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ON MESSAGE: VOTER PERSUASION IN THE 2008 ELECTION

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KATHLEEN HALL JAMIESON: Good morning, my name is Kathleen Hall Jamieson. I am director of the Annenberg Public Policy Center at the University of Pennsylvania. Welcome to the second part of the Annenberg Election Debriefing. The first part occurred last week on Friday in Philadelphia. There, at an off-the-record briefing, we talked to the campaign managers on both sides of the Obama and McCain campaign. This week, we're going to look at the other sides of the campaign – everybody else who put messages out there that were of interest to FactCheck.org, the official sponsor of this event. I have three purposes in this introduction: first to tell you welcome; secondly to remind you that FactCheck.org continues to fact-check into the off-election season, fact-checking judicial ads, issue advocacy and anything else that looks suspicious to the wonderful Fact Check staff; finally to ask you to turn off your cell phones, your pagers and anything that beeps or buzzes.

And with those announcements and my official job over, it is my pleasure to introduce Brooks Jackson, the director of FactCheck.org and award-winning veteran journalist. Brooks.

BROOKS JACKSON: Thank you, Kathleen. I want to welcome you all to our conference: "On Message: Voter Persuasion in the 2008 Election." At FactCheck.org, of course, we spend an awful lot of time criticizing and complaining about factual inaccuracies in advertising. That's not what we're here to do today. We may do that a little bit but not much. We've invited a number of people who were key in the 2008 elections, from the political parties and from independent groups to come and tell us what their strategies were for communicating with voters through TV ads and through other means. We will hear from some about phone calls – automated and otherwise, mail, radio, other – all sorts of voter persuasion. We will hear contrasting strategies. The parties – Republican and Democratic parties took very different courses this time and I think that it's going to be interesting to hear about that.

I always look forward to these after-action reports – these post-election briefings, because people who either didn't have time to return my phone calls during the campaign or wouldn't return them on a bet because what they were doing was top secret and they couldn't possibly reveal anything about what they were doing, seemed to be perfectly willing to come around after the election and tell me, A, how they won the election, or B, would have won the election if only the candidate had listened and things had turned out differently. I always learn a lot from these things as I say, look forward to them quite a bit.

For those of you who don't know, the Annenberg Public Policy Center of the University of Pennsylvania is our parent organization. FactCheck.org is a Web site that debunks false and misleading political ads and we certainly had plenty of work this season. I think there's probably nobody who will be on this panel who hasn't been criticized by us at some point but again, that's not what we're here to talk about today. We're here to find out what was the strategy behind these ads, behind other voter communications, how well did they work and what is the evidence that it worked.

At this point, we're – I would like to introduce our first two panelists, if they would come up – Rich Beeson, Karen Finney. Rich is the political director of the Republican National Committee. Good morning. He has been in that position since January of 2007. Prior to that, he was a partner with FLS Connect, which is a political telemarketing firm. And Karen is director of communications for the Democratic National Committee. You came there with Governor Dean and has been there for four years now, is that right? And she will be telling us about what the DNC was up to. Karen's also at – has started her political career advancing for the Clinton campaign, served some years in the White House, has also been in the private sector with Scholastic, in the education area.

What I think we're going to hear about today, and the panelists will correct me if I'm wrong, are very contrasting strategies. We'll start with Rich Beeson, who's going to tell us about – we'll learn about things called hybrid ads. We'll hear about a lot of money put into television advertising. And when Karen speaks, we're going to hear about a different strategy that really didn't use a lot of television advertising and went in a different direction. And I just want to – just a note before we start about the format, each of the panelists is going to give a brief presentation – 10 minutes or so; we're not going to be terribly rigid about that. I've told them all as long as they're saying interesting stuff, we'll let them go. But we want to get as quickly as we can to questions. I'll have a few questions to make sure that ground is covered that we want to cover and we'll get to questions from the audience as soon after that as we can. If you have questions from the audience, hold up your hand, somebody will give you a wireless mike. We are being recorded, perhaps broadcast – I'm not quite sure – on C-SPAN, so be aware of that and please don't ask your questions until you have a microphone in your hand.

With that, I'll give it over to Rich Beeson and we can start. Rich.

RICH BEESON: Thank you, Brooks. Excuse me. I'm not sure how good it is to have a political hack up against a communicator's polycist (ph) as Karen but I will try and muddle my way through. This was – I'll just start off by saying this was a lot more fun in 2004 than it is right now – a lot easier for us to come up and do this than it is right now but we will work our way through it. I want to – as Brooks said, I'm here to talk a little bit about hybrid ads. We first started doing hybrid ads in 2004 as a way to maximize our television dollars. In 2008, it allowed Senator McCain and his campaign to essentially split the cost of advertising with the Republican National Committee. Again, they call 50-50, which is exactly what it sounds like; we could split the costs of the spots 50 percent each. It allowed for significantly more television advertising, although when you're up against a campaign that had \$746 million, we were trying to figure out everything we could to maximize our television advertising.

How are these ads different? They are – at the end, they are – in the campaign or in the ad – and you'll see it here in a minute – they always have to have a reference to some other group – some generic group. So it always sounded odd on the radio or on a telephone ad or a telephone spot or a television ad when you heard about the congressional liberals or things like that. But that's what it took to satisfy the legal requirements.

These are the spot counts that – by entity, as far as the percentage over the campaign. The RNC ran RNC-specific ads about 21 percent of the time, McCain 45 percent of the time and

then the hybrid ads were about 32 percent of the time. So that gives you an idea of the mix overall of how we split the advertising up. I think we've got a – we've got a spot we were going to show you right now before we go into the spending by percentage.

(Begin video segment.)

MR. : Liberals fought for risky sub-prime loans. Congressional liberals fought against more regulation. Then the healthy market collapsed, costing you billions. In crisis, we need leadership, not bad judgment.

(End video segment.)

MR. BEESON: See, a very fine ad. It just – what it could not say was, you know, voting against Barack Obama, don't – there's no reference in there to Barack Obama; it's a reference to the congressional liberals. So it allowed the RNC to pay for half of that spot, the McCain campaign to use Senator McCain's image in there referencing him and then to pay half of his spot as well. I think we have one more we're going to show as well.

(Begin video segment.)

MR. : Obama rewards his friends with your tax dollars – Tony Rezko, 14 million; Allison Davis, 20 million; Kenny Smith, 100,000. That's unethical. Congressional liberals promised to raise your taxes to reward their friends with wasteful pork – taxes for you, pork for them. Who's going to stop them, congressional liberals or him? I'm John McCain and I approve this message.

(End video segment.)

MR. BEESON: That gives you an idea of the flavor of what the hybrid ads look and what they were. So we can go right back into – hopefully the clicker works, to – let's see how technologically advanced we are here. Nope. It gives you an idea of what we were able – went up a little bit – what we were able to run – the sort of spots we were able to run. Clearly, the best television spots to run are the straight campaign spots, whether it's John McCain specifically or whether it was an anti-Obama spot specifically. Those are the best spots to run. That's where the Obama campaign had the distinct advantage. By raising \$746 million, they were able to go up with direct television spots: I'm Barack Obama, I approve this message. It was Obama to camera, it was direct negative spots on McCain. Those are the cleanest and best spots. But in order to maximize what resources we had, we had to be creative with these hybrid ads which aren't – you don't get as clean of a hit as you do with a straight candidate ad.

This gives you an idea of the spot count by percentage in various states. And you can see how we mixed up the – the mix was different depending on the state. And that just – those are just internal strategy decisions as far as how much, you know, what ads the RNC could run, what ads were most effective by the McCain campaign and then what ads were effective as far as hybrid ads. You can see that the – in as many states as possible, we wanted the McCain ads to be – should be the highest number of all. But in states like Florida, you know, where spending

was an enormous amount, you can see the RNC and the hybrid ads were the bulk of the spending in Florida. So it varied by state and it was a calculated strategy as much as there is a calculated strategy when you have limited amounts of resources and trying to spread it around as effectively as possible.

This is a – again, just another slide that gives you an idea on the spot by percentage in each state. So that, very briefly, is the presentation. But hybrid ads – in closing – hybrid ads gave us an ability to stretch out our ad buys – to essentially double it from what the McCain campaign had and what the RNC had, we were able to double the number of spots by splitting the cost and doing a 50-50 and having twice as many spots. That’s what we ran into, again – I think I’m being an effective communicator, when I work in \$746 million –

KAREN FINNEY: Three times now.

