a).

The News-Sentinel printed a front-page story on September 23, 1996, with headline: "Ruling on bingo may bode ill for rubber duck race: State official says that probe could be in order." The focus of the story was the case of Tiger Haven's bingo hall, but the lead sentence read, "One casualty of the state's ongoing effort to permanently shut down a Fountain City bingo hall might be a revered annual fund raiser called the Great Knoxville Rubber Duck Race."

The story was one of the first contacts the Boys & Girls Clubs had with this issue. The story said that the "duck race wasn't the target of the state lawsuit." But, that Tiger Haven's (bingo hall) lawyers "repeatedly cited the duck race as a charitable fund raiser operating on the same 'voluntary donations' basis as the bingo hall" (Loy, 1996a). The story stated that Toms inspected the Duck Race's 1996 rules and suggested the need for an investigation into whether it was an illegal lottery. The story also described the Duck Race briefly and the race's sponsorship list as a "who's who of local commerce." An official from the Boys & Girls Clubs who declined to give his name when contacted by *The News-Sentinel* and said, "We are not on trial."

During the week of the Tiger Haven (bingo) hearing, Loy spoke with Lee. "I called him (Lee) and he was very agitated, really frustrated," Loy said. "And I don't hold that against him. Everybody speaks real highly of him. He's doing a great job over there as far as I know. He was clearly ticked that his duck race was being drawn into this whole thing." Loy said Lee did not like being dragged into the bingo issue third-hand. He said Lee did not think bingo and the Duck Race were in league together (Interview, 1998).

Also on September 23, Acosta, after hearing the Wigler's argument in court thought, "Hmm. I wonder technically if the Duck Race is legal according to Tennessee codes or the Tennessee Constitution?" (Interview, 1998). Acosta then faxed a formal request to Tennessee State Senator Bud Gilbert to request an opinion from the Attorney General of Tennessee regarding the legality of the Duck Race that asked: "Are the Great Knoxville Rubber Duck Race and its pay for play charity drawings lawful and in compliance with the state statute and constitutional law?" (Acosta, 1996b) (see Appendix E).

Wise said the Boys & Girls Clubs was not notified of Acosta's request for an opinion. "This is a case where the media created news," Wise said. "For some reason they felt they had to be in the position of making news and asked for an opinion" (Wise, 1998). The Boys & Girls Clubs found out about the request some time after it was made. When asked about Acosta's request Lee said, "What he did originally was something that I didn't appreciate, and I flat told

him that. From the standpoint of asking for an opinion from the attorney general, he had no right. Well, maybe he had a right, but I'm saying he didn't have the right to request it without notifying me" (Interview, 1998).

On September 24, *The News-Sentinel* printed a front-page story with the headline: "Clubs to scrutinize legality of rubber duck race: Bingo ruling raises questions on event." The story was prompted by a news release from the Boys & Girls Clubs. The lead sentence of the story read: "The organizers of the Great Knoxville Rubber Duck Race said Monday they will review the popular springtime charity event to see if it violates state gambling law." The story also described the Duck Race as "one of the most important fund raisers for the Boys & Girls Clubs" (Loy, 1996b). The article reviewed recent facts leading up to it, with similar information to the previous day's front-page article on September 23.

The next mention of the Duck Race issue in the media was Sunday, October 6. A front-page story in *The News-Sentinel* revisited the Duck Race and compared it to other charitable fund raisers. The headline read: "Knox not the only city in deep water over duck race." The story included a quote from Lee about investing money in the Duck Race, "You have to spend money to make money." Lee also described the race as "not only a springtime joy for Knoxvilleans, but a vital fund raiser" for his organization's eight inner-city youth clubhouses (Loy, 1996c). The story also included interviews with Tennessee state officials. It did not report breaking news, but reviewed the facts of the situation the Boys and Girls Clubs and other organizations like it in Tennessee were facing.

To kick off the 1997 Duck Race, the Boys & Girls Clubs held a news conference on February 21, to announce the event. Wise said Lee met with media sponsors to develop a plan to market the race, and they collectively agreed a news conference would be a way to do it. "We threw that stuff about changing the rules to just try to tie it in," Wise said. "The event was already in the news, not particularly good news. But on an event, any news is good news. On a charitable activity if you can just get your name out, it doesn't matter if it is good news. We

thought we could tie into that and capitalize on it" (Interview, 1998).

The next day, February 22, *The News-Sentinel* printed a story on A4 including the promotional information presented at the news conference. The headline read: "Ducks get ready for annual race on Fort Loudoun Lake." The story also included a photo from the news conference with a huge inflatable rubber duck along with Lee dressed up as a rubber duck. The article did not mention previous events surrounding the Duck Race or the issue of charitable gambling in Tennessee. The story did include the revised rule limiting free and "donated" ducks to ten per person.

The February 22 article prompted Wigler to send a letter to Randall Nichols, Knox County District Attorney General; Steve Hart, special counsel from office of the Tennessee Attorney General; and Barbara Toms, charitable solicitation division. Wigler included a copy of *The News-Sentinel* article from February 22 and asked, "Has this game of chance been approved by the State? If so, Tiger Haven wishes to sponsor a comparable game of chance to benefit its own charitable purposes" (Wigler, 1997). Wigler must have notified *The News-Sentinel* of his letter, because on Saturday, March 1, the paper printed a front-page story with the headline: "Ex-bingo operator questions status of duck race." The lead sentence stated: "The recent announcement that thousands of rubber ducks will again 'race' down Fort Loudoun Lake to raise money for the Boys & Girls Clubs of Greater Knoxville, Inc. has prompted a former bingo hall operator to ask state officials: 'Why can't I run a game of chance, too?'" The article focused initially on Wigler and his question to the state. It also described the Duck Race as "an immensely popular springtime fund-raiser" with a "lucrative haul" of prizes. The story listed the similarities of bingo to the Duck Race. The story stated that Parker "has nothing against the duck race but questions whether that event gets more consideration from state authorities than bingo." Wise was quoted in the story about changes made to the Duck Race rules: "We've done our homework. I think had we made no changes, we 'd have been fine. We weren't in violation of the laws before, and we clearly -- with the new rules -- are not now" (Loy, 1997a).

On Wednesday, March 19, Walkup, declared the Duck Race an illegal lottery, and the Boys & Girls Clubs received a "cease and desist" order. Acosta, who formally made a request for the opinion in September, also received a copy of the opinion and "cease and desist" order. Acosta contacted Lee for comment. "Lee became outraged with me over the phone," Acosta said. "He screamed and yelled and was quite upset that I would do this. That I would ask this question" (Interview, 1998).

Acosta said he took down a "really nasty comment the he gave me as a quote." Lee, when asked about the conversation, called Acosta a "slimeball." Soon after Acosta's conversation with Lee, Wise called Acosta to explain that "John was real hurt and it ("cease and desist" order) is really going to hurt programs," Wise said. "It's going to hurt little boys and little girls. It's a terrible thing to occur in the community" (Interview, 1998). Wise also described Lee as being "personally devastated that these programs were going to have to be shut down and a lot of kids would get hurt." Wise said he told Acosta, "You've done enough damage and to just leave it (the story) alone." Wise described Acosta as being "kind enough to see the wisdom in that and in fact did leave it alone" (Interview, 1998).

Acosta said Wise called to say, "We will comply with the state constitution in every way possible. We are looking into this matter and hope to continue the Duck Race." (Interview, 1998). Acosta said he went to his news director, Margie Nichols, about airing the "nasty" quote from Lee. She suggested he use Wise's quote because "the lawyer (Wise) seemed to be speaking with less passion and less outrage, in a more responsible frame of mind" (Interview, 1998). Since WBIR-TV broke the story, it was the lead story on their newscast that night.

Lee said the media coverage of the Duck Race cancellation helped the Boys & Girls Clubs. "We couldn't have bought that publicity," Lee said. "We couldn't afford it. And it was on all three stations, not just Channel 10 (WBIR). We were covered on all three" (Interview, 1998).

On Thursday, March 20, *The News-Sentinel* printed another front-page story announcing the attorney general's ruling about the Duck Race. The headline read: "State says it's illegal

lottery, so duck race off: Boys & Girls Clubs lose fund-raiser." The article described events leading up to the decision and that "the fund-raiser was expected to generate \$120,000 or more that year." A quote from Lee said, "To get it this close to the race hurts us financially." The article included part of Walkup's opinion: "Plainly, the promoters know that the prizes to be awarded are an inducement to the participants to make 'recommended donations,' and the promoters intend to derive an economic benefit from the game in the form of 'recommended donations.'" The story ended with a quote from Sen. Gilbert, who requested the opinion: "I'm very concerned because I think the Boys & Girls Clubs is a fine operation. They help a lot of kids in our community. I know it has never been their intent to violate the law" (Loy, 1997b).

Ashe issued a news release and held a news conference on March 20, outside the Boys and Girls Clubs' Caswell Avenue center. The headline the next day read: "Ashe urges donations to duck-race cause, rips delay in opinion." The lead sentence read: "The Great Knoxville Rubber Duck Race is dead, but Mayor Victor Ashe encouraged people Thursday to send their entry money to the popular event's organizer regardless" (Loy, 1997c). The story included background events leading up to the Duck Race cancellation and described what the Duck Race had been anticipated to generate for the Boys & Girls Clubs. Ashe said, "I think the way the state attorney general handled this is deplorable" and indicated "incompetence, sloppiness and an utter absence of accessibility to anyone." Ashe also encouraged the Boys & Girls Clubs to "explore every legal avenue." But Lee said, "I don't want to end up in court over this thing" (Loy, 1997c).

On Saturday, March 22, *The News-Sentinel* printed a front-page story about the Duck Race. The lead sentence read: "The Great Knoxville Rubber Duck race might float after all if Knox County Commission gets its way." The story was prompted by Knox County Commissioner Scott Davis, who asked other commissioners to consider making the county a sponsor of the race. According to the article, "A sponsorship would give the county legal standing to challenge a state attorney general's opinion" (Keim, 1997). Davis was quoted: "If they lose all their money

they're going to be coming to us to make up the difference. Why not help them raise the money now so they don't come to us (needing a budget boost) three months from now?" (Keim, 1997). The article also stated that Davis "envision[s] all 19 commissioners floating downstream on big rubber ducks, presumably amidst the tiny ducks adopted by racers to raise money for the Boys & Girls Clubs" (Keim, 1997). Lee said in the article, "I think we're more than receptive to weighing all our options, and I do appreciate (Davis') attempt to try to help us. I don't think it hurts for him to investigate it and, quite honestly, it flatters me that he's willing to do that ... to step up and try to assist us. That speaks well of our Duck Race" (Keim, 1997).

After Knox County Commissioners voted 12-6 to become sponsors of the race, *The News-Sentinel* printed a front-page story on March 25, with headline: "Knox to be Duck Race sponsor, challenge state ruling event is illegal." The lead sentence read: "Knox County will legally challenge the state attorney general's opinion that sank the Great Knoxville Rubber Duck Race." County Law Director Richard Beeler said in the article "he would discuss the challenge with sponsors and likely seek a temporary restraining order so the race with monetary prizes can go on." However, County Commissioner Mark Cawood, who opposed the decision said "he did not see sponsorship as a function of government" (Silence, 1997).

Amidst the county commissioners' discussion of sponsoring the race, on Sunday, March 23, the WBIR-TV-sponsored "Forum" featured rubber ducks as the topic. The program included Sen. Ben Atchley, who offered his expertise on the issue.

After the Duck Race was cancelled, Hallerin Hill, local radio call-in talkshow host, invited Lee to be a guest to talk about the Duck Race and Boys & Girls Clubs. Hill said people called in to say it wasn't fair, and they didn't understand why the Duck Race was cancelled. Hill said, "People seemed to enjoy it (Duck Race) very much" (Interview, 1998).

On Sunday, March 30, the lead story on the front page of *The News-Sentinel* was an article labeled, "Analysis." The story was written by Loy, who wrote most of the Duck Race and bingo-related articles. The headline read: "Lottery debate gets louder: Duck race demise could

spur change in constitution" (Loy, 1997d). Loy said he weighed the bingo hall and Duck Race with the same criteria, regardless of who the charities benefitted (Interview, 1998). The article summarized events in the media about the Duck Race from radio talk shows to the commissioners' decision to sponsor the race. He described the Boys & Girls Clubs as "one of the city's most favored charities," and the Duck Race's "impressive list of sponsors" (Loy, 1997d). The article then focused on gambling state by state and included interviews with Tennessee state officials.

The News-Sentinel also printed letters to the editor on Sunday, April 6, entitled, "Attorney general's duck race opinion elicits comments." There were four letters to the editor about the cancellation of the Duck Race with a photo of the 1996 race. The letters questioned the cancellation of the Duck Race. "On with the annual rubber duck race ... let the day be for the deserving kids who will benefit so much by it. They have so very much against them in this present lawless-orientated society, and they need this as a plus for all of us," wrote Paul F. Taylor of Crossville, Tenn. Vanessa Draper of Knoxville said that the powers that be made a decision and "the baby's out with the bath water. This time, however, it really is babies who are being discarded. The children in Knox County who depend on the Boys & Girls Clubs will certainly be the only ones to suffer the recent cancellation of the duck races." In reference to Tiger Haven's comparison of bingo with the Duck Race, Draper wrote, "The retaliatory actions that he and his band of legal soldiers have come up with have nothing to do with cats or ducks, everything to do with money, and are way off target -- the only ones who will feel the effects are a bunch of kids who need a place to be." (*The News-Sentinel*, 1997).

On Saturday, April 19, the day of the first annual Phantom Race, *The News-Sentinel* printed a story at the top of the "East Tennessee" section, page A5. The headline read: "Boys & Girls Clubs fund-raiser moves inland since duck race grounded" (Courtney, 1997). This story promoted the Phantom Race that day and included background information about the event. In the article Lee talked about the estimated shortfall with the cancellation of the original Duck Race: "I'm good, but I

haven't pulled a rabbit out of my hat yet. Not too many special events can raise that kind of money. We hope to have the original duck race again sometime in the future, but right now we're going to do what we have to do" (Courtney, 1998).

Throughout the crisis, local media coverage consistently portrayed the Boys & Girls Clubs and the Duck Race in a positive manner.

Fund-Raising Strategies

Before the "cease and desist" order, the Boys & Girls Clubs planned and promoted the Duck Race according to their original schedule. This year, however, the race and the organization received more coverage with the impending legality issue. The Duck Race and the Boys & Girls Clubs was presented in a positive fashion throughout the events. If the Duck Race had gone on as scheduled, it would have generated more funds than in previous years. The race was getting bigger and the Boys & Girls Clubs was getting even better at hosting the event.

Acotsa described the Duck Race as a very big media event. "If not the top community event of the year, the second most popular community event next to the Dogwood Arts Festival," Acosta said (Interview, 1998). Loy described the Duck Race as the "darling of all the business and media and political establishment in Knoxville, a wonderful event" (Interview, 1998).

Fund raising is defined by Greenfield as a "combination of friendraising (relationship building) and money-raising designated to meet needs for public benefit" (Kelly, 1998, p. 143). Following this definition, the Duck Race was a very successful form of fund raising. It provided the opportunity for the Boys & Girls Clubs to tell the story of its programs for boys and girls and to educate the people of Knoxville about the opportunities available. Not only did the race help promote the organization, it provided a form of entertainment for all ages. Publicity for the event was everywhere during the campaign. Outside local malls there were huge rubber ducks filled with hot air promoting the event.

Media sponsors promoted the event by providing free advertising time with entertaining

television and radio commercials as well as print advertisements, which prompted the public to visit the locations with duck "adoption papers" to register for ducks. "Media sponsors really publicize it and make it an event, a happening, add the hype to it," said Lee (Interview, 1998). *The News-Sentinel* printed an ad saying the Duck Race was coming with a list of sponsors and prizes. WBIR-TV created "cute" commercials with ducks, sponsors and prizes. WIVK-FM, a local radio station and sponsor of the event, provided the ability "to draw people to adoption points through on-air spontaneous promotions," Lee said. The sponsors that gave prizes received promotional benefits for whatever they donated every time the Duck Race was promoted.

This form of communication about the event or fund raising followed the model of press agency. Press agency is a one-way form of communication from the Boys & Girls Clubs to the public or potential duck adopters that focuses on the promotion of products and entertainment value. Complete truth is not essential in this model of communication or fund raising. Participants knew the odds of winning, but the prizes were heavily promoted encouraging adoptions. This form of fund raising had been highly successful for the Boys & Girls Clubs while the event was sanctioned by the state attorney general.

The duck "adoption papers" not only provided an opportunity for participants to adopt ducks, it promoted the sponsors and the Boys & Girls Clubs and listed prizes and race-day events. The top two-thirds of the "adoption papers" cover featured a rubber duck wearing sunglasses, the name of the event, "over \$30,000 in prizes" followed by logos of media sponsors: *The News Sentinel*, WBIR-TV and WIVK-FM. The lower third of the cover said the race will benefit the Boys & Girls Clubs. Inside of the cover said, "Race time at high tide" with the rubber duck logo. Then a list of prizes and some sponsor logos. The middle panel of the "adoption papers" described the Duck Race. Why said: "To benefit the Boys & Girls Clubs of Greater Knoxville, Inc." The papers encourage participants to come "cheer your duck" and view the "sensational race" and even "adopt more ducks for more fun!" The bottom of the middle panel listed who the proceeds will benefit: "The Boys & Girls Clubs of Greater Knoxville, Inc., which

serves over 3,400 boys and girls in the greater Knoxville Area.” The back of the “adoption papers” listed “Official Rules and Regulations of the Great Knoxville Rubber Duck Race.” (See Appendix B). The “adoption papers” are a promotional tool for the event and the sponsors as well as a record of who is making a donation or entering a duck in the race.

