



Project Archimedes

*Building a competitive Libertarian Party
for the next millennium*

*"Give me a lever long enough, and a place
to stand, and I shall move the world."*

ARCHIMEDES

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Libertarian Party Growth Plan

OBJECTIVE:

To become competitive with the Democrats and Republicans.

Definition:

We will consider ourselves nationally competitive if we can achieve the following . . .

- Raise and spend between \$20 million and \$100 million during a presidential campaign.
- Receive regular network news coverage comparable to what Ross Perot received in his 1992 campaign.
- Participate in one or more of the nationally televised presidential debates.
- Achieve double-digit standing in the major public opinion polls.

METHOD:

We will recruit between 100,000 and 400,000 dues-paying members by January 1, 2000. This will allow us to raise between \$20 million and \$100 million during the course of that campaign.

That amount of money will allow us to buy our own publicity, much as Ross Perot did in 1992, which should result in a similar amount of network news coverage, standing in the polls, and inclusion in the Presidential debates.

These members will be recruited through a massive direct mail campaign and/or the creation of hundreds of thousands of inquiries (20% of which we have historically converted into members).

STRATEGY:

This plan is based on a strategy we call "discovery before persuasion." Numerous national polls indicate that there are tens of millions of people who already hold essentially libertarian views. In addition, many other polls indicate a large public demand for a new

party. We will concentrate our recruitment efforts on people who have both of these characteristics . . .

1. They already agree with most of our positions.
2. They are disgusted with the Democrats and Republicans and want an alternative.

The feasibility of this strategy depends on the success of the tactics (or process) we will use to implement it.

TACTICS:

Discovery before persuasion implies that we will be able to target people who already agree with us and who want a new political party. This cannot be done directly. We cannot know, in advance, the names of the people who fit our criteria, but we can learn the characteristics of the kinds of people, in general, who are most likely to hold these views.

Database marketing is the key. Even though we cannot identify specific individuals who already agree with us, and who want a new party, we can identify groups of people that are likely to hold high concentrations of these kinds of people.

PROCESS:

Implementation of this plan involves a five-step process.

- Develop a demographic and psychographic profile of our current membership.
- Assemble the capital necessary to fund the initial test.
- Do the tests and initial rollouts.
- Turn the information gained from the test and initial rollouts into a complete business plan.
- Present the plan to a series of libertarian billionaires from whom we expect to raise the capital required to mail an estimated 30 million pieces of mail which will recruit between 200,000 and 400,000 new contributing members to the Libertarian Party.

The first and second steps have already been completed, as has much of the third. We have matched our current membership database against a compiled database containing more than 70 million direct mail responding names. From that we learned the demographic and psycho-graphic profile of our current membership. This profile served as a guide for the selection of 53 different lists containing 30 million names.

In the second half of 1997, we raised the approximately \$250,000 needed to fund the initial testing and rollouts.

We have been implementing the third step by testing these lists using the following procedure . . .

1. Rent 5,000 to 10,000 names from each list.
2. Mail our control appeal to each list being tested.
3. Do periodic split-list tests of new appeals versus our control. By developing multiple appeals, we can avoid a drop-off in response with repeat mailings to the same list. This also helps us identify the best appeal to use to specific lists.
4. Identify those lists which the test indicates can be rolled out at either a profit or a small initial loss.

We will consider the third step to be complete when we have indentified through testing a list universe large enough to meet the project objectives, and when we have completed a series of rollouts to prove the viability of the testing.

The fourth and fifth steps will begin upon the completion of step three.

FEASIBILITY:

Several factors point to the feasibility of this plan.

1. Numerous respected national polls have indicated that the “libertarians” are out there. We just have to find a small percentage of them, and then convince an even smaller percentage of those we do find to join us.
2. We intend to use techniques that have already proven productive for other organizations and businesses.
3. We have already tested lists which respond at or near the rates we think will be required for our plan to succeed. Now we need to invest more money in the discovery of similar lists, so that we can build a list universe large enough to meet the project objectives.

We expect these techniques to work well enough that we can get our membership into the 100,000 range at no net expense, or at a small profit. To reach our goal of 200,000 to 400,000 members, however, will probably involve some initial net loss per new member.

One of the objectives of our testing is to identify a large enough list “universe” that these objectives can be met — with a sufficient response rate so that losses can be covered by a capital fund (which we could reasonably expect to raise). Based on our current testing to date, we estimate that further testing will discover the following . . .