MR. BEESON: – for about the fifth time in this presentation. We had to do everything we can. We brought a knife to a gun fight and we had to do everything that we could do to maximize the resources we had. So the hybrid ads were one effective way. We had coordinated spending, we had independent expenditure spending and then we had the McCain campaign. So we had all of those, we tried to maximize them as effectively as possible. At the end of the day, we were overwhelmed by the number – just pure number of spots. That’s one thing we don’t have up here and probably we’re still counting, I’m not sure the calculators go that high but we’re still counting the number of spots that we were literally outdone by. So anyway, that’s my presentation, I will turn it over to Karen and we’ll get your questions.

MS. FINNEY: All right, I’m going to assume this is going to come up.

MR. BEESON: What she doesn’t know is I took the battery out of it, so.

MS. FINNEY: (Chuckles.) Here we go. So I’m going to talk about our strategy from the DNC where we took kind of a different take on this. Certainly the Obama campaign – we did television ads; we did robocalls; we did print advertising; we did radio ads. But one of the things that Governor Dean, when he came into the DNC, believed was that as a party, we were spending a lot of money on television ads and that the impact of television advertising was diminishing as media becomes more fractured. And we sort of looked a number of trends, as we started to think basically back in ’05 at our strategy going forward. And I’ll just mention that part of the 50-state strategy was not just putting staff on the ground but also sort of rebuilding our technological infrastructures so that we could build the system that we ultimately built. So, you know, we looked at the fact that we know voters are more likely to respond to information that comes from a trusted source – this is one of the places where we were, frankly, outmaneuvered in 2004, where the Republicans were better able to have people from local communities knocking on doors and we were busing people in from other places.

Also, we know that changes in media and technology give voters more control over how and where they are getting their information. People – you know, you don’t have to watch the evening news – you can TiVo it and decide what portion of the evening news you’re going to watch. You can go to blogs or Web sites; so you can’t – it sort of means for us as

communicators, you have to be everywhere, basically. We also know that if we could effectively harness technology, we could do more effective message targeting.

The last piece, though – this was a lesson learned from the Dean campaign, which is, online activity doesn't always translate into offline activity. And that was certainly one of the challenges that they faced, where there was a lot of energy online, they were certainly very successful in raising money online but they weren't able to motivate people, whether it was the message or the actual tools, to then get people who were online to then offline do what we needed them to do, which was to vote. So just a quick look at sort of what's changing in political communication. I mentioned cable and TiVo reduce the impact of television commercials. An estimated 33 percent of households will have DVR machines by the end of 2008. So when you're looking at how you're going to spend your TV ad dollars, that's one of things we're thinking about.

Satellite radio and MP3 players are lessening the impact of radio advertising. Caller ID and cell phones are making it harder to reach people through robocalls. And we know now that about one in seven adults use only cell phones and one in five adults have no landline. And we think that trend obviously is going to continue. And we know also, younger voters don't tend to read their mail. I know myself and I know a lot of people – I get so much junk mail, I don't really look at much of it. So those dollars are wasted on, you know, people like me who – I'm throwing it out. So the question then is – this is just a slide to kind of look at. We also know – this is a slide looking at the percentage of DVR owners who say basically they skip the ads. So when we were sort of thinking about – knowing that this is the landscape, how can we more effectively reach and persuade voters, again, Governor Dean believed that the way to do it was through the grassroots. This is a composite our political folks put together looking at sort of the number of contacts needed to move a vote and obviously canvassing and that door-to-door, person-to-person contact – if you can make it more effective is a better way to go – if you can make it cost efficient.

So we built a tool called the Neighbor to Neighbor Tool and essentially it sits on top of our voter file and it essentially then engages activists. It means that instead of walking into a campaign office and being handed a stack of flyers to go hand out or a sign to go hold over a highway, you can actually do something meaningful that we think will – and we, I think believe after this campaign – helps to move votes. We also developed the system in such a way that candidates and state parties can target their message and, as we do micro-targeting, we can more effectively – as we're looking for those vote counts – we can more effectively figure out, is it nurses, is it women, is it veterans, where are they, how do we reach them – and using, again, whether it's neighbors or people that are in our system, so that that person-to-person contact has that element of familiarity between the two people. So we started to build this initial tool and actually, as you know, the Obama campaign built MyBO; and so after Obama became the nominee, we were able to sort of merge the two systems into one. So this would be sort of the page that, if you were on the system, you would get.

And I'll just show you briefly how it works. So you tell us where you live and we assign you a group of voters in your neighborhood. And you get a list that looks like this and you can, you know, if – let's say, you know, you've had a fight with some of these neighbors or you know

certain things about them, you can cross those people off – the system will let you do that. Otherwise, you're given this list and you can call them. Or you can print out a walk sheet and map and script to go and go door-to-door. And this form down here, basically we ask people to record information and then that information comes back in. So we're learning valuable information about each of these – each of the people that they're contacting. And I'm just going to – closer look at the script – this is a GOTV script. And we looked at some research by the consortium on behavioral scientists when we were developing our GOTV scripts in terms of how to be – do it the most effective.

So we talked about – in the scripts it talked about, you know, you talk about making a voting plan. If people have a plan, they're more likely to get out and vote. And you talk about a record turnout is expected – people want to be a part of, it's going to be a record turnout, it's going to make you feel good, you're going to want to be a party of it. You want to assist people – do you know where your polling location is? How are you going to get there – again, trying to start to lower some of those mental barriers to actually motivate someone to get out to the vote, bringing others to the polls and then the last piece – matching callers to respondents. As much as possible, obviously, we were trying to both – in the door-to-door activity and on the phone – if we could match, again, whether it was neighbors, I'm going to talk a little bit about micro-campaigns, which were where we matched up veterans calling veterans. We find that's more effective.

So the other thing you can do is print materials from your computer. And again, these materials were developed nationally. They could be customized, though, at the state level, again so that if you know in Ohio jobs is the leading issue, that could be reworked so that that was the leading issue. Or if it was Colorado where some of the land use and water issues were the targeted issues, you could again make those changes, both in the script and the materials. You can also print the materials in Spanish. So in effect, what we felt happen is that essentially we've sort of deputized individual citizens to be our messengers and carry our message. And in essence, you know, Jerome here is re-branding the Obama-Biden campaign in his neighborhood in a way that you can't do with a television ad, you can't do with a radio spot, you can't do with a robocall. And again, we think that is a more meaningful contact with that voter than the impressions you get from the advertising.

And this is, voters are able to track their progress. So there are things built into the system to motivate people to reach their goals and enable them other ways that they can get involved. All of the data comes back to us and to our vote-builder system. And interesting enough, one of the things we found is that the data we get back from this system is actually better, in some instances, than the paid canvassers – that the information that people give you about their neighbors and their voting habits is actually in some ways better. And again, all of that comes back in and that, again, helps us as we're doing our micro-targeting and looking to how we do our messaging more effectively.

Lastly, we ask you to recruit your friends to do the same and that's how we build our system all across the country. Just a couple of statistics – between August and Election Day, there were over 125,000 active users. They made over 6 million calls or knocks which was mean of about 51 calls or knocks per person. On Election Day, the activists were making about

286 calls per second in the system. Just to look at the gender breakdown, predominantly women, interestingly enough. And actually, I don't know if you can see, but the age breakdown was interesting – it was sort of 40s and 50s and whereas most people think of young people as the ones using technology, we thought it was interesting that older folks were using the technology.

This is just a look at the scripts. The majority of the people used the scripts that we provided; some rewrote the scripts again to customize them; and then some kind of did a mix of the scripts. We also did what we called micro-campaigns so when you came into the system you could say if you were a Spanish speaker, if you were a woman willing to make calls to other women, if you were a veteran and what you do is you would – this is an example of Latinos for Obama, so we would then match you up and give you a call list of, you know, Latinos. If you're in Nevada and you want to call Latinos in Colorado. Again, we felt that that person-to-person, shared experience, shared background was a more effective messenger.

