



## Understanding the Organized Philanthropic Activity of Entrepreneurial Families

Marta Rey and Nuria Puig

In this essay, we first explore the organized philanthropic activity of entrepreneurial families—that is, the set of private initiatives aimed for the public good that are channeled by them through ad hoc independently governed organizations such as foundations. Entrepreneurial families have become major actors in the twenty-first-century global economy, giving rise to increased scholarly interest in the performance, organization, specificities, and overall impact of family firms. The departing idea of this essay is that family foundations, too, have become important economic actors that ought to be included in the business history agenda. The proliferation of family foundations over the past three decades evokes the rise of scientific philanthropy during the first globalization wave. We propose a preliminary framework and methodology to approach the functionalities of corporate foundations for family firms and the perceived benefits of family foundations for entrepreneurial families, based on Spain as a case study but suitable for international comparisons. Fifty-three families and sixty-five foundations are examined and classified in terms of their aims and most visible activities, as well as their interplay with the main businesses of their supporting families and their local, national, and international institutional environment.

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The authors acknowledge financial support from the Spanish Ministry of Science and Innovation (Project ECO2009-10977). They wish to thank the Spanish Association of Foundations (AEF) for permitting access to its database through the Institute for Strategic Analysis of Foundations (INAEF).

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URL: <http://www.thebhc.org/publications/BEHonline/2010/reyandpuig.pdf>

firms. The departing idea of this paper is that family foundations, too, have become important economic actors that ought to be included in the business history agenda. The proliferation of family foundations over the past three decades evokes the rise of scientific philanthropy during the first globalization wave. Although abundant quantitative and qualitative evidence about the growing relevance of the philanthropic activities of both family firms and entrepreneurial families in the unprecedented period of prosperity and escalating private wealth that preceded the 2008 financial downturn, business historians have not yet paid attention to the topic.

In this preliminary piece of research we propose a framework and methodology to approach the functionalities of organized philanthropy for family firms and the perceived benefits of family foundations for entrepreneurial families. Organized philanthropy is defined here as the set of private initiatives aimed at the public good that are channeled through ad hoc independently governed organizations such as family foundations, charities, trusts, and corporate foundations. Note that we are not addressing the social impact or benefits of these institutions. Instead, we aim to identify the individuals and families behind the foundations, to understand their philanthropic behavior and motivation in terms of charitable spending and the choice of causes to support, and to examine the interplay between family business and organized philanthropy.

The historical analysis of family philanthropy, a topic traditionally dominated by legal and tax experts, poses many challenges. Opacity is overwhelming, particularly in civil-law tradition countries, explaining the lack of basic information about the name, endowment, and board members of most foundations around the world. Moreover, national differences in the legal framework and social standing of family foundations are strong despite remarkable global trends in the field. This makes international comparisons and universal observations extremely difficult.<sup>1</sup>

The first step in our research consisted of identifying the largest entrepreneurial families and family foundations in Spain, a late industrializing country in which family firms have reached considerable economic influence and visibility over the past three decades. It is important to note that Spain's development has been underpinned by a strong anti-capitalistic sentiment until recently. The social standing of the business community improved only after the country joined the European Union in 1986 and entered a phase of fast economic growth and social change. Searching through several registries and hundreds of websites for foundations linked to the approximately 250 largest and multigenerational firms analyzed in previous research, we were able to identify fifty-three families and sixty-six foundations.<sup>2</sup> We then went on to examine their

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<sup>1</sup> Cathy Pharoah, *Family Foundation Philanthropy: UK, Germany, Italy, US* (London, 2009), 11-14.

<sup>2</sup> Large and multi-generational Spanish family firms have been extensively studied by Nuria Puig and Paloma Fernández in "The Education of Spanish

founders' background, foundational aims, and most visible activities, as well as their interplay with the main businesses of their supporting families and their local, national, and international institutional environments. The observation of common characteristics allowed us to attempt various classifications and typologies based on the Spanish case but suitable for international comparisons. In addition, we observed that, as expected, family foundations have been responsive to an increasingly favorable framework designed under the influence of restored democracy (1978), European integration (1986), and globalization (after 1992). Interestingly, the leading Spanish family firms over the past two decades have also played a leading role in contributing to the creation of family business advocacy groups in Europe, to family foundations in Latin America, and to the dissemination of family business studies in Europe.

The essay is organized in four sections. The first section presents a conceptual framework to address the long-term development of family organized philanthropy. In the second section we provide some basic information about the Spanish political, legal, and fiscal environment and the overall evolution of Spanish foundations, including systematic comparisons with the American system. The third section describes the empirical exercise we have conducted, followed by our preliminary observations and some tentative typologies. A concluding section summarizes the findings and suggests further lines of research. The list of Spanish family foundations is displayed in an appendix.

### **Conceptual Framework, Typologies, and Historical Stages**

If we define philanthropy as voluntary and private action for the public good, the philanthropic initiatives of entrepreneurial families can be funneled through either individual /household giving and volunteering by family members or organized philanthropy.<sup>3</sup> For the purpose of this study, organized philanthropy is defined as the set of private initiatives aimed at the public good that are channeled through the creation and/or control of ad hoc independently governed not-for-profit organizations, such as

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Entrepreneurs and Managers: Madrid and Barcelona Business Schools, 1950-1975," *Paedagogica Historica* 39 (Oct. 2003): 651-72; "La gran empresa familiar española en el siglo XX: Claves de su profesionalización," *Revista de Historia de la Economía y de la Empresa* 2 (2008): 93-122; "A Silent Revolution: The Internationalization of Large Spanish Family Firms," *Business History* 51 (May 2009): 462-83; and by Paloma Fernández and Nuria Puig in "Knowledge and Training in Family Firms of the European Periphery: Spain in the Eighteenth to Twentieth Centuries," *Business History* 45 (Jan. 2004): 79-99; "Bonsais in a wild forest? A historical interpretation of the longevity of historical family firms in Spain," *Revista de Historia Económica, Journal of Latin American and Iberian Economic History* 25 (Winter 2007): 459-98; and "Global Lobbies for a Global Economy: The Creation of the Spanish Institute of Family Firms in International Perspective," *Business History* 51 (Sept. 2009): 712-33.

<sup>3</sup> Robert L. Payton, *Philanthropy: Voluntary Action for the Public Good* (New York, 1988), 150-60.

foundations, associations, charities, endowments, or charitable trusts, depending on each country's regulations.

This study focuses on foundations because they are, on the one hand, the typical legal form for organized philanthropy in Western societies—despite significant variation in conceptual, legal, and fiscal regimes, and historical path dependencies across countries—and, on the other hand, the most popular vehicle for philanthropic giving among the wealthiest high-net-worth donors. Not surprisingly, family foundations—that is, those established by individuals or families—account for a major portion of foundation giving in the United States. In 2006 there were approximately 34,600 family foundations, representing a 59 percent share of all private foundation giving, making grants totaling more than \$17 billion per year, and holding assets near \$260,000 million. The Bill & Melinda Gates Foundation is the largest of this kind and the best example of contemporary U.S. “philanthrocapitalism” (see Figure 1).<sup>4</sup>

FIGURE 1



Bill and Melinda Gates attend a women's microfinance group meeting in Nigeria (2006, photo by P. Panjiar).

Source: Bill & Melinda Gates Foundation, <http://www.gatesfoundation.org>.

Individual and household giving and volunteering (the latter including board membership) by entrepreneurial family members usually fall below the radar in Europe. Data on individual and household giving by this group are impossible to obtain from descriptive statistics produced by public sources (statistical agencies, tax agencies, etc.) because of data protection regulations. Moreover, few surveys on individual/household giving are performed in Europe regularly, with the exception of the United

<sup>4</sup> New York Foundation Center, “Key Facts on Family Foundations” (New York, March 2008), <http://www.foundationcenter.org>.

