

Free Cars! Cash Prizes! Just Ask Contest Pros

By SARAH E. NEEDLEMAN

Faith McKinney spends two to three hours a week entering sweepstakes competitions. A janitor in Indianapolis, Ms. McKinney won a free trip to Playa Del Carmen, Mexico, last year and another the year before to Hollywood, Calif. Now she says she's hooked.

"I wanted to travel and the only way for me to do that was sweepstakes," she says.

Ms. McKinney is among a growing cadre of consumers routinely entering sweepstakes—a hobby called sweeping. Its ranks have swelled with the recession and the ease of Web-based contests and new software for automating entries. They're taking home a mix of prizes, from luxury cruises and cars to more practical things like groceries, housewares and cash.

Veteran sweeper Carol McLaughlin of Croydon, Pa., hosts a weekend-long convention on sweeping, offering pointers on how to win. (Keep a log of one-entry-per-person sweepstakes to avoid getting disqualified by re-entering them, for one.) It's one of more than a dozen events aimed at contestants in the U.S. every year, she says. "People come from all over," she says.

Sweepstakes date back to the 1770s, when a French academy offered a prize to anyone who could find a solution to a famine that was spreading throughout Europe, according to the Promotion Marketing Association. Most companies run contests to gain information about consumers that they can use to market their products or services. In some cases, they also sell entry information, including names, addresses and emails of entrants to third parties, though entrants can usually opt out.

"You're going to get some junk mail, and your spam folders are going to be full," says Gwen Beauchamp, a sweeper in Dallas whose winnings include \$50,000, 90 vacations, four cars, a dozen TVs, three computers and one "Disney on Ice" wedding. "It's a small price to pay."

Winners also face tax implications. In the U.S., sweepstakes winnings are taxed as ordinary taxable income, says Bob Mennell, a retired tax lawyer in Roseville, Minn. Also a veteran sweeper, he has won about \$50,000 in cash and prizes over the past 20 years, of which roughly 40% went to federal and state taxes, he says. "Some sweepstakes prizes have such high tax cost that they reduce the joy of winning," he says.

Consumer interest in sweepstakes has been increasing in recent years also partly because of the viral nature of the Web. Monica Cruz Benavidez, a college financial-aid adviser in Beeville, Texas, says she got hooked on sweeping last spring after finding several contests promoted on blogs and Twitter feeds she likes to read. She has won cookware, grocery coupons, makeup and meals at [McDonald's](#) by entering about five sweepstakes a day. "With the recession being constantly

advertised everywhere I look, it made me more paranoid about my spending habits," says Ms. Cruz Benavidez, 25.

Sweepstakes have also become more popular because, now that most are online, entry forms can take minutes or less to complete, says Eric Friedberg, president of Cohen Friedberg Associates LLC, a designer and executor of sweepstakes for companies like [Staples Inc.](#) and New Balance Athletic Shoe Inc. Last year, the average promotion his company worked on drew 20,000 to 30,000 entries, or nearly twice as many as in 2005, he says.

To get a leg up on the competition, some sweepers use form-filling software such as Roboform to automatically enter multiple Web-based contests on their behalf, though some game rules prohibit such aides. "It gives an unfair advantage," says Jay Sloofman, president of Marketing Visions Inc., a firm that ran about 100 sweepstakes contests in 2009, about 50% more than five years ago.

To win, "you end up doing things you wouldn't normally do, like dancing on TV," says Carolyn Richardson, a recently retired business analyst in Ottawa, Canada, who did just that to take home a blender—one of four prizes she has won since she started sweeping in October. Ms. Richardson, 53, credits her success to a day-long seminar she paid \$89 to attend.

The seminar's host, Carolyn Wilman, author of "You Can't Win If You Don't Enter," tells entrants to make sure the prize is worth the effort. She once won tickets to a race-car event but didn't realize she would also be automatically entered into a second contest for a grand prize: a lunch date with wrestler Bret "Hitman" Heart. To win, Ms. Wilman had to dress in a sumo-wrestler costume in the sweltering heat and compete against a contestant who was twice her size. She lost.

"Had I read the rules, I would've known what I was getting myself into," says Ms. Wilman, who says she started sweeping in 2001 after getting laid off from a marketing job.

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