The other thing we found is that when we did these targeted campaigns, our open rates of our e-mails obviously went up. If you look at – on the far right here – this was sort of the general ask – if we ask people to make five calls. But when we targeted that message at women, seniors – and I can't even read the last one – but you see that open rates go up. And then the click-through rates, which is actually getting people to then, you know, motivating them to actually do something – go up even higher. We believe in the end that – and I think the data shows – that personal contact actually move votes. These are some of the polling information. This is CBS but there are plenty of other polls: 26 percent of voters were contacted by Obama during the campaign, compared to 19 percent by the McCain campaign. Obama received 65 percent of support among those voters who were contacted by his campaign compared to 47 percent from those who weren't. And then conversely, you can see the numbers for McCain were slightly lower.

So we certainly thought that this was an important part of the mix and again, I think because media is so fractured, we have to do – as Rich talked about, we did hybrid ads. You have to do television, you have to do radio, you still have to do all of these other things but we think going forward, this is a more effective way to persuade and move voters. And with that I'll –

MR. JACKSON: Well, Rich, Karen, thank you very much. This is fascinating stuff to me. Rich, first question for you, when I first came to Washington, was covering politics and especially at the Wall Street Journal, at that point – back in the '80s, the Republican Party had a terrific technological edge in terms of voter files, the ability to categorize voters by – cross that data with license – drivers license data and all sorts of other stuff. Clearly you're not innocent of this sort of stuff. How would you say your – the RNC's effort compared to what you just saw Karen present? Have they leapfrogged over you in technology now?

MR. BEESON: Well, there's two parts to that. One is the technology, the other is the data. And I think that's one thing that the RNC has done a very good job over the last 20 years is the data management of voter files. We have 183 million voter file records in our basement. We have pinned every bit of information we can ever find to those voter files, whether its micro-targeting data, whether its ID data. This year, in the last 19 weeks of the campaign, our

volunteers made 30 million contacts, both phones and knocks. Every one of those contacts was uploaded into the system and appended to the file. So with the micro-targeting data, you're also appending consumer data to the file. So our data – I'd put our data up against anybody. As far as the technology, what the Obama campaign was able to do this cycle was really groundbreaking. And the ability to push that out to as many people as possible – to take it from a vertical line to a horizontal line – I think that was very impressive on that front. But they do have a ways to go on the data front I think.

MR. JACKSON: Okay, Karen, we saw briefly a slide of giant screens in there in a war room – it looked like NORAD – that wasn't the DNC, was it?

MS. FINNEY: (Chuckles.) No, that was a picture of NORAD. (Chuckles.)

MR. JACKSON: I'm sorry, the fact-checker in me has to ask that. One thing that I was thinking here as I was seeing this from our standpoint as journalists and – in the fact-checking business, we love TV ads because they're 30 seconds and we can monitor them; we know we can take them off the air – we have no ability to monitor what your neighbors are saying to other neighbors. And I'm just wondering what sort of messages get transmitted there and what we might be missing.

MS. FINNEY: (Chuckles.) Well, I mean obviously what you're getting is, you know, that personal flavor and that personal opinion. I mean, you can monitor the materials but we think that obviously when people put their own personal spin on it or their personal take on it, that is a more effective message and communication. And you're right, we can't monitor it and actually, frankly we can't monitor it, which is, you know, why I think for some time there was some reluctance that once you start to give more power to the grassroots, you actually have to trust that when that person knocks on the door, they're going to actually deliver the message that you have in the script or on the walk materials. So it's – but we've sort of tried to create a system with as much control as we can but it's – you know, we share the same challenge, actually, interestingly enough.

MR. JACKSON: Well, it was a minor concern. I wonder if you could talk about – how much money went into this neighbor-to-neighbor versus television advertising you might have done in the presidential primaries?

MS. FINNEY: We actually didn't – out of the DNC during the general election, we didn't do television advertising out of the DNC; it was predominately done out of the Obama campaign. This system was over 10 to \$12 million in building. And we started, frankly, in 2005. And I would say that, you know, we looked at what the Republicans were able to do and, you know, when Governor Dean became chairman, we didn't have a national voter file. We weren't able to do micro-targeting in the way that the Republicans were. So a lot of the money actually went into, frankly, building a national voter file, getting it up and running in every state, training voter file managers – I mean, just sort of getting the basics and developing our own methods of micro-targeting, which we tested in 2006 and 2007 so that we could be ready. Although one thing I was say about technology is – as you know, it moves so fast, we weren't necessarily trying to build to where the RNC was in 2004. We were able to build to sort of best

of breed, looking forward to, you know, 2008 and beyond. And certainly by the time we get to the next cycle, it will – you know, what you can do with information will be leaps and bounds from where we are now.

MR. JACKSON: How staff intensive was it? How many paid staff had to be devoted to running this system?

MS. FINNEY: Essentially, I would say 20 or 30 people in our IT department and our political department. So we'd had sort of a cross departmental team working on it so that we were developing not just from the technological standpoint but also from the political standpoint. Also, though, from the user interface standpoint – we wanted it to be as easy as possible for people to use. My mother who was a volunteer in Maryland actually called me – she was so excited it was so easy to use. So we really tried to do a cross-divisional approach to make sure that we were meeting everybody's specifications.

MR. JACKSON: Okay. Rich, the hybrid ad strategy – we saw a couple of those. Of course, it allowed you to spend more money on John McCain's campaign. Just so the point doesn't get lost, of course he was subject to spending limits. You were – how much were you able to, by the use of hybrid ads, expand the spending limits, in effect, for John McCain? How many extra dollars went into advertising as a result of hybrid ads?

MR. BEESON: Well, I don't have the exact number. It was around 50 million, roughly, that – in, i.e., in directed. The RNC could do 19.2 million in coordinated, which is essentially that much money in additional television, although they did –

(Cross talk.)

MR. JACKSON: Those coordinated ads looked just like John McCain ads and didn't have to talk about liberals in Congress or anything like that, right.

MR. BEESON: Exactly – with a different disclaimer. And so around 50 million extra but again, I don't know if I've mentioned this, but the Obama campaign had \$746 million – (laughter) – and so when you're talking those sorts of numbers, it really sort of paled in comparison.

MR. JACKSON: How effective were those hybrid ads? Did you focus group them, did you test afterward? We've heard complaints from the McCain folks that they were – in the end, they just considered them incomprehensible and stopped doing them because they weren't working.

MR. BEESON: Well, it's weight of message. I mean, we can – I mean, I said in my monologue that the cleanest ad is a candidate ad, that gets up and says vote for or vote against, paid for by – those are the best sort of ads. So the lawyers, when the lawyers get involved in the hybrid ads, they certainly are watered down. Are they the perfect spots? No, not at all. But when you're trying to get a weight of message and a certain number of spots up and that's the best you can do, those are what we had to live with. I understand that when you're talking about

congressional liberals, it's a very, sort of, amorphous term that doesn't go in at – that's a lot less effective than saying, you know, Governor Blagojevich is a – has some serious issues instead of saying, you know –

MR. JACKSON: If only those issues had come up before they're elected. (Laughter.) So were there focus groups or any quantifiable data you can share with us?

MR. BEESON: Well, as far as quantifiable, a number of focus groups – I was – I've sat in on focus groups across the country with a number of different groups and there were a lot of different messages that tested very well. But again, I keep coming back to two points, that if you can't have a clean hit in the spot and you're getting literally 80-to-one on spots, it makes it a little difficult to burn a message in.

MR. JACKSON: Fair enough. Well, we'd like to throw questions – throw this open to questions from the audience now. Kathleen has her hand up. Before you speak, please make sure you have a microphone in hand. Kathleen Jamieson – and please identify yourself before you speak.

MS. JAMIESON: Kathleen Jamieson; Karen, you mentioned the DNC didn't do any television ads, did it do any radio ads?

MR. JACKSON: Into the microphone, please.

MS. JAMIESON: Sorry. Karen, you mentioned the DNC didn't do any television ads; did it do any radio ads?

MS. FINNEY: We didn't. All the ads came out of the Obama campaign. So our focus was really on the – we did actually two ads when the primary was still going on – two television spots. And then once Obama became the nominee, all of the ad dollars came out of the campaign.

MS. JAMIESON: So was there any other messaging that came out from DNC other than what you described here? Was there direct mail?

MS. FINNEY: We did mail out of the DNC and then we did the grassroots materials out of the DNC.

MS. JAMIESON: Could you tell us a little bit about the direct mail and did you do any robocalling?