- A list universe of about 10 million names, which we can . . .
- Mail to three times at a total cost of about \$10 million, with . . .
- An overall response rate of about .7% and . . .
- An average contribution of about \$42, resulting in . . .

- About 200,000 members recruited, with a . . .
- Gross income of about \$9,000,000, and a . . .
- Net initial loss of about \$1 million.

Vendor credit and cash flow management would allow us to complete these mailings in about 6 to 8 months, if we had \$2 million in hand to cover our losses.

We believe there are libertarians wealthy enough to provide the money to cover these losses. We also believe that they would be motivated to do so if we can do the testing to prove the feasibility of our plan.

These libertarians already provide large amounts of money to other libertarian organizations that have *less* ability to effect public policy — and move America in a Libertarian direction — than the success of our growth plan would provide to us.

Because the Libertarian Party is the only membership organization in the libertarian movement, we have a comparative advantage when it comes to recruiting large numbers of minor contributors. But once discovered, these contributors could also provide funding for other libertarian organizations. Our success would lift the entire movement.

OPTIONS:

This plan does not have to function exactly as described in order for us to reach our goals. Attainment of lesser membership goals during 1999 — on the order of 100,000 members — would allow us to self-fund similar recruitment efforts during the remainder of 1999 and throughout 2000.

It might also turn out that by the time we have 100,000 members, it may make more sense to use our expanded resources on advertising, which would generate inquiries which we could then turn into members. Again, testing will determine the most effective strategy to pursue.



Executive Summary

The news so far is very good regarding Project Archimedes — the Libertarian Party's effort to recruit in excess of 100,000 members by the year 2000.

1. The dollar return per new member is larger than expected.
2. The mailing costs are smaller than expected.
3. The larger contributions and lower costs have reduced the break-even point dramatically, which means that every dollar invested in Stage II will provide a greater return.
4. The tests are uncovering useful demographic information that will help point to the best prospects for recruiting.
5. Some of the lists respond so well that the initial dollar response covers the cost and in some cases provides a profit.
6. We have now conducted enough successful tests that we may be able to recruit more new members in just one month than we have previously recruited in any single year.
7. We have added over 6,000 new contributors from just the initial testing, including some new Life Members who joined with an initial contribution of \$1,000.
8. Our next step is a series of "rollout" mailings, where we mail to all the names on the best lists that we have tested so far in order prove our test results. We have already done this successfully with the National Review list.
9. We are assembling the additional capital needed for this now. This capital will form a Membership Recruitment Endowment, to be used over and over again to bring in more members and revenue for the Libertarian Party.
10. Once we have proven that the "rollout" process works on multiple lists, we will begin the process of contacting Libertarian billionaire businessmen for the capital to fund multimillion piece mailings.
11. The prospects look good for being able to achieve our final objectives.



Report on the Status of Stage One

July 31, 1998

TO: Steve Dasbach & Ron Crickenberger

FROM: Perry Willis

I'm happy to report that things are looking very good for Project Archimedes. We have completed most of Stage I. This report is my assessment of where we stand.

We have now mailed over 1,020,000 pieces of prospecting mail to 51 different lists with a total rollout potential of over 30 million names.

Our original plan was to test 57 different lists with a rollout potential of nearly 45 million names, but this plan was changed (and improved) for several reasons.

First, I decided to do our testing in phases. I didn't want to risk all our capital on one mailing. This meant we had to extend our timeline a little, but it was a wise move. We gained time to do more research and pick better lists. We were also able to make adjustments based on the results from our first batch of tests. This, in turn, led to better results from our second wave of mailings, with the added advantage that we have preserved more of our capital.

This, in turn, has allowed us to do a third and fourth wave, bringing the total number of membership recruitment letters mailed to 1,020,591.

To the best of my knowledge, this means we've sent more prospecting mail during the past eight months than in the prior 26 years. A happy side-benefit is that we now have more than 28,700 dues paying members — another milestone!

As planned we have also tested two different direct mail appeals, called Trial 1 and Trial 2, to determine which letter gets the best results. So far, Trial 1 has had a better response rate, but Trial 2 generates larger contributions. Overall, Trial 2 is the better letter but there are things we can do to improve both appeals.

