

TITLE OF INVENTION

A BUSINESS METHOD FOR RAISING DONATIONS FOR CHARITIES

BACKGROUND OF THE INVENTION

(A) Field of the Invention

The present invention relates to a business method for raising donations for charities by commercial means. The method involves at least three component parties namely a Sponsoring Partner, a Redeeming Partner and a Vendor Partner, all of whom engage in commercial transactions which involves the issuance and redemption of specially denominated look alike currency notes during festivals or new years of different races in Singapore.

(B) Description of The Prior Art

During the Chinese New Year, it is a custom among the Chinese for the elders to give the younger ones money in small Red Packets (known as Hong Bao in Mandarin). The Hong Baos usually contain new currency notes. The recipient of an Hong Bao is deemed to be blessed with prosperity and good fortune. To the Chinese people, the colours red and gold symbolise prosperity. The amount of money or cash put in the Hong Bao is at the discretion of the giver and is usually in an even number

ending with the number 8 such 8, 18, 28, 38 etc. To the Chinese, the number 8 signifies prosperity.

In practice, new currency notes are put in the Hong Baos. It is estimated that some 100 million new currency notes of various denominations are used in Hong Baos for each Chinese New Year in Singapore.

The Chinese practice of giving Hong Baos during the Chinese New Year has caught on with the non-Chinese in Singapore and as a result non-Chinese elders have also started to give the younger ones cash in small coloured packets during festivals like Hari Raya Puasa, Deepavali or Christmas.

Accordingly, it is an object of the present invention to make use of the prevailing practice of giving Hong Baos during the Chinese New Year to create a business method to raise donations for charities.

SUMMARY OF THE INVENTION

Accordingly, an object of the present invention is to create a business method to raise donations for charities during festive seasons, such as Chinese New Year, by printing and putting in circulation currency look alike notes called Prosperity Notes (hereinafter called "the Notes"). The Notes will be printed in different denominations and shall have an expiry

date determined by the Management Corporation. The Notes will be sold to Consumers for cash at the face value of the Note by the Redeeming Partner.

Yet another object of the present invention is to create a business method to raise donations for charities by enabling the Sponsoring Partner of the Notes to advertise and market itself.

A further object of the present invention is to create a business method to raise donations for charities by making use of the Notes as a marketing tool to attract more customers to the Vendor Partner.

An aspect of the invention is to create a business method to raise donations for charities which involves four main parties, namely a Management Corporation, a Sponsoring Partner, a Redeeming Partner and a Vendor Partner and subsidiary parties such as the Printer, Consumers and identified charities. The transactions envisaged in the business method will be

- (a) printing of currency look alike notes called Prosperity Notes in various denominations by a printer appointed by the Management Corporation;

- (b) sponsoring of the costs of the printing of the Prosperity Notes and costs of associated advertising and publicity by a Sponsoring Partner appointed by the Management Corporation;
- (c) placement by the Management Corporation of the Prosperity Notes with the Redeeming Partner on consignment for sale to Consumers at the denominational value stated on the Notes;
- (d) selling of the Notes to Consumers by the Redeeming Partner;
- (e) redemption by the Consumer or any holder of the Notes before the expiry date stated on them either by depositing them in their individual accounts with the Redeeming Partner or by purchasing goods/services with the Notes from the Vendor Partner;
- (f) maintaining of an account called the Charities Account (or any other name) by the Management Corporation with the Redeeming Partner for purposes of collecting the monies meant to be donations to selected charities;
- (g) exchanging of all the redeemed Notes in its possession by the Vendor Partner with the Redeeming Partner for cash;

- (h) donating of an agreed percentage of the cash collected from the exchange of the redeemed Notes with the Redeeming Partner by the Vendor Partner to the Charities Account maintained by the Management Corporation with the Redeeming Partner;
- (i) giving of cash by the Redeeming Partner to Consumers who redeem the Notes by depositing them in their individual accounts with the Redeeming Partner;
- (j) payment by the Redeeming Partner into the Charities Account the difference between the monies collected from Consumers from the sale of the Notes and the monies paid out on redemption to the Consumer and the Vendor Partner; and
- (k) Management Corporation through a Board of Trustees deciding on the distribution of the monies in the Charities Account to the selected charities and instructing the Redeeming Partner to make payment to the charities.

With these and other objects, advantages and features of the invention that may become hereinafter apparent, the nature of the invention may be more clearly understood by reference to the detailed description, the appended claims and the several drawings herein.

BRIEF DESCRIPTION OF THE DRAWINGS

Fig 1 is a block diagram of the business method representing the various transactions involving, inter alias, the Management Corporation, Sponsoring Partner, the Redeeming Partner and the Vendor Partner in accordance with the present invention.

Fig 2 shows the front view of a sample Prosperity Note in accordance with the present invention.