MS. FINNEY: We didn't do robocalls out of the DNC. We did a mail – pretty vigorous mail program out of the DNC again with both a persuasion message and then a get-out-to-vote message. But most of our emphasis was really on the system.

MS. JAMIESON: Thank you.

MR. BEESON: With all due respect to my friend Karen, the DNC stood for “Do Not Call” when it came to the Obama campaign. They had enough resources to run their entire operation out of their campaign and it was clear that they did. You saw cash on hand figures. In September, the RNC was at 76 million and the DNC was at 17 million. They were – the Obama campaign made a conscious effort to run their entire operation out of their campaign – again, much cleaner way to do it, much cleaner use of their dollars. But it was pretty obvious that they kept everything campaign-related in the campaign.

MS. FINNEY: Well – and I would just add to that. Between our two campaigns, when you talked about 30 million calls in the last 19 weeks, we were able to make 68 million calls in that same time period, so – resources helped.

MS. JAMIESON: And Rich, did you distribute your hybrid ads into radio and television and if so, what was the mix and into what states?

MR. BEESON: The states were up on the slide. I can – I’ve got a spot count here I can go through, but it was radio, it was television, it was calls, we did it as much as possible. We tried to spread it out. I think we were – at one point, we were in 36 different states. Clearly, we were fighting on fronts we didn’t necessarily want to be fighting on. The Obama campaign did a very good job of keeping us moving around the country and moving around the map and playing in states that we would have preferred not to be running ads in.

MS. JAMIESON: Thank you.

MR. JACKSON: Other questions from the audience – just hold up your hand.

Q: Yes, during every campaign – oh, my name is Aigon Frick (ph) – during every campaign I seem to see, through the backwaters, certain rumors pop up. And they’re different depending on which campaign it is – things like Obama was born in Kenya, Sarah Palin’s baby, things like that that come up through chat rooms on the internet, they come up through different fora and you can recognize them immediately because it’s a cut-and-paste kind of a message. What I want to ask of you two is do your organizations have skunk-works in the back somewhere that generate these things and try to get them distributed?

MR. BEESON: Tell him the truth!

MS. FINNEY: (Chuckles.) I’m sure I don’t know what you’re talking about. No, go ahead Rich – you go first. (Chuckles.)

MR. BEESON: No, I – anything that was a rumor certainly would come out of the DNC. Anything that was a fact would come out of the RNC – I think we can all agree to that. No, sir – those – look, that is one thing that the blogosphere has created is just – I mean literally, everybody can now be a journalist. And so you see this stuff pop up all over the place. You never once saw the RNC talking about, you know, President-elect Obama’s citizenship. We – that was just not something we ever talked about. We knew that that issue had been settled long ago. There’s just – there’s a number of things that pop up that you just – you know are coming

from fringes on one side or the other and you just – there’s just nothing you can do about it. But you certainly don’t do anything to encourage it.

MS. FINNEY: I mean, certainly we both have rapid-response operations where, you know, if we have information about our opponent, we – you know, it makes its way into mainstream media or sometimes now you leak it on the blogs. But I agree with Rich – because of the proliferation of the blogs, it is very hard to control and to stop some of the rumors. And actually the Obama campaign, they started the Stop the Smears Web sites and there were actually micro-sites built around that to try to debunk some of those things because it just – at a point, you can’t – you really can’t control it. So the best you can do is to try to make sure that you get the counter information or the corrected information out in as many channels as you can.

MR. BEESON: Right now, the bloggers are talking about some issue in Illinois, so we’re kind of keeping an eye on that – I’m not sure.

(Laughter.)

MR. JACKSON: I would just like to say at FactCheck.org, we see lots of these email messages. We’re always looking for any evidence that these were manufactured by a political operative somewhere but I have to say – and I have yet to see a provable case of one of these things being originated by a political party or by a candidate. They all certainly seem to be generated by irresponsible and ignorant amateurs who just make this stuff up or say things without any regard for whether they are true or not. It may be that there are – there’s a professional out there who is so clever that they can make their stuff look like the work of an amateur but so far we haven’t seen it. We can’t prove it didn’t happen because you can’t trace this stuff back – there’s just no way. It’s very potentially insidious but so far we haven’t found a case of somebody actually starting a deliberate viral campaign through a political party or a candidate’s campaign. Other questions? Take the microphone, just tell us who you are.

Q: Just – I’m Ken Doyle with BNA. I guess it’s a question mainly for Mr. Beeson but if the overwhelming theme of this last campaign is the amount of money that Obama was able to raise and the options that that gave him, what’s the strategy for the next campaign for dealing with that? I mean, does the RNC – what are the discussions at this point about how the RNC and the Republican Party in general is going to be able to compete with that?

MR. BEESON: Well, I’m not sure how you came to the conclusion that the overarching theme was about money – I don’t know, maybe because I mentioned \$746 million, but clearly – you saw a couple of weeks or 10 days after the election, we filed to – with the Supreme Court over the Bipartisan Campaign Reform Act that, you know, President-elect Obama has now eradicated any sense of public financing of presidential campaigns in the future. So it is – we need to be on equal footing and we think that that law certainly keeps us from doing that in some ways. So again, just the enormous amount of money that was raised in this campaign has changed the game moving forward. And we’re going to be – we will be prepared, so.

MS. FINNEY: Can I just respond to that? I know my colleague likes to, you know, keep raising that figure, but in all truth, you know, it wasn’t just the money. It was the strategy, it was

the fact that we were able to – between the work that the DNC did with the 50-state strategy and certainly the Obama campaign, you know, David Plouffe’s strategy from the beginning was to create as many pathways to 270 as possible. I mean, we really expanded the map. And as Rich said, we made them play in places they didn’t expect to have to. I mean, you know, we sent Governor Dean to Idaho and Arizona the last weekend of the campaign because we actually thought we had a shot in Arizona at one point. So while there’s a lot made of how much money was raised and spent, I think in fairness there was a lot of very smart strategy and very hard work done to – and how those resources were used that I think frankly that you guys just weren’t prepared for.

Q: But didn’t the money make that possible, though? I mean, obviously, you used the – you found ways to use it –

(Cross talk.)

MS. FINNEY: Sure, but if all you have is just money and you’re throwing, you know – if they just spent all their money on television advertising, for example, and hadn’t had strong grassroots troops on the ground, I don’t know that we would have had the same result. That’s what I’m saying. The strategy mattered a lot.

MR. JACKSON: I have a follow-up on that point. I covered money and politics for many years. When I came to town in the Nixon era, Republicans had a big advantage – those who could write million or \$2 million checks were more often Republicans than not. Once campaign donation limits came into effect, Republicans maintained a big financial advantage, primarily through the ability to raise small dollars. People really miss that but those fundraising letters from Ronald Reagan brought in just tidal waves of cash and the Republican Party enjoyed a financial advantage election after election after election. My question to both of you – Rich, you first – what happened? It’s now been reversed and it looks – it’s not just the Obama campaign but party organizations at practically every level seem to be – the advantage seems to have shifted to the Democrats. Are Democrats gotten richer, have Republicans gotten poorer? What’s going on here?

MR. BEESON: I think there’s two parts to that – the first is, as far as the donor file, you are exactly right. For a long time, the DNC was not a small-donor committee. It was a large-donor committee and did not have a small-donor file. The RNC’s average contribution has been around \$67. We have about two million donors. The Obama campaign came in and now have several million – I don’t know the exact number but it is an enormous number. The DNC is getting better at that. They still lag far behind on the number of small donors but they – just like Karen mentioned – with the voter file, they’ve understood a need to create a small-donor file as well.

But the other part of that – the second track of that is just the large number – the large contributions into the 527s – whether it’s George Soros, whether it’s David Geffen, whether – you know, any number of people that write the size of checks that, literally, Republican donors just don’t match. I mean, we’ve got Sheldon Adelson out of Nevada who has written some big checks into 527s and some others but nothing that matches the amount of seven- and eight-figure

checks that are coming in on the other side. So they did – they caught up on that front and surpassed. And so that’s where we’re at.

MR. JACKSON: Karen, how’d you do it?