Kingdom and the Netherlands. Although some surveys discriminate among respondents on the basis of their wealth and/or disposable income, no standardized survey design is utilized. Resulting data are therefore scarce, low in quality, and difficult to compare, both diachronically and across countries.<sup>5</sup> In Spain, no surveys specifically targeting individual/household giving by entrepreneurial families have been performed to date, and the few surveys carried out to explore individual/household giving by economic elites have been undermined by extremely low response rates (7 percent in a 2007 postal survey sponsored by two prestigious foundations).<sup>6</sup>

The organized philanthropic activity of entrepreneurial families is normally structured through the creation and/or control of two different types of private foundations—private meaning that most of their funds come from one source or some combination of a few related partners. *Family foundations* are those established by an individual or family through gifts or bequests. They can have substantial endowments if donors bring their private assets (stock and other shares in businesses, financial, real estate, patents) into the foundation, or make grants from periodic gifts into the foundation (“pass-through”). Family members often have a position on the board of directors. In contrast, *corporate foundations* are those established by a company and generally receive their assets and/or annual gifts from a company. Although a separate legal entity, the corporate foundation is often closely tied to the company in terms of governance and management.<sup>7</sup>

Organized philanthropic activity by entrepreneurial families in Europe is comparatively more visible than their individual giving and volunteering, but the literature shows just the tip of the iceberg. In general, the foundation sector has been under-researched, with the exception of a few countries including the United Kingdom, Germany, and Sweden. Few European countries have inventoried their foundations, and reporting is not always mandatory. This contrasts with the United States, where the New York Foundation Center and the Council on Foundations have fostered research about foundations since the mid-1950s. Moreover, in 1997 the National Center for Family Philanthropy started to study family foundations. In Europe, systematic research on foundations began only during the last decade, thanks to pioneer academic studies led by Helmut Anheier from the London School of Economics and by the in-house

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<sup>5</sup> Pamala Wiepking, ed., *The State of Giving Research in Europe: Household Donations to Charitable Organizations in Twelve European Countries* (Amsterdam, 2009), 6-8.

<sup>6</sup> Elisa Chuliá and Jacobo Muñoz Comet, “En torno a la filantropía de las élites económicas en España: Un estudio empírico como punto de partida,” in *La filantropía: tendencias y perspectivas*, ed. Víctor Pérez-Díaz (Madrid, 2008), 103-24.

<sup>7</sup> New York Foundation Center, “What Is a Foundation?” in *Foundation Fundamentals* (New York, 2008), chap. 1.

research performed by sector networks such as the Brussels-based European Foundation Center (1989), the “Philanthropy UK” initiative (2001) of the Association of Charitable Foundations (1989) in the United Kingdom, and the Bundesverband Deutscher Stiftungen (1952) in Germany.

From a contemporary perspective, seven foundation sector models have been distinguished across Europe: *Social democratic*: foundations are in well-coordinated relationships with a highly developed welfare state (Sweden, Denmark, Norway, Finland); *State-centered*: foundations are tightly controlled and subservient to the state (France, Belgium, Luxembourg); *Corporatist*: foundations are in a subsidiary relation to the state, and the borderline between them and the business sector is complex (Germany, Netherlands, Austria, Switzerland, Lichtenstein); *Liberal*: long history of independence and clear boundaries with the state and business sector, US-influenced image (UK); *Peripheral*: weak foundation sectors in late-developing economies (Ireland, Greece); *Mediterranean*: medium-sized, fast-growth foundation sectors with a long history and complex relationship with the state and church in late-developing economies (Spain, Italy, Portugal, Turkey); *Post-statist*: rapid growth, foreign funding, and political reform agendas (Central and Eastern Europe).

From a regulatory point of view, and despite complexities and diversities, two different legal traditions coexist in Europe regarding foundations: a *common-law tradition* based in the United Kingdom and shared with the United States, which emphasizes the conditions for trusteeship of charitable gifts rather than organizational form per se; and a *civil-law tradition* based in continental Europe which provides for a legal personality and incorporates the ancient Roman law differentiation between foundations based on some core asset (*universitas rerum*), and associations and other membership-based organizations (*universitas personarum*).

From a historical point of view, the modern European foundation sector is a product of the postwar period, despite a bimillenary philanthropic tradition inspired by the preeminence of charitable values in the three monotheistic religions, particularly Christianity. The development and longevity of foundations are tightly correlated with political stability and economic prosperity, with two identifiable booming periods: the late nineteenth and early twentieth century (first globalization wave), under the influence of American-style scientific philanthropy; and the renaissance of private foundations from the 1980s through the 2000s (second globalization wave).<sup>8</sup> The effects of the current economic downturn on the sector outside the United States are still unmapped.

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<sup>8</sup> Helmut K. Anheier, “Foundations in Europe: A comparative perspective,” in *Foundations in Europe: Society, Management, and Law*, ed. Andreas Schlüter, Volker Then, and Peter Walkenhorst (London, 2001), 35-81; European Founda-

The golden age of American scientific philanthropy deserves some attention. Driven by individual entrepreneurs such as Andrew Carnegie, John Pierpont Morgan, and Henry Ford and by entrepreneurial families such as the Rockefellers and the Mellons, it created an entourage where welfare capitalism, scientific management, and philanthropy successfully met (see Figure 2). Scientific philanthropy combined some ideals specific to the Progressive Era with the American traditional aversion to government solutions and the idea that social justice required more efficient institutions. Notwithstanding the observations of the Walsh Commission (1915-1916) about the American economy being under the control of a few very wealthy individuals, the fact that the sort of corporate philanthropy directed by Henry Ford was restricted between 1919 and 1952, and the regulations, sanctions, taxes, annual reporting obligations, and restrictions on donor control and deductibility of gifts introduced by the Tax Reform Act of 1969, the organized philanthropic activity of entrepreneurial families became a mainstream, powerful and visible force in American society throughout the twentieth century. The modern foundation sector was born.<sup>9</sup>

Family foundations have been the specific focus of a groundbreaking study directed by Cathy Pharoah from the Cass Business School at City University London. This research updates the first annual report ever on trends in family foundation charitable spending, presented in 2008, and compares the United Kingdom, the United States, Germany, and Italy. It concludes that charitable spending by the one hundred largest family foundations in each country was worth—for the accounting years 2005, 2006 or 2007—7,049 million U.S. dollars for the United States, 1,174 million pounds (1,753 million U.S. dollars) for the United Kingdom, 724 million euros (986 million U.S. dollars) for Germany, and 90 million euros (122 million U.S. dollars) for Italy. Both the United States and the United Kingdom showed double-digit growth rates in real terms relative to the previous report. Common themes outlined are the influence of the founder's personal concerns on the foundation's creation and activities and the roles played by family foundations in protecting the financial, ethical, and human resource assets of the companies built by successful

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tion Centre, *Foundations' Legal and Fiscal Environments—Mapping the European Union of 27* (Brussels, 2007).