Lee found an audience he wanted to target and provided a service they desired. “I knew these people were gamblers,” Lee said. “They’re not philanthropic minded. I’ve learned that on two occasions. I should have learned it the first time” (Interview, 1998). Lee explained that after the first year of the Duck Race, the organization did a mailing to all duck adopters inviting them to make year-end contributions to the Boys & Girls Clubs. Lee said it might have broken even with the costs of that mailing. In 1996, the organization again sent year-end contribution requests to duck adopters. “These people probably didn’t know, some of them did but, I’d say a large percentage of them did not know where the Duck Race proceeds went,” Lee said. “I think their motive was either collecting shirts or they wanted to buy something. Most of them wanted to win something.” Lee said he has never been in favor of a state lottery. “Outside of bingo, I was running the biggest game in the state,” Lee said. “The last thing I wanted was the state to put on a lottery. No one would spend \$5 on a duck if you could spend \$5 on a chance to win \$17 million” (Interview, 1998).

But someone who watched the media coverage of the Duck Race the first year did know what the money was going to help. Lee explained that recently the Boys & Girls Clubs, after 18 months of courtship, received a gift of 222 acres of property in Crossville, Tenn. “Because he heard about us on the news,” Lee said. “He called me. If I had not started that Duck Race back in 1989, we wouldn’t have that property today. And we’re going to build a camp on it, which in turn is going to help kids.” Special events like the Duck Race are the “type of thing that just makes people think about it,” Lee said (Interview, 1998).

This is one of the reasons that primary fund raising efforts of the Boys & Girls Clubs provide opportunities for special events. Lee said it is the marketing, “not just the event in the

newspaper. But who comes and sits down at the Knoxville Sports Hall of Fame dinner?" Lee questioned. "Who buys a ticket? Who comes with their family and friends? Who remembers us in their will?" Although special events are labor intensive needing a lot of planning and volunteers, Lee said, "there's a certain amount of marketing, that you don't know when it will come back to help you" (Interview, 1998).

When the media, not necessarily race sponsors, picked up the event and produced a story on the Boys & Girls Clubs, then the public information model of communications or fund raising became effective. "In an event such as this you have to have the media, media attention in order to be successful," Lee said. "Because it's a nickel and dime project."

The Boys & Girls Clubs provided the Duck Race for more than just raising money, according to Lee. "It's a marketing opportunity, a community awareness opportunity, and a way to get our message out. Television reporters would come over, show kids and tell where the money was going" (Interview, 1998).

Along with media and merchandise sponsors promoting the event, the Boys & Girls Clubs had the support of United Way and local officials. United Way contributed one-half million dollars annually to the Boys & Girls Clubs' budget. United Way is another beloved and popular charitable organization in Knoxville. "The United Way people are very supportive of us," Lee said. "And it's probably due to the fact that we do a good job at what we do" (Interview, 1998). Local officials like Knoxville Mayor Ashe and Knox County Commissioners supported the organization. Senator Bud Gilbert, at the time of the Duck Race issue, served on the board of the Moses Center, one of the clubs' centers or clubhouses. The Boys & Girls Clubs not only had positive relationships with local business and media leaders, it had positive relationships with local and state officials. These relationships promoted a positive image for the organization and its programs for boys and girls.

After the "cease and desist" order was received, fund-raising strategies became two-way asymmetric. The Boys & Girls Clubs incorporated the suggestions or order by the secretary

of state and modified its fund-raising event. The organization told its story in the media to solicit public support and sympathy. It tried to build on the public sympathy expressed in *The News-Sentinel* letters to the editor, callers from a local talk show and people calling the Boys & Girls Clubs' offices through the Phantom Race. The organization promoted the collectibility of the merchandise. Now, more than before, the actual need by boys and girls of the vital programs provided by the organization was intended message. The fun of the original Duck Race was included, but the need for donations was the primary message at media appearances.

Boys & Girls Clubs volunteers and staff continued to work at "adoption" stations at sponsoring local malls. Staff and volunteers were provided with answers to possible questions they might have been asked during "duck duty:"

- Will there be a Duck Race this year?

- No, the race has been deemed illegal by the Attorney-General John Knox Walkup.

- Is anything scheduled for April 19?

- Yes, there will be carnival games at Volunteer Landing, next to Calhoun's on the River. It will be a fun day for the whole family.

- What happens if the race is deemed legal and goes ahead; will my purchase make me eligible to adopt a duck?

- If for some reason the decision to hold the race is reversed, your purchase will make you eligible to have a duck adopted in your name (Boys & Girls Clubs, 1997c) (see Appendix T).

Financial Outcome

The first year of the Duck Race in Knoxville, 1989, generated \$100,157, in income for the Boys & Girls Clubs. After the 1997 race cancellation the event, since its inception, had generated \$714,149 for the organization. Revenue in 1997 from the Duck Race came from

duck adoptions (\$50,192). Major expenses for the 1997 event included printing of "adoption papers" (\$16,310); merchandise: hats, shirts, fanny packs (\$10,498); inflatable ducks (\$4,815); souvenirs (\$8,180); postage and direct mail (\$3,274) and other expenses totalled \$53,588. In 1997 there was a net loss of \$3,396 on the Duck Race (see Appendix C).

The Duck Race was budgeted to raise almost \$150,000 for 1997 programs for the Boys & Girls Clubs, about three percent of its annual budget. Lee had invested \$35,000 in the Duck Race before the "cease and desist" order was issued. The organization spent another \$20,000 on T-shirts and other types of merchandise to try to recover with the Phantom Race (see Appendix C).

Lee said the organization received a couple of "small" \$3,000 and \$4,000 donations to help defray the cost. "We did have to liquidate some of our investments," Lee said. "To just make up for everything with the shortfall. And that was some stock. But that's the strength of our organization. I mean, not everything is coming from one funding source" (Interview, 1998). 1997 was the first year for another special event sponsored by the Boys & Girls Clubs, the Chris Woodruff Tennis Tournament, and generated \$35,000, which was not budgeted.

Lee said that the Boys & Girls Clubs of America, the national organization, was aware of the Duck Race issue, but was unable to provide financial support for the Knoxville organization. "We receive some pass-through dollars from them annually through some federal programs," Lee said. "But as far as being able to step up and take care of a shortfall? No they're not able to do that" (Interview, 1998).

CHAPTER V

REACTION AND ROLE OF THE PUBLICS

The role of public opinion contributed to the outcome of the case. Opinion about the Boys and Girls Clubs and the Duck Race leading up to the "cease and desist" order as well as after contributed to the course of events. To understand the role of groups of people or publics involved in events related to the Duck Race, they have been segmented into two types of publics: internal and external.

Public Opinion

Boys & Girls Clubs

The Boys & Girls Clubs is one of Knoxville's most popular and beloved charities. It receives a sizable contribution from United Way, one-half million dollars annually.

Wesley Loy, local newspaper reporter, described the Boys & Girls Clubs as "if not the top, one of the very top recipients of charitable giving in the city and in Knox County. It is a force, as a place. If you are going to make a charitable donation that is one of the main ones you are going to think of. They already had a great image and a respected image" (Interview, 1998). Sometimes, the organization downplayed its role in the community according to Loy, "I guess the Boys & Girls Clubs like to portray themselves as, at least in this situation, as the little guy, the little victim, not a big powerful organization. But it's a multimillion dollar organization" (Interview, 1998).

Duck Race

Public opinion about the Duck Race was "overwhelmingly positive" according to local radio talk show host Hallerin Hill. It was more than a fund-raising opportunity for the Boys & Girls Clubs. "It was not only a fund raiser," said Hill. "It was a fun, fund raiser. And people seemed to enjoy it very much" (Interview, 1998). Jim Acosta, local television reporter, described the Duck

Race as a "very big media event. If not the top community event of the year, the second" (Interview, 1998). Loy said the Duck Race was the "darling of all the business and media and political establishment in Knoxville, a wonderful event." Considering the sheer numbers of people that buy a duck to throw in the river Loy said, "there was no denying the fact that it was a beloved, popular event in town." (Interview, 1998).

David Wigler, attorney for Friends of the Tiger, said "There's no question that the Duck Race was one of the most visible, highly publicized games of chance to benefit a charitable organization. There was advertising for the Duck Race everywhere" (Interview, 1998).

Ernie Brooks, Boys & Girls Clubs vice president of volunteer services, said before the opinion, everyone was very positive and supportive of the event and looked forward to it. "Rubber ducks are fun, and it benefits boys and girls," said Brooks. "The event is so unique and so different" (Interview, 1998).

Public Opinion after Cease and Desist:

Boys & Girls Clubs

Jim Acosta, local television reporter, said people maintained the same attitudes about the Boys & Girls Clubs after the Duck Race was declared an illegal lottery. He said they thought it was a "first-class operation that helps disadvantaged children across the country" (Interview, 1998).

Public sympathy was high after the event was cancelled, according to Brooks, "People called to say they couldn't believe it and they supported the Boys & Girls Clubs." Brooks said the phone rang off the walls and estimated about 50 to 75 calls came in to the Boys & Girls Clubs' offices the day after the opinion (March 20) from people all over the state, not just Knoxville (Interview, 1998).

Duck Race

After the Duck Race was cancelled Hill said people called in to say, "It wasn't fair. We were helping a great organization. And it was fun." He remembered some were disappointed after it was cancelled. He said people did call to complain that it was hard to get a free duck (Interview, 1998).

Hill didn't think the crisis or cancellation of the Duck Race affected public opinion about the Boys & Girls Clubs. "I think the Boys & Girls Clubs is held in very high esteem," Hill said. "And the positive feeling or the opinion about their work did not change because of this event. If anything happened, it heightened the awareness that the Boys & Girls Clubs needs to be supported. It (the Duck Race cancellation) probably called people to think of other ways to raise money that was annually brought in by the Duck Race" (Interview, 1998).

Lee said public reaction to the Duck Race had "all been positive. There was never anyone that didn't wish the Duck Race was there and could keep going in the community. It just wasn't an issue until the newspaper made it an issue" (Interview, 1998).

Acosta said people thought it was "ridiculous that the Duck Race would be unconstitutional. They didn't see the harm in it." Acosta said people did not think a Duck Race with prizes should be compared to a state lottery "where people could throw their money away at something they really didn't have a chance at winning" (Interview, 1998).

In a letter to the editor printed in *The News-Sentinel* on April 6, Paul Taylor, from Crossville, Tenn., wrote, "I suppose that we all were beginning to look upon the annual rubber duck race to support the Boys & Girls Clubs of Greater Knoxville Inc. as a springtime happy bit of festivity as common to our Americana culture as apple pie" Taylor urged that the Duck Race go on as scheduled to "let the day be for the deserving kids who will benefit so much by it" (*The News-Sentinel*, 1997).

Henry T. Ogle, of Knoxville, in a letter to the editor, wrote, "The duck race was a fun event to some people... If you can outlaw my fun, why can I not tackle some of your fun and

make it illegal?" Ogle questioned what other previous freedoms would be lost and concluded, "Boys & Girls Clubs lost \$140,000 in needed funds. Why? Because our priorities got twisted. Shame on us" (*The News-Sentinel*, 1997).

In another letter to the editor from Ronald J. Smalley of Jacksboro, Tenn., Smalley wrote that he was in favor of the Duck Race. He commented on recent actions by local officials: "The powers that be are horrified and dismayed now that their favorite lottery (the Duck Race) has been declared illegal by the state of Tennessee." Smalley said you can't tell senior citizens they can't have a once-a-week bingo game for cake and cookies and allow the Duck Race to happen. "Either all of it's legal or all of it isn't" (*The News-Sentinel*, 1997).

Wigler said about 20 to 30 people blamed him for the Duck Race being cancelled, even stopped him on the street. "People contacted me and were very upset with me for having, what they perceived, that I had something to do with the downfall of the race," Wigler said (Interview, 1998).

Internal Audiences

Boys & Girls Clubs Staff / Board of Directors

The Boys & Girls Clubs employs 60 full-time and part-time staff persons who are "specially trained in the delivery of programs that help instill in youth a sense of belonging, usefulness and accountability." Those staff members who worked closely with planning the Duck Race and crisis events include John Lee, Ernie Brooks and Tracy Taggart.

When asked how his staff and volunteers were notified about the "cease and desist" order, Lee, executive director of the Boys & Girls Clubs, said, "It was on the front page of the newspaper. You had to be under a rock or dead, not to know" (Interview, 1998). The staff had regular meetings and talked to each other every day, according to Steve Wise, Boys & Girls Clubs board of directors chairman. There was no official form of communication for notifying staff and volunteers of crises.

Lee, or the "Big Quacker," is the chief executive officer and official spokesperson for the

Boys & Girls Clubs. The Duck Race initially was his idea in 1989. He worked closely with other members of the staff. Wise described Lee as being very passionate about the kids and the programs it provided. At the February 21 news conference, Lee dressed up in a rubber duck costume to help kick off the event. At other news conferences Lee wore a red tie speckled with tiny yellow rubber ducks wearing sunglasses. Being the official spokesperson, Lee seemed to have a good relationship with local media as well as sponsors. Lee also worked closely with Wise, the chairperson of the organization's board of directors. Lee maintained an open relationship with local and state officials. He met with Burson to find out if the Duck Race was legal. In previous years, Lee had been assured that the Duck Race was legal.

Brooks helped arrange volunteers for "duck duty" and to help the day of the event. He worked closely with Lee providing additional assistance on the Duck Race and other special events when needed.

Taggart, vice president of marketing for the Boys & Girls Clubs, helped Lee prepare press releases. Lee described it as putting out "down-and-dirty statements" from him and signed by him. He said she did not have to run much interference for him. Lee was the primary contact for the media and the official spokesperson. Taggart prepared the news releases that were distributed throughout the events. She also prepared the questions for "duck duty" at the mall. Her role was more promotional in nature to market events and services of the Boys & Girls Clubs.

The Boys & Girls Clubs Executive Board of Directors governs all of the centers in the organization. The organization is divided into clubhouses or centers, each with a board of directors. Steve Wise served as the chairperson of the executive board of directors at the time of the events related about the Duck Race. Wise was a volunteer for the Boys & Girls Clubs and not in a paid staff position. Wise also was a local attorney. He advised Lee on a regular basis during events relating to the Boys & Girls Clubs and the Duck Race. He and other lawyers researched legal options to the legality of the Duck Race. As the chairperson, he also spoke in an official capacity to the media. When Lee became agitated with Acosta, Wise called Acosta to

retract Lee's statement and to make another official statement.

Duck Race Sponsors

Official sponsors of the Duck Race also played a major role in the events surrounding the duck race. There were two types of sponsors: media and prizes. The media sponsors included: WBIR-TV, WIVK-FM, and *The News-Sentinel*. Representatives from the marketing arms of these organizations met with Lee to develop strategy for the promotion of the event. Their names were strategically placed in all Duck Race promotional material. They were sometimes listed in news releases as sponsors. Media sponsors helped to create "hype" for the event, according to Lee. "In an event such as this, you have to have the media, media attention for it to be successful," Lee said "Media sponsors really publicize it and really make it an event" (Interview, 1998). In promotional material, the media sponsors received top billing over prize sponsors. They were almost hosting the event, like the Boys & Girls Clubs.

Representatives from the media sponsors met with Lee to plan promotions for the Duck Race. Together they determined a kickoff news release would be effective. When the Duck Race was cancelled, media sponsors helped to promote the Phantom Race. WBIR-TV created another television advertisement entitled, "Jailhouse Duck."

Sponsors who donated prizes received promotional value in the media promotions. Prizes included a GMC Sonoma from Delmar Haynes valued at more than \$11,546; a home entertainment center valued at \$5,000; a Delta dream vacation from Delta Airlines and World Travel Service; a yard tractor valued at \$1,695 from Lowe's Home Centers, Inc.; a mattress set from Sleep Fair valued at \$1,000; \$1,000 shopping spree from JCPenney; \$1,000 gas gift certificate from Pilot Foodmarts; and three \$500 gift certificates to West Town Mall. The 107th duck in the duck trap was scheduled to win a personal Kawasaki Watercraft valued at \$5,000 from WIVK-FM. Sponsors received recognition on the duck race "adoption papers" as well as

mention in media sponsor promotions.

Media sponsors helped to create the event as a happening in Knoxville and prize sponsors provided prizes that participants wanted to win. Both of these types of sponsors generated excitement and attracted participants to the Duck Race. The role of both types of sponsors was integral in the continued success of the Duck Race.

Boys & Girls Clubs: Volunteers, National Organization

Volunteers helped recruit duck adopters by handing out "adoption papers." They worked at the malls selling merchandise and "adoption papers" or did "duck duty." When potential participants approached them to buy merchandise or sign up to be a duck they became unofficial spokespersons for the organization. After the duck race was cancelled, volunteers were given a list of "potential questions you might be asked during Duck Duty."