We have revised the Trial 1 letter to incorporate the enhanced close of the Trial 2 letter, which should increase the average contribution level. This revised letter will be split-list tested against the Trial 2 letter (our control) in the next mailing. We will also test a revised, more hard-hitting, version of the Trial 2 letter.

But now for the really good news.

Our original plan had projected an average contribution of \$37, but we actually averaged \$44 on our December tests, \$46 on our February mailings, and \$43 on our April mailings, using the Trial 2 letter.

We've also reduced the cost of our mailings. Our original plan projected a cost of about 50 cents apiece, but economies of scale have reduced this to 33 cents per piece. Better yet, the projected per-piece cost for a million-piece rollout mailing will be about 30 cents.

Larger than expected contributions and lower costs mean that the response rate needed to cover our costs has plummeted. Historically, we have needed 14 contributions for every 1,000 pieces mailed in order to cover our costs. But now we can do it with an average of just 7 responses out of every 1,000 pieces mailed.

Better yet, on some of our mailings we can actually cover our costs with as few as 6 responses per thousand pieces mailed.

It's amazing to me that we're even talking about covering our costs. We expected to lose substantial money on our test mailings, and only come close to break even on the rollouts. We expected to have to raise large amounts of capital to cover those losses.

There's no doubt that we'll still need that extra money to reach our ultimate goals, but the good news is that we can probably do a big part of the job with money we can raise from our current members. This is completely unexpected!

Perhaps the most exciting result of our work so far is that we have already identified over one million names that we can mail to and cover our costs or turn a small profit!

We should be able to nearly double the size of the party by mailing three times to just this first group of names we have identified. Before we started our Archimedes testing, our universe of such names was less than 120,000 — and that universe had already been mined many times for potential LP members.

Another part of the original plan was to use demographic and psychographic filters to weed out names that were unlikely to respond. Our first wave of tests was designed to determine which characteristics, if any, would serve as good filters. That data has guided our selection of additional lists to test.

Our next step will be to do a massive mailing of around one million pieces — the largest in our history — to the best lists we have identified from all of our tests. We need this mailing to confirm that our test results aren't a fluke. The only way to do that is to re-mail to the complete lists of those we've successfully tested.

Once this step is completed, we should have enough hard data to approach our target audience of Libertarian billionaires. We will ask them for the capital needed for Stage II of Archimedes, where we will mail multiple millions of letters.

If we can fund this million-piece mailing we will bring in over 7,000 new members in just one month. These new members would be worth about \$1.5 million for the 2000 campaign,

plus give our state and local organizations a huge shot in the arm.

It would cost us about \$300,000 to do such a mailing. We probably have about \$100,000 available for this purpose now, depending, again, on how our latest tests do. I know that fundraising has been a little light recently. That isn't surprising. Our members have come through for us again and again and their pocketbooks have to get a little tired from time to time. But . . .

If we could reinvigorate them for this project, it would represent by far the greatest step forward we have made. I think everyone would be incredibly excited by the results.

Certainly anyone who helped make this possible would deserve the biggest thank-you possible. Perhaps we could do a plaque — "I helped pay for the million-piece mailing," and publish the names in *LP News*.

I also think Ron Crickenberger's concept of a "membership recruitment endowment" could be important. If we can create an "endowment" of \$300,000 for this million-piece mailing we could roll that money over and over again, bringing in about 7,000 new members every two months. In fact, a \$300,000 fund might be enough to get us to 100,000 members without having to tap libertarian billionaires. That means we could approach them for our loftier goals of 200,000 and 300,000 members.

I hope we can pull this off. We're getting very close to lift off!

ATTACHMENTS:

I have included two spreadsheets to give you more details on the work we've done so far, as well as what we are planning to do in the next couple of months.

The first spreadsheet, titled "Compiled Test/Rollout Results" shows the compiled results from all our completed Archimedes testing to date. This includes the first set of tests in December, which was primarily to gather demographic information. We had expected the response to be only about 0.25%. As it turned out the response was twice as large. Plus, we did considerably better than projected in terms of money raised.

It also includes results from our second set of tests in February. This mailing had several purposes. We wanted to . . .

- Test Trial 1 versus Trial 2
- Prove that we could get a comparable response from the entire *National Review* list as we got from the test mailing to *National Review*.

Finally, it contains information from our April tests, where we identified a number of additional lists that tested positively.