<sup>9</sup> Peter Dobkin Hall, "A Historical Overview of Family Firms in the United States," *Family Business Review* 1, no. 1 (1988): 51-68; and Hall, "A Historical Overview of Philanthropy, Voluntary Associations, and Nonprofit Organizations in the United States, 1600-2000," in *The Nonprofit Sector: A Research Handbook*, ed. Walter W. Powell and Richard Steinberg (New Haven, Conn., 2006), 32-65. Specifically for the historical development of the U.S. foundation sector, see John G. Simon, "The Regulation of American Foundations: Looking Backward at the Tax Reform Act of 1969," *Voluntas: International Journal of Voluntary and Nonprofit Organizations* 6 (Oct. 1995): 243-54; and Kenneth Prewitt, "Foundations," in *The Nonprofit Sector*, 355-77.

entrepreneurs and also as vehicles to support their agendas of legacy establishment, innovation, social reform, advocacy and internationalization. The two historical peaks mentioned before become clear again: the first at the turn of the nineteenth century, and the second during the last

FIGURE 2



Andrew Carnegie (1835-1919) and his wife Louise Whitfield.

Source: Carnegie Corporation of New York, <http://www.carnegie.org>.

few decades based on private wealth built in the framework of the second economic globalization wave. The report confirms that philanthropy visibly permeates the everyday life of entrepreneurial families in the United States and the United Kingdom, and that German family foundations show an impressive record even though the postwar years in East Germany undermined the role of private philanthropy in the provision of public goods. As for the Southern European philanthropic tradition (Italy, but also Spain), it is one of Catholic Church influence (charitable, beneficent), lack of public data, and invisibility, evoking the biblical precept: “But when you give to the poor, do not let your left hand know what your right hand is doing” (Matthew 6:4).<sup>10</sup>

### **Spain as a Case Study: The Political, Legal, and Fiscal Environment of Organized Family Philanthropy in a Late-Developing Country**

Foundations constitute the typical legal formula utilized in Spain as a vehicle for all kinds of organized philanthropy (all foundations must be charitable and not-for-profit in Spain). Today Spain probably ranks among

<sup>10</sup> Pharoah, *Family Foundation Philanthropy*, 15-21.

the top five European Union (EU) member countries in terms of the number of registered foundations, with around 12,000—not including some 1,100 Catholic Church foundations organized under canon law—and it is one of the few countries in the world where the right to found enjoys the maximum legal protection (granted by the Spanish Constitution of 1978).<sup>11</sup> The foundation sector has grown exponentially since the restoration of democracy in Spain, paired with the appearance of successful collective action. The Asociación Española de Fundaciones (AEF), representing the sector's interests since 2003 and originating from the merger of preexisting associations of foundations dating back to 1978, has become the second largest national association of foundations in Europe with more than 1,000 members, after the German Bundesverband Deutscher Stiftungen, which has over 3,300 members.

The modern Spanish foundation sector has been strongly influenced by the country's late economic development. It emerged almost seven decades after the dawning of scientific philanthropy in the United States, but it has grown dramatically ever since. The restoration of democracy created a clear and favorable legal framework for foundations that contrasts with the ancient, scattered, and even contradictory regulations that ruled Spanish foundations. No matter what political system or ideology ruled the country, the political environment had been predominantly hostile to foundations during the contemporary era. In the 1820s, the liberal revolution suppressed most of the inherited legal structures, which were considered to be remnants of the absolutist system and unproductive vehicles for perpetuating the privileges of the Church and the nobility. As a consequence, no foundations were created until the passing of a new law in 1849 ("*Ley General de Beneficencia*") authorizing the existence of foundations as marginal beneficent private initiatives, but limiting their investment practices in such a way that they were not viable in the mid-term. Spain's late economic development, combined with high political instability, contributed to a weak civil society throughout the nineteenth century and well into the twentieth. This situation, however, did not prevent entrepreneurial families emerging in Spain at the turn of the nineteenth century from starting their own secular philanthropic initiatives. The late nineteenth and early twentieth century saw the return of affluent emigrants from Latin America ("*indianos*"), who started and funded in their home communities (Cataluña, Asturias, Cantabria, Galicia) public interest initiatives of all kinds (schools, hospitals, etc.), commissioned art works for the public to enjoy, and sometimes endowed foundations, many of them pioneering the contemporary "community foundation" model—that is, pooling resources from a great variety of sources. Such initiatives, however, should not be overstated. Compared to the golden age of American scientific philanthropy, in Spain secular organized philanthropy was a minority phenomenon. Although some of

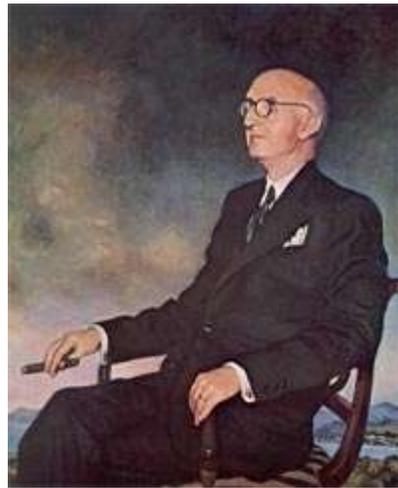
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<sup>11</sup> European Foundation Centre, *Foundations in the European Union: Facts and Figures* (Brussels, 2008).

these philanthropic initiatives still exist—for example, the private university endowed by Antonio López, marquis of Comillas, in 1908—the growth and even survival of foundations devoted to social and educational aims was very much hindered by a 1912 royal decree in force until 1994. This decree ruled that, except for the buildings directly necessary to develop public interest goals, all foundation investments should consist of public debt bonds. This resulted in massive erosion of endowment assets.

Spanish civil society grew even weaker under General Francisco Franco's dictatorship (1939-1975). But it was then that a small group of important endowed family foundations were created, some of them—for example, F. Juan March (see Figure 3), F. Marcelino Botín, F. Pedro Barrié de la Maza, F. Ramón Areces (see Figure 4)—adopting, at least partially, the scientific philanthropy model. As in the previous period, however, most secular philanthropic initiatives corresponded to the beneficent model. These concurrent initiatives entitle us to say that the tradition of family philanthropy in Spain relates to an old tradition of charitable giving connected with the Catholic Church but also with secular values and movements. Many of these family foundations were endowed “*a fe y conciencia*,” meaning that the founder conferred to board members all the power to manage the endowment and no reporting obligations were assumed, thus avoiding both the interference of public authorities and the investment restrictions in place since 1912.<sup>12</sup>

FIGURE 3



Juan March, Sr. (1880-1962) by Zuloaga.

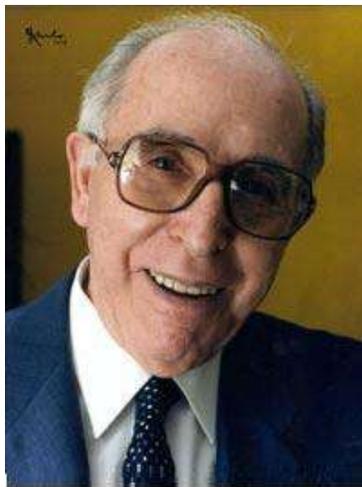
Source: Fundación Juan March, <http://www.march.es>.

<sup>12</sup> José Pedreira Menéndez, *Las actividades empresariales de las Fundaciones y su tributación* (Valladolid, 1999), 29-41; Julio Jiménez Escobar and Marta Montero Simó, “El régimen sustantivo de las fundaciones,” in *Dirección de entidades no lucrativas: marco jurídico, análisis estratégico y gestión*, ed. Julio Jiménez Escobar and Alfonso C. Morales Gutiérrez (Navarra, 2006), 87-135.