MS. FINNEY: (Chuckles.) Well, just for starts I don’t think you can quite say that weren’t big checks going into 527s on the other side. I have to take issue with that. I think certainly winning helps and I think in the aftermath of 2000, frankly, you know, donors really realized that we needed to change the way we’re raising money if we were going to win. And then in 2004, obviously losing – again – motivated people and then winning in 2006 I think sort of motivated people to believe we could win.

I think part of the difference, though, traditionally, I think the RNC was better at having institutional givers of the large checks than the DNC was actually. We found ourselves in a cycle where our big donors would give closer to the cycle and not sort of throughout the years when certainly some – on some of the off years for some of the building. And I think part of the argument we made to people was you’ve got to give in the off years because we’ve got to – we can’t wait until the election is here. We’ve got to build a voter file, we’ve got to build ground troops, and we need resources to do that. And so I think kind of having a business plan that you can take to donors was very helpful in that.

And certainly the small donors. You know, the Obama campaign, you know, Governor Dean started it in his campaign. We’ve done some at the DNC. Obviously, the Obama campaign took it to a whole new level but the idea of, you know, the average contribution was about \$80 and the idea of, you know, people giving a little bit of money over a period of time and it really – and what they also did was they really got people – with those dollars, buy into being a part of the campaign. And I think people felt that the money was actually going towards something that was effective and efficient and worthy of their time and worthy of their money. So I think that made a big difference.

MR. JACKSON: Of course, a new thing is this “Donate Now” button that you see on – first thing on every candidate’s Web site, every party Web site. Does the ease with which people can make a small donation to a candidate or a political party through the Internet – they don’t have to find a stamp; they don’t have to get their checkbook out; all they need is their credit card number and an impulse. The question for both of you – Karen, you first, do you think that that factor favors one party over another?

MS. FINNEY: You know, I don’t know that it favors one over the other. I mean, I think a lot of it just, you know, there’s a psychological element to, you know, if you send an e-mail that is particularly hot, it’s got to be timely and you know, the action step, is you know, donate now. And if you’re talking about \$5, \$10, again, you’re sort of lowering that mental barrier to people who say, well, I don’t have \$1,000 to give, I don’t even have \$100 to give. But if you’re talking about five or 10 or 15 (dollars), again, you’re sort of psychologically lowering that barrier. I don’t know that I think it’s either a Republican or a Democratic, you know, prerogative. I think it’s more just the psychology of you know, engaging people and getting them to take an action step.

MR. JACKSON: Rich?

MR. BEESON: I think if there's one thing you've seen, it's that there's – if there's a good idea that one party has one cycle, the other party will steal it for the next one. And we've sort of done that cycle to cycle. The online fundraising by the Obama campaign is legendary right now. And I think what you'll see on our side is continued to increase emphasis on that. What we're looking at is recurring donors, where every month, a donor may give 10 or 15 or \$25 so that over the course of the year, they're giving a lot more than they could ever write with one check. But over the course of the year, they're giving, for them and for us, a significant amount of money. But setting up on a recurring basis and the online really helps us do that. And so you're seeing a significant focus on the online fundraising, now.

MR. JACKSON: Okay, other questions?

Q: Yes, Aigon Frick. The – it seems to me that there's two ways of looking at this question of fundraising. And one is, we raised a lot of money; therefore, we were able to buy advertising and therefore, we won the election. The second is, and it's sort of a chicken-and-egg kind of a thing. Let's not forget that John McCain was running with somebody attached to his hip who was the most unpopular president in a very long time. And there was probably some kind of a pent-up demand for change among the population. And the question really is, how much did that affect the donations? Is the amount of money taken in really the result of this public discontent or is it the result of the fundraising activity?

MS. FINNEY: Well, you know, I would say a couple of things to that. I mean, certainly, one of the things that the Obama campaign understood; this is part of what Governor Dean understood in terms of Internet fundraising specifically, is you know, it's not just an ATM. People really want to feel like they're part of a community. And so engaging people, again, and making them, you know, some of the slides that I show, sort of making them feel like they're getting a little bit of an inside look into the campaign or they're really a part of something bigger will make you far more successful with fundraising online. So I think that's part of the puzzle.

I don't think that the McCain campaign did that as well as the Obama campaign did, just in terms of engaging people in a movement, which is what I think, you know Obama's message was more a message of change but more a – sort of a new message of we can do this together. And I think McCain had more of a traditional message of I'm going to fix your problems for you. So I think – I certainly think that this message didn't connect with voters. And I think he, you know, again, this is why I say strategy is as much a part of it as money. He certainly could have done more to distance himself from Bush if he chose to. And he sort of tried to that in the general but after, I think, trying to run closer to him in the primary, it's harder to then come back to the middle in the general election. I don't know if you would agree with that, but –

MR. BEESON: Well, I think specifically talking about fundraising, you have to take the good with the bad. The president is raising the Republican National Committee over a billion dollars in his tenure. So you know, that's not something that we are just going to walk away from and say, you know, sorry, you're unpopular. He was still a very, very good fundraiser with

our base and raised a significant amount of money to the tune of \$67 million over the last couple of years as well. So obviously, the public polling was not very favorable to the president and the McCain campaign had to be cognizant of that. But as far as the base in fundraising, he was still a very good fundraiser.

MR. JACKSON: Before the question, tell us who you are.

Q: Joe Davidson with the Washington Post. I wonder if you run the danger of turning off people when it comes to fundraising. I ask that because I have a friend who donated to the Obama campaign and then she was constantly inundated with requests for more money to the point where she seemed to be becoming really turned off. I mean it's not like she decided to vote for McCain because you guys asked her for too much money. But it was – it seemed like you had gone beyond the point of diminishing returns.

MS. FINNEY: You know, there are Internet people would tell you, because this is always sort of their – I think this is true on both sides – there's always that tension between how much is too much and how much is enough and you know, we talk about sort of burning the lists which tends to happen toward the end where you know, you get not just e-mails on a daily basis, but almost an hourly basis with some new ask. There may be a rest but again, there's that tension between you know, you need to keep doing it and because some people will give and knowing that some people might be turned off but as you say, they're probably not going to not vote for your candidate. They might be a little bit turned off by the repetitive asks although what you then see sort of after the election is a little – you know, you kind of bring it down a bit to kind of give people a little relief. (Chuckles.)

MR. BEESON: Well, you might bring it down. (Chuckles.)

MS. FINNEY: Well, you guys haven't, but we, you know –

MR. BEESON: I would say the key to fundraising is found in the Bible. In the Book of John, it says, "Ask and you shall receive." And it's not prerogative to know when people may or may not want to give. It's up to us to give them every opportunity to do that. And especially once they have shown a propensity to give, those are the folks that are more likely to give. An average donor will give to the RNC three to four times a year. So we can't pick what three or four times that's going to be. We just have to give them multiple opportunities to take advantage of that three to four times a year.

So, again, you know, we're not the only ones in the mix. There are Senate committees, our congressional committees, our candidates, our outside organizations that you're going to hear from today. There are so many people out there asking for money that if you're not in that stream and in that mix, you run the risk of not getting that person's check and that's a risk that we can't take so –

MR. JACKSON: Other question?

Q: Al Milliken, A.M. Media, also American Independent Writers. I was curious, particularly I guess from the political party viewpoint, how would you evaluate – well, not only John McCain and Sarah Palin but Barack Obama and Joe Biden as far as not just their ability, but their willingness to stay on the message that they were supposed to be on?

MR. FINNEY: You can go first.

(Laughter.)

MR. BEESON: Me talking about message is a little bit like Colonel Sanders talking about how to make a cheeseburger. (Laughter.) I'm a political hack so although I think I've done a fairly good job of staying on message on the \$746 million figure, that's neither here nor there. You know, again, staying on message is the tenet of any campaign but at the same time, there are things that come up that you just – you simply have to react to and pivot to. And you hope that you do that much less than your opponent does.

I think the Obama campaign did a very good job of staying focused on change and you know, that was something in every shot that you saw. Change was in the background, every speech that you heard, change was in the message. We were, as Karen pointed out, we couldn't really talk about change a whole lot – we were sort of painted into a corner on that message and so we had to pivot to experience, to other things. So I think I have to give the Obama campaign to – on staying on message on that fact. But I, we did the best with what we could.