The Boys & Girls of America was informed of the events surrounding the Knoxville clubs' duck race. However, the national organization did not provide any communications or financial assistance and during the related events.

External Audiences

Media

Local media portrayed the Boys & Girls Clubs as a popular organization. *The News-Sentinel* described the Duck Race as: a "revered" event (Loy, 1996a); "a popular charity fund raiser;" "a hugely popular Knoxville event;" "a springtime joy for Knoxvilleans," "a vital fund raiser" (Loy, 1996c); "a popular springtime charity," "one of the most important fund-raisers for the Boys & Girls Clubs" (Loy, 1996b); "an immensely popular springtime fund raiser" (Loy, 1996a).

All three local television networks broadcasted the Duck Race issue and the Boys & Girls Clubs during the crisis. WBIR-TV, also a media sponsor, had more of a role in making news when Acosta submitted a request on the legality of the Duck Race. Following the "cease

and desist" notice, WBIR "broke" the story on its newscast.

Local media played a major role in informing the public or potential duck adopters about the events. They also helped to keep the Boys & Girls Clubs in the news and positively promote the organization's image.

Wise said the media "drove the train on this thing" and kept "slamming it on the front page. Of the twelve Duck Race-related articles in *The News-Sentinel*, only two articles, October 6, 1996, and March 30, 1997, were not prompted by related events, news releases from the Boys & Girls Clubs or related news conferences. The Duck Race, related events and the issue of legalized gambling for charity remained in the news because of other actions, not necessarily front-page news coverage prompting the events. With front-page coverage, the Boys & Girls Clubs had more opportunities to inform the public or potential duck adopters and or future Boys & Girls Clubs contributors about the programs and opportunities of the organization.

Tennessee State Government

"Nobody in authority at the state level or local level had any interest in doing anything to upset the duck race applecart," Wise said. "It was a media-driven news event. And everybody just wanted it to go away. And had it gone away, had the media just left it alone, there would still be a duck race" (Interview, 1998). Wise did not think Acosta's request for an opinion played a major role in the issue, but the fact that the media "kept putting it out there," according to Wise (Interview, 1998). Tennessee Senator Bud Gilbert had a duty, Wise said, to request the opinion. And once it was requested, the attorney general had to respond to it. "I think Charlie (Burson) did the best he could by saying that while the litigation was pending he wasn't going to issue an opinion," Wise said. "But the litigation was ultimately resolved and there was no longer any reason not to and he had to issue an opinion. And there we go" (Interview, 1998).

When Gilbert received a request for an opinion on the legality of the Duck Race he sent a request for an opinion to Attorney General Charles Burson. Gilbert was also the contact for

the Boys & Girls Clubs as it provided revised rules for the attorney general. Gilbert was personally associated with the organization by being a volunteer member of the board of directors for the Moses Center in Knoxville. When Walkup's decision was made, Gilbert said he was "sad a fund-raiser for the Boys & Girls Clubs is now lost. I'm very concerned because I think the Boys & Girls Clubs is a fine operation. They help a lot of kids in our community. I know it has never been their intent to violate the law" (Loy, 1997b).

According to Lee, Burson assured him on three occasions that the Duck Race was legal, according to a Boys & Girls Clubs news release (see Appendix D). As attorney general, it was Burson's duty to provide an opinion once requested. Because of pending litigation, Burson declined to opine on December 18, 1996. After Burson left office, Walkup became attorney general on February 14, 1997.

Walkup's opinion stated that, in fact, the Duck Race constituted an illegal lottery according to the Tennessee Constitution (see Appendix O).

City of Knoxville / Knox County Officials

Acosta remembered the mayor and county commissioners in a news conference scheduled by the mayor stood outside the Boys & Girls Clubs offices and spoke of their support the organization and the event. He said politicians often do things that will seem popular to the general public, like supporting the Duck Race. "No one in their right mind would come out against the duck race," said Acosta. "No one" (Interview, 1998).

Knoxville Mayor Victor Ashe held a news conference on March 20 to show his support for the Boys & Girls Clubs and to urge continued donations for much-needed programs. Loy said Ashe used this occasion to "rail on one of his favorite political issues" (Interview, 1998). Ashe was quoted in *The News-Sentinel* admonishing the attorney general for delivering a long-awaited opinion so close to the scheduled race date. Loy reported, "Ashe has argued previously the state attorney general should be elected by the people -- as in most other states -- and not

appointed by the state Supreme Court (Loy, 1997c).

Knox County Commissioners voted to become sponsors of the Duck Race on March 24. As a sponsor the commissioners "established a standing to challenge the opinion in court." The sponsorship was proposed by Commissioner Scott Davis, "who argued the opinion could affect other nonprofit charities and school raffles" (Silence, 1997). When Davis presented the sponsorship proposal to the commissioners he asked, "Why not help them raise the money now so they don't come to us (needing a budget boost) three months from now?" Davis said he envisioned "all 19 commissioners floating downstream on big rubber ducks, presumably amidst the tiny ducks adopted by racers to raise money for the Boys & Girls Clubs." (Keim, 1997). Knox County Law Director Richard Beeler said, in *The News-Sentinel*, "he would discuss the challenge with sponsors and likely seek a temporary restraining order so the race with monetary prizes can go on" (Silence, 1997).

Knoxville Residents

The people of Knoxville were upset with the cancellation of the Duck Race. "Radio talk shows squawked with indignation over the demise of the duck race," wrote Loy in the lead story on the front page of the Sunday newspaper on March 30. "What, the people cried, is so wrong with that? The duck race is fun, they said, and it's for a good cause." Later in the "analysis" article, Loy described the Duck Race as "an event that helps one of the city's most favorite charities, the Boys & Girls Clubs. An event that had an impressive list of sponsors, including most of the city's major media companies, its main shopping malls, a bank, a prominent car dealer, TVA and many others." Sen. Steve Cohen (D-Memphis) predicted in Loy's article that "upsetting people like that might make a difference in the fight for a lottery in Tennessee" (Loy, 1997d).

Loy described an overall public sense of frustration to the cancellation: "Why can't we have any fun? What's wrong with having this duck race once a year? People were just kind of disgusted that this had happened" (Interview, 1998).

Local radio talk show host Hallerin Hill said people called in to say, "It wasn't fair. We were helping a great organization. And it was fun." Hill described public opinion about the Duck Race as "overwhelmingly positive." It was more than a fund-raising opportunity for the Boys & Girls Clubs, according to Hill. "It was not only a fund-raiser. It was a fun, fund-raiser. And people seemed to enjoy it very much" (Interview, 1998).

Loy said everyone liked a good race: "People like horse races, dog races, the space race. They like a duck race." Loy's opinion was that it was the combination of the opportunity to wager and the pageantry that brought people to the event. "You can take your kids. It's great fun. People like to gamble. It's a small gamble, but the payoff is pretty big. I think that's what accounts for its popularity" (Interview, 1998).

Lee said the duck adopters were not philanthropic minded and liked to gamble. They felt sympathetic for the Boys & Girls Clubs, but were not moved to make an additional donation. The majority of those that did adopt ducks for a \$5 donation, did not ask for their donations back. Some did purchase merchandise for the Phantom Race. Lee knew that this audience was comprised of potential donors for the Boys & Girls Clubs as exemplified by the land donation from Crossville.

CHAPTER VI

DISCUSSION OF FINDINGS AND CONCLUSIONS

Discussion of Findings

To evaluate and interpret the events of this study, it is helpful to review the thesis questions. The purpose of the study was to evaluate the role of public relations for a non-profit organization in a crisis. Crisis communications strategies employed by the organization, subsequent media coverage, and public response to the event were evaluated. The study also evaluated fund-raising strategies and the financial outcome for the organization.

The specific research questions that guided this study were:

1) What was the role of the media in the crisis and subsequent fund-raising efforts? 2) How did the reaction of the publics affect the results of the Duck Race fund-raising campaign? 3) What were the models of public relations and fund raising used by the Boys & Girls Clubs, and what were their effects? 4) What, if any, crisis or alternative plans did the Boys and Girls Clubs prepare in anticipation of the possible cancellation of the 1997 Duck Race, and what were the results of the subsequent Phantom Race? 5) What was the outcome of public opinion about the Boys & Girls Clubs and results of fund-raising efforts?

1) What was the role of the media in the crisis and subsequent fund-raising efforts?

Steve Wise, lawyer and chairman of the Boys & Girls Clubs board of directors, said the judge's ruling in a "small civil court case" put the issue on the media's agenda. He described media coverage as "driving the train on this thing. There wouldn't have been an issue if the paper had not kept slamming it on the front page." (Interview, 1998). Wise said the Boys & Girls Clubs was merely responding to the events. "This is a case where the media created news," Wise said. "The Duck Race was perfectly okay until the newspaper started saying 'hey, this is not okay,'" (Interview, 1998).

Even with Boys & Girls Clubs Executive Director John Lee's open frustration with the

local media at times, coverage consistently portrayed the Boys & Girls Clubs and the Duck Race in a positive manner. The articles called it a "beloved" organization. City officials rallied around the Boys & Girls Clubs and the Duck Race. This was also covered in the media. The Boys & Girls Clubs was depicted as the victim or the loser in a situation where there was not a clear victor.

City officials and local opinion leaders did not rally around the Friends of the Tiger bingo game. That organization had not developed relationships with these officials before the hearing. They did not utilize a two-way symmetrical form of communication with officials or the media. Their form of communication was one way and described the need of funding for Friends of the Tiger or a public information model of communication.

Media coverage of the Friends of the Tiger's situation described it as a non-profit organization that cared for endangered cats. Friends of the Tiger received front-page coverage of its story. However this coverage might have been linked to the popularity of the Duck Race as well as the reputation of the Boys & Girls Clubs, which was also included in the articles.

Marra (Kelly, 1993) identified strategies and techniques common to "excellent" responses to crises. "Strong and well-developed relationships with key publics prior to a crisis" will help an organization suffer less "financial, emotional or perceptive damage" than those without these relationships. The Boys & Girls Clubs had positive relationships with local officials as well as the media. Had the media printed some of Lee's comments from being frustrated with the issue, public opinion and/or the outcome might have changed. In both cases newspaper and television reporters gave Lee and the organization the benefit of the doubt. The strong relationships with local officials, the media and the Boys & Girls Clubs has evolved through Lee's tenure with the Knoxville organization and the quality services it provides for boys and girls. Lee was very passionate about the programs the organization provided and regularly pursued other avenues for programs and services. In an interview Lee said, "You have got to understand who you are dealing with, I'm crazy. I'm not a magician, but I keep pulling rabbits

out of my hat" (Interview, 1998). News releases described Lee as the "Big Quacker." He dressed up in a duck costume for the Duck Race kickoff press conference in February 1997.

Marra (Kelly, 1993) also suggests a two-way symmetrical form of communication during precrisis relationships to achieve less damage during a crisis. The Boys & Girls Clubs utilized the two-way symmetrical form of communication with local opinion leaders and media to develop its strong foundation of continued local support. By enlisting local officials and media to serve on the organization's committees or interact with the organization through special events the Boys & Girls Clubs achieved a successful two-way symmetrical form of communication. The organization also maintained strong relationships with the media and community by providing quality programs for area boys and girls. The relationships between the Boys & Girls Clubs and the media as sponsors working together to promote the Duck Race and other events, as well as relationships with local officials, created a two-way symmetrical form of communication. Working with the media is part of the two-way form of communications and fund raising.

Seitel (1992) recommends that media requests be handled separately during a time of crisis and analyzing what the organization has to gain from "going public," or perceived benefits and risks. The Boys & Girls Clubs used the media to the fullest extent. The Boys & Girls Clubs issued news releases, provided background information, participated in interviews and created opportunities for publicity or media coverage by capitalizing on "new rules" during the Duck Race kickoff news conference. Another way the organization worked with the media was to depend on its sponsorship expertise for promotional guidance. The organization did not seem to weigh risks when talking to the media. The Boys & Girls Clubs understood that its organization depended heavily on public support as well as media coverage. Both Lee and Wise said that for their organization, especially when promoting a special event, "any news is good news." The Boys & Girls Clubs, through its strong and positive precrisis relationships with local officials, businesses and media, maintained benefits through its media coverage in terms of the portrayal of the organization.

Perhaps, like Wise said, if the media had not "slammed this thing on the front page" the

issue might have gone away. But, this issue was out of the scope of control for the Boys & Girls Clubs as it was "forced" into the media's attention. Likewise, of the 12 articles printed in *The News-Sentinel*, most of them front-page, only two were not prompted by related events or news releases from the Boys & Girls Clubs. Wise was correct that the Duck Race was included in the headline in a local story about a small civil case. But the media did not create this comparison. David Wigler, attorney for the bingo hall, in an effort to represent his client, Friends of the Tiger, to the best of his abilities compared it to what Lee called, "the biggest game in the state," which was sanctioned by local and state authorities.

The Boys & Girls Clubs through excellent management of communication and a strong reputation maintained a positive and hopeful outlook on a situation that was out of its scope of control. It provided an entertaining event that was highly popular in the community.

The front-page and evening newscast coverage in the media brought the Boys & Girls Clubs and its quality programs before the public or potential donors more than the Duck Race alone would have been able to achieve.

Media coverage, although favorable and plentiful did not prompt residents to give money to the Boys & Girls Clubs. In the sense of actually raising funds, the coverage proved unsuccessful. Although there was not an outpouring of donations resulting from media coverage, there may be future donors who became aware of the organization through the crisis and related media coverage.

2) How did the reaction of the publics affect the results of the Duck Race fund-raising campaign? (Role of Public Relations)

Along with providing quality programs and services for inner-city children and youth in Knoxville, planning, promoting and hosting special events is a specialty of the Boys & Girls Clubs. Although labor intensive, special events were its primary method of fund raising. Special events as well as the services the organization attracted local officials, media and opinion

leaders to become supporters of the Boys & Girls Clubs. These relationships, which used a two-way symmetrical form of communication, were in place for many years.

Events were promoted through sponsors or with press agency. The Boys & Girls Clubs enlisted top media outlets in the area as sponsors, which created "hype" and made the events "happenings." These events included: Auction for the Kids, D.D. Lewis Boys & Girls Celebrity Golf Tournament, the Nike Knoxville Open, Tim Owen Bass Tournament, Knoxville Sports Hall of Fame and Vestal Dinner.

Each event was "marketed" to different audiences through the benefits or entertainment the event provides. The Duck Race attracted gamblers: "They're not philanthropic minded," Lee said (Interview, 1998). The Boys & Girls Clubs through trial and evaluation determined most participants or duck "adopters" did not know the benefactor of proceeds. The majority according to Lee, did not. The organization determined this through an unsuccessful direct-mail campaign soliciting end-of-the-year donations in 1989 and 1996. Lee said it should have learned this the first time. Both mailings broke even, but did not generate intended funds.

The Duck Race was sponsored by one of the top-rated radio stations, WIVK, which has won awards for news coverage and plays a country-music format. Prizes appealed to the radio station's audience with a truck, yard tractor and Kawasaki watercraft as prizes. Most people interviewed for this study remembered the jet ski as the big prize of the race, which was given by WIVK. The truck was the most valuable prize at more than \$11,500.

The event was not limited to WIVK's listening audience. Wigler said he saw an ad for the Duck Race in a playbill for the Knoxville Symphony Orchestra, a different audience entirely.

Using press agency was successful to promote the Duck Race to the general public. The primary draw to the audience was the Duck Race itself, not necessarily helping boys and girls. Adoption booths were set up at shopping malls. Large inflatable ducks were stationed outside local malls, one by the on/off ramp to a major highway. Promotions created a festive atmosphere leading up to the Duck Race and helped make it a "spring happening." Opportunities

to promote it were everywhere. A local sponsoring bank posted "adoption papers" at the drive-through windows for tellers, who were more than happy to distribute them. The event had entertaining promotions and a big news conference to kick it off.

For a donation of only \$5, participants could be a part of this popular happening, have a chance to win valuable prizes and perhaps feel good that they were helping boys and girls. This follows the norm of reciprocity and Blau's theory of social exchange. The norm of reciprocity requires that one return benefits to benefactors, assuming that people are more likely to give where they have actual benefits than without. Special events provide exchange with a reciprocal process, like a five dollar donation to "adopt" a duck in return for a chance at winning prizes.

Both of these theories were exemplified with the Duck Race. Participants donated \$5 for a duck (chance) or \$10 for a T-shirt and a free duck (chance). When the reward or recognition of donation or the opportunity to win prizes was no longer available, Knoxville residents, former participants, or both, did not make donations. Even though Knoxville residents were sympathetic, the almost "pure philanthropy" did not motivate donations. Key opinion leaders and city officials called upon the people to step up and help boys and girls. But this did not motivate them to make donations.

According to the theory of exchange:

- 1) Individuals have needs they seek to attain;
- 2) Sometimes these needs are best achieved in an organizational setting;
- 3) Organizations help meet these needs to influence behavior.

Lee said these people wanted entertainment and they wanted to gamble. However, gambling is illegal in Tennessee. The Boys & Girls Clubs provided an organized opportunity to play the odds of winning with the pageantry of a popular event. Influence came from desirable prizes and festive atmosphere in media promotion and related events.