The restoration of democracy encouraged the emergence and growth of the foundation sector through three legal milestones:

- The right to found “for general interest purposes,” although not a “fundamental” right, enjoys the maximum legal protection possible, as it is included in the Spanish Constitution of 1978.
- The first law to conceptualize and regulate foundations—and giving to nonprofit entities—from a contemporary perspective was the 1994 Foundation Law.
- The second and current civil law regulating foundations dates back to 2002. This piece of legislation basically shifts the main role of the supervisory entities from *ex ante* control to counseling and *ex post* control, and recognizes the existence of specific foundation laws or regulations in fifteen out of the seventeen autonomous regions existing in Spain. In combination with the 2002 fiscal law, the 2002 civil law substantially improved the tax regime for foundations (tax exemptions), but only slightly for donors to any kind of nonprofit organization (tax deductions). The possibility that foundations might develop economic activities and own majority shareholding is recognized and expanded (“*fundaciones-empresa*”).<sup>13</sup>

FIGURE 4



Ramón Areces (1905-1989) and Isidoro Alvarez, founder and president of the Fundación Ramón Areces

Source: Fundación Ramón Areces, <http://www.fundacionareces.es>.

<sup>13</sup> Article no. 34 of the Spanish Constitution; Ley 30/1994, de 24 de noviembre, de Fundaciones y Mecenazgo; Ley 49/2002, de 23 de diciembre, de régimen fiscal de las entidades sin fines lucrativos y de los incentivos fiscales al mecenazgo; and Ley 50/2002, de 26 de diciembre, de Fundaciones.

Although since 1978 Spain is one of the few countries in the world where the constitution recognizes “the right to found for general interest purposes, according to the Law,” the truth is that it took the Spanish Parliament almost sixteen years to pass this law. It should be noted that democracy brought about a major fiscal reform that involved a progressive yet dramatic change—for the worse—in the tax incentives for the endowment of and giving to foundations. Before this reform, which built the basis for the current fiscal system, foundations were completely tax exempt, donations to them were fully deductible, no amount was withheld from the recipients of their grants and fellowships, and the VAT did not yet exist. After 1978 and until the 1994 and 2002 laws reverted the situation, donors saw the deductions on their giving substantially reduced and even eliminated, grants and fellowships became subject to retention on the beneficiaries’ side, and foundations started paying taxes as if they were businesses, exemption becoming not a rule but a “special” fiscal system. Today, whether foundations are final consumers of the VAT for their exempt activities is still an unresolved question, and retentions on grants and fellowships still apply.<sup>14</sup>

Despite this paradoxical situation—a constitutional right with no legal development and an adverse fiscal regime—the number of new foundations grew exponentially in Spain from the early 1980s. Although the Spanish fiscal framework has not been an incentive for the creation of foundations, their number has increased dramatically between 1981 and 2006 (Table 1). The improved social standing of entrepreneurship in Spain as a result of fast growth, social change, and European integration has surely contributed to this evolution.

TABLE 1  
Number of New Foundations in Spain

Period	Total Number of New Foundations	Annual Average of New Foundations
1961-1970	197	20
1971-1980	268	27
1981-1990	797	80
1991-2000	2,551	255
2001-2006	2,726	454
1960-2006	6,539	142

*Source:* Asociación Española de Fundaciones, *Directorio de Fundaciones españolas* (Madrid, 2007), 23-31.

<sup>14</sup> José Antonio del Campo Arbulo, “Consideraciones sobre el regresivo régimen fiscal de las fundaciones en España,” *Revista Situación* 4 (1989): 61-73.

Today foundations in Spain are legally defined as “nonprofit organizations which, by will of their founders, have affected their assets durably to the achievement of general interest purposes.” The law enumerates an open list of general interest purposes that includes almost any educational, social, research, cultural, or environmental goal that could be imagined. This is the first and most important feature that differentiates Spanish foundations from foundations in the United States and other Western countries: all Spanish foundations are, by nature, nonprofit and philanthropic (grant-giving/operating) for the public or for general segments of the public, meaning that none can distribute profits or benefit the founder and/or his/her closer relatives, and all of them must engage in public benefit purposes. All Spanish foundations are automatically granted civil charitable or nonprofit status, and they are consistently eligible for tax exemption and are permitted to receive tax-deductible contributions from individuals and corporations, if they comply with certain administrative requisites and strict reporting controls.<sup>15</sup> The option for this “special fiscal regime,” however, is voluntary, and an uncertain portion of the foundation sector prefers to remain only partially tax-exempt and to relinquish deductibility for eventual donations, and to endure instead fewer administrative controls. Most Spanish foundations exist or pretend to exist in perpetuity, the spend-down model being an exception. It is important to note that the Spanish foundation sector cannot simply be equated to the asset-holding component of the Spanish third sector, as only a minor portion of foundations hold substantial assets (the minimum initial endowment to found is 30,000 euros). The majority are “pass-through” foundations or organizations that are financially dependent on annual fundraising from public and private donors and fees for services.<sup>16</sup>

For the purpose of this study, one should highlight four differences between the American post-1969 system (Tax Reform Act) and the Spanish post-1994 system regarding eligibility of foundations for tax exemptions and deductions that specifically affect the organized philanthropy of entrepreneurial families:

- Minimum annual distribution or “pay out” requirement. Roughly simplified, in the United States private foundations must spend in grant-making and direct charitable activities at least 5 percent of the average market value of their assets in any fiscal year by the end of the following year. In Spain foundations must likewise “distribute” the equivalent of at least 70 percent of their net annual income. This “70% rule” compromises the continuity of endowed foundations in the medium and long term, as the

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<sup>15</sup> 50/2002 Law.

<sup>16</sup> Iñaki Domínguez Vázquez et al., *La realidad de las Fundaciones en España: Análisis sociológico, psicosocial y económico* (Santander, 2001), 213-322.

endowment tends to erode whenever inflation rates are moderate to high and the risk of investment practices is moderate to low.<sup>17</sup>

- Unrelatedness of the recipient nonprofit. In the United States this is a requisite for tax benefits. In Spain it is the unrelatedness of final beneficiaries of philanthropic activities to the founder's and board members' family, including up to fourth-degree relatives.
- Limits on the proportion of a for-profit enterprise a foundation may own. This issue is closely related to the possibility that the entrepreneurial family controlling the foundation will maintain a heavy concentration in its firm's equity to transfer control of the family firm across generations in a tax-efficient way. The U.S. tax code prevents this situation by establishing a 20 percent cap on the voting stock of a company that a private foundation can hold. In fact, in the United States trusts are the primary investment vehicles used by two-thirds of founding families to hold their shares of *Fortune 500* companies, keeping an average of 20 percent of their holdings in trusts. Still, 37 percent of founding families in *Fortune 500* companies use foundations to hold what on average amounts to 5 percent of their total shareholdings in these companies.<sup>18</sup> In Spain majority shareholding in companies by public benefit foundations is permitted with no limit whatsoever, and dividends are tax-exempt under the same conditions as other types of foundation income. This situation is a slight improvement even over the German regulatory framework, where there are strong tax incentives for the control of family firms through foundations.<sup>19</sup>
- Prohibitions on self-dealing. Whereas in the United States federal tax law prohibitions on self-dealing strictly apply to the operations and relationships between a business entity and its related foundation, these regulations are considerably looser in Spain.

It should be noted, finally, that the concept of corporate foundation in Spain can be extended to include not only foundations created by either a firm or a savings bank (Spanish savings banks are foundations themselves), but also foundations created by individual entrepreneurs and entrepreneurial families whose initial endowment consisted of firm stocks and who currently own significant (controlling) or majority shares of the capital of either private or public companies. The line separating family foundations from corporate foundations blurs also when a family firm endows and/or sponsors a foundation and family members sit on both the

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<sup>17</sup> Amadeo Petitbò Juan and Francisco Hernández Marcos, "La gestión de los recursos económicos de las fundaciones," in *Anuario de Derecho de Fundaciones* (Madrid, 2009), 59-93.