MS. FINNEY: I would say, I mean I certainly think the Obama-Biden campaign; I think they were incredibly disciplined in staying on message. And also in staying on their game plan and not, you know, it's hard in political campaigns, particularly as communications people, there's always these sort of skirmishes of the day but then you're still trying to move a message that day. And it's very easy to and part of the job of the DNC and the RNC is to you know, kind of drag you around.

I think that the campaign did a very good job of trying to stay focused on the message they were trying to move that day, dealing with the skirmishes, but still not letting that kind of, you know, knock them off message. I frankly thought that the McCain-Palin campaign was very disciplined as well. I thought that, you know, when you saw some of the changes in the McCain campaign when Steve Schmidt came in, I think there was a level of discipline that I think came directly from Senator McCain himself. I think he did a much better job staying on message and so I just think the message didn't connect, was the problem.

MR. JACKSON: Well, I am going to conclude this with one self-interested question. In this campaign, there was more of the kind of fact-checking journalism that we do than I've ever seen in any previous campaign. Another Web site started up by the St. Petersburg Times, Politifact.com, the Washington Post weighed in, other news organizations. As you and your parties were crafting their messages, did that make any difference? And if so, why? Rich?

MR. BEESON: Well, you start off from the premise that what you're saying is true – (chuckles) – so I guess you have to assume that it's going to pass a fact-check muster. I don't

recall ever sitting in a meeting with Danny Diaz or anybody else saying, hey, let's put something out there that's going to get smacked back in our face. So you know, do you try to make it as egregious as possible? Absolutely, you know, but I guess I'm not entirely sure how to answer it other than what we say, we always back up. We have a research department that backs up everything that we put out with documentation. Our lawyers don't let us put out any mail, any television, any sort of, any distribution of any material that can't be backed up with facts, so –

MS. FINNEY: That doesn't mean you don't stretch the truth. I mean we did – (chuckles) – we actually started something at the DNC during the campaign, we count the lies. And we actually got up to over a hundred on the – counting from the other side. But certainly, you don't – I don't know that we sit and think, okay, what are the fact-checkers going to say? But certainly I think you saw on this campaign is each side trying to keep track of how many, you know Pinocchio's I think it was in the Washington Post or that the other side got. But you know, I do – I will say that it was an important part of the campaign and important to the campaign to, you know, really try to fight this battle on the issues and stay as close to – you know, stay close to the truth and stay as close to the issues and less personal attacks as possible.

MR. JACKSON: Well, thank you both. Rich Beeson, political director of the Republican National Committee, Karen Finney, communications director of the Democratic National Committee. That concludes this panel on political parties. We'll take a short break while we reform for our next panel. There are refreshments in the next room. We'll be back in five minutes. Thank you.

(Break.)

MR. JACKSON: Well, thank you for returning. Our second panel this morning, we're calling a Democratic/liberal panel. Anybody who wants to object to that is – please do so. One of the things about this campaign, compared to 2004, we did not see the sort of massive independent advertising spending this time around that we did in 2004 by, for example, the Media Fund or MoveOn.org, or Swift Boat Veterans for Truth. But that doesn't mean that independent groups were not active. In fact, they were and we're going to learn a little bit about that with this panel.

The American Federation of State, County, and Municipal Employees, in fact, did so much that we've brought two people here to tell you about it. Our first speaker will be Ricky Feller, who is associate director for political action at AFSCME. Ricky has done the independent spending, supervised that for AFSCME and as I understand it, he was under some rather strict rules, walled off from our other speaker, Larry Scanlon. You couldn't be on conference calls together. I have a mental image of some sort of Chinese wall built up between the two of you within your own organization.

Larry Scanlon, on the other hand, director of political action department of AFSCME handled more member-to-member communication and you'll, I think we're going to learn quite a bit here about how labor unions operate and are able to mobilize their messaging, contacting voters who are union members on the one hand, non-union members on the other. Our other panelist today, Cecile Richards, president of Planned Parenthood; their operation was interesting

and she's going to be telling us about some polling that Planned Parenthood conducted, what they discovered about some misconceptions, I think, that women voters in key states had going in and what they did to try to correct that from their point of view.

And our last panelist, Roger Schlickeisen, Defenders of Wildlife, has a story to tell that I think demonstrates that you don't have to spend a kajillion dollars to have an impact. They did some interesting things. One, in particular, an ad that ran about Sarah Palin soon after she came – burst on the national scene that Roger will tell us, had quite an impact. I'm going to turn it over to the panelists now. I'd like to take it first Ricky, then Larry, then Cecile, then Roger. I'll come back for questions and we'll throw questions up into the audience when that's done.

Ricky?

RICKY FELLER: Morning. And I can tell you right now that wall was a very thick wall in between us. As Brooks mentioned, I ran AFSCME's independent expenditure program, which included not just presidential, but we also did extensive issue and express advocacy in many states and many congressional districts. The first rule for an independent expenditure is do no harm. That means do no harm to the organization you're working for and do no harm for the campaign that you're trying to advocate for.

The second rule is to understand – and it's hard for someone like me who comes from a campaign background, you're not the campaign. You are an assist person. You're going to go in there and help and fill a lane. So the first order of business was we sat down and tried to figure out what was the lanes that we needed to fill. In this case, I'm going to talk more about the presidential and where did Barack Obama need help. We weren't going a piecemeal approach, you know, buy a little bit of radio here, a little bit of radio here, do a little bit of mail there and spread it out all across states. We were going to go in, look at two states, one that we needed to keep that we had won in 2004, and one that we needed to pick up that we had lost in 2004.

And we were going to go in with substantial resources, again, filling that lane and spending a good amount of money serving that purpose. So we came up with New Mexico and Wisconsin and this was based on – we were extensively tracking what the campaigns, what the parties, what other independent expenditures were doing on TV, on radio, figuring out what folks were doing on the ground. We also did a lot of polling and focus groups. And based on those two, we could see where, you know, of the top 20 markets where the campaigns and others were spending, you know, five of them happen to be, you know, in Green Bay, La Crosse, Albuquerque.

McCain was also buying extensively in El Paso, which wasn't really to move any vote in Texas. That was clearly for New Mexico. We had done a lot of polling so let me just talk about New Mexico first, where that's a place that Gore had won, Kerry lost. We saw, based on early polling, where Obama was running slightly ahead of Kerry but he was way behind where Gore had ended up. So we were concerned about that and I'm talking about Latinos now. That's the community that we are looking at. Early on, the numbers just weren't good. New Mexico Latinos, Obama was trailing among them more so than in Nevada and Colorado and in New

Mexico, the Latino community's much larger part of the electorate than in Nevada and Colorado. So we were seeing some signs of trouble early on.

Obama was also trailing at that point among the generic Democratic match up. So we decided we needed to go in there and talk to folks in the Latino communities. So we did some more polling later on and among the general public there. He was only plus – he, being Obama – was only plus two without the leaners. Okay, so that was showing us we need to pump up that Latino vote. The focus group – and at this point, let me say that the Senate candidate was running 16 points ahead. So clearly, there was an issue in there. We did some focus groups and it's interesting that, particularly among Latino men, the focus group showed that not just is there an economy message out there, but when you start going after McCain on veteran's issue, right, his strength, it actually started moving some of this vote away from him.

So we figured everyone in there is talking about the economy, the economy, the economy. Let's go back to our overall strategy, fill a lane. And let's just focus in on the Latino vote in New Mexico. So we happened to come across something in, I think it might have been in The Hill or something. It was talking about a group called the Iraq and Afghanistan Veterans of America. They had given him a D for some of his votes so we decided to use that in one of our spots. Well, I could right now, I'd like to run the spot. It's called "Veterans."

(Begin video segment.)

MR. : On the tough votes, McCain hasn't been there for veterans.

MR. : John McCain sided with George Bush and opposed the new G.I. Bill. He opposed full college tuition for new veterans.

MR. : When John McCain has to choose between his party and better care for veterans, he sides with his party.

MR. : John McCain hasn't voted for us for years. I can't vote for him November.

MR. : AFSCME people is responsible for the content of this advertising.

(End video segment.)

MR. JACKSON: Now, we ran this in Albuquerque, in Amarillo and in El Paso. And we had an extensive buy going in those three areas. This ended up – the New Mexico exit polls will show Latinos ended up being close to 40 percent of the vote. Now, this ad also, while it really helped move Latinos, Latino men in particular, it was also helpful among the general public. So again, going back to the original do no harm, this was doing no harm with the general public and was really going after the niche vote that we were looking for. So among Latinos, overall, in New Mexico, Obama did better than he did nationally, all right? Among Latino men, again, he did better in New Mexico than he did nationally among Latino men.