Most duck adopters did not ask refunds for their \$5 donations after the race was cancelled. People wanted to have fun, so the Boys & Girls Clubs planned an alternative event, the Phantom

Race. This event did not have the attraction, product or chance of winning, that the original race had.

Through media coverage the city was blanketed with news about the Duck Race and related issues. Lee said, "You had to be under a rock or dead not to know" (Interview ,1998). Now the residents of Knoxville may know more about the need for funding through events.

Participants and residents may now associate the Duck Race with the Boys & Girls Clubs, rather than just a duck race. This in turn may provide additional dollars from future donors. However, the support of local officials, media and Knoxville residents did not prove to be successful in this fund-raising campaign. The 1997 Duck Race, which was cancelled as well as the Phantom Duck Race both failed to raise intended funds.

The strong relationships and open two-way forms of communication helped the Boys & Girls Clubs maintain its reputation and credibility. The organization's reputation was not damaged even though the event it had been sponsoring had been declared illegal.

The media coverage may have moved residents in Knoxville from nonpublics who have no interaction or effect on the organization, to latent publics where individuals face similar problems but do not detect the problem, to aware publics with individuals recognizing the problem. Before the Duck Race was cancelled it was a highly popular and successful event attracting a lot of participants. After the Duck Race was cancelled, and it was front-page news, many residents would have become aware of the problem. The community's collective sympathy worked as an aware public. Had Knoxville residents taken action to support the Boys and Girls Clubs much-needed funding for programs or the Phantom Race, they would have become members of an active public.

The mayor, county commissioners and other leaders in the community speaking out in support of the Duck Race acted as an active public.

The Boys & Girls Clubs worked as an active public when it researched alternative options and had an active role in speaking with the media. However, by not evaluating the cancellation of the Duck Race, the organization functioned as a latent public, where it faced a

similar problem but did not detect it for a few months.

Public relations efforts of the Boys & Girls Clubs during the Duck Race crisis were handled primarily by the executive director, John Lee. Lee was the official spokesperson for the organization, and Wise also provided quotes for the media. The organization's vice president of marketing, Tracy Taggart, prepared news releases and publicity information for the organization. She listed Lee as the spokesperson on all news releases. Taggart's responsibilities primarily focused on marketing the organization rather than public relations. The year after the Duck Race crisis, in 1998, Taggart moved away from Knoxville. Although representatives from the Boys & Girls Clubs said they will miss her, the organization decided not to fill her position.

Surveys of Knoxville residents' opinions on the Boys & Girls Clubs, the Duck Race, Friends of the Tiger or bingo were not compiled for the purposes of this study. Opinion of Knoxville residents was informally measured through local media stories, letters to the editor, talk show guests' responses and calls directly made to the Boys & Girls Clubs' offices.

3) What were the models of public relations and fund raising used by the Boys & Girls Clubs and what were their effects? (Management of Communication)

Press agency was successful in promoting the Duck Race. This model was highly effective to make the Duck Race "the biggest game in the state" according to Lee and one of the year's top events in the city according to local reporters. The Duck Race helped little boys and girls, but that was not the intended message of promotions, communications or fund raising. It was the entertainment value and the chance to win a prize. The Boys & Girls Clubs was mentioned briefly on the bottom of the "adoption papers" and briefly described on the inside of the "papers." However, the main attraction was the race and the chance to gamble and win. The yellow rubber ducks wore sunglasses and were appealing to the public. The promotions were designed to be entertaining.

Promoting entertainment though press agency helps to make a fund-raising special

event successful. Most participants were not giving specifically to help the Boys & Girls Clubs but to receive some perceived value in their "donation." This follows the norm of reciprocity. After the value of the donation or chance to win was gone, the chance to win, the Duck Race was no longer as appealing to the public.

After the race was cancelled the public information model of fund raising went into effect. The needs of the Boys & Girls Clubs were expressed in the media, press conferences, and other public calls for assistance. The message emphasized the needs of the organization rather than the entertainment of the event. The messages were also designed to invoke sympathy from the public and then prompting them to contribute.

The press-agentry model of fund raising is very effective for special events. The messages focused on entertainment value of the event. However, using the public information model to promote special events is not as effective. This model emphasizes the needs of the organization rather than the promotion of entertainment at the event. This model might also be used for special events targeting major donors to an organization. These donors gave because they have an enabling link with the organization and a vested interest in its programs. A public information fund-raising campaign would not attract the general public, but would attract those who have an interest in the organization.

The Boys & Girls Clubs used a combination of press-agentry and public-information models to promote its special events. Promotions stated the needs of the boys and girls, but focused primarily on the event's entertainment.

The Boys & Girls Clubs, through relationships it developed with local opinion leaders, business leaders, media representatives and local officials, had a strong following in Knoxville. It also received a lot of support from the United Way, locally. These relationships were developed through a two-way symmetric form of communication. The organization included these leaders in the community in previous special events and also included them as volunteers and members of their committees and boards of directors. The strong foundation of support that was developed

before the crisis helped the organization to maintain its reputation and credibility. However, this support did not help the organization to raise funds when the Duck Race was cancelled. Through other fund raising opportunities throughout the year, these relationships helped the Boys & Girls Clubs to find the funding. Friends of the Tiger, however, did not have the support of community officials and opinion leaders and may not have been as successful in raising the funds that they would have needed when the bingo hall was closed.

4) What, if any, crisis or alternative plans did the Boys & Girls Clubs prepare in anticipation of the possible cancellation of the 1997 Duck Race and what were the results of the subsequent Phantom Race? (Crisis Communications Strategies)

Crisis usually undermines an organization's most valued assets: credibility and reputation. In this case, both remained intact and maybe became better than before. Even though the organization did not focus on plans for the ultimate outcome, the cancellation of the Duck Race.

Fearn-Banks (1996) lists questions the media will ask when evaluating reactions in a crisis: "What happened? Why did it happen? Who or what is responsible? What is being done about it? When will it be over? Has it happened before? Were there any warning signs of the problem?" (Fearn-Banks, p. 65). These can also be used in evaluating crisis communications actions. When asked if there were any warning signs that the Duck Race would be cancelled both Lee and Wise replied, "No."

Wise said the Boys & Girls Clubs was aware that there was a problem during the trial. When the Duck Race was compared to a bingo game on the front page of the newspaper, Wise said it was an indication that this was something they had to "deal with." He said, "I don't think you call it a warning sign, we weren't warned of anything. Here someone had questioned the legality of something, which had never been questioned before" (Interview, 1998). When the media published the story Wise said, "I don't think you can call it a warning, but it certainly was an issue that we needed to work on, and we started to work on it at that point" (Interview, 1998).

Lee said, "Did it raise questions in my mind, due to the Friends of the Tiger being shut down? Yes, once they brought us out in court documentation. There was that likelihood that something would happen. But, Steve (Wise) had been assured by the former attorney general on three occasions, that "we were okay. And he told me, 'go with it.' So, the facts, the 'cease and desist' was a surprise" (Interview, 1998).

Wise described alternative plans, "We did research on different ways to salvage the Duck Race. The worst possible result being that we would just have to shut it down. And that's the one we ended up with" (interview, 1998).

Aside from Lee's open frustration with reporters, the organization's crisis communications skills were effective with the media. It released information in a timely and effective manner; all media outlets reported the event. These reports portrayed the organization in a positive manner. The Boys & Girls Clubs survived and did not lose its most valued assets: credibility and reputation.

Even though the organization did not have an official line of communication for staff, board members and volunteers, it effectively distributed its messages through the media. Opinion leaders, sponsors and the media were notified as well as the general public. The effective portrayal in the media of the needs of the organization strengthened the already positive image of the Boys & Girls Clubs. Effective crisis management may not only alleviate or eliminate the crisis, but also may position the organization in a more positive image than before the crisis. In this case, the positive image was strengthened.

Fearn-Banks (1996) identifies five stages in a crisis: 1) detection; 2) prevention/preparation; 3) containment; 4) recovery; and 5) learning. The Boys & Girls Clubs detected an issue or problem when the Duck Race was brought up in a civil court case and was then published on the front page of the newspaper. Lawyers researched legal options during the prevention and preparation stage. The lawyers altered the rules and thought the changes would be okay. The organization went ahead with planning and promoting the Duck Race as if there was not pending request for an opinion on its legality. But in court when Barbara Toms, director

of Tennessee's division of charitable solicitations, said the 1996 rules of the Duck Race merited an investigation just like bingo, the Boys & Girls Clubs should have planned for the cancellation of the event.

The planning stage was where the organization was unprepared. Toms said in court that the Duck Race should be investigated like bingo. Local authorities targeted bingo as an illegal lottery. Toms saw similarities in both sets of rules. Even though representatives from the organization were "assured" it was okay, but not encouraged to go ahead, it planned without regard for an impending crisis. The Boys & Girls Clubs invested a lot of money into an event that had not been officially declared illegal, but had a good chance at now being illegal.

Why didn't the Boys & Clubs plan for the Duck Race's cancellation before it was cancelled? The organization saw that as a very remote possibility and chose to ignore it. The organization did change its rules, but never received an official opinion that the new rules made the Duck Race legal. The attorney general could either rule that it was legal or illegal. The organization counted on the legal ruling and ignored the illegal one. More planning was devoted to salvaging the Duck Race than to finding alternatives if it was illegal. Lee acted surprised when the Duck Race was cancelled. He said "It hurts us financially to find out so close to the race." The Boys & Girls Clubs had indications that it might have been cancelled on September 23, 1996, more than seven months prior to the event.

The issue was on the media and public's agenda, so containment was out of the scope of control for the organization. Lee said it would look at the rules and comply with the law. It tried to contain the issue. But the organization helped keep the Duck Race alive by planning and promoting the 1997 Duck Race and holding a news conference. It seemed like the Boys & Girls Clubs ignored the warnings, even though it had unofficially been told the Duck Race should be okay.

If the Boys & Girls Clubs had planned for the possible cancellation of the Duck Race, its crisis plan should have included a method of communicating with its staff and volunteers that

the event was cancelled, a method of communicating with the media and local officials that it had been cancelled, a plan for speaking with the media including a designated spokesperson, and the development of an alternate planned event like the hurriedly planned Phantom Race with an alternate date if it rained. The planning or preparation stage for the possible cancellation of the Duck Race or crisis, should have included some research and evaluation of the potential success of another event like the Phantom Race. Through research, the organization would have discovered that the primary audience of the Duck Race was primarily interested in gambling and not helping boys and girls. This would have shown the weaknesses of the Phantom Race and its lack of or limited potential with this audience.

Recovery for the Boys & Girls Clubs was unsuccessful with the Phantom Race. The organization tried to plan an event similar to the Duck Race without the main attraction. If it had prepared for the cancellation, the organization might have been able to replace the Duck Race with another event.

The Boys & Girls Clubs learned that the Phantom Race did not appeal to the Knoxville public. The organization still pursued options for bringing the Duck Race back to life. Lee and other representatives met with the Tennessee Attorney General on a few occasions since the cancellation of the Duck Race to present changes to see if it might work. Currently the event is considered an illegal lottery.

When the Duck Race was cancelled one month prior to the event, the Boys & Girls Clubs began to look at alternative events to raise the budgeted funds that would be lost. The Phantom Race was planned and publicized about two weeks before it was scheduled to happen. Lack of planning and promotion may have been its downfall. The event was to provide entertaining events of the Duck Race without the actual race and "lottery." Residents were encouraged by local officials to support the Boys & Girls Clubs. This was another way residents could donate much-needed funds to the organization.

The Phantom Race was cancelled Lee said, because it rained that day. With proceeds

from duck "adoptions" or donations the organization lost about \$4,000. It had budgeted almost \$150,000 in Duck Race proceeds for programs in 1997. The funds were replenished through "small" donations of \$3,000 and \$4,000 from individuals, liquidating stock owned by the organization and the addition of a new special event that was not budgeted. Overall the organization survived the crisis financially without the proceeds of the Duck Race.

5) What was the outcome of public opinion about the Boys & Girls Clubs and results of fund-raising efforts? (Role of Publics)

Public opinion about the Boys & Girls Clubs was positive both before and after the crisis. It was a highly regarded charitable organization in the city by businesses, local officials and United Way. Local news reporters Wesley Loy and Jim Acosta said the organization was one of the city's "darling" charities.

Public opinion about the Boys & Girls Clubs was positive because the organization provides quality programs for inner-city boys and girls, provides entertaining and popular special events professionally in Knoxville and has the continued support of local and state officials, opinion leaders, area residents, businesses and the media

Opinion of Knoxville residents was informally measured through letters to the editor, telephone calls to the Boys & Girls Clubs, telephone calls to a local radio talk show, newspaper articles and television news stories. Although the opinion about the organization was overwhelmingly positive, it did not prompt Knoxville residents to give money to the organization. The positive response of opinion leaders, local officials and the media did not help fund-raising efforts. But it did strengthen an already solid reputation and image of the organization.

Efforts of opinion leaders to prompt Knoxville residents to give funds to the organization failed. These efforts may have helped to solidify the Boys & Girls Clubs as a credible and quality organization helping the community as well as inner-city boys and girls.

The Boys & Girls Clubs provided other entertaining special events throughout the year,

which were successful in raising funds and friends for the organization. The other events succeeded because they provided a perceived entertainment for the participants. Special event fund raisers were a specialty of the Boys & Girls Clubs in Knoxville, which also contributed to the continued success of its other events.

Summary

The Boys & Girls Clubs maintained its positive image in the community through the events leading up to the cancellation of the Duck Race and subsequent efforts. Strong ties with enabling publics and key officials in the community as well as effective media sponsors helped to secure this response. The Boys & Girls Clubs was described by a local reporter as the "darling" of area charities. This organization provides quality programs for boys and girls and has shared this message with the community through special event fund-raising efforts.

With this strong foundation of local support, the Boys & Girls Clubs was able to survive the crisis. Management (Wise and Lee) at the Boys & Girls Clubs said it was not warned the event would be cancelled. When the issue was raised in court and a state official said the Duck Race should receive the same consideration as a bingo game, the leaders of the Boys & Girls Clubs should have planned for an alternate event or put the 1997 race on hold until an opinion was issued. This would have saved the potential loss of the initial investment in the race for merchandise, etc.

The comparison of the Duck Race and bingo was raised because the lawyers for the bingo hall thought it would work to help their client. Duck Race officials blamed bingo operators and said they were trying to close down the Duck Race. This was misinterpreted by the Boys & Girls Clubs. The Boys & Girls Clubs tried to distance itself from bingo. However, state officials recognized the similarities.

Boys & Girls Clubs officials also blamed the media for publishing the news on the front page of the newspaper. A review of newspaper articles showed the media did not keep this

issue alive. A local television reporter's request may have generated some action, however, anyone would have been able to ask a state senator to request an opinion. Even the Friends of the Tiger/bingo lawyers asked for an opinion on February 24, 1997, after a Boys & Girls Clubs news conference to kick off the Duck Race. Most of the media reports were generated from recent events or publicity efforts of the Boys & Girls Clubs. These efforts may not have received the front-page or first-section coverage in the local newspaper if the organization and/or Duck Race crisis had not been in the news earlier. Overall, the media coverage helped to strengthen the organization's already strong presence in the community.

Although the author does not recommend creating a crisis communication plan for every anticipated crisis, each organization should have an overall crisis communications plan. When the issue was raised in the fall, the Boys & Girls Clubs researched options, but did not seriously consider the cancellation of the \$150,000 event. Had it created a plan when the issue was raised (a warning sign), the organization would not have had the potential loss of initial investments. Lee said "To find out this close to the event really hurts us." But there were signs more than six months in advance. Even postponing planning for the event until an opinion was issued might have alleviated the potential loss. Other successful special events as well as new events in 1997, contributed to the financial stability of the organization in 1997, even though it lost the budgeted funds from the Duck Race.

Special events provide communication with an external market and help raise funds for charitable organizations. If a non-profit organization budgets the majority of its funding in a special event, it may want to investigate potential crises or alternative plans. If the event is cancelled because of weather or other uncontrollable forces, would it be possible to reschedule? These organizations are very dependent on funding for existence. If the funding method is lost, the organization will struggle to continue with its operations. Organizations do not need to create a total crisis communications plan for any anticipated or unanticipated event, but if they encounter any warnings, it is in their best interest to develop a viable alternative. If the special

event is in the media, the organization's efforts to handle a crisis may also be reported in the media. With preparation, these reports may help to strengthen the organization's reputation in the public.

The role of public relations in this study proved to be important although it did not help generate desired funds. The Boys & Girls Clubs should employ the assistance of a public relations professional or public relations consultant to advise the organization in the future. With some of Lee's responses to questions from the media, the organization might look into designating spokesperson who is not tied so closely or emotionally with the organization. Local media representatives were kind to the organization when they did not report Lee's quotes. These quotes might have proven harmful to the organization's reputation.

The failure of the Phantom Duck Race and the failure of the organization to raise funds when the Duck Race was cancelled show that participants in these events are not philanthropic minded. Participants in special events like the Duck Race and bingo are playing or purchasing chances or tickets because of the event itself. They are not motivated to give to the organization. These type of events are successful in generating funds, but in a time of crisis they are not effective to raise funds. These events are designed to promote themselves and provide entertainment value rather than generating support because of interest in the organization.