The second spreadsheet, titled "Endowment Rollout," shows our current plans for the million-piece plus mailing. This spreadsheet is likely to change based on the results of our current testing.

ATTACHMENT 1: *Compiled Test/Rollout Results*

December 1997 Test (all using Trial 2 letter)	Test Size	* Printing & Mailing	List Rental (per piece)	* Total Cost	Number of Contributors	Percent Response	Total Income	Average Contribution	* Net (per new contributor)
CA Reg. Lib (primary voters)	19574	\$ 0.21	\$ 0.100	\$ 6,068	320	1.63%	\$ 14,470	\$ 45.22	\$ 26
National Review Magazine	9889	\$ 0.21	\$ 0.100	\$ 3,066	98	0.99%	\$ 4,241	\$ 43.28	\$ 12
Adrian Day Newsletter	9882	\$ 0.21	\$ 0.100	\$ 3,063	62	0.63%	\$ 2,997	\$ 48.34	\$ (1)
MA Reg. Lib.	2708	\$ 0.21	\$ 0.100	\$ 839	19	0.70%	\$ 710	\$ 37.37	\$ (7)
Wired Magazine	9949	\$ 0.21	\$ 0.100	\$ 3,084	31	0.31%	\$ 1,308	\$ 42.19	\$ (57)
Top Demographic Cell	4983	\$ 0.21	\$ 0.100	\$ 1,545	10	0.20%	\$ 400	\$ 40.00	\$ (114)
Compiled Computer Owners	9980	\$ 0.21	\$ 0.100	\$ 3,094	17	0.17%	\$ 810	\$ 47.65	\$ (134)
Compiled Political Contributors	9983	\$ 0.21	\$ 0.100	\$ 3,095	18	0.18%	\$ 650	\$ 36.11	\$ (136)
Compiled Business Owners	9982	\$ 0.21	\$ 0.100	\$ 3,094	7	0.07%	\$ 215	\$ 30.71	\$ (411)
Compiled Home Businesses	9983	\$ 0.21	\$ 0.100	\$ 3,095	7	0.07%	\$ 205	\$ 29.29	\$ (413)
Compiled Investors	9990	\$ 0.21	\$ 0.100	\$ 3,097	6	0.06%	\$ 128	\$ 21.33	\$ (495)
Compiled Gun Owners	9975	\$ 0.21	\$ 0.100	\$ 3,092	1	0.01%	\$ 25	\$ 25.00	\$ (3,067)
Totals for December Mailings	116878			\$ 36,232	596	0.51%	\$ 26,159	\$ 43.89	\$ (17)

February 1998 Rollout (Testing Trial 1 vs Trial 2)	Test Size	* Printing & Mailing	List Rental (per piece)	* Total Cost	Number of Contributors	Percent Response	Total Income	Average Contribution	* Net (per new contributor)
(T1) National Review	5000	\$ 0.21	\$ 0.130	\$ 1,700	54	1.08%	\$ 1,375	\$ 25.46	\$ (6)
(T2) National Review	104546	\$ 0.21	\$ 0.130	\$ 35,546	839	0.80%	\$ 38,386	\$ 45.75	\$ 3
(T1) Reason	19366	\$ 0.21	\$ 0.110	\$ 6,197	372	1.92%	\$ 11,176	\$ 30.04	\$ 13
(T2) Reason	5000	\$ 0.21	\$ 0.110	\$ 1,600	62	1.24%	\$ 2,660	\$ 42.90	\$ 17
(T1) Liberty Tree	4021	\$ 0.21	\$ 0.095	\$ 1,226	39	0.97%	\$ 1,092	\$ 28.00	\$ (3)
(T2) Liberty Tree	5000	\$ 0.21	\$ 0.095	\$ 1,525	43	0.86%	\$ 1,451	\$ 33.74	\$ (2)
(T1) Strategies & Forecasts	19246	\$ 0.21	\$ 0.195	\$ 7,795	162	0.84%	\$ 5,022	\$ 31.00	\$ (17)
(T2) Strategies & Forecasts	5000	\$ 0.21	\$ 0.195	\$ 2,025	31	0.62%	\$ 1,630	\$ 52.58	\$ (13)
(T1) International Speculator	8758	\$ 0.21	\$ 0.125	\$ 2,934	85	0.97%	\$ 2,581	\$ 30.36	\$ (4)
(T2) International Speculator	5000	\$ 0.21	\$ 0.125	\$ 1,675	37	0.74%	\$ 2,837	\$ 76.68	\$ 31
(T1) Laissez Faire Books	9117	\$ 0.21	\$ 0.100	\$ 2,826	171	1.88%	\$ 5,799	\$ 33.91	\$ 17
(T2) Laissez Faire Books	5000	\$ 0.21	\$ 0.100	\$ 1,550	70	1.40%	\$ 3,795	\$ 54.21	\$ 32
(T1) Investor's World (test)	2449	\$ 0.21	\$ 0.095	\$ 747	14	0.57%	\$ 375	\$ 26.79	\$ (27)
(T2) Investor's World (test)	2450	\$ 0.21	\$ 0.095	\$ 747	15	0.61%	\$ 700	\$ 46.67	\$ (3)
(T2) CA Reg. Lib (primary voters)	18000	\$ 0.21	\$ -	\$ 3,780	109	0.61%	\$ 4,295	\$ 39.40	\$ 5
(T2) CA Reg. Lib (new registrants)	9537	\$ 0.21	\$ -	\$ 2,003	193	2.02%	\$ 8,245	\$ 42.72	\$ 32
(T1) Trial 1 Subtotal	67957			\$ 23,425	897	1.32%	\$ 27,420	\$ 30.57	\$ 4
(T2) Trial 2 Subtotal	159533			\$ 50,451	1399	0.88%	\$ 63,999	\$ 45.75	\$ 10