Fig 3 shows the back view of a sample Prosperity Note in accordance with the present invention.

DETAILED DESCRIPTION OF THE PRESENT INVENTION

The block diagram as shown in Fig 1 of the business method of the present invention involves 4 key players, namely the Management Corporation 10, Sponsoring Partner 30, the Redeeming Partner 40 and the Vendor Partner 60. The subsidiary players are the Consumer 50 and the Printer 20.

In the preferred embodiment of the present invention, the Management Corporation 10 will design and produce the Notes which will look like currency notes as shown in Figures 2 and 3. The notes will be in various denominations considered auspicious by the Chinese such as 88 cents, \$8, \$88, \$888 and

\$8888. Each Note will have an expiry date for redemption. Each denomination Note will be printed in quantities stated below and will symbolise a particular theme.

Denomination	Proposed Quantity	Symbolism
S\$0.88	2,000,000	Happiness
S\$8.00	1,000,000	Prosperity
S\$88.00	88,888	Personal Success
S\$888.00	8,888	Good Life
S\$8888.00	88	Prestige

The Management Corporation 10 will select a Sponsoring Partner 30 who will sponsor the printing of the Notes in return for which the Sponsoring Partner 30 can advertise and promote itself on the Notes and in the advertisements, promotions and publicity of the Notes. This affords the Sponsoring Partner 30 a unique vehicle to reach the public and potential clients and at the same time do community service. The costs associated with the printing of the Notes will be borne by the Sponsoring Partner 30. There can be more than one Sponsoring Partner 30.

Referring to Fig 1, the Management Corporation 10 will instruct the Printer 20 to print the Notes of various designs and denominations and in the specified quantities. The Sponsoring Partner 30 will pay an agreed fee to the Management

Corporation 10 as well pay as the costs of the printing. The amount collected from the Sponsoring Partner 30 will be used by the Management Corporation 10 to cover the expenses of printing and promoting the Notes.

Once the Notes are printed, they will be put on consignment with the Redeeming Partner 40 which will be selected by the Management Corporation 10. The function of the Redeeming Partner 40 is to sell for cash to the Consumer 50 the Notes and pay cash to the Consumer 50 when the Notes are redeemed before their expiry date. The Consumer 50 who buys the Notes from the Redeeming Partner 40 and the Consumer 50 who redeems the Notes at the Redeeming Partner 40 may not necessarily be the same person.

In the present preferred embodiment of the invention, the Redeeming Partner 40 will sell the Notes through all its branches to the Consumer 50 during the run-up to the festive day. The Notes will be sold at par value and for all practical purposes be a substitute for the real currency notes for putting into the Hong Baos.

The Notes will be marketed and publicised by the Management Corporation 10. The Sponsoring Partner 30 and the Redeeming Partner 40 are expected to contribute to or underwrite the costs of the publicising and advertising of the Notes. Lucky draws and collectibles will be features of the marketing and publicity of the Notes.

The Consumer 50 will use the Notes in the Hong Baos which are given out during Chinese New Year. The Consumer 50 in possession of the Notes may do one of the following:

- (i) deposit the Notes in his account with the Redeeming Partner 40.
- (ii) purchase goods/services with the Notes from the Vendor Partner 60.
- (iii) retain the Notes past their expiry date as a collector's item without redeeming.

In the case of the first option, the Redeeming Partner 40 will not exchange the Notes for cash over the counter. The Consumer 50 is required to deposit the Notes in his account with the Redeeming Partner 40. Where there is no account the Consumer 50 will be required to open an account with the Redeeming Partner 40. The benefit to the Redeeming Partner 40 is obvious. It gets new accounts by participating in this business method. The Consumer 50 who has deposited the Notes in his account with the Redeeming Partner 40 may withdraw in cash the value of the Notes subsequently.

In the case of the second option, the Consumer 50 can redeem the Notes by purchasing goods/services from a participating Vendor Partner 60 which may be a department store, supermarket or any other retail outlet or service provider. Where the Consumer 50 chooses to purchase goods/services with the Notes

from the Vendor Partner 60, the Consumer 50 will pay for the goods/services with the Notes. The Vendor Partner 60 may sell the goods/services at a discount or at full value to the Consumer 50 who buys with the Notes. In the case of discount, for example, if a particular article is normally sold for S\$100, it will be sold for say S\$88 if paid for with the Notes. On the face of it the Vendor Partner 60 may suffer a loss of \$12 on the sale but in reality the high volume of purchases with the Notes will increase the overall sales and therefore the profits of the Vendor Partner 60. Further, the purported \$12 loss is in reality not a loss to the Vendor Partner 60 but is part of the mark up on the article sold by the Vendor Partner 60. The ability of the Consumer 50 to buy goods/services at a value higher than the face value of the Notes increases the real value of the Notes. For the Vendor Partner 60, it is a marketing tool to draw customers and a form of community service.