<sup>18</sup> Belén Villalonga and Raphael Amit, "How Are U.S. Family Firms Controlled?" *Review of Financial Studies* 22, no. 8 (2009): 3047-91.

<sup>19</sup> European Foundation Centre, *Comparative Highlights of Foundation Laws: The European Union of 27* (Brussels, 2007), 17; Joel Fleishman, "Public policy and philanthropic purpose—Foundation ownership and control of corporations in Germany and the United States," in *Foundations in Europe*, 372-408.

company and the nonprofit boards. For the purposes of this essay, we will consider an extended concept of entrepreneurial family-connected foundations, comprising three different categories: family foundations established and/or controlled by family members; corporate foundations established and/or controlled by family firms; and foundations owning significant (that is, controlling) or majority shares of family firms.

### **Empirical Exercise and Preliminary Findings**

To assess the extent of organized philanthropy by family firms in Spain, we used previous research on the 245 largest (with a turnover of 40 or more million euros) Spanish multigenerational family firms as of 2005.<sup>20</sup> The task of collecting data about them was not easy. Access to public data on Spanish foundations is very much constrained by the structure of the administrative units responsible for supervising their reporting—more than forty state and regional protectorates and registries. Updated basic data are fully accessible on-line only for two protectorates, and on-line reporting is possible only for foundations based in Catalonia.

In contrast, in the United States, the 990-PF forms that must be filed by private foundations with the Internal Revenue Service to be recognized as charitable organizations under the Tax Reform Act of 1969 (in order for contributions to them to be tax deductible), including their financials and other relevant information, are publicly, fully, and on-line accessible. In Europe, although some quantitative cross-country comparative studies have been published, economic dimensions for each country's foundation sector have been estimated from surveying relatively small, non-random samples of foundations, generally selected among the largest in terms of endowment size; no standard data design has been used. The main reason is that foundations have been inventoried and their activities quantified in microeconomic terms in very few EU member countries (the United Kingdom, Germany, Sweden, and, recently, France). Most EU member countries do not have a central foundation register. In fact, data gathering and economic analysis on foundations as organizational units have been performed systematically only in Germany.<sup>21</sup>

Our primary source was the database of foundations managed by the AEF, including data on around 12,000 registered Spanish foundations. This database includes economic data for a small percentage of foundations, relative to the 2004 and 2005 fiscal years. Internet searches, both within the few on-line databases available and open ones, were

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<sup>20</sup> Fernández and Puig, “Bonsais in a wild forest?” 459-98; Puig and Fernández, “A Silent Revolution,” 462-83.

<sup>21</sup> “Appendix 4: Other research studies,” 192-97. For Germany, see Bundesverband Deutscher Stiftungen, *Verzeichnis Deutscher Stiftungen* (Berlin, 2008). This directory has been published every three years since the late 1990s, and includes around 15,000 German foundations and their aggregated financial data.

performed.<sup>22</sup> On the positive side, all Spanish foundations must include the word “foundation” in their name, which is not the case with U.S. grant-making foundations; and any organization whose name includes the word “foundation” is legally a foundation in Spain, which is not the case in other European countries.

The provisional results of our search are listed at the end of this essay (Appendix). The first finding regards philanthropic propensity. We found out that 53 out of the around 245 entrepreneurial families researched in 2005 are engaged in philanthropic activity through their own foundations. So far we have identified 66 foundations, some of which can be considered corporate foundations. The philanthropic propensity of the largest and most enduring Spanish family firms would be therefore around 25 percent, quite high by international standards. This propensity seems to be much higher in Catalonia and Madrid than elsewhere in Spain (Table 2). It should be noted, however, that the foundations and philanthropic activity of many families are located outside Spain’s most entrepreneurial regions in the birthplace of the founder. This applies specially to Madrid-based entrepreneurial families.

The chronology of Spanish family foundations is reflected in Table 2. At first sight, the creation of family foundations seems to have been a quite steady activity in Spain despite the extremely important legal and fiscal changes that occurred in 1978, 1994, and 2002. However, founding rates (average number of new foundations per year) vary widely. During the 140 years between the creation of F. Uriach (1838) and the promulgation of

TABLE 2  
Chronology and Geographic Distribution of Spanish Family Foundations

Period	Total	Catalonia	Madrid	Other
Before 1978	15 (22.7%)	2	7	6
1978-1994	17 (25.7%)	9	6	2
1995-2002	20 (30.3%)	13	6	1
After 2003	13 (19.6%)	3	5	5
Families	53	26 (49.0%)	15 (28.3%)	12 (22.6%)
Foundations	66	28 (42.4%)	24 (36.3%)	14 (21.2%)
Firms	245	84 (34.2%)	35 (14.2%)	126 (51.4%)

Source: Authors’ elaboration of sample data.

<sup>22</sup> The database compiled by the Coordinadora Catalana de Fundacions (CCF) is available at <http://www.ccfundacions.org>; the database compiled by the Spanish Ministry of Culture can be accessed at <http://www.mcu.es/fundaciones/>.

the Constitution, only 15 foundations were created. Until 1994 roughly one foundation was created on average every year; between 1995 and 2002 the rate more than doubled, slowing again after 2003. Apparently, Catalan families were particularly responsive to the advent of democracy and the 1994 law. In contrast, a remarkable number of business families outside Catalonia, usually linked to very large firms by Spanish standards, set up foundations in the central decades of the twentieth century. Further research should allow us to characterize the four generations of foundations determined by the legal changes discussed in the previous section.

Although basic data about type of founder(s) were available for only 55 out of 66 foundations, four clear founder models or patterns become apparent:

- “Pure family”—entrepreneurial families connected to foundations that were created exclusively by one or several family members;
- “Pure corporate”—entrepreneurial families connected to foundations that were created exclusively by one or several family firms;
- “Hybrid-founder”—entrepreneurial families connected to foundations that were created by a combination of family members and family firms and, exceptionally, public administrations (for example, local city governments);
- “Multiple philanthropists”—entrepreneurial families undertaking organized philanthropy through both pure family and pure corporate foundations.

TABLE 3  
Founder Patterns

Pure Family	Pure Corporate	Hybrid Founder	Multiple Philanthropists
Areces, Koplowitz, Álvarez Barrié de la Maza, Arias Gut Uriach Barceló Oliver Carulla March Masaveu Entrecanales Del Pino Colomer Munmany Molins Casademont Daurella Villar Mir Vall	Polanco Cuatrecasas Puig Serra Grifols Hernández Damm Coll Carceller	Esteve Sánchez Junco Lara Bosch Sendagorta Martínez Joly Palomino	Botín Luca de Tena Ferrer-Salat Lladó

Source: Authors' elaboration of sample data.

It should be noted that the majority of foundations in the sample have been exclusively endowed by one or several entrepreneurial family members, therefore belonging to the “pure family” model. This suggests that the organized philanthropy of entrepreneurial families has a high component of personal, individual, and even intimate concerns (spiritual legacy, future survival and control, avoidance of inheritance taxes), and frequently translates into foundations that are run by “owners”—as opposed to the corporate philanthropy model, which would fall in the impersonal, institutional, and professionalized end of the spectrum (run by “agents,” aligned with corporate social responsibility strategies of the family firm). From a dynamic point of view, however, pure family foundations tend to evolve over time toward a corporate model. This would be the case of one of the largest foundations in Europe, the Calouste Gulbenkian Foundation (1956): only one among its nine board members is a relative of the founder. This typology reveals that family-connected foundations include intense differences. Even within the pure family typology, we should distinguish between integrating founder models, created by a combination of second- or even third-generation family members from several branches of the family as part of ordained family protocols (Molins); dynastic founding models, with second- and even third-generation family members succeeding the original founder(s) in the ruling board (Botín [see Figure 5], March, del Pino, Barrié de la Maza Arias); and individualistic models, where each family member/branch endows its own foundation (Areces, Koplowitz; Entrecanales).