April 1998 Tests & Rollouts (all using Trial 2 letter)	Test Size	* Printing & Mailing	List Rental (per piece)	* Total Cost	Number of Contributors	Percent Response	Total Income	Average Contribution	* Net (per new contributor)
Human Events Magazine	4704	\$ 0.21	\$ 0.120	\$ 1,552	41	0.87%	\$ 1,862	\$ 45.41	\$ 8
Insight Magazine	4818	\$ 0.21	\$ 0.085	\$ 1,421	29	0.60%	\$ 1,615	\$ 55.69	\$ 7
Ruff Times Newsletter	4821	\$ 0.21	\$ 0.165	\$ 1,808	41	0.85%	\$ 2,009	\$ 49.00	\$ 5
National Taxpayers Union	4815	\$ 0.21	\$ 0.125	\$ 1,613	48	1.00%	\$ 1,710	\$ 35.63	\$ 2
US Term Limits	4769	\$ 0.21	\$ 0.125	\$ 1,598	55	1.15%	\$ 1,480	\$ 26.91	\$ (2)
Forbes Magazine	4988	\$ 0.21	\$ 0.130	\$ 1,696	15	0.30%	\$ 1,651	\$ 110.07	\$ (3)
Gold Stock Report	4740	\$ 0.21	\$ 0.150	\$ 1,706	25	0.53%	\$ 1,275	\$ 51.00	\$ (17)
Citizens Against Gov. Waste	4875	\$ 0.21	\$ 0.130	\$ 1,658	46	0.94%	\$ 726	\$ 15.78	\$ (20)
National Review (lapsed)	4843	\$ 0.21	\$ 0.080	\$ 1,404	24	0.50%	\$ 850	\$ 35.42	\$ (23)
American Spectator Mag.	4804	\$ 0.21	\$ 0.135	\$ 1,657	24	0.50%	\$ 885	\$ 36.88	\$ (32)
Oxford Club Newsletter	4923	\$ 0.21	\$ 0.180	\$ 1,920	19	0.39%	\$ 775	\$ 40.79	\$ (60)
Demographic Selection 2	4979	\$ 0.21	\$ 0.050	\$ 1,295	11	0.22%	\$ 605	\$ 55.00	\$ (63)
Business Week Magazine	4987	\$ 0.21	\$ 0.120	\$ 1,646	11	0.22%	\$ 675	\$ 61.36	\$ (88)
Ken Roberts Newsletter	4975	\$ 0.21	\$ 0.075	\$ 1,418	12	0.24%	\$ 338	\$ 28.17	\$ (90)
U.S. News Magazine	4974	\$ 0.21	\$ 0.080	\$ 1,442	10	0.20%	\$ 501	\$ 50.10	\$ (94)
Economist Magazine	4925	\$ 0.21	\$ 0.145	\$ 1,748	10	0.20%	\$ 525	\$ 52.50	\$ (122)
Boardroom Magazine	4996	\$ 0.21	\$ 0.110	\$ 1,599	10	0.20%	\$ 351	\$ 35.10	\$ (125)
Fortune Magazine	5006	\$ 0.21	\$ 0.120	\$ 1,652	9	0.18%	\$ 475	\$ 52.78	\$ (131)
Playboy Magazine	4989	\$ 0.21	\$ 0.090	\$ 1,497	9	0.18%	\$ 305	\$ 33.89	\$ (132)
Americans for Tax Reform	4990	\$ 0.21	\$ 0.085	\$ 1,472	7	0.14%	\$ 425	\$ 60.71	\$ (150)
Demographic Selection 3	4991	\$ 0.21	\$ 0.050	\$ 1,298	6	0.12%	\$ 250	\$ 41.67	\$ (175)
Rush Limbaugh Newsletter	4950	\$ 0.21	\$ 0.095	\$ 1,510	6	0.12%	\$ 275	\$ 45.83	\$ (206)
Fast Company Magazine	4969	\$ 0.21	\$ 0.150	\$ 1,789	6	0.12%	\$ 335	\$ 55.83	\$ (242)
Demographic Selection 1	4994	\$ 0.21	\$ 0.050	\$ 1,298	4	0.08%	\$ 175	\$ 43.75	\$ (281)
Comdex Attendees	4796	\$ 0.21	\$ 0.150	\$ 1,727	5	0.10%	\$ 225	\$ 45.00	\$ (300)
Entrepreneur Magazine	4987	\$ 0.21	\$ 0.095	\$ 1,521	1	0.02%	\$ 100	\$ 100.00	\$ (1,421)
Subtotal April Tests	127608			\$ 40,944	484	0.38%	\$ 20,398	\$ 42.14	\$ (42)
LP Inquiries	56817	\$ 0.21	\$ -	\$ 11,932	417	0.73%	\$ 15,669	\$ 37.58	\$ 9
Skeptical Inquiry Magazine	35456	\$ 0.21	\$ 0.095	\$ 10,814	224	0.63%	\$ 11,744	\$ 52.43	\$ 4
Free Inquiry Magazine	15968	\$ 0.21	\$ 0.095	\$ 4,870	117	0.73%	\$ 5,243	\$ 44.81	\$ 3
Cato Publications	16831	\$ 0.21	\$ 0.095	\$ 5,133	50	0.30%	\$ 2,275	\$ 45.50	\$ (57)
Subtotal April Rollouts	125072			\$ 32,749	808	0.65%	\$ 34,931	\$ 43.23	\$ 3