In the case of the last option, the Consumer 50 retains the Notes without redeeming them before the expiry date. The more Notes that are not redeemed, the more money there is for distribution to the charities by the Management Corporation 10. The success of the business method is measured by the value of the Notes not redeemed.

After the expiry date, the Vendor Partner 60 will take all the Notes in its possession to the Redeeming Partner 40 and claim the cash value of the Notes. The Vendor Partner 60 will then give an agreed percentage of the redeemed

value to the Management Corporation 10 which money the Management Corporation 10 may use to cover the expenses incurred or deposit in the Charities Account maintained with the Redeeming Partner 40.

Soon after the expiry date and after all redemption of the Notes by the Consumer 50 with the Redeeming Partner 40 and after redemption by the Vendor Partner 60 of the Notes in its possession with the Redeeming Partner 40, an account will be taken of the amount of money due to the Management Corporation 10. Essentially, this will consist of the difference between what the Redeeming Partner 40 collected from the Consumer 50 from the sale of the Notes and what it paid out on redemption by the Consumer 50 and the Vendor Partner 60. This difference will be credited to the Charities Account maintained with the Redeeming Partner 40 by the Management Corporation 10.

The Management Corporation 10 will then decide on the distribution of the monies in the Charities Account to the various charities and instruct the Redeeming Partner 40 which will then pay out the monies to the Charities.

Although the present invention has been shown and described with respect to preferred embodiments, various changes and modifications that are obvious to a person skilled in the art to which the invention pertains, even if not shown or specifically described herein, are deemed to lie within the spirit and scope of the present invention. The invention is intended to cover the business method to

raise funds for charities on all festive occasions and is not confined to only the Chinese New Year.

Any numbering of the elements of the following claims is merely for convenience only and is not intended to suggest that the ordering or the elements of the Claims has any particular significance other than expressed by the language of the Claims.

**CLAIMS**

1. A business method for raising donations for charities by commercial means on festive occasions involving at least four main parties such as a Management Corporation, a Sponsoring Partner, a Redeeming Partner and a Vendor Partner and comprising the steps of:

- (l) printing of currency look alike notes called Prosperity Notes in various denominations by a printer appointed by the Management Corporation;
- (m) sponsoring of the costs of the printing of the Prosperity Notes and costs of associated advertising and publicity by a Sponsoring Partner appointed by the Management Corporation;
- (n) placement by the Management Corporation of the Prosperity Notes with the Redeeming Partner on consignment for sale to Consumers at the denominational value stated on the Notes;
- (o) selling of the Notes to Consumers by the Redeeming Partner;
- (p) redemption by the Consumer or any holder of the Notes before the expiry date stated on them either by depositing them in their



individual accounts with the Redeeming Partner or by purchasing goods/services with the Notes from the Vendor Partner;

- (q) maintaining of an account called the Charities Account (or any other name) by the Management Corporation with the Redeeming Partner for purposes of collecting the monies meant to be donations to selected charities;
- (r) exchanging of all the redeemed Notes in its possession by the Vendor Partner with the Redeeming Partner for cash;
- (s) donating of an agreed percentage of the cash collected from the exchange of the redeemed Notes with the Redeeming Partner by the Vendor Partner to the Charities Account maintained by the Management Corporation with the Redeeming Partner;
- (t) giving of cash by the Redeeming Partner to Consumers who redeem the Notes by depositing them in their individual accounts with the Redeeming Partner;
- (u) payment by the Redeeming Partner into the Charities Account the difference between the monies collected from Consumers from the



sale of the Notes and the monies paid out on redemption to the Consumer and the Vendor Partner; and

(v) Management Corporation through a Board of Trustees deciding on the distribution of the monies in the Charities Account to the selected charities and instructing the Redeeming Partner to make payment to the charities.

2. A business method for raising donations for charities as set forth in Claim 1, wherein the denomination of the Prosperity Notes are not specific.
3. A business method for raising donations for charities as set forth in Claim 1 wherein the Sponsoring Partner, the Vendor Partner and the Redeeming Partner are appointed by the Management Corporation.
4. A business method for raising donations for charities as set forth in Claim 1 wherein the business method is not limited to use only during Chinese New Year but may be used on all other festive occasions.
5. A business method for raising donations for charities as set forth in Claim 1 wherein the Notes are redeemed at the par or higher value than the denominational value stated on the Notes.



6. A business method for raising donations for charities as set forth in Claim 1 wherein the Notes are redeemed for cash with the Redeeming Partner or used as cash to pay for purchases from the Vendor Partner.
7. A business method for raising donations for charities as set forth in Claim 1 wherein the Vendor Partner is a retail or service outlet.
8. A business method for raising donations money for charities as set forth in Claim 1, wherein the Management Corporation appoints one or more Sponsoring Partner, Redeeming Partner or Vendor Partner.