FIGURE 5



Marcelino Botín (1907-1971) and his wife Carmen Yllera  
 Source: Fundación Marcelino Botín, <http://www.fundacionmbotin.org>.

Unfortunately, conclusions regarding the size of foundations are not possible. So far we have data on the endowment of thirty foundations and last year’s budget for twenty-one foundations. It is also extremely difficult to classify family foundations according to their aims, which are usually very broad in their official records or websites. Despite these difficulties,

we have attempted a classification in Table 4 based on eight types of declared aims: education, arts and culture, scientific research and development, local development, social assistance, historical heritage, founder's legacy, and miscellaneous. At first sight, local development, arts and culture, scientific research, and education are the dominating goals. The evolution of the Spanish foundations' aims over time is not clear. Education (mainly elementary and vocational) seems to have been more relevant in the pre-democratic phase, while scientific research (which frequently involves university and post-graduate education) has been growing steadily. Artistic and cultural foundations, with a sound tradition among Spanish families, experienced a boom between 1978 and 1994. Local development was the most frequent goal before 1978 and between 1994 and 2002. An interesting fact is that the explicit aim of preserving the founder's legacy appeared only after 1994. This could be related to the improved public image of entrepreneurs in post-1986 (particularly post-1992) Spain.

TABLE 4  
Aims of Spanish Family Foundations

Aim	Before 1978	1978-1994	1994-2002	After 2002
Education	xxxxx		xx	xx
Arts & Culture	xxx	xxxxxxxxx	xxxx	xxxx
Scientific Research	xxx	xxx	xxx	xxx
Local Development	xxxxxx	xxx	xxxxxxxxx	xx
Social Assistance	xx	xx	xx	x
Cultural Heritage	x		x	x
Founder's Legacy			xxxx	
Miscellaneous		xx	xx	xx

*Source:* Authors' elaboration of sample data.

Because we found no clear industry-based patterns of philanthropic behavior, we were not able to confirm our starting hypothesis that labor-intensive industries create a higher interest in elementary and vocational education, local development, and social assistance. It also was not possible to assess the effects of delocalization. Instead, an examination of the common characteristics of the supporting firms (and families) led to one of the most consistent findings of this preliminary analysis. Most of the foundations are strongly committed to internationalization, institu-

tional entrepreneurship, and collective action.<sup>23</sup> This means that we are dealing with individuals who not only have a global outlook (something exceptional in the Spanish context), but who are familiar with international philanthropy and have eventually access to international consulting (see Figure 6). Moreover, it means that the majority of the fifty-three identified families are effective generators of social capital, defined as a set of relationships that promote productive activity and/or enduring institutions.<sup>24</sup> These families' willingness to shape their environment has

FIGURE 6



Rafael del Pino Sr. (1920-2008), founder of the Fundación Rafael del Pino, welcomes Koffi Annan, Nobel Prize winner and former Secretary General of the United Nations.

Source: Fundación Rafael del Pino, <http://www.frdelpino.es>.

materialized in institutions such as the engineering school Instituto Católico de Artes e Industrias (ICAI) (1908), the business schools Instituto de Estudios Superiores de la Empresa (IESE) (1956), Escuela Superior de Administración y Dirección de Empresas (ESADE) (1958), and Instituto de Empresa (IE) (1973), and a vast number of local and national industrial associations, the Instituto de la Empresa Familiar (1992) and the European Group of Family Enterprises (1997).<sup>25</sup> We have found a strikingly

<sup>23</sup> Puig and Fernández, "A Silent Revolution," 462-83.

<sup>24</sup> James S. Coleman, "Social Capital in the Creation of Human Capital," *American Journal of Sociology* (Supplement) 94 (1988): S95-S120; Mark Granovetter, "Economic Action and Social Structure: The Problem of Embeddedness," *American Journal of Sociology* 91 (Nov. 1985): 481-510; Pierre Bourdieu, "The Forms of Capital," in *Handbook of Theory and Research for the Sociology Education*, ed. John G. Richardson (New York, 1986), 241-58; and Robert Putnam, "Bowling Alone: America's Declining Social Capital," *Journal of Democracy* 6 (Jan. 1995): 65-78.

<sup>25</sup> Fernández and Puig, "Knowledge and Training in Family Firms of the European Periphery," 79-99; and "Global Lobbies for a Global Economy," 712-33.

high number of members actively involved in the establishment or government of these institutions. Of particular relevance is the Instituto de la Empresa Familiar (IEF), the effective and highly regarded lobby of Spanish large family firms that promotes the professionalization of family firms and the development of family business consulting. Yet the social involvement of Spanish philanthropic families and their firms is also reflected in institutions such as Òmnium Cultural (1961), Fundació Orfeo Cultural–Palau de la Música Catalana (1904-1990), Fundación Amigos del Museo del Prado (1980), and Fundación Príncipe de Asturias (1980). Needless to say, membership in these institutions requires and grants access to social networks. Finally, many of our fifty-three families are on the board of the Asociación Española de Fundaciones (2003).

The high correlation we found between organized philanthropy and institutional entrepreneurship and collective action suggests that the development of Spanish family philanthropy does not only respond to rational aims (such as greater efficiency in the allocation of company resources or family wealth, tax incentives, implementation of corporate social responsibility and cause-related marketing strategies of the firm, planning of succession, or access to elite networks). Emulation has clearly been a powerful mechanism in the emergence of modern family and corporate foundations in Spain. This presents similarities with the process of (isomorphic) institutional change described in the sociology of managerial organizations.<sup>26</sup> The search for legitimacy is also relevant. In the same way as other social groups or professions favor the implementation of structures that legitimate their role in society, family firms and entrepreneurial families seek to legitimate themselves through their organized philanthropic activities. A foundation provides firms and families alike with legitimacy (a concept that goes beyond corporate social responsibility and cause-related marketing) alongside visibility, continuity, and new personal and institutional relations.

This correlation also leads us to consider that the proliferation of foundations goes arm in arm with the overall modernization of large family firms. To a large extent, this process has been monitored by the IEF and its regional associations since 1992. But before and after that date a number of international family business consultants, specialized business lawyers, and educational institutions also helped many large Spanish entrepreneurial families to design new organizational structures (which helped clarify the relationship between firm and family) and to plan their succession (according to a more or less standardized family protocol). Both family and corporate foundations should be seen as part of this

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<sup>26</sup> Paul J. DiMaggio and Walter W. Powell, "The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields," *American Sociological Review* 48 (April 1983): 147-60; Walter W. Powell and Paul J. DiMaggio, eds., *The New Institutionalism in Organizational Analysis* (Chicago, 1991).

development. Interestingly, some foundations in our sample fund projects and institutions aimed at modernizing family firms.

We suggest therefore that the proliferation of foundations in the past decades responds to a complex set of functionalities (of corporate foundations for family firms) and perceived benefits (of family foundations for entrepreneurial families). At this preliminary stage of research we can propose an open list (Tables 5 and 6) inspired by the available literature on family philanthropy, as well as by a number of interviews, biographies, and case studies of European philanthropic entrepreneurs.<sup>27</sup> Functionalities and perceived benefits are far more complex than is usually assumed. Perceived benefits should be seen as a dynamic concept: entrepreneurs may found to secure survival of their material and spiritual achievements into the future; second and ulterior generations may simply focus on control. This preliminary piece of research does not allow any conclusion regarding founder motivations, although the chronology strongly suggests that fiscal incentives are not one of the most powerful reasons behind the decision to establish a foundation.