* To provide a consistent basis for comparison between different mailings, all printing and mailing costs are based on one million-piece mailings.

	List Size	Printing & mailing per piece	List rental, per piece	Total Cost Per Piece	Total Cost Per List	Response Rate	Predicted Number of New Contributors	Avg. Contribution	Gross Income Per List	Net Income	Net Per New Contributor
Laissez Faire Books	13,274	\$ 0.21	\$ 0.100	\$ 0.310	\$ 4,115	1.40%	186	\$ 54.21	\$ 10,075	\$ 5,960	\$ 32.07
International Speculator	9,921	\$ 0.21	\$ 0.125	\$ 0.335	\$ 3,324	0.74%	73	\$ 76.68	\$ 5,629	\$ 2,306	\$ 31.41
Reason	27,756	\$ 0.21	\$ 0.110	\$ 0.320	\$ 8,882	1.24%	344	\$ 42.90	\$ 14,766	\$ 5,884	\$ 17.10
LP registrants	129,000	\$ 0.21	\$ -	\$ 0.210	\$ 27,090	0.70%	903	\$ 42.72	\$ 38,576	\$ 11,486	\$ 12.72
LP Inquiries	58,106	\$ 0.21	\$ -	\$ 0.210	\$ 12,202	0.73%	426	\$ 37.58	\$ 16,024	\$ 3,822	\$ 8.96
Human Events	46,048	\$ 0.21	\$ 0.120	\$ 0.330	\$ 15,196	0.87%	401	\$ 45.41	\$ 18,227	\$ 3,031	\$ 7.55
Insight	67,000	\$ 0.21	\$ 0.085	\$ 0.295	\$ 19,765	0.60%	403	\$ 55.69	\$ 22,458	\$ 2,693	\$ 6.68
LP lapsed	27,000	\$ 0.21	\$ -	\$ 0.210	\$ 5,670	0.70%	189	\$ 35.00	\$ 6,615	\$ 945	\$ 5.00
Ruff Times	16,944	\$ 0.21	\$ 0.165	\$ 0.375	\$ 6,354	0.85%	144	\$ 49.00	\$ 7,061	\$ 707	\$ 4.91
Skeptical Inquirer	38,347	\$ 0.21	\$ 0.095	\$ 0.305	\$ 11,696	0.63%	242	\$ 52.43	\$ 12,702	\$ 1,006	\$ 4.15
National Review current	116,247	\$ 0.21	\$ 0.130	\$ 0.340	\$ 39,524	0.80%	933	\$ 45.75	\$ 42,682	\$ 3,158	\$ 3.39
Free Inquiry	21,407	\$ 0.21	\$ 0.095	\$ 0.305	\$ 6,529	0.73%	157	\$ 44.81	\$ 7,029	\$ 500	\$ 3.19
NTU	82,937	\$ 0.21	\$ 0.125	\$ 0.335	\$ 27,784	1.00%	827	\$ 35.63	\$ 29,454	\$ 1,670	\$ 2.02
Liberty Tree	8,844	\$ 0.21	\$ 0.095	\$ 0.305	\$ 2,697	0.86%	76	\$ 33.74	\$ 2,567	\$ (131)	\$ (1.72)
US Term Limits	17,602	\$ 0.21	\$ 0.125	\$ 0.335	\$ 5,897	1.15%	203	\$ 26.91	\$ 5,463	\$ (434)	\$ (2.14)
Investor's World	84,792	\$ 0.21	\$ 0.095	\$ 0.305	\$ 25,862	0.61%	519	\$ 46.67	\$ 24,226	\$ (1,635)	\$ (3.15)