So the next state we were in is Wisconsin. That's a state that was a small margin win – this was a state that we needed to keep. You know, again, early on polling – and we had polled extensively in there – we were showing Obama with a slight margin. He was within the margin of error, it was moving anywhere. Later on in the fall when we were continuing to do some polling, he had actually lost some ground in there. So we decided to go in and do a little more fine polling and we had figured out where Obama was doing well, naturally, in the Milwaukee area. He was weak in Green Bay and other areas.

Particularly of concern were the Independents, which make up roughly like 30 percent of the vote in Wisconsin. And Independents, he was – they were basically dead even, which was cut both ways. It was good and bad at that point in the campaign. So we decided again, Wisconsin, economics, everyone is talking the economy, the economy. We decided to slice off a piece and go after niche and we were not going to go into Milwaukee that much. We were going to into some of these other areas because polls, focus groups had showed swing voters would be coming out of Green Bay, the northeast, downscale men, true Independents, not Independents that lean Democrat or lean Republican, and women, older women as well.

So we decided to use kind of the economic message and link it with Social Security and Medicare and we did come across where Club for Growth were espousing McCain's position on Social Security. So if I could – let's run that spot right now, called "Security."

(Begin video segment.)

MR. : I'm on a fixed income.

MS. : And so am I.

MR. : What would my folks do without Social Security?

MS. : Why does John McCain support privatizing Social Security?

MR. : He wants to put it into Wall Street's hands. What is he thinking?

MR. : I'm surprised he's that out of touch.

MS. : You could wake up one day and the money would all be gone.

MR. : We earned that money. Now, he wants to give it to Wall Street.

(Chorus of, "No way.")

MR. : AFSCME people is responsible for the content of this advertising.

(End video segment.)

MR. JACKSON: Now, in this ad, these were all real people, just like in the New Mexico one. I forgot to mention that one – all real people that we had found on the ground that were – we actually sent crews out there and the New Mexico folks were real New Mexicans, Wisconsin, same thing. But the exit showed, and again, do no harm, right? So this spot was not only for our targeted audience, but would do well in general.

In the exit polls, we did better in Wisconsin, nationally, Obama did by eight points. Now, we all know that he lost among seniors, right? But he was actually dead even in Wisconsin. And among Independents, he was plus six in Wisconsin than he was nationally. So what that tell me is our stuff was effective. We made some very targeted buys. We were on for a good amount of time. We did some good polling, focus groups. And going back to the original rule of an IE, you know, fill a lane. And you know, based on results, I think we had a successful campaign.

MR. JACKSON: Well, thank you.

LAWRENCE SCANLON: Good morning, name is Larry Scanlon. I'm the political director for AFSCME, the American Federation of State, County, and Municipal Employees. We represent about 1.6 million members in every state and the Commonwealth of Puerto Rico. We have a very active political program. Ricky has detailed some of the work that he's done in terms of the independent expenditure. If we think back to some of the changes in the laws, the rules, the regulations, you think back to BCRA, I thought it was interesting that the Republican – Rich Beeson didn't mention that BCRA is the McCain-Feingold Act. So you talk about being hoisted on your own petard, this is the case.

We had changes in the FEC regulations and we had Wisconsin Supreme Court decision, right to life case. The ground sort of shifts and you have to very nimble, opportunistic, and creative when you're doing your political programs if you want your candidates to win. Our union is led by Gerald McEntee. He's been in the labor movement, now, 50 years. He also serves as the chair of the AFL-CIO political committee and as such, helps drive that program. So I'm going to present some data this morning regarding the AFL program as well.

Our union, as I said, is very active. We've spent – we're still counting – but over the cycle from '07 to '08, we spent \$84.2 million on politics. That's hard dollars and soft dollars. We had sort of an unusual circumstance in that we did not support Barack Obama in the primaries. We went through a very exhaustive process. In fact, this process, for us, started in January of 2007 when Senator Reid called us and asked us if we would host the first presidential forum for Democratic candidates in Carson City, Nevada. And my comment was, oh, just shoot me, okay? But yeah, sure, we'll do it. And so that was – we rolled it out, we went through an exhaustive process to screen all the candidates, made our endorsement of Senator Hillary Clinton on October 31st, 2007.

And we worked very hard for her. We were out on the campaign stump but as we all know, when you come to June 3rd, can we have help there? The – on June 3rd, the race is basically over and so all the work that we had done with our membership in terms of educating them on the differences with the candidates and why they should support Hillary Clinton, now

we had to shift gears and say, okay, on June 18th, I think it was, we endorsed Senator Obama and we had to go through a whole other education program. Okay, let me see if I can get this thing going here. Top button, nope, that one didn't work. Let's try that one; there we go.

So just a quick refresher. Thank you, Cecile.

CECILE RICHARDS: No problem.

MR. SCANLON: Obama effectively clinches his nomination on June 3rd. We endorsed – DNC obviously major focal point on the timeline. The RNC convention, and then the events of September, which really, I think, were dispositive of this election in terms of the Lehman Brothers' bankruptcy filing, the economic bailout vote, McCain making, perhaps, some ill-advised decisions in terms of flying back, suspending his campaign. I think that was another example of where – and I beg to differ with some of the folks on the previous panel. I think he went off message. I thought he went off brand.

If you think about John McCain as the maverick and taking on his party, that didn't really happen. If you looked at the fact that he hired Steve Schmidt and they went to a very hard edge campaign, the people that worked for George Bush and attacked John McCain in 2000 are now working for him. You know, he was no longer the maverick. And so we had a job, based on our polling and focus groups, of figuring out how to basically undercut McCain with our members. Now, that's important and I'll show you why in a minute.

This is just a brief composite of what we did. We looked at the 17 battleground states. We put 455 staff out into these 17 states. We made 7 million phone calls overall to our members. We did a nonpartisan turnout program, we did over a million pieces of mail in the general election. We did nonpartisan work, which is driving voters to the polls on a nonpartisan basis, it's their civic duty to get out and vote. We did that in New Mexico and Florida and Wisconsin, in other places, we did voter protection, election protection, we had attorneys out working making sure that peoples had the right to vote and their vote was actually counted.

Here's some of the mail we talked about. Our polling showed that the economy was the most important issue for our members. Public polling shows that 63 percent of voters, that was the most important issue and of those issues, McCain – Obama won by a 53-44 margin. But social security is very important to our members, economic securities are important to them. The McCain healthcare plan would actually be a tax increase for working families, so the two to \$2800. You saw the previous ad that talked about the fact that he wanted to privatize social security which actually, in our judgment, was the beginning of the end of the Bush administration because he came out of the 2004 election and said I'm going to use my political capital, I'm going to get this rammed through and it didn't happen and he lost whatever capital that he had.

Here's the AFL program. They went into 22 battleground states, some very staggering numbers. The AFL represents roughly 10 million people in the country. And you can see, obviously, Ohio and Pennsylvania, Michigan, very dense union states where we always have to fight and scrape for every vote. Ohio, we flipped this time. Pennsylvania, we won going away.

Michigan, I thought it was really crucial. I talked about some of the strategic mistakes that the McCain campaign made, announcing that they were pulling out of Michigan in early October. I personally, a few months before, was very concerned about Michigan because of the economic problems and I didn't know whether it was going to be a referendum on Jennifer Granholm in the Democrats or on the Republicans. Unfortunately, it turned out to be referendum on the Republicans.

The AFL sent out a lot of mail and so the mail that the unions did; there are two pieces. One was the negative piece undercutting McCain with our members and the other was a positive piece because we had to introduce Senator Obama to our members, our union in particular because we had endorsed Hillary Clinton but I thought one of the key things of the campaign was that the AFL because they could not endorse in the primary because they couldn't get the two-thirds that was required. They embarked on a very aggressive campaign in the spring and early summer to all union members saying here's the real John McCain. He's not the maverick that you think he is. Here's what his record is on economics and on jobs and on trade and on social security. And they did a very, very effective job in basically ruining his brand.