TABLE 5  
Functionalities of Corporate Foundations for Family Firms

Firm branding and power/influence	Legitimacy Access to elite networks Media visibility
Strategic alignment	Deployment of corporate social responsibility (Porter's competitive advantage or corporate philanthropy) and cause-related marketing strategies of the firm
Tax incentives	Corporate gifts to corporate foundations in the "special fiscal regime" tax-deductible independent of final recipient

Source: Authors' elaboration of sample data.

Some objective indicators available for the Spanish case may suggest, however, some couplings between the open lists of functionalities and benefits and specific foundations in the sample. The strategic-alignment or competitive advantage functionality is suggested by the aims and activities of corporate foundations devoted to improving factor conditions (F. Vocento and F. Agropecuaria de Guissona), demand conditions (F. Santillana), the context for strategy and rivalry (F. Ebro-Puleva), and/or related and supporting industries (F. Investigación Ferrer-Salat and F.

<sup>27</sup> Helmut K. Anheier and Diana Leat, *Creative Philanthropy* (London, 2006), 74-198; Pharoah, *Family Foundation Philanthropy*, 22-53.

TABLE 6  
Perceived Benefits of Family Foundations for Entrepreneurial Families

Family branding and power/influence	Legitimacy Access to elite networks Potential for control of media visibility
Solving for succession	Ownership is sacrificed for long-term continuity of firm
Ordaining intergenerational transfer of wealth	Another state-planning vehicle for families and their family offices
Control over family assets, including family firms	Ownership is a necessary but not sufficient condition for family control and family management Value maximization for the family
Family governance	Generating roles and positions for family members outside the family firm board and management, and solving for other family protocol-related issues
Depersonalization of (not) giving	The cost of personally saying “no”
Professionalization of giving	Delegation potential
Tax incentives	Inheritance taxes upon death of founder are minimized (Since 1994 in Spain) all family gifts to the family foundation are tax-deductible independent of final recipient
Socialization vehicle for personal beliefs and values, including education of children	Control over intergenerational transfer of wealth in terms of reducing income available for consumption by future generations
“Give-back” to community argument	Potential for managing relationships with the community
Socialization of personal problems or concerns	Potential for pooling third-party resources and efforts around a certain problem
Amenity potential	Utility consequences of being able to influence the type of general interest purposes and activities pursued by the foundation

*Source:* Authors' elaboration of sample data.

Andreu Colomer).<sup>28</sup> As for the perceived benefits of family foundations for entrepreneurial firms, the fact that traditional “pure” family foundations endowed during the pre-democratic era such as Botín, Ramón Areces, Pedro Barrié de la Maza, or Juan March currently control significant stakes of Banco Santander, El Corte Inglés, Banco Pastor, and Grupo March suggests the existence of a control benefit. Additional evidence of the control benefit comes from examining the composition of the boards, with the same family members sitting on the foundation and company boards.

## Conclusions

The originating idea of this essay was that over the past three decades family foundations, like family firms, have been important economic actors that ought to be studied from a business history perspective. Historically, the organized philanthropy of entrepreneurial families goes hand in hand with free markets, private wealth, and international integration. The two golden ages of family philanthropy have actually taken place within the framework of the first and second waves of globalization.

Notwithstanding the many challenges posed by the study of organized philanthropy, we set out to identify the largest entrepreneurial families and family foundations in Spain. We were able to identify 53 families and 66 foundations linked to the 245 largest and multigenerational firms analyzed in previous research. We went then to examine their founders’ background, foundational aims, and most visible activities, as well as their interplay with the main businesses of their supporting families and their local, national, and international institutional environment. This allowed us to classify the foundations according to relevant criteria, to observe common characteristics, and to elaborate a typology of functionalities and perceived benefits based on the Spanish case but suitable to international comparisons.

The most important findings of the paper are that

- 1) there is a high positive correlation among philanthropic propensity, internationalization, institutional entrepreneurship, and collective action that advises us to look at family foundations as agents of social capital;
- 2) Spanish family philanthropy has shifted from individual/household giving and collective- and community-based organized philanthropy toward a family foundation model from the 1950s and, after 1989, a corporate foundation model, with these two models coexisting ever since;
- 3) in addition to the obvious search for legitimacy, rationality and emulation, fueled by parallel processes of professionalization and

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<sup>28</sup> Michael E. Porter and Mark R. Kramer, “The Competitive Advantage of Corporate Philanthropy,” *Harvard Business Review* (Dec. 2002), 5-16.

collective action, account for the recent rise of organized philanthropy among Spanish families;

- 4) despite the important role of the Family Firm Institute in both processes (and presumably in the adoption of the corporate model connected to the design of family protocols) since 1992, family foundations created after 1994 rarely respond to the assets control functionality recently highlighted by the European literature;
- 5) entrepreneurial families certainly have been responsive to major changes in the legal and fiscal framework, but the chronology reveals that fiscal incentives have not been a fundamental motivation;
- 6) instead, a complex combination of functionalities (for the firms) and benefits (for the families) explain the recent proliferation of family and corporate foundations connected to entrepreneurial families and family firms.

APPENDIX  
Organized Philanthropy of the Largest Spanish Entrepreneurial Families

Families (main firm, foundation date, industry, location)	Foundations	Aims
Luca de Tena Ybarra (ABC-Grupo Vocento, 1875-1891, media, Madrid)	F. Luca de Tena 1929 F. Vocento 1989	Education of employees' children. Education linked to communication. Master program and annual award.
Oriol (Patentes Talgo, 1942, engineering, Madrid)	F. Universitaria Oriol-Urquijo 1952	Higher education & grants.
March (Banca March, 1926, banking, Madrid)	F. Juan March 1955 F. Bartolomé March 1975	Research & grants in life & social sciences; arts & music; conferences & publications. Art collection & local development (Mallorca).
Masaveu Herrero (Corporación Masaveu 1840, Tudela Veguín 1898, banking & industry, Asturias)	F. Masaveu 1956 F. María Cristina Masaveu 2006	Local (Asturias) vocational education in coop. with Catholic congregation. Local youth education.
Botín Sanz de Sautuola O'Shea (Banco de Santander, Santander-Madrid, banking, 1857)	F. Marcelino Botín 1964 F. Albéniz 1987 F. Banco Santander 1992	Local (Cantabria) and Spanish development in cooperation with other institutions. Musical elite education and studies. International musical festival. Higher education in Spain and Latin America.
Barrié de la Maza Arias (Banco Pastor, banking, Coruña, 1925)	F. Barrié de la Maza 1966	Research and education, local development (Galicia).
Benjumea (Abengoa, engineering, Seville-Madrid, 1941)	F. Focus Abengoa 1972	Artistic heritage (Seville and its Latin American projection).
Carulla (Agrolimen 1937, food, Barcelona)	F. Privada Lluís Carulla 1973	Defence of Catalan language and culture; research, awards and publications in cooperation with other institutions.
Ballvé (Campofrío, food, Burgos, 1952)	F. Sonsoles Ballvé Lantero 1974	Assistance to employees and their disabled children.
Folch Rusiñol Corachán (Titán 1917, Chemicals, Barcelona)	F. Folch 1975	Cultural events in cooperation with other institutions.