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APPENDICES

APPENDIX A

Great Knoxville Rubber Duck Race "Adoption Papers" (1996)

OFFICIAL RULES AND REGULATIONS OF THE GREAT KNOXVILLE RUBBER DUCK RACE

Presented by the Boys and Girls Clubs of Greater Knoxville, Inc., a 501(c)(3) Corporation (tax exempt charity) Tax I.D. #62-0475743. State permit #115. City of Knoxville Solicitation permit #58P.

1. A maximum of 50,000 ducks will be entered in the race.
2. Ducks will be released in the Tennessee River, upstream of Waterfront Park at approximately 12:02 p.m. on Saturday, April 20, 1996 or alternate day April 27, 1996. The race course will be established by the Presenter and will be approximately one mile long. The Presenter reserves the right to manually maneuver ducks up or down course.
3. All ducks entered will be provided by the Presenter and shall remain the property of the Presenter.
4. Once the ducks are launched, they are on their own. No attempt to free or interfere with any duck is permitted, unless deemed necessary by the Race Committee. The race course will close 30 minutes after the first duck has crossed the finish line and/or gathered in duck trap. Any ducks finishing after that time will not be eligible for prizes.
5. A number will be attached to each duck relating to the number on an entry ticket. The person's name who appears on the entry ticket corresponding to the first ducks in order of finish will be awarded prizes. Positive identification will be required to claim any prize won. A list of prizes can be obtained from the Presenter by sending a written request therefore, and a self-addressed stamped return envelope to: The Great Knoxville Rubber Duck Race, P.O. Box 27185, Knoxville, TN 37927-9958.
6. Presenter reserves the right, at its sole option, to substitute prizes of comparable value.
7. The combined retail value of all prizes will be over \$45,255.
8. The entry portion of each race ticket must be completely filled out and delivered to Presenter or an authorized representative of Presenter or mailed to Presenter at the address set forth in paragraph five (5) above and actually received by Presenter prior to the race for a ticket to be eligible to win any prize. No other tickets are eligible to win any prize. Entrants assume the risk of non-delivery of entries.
9. The Presenter reserves the right to limit the number of duck adoptions per individual.
10. No purchase is necessary in order to enter or win. Presenter does encourage a donation of at least \$5.00 per duck adoption to benefit the Boys and Girls Clubs of Greater Knoxville, Inc., a charitable organization under Section 501(c)(3) of the Internal Revenue Code. One free duck per person may be adopted at the Boys and Girls Clubs of Greater Knoxville, Inc., 407 Carwell Avenue, Knoxville, Tennessee 37917, WTVK, 6711 Kingston Pike or WBIR, 1313 Hutchinson Avenue, during regular business hours.
11. Winners will be announced. Entrants will, where necessary, also be notified by United States mail or by telephone. Race winners need not be present to win. If any race winner does not claim his or her prize from the Presenter at the address listed in paragraph five (5) above within 30 days after April 20, 1996, Presenter will select winner through random drawing of entry tickets. All prizes will be awarded.
12. Corporate directors and staff of the Boys and Girls Clubs of Greater Knoxville, Inc., WTVK, WBIR and The Knoxville News Sentinel and associated race sponsors and their immediate families (grandparents, parents, brother and sisters, and children) are not eligible to win. Also, the person appointed by the race committee to pull the ducks from the water in order of finishing nor any relative of said person either close or distant shall be eligible to win. Winners must prove eligibility.
13. No cash equivalent prizes will be provided in lieu of the designated prizes. Any and all taxes and similar fees, including, but not limited to, applicable license and registration fees on any vehicles, are the sole responsibility of the winner.
14. By entering, entrants release Presenter and its officers, directors and staff and other related entities from any and all liability with respect to prizes.
15. By entering, winners consent to the promotional use of their names and likenesses without additional compensation.
16. Chances of winning depend on the total number of qualified entries.
17. This event is subject to all federal, state and local laws and regulations and is void when prohibited by law.
18. The conduct of the race, and the determination of race winners will be audited by a representative of an independent accounting firm. All decisions and interpretations of rules and regulations will be made by Presenter and its judgement is final.
19. The logo of THE GREAT KNOXVILLE RUBBER DUCK RACE is a registered trademark of the Great American Duck Races and no other person or entity is authorized to copy or otherwise use it without the express written consent of the Great American Duck Race, (602) 957-3825.
20. A copy of these rules and regulations is available from Presenter at the address listed in paragraph five (5) above.

©Copyright 1996 The Great Knoxville Rubber Duck Race



The Great Knoxville Rubber Duck Race

Over \$45,255 In Cash & Prizes

Sponsored by:



at
KNOXVILLE WATERFRONT

April 20, 1996

(Alternate Race Day April 27, 1996)

To Benefit:



BOYS AND GIRLS CLUBS
OF GREATER KNOXVILLE, INC.

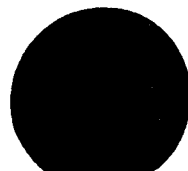
Entries must be received by April 20, 1996, 12:00 p.m.
for your lucky duck number to be valid.

THIS IS YOUR
LUCKY DUCK
NUMBER

301347

TIME AT HIGH TIDE

RACE



The Great Knoxville Rubber Duck Race

- GRAND PRIZE:** New 1996 GMC Sonoma Valued over \$11,600
- FIRST PRIZE:** \$5,000 Cash
- SECOND PRIZE:** Home Entertainment Center Valued at \$5,000
- THIRD PRIZE:** "Designer Original" Jewelry Valued at \$5,000
- FOURTH PRIZE:** Dimension Spa Valued at \$5,000
- FIFTH PRIZE:** A 3 Night Trip Orlando, Florida Vacation Valued at \$2,500
- SIXTH PRIZE:** Yard Tractor Valued at \$1,695
- SEVENTH PRIZE:** \$1,300 Mattress Set
- EIGHTH PRIZE:** \$1,000 Shopping Spree
- NINTH PRIZE:** \$1000 Gift Certificate for Gas
- TENTH PRIZE:** \$500 Gift Certificate
- ELEVENTH PRIZE:** \$500 Gift Certificate
- TWELVTH PRIZE:** \$500 Gift Certificate



WBIR-TV 10



SLEEP & FAIR

JCPenney



PLUS

The 107th duck in the duck trap will win a \$4,660 SeaDoo from Travis Marine



When: Saturday, April 20, 1996

Where: Waterfront Park

WHAT: The Great Knoxville Rubber Duck Race will be a one mile race with approximately 50,000 rubber ducks competing for over \$45,255 in prizes. Each duck will be numbered and each purchaser will receive a corresponding Adoption Number. (Your lucky number is on the front of this brochure.)

WHY: To benefit the Boys and Girls Clubs of Greater Knoxville, Inc.

RACE DAY SCHEDULE:

- 9:00 a.m. Festivities begin!
- 11:33 a.m. Grand Marshall Arrives "WTVICK the Frog"
- 12:02 p.m. Race begins - Upstream or downstream of Waterfront Park
- 12:51 p.m. Race ends - Waterfront Park/Calhoun's
- 1:30 p.m. Announcement of winning numbers at Waterfront Park

Come cheer your duck on, bring your quacky friends and invite your favorite ducks to view the sensational race! Adopt more ducks for more fun! Adoption tickets are good for multiple adoptions.

ADOPTION TICKETS (Very Important Duck) may be purchased for \$200 which includes ducks in the race, 2 T-shirts, 1 hat, and souvenirs, brunch for 2 and a cruise for 2 on the Star of Knoxville.

The Boys and Girls Clubs of Greater Knoxville, Inc., which serves over 3,200 boys and girls in the greater Knoxville Area.

For more information call DUCK Central Headquarters 544-DUCK (3825).



BOYS AND GIRLS CLUBS OF GREATER KNOXVILLE, INC.

APPENDIX B

Great Knoxville Rubber Duck Race "Adoption Papers" (1997)

ADOPTION PAPERS OF THE GREAT KNOXVILLE RUBBER DUCK RACE

Presented by the Boys and Girls Clubs of Greater Knoxville, Inc., a 501(c)(3) Corporation (tax exempt charity) Tax I.D. #62-0475743. State permit #115. City of Knoxville Solicitation permit #58P.

1. A maximum of 60,000 ducks will be entered in the race.
2. Ducks will be launched in the Tennessee River, upstream of Waterfront Park at approximately 12:02 p.m. on Saturday, April 19, 1997 or alternate day April 26, 1997. The race course will be established by the Presenter and will be approximately one mile long. The Presenter reserves the right to manually maneuver ducks up or down course.
3. All ducks entered will be provided by the Presenter and shall remain the property of the Presenter.
4. Once the ducks are launched, they are on their own. No attempt to free or interfere with any duck is permitted, unless deemed necessary by the Race Committee. The race course will close 20 minutes after the first duck has crossed the finish line and/or gathered in duck trap. Any ducks finishing after that time will not be eligible for prizes.
5. A number will be attached to each duck relating to the number on an entry ticket. The person's name who appears on the entry ticket corresponding to the first ducks in order of finish will be awarded prizes. Positive identification will be required to claim any prize won. A list of prizes can be obtained from the Presenter by sending a written request therefore, and a self-addressed stamped return envelope to: The Great Knoxville Rubber Duck Race, P.O. Box 27185, Knoxville, TN 37927-9958.
6. Presenter reserves the right, at its sole option, to substitute prizes of comparable value.
7. The combined retail value of all prizes will be over \$30,000.
8. The entry portion of each race ticket must be completely filled out and delivered to Presenter or an authorized representative of Presenter or mailed to Presenter at the address set forth in paragraph five (5) above and actually received by Presenter prior to the race for a ticket to be eligible to win any prize. No other tickets are eligible to win any prize. Entrants assume the risk of non-delivery of entries.
9. Adoptions are limited to 10 ducks per individual.
10. No purchase is necessary in order to enter or win. Presenter does encourage a donation of at least \$5.00 per duck adoption to benefit the Boys and Girls Clubs of Greater Knoxville, Inc., a charitable organization under Section 501(c)(3) of the Internal Revenue Code.
11. Winners will be announced. Entrants will, where necessary, also be notified by United States mail or by telephone. Race winners need not be present to win. If any race winner does not claim his or her prize from the Presenter at the address listed in paragraph five (5) above within 30 days after April 19, 1997, Presenter will select winner through random drawing of entry tickets. All prizes will be awarded.
12. Corporate directors and staff of the Boys and Girls Clubs of Greater Knoxville, Inc., WIVK, WBIR and The Knoxville News Sentinel and associated race sponsors and their immediate families (grandparents, parents, brother and sisters, and children) are not eligible to win. Also, the person appointed by the race committee to pull the ducks from the water in order of finishing nor any relative of said person either close or distant shall be eligible to win. Winners must prove eligibility.
13. No cash equivalent prizes will be provided in lieu of the designated prizes. Any and all taxes and similar fees, including, but not limited to, applicable license and registration fees on any vehicles, are the sole responsibility of the winner.
14. By entering, entrants release Presenter and its officers, directors and staff and other related entities from any and all liability with respect to prizes.
15. By entering, winners consent to the promotional use of their names and likenesses without additional compensation.
16. Chances of winning depend on the total number of qualified entries.
17. This event is subject to all federal, state and local laws and regulations and is void when prohibited by law.
18. The conduct of the race, and the determination of race winners will be audited by a representative of an independent accounting firm. All decisions and interpretations of rules and regulations will be made by Presenter and its judgement is final.
19. The logo of THE GREAT KNOXVILLE RUBBER DUCK RACE is a registered trademark of the Great American Duck Races and no other person or entity is authorized to copy or otherwise use it without the express written consent of the Great American Duck Race, (602) 957-3825.
20. A copy of these rules and regulations is available from Presenter at the address listed in paragraph five (5) above.

©Copyright 1997 The Great Knoxville Rubber Duck Race



The Great Knoxville Rubber Duck Race

Over \$30,000 in Prizes



at

KNOXVILLE WATERFRONT

April 19, 1997

(Alternate Race Day April 26, 1997)

Benefit:



**BOYS AND GIRLS CLUBS
OF GREATER KNOXVILLE, INC.**

Entries must be received by April 26, 1997, 12:00 p.m.
for your lucky duck number to be valid.

004333

RACE TIME AT HIGH TIDE



The Great Knoxville Rubber Duck Race

GRAND PRIZE: New 1997 GMC Sonoma
Valued over \$11,546



FIRST PRIZE: Home Entertainment Center
Valued at \$5,000



SECOND PRIZE: Delta Dream Vacation
Valued at \$2,500



THIRD PRIZE: Yard Tractor
Valued at \$1,695



FOURTH PRIZE: Mattress Set
Valued at \$1,000



FIFTH PRIZE: \$1,000 Shopping Spree



SIXTH PRIZE: \$1000 Gift Certificate for Gas



SEVENTH PRIZE: \$500 Gift Certificate

EIGHTH PRIZE: \$500 Gift Certificate



NINTH PRIZE: \$500 Gift Certificate

PLUS

The 107th duck in the duck trap will win a personal Kawasaki Watercraft valued at \$5,000 from WIVK



Saturday, April 19, 1997

Waterfront Park

The Great Knoxville Rubber Duck Race will be a one mile race with approximately 60,000 rubber ducks competing for over \$30,000 in prizes. Each duck will be numbered and each purchaser will receive a corresponding Adoption Number. (Your lucky number is on the front of this brochure.)

To benefit the Boys and Girls Clubs of Greater Knoxville, Inc.

RACE SCHEDULE:

- 9:00 a.m. Festivities begin!
- 11:33 a.m. Grand Marshall Arrives "WIVICK the Frog"
- 12:02 p.m. Race begins - Upstream or downstream of Waterfront Park
- 12:51 p.m. Race ends - Waterfront Park/Calhoun's
- 1:30 p.m. Announcement of winning numbers at Waterfront Park

Come cheer your duck on, bring your quacky friends and invite your favorite ducks to view the sensational race! Adopt more ducks for more fun! Adoption tickets are good for multiple adoptions.

V.I.D. PACKAGES (Very Important Duck) may be purchased for \$200 which includes ducks in the race, 2 T-shirts, 1 hat, and souvenirs, brunch for 2 and a cruise for 2 on the Star of Knoxville.

TO BENEFIT: The Boys and Girls Clubs of Greater Knoxville, Inc., which serves over 3,400 boys and girls in the greater Knoxville Area.

For more information call DUCK Central Headquarters 544-DUCK (3825).

BRICK



BOYS and GIRLS CLUBS OF GREATER KNOXVILLE, INC.

Saturday, April 19, 1997

Location: Waterfront Park

WHAT: The Great Knoxville Rubber Duck Race will be a one mile race with approximately 60,000 rubber ducks competing for over \$30 in prizes. Each duck will be numbered and the purchaser will receive a corresponding Adopt Number. (Your lucky number is on the front of this brochure.)

WHY: To benefit the Boys and Girls Club Greater Knoxville, Inc.

RACE DAY SCHEDULE:

- 9:00 a.m. Festivities begin!
- 11:33 a.m. Grand Marshall Arrives "WIVK the Frog"
- 12:02 p.m. Race begins - Upstream or downstream of Waterfront Park
- 12:51 p.m. Race ends - Waterfront Park/Calhoun's
- 1:30 p.m. Announcement of winning number at Waterfront Park

Come cheer your duck on, bring your quack friends and invite your favorite ducks to view the sensational race! Adopt more ducks for more fun! Adoption tickets are good for multiple adoptions.

A.D. PACKAGES (Very Important!) may be purchased for \$200 which includes a ticket in the race, 2 T-shirts, 1 hat, and souvenirs, brunch for 2 and a cruise for 2 on the Star of Knoxville.

SPONSOR: The Boys and Girls Club Greater Knoxville, Inc., which serves over 3,000 boys and girls in the greater Knoxville Area.

For more information call DUCK Central Headquarters 544-DUCK (3825).



BOYS and GIRLS
OF GREATER KNOXVILLE

Keep Your Lucky Duck Number and Canceled Check as Your Receipt.

DETACH CREDIT FLAP
BEFORE SEALING

To adopt rubber duck: Tear envelope off at perforation above, fill out adoption papers, and enclose your donation. Seal envelope by moistening gummed area.

DETACH CREDIT FLAP
BEFORE SEALING



004383

Your lucky duck number is good for multiple adoptions

Name _____

Address _____

City _____ State _____ Zip _____

Phone _____

I wish to make a duck adoption. My donation of \$ _____ is enclosed for _____ ducks. (Please consider a gift of \$5.00 or more per adoption because the purpose of this event is to benefit the Boys and Girls Clubs of Greater Knoxville.) Make check or money order payable to the Boys and Girls Clubs of Greater Knoxville or use your MasterCard or Visa.



BOYS and GIRLS CLUBS
OF GREATER KNOXVILLE, INC.