Adrian Day	15,810	\$ 0.21	\$ 0.125	\$ 0.335	\$ 5,296	0.63%	99	\$ 48.34	\$ 4,795	\$ (502)	\$ (5.06)
Strategies & Forecasts	24,035	\$ 0.21	\$ 0.195	\$ 0.405	\$ 9,734	0.62%	149	\$ 52.58	\$ 7,835	\$ (1,899)	\$ (12.74)
Gold Stock Report	18,544	\$ 0.21	\$ 0.150	\$ 0.360	\$ 6,676	0.53%	98	\$ 51.00	\$ 4,988	\$ (1,688)	\$ (17.26)
Government Waste	34,000	\$ 0.21	\$ 0.130	\$ 0.340	\$ 11,560	0.94%	321	\$ 15.78	\$ 5,063	\$ (6,497)	\$ (20.25)
National Review lapsed	181,265	\$ 0.21	\$ 0.080	\$ 0.290	\$ 52,567	0.50%	898	\$ 35.42	\$ 31,814	\$ (20,753)	\$ (23.10)
Totals	1,038,879	\$ 0.21	\$ 0.087	\$ 0.297	\$ 308,419	0.73%	7,593	\$ 41.89	\$ 318,051	\$ 9,632	\$ 1.27

ATTACHMENT 2: Endowment Rollout



"GIVE ME A LEVER LONG ENOUGH, AND A
PLACE TO STAND, AND I SHALL MOVE THE WORLD."

A R C H I M E D E S

Dear Friend,

I'd like to share the latest information with you regarding Project Archimedes, the Libertarian Party's effort to recruit in excess of 100,000 contributing members by the year 2000.

This is the most *ambitious* effort ever undertaken by the Libertarian Party — and the most *important*. It is our attempt to become a truly *competitive* political party.

Here is how Project Archimedes will work: We will use sophisticated direct marketing techniques to *discover* Americans who are most likely to join the Libertarian Party, and to *convince* them to join with repeated direct mail solicitations.

While the concept is simple, the implementation is complex, so the enclosed report is very detailed. I hope you can take the time to read the report completely.

The section entitled "Libertarian Party Growth Plan" gives the background on the objective, strategy, and tactics of Archimedes. The section that begins with the "Executive Summary" details our progress to date.

- **Recruiting 100,000 members** should allow us to raise and spend more than \$20 million during the 2000 Presidential cycle (compared to about \$3 million we spent in 1996), with similar increases in funding for our local parties.

