



Charity Drive: Edward Norton on the rise of CrowdRise

By [Chris Taylor](#)

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Actor Edward Norton smiles during a photocall to promote the movie "The Grand Budapest Hotel" at the 64th Berlinale International Film Festival in Berlin February 6, 2014.

(Reuters) - For actor Edward Norton, the late movie star Paul Newman is a role model, though not only for his work in films.

"There is someone who took the silliness of being famous and turned it into something amazing," said Norton, the 44-year-old star of such popular movies as "Primal Fear," "Rounders" and "Fight Club."

"I think his Newman's Own products have raised almost half a billion dollars for charity so far. We kind of take that for granted, but that's a remarkable thing."

Of course, Norton is not a famed creator of salad dressings and lemonade, as was Newman, the legendary star of Hollywood classics like "Butch Cassidy and the Sundance Kid."

But his own idea of leaving a stamp on the world - the charity crowdfunding site CrowdRise.com - has surprised even Norton himself with its success thus far.

The site - co-founded with Shauna Robertson, and brothers Rob and Jeffrey Wolfe - solely focuses on social good. It has now tallied more than \$135 million in charitable donations since its founding, Norton said in an interview.

CrowdRise, a for-profit business, provides a platform that charities and others use to raise money. Newman's Own, by contrast, gives all of its after-tax profits to a foundation of the same name that, in turn, disperses money to charitable and other organizations.

Recently CrowdRise received a venture capitalist infusion of \$23 million that was led by Fred Wilson, co-founder of New York City-based Union Square Ventures, and included other investors such as Bezos Expeditions (as in Amazon's Jeff Bezos). That followed earlier funding rounds.

This year alone, CrowdRise expects \$100 million to \$125 million in donations, with such prominent partners as the American Red Cross, the Clinton Foundation and the New York City Marathon leveraging the site to raise cash.

"At this point things start to get really exciting," says Norton. "Maybe someday we could say we did something at the scale of what Paul Newman has done. That would make me feel pretty good."

The site's next step: Broadening the scope of what exactly qualifies as a social good. To this point, CrowdRise's projects have had to be for the benefit of organizations that were officially recognized by the Internal Revenue Service as 501 (c)(3) charities.

That limited who could use the site. "We had hundreds of people a week coming to us and saying things like, 'My friends' house burned down and they didn't have insurance, can we help them on CrowdRise?'" says Rob Wolfe, the site's chief executive. "Until now you couldn't do that. But we think what it means to be charitable doesn't only involve 501(c)(3) charities.

So we expanded the platform, and now people can do that."

That opens a can of worms, in that different people might have very different views of what constitutes a social good. CrowdRise executives are hopeful that site users won't be raising cash for, say, a really great keg party or prime NBA playoff tickets; they reserve the right to reject projects of that ilk.

With its increasing success, CrowdRise has come under criticism, in one instance in a Time magazine report that took a shot at the site for the fees it charges - between 3 percent and 5 percent for charities, plus credit-card processing fees. CrowdRise was presented as a "common middleman," skimming cash off the top and away from needy charities. Headline: "Ed Norton's Charity Doesn't Sound So Charitable."

It is a characterization that has Norton bristling. "It's so startlingly ignorant," he says. "Traditional fundraising, like hosting a rubber-chicken dinner, costs charities around 25 or 30 percent of every dollar raised. The idea that such a fundraising model is fine and should be left alone is absurd. It is a massive inefficiency in the marketplace, and we want to revolutionize it."

As for Norton, he is giving thought to undertaking another marathon - such as the one he ran in New York City in 2009 to kick off CrowdRise and that raised \$1.2 million for the Maasai Wilderness Conservation Trust.

"It was so hard and fun and inspiring," says Norton, who hopes one day to improve on his time of three-hours and 48 minutes and run fast enough to qualify for the legendary Boston Marathon.

"The 59th Street Bridge just killed me," he said, referring to a bridge on the marathon's course that connects the city's boroughs of Manhattan and Queens. "But I would love to do it again."