Areces, Koplowitz, Álvarez (El Corte Inglés, 1935, Retailing, Madrid)	<p>F. Ramón Areces 1976</p> <p>F. Ernesto Koplowitz 1990</p> <p>F. Esther Koplowitz 1995</p> <p>F. Alicia Koplowitz 2003</p>	<p>Research &amp; grants in natural &amp; social sciences; conferences &amp; publications; cooperation with other institutions. Education &amp; research in all fields.</p> <p>Assistance to socially excluded groups.</p> <p>Assistance to disabled children.</p> <p>Infant &amp; youth mental health; multiple sclerosis.</p>
Entrecanales (Acciona, 1931, construction & energy, Madrid)	<p>F. Álvaro Entrecanales 1977</p> <p>F. José Entrecanales 1999</p> <p>F. Juan Entrecanales 2006</p> <p>F. José Manuel Entrecanales 2009</p>	<p>Scholarships for children without means.</p> <p>Research &amp; education in civil engineering in cooperation with the Madrid Technical School.</p> <p>International cooperation; sciences, culture &amp; education.</p> <p>Innovation &amp; sustainability.</p>
Matutes Prats (Fiesta Hoel Group, tourism, Ibiza, late 1960s)	F. Abel Matutes 1977	Local development (Ibiza+Formentera).
Ruiz Mateos, Rivero (Nueva Rumasa, 1960, conglomerate, Madrid)	<p>F. Alcalde Zoilo Ruiz-Mateos 1978</p> <p>F. Teresa Rivero 2004</p>	<p>Local development (Rota).</p> <p>Local development (Jerez).</p>
Polanco (Grupo Timón-Prisa, 1958, media, Madrid)	F. Santillana 1979	Education & cultural cooperation in Spain and Latin America.
Lladó (Técnicas Reunidas, 1959, engineering, Madrid)	F. Xavier Zubiri 1980	Studies on X. Zubiri's work and philosophy.
Esteve (Laboratorios Esteve 1929, pharma, Barcelona)	F. Dr. Antoni Esteve 1982	Scientific research & international cooperation & publications in pharmacology.
Ferrer-Salat (Ferrer Internacional 1947, pharma, Barcelona)	<p>F. Ferrer-Salat 1983</p> <p>F. Investigación Ferrer-Salat 1984</p>	<p>Research &amp; grants &amp; awards in music.</p> <p>Research &amp; grants &amp; awards in biomedical sciences.</p>
Gut (Prosegur, 1976, security, Madrid)	F. Prosegur 1983	Social, scientific, cultural & educational development.

Cottet Mor (Indo 1902, optics, Barcelona)	F. Jaume Mor 1984	Social and health development.
Torres (Miguel Torres 1870, winery, Barcelona)	F. Miquel Torres, 1986	Cultural & natural environment.
Godó (Grupo Godó 1881, media, Barcelona)	F. Conde de Barcelona 1986	Sciences & arts.
Uriach (Laboratorios Uriach 1838, pharma, Barcelona)	F. Uriach 1838, 1987	Research & grants & awards in pharmacology; historical library; arts & culture.
Barceló Oliver (Grupo Barceló, tourism, Palma de Mallorca, 1931)	F. Barceló 1989	Local development (Mallorca) and international cooperation (Latin America and Sub-Saharan Africa).
Simón (Simon Internacional 1916, electrical apparel, Barcelona)	F. Pere Simón Borrell 1990	Local development (Olot).
Cuatrecasas (Cuatrecasas 1926, legal services, Barcelona)	F. Cuatrecasas 1991	Science & culture; social exclusion; studies on law, economics & business.
Álvarez (Eulen, 1962, services, Madrid)	F. Eulen 1994	Social, scientific, cultural & educational development. International cooperation.
Puig (Puig Beauty & Fashion Group 1914, cosmetics, Barcelona)	F. Puig 1996	Cultural, artistic, scientific & social development in Catalonia; human health & personal care; industrial design.
Sánchez Junco (Hola, 1944, media, Madrid)	F. Vallelongo 1997	Spain's historical, artistic & natural heritage; human values in media & literature.
Serra (Catalana Occidente 1864, insurance, Barcelona)	F. Jesús Serra 1998	Culture, arts, science & business in cooperation with other institutions. Founder's legacy.
Grífols (Grífols 1940, pharma, Barcelona)	F- Víctor Grífols 1998	Bioethics.
Hernández (Ebro-Puleva, 1911, food, Madrid)	F. Ebro-Puleva 1998	Research & grants in life sciences & nutrition; cooperation with other institutions.
Alsina (Corporación Alimentaria Guissona 1959, food, Lleida)	F. Agropecuaria de Guissona 1998 F. Bonarea 2005	Local development and employees' benefits. Sport, health and social services.
Del Pino (Ferroviario, 1952, construction & services, Madrid)	F. Rafael del Pino 1999	Research & grants & programs in entrepreneurial leadership and free market economy; R. del Pino university chairs; publications and awards.
Miarnau (Miarnau 1934, construction, Barcelona)	F. Miarnau 1999	Engineering & environmental studies.

Ferrer Sala (Freixenet 1861, winery, Barcelona)	F. Ferrer Sala Freixenet 1999	Employees' benefits & local development (Anoia).
Lara Bosch (Grupo Planeta 1949, media, Barcelona)	F. José Manuel Lara 1992	Grants & awards for cultural & literary creation; local development (Andalusia).
Colomer Munmany (Colomer Munmany 1792, tannery, Girona)	F. Andreu Colomer 2000	Studies on tannery; local development.
Carrillo (Mecalux 1969, metal, Barcelona)	F. Privada Mecalux 2001	Studies on business sponsorship and social marketing. "Mecalux Mecenazgo".
Molins (Molins 1929, concrete, Barcelona)	F. Joaquim Molins 2001	Local development (Catalonia).
Damm Coll Carceller (Cervezas Damm 1876, food, Barcelona)	F. Damm 2001	Sport (football); cooperation with other institutions.
Casademont (Casademont 1960s, food, Girona)	F. Casademont 2001	Local development. Business-university-society cooperation. Founder's legacy.
Daurella (Cobega 1951, beverages, Barcelona)	F. Fran Daurel 2001 F. Leonora 2009	Art collection. Modern art & artistic education; cooperation with other institutions.
Sendagorta (Sener, 1956, engineering, Bilbao-Madrid)	F. Sener 2002	Engineering-related education and research. Scholarships for Latin American and Eastern European engineers.
Miquel (Miquel Alimentació 1925, food, Girona)	F. Miquel 2002	Local development (Alt Empordà) in cooperation with other institutions.
Martínez (Einsa, 1975, media, Madrid)	F. Einsa 2002	Local development (Galicia), assistance to elderly population.
Joly Palomino (Grupo Joly, Communications, Cádiz 1867)	F. Federico Joly Hörn 2004	F. Joly's studies and library.
Fluxa Rosselló Thienemann (Iberostar, tourism, Mallorca 1930)	F. Iberostar 2004	Education focused on disabled children, international cooperation, and social awareness.
Lao (Cirsá 1968, gambling, Barcelona)	F. Manuel Lao 2005	Cultural heritage; international cooperation; social exclusion; catastrophes.
Consentino (Grupo Consentino, minerals, Almería 1979)	F. Eduarda Justo 2006	Almería development & Leadership

Pascual (Grupo Pascual, food, Burgos 1969)	F. Tomás Pascual Sanz 2007	Nutrition & health studies, grants and awards in cooperation with other institutions. Instituto T. Pascual Sanz para la Nutrición y Salud.
Villar Mir (Grupo Villar Mir, 1987, industrial conglomerate, Madrid)	F. Villar Mir 2007	Research in arts & sciences & education; quality of life of Spanish society.
Vall (Vall Companys 1967, food & trading)	F. Vall Palou 2008	Modern art appreciation.

*Source:* Authors' elaboration of sample data.