But we believe much more is possible!

We have recently seen another political organization, the Human Rights Campaign, use the same techniques to go from less than 20,000 members to over a quarter-million

contributors in just a little over two years.

We believe it is possible for us to **recruit 200,000 members** (or more) by 2000. The primary limiting factor will be how long it takes us to raise the capital fund needed to finance additional tests and roll-out mailings.

- The biggest surprise is that we may be able to achieve much of what we hoped with a much smaller capital fund than we originally anticipated, and with little loss of that capital over repeated recruitment mailings.

On some of the prospecting mailings we are even making a small profit. This is almost *unheard of* in direct mail prospecting, and it shows that . . .

The time is now right for *unprecedented* growth in the size and influence of the Libertarian Party, if we can amass the funds necessary to ask enough Americans to join.

Our initial testing has discovered over **one million names** that we believe we can mail to repeatedly and cover our costs, or even turn a small profit.

We are currently testing lists containing another 20 million-plus names. This testing should increase the universe of names we can mail to repeatedly to two million or more.

Since we are now talking about break-even or better on mailings — rather than the substantial capital *loss* we initially expected — we are beginning to assemble a . . .

Libertarian Party Membership Recruitment Endowment

To achieve the economies of scale necessary, **a fund of at least \$350,000 will be needed.** That \$350,000 could be re-invested, over and over again, to bring in more and more new members.

Given past experience, additional contributions from these new members would cover other associated costs, such as *LP News*, while providing a big increase in funds for more outreach and advertising.

Money has rightly been called “the mother’s milk of politics.” We named this project Archimedes because of the leverage it will give us to generate *more* of that “mother’s milk” . . . which will allow us to become a more powerful force in politics. In turn, that will allow us to move America, *ever more quickly*, in a Libertarian direction.

Let me give you an example of what a \$1,000 contribution to the Endowment would accomplish . . .

- **\$1,000 invested will immediately produce 24 new members.** Our past experience shows that these members will contribute an average of \$75 their first year in the party, for a first year “return on investment” of \$1,800.
- **We typically retain 70% of our members from year to year.** Members who have been in the party for more than one year typically contribute \$97 in a non-presidential year. So the second year return on investment would be an additional \$1,552 (16 remaining members x \$97).
- **Members contribute an average of \$210 in a presidential year.** So the 11 remaining members would, in their third year of membership, contribute an additional \$2,310 during the presidential cycle (11 remaining members x \$210).
- Thus, each \$1,000 contributed to this fund now will produce \$5,662 in revenue for the party over a three-year period. *I wish I had some stocks with that kind of return!*
- **But that is really just the beginning.** Since the Endowment Fund can be used over and over again every two to three months, that \$1,000 contribution should actually produce over 100 members per year — year after year. *Now that's leverage!*

**Our Libertarian Principles are our place to stand.
Project Archimedes is our lever.
The Membership Endowment will be our fulcrum.**

We have already raised more than \$100,000 for the Endowment. But that is not a high enough fulcrum for the economies of scale necessary to achieve our goals.

We must raise an extra \$200,000 this month over our normal operating expenses to get Archimedes moving in high gear now.

- **Will you help us move the world toward Liberty with your very best contribution toward Archimedes?**

Since this is a party-building effort, there are no limits as to how much you can contribute. So please send in your contribution of \$100, \$500, \$1,000, or more today.

Whatever you can send will immediately begin recruiting new activists for the Libertarian Party.

Thank you for all of your time, support, and dedication to liberty.

If you have any questions about Project Archimedes, please call me call *personally* at 202-333-0008, ext. 227.

Your friend in Freedom,

A handwritten signature in blue ink, appearing to read 'Ron Crickenberger', with a long horizontal flourish extending to the right.

Ron Crickenberger
National Director

PS: We have already recruited more than **6,000 members** from just the testing stage of Archimedes. *We now have the data to roll out the biggest recruitment mailings in the history of the party.*

The new members we bring in will be our future candidates, contributors, and premier activists. It is vital that we bring them in now, well before the next election cycle.

A personal favor: Think about what your previous highest contribution to a Libertarian cause has been — and *double* that as your contribution to Project Archimedes. I hope that is not too much to ask for the most important project in the history of the Libertarian Party. *Thank you.*



Libertarian National Committee, Inc.

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