

## **Report to Participants on AIDS/LifeCycle 2**

October 28, 2003

Dear AIDS/LifeCycle Participant,

We are very pleased to provide you this update on AIDS/LifeCycle 2 and progress to date on AIDS/LifeCycle 3. As you know, creating AIDS/LifeCycle has been a challenging but very rewarding experience. Each of our benefiting agencies took a substantial risk in launching this event in 2002, knowing that it would take at least three years to build the event to meet our long term goals.

Judging from the feedback and experience of AIDS/LifeCycle 2, we are confident that we are well on our way toward building the premier fundraising cycling event for HIV/AIDS services in the country. In fact, we already have nearly double the number of registrants for AIDS/LifeCycle 3 that we had at the same point in time last year. Despite a very difficult economy and the resulting downward pressure on charitable giving, our agencies netted over \$1.6 million from your efforts on AIDS/LifeCycle 2. This impressive sum makes an incredible difference in the lives of our clients and would simply not have been possible were it not for your efforts.

In addition to the proceeds raised by the event, we are proud of the growth in the number of cyclists and roadies that registered, trained and fundraised for AIDS/LifeCycle 2. AIDS/LifeCycle 2 had 1009 cyclists and 305 roadies participate, up 50% from the inaugural year in 2002. For AIDS/LifeCycle 2 this represents some 590,000 miles pedaled and 24,000 volunteer hours on behalf of people living with HIV/AIDS.

AIDS/LifeCycle 2 also received tremendous media coverage in virtually every city we cycled through, raising awareness and visibility for the issue of HIV/AIDS in an environment where maintaining the sense of urgency for this cause is more and more difficult. For those of you who participated in AIDS/LifeCycle 2 and saw the school children and community groups supporting our work; you know first hand the power of this event to raise awareness.

While we are very pleased with the results for the second AIDS/LifeCycle, we know that our work is not over – that we must continue to cultivate this event to meet our long-term financial goals. In AIDS/LifeCycle 1 we demonstrated that we could pull off such a complicated event; in AIDS/LifeCycle 2 we have shown that we can generate significant net returns. It is now our challenge for AIDS/LifeCycle 3 and beyond to continue the growth in our participant numbers and with them the proceeds we can raise for HIV/AIDS services.

Growth is important because we know that the net returns from this event are very dependent on the number of cyclists. Of the \$4.3 million in revenue raised for AIDS/LifeCycle 2, \$1.2 million was dedicated to supporting the cyclists during the

seven-day event (route marking and signage; medical and safety support; food and water; support vehicles, campsites, etc.) and \$1.5 million was dedicated to recruiting cyclists to register and supporting them in their training and fundraising. The good news is that many of these costs are fixed in nature meaning that they do not increase significantly with the number of participants. For example, the costs of campsites, route marking, road signage, and pit stops do not go up each time we register an additional cyclist. Other costs, such as shower trucks and food service are not entirely fixed, but there are substantial economies of scale that we benefit from with higher numbers. As a result, a growth in the number of cyclists contributes very significantly to the net income available to fund our HIV/AIDS programs and services.

Registering cyclists is an area where your help can be extremely important. We know that the single most important source of new registrations is “word of mouth” – that is friends and family of previous participants who hear first hand about the AIDS/LifeCycle experience. As noted earlier, AIDS/LifeCycle 3 is already off to a great start with nearly double the number of registrants we had at the same point in time last year. By sharing your experience with friends and family you can help us maintain that momentum.

On behalf of the San Francisco AIDS Foundation, the L.A. Gay & Lesbian Center and the many clients we serve, we extend our heartfelt thanks to all of the cyclists, roadies, donors and volunteers so vital to success of this event. We look forward to seeing you on the road in June.

Pat Christen  
Executive Director  
San Francisco AIDS Foundation  
ALC3 Cyclist # 1013

Lorri L. Jean  
Chief Executive Officer  
L.A. Gay & Lesbian Center

P.S. If you have any questions regarding this information or about AIDS/LifeCycle 3, please do not hesitate to call Chris Cole, AIDS/LifeCycle Director at (323) 993-7663 or Stephen Cadby, AIDS/LifeCycle Associate Director at (415) 581-7083.