SLEEP in a FAIR



Ashland
SOUTHERN STATES
ASPHALT COMPANY

JCPenney



East Towne Mall



APPENDIX C

Great Knoxville Rubber Duck Race: Annual Comparison

GREATER KNOXVILLE RUBBER DUCK RACE - ANNUAL COMPARISON

	1989	1990	1991	1992	1993	1994	1995	1996	1997	TOTAL
Revenues										
Duck Adoptions	119,315	91,024	92,722	141,999	159,623	155,342	172,063	200,320	50,192	1,182,600
VID PAcKages	14,600	11,600	11,400	11,000	12,000	10,200	9,800	9,800		90,400
Wal-Mart							0			0
J. C. Penney								1,000		1,000
Souvenirs	10,952		2,075		1,131	627	745	130		15,660
Vendor Fees	732		950		800	660	692	600		4,434
Soda Sales	980									980
Donations	1,000		500		37	46	25	60		1,668
Total Revenue	147,579	102,624	107,647	152,999	173,591	166,875	183,325	211,910	50,192	1,296,742
Expenses										
Adoption Papers	6,088	8,681	5,543	6,750	8,655	13,418	12,854	14,340	16,310	92,639
Big Duck Standup					1,066	268	1,138	1,381	1,581	5,434
Computer Consulta	1,600	1,400	488	810	1,168					5,466
Kickoff/Brunch	1,400	2,098	2,315	2,243	3,515	3,670	4,099	3,765	1,202	24,307
Contract Labor	925	1,400			1,328	1,416	2,131	2,622		9,822
Duck Costume	75	595								670
Duck Phone Line	1,000	968	211	273	260					2,712
Duck Rentals	12,188	20,000	10,500	12,851	13,200	13,200	14,000	15,750		111,689
Entertainment	1,150									1,150
Games and Signs	624	500	439	2,232	1,864	924	772	763	76	8,194
Hats/Shirts/Fanny	10,713	15,744	14,937	23,608	20,775	22,343	23,029	26,876	10,498	168,523
Inflatable Ducks/In	225	100		1,173		2,052	2,100	1,600	4,815	12,065
Miscellaneous	1,128	1,839	759	2,148	3,962	2,811	5,354	6,371	3,254	27,626
On-Site Police	575	650	840	820	840	735	840	1,020		6,320
POP Posters	2,163	1,577		1,713	957	869	886	1,071	1,338	10,574
Portable Restroom	350			292	270	300	640	540	250	2,642
Postage and Direct	1,550	4,360	2,902	2,663	2,883	3,762	4,986	7,013	3,274	33,393
Printing		1,745	375	1,079	1,406	1,496	1,235	2,503	2,610	12,449
Souvenirs	2,368	3,556		2,282	1,321	4,116	5,168	5,775	8,180	32,766
Tent						300	300	300	200	1,100
Transport ducks	3,300	877	1,000	257	862	1,396	1,889	2,971		12,552
Tug Boat						500	0			500
Total Expenses	47,422	66,090	40,309	61,194	64,332	73,576	81,421	94,661	53,588	582,593
Net Income	100,157	36,534	67,338	91,805	109,259	93,299	101,904	117,249	-3,396	714,149

APPENDIX D

Boys & Girls Clubs' News Release: "Race under review" (1996, Sept. 23)



NEWS RELEASE

September 23, 1996

Great Knoxville Rubber Duck Race under review

The Boys & Girls Clubs of Greater Knoxville will review its Great Knoxville Rubber Duck Race and comply with any new rules and regulations enforced by the State of Tennessee, says President and Chief Executive Officer, John Lee.

Mr Lee's comments follow the controversy about charitable fundraising events sparked by the temporary closure of the Friends of the Tiger Inc. bingo hall in Fountain City last week.

"For eight years we have operated what we have understood to be a legal fundraising event," Mr Lee said.

"Support for the event has been extensive and it reflects the community's commitment to our mission; to ensuring and enhancing the quality of life for Knoxville youth, with a special concern for the disadvantaged.

"By no means will we jeopardize the organization which has been serving youth in the Greater Knoxville community for 53 years. We are anxious to hear the ruling about this case and then take appropriate action ourselves," said Mr Lee.

He said it would be a great disappointment if the Great Knoxville Rubber Duck Race was canceled as it is one of the most exciting and worthy events on the Spring calendar.

-Ends-

Media contact: John Lee, President/CEO, Boys & Girls Clubs of Greater Knoxville
Phone: 524 7100

Jim Moore, compiler

APPENDIX E

Jim Acosta's formal request for opinion (1996, September 23)

03/19/1997 16:59 615-741-2833
09/23/96 MON 13:36 FAX 423-6376368

BUD GILBERT
WBIR TV ADM PAG FROM ENG

PAGE 83

Post-It Fax Note	7871	Date	9-23-96
To	Bud Gilbert	From	Jim Acosta
On/Off		On	
Phone		Phone	637-1272
Fax		Fax	

Jim Acosta
WBIR-TV
1513 Hutchinson Ave.
Knoxville TN 37917
fax: (423) 522-7341

State Sen. Bud Gilbert
306 War Memorial Building
Nashville, TN 37423-0207
fax: (423) 524-1773

Dear Senator Gilbert:

Please consider this a formal request for an opinion from the Attorney General of Tennessee regarding the legality of the Greater Knoxville Rubber Duck Race. Our question simply asks: "Are the Greater Knoxville Rubber Duck Race and its pay for play charity drawings lawful and in compliance with state statute and constitutional law?" Thank you for your time and attention.

Sincerely,

Jim Acosta
WBIR-TV

⑥

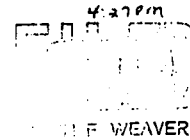
APPENDIX F

Chancellor McDonald's opinion (1996, October 1)

PART I

STATE OF TENNESSEE, ex rel.
CHARLES W. BURSON,
Attorney General and Reporter, and
RANDALL E. NICHOLS,
District Attorney General,

Plaintiffs



VS.

No. 131606-1

FRIENDS OF THE TIGER, INC.,
an incorporated association or organization,
and JOE D. PARKER, individually,

Defendants

MEMORANDUM OPINION AND ORDER

Defendants Friends of the Tiger, Inc., and Joe D. Parker have filed two motions, which are considered here.

The first motion seeks modification of the temporary injunction so as to permit Defendants to operate their charitable bingo fund-raising activities in accord with a proposal to do so which they have made. Three elements must be present to constitute an unlawful lottery: prize, chance and consideration. Defendants concede their proposal involves prize and chance, but deny that it involves consideration. They propose a charity fund will be raised from which bingo prizes are to be paid; the fund will be raised from donations made after each bingo game, with a charity fund raising goal for each evening to be announced. The donations, while described as voluntary, nonetheless must be made for there to be prizes so that the bingo activity can be sustained: the donations for one game will support following games. It appears that if there were to be no donations, there would be no prizes for following games, and thus there would be no following games, at least not for long. It is apparent that the setting of a nightly fund raising goal will deliver its intended message to the players: pay, if you want to play. The proposed donations are disguised consideration for gambling, a lottery. The proposal calls to mind language sometimes found in cases considering the question of lotteries:

it is said in 34 Am.Jur. 950 "that no sooner is the term 'lottery' defined by a court, than ingenuity evolves some scheme within the mischief discussed, although not quite within the letter of the definition given; but an examination of the many cases on the subject will show that it is very difficult, if not impossible, for the most ingenious and subtle mind to devise any scheme or plan, short of a gratuitous distribution of property, which has not been held by the courts of this country to be in violation of the lottery laws. . . . The court will inquire, not into the name, but into the game, however skillfully disguised in order to ascertain if it is prohibited. . . ." People v. Shira, *infra*.

Defendants' proposal does not avoid Tennessee's prohibition, constitutional and statutory, against gambling and lotteries.

Defendants have asked the Court to tell them, should their proposal be found to constitute an unlawful lottery, how they can legally operate bingo, and they say they will abide by such directions. The short answer is: what Defendants ask cannot be done. When bingo involves a prize and chance there must necessarily be consideration to attract and hold players. The question and problem Defendants raise is the same as that addressed in People v. Shira, 62 Cal.App.3d 447; App., 133 Cal.Rptr. 94 (1976), where the operators were unable to devise a way to play what amounted to bingo without violating the gambling laws. In Secretary of State v. St. Augustine School, et al., 766 S.W.2d 499, (Tenn. 1989) the Tennessee Supreme Court recognized the situation in this state saying:

This Court is firmly of the opinion, however, that the constitutional provision in its present form completely prohibits the General Assembly from undertaking to legalize or authorize the game of bingo for any commercial purpose, charitable or otherwise.

A number of cases, including a Tennessee case, State v. Crescent Amusement Co., 170 Tenn. 351, 95 S.W.2d 310 (1936), have found drawings for prizes, such as movie bank nights and gasoline station drawings, not to be unlawful gambling or lotteries. Those cases involve facts much different from those here: a major difference is that the drawing is not the principal money raising activity of the involved enterprise; another difference is that participation in the drawings frequently is so wide spread as to make money raising by the drawing itself virtually impossible. Suffice it to say, those cases do not provide legal authority for finding that Defendants' bingo activities, past

or proposed, are lawful.

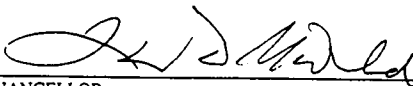
Defendants' second motion for relief from the temporary injunction is based upon the Equal Protection Clause of the Fourteenth Amendment of the United States Constitution. Defendants assert that although public authorities are undertaking to stop Defendants' charity bingo, they are nonetheless allowing the Knoxville Boys and Girls Club to operate a charitable fund raising activity known as the Great American Duck Race. This Defendants say denies them the equal protection of the laws.

Extensive evidence was presented on the Duck Race as it was on Defendants' bingo activity. Strong and logical argument was made that the Defendants' bingo activity constitutes gambling no more than does the Duck Race. Simply put, Defendants ask: if the Duck Race can operate, why can't we? The head of the Tennessee Charitable Solicitation Division of the Office of the Secretary of State opined in her testimony that the Duck Race as presented in the evidence was unlawful, and that upon such knowledge coming to her she would take the same action as to the Duck Race as she was authorized to and did take as to Defendants: recommend to her supervisor, the Secretary of State, an investigation of the Duck Race. Presumably, she will act as she testified. Thus, such evidence as there is on the question of equal protection of the laws goes to show that public officials will act properly. This does not establish that Defendants have been denied the equal protection of the laws.

It is concluded that both of Defendants' motions should be denied, and accordingly:

It is so Ordered.

Enter this 1st day of October, 1996.


CHANCELLOR

cc: Steven A. Hart, Esq.
William J. Blevins, Esq.
David S. Wigler, Esq.
O. Duane Slone, Esq.

APPENDIX G

Sen. Bud Gilbert's request for an opinion (1996, October 3)

03/19/1997 16:59 615-741-2833

BUD GILBERT

PAGE 02

Bud G.

October 3, 1996

Attorney General Charles Burton
450 James Robertson Parkway
Nashville, TN 37219

Dear General Burton:

I would appreciate advice from your office as to whether the Greater Knoxville Rubber Duck Race and its pay for play charity drawings are lawful and in compliance with the state statutory and constitutional laws regarding lotteries.

Enclosed for your information is a set of rules that was issued by the sponsor of this event. This charity event has been in existence for a number of years in Knoxville and raises considerable sums for a very worthwhile 501(C)(3) institution in our area. Your assistance on this matter is appreciated.

Sincerely,

Bud Gilbert

Bud Gilbert
CCG/dl
attnyg

Enc.

APPENDIX H

Boys & Girls Clubs Background Information (1996, October 3)



BOYS & GIRLS CLUBS
OF
GREATER KNOXVILLE, INC.

October 3, 1996

(Background) information for
Wesley Loy, Knoxville News-Sentinel

- Prior to our first Duck Race, we met with the then Attorney-General, the late Ed Dorssett, who had absolutely no problems with us holding this highly visible and popular fundraising event. Since the Great Knoxville Rubber Duck Race's inception, we have not been contacted by the Attorney-General's office regarding any aspect of the race.
- The Great Knoxville Rubber Duck Race is one more than 100 Rubber Duck Races held across the USA each year. Organizations which hold races include other Boys & Girls clubs, children's hospitals, Rotary, Kiwanis, Lions and Soroptimist clubs, the Multiple Sclerosis Society, Big Brothers Big Sisters, Goodwill Industries, schools and churches.
- About 55 per cent of the total proceeds of the Great Knoxville Rubber Duck Race benefit the Boys & Girls Clubs of Greater Knoxville. As with any fundraising event, expenses have to be paid out of the proceeds. Our major expenses include hats, T-shirts, duck rentals and adoption papers. We purchase the adoption papers and rent the ducks from Great American Duck Race.
- All prizes are donated and hundreds of volunteers - including B&GC board members, civic groups and UT students - help with the event.
- As with most special events, the Great Knoxville Rubber Duck Race is labor intensive and we start organizing the event six months in advance.
- Our race is considered one of the most successful in the country and often attracts other race organizers who come to glean ideas.
- The Duck Race is one of our best marketing opportunities; we couldn't afford to pay for the kind of publicity we receive from this event. Our media sponsors this year were WTVK, WBIR-TV and the Knoxville News-Sentinel.
- The Great Knoxville Rubber Duck Race shouldn't be compared to the Friends of the Tiger Inc. bingo hall. It is a classic case of comparing apples and oranges.

We will comply with any new rulings about charitable fundraising events.

Media contact: John Lee, President & CEO, Boys & Girls Clubs of Greater Knoxville.
PH: 524-7100

APPENDIX I

Steve Wise's letter to Sen. Gilbert (1996, November 22)

(13)

WISE & REEVES, P.C.

Attorneys
607 Market Street, Suite 800
Knoxville, Tennessee 37902

Telephone (423) 544-1199
Telecopier (423) 544-1198

November 22, 1996

Senator Bud Gilbert
306 War Memorial Building
Nashville, Tennessee 37243-0207

Re: Boys & Girls Clubs of Greater Knoxville, Inc. - Great Knoxville Rubber Duck Race

Dear Bud:

As we discussed at the Moses Center on Wednesday, the Boys & Girls Clubs of Greater Knoxville, Inc. appreciates your efforts to insure the continuing viability of the Greater Knoxville Rubber Duck Race, and your willingness to request a legal opinion from the Attorney General. I received a copy of your letter of October 3, 1996 addressed to General Burson, by fax yesterday, but without the enclosures. Your secretary has promised to forward a copy of the letter along with the enclosures by mail, and I look forward to receiving the same.

In light of Chancellor McDonald's recent opinion in the Bingo case, and our subsequent review of the most recent cases, as well as recent Attorney General's opinions, the Boys & Girls Clubs of Greater Knoxville has revised the Official Rules and Regulations of the Duck Race with an eye toward complying with both the spirit and the letter of the law, as it is now being interpreted. You will find enclosed a photocopy of the current Official Rules and Regulations as they will be employed in the Duck Race scheduled for this Spring.

The specific Rule change precipitated by Chancellor McDonald's ruling and our review is found in Paragraph 10 which provides that "No purchase is necessary in order to enter or win." It is significant to note that persons have always been able to enter the Duck Race without purchase or donation. However, in prior races, the methods for entry were different for those who chose not to make a donation. The current Rules, consistent with what we believe to be the current standard of the law, make no distinction whatsoever between entrants who choose to make a contribution and those who choose not to do so. We are of opinion that this is fully consistent with General Burson's most recent opinion regarding the Lincoln County Fair Charitable Giveaway, dated August 30, 1996, as found at Opinion Number 86-109. Incidentally, Paragraph 9 of our Rules has also been changed from last year for other, unrelated reasons.

Page 2
Senator Bud Gilbert
November 22, 1996

Boys & Girls Clubs will conduct the 1997 Duck Race by distributing race entry forms at various retail locations across the City and County, and at temporary kiosks and display tables set up at public events and locations specifically for the purpose of soliciting entries. In addition, entry forms will be available at any of the eight (8) Boys & Girls Clubs units. No purchase, donation, gift or contribution of any kind is required to enter, and no greater or different burden will be placed upon entrants who choose not to make a donation. All marketing and other written material regarding the Duck Race is consistent with the Official Rules and Regulations.

In order for the Attorney General's opinion to be useful, it would seem that his office should be provided with the current Rules and Regulations, and this letter constitutes a request for the use of your offices to that end. Although we are confident that Boys & Girls Clubs is and has been fully in compliance with the law, we welcome the advice of the Attorney General. Since inappropriate or misguided publicity can always be damaging to the best of designs, we would also request that your office first solicit an informal opinion from the Attorney General.

As you are aware, the Duck Race is an important event to the Boys & Girls Clubs of Greater Knoxville. It provides necessary funding for the various programs at each of the Clubs. Because these programs are so important to the inner city children of Knoxville, every possible effort must be taken to insure their continued success. Anything your office can do to assist us in carrying out this mission is deeply appreciated. If you or the Attorney General feel any further information would be useful, please let me know.

Sincerely,



Stephen R. Wise

SRW:tj

cc: John Lee

OFFICIAL RULES AND REGULATIONS OF THE GREAT KNOXVILLE RUBBER DUCK RACE

Presented by the Boys and Girls Clubs of Greater Knoxville, Inc., a 501(c)(3) Corporation (tax exempt charity) Tax I.D. #62-0475743. State permit #115. City of Knoxville Solicitation permit #58P.