And it's important because, oops, if you look at the early polling from February, AFL union households were remarkably similar to the public in terms of their favorable opinion of McCain. So we all knew at that point we had a very high mountain in front of us that we had to climb. And so we did. Again, a lot of worksite flyers. We find that the most important way to communicate with members is face-to-face. That's how we raise our political money, it's how we get our message out. Unions are trusted messengers. Karen Finney mentioned that as one of her points in her presentation. Our leadership is trusted because we've proven that we're speaking the truth to power, if you will, with our members.

And this is just a quick overlook at how we reached our members and we're really pushing more of the workplace contact that's increased from the previous elections and obviously getting into the Internet, e-mails; we need to improve there, in my judgment. So how did the union members vote: 67-30 for Obama, all right, 37-point margin and the general public basically was a 51-47. The exit polls ended up being, obviously, 53-47. And in the battleground states, because there was more tension there, we did even better with union members voting by a 69-28 margin. Here's some of the differences and you can see the difference between the union members and the general public. So the big swings were age 65, which McCain did very well with general voters compared to the other categories. But we helped carry union older voters for Barack Obama.

Now, for the past three cycles, you'll see that the Democrats, union members, performed by 26 percent margin for Al Gore, increased to 37 for Kerry and up to 41 for Obama. The question will be, what is the upper limit? And there's a law of diminishing returns. And how many union members can you get? Can you get to 100 percent? I don't think so. We're going to try but that's a very high mountain. Working America, which is a – sort of a subsidiary of the AFL-CIO – it's really a union for people who don't have collective bargaining agreements. They performed just like regular union members by basically a two-to-one margin.

Okay, so look at our polling here. This is asking me specific polling. You can see in the spring, there was a big margin – but that was with an unnamed candidate: Democratic candidate versus John McCain. We get to Obama, we're polling in 53-28 and you can see that it narrowed over time but then as we did our program with repeated mail – particularly in the fall, we drove those numbers up so as we ended up, as you see, with a 66-30 margin.

Positives – same thing. The real thing here is that McCain's – we were able to keep McCain's positives fairly flat-lined and were able to introduce Obama and through the mail, phones, worksite contact, drive up positives for Obama. And same thing with the negatives – with McCain, we were able to drive his up. Now, they settled back down at the end of the campaign as people made decisions to vote, but more importantly, as we drove down the Obama negatives with our members. The frame, I think, for this election is, if you think about it – originally it was Barack Obama and his inexperience and John McCain and his economic policies and that's where the turf was fought out. And fortunately, we had the focus on the economic policies – McCain, McSame, more of the Bush administration, four more years, we can't afford it.

And this is the last few slides. In terms of protecting Social Security, you can see huge a difference between Obama and McCain, how they were perceived in terms of protecting Social Security – huge margin; same kind of margin for being on the side of working people. Right ideas for strengthening the economy – again, this was, I think, the key issue of the campaign and Obama, with our members, was winning very heavily there. And health care, which is – hopefully we're going to get some reformed health care now that we have a majority in the House. So the bottom line for us was how do you – when you go into a campaign, you have to figure out what kind of resources you're going to put in and how you're going to deploy those resources. I think we decided on some of the battleground states where we're going to go. We figured we had to drive up McCain's negatives with our members and it was also performance and turnout. And our members turned out to vote because we have a rich history of a political program to make that happen and they perform very heavily for Obama, we are thrilled that he is president-elect. We are looking for a worker-family agenda to emanate out of the White House and the Congress in the next four years. So thank you very much.

MS. RICHARDS: Good morning. I want to thank the Annenberg School and the Newseum for having us today. This is great and it's great to be with my friends, Roger and Ricky and Larry, all of whom I have worked with over the years. And it was nice to win one for once. My name is Cecile Richards and I'm the president of both the Planned Parenthood Federation of America and also the Planned Parenthood Action Fund and that's really our advocacy and political arm. So the work I'll be talking about today was done through the Planned Parenthood Action Fund.

Planned Parenthood has a very interesting and sort of special relationship with women in America and we use that and really work with that to play an important role, I think, in this election. We were very, very focused on educating women voters and that's really what I'll be speaking about today.

This is the first – only the second time, actually, in our history that the Planned Parenthood Action Fund has endorsed a presidential candidate. For us, the stakes were very high in this election and so this was really only the second time we've been involved in this kind of campaign. So you'll see the results. Planned Parenthood had – we had three goals in the election. One was to elect a president who was supportive of women's health. The second was to expand our majority in the United States Senate, which was really in some ways to hedge against losing the presidential election because of the Supreme Court and the stakes for women's health and rights at the Supreme Court and other judicial appointments. And the third was to defeat three anti-choice ballot initiatives across the country. I'm really just going to talk about the presidential but sort of that is the frame of the work that we believed we had to do.

Here is who Planned Parenthood is. We are one of the most respected, trusted reproductive healthcare providers in the country. And just to give – put some perspective on that, we have 882 health centers across America. We see approximately 3 million women through our doors – women and men through our doors every year. And, in fact, one in four women in America come to Planned Parenthood at some point her their lifetime. And that really was a key part of the relationship we worked with in this campaign. Ninety-seven percent of our services are prevention services: cancer screenings, birth control, family planning. And this translated into a relationship that women voters have with Planned Parenthood that's very, very strong. I think I'm going to – now, let's see if I can do the same thing I taught Larry to do.

We polled early in the election to try to understand the relationship we had with voters and found that, in fact, Planned Parenthood has very high favorabilities among women voters. This was a poll that was done back in the – way back in the early spring with women voters in the battleground states and as you'll see we have a rating that is right up there with the YWCA and the Boys & Girls Club of America – much higher than the political parties and frankly usually higher than most of the campaigns and other advocacy organizations.

So we're a trusted messenger on women's health and we felt that this was really important since women were the most sought-after voters in this election. We launched a campaign in – let's see if I can make it go – we launched a campaign back in mid-January. It was called the One Million Strong Campaign, but it was – the purpose of it was to build on our activist base across the country as well as target a million Planned Parenthood voters who we believed could educate – we could educate and influence in the election.

We polled back in February when it was clear that Senator McCain was going to be the Republican nominee and it was less certain what was going to happen in the Democratic primary and, really picking up on some of the things that I think have been said before, we knew that Senator McCain had a very strong maverick, sort of moderate image. Not only with the public but frankly with our own Planned Parenthood supporters and yet we knew he had voted consistently in his 26 years in Congress against women's health care – 125 votes against women's health, adamantly opposed to choice and in fact had a 0 percent voting record with Planned Parenthood. What we found when was polled women voters was that 46 percent of – well, what we found generally was that women had no idea about John McCain's record on women's health. We found that 46 percent of John McCain's own women-supporters were pro-

choice, and that three-quarters of women could not even tell you what John McCain's position was on women's health.

So there was a huge education gap here. The other thing we found is that when women got just a little bit of information – they learned that he was opposed to Roe – wanted to overturn Roe and had voted against women's health care – his support dropped very quickly. In fact, we found with very little information 40 percent of his own supporters were less likely to vote for him. So our goal was very simple: To educate women in the battleground states that John McCain was not pro-choice, that he was – and in fact had this long voting record and that he was not supported by Planned Parenthood. And it's interesting, because now of course post-election – there were a lot of walls during the election but I think post-election we have learned about polling that was done during the campaign that really confirmed what we believed to be true, which was once women found out that John McCain was very extreme on women's health issues, it opened up the door for them to get a lot of other information about John McCain that really damaged his moderate credentials in the election.

We had several different methods of trying to educate folks about John McCain. We had very simple 10 things that we thought every woman needed to know about John McCain, both in English and Spanish and we had a network of 4 million supporters, we had house parties, we had a whole lot of things – ways in which that information was given out. Sorry, I guess I went too fast there. We partnered with MoveOn and other progressive organizations to sort of provide viral content that would educate women about his positions.

And then we used very, very limited – unlike AFSCME – limited but targeted paid advertising that we thought would focus on our demographic. We ran ads on "Project Runway," on "Army Wives," on Oprah, where we felt like our voters – the voters that we were really targeting were most likely to watch. So I'm going to play this one ad that we – it was the first TV ad we did – we sort of took advantage of a media moment, which – and it was an opportunity to show a theme actually that AFSCME that I think Ricky mentioned, which was that John McCain was just really out of touch on women's healthcare issues. So I don't