1. A maximum of 50,000 ducks will be entered in the race.
2. Ducks will be launched in the Tennessee River, upstream of Waterfront Park at approximately 12:02 p.m. on Saturday, April 20, 1996 or alternate day April 27, 1996. The race course will be established by the Presenter and will be approximately one mile long. The Presenter reserves the right to manually maneuver ducks up or down course.
3. All ducks entered will be provided by the Presenter and shall remain the property of the Presenter.
4. Once the ducks are launched, they are on their own. No attempt to free or interfere with any duck is permitted, unless deemed necessary by the Race Committee. The race course will close 20 minutes after the first duck has crossed the finish line and/or gathered in duck trap. Any ducks finishing after that time will not be eligible for prizes.
5. A number will be attached to each duck relating to the number on an entry ticket. The person's name who appears on the entry ticket corresponding to the first ducks in order of finish will be awarded prizes. Positive identification will be required to claim any prize won. A list of prizes can be obtained from the Presenter by sending a written request therefore, and a self-addressed stamped return envelope to: The Great Knoxville Rubber Duck Race, P.O. Box 27185, Knoxville, TN 37927-9958.
6. Presenter reserves the right, at its sole option, to substitute prizes of comparable value.
7. The combined retail value of all prizes will be over \$45,255.
8. The entry portion of each race ticket must be completely filled out and delivered to Presenter or an authorized representative of Presenter or mailed to Presenter at the address set forth in paragraph five (5) above and actually received by Presenter prior to the race for a ticket to be eligible to win any prize. No other tickets are eligible to win any prize. Entrants assume the risk of non-delivery of entries.
9. Adoptions are limited to 10 ducks per individual.
10. No purchase is necessary in order to enter or win. Presenter does encourage a donation of at least \$5.00 per duck adoption to benefit the Boys and Girls Clubs of Greater Knoxville, Inc., a charitable organization under Section 501(c)(3) of the Internal Revenue Code.
11. Winners will be announced. Entrants will, where necessary, also be notified by United States mail or by telephone. Race winners need not be present to win. If any race winner does not claim his or her prize from the Presenter at the address listed in paragraph five (5) above within 30 days after April 20, 1996, Presenter will select winner through random drawing of entry tickets. All prizes will be awarded.
12. Corporate directors and staff of the Boys and Girls Clubs of Greater Knoxville, Inc. and The Knoxville News Sentinel and associated

4-10-1996 6:22AM

FROM WISE/REEVES 423 6711126

race sponsors and their immediate families (grandparents, parents, uncles and sisters, and children) are not eligible to win. Also, the person appointed by the race committee to pull the ducks from the water in order of finishing nor any relative of said person either close or distant shall be eligible to win. Winners must prove eligibility.

13. No cash equivalent prizes will be provided in lieu of the designated prizes. Any and all taxes and similar fees, including, but not limited to, applicable license and registration fees on any vehicles, are the sole responsibility of the winner.
14. By entering, entrants release Presenter and its officers, directors and staff and other related entities from any and all liability with respect to prizes.
15. By entering, winners consent to the promotional use of their names and likenesses without additional compensation.
16. Chances of winning depend on the total number of qualified entries.
17. This event is subject to all federal, state and local laws and regulations and is void when prohibited by law.
18. The conduct of the race, and the determination of race winners will be audited by a representative of an independent accounting firm. All decisions and interpretations of rules and regulations will be made by Presenter and its judgement is final.
19. The logo of THE GREAT KNOXVILLE RUBBER DUCK RACE is a registered trademark of the Great American Duck Races and no other person or entity is authorized to copy or otherwise use it without the express written consent of the Great American Duck Race, (802) 957-3825.
20. A copy of these rules and regulations is available from Presenter at the address listed in paragraph five (5) above.

©Copyright 1996 The Great Knoxville Rubber Duck Race

APPENDIX J

Sen. Gilbert's revised request for an opinion (1996, November 25)

03/19/1997 16:59 615-741-2833

BUD GILBERT

PAGE 06

Opinion

November 25, 1996

Attorney General Charles Burton
450 James Robertson Parkway
Nashville, TN 37219

RE: Boys & Girls Clubs of Greater Knoxville, Inc. - Great Knoxville Rubber Duck Race

Dear General Burton:

Reference is made to my earlier letter to you dated October 3, 1996 requesting your opinion on the above referenced matter. Enclosed please find recent correspondence that I have received from Steve Wise, who represents the Boys & Girls Clubs. As you will note from Mr. Wise's letter, the Boys & Girls Clubs have changed their Official Rules and Regulations in view of the recent judicial decisions and Opinion #96-109 from your office. Accordingly, I do not think it necessary for your office to analyze the former Rules and Regulations and would ask that the opinion I have requested be issued with respect to the new Rules and Regulations.

Also, as mentioned in Mr. Wise's letter, an informal conference on this matter prior to the issuance of the requested Opinion would be appreciated.

Please let me know if you should have any questions regarding this letter, or if I can of any additional assistance to your office with respect to the same. I apologize for any confusion I may have caused in this regard.

Sincerely,

Bud Gilbert

Bud Gilbert
CCG/dl

Enc.

pc: Stephen R. Wise, Esq.
607 Market St., Ste. 800,
Knoxville, TN 37902

APPENDIX K

Charles Burson's letter to Sen. Gilbert (1996, December 18)

33/19/1997 16:59 615-741-2833

BUD GILBERT

PAGE 11

STATE OF TENNESSEE

Office of the Attorney General



CHARLES W. BURSON
ATTORNEY GENERAL AND REPORTER

PATRICIA J. COTTRELL
CHIEF DEPUTY ATTORNEY GENERAL

December 18, 1996

MICHAEL E. MOORE
SOLICITOR GENERAL
EXECUTIVE OFFICES
114 JOHN SEVIER BLDG.
500 CHARLOTTE AVENUE
NASHVILLE, TN 37243-0457
TELEPHONE (615) 741-3451
FACSIMILE (615) 741-2809

The Honorable Bud Gilbert
Suite 306, War Memorial Building
Nashville, Tennessee 37243-0207

Dear Senator Gilbert:

You have requested an opinion as to whether the Great Knoxville Duck Race as set forth in certain rules is considered gambling under Tennessee laws. As you may know, in litigation involving the closing of a bingo operation awarding cash prizes, the issue arose regarding the Duck Race in Knoxville. That case, *State of Tennessee v. Friends of the Tiger, Inc. et al.*, Knox Chancery No. 131606-1, is still pending. At this time we must, therefore, decline to issue an opinion on the legality of this race or others which are conducted in a similar manner.

We will make every attempt to keep you informed as these issues are resolved by the Court in this or other cases.

Sincerely,

A handwritten signature in cursive script, reading "Charles W. Burson".

Charles W. Burson
Attorney General and Reporter

jlr/jju

APPENDIX L

Boys & Girls Clubs' News Release: "Race adopts..." (1997, February 21)



February 21, 1997

Media Release

Great Knoxville Rubber Duck Race Adopts Different Flight Path

One of the most popular events on Knoxville's Spring calendar, the Great Knoxville Rubber Duck Race, will adopt new rules for 1997.

That's the message from President & CEO of the Boys & Girls Clubs of Greater Knoxville - alias the Big Quacker - John Lee.

Speaking at a media conference today, Mr. Lee said the 9th annual duck race will be held on April 19 and duck adoptions would be limited to a maximum of 10 per person.

"Other than that one change, the race will be operated the same as it normally is and we expect a bumper year in terms of duck adoptions," he said.

"The duck race is a tremendously popular event for individuals and families alike. It is quite a spectacle to watch 50,000 rubber ducks floating down the river from the vantage point of Volunteer Landing."

The Great Knoxville Rubber Duck Race benefits the Boys & Girls Clubs of Greater Knoxville, a non-profit organization which provides educational, personal and vocational support for inner-city children.

"Since its inception, this event has generated hundreds of thousands of dollars for the Boys & Girls Clubs of Greater Knoxville. It has directly assisted us in the expansion of our programs and services. For example, in 1989 we served 1,100 inner-city children and since then we have increased the number of our facilities to the point where we can serve more than 3,300," Mr. Lee said.

Sponsors of the Great Knoxville Rubber Duck Race are WTVK, The News-Sentinel, WBIR-TV, Delta, Calhoun's, Lowe's, First American, Sleep Fair, Star of Knoxville, JCPenney, Southern States Asphalt Company, TVA, McDonalds, Wal-Mart, Kroger, East Towne Mall, Pilot, West Town Mall, Delmar Haynes, World Travel Agency & AAA Cooper Transportation.

-Ends-

For more information, contact John Lee, President/CEO, Boys & Girls Clubs of Greater Knoxville

Phone: 544-3825 (DUCK)

APPENDIX M

Boys & Girls Clubs' Media Alert: "News Conference" (1997, February 21)



Media Alert

A media conference to announce plans for the Great Knoxville Rubber Duck Race will be held on Friday, February 21 at the Boys & Girls Clubs of Greater Knoxville's administrative office.

Time: 2:30pm

Address: 407 Caswell Avenue, Knoxville. (Media conference will be held in the gymnasium)

Purpose: To announce the **RULES**, date, sponsors and prizes for the 1997 Great Knoxville Rubber Duck Race.

"Since the inception of the Great Knoxville Rubber Duck Race nine years ago, the revenue generated has been used to provide vital services for inner-city youth," said John Lee, President & CEO of the Boys & Girls Clubs of Greater Knoxville.

"Knoxville's race is the second largest (in terms of adoptions) of more than 130 races held throughout the world. In 1996 we had more than 43,000 adoptions and we hope to have more than 50,000 adoptions this year."

APPENDIX N

David Wigler's request for an opinion on Duck Race (1997, February 24)

LAW OFFICES OF
HERBERT S. MONCIER
ATTORNEY AT LAW
SUITE 775, NATIONS BANK
550 MAIN AVENUE
KNOXVILLE, TENNESSEE 37902

ANN C. SHORT
DAVID S. WIGLER

February 24, 1997

OFFICE
(423) 546-7746
FAX
(423) 546-7785

Randall E. Nichols, Esquire
Knox County District Attorney General
Ste. 168, 400 W. Main Avenue
Knoxville, Tennessee 37902

Steven A. Hart, Special Counsel
Office of Tennessee Attorney General
450 James Robertson Parkway
Nashville, Tennessee 37243-0485

Barbara Toms
Charitable Solicitation Division
Tennessee Secretary of State
James K. Polk Building
Suite 500
Nashville, Tennessee 37243

Post-It® Fax Note	7671	Date	2/27/97	# of pages	1
To	STEVE WISE	From	WETLEY LOY		
Co./Dept.		Co.	NEWS-SENTINEL		
Phone #	544-1199	Phone #	521-1843		
Fax #	544-1198	Fax #	521-8124		

RE: State of Tennessee, et al. v. Friends of the Tiger, Inc. and Joe D. Parker
Knox County Chancery Court No.: 131606-I

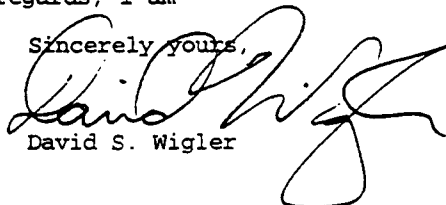
Dear General Nichols, General Hart, and Ms. Toms:

Enclosed is a photocopy of an article from the Saturday, February 22, 1997, Knoxville News Sentinel. Has this game of chance been approved by the State? If so, Tiger Haven wishes to sponsor a comparable game of chance to benefit its own charitable purposes.

Please let me know immediately your position on this matter.

With kindest regards, I am

Sincerely yours,


David S. Wigler

DSW:sef

APPENDIX O

John Knox Walkup's opinion No. 97-0250 (1997, March 19)

STATE OF TENNESSEE

Office of the Attorney General



PATRICIA J. COTTRELL
CHIEF DEPUTY ATTORNEY GENERAL

JOHN KNOX WALKUP
ATTORNEY GENERAL AND REPORTER

March 19, 1997

MICHAEL E. MOORE
SOLICITOR GENERAL

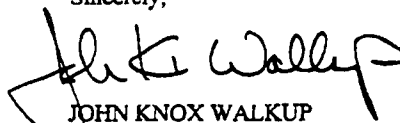
CORDELL HULL BUILDING
NASHVILLE, TN 37243-0468
TELEPHONE (615) 741-3491
FACSIMILE (615) 741-2009

The Honorable Frank Buck
State Representative
Suite 32, Legislative Plaza
Nashville, Tennessee 37243-0140

Dear Representative Buck:

In response to your request, attached is opinion number 97-025 . If you have further questions or comments, please contact this Office.

Sincerely,


JOHN KNOX WALKUP
Attorney General and Reporter

tlh

Encl.

STATE OF TENNESSEE
OFFICE OF THE
ATTORNEY GENERAL
425 FIFTH AVENUE NORTH
NASHVILLE, TENNESSEE 37243-0488

March 19, 1997

Opinion no. 97-025

Legality of Fund-Raising "Rubber Duck Races" At Which Valuable Prizes Are Given Away

QUESTION

Does the conduct of "rubber duck races", games of chance at which valuable prizes are given away in connection with fund-raising activities, violate Tennessee's gambling statutes or lottery prohibitions?

OPINION

Yes. The conduct of the type of game of chance described herein would be sufficient to support a finding by a trier of fact of a violation of Tenn. Code Ann. § 39-17-503 (gambling promotion). An objective analysis of this game also would be sufficient to support a determination by a trier of fact that it constitutes an illegal lottery, in violation of Tenn. Code Ann. § 39-17-506 and Article XI, § 5 of the Constitution of Tennessee.

ANALYSIS

This Office has received several opinion requests relating to the legality of "rubber duck races", games of chance in which the contestants "adopt" numbered rubber ducks. All of the ducks, up to 60,000 in number, are released into a river at one time and float along a predetermined course toward the established finish line. According to the rules, the race course will close twenty minutes after the first duck has crossed the finish line and/or is gathered in a duck trap. Persons whose names appear on the entry tickets corresponding to the numbers listed on the first ducks in order of finish are awarded prizes. The proceeds from the contest benefit specific charitable organizations and persons "adopting" ducks are urged to pay a "recommended donation" of \$5.00 per duck.

This Office has only been provided sample copies of the purported "official rules" for the various versions of these games of chance. This analysis makes certain assumptions, set forth herein, based on those rules. This Opinion is not based on an investigation of how a particular game of chance has or will in practice be conducted.

in Prizes". On the inside cover, prizes such as a new truck, a dream vacation, a home entertainment center, a yard tractor, multiple gift certificates, and other prizes valued at over \$500 or more are identified. The promotional material for another race highlights "Win \$5,000 Cash" in its largest print. On the entry portion of the promotional brochure, a person may state how many ducks he or she wishes to adopt along with how much he or she is enclosing for these adoptions. It contains the following language: "Please consider a gift of \$5.00 or more per adoption because the purpose of this event is to benefit the [specified entity]. Make check or money order payable to the [specified entity] or use your MasterCard or Visa." At the perforation to remove the entry portion, the promoters instruct, "To adopt rubber duck: Tear envelope off at perforation above, fill out adoption papers, and enclose your donation. Seal envelope" This entry portion, which apparently must be returned in order to adopt a duck, and the side of the brochure describing the various prizes do not disclose that no donation is required. In describing "[w]hat" is the "Great Rubber Duck Race," that side of the promotional brochure explains "[e]ach duck will be numbered and each purchaser will receive a corresponding Adoption Number." (Emphasis added.)

Additionally, the promotional brochure provides the rules and regulations for the contest in small print relative to the promotional language. Not until midway through the numerous rules, which appear in the smallest print on the brochure, is it stated that: "No purchase is necessary in order to enter or win. Presenter does encourage a donation of at least \$5.00 per duck adoption to benefit the [specified entity], a charitable organization under Section 501(c)(3) of the Internal Revenue Code." The promotional material does not specify the manner in which "free" ducks may be obtained. It is not clear from the promotional brochure whether persons "donating" for ducks may enter in a different manner from persons who seek "free" ducks.

By design, the definitions in the current gambling provisions of the criminal code are broader than those found in earlier law.² Following an amendment in 1989, "Gambling" is presently defined in Tenn. Code Ann. § 39-17-501(1) as "*risking anything of value for a profit whose return is to any degree contingent on chance but does not include a lawful business transaction.*" (Emphasis added.) The Sentencing Commission's comments to this section state:

This section contains the definitions for gambling offenses. The definitions are intentionally broader than those found in prior law. The commission intends to include any scheme by which value is risked upon a chance for greater value as a 'gambling' offense. The definition of 'gambling' includes lotteries, chain or pyramid clubs, numbers, pinball, poker or any as yet unnamed scheme where value

²In 1949, the Tennessee Supreme Court defined gaming as "any agreement between two or more persons to risk money or property on a contest or chance of any kind, when one must be gainer, and the other loser. . . . It matters not what the unlawful device is upon which the money is received as a hazard, it is gaming." *Cleek v. State*, 189 Tenn. 302, 304, 225 S.W.2d 70, 71 (1949) (citing *Mitchell v. Orr*, 107 Tenn. 537, 64 S.W. 476 (1901)).

is risked for profit. The definition of "lawful business transaction", however, makes it clear that futures and commodities trading is not included in gambling. This is a change from prior code § 39-6-627, which prohibited such trading under certain circumstances as gambling.

(Emphasis added.)

Thus, the scope of the definition of gambling in the 1989 code includes not only games that qualify as a "lottery", but also "any ... scheme where value is risked for profit".

The current criminal code applies this definition of "gambling" in Tenn. Code Ann. §§ 39-17-502 and 39-17-503, which respectively prohibit "gambling" and "gambling promotion". Tenn. Code Ann § 39-17-502 provides:

- (a) A person commits an offense who knowingly engages in gambling.
- (b) The offense of gambling is a Class C misdemeanor.

Tenn. Code Ann. § 39-17-503 defines the offense of gambling promotion as follows:

- (a) A person commits an offense who *knowingly induces or aids another to engage in gambling*, and:
 - (1) Intends to derive or derives an economic benefit other than personal winnings from the gambling; or
 - (2) Participates in the gambling and has, other than by virtue of skill or luck, a lesser risk of losing or greater chance of winning than one (1) or more of the other participants.
- (b) The offense of gambling promotion is a Class B misdemeanor.

(Emphasis added).

We believe that the facts outlined above would provide an objective trier of fact with sufficient evidence to conclude that the "rubber duck races" violate these gambling prohibitions. It is evident that the "rubber duck races" in question contain the elements of a possible profit whose return is entirely contingent upon chance. Thus, if any person pays to "adopt" a duck with intent to obtain the chance to gain a profit, i.e., a valuable prize, then that person has risked something of value (the "suggested donation") on a chance to win and has committed the offense of "gambling" in violation of Tenn. Code Ann. § 39-17-502. Common sense suggests that, in the game promoted as outlined above, most people are not paying a "suggested donation" per adopted duck merely for the benefits to be derived from making a charitable contribution. Rather, they are paying in order to acquire the chance to win one of the advertised prizes.

Since the scheme outlined above provides a basis sufficient to permit a trier of fact to find that game participants have engaged in "gambling", it follows that the promoters of the games could also be found to have committed the offense of "gambling promotion" in violation of Tenn. Code Ann. § 39-17-502. Plainly, the promoters know that the prizes to be awarded are an inducement to the participants to make "recommended donations", and the promoters intend to derive an economic benefit from the game in the form of "recommended donations". Indeed, we are not aware of any instance when a rubber duck race awarding valuable prizes has been marketed without a concurrent request for "recommended donations." In these circumstances, a trier of fact could reasonably find all of the elements of the offense of "gambling promotion".

A trier of fact could also conclude that a "rubber duck race" prize contest conducted in the manner described above constitutes an illegal "lottery", in violation of Tenn. Code Ann. § 39-17-506 and Article XI, § 5 of the Constitution of Tennessee. Lotteries for any purpose, charitable or otherwise, are unlawful in Tennessee. *Secretary of State v. St. Augustine Church/St. Augustine School*, 766 S.W.2d 499, 500 (Tenn. 1989). Article XI, Section 5 of the Tennessee Constitution expressly provides: "The Legislature shall have no power to authorize lotteries for any purpose, and shall pass laws to prohibit the sale of lottery tickets in this State." Early Tennessee decisions defined a lottery as "a game of hazard in which small sums are ventured for the chance of obtaining a larger value either in money or articles". *France v. State*, 65 Tenn. 478, 484 (1873). Under the traditional test, three elements must be present in order for a transaction to be considered a lottery: (1) chance, (2) prize, and (3) consideration. *State ex rel. District Attorney General v. Crescent Amusement Co.*, 170 Tenn. 351, 357, 95 S.W.2d 310, 312 (1936).

While the exact factual situation at issue has not been previously addressed, this Office has opined in an analysis of prize giveaways in general that if a prize giveaway lacks the element of "consideration" being ventured or risked, the scheme will not be deemed a "lottery". In Op. Atty. Gen. No. 89-72, May 3, 1989, this Office opined that:

Tennessee case law indicates that an organization, charitable or otherwise, may lawfully conduct a cash or prize giveaway if all persons wishing to participate are given an opportunity to do so without being required to pay any money, make any donation, or purchase any product or service.

We explained, however, in footnote 4 of that Opinion that:

[I]f, in reality, all participants in a type of prize giveaway are not paying or giving anything of value to participate, then there is no consideration. "Consideration" is negated when no participants pay to play.

(Emphasis added).

This Office has further noted and clarified that merely labeling the payments of prize giveaway participants as "suggested" or "voluntary" donations (or as otherwise not being required) does not in and of itself alter the fact that "consideration" is present, if in reality participants are paying or giving anything of value in order to participate. September 15, 1989 Memorandum, "Legality of Proposed Types of Prize Giveaways."³ (Copy attached) We believe it clear that "for a prize giveaway to fall outside the proscription provided by the constitutional ban, *participation in the prize giveaway must be objectively independent from any charge made or received, directly or indirectly, by donation or otherwise, for a product, service, membership, or event.*" *Id.* (emphasis added). The contests here at issue provide a sufficient basis for a trier of fact to conclude that, for many of the participants, their decision to pay the recommended donation for adopting ducks is not *objectively independent* from the desire to win the contest.⁴

Op. Tenn. Atty. Gen. 89-105 (August 18, 1989) addressed the similar theme of the "Legality of Variations on Bingo". The rules governing the bingo games in question stated that it was not necessary to pay to participate. However, without the prospect of winning a prize, it appeared extremely unlikely that all of the participants would make a donation. That opinion further stated that allowing some to participate at no fee did not modify or change the nature of the lottery as long as there was a transfer of money from some participants to the operator. Payments, voluntary or

³In *St. Augustine*, the Court noted that for a transaction to be a lottery, three elements must be present: consideration, prize, and chance.

In the statutes which were under consideration [in *St. Augustine*], the General Assembly undertook to remove the game of bingo from the definition of a lottery by *termining the consideration paid by a customer as a charitable contribution rather than a wager.* This, in our opinion, is an *ineffective means* to circumvent the Constitutional prohibition, so long as the other elements of prize and chance are present.

Id. at 501. (Emphasis added.)

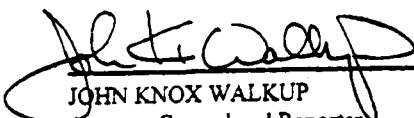
"These "duck race" promotions are distinguishable from the scenario presented in the Lincoln County Fair prize giveaway addressed in Attorney General Op. 96-109 (August 30, 1996). In that case, which is similar to *Crescent Amusement*, it was assumed that the promoter clearly and conspicuously disclosed to all patrons that no paid admission to the fair was necessary to participate in the giveaway and that no admission could be charged for persons wishing to enter the grandstand where the drawing would occur. As previously stated herein, the promotional literature for the duck races clearly emphasizes the recommended donation and prizes, but makes mention only once, in its smallest type, that no purchase is necessary. The entry portion of the brochure does not make this disclosure in any fashion and emphasizes making a recommended donation.

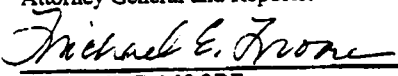
compulsory, from some, most or all participants by whatever name, were deemed in that Opinion to constitute consideration and therefore, each type of bingo variation constituted a lottery.⁵

The so-called duck races are also similar to the factual scenario in *State v. Mabry*, 60 N.W.2d 889 (Iowa 1953). In *Mabry*, the Defendant argued that he was not conducting a lottery because the rules allowed that anyone could take part in his bingo game without being compelled to pay any money, buy a dinner ticket or any other merchandise. On one evening, three-fourths of the participants purchased a ticket. The court in *Mabry* found that a majority of the participants did buy a ticket and further held that it was highly improbable that the defendant would want to continue his bingo operation if ticket sales were not sufficient to pay the prize money. Thus, the court held that the bingo operation did not cease to be a lottery merely because some were admitted to play without paying for the privilege, so long as others paid for their chances. The presence of the nonpaying participants did not change the essential character of the enterprise. In the present case, the rubber duck race is a highly profitable fundraiser, and it appears that the promoters expect most participants to make a "recommended donation" per "adopted" duck.

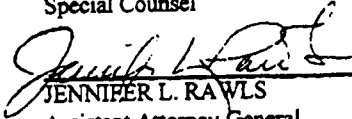
In summary, it is the opinion of this Office that the facts outlined above would provide a trier of fact with sufficient evidence to find a violation of Tenn. Code Ann. § 39-17-503 (gambling promotion), as well as a violation of the lottery prohibitions contained in Tenn. Code Ann. § 39-17-506 and Article XI, § 5 of the Constitution of Tennessee.

⁵In Attorney General Opinion 89-105, these variations on bingo also failed because there was not an equal opportunity to participate in the games. Participants did not receive the same number of cards or opportunity to participate, which was a further indication that the participants were paying to play and for the chance to win. The number of cards a donor received depended on his donation, while non-donors generally received only one card or a limited number of cards per game. Similarly, in one version of the duck race, there does not appear to be a limit on how many ducks may be adopted with "recommended donations." However, that version does appear to place restrictions on the number of free ducks, i.e., chances to win, a player can obtain and to impose special procedures that must be followed to obtain them.


JOHN KNOX WALKUP
Attorney General and Reporter


MICHAEL E. MOORE
Solicitor General


STEVEN A. HART
Special Counsel


JENNIFER L. RAWLS
Assistant Attorney General

Requested by:

The Honorable Riley C. Darnell
Secretary of State
Department of State
State Capitol
Nashville, Tennessee 37243-0305

The Honorable Bud Gilbert
State Senator
Suite 306, War Memorial Building
Nashville, Tennessee 37243-0207

The Honorable Frank Buck
State Representative
Suite 32, Legislative Plaza
Nashville, Tennessee 37243-0140

APPENDIX P

Riley Darnell's letter to John Lee (1997, March 19)

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PAGE 02



STATE OF TENNESSEE
THE SECRETARY OF STATE
NASHVILLE
37243-0306

RILEY C. DARNELL

March 19, 1997

VIA FAX AND FIRST CLASS MAIL

Mr. John Lee, President
Boys & Girls Club of Greater Knoxville, Inc.
407 Caswell Avenue
Knoxville, TN 37919

Re: Great Knoxville Rubber Duck Race

Dear Mr. Lee:

It has come to my attention that on Saturday, April 19, 1997, the Boys & Girls Club of Greater Knoxville is scheduled to hold a fund-raising event called the "Great Knoxville Rubber Duck Race." Because of my concern regarding the legality of this activity and the possible violation of our State Constitution, I requested an opinion on this activity from the State Attorney General.

Today, I received an opinion from the State Attorney General (Opinion No. 97-025) stating that the conduct of the "rubber duck races" as described in your rules and promotional materials is sufficient to support a finding of a violation of Tennessee's anti-gambling statutes (Tennessee Code Annotated, 39-17-503 and 39-17-506) and Article XI, Section 5 of the Constitution of Tennessee. A copy of that opinion is enclosed.

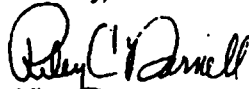
In addition, I believe that the promotion of this fund-raising activity as an illegal enterprise may mislead or deceive the public. Conduct that misleads and/or deceives the public is expressly prohibited by Tennessee's charitable solicitation laws. (See, Tennessee Code Annotated, 48-101-513). Persons who violate the provisions of this statute may be penalized up to \$5,000 per violation.

Mr. John Lee
Page 2
March 19, 1997

While I commend your goal of raising as many dollars as possible so that needed services and opportunities are available for Knoxville boys and girls, the illegal means you have chosen to achieve that end cannot be condoned.

This letter serves as notice to you to cease and desist any further plans and activities to promote or hold the Great Knoxville Rubber Duck Race. Failure to do so will result in the imposition of civil penalties from this office for violation of the provisions of Tennessee's Charitable Solicitation Act.

Sincerely,



Riley G. Darnell
Secretary of State
RCD/bt

Enclosure: Opinion No 97-025
cc: John Knox Walkup, Attorney General and Reporter

APPENDIX Q

Victor Ashe's news release to announce news conference (1997, March 20)



CITY OF KNOXVILLE • MAYOR VICTOR ASHE

NEWS RELEASE

Woz
Cover

FOR IMMEDIATE RELEASE

Media Advisory Media Advisory Media Advisory

Mayor Victor Ashe and sponsors of the Greater Knoxville Rubber Duck Race will hold a news conference this afternoon to voice the continued need for community support of the Boys and Girls Clubs program in the Knoxville area.

The news conference will be held at 4 p.m., today, March 20, 1997, at the Boys and Girls Club office at 407 Casewell Ave. off of Broadway.

400 Main St., Knoxville, Tennessee 37901 • 423-215-2065 • fax 423-215-4299
e-mail: mayor@solar.rtd.utk.edu

APPENDIX R

Boys & Girls Clubs' News Release: "Statement from Lee" (1997, March 20)



BOYS & GIRLS CLUBS
OF
GREATER KNOXVILLE, INC.

THURSDAY MARCH 20, 1997

STATEMENT FROM JOHN LEE, PRESIDENT & CEO, BOYS & GIRLS CLUBS OF GREATER KNOXVILLE

RE: Great Knoxville Rubber Duck Race

At around 5:15pm on Wednesday, March 19 I received word that the Great Knoxville Rubber Duck Race was deemed illegal by the Attorney General, John Knox Walkup. In addition to the Attorney General's ruling, we also received a letter from the Secretary of State notifying us to "cease and desist" the race.

This came as a shock because we asked the former Attorney General, Charles Burson, for a ruling late in the fall of 1996. We had been assured during three telephone conversations before he left office that the duck race was legal.

Although we will suffer from the loss of this important fundraising revenue (expected to be in the vicinity of \$140,000), we remain committed to providing top quality services to our members.

During the duck race's eight year reign, almost \$800,000 was raised for the Boys & Girls Clubs of Greater Knoxville. The money raised directly helped fund programs such as tutoring, computing classes, our USDA food program which supplies members with hot suppers and snacks and programs which teach resistance skills to drugs and alcohol.

We plan to further research the event to see if there are ways that we can come into compliance with the State law.

The Boys & Girls Clubs began preparations for the duck race on January 15 and preparations were in full swing when we received notice from the Secretary of State.

-Ends-

For more information, contact John Lee, 544-3825.

APPENDIX S

Boys & Girls Clubs' News Release: "Join in the fun" (1997, April 15)



April 15, 1997

MEDIA RELEASE

JOIN IN THE FUN OF THE FIRST ANNUAL PHANTOM DUCK RACE

There's still time to participate in the first annual Phantom Rubber Duck Race.

The Boys & Girls Clubs of Greater Knoxville may have fought and lost the war to stage the ninth annual Great Knoxville Rubber Duck Race, but the phantom race is scheduled for this Saturday, April 19.

The Phantom Duck Race will be held between 9am and 1pm at Volunteer Landing next to Calhoun's restaurant on the Tennessee River.

"The whole family can enjoy refreshments and free carnival games in preparation for the phantom race. Souvenir T-shirts, hats, rubber ducks and lapel pins will also be available and are sure to become collectors' items," said John Lee, President & CEO of the Boys & Girls Clubs of Greater Knoxville.

Mr. Lee said the event would raise much needed funds for the non-profit organization.

"At 12:02pm, phantom ducks will be flung off the historic Gay Street Bridge into the Tennessee River and seconds later the corporate duck race will begin. For the corporate race, decoy ducks will be hurled off the bridge."

When the ducks cross the finish line, trophies will be awarded for first, second and third prizes.

Corporations can compete in the race by making a donation of \$250 to the Boys & Girls Clubs of Greater Knoxville before 3pm on Friday April 18. For more information, contact the Big Quacker (John Lee), 544-DUCK.

-Ends-

APPENDIX T

Boys & Girls Clubs "Possible questions ..." (1997)

OCT 15 '97 11:29 BOYS&GIRLS CLUB

P.2

TO: BOYS & GIRLS CLUB STAFF & VOLUNTEERS.

Possible questions you may be asked during "Duck Duty" at the mall

Will there be a duck race this year?

No, the race has been deemed illegal by the Attorney-General, John Knox Walkup.

Is anything scheduled for April 19?

Yes, there will be carnival games at Volunteer Landing, next to Calhoun's on the River. It will be a fun day for the whole family.

What happens if the race is deemed legal and goes ahead; will my purchase make me eligible to adopt a duck?

If for some reason the decision to hold the race is reversed, your purchase will make you eligible to have a duck adopted in your name.



VITA

Amy Jean Seifert was born February 3, 1971, in Arlington, Texas. She attended public schools in the Shawnee Mission district in Overland Park, Kansas.

She graduated from the University of Kansas in 1993 with a bachelor of arts in English and a bachelor of science in journalism from the William Allen White School of Journalism with an emphasis in business communications (public relations).

After graduating she did internships with Hallmark Cards, Inc., United Parcel Service, the American Academy of Family Physicians and St. Luke's Hospital Foundation in Kansas City, Missouri. Honors include a Bronze Quill from the Kansas City Chapter of International Association of Business Communicators (IABC).

In 1994, she moved to Knoxville, Tennessee, to be the director of communications for Church Street United Methodist Church. She is a member of Public Relations Society of America.

She entered the University of Tennessee in January 1995, and received a Master of Science degree in Communications with a major in public relations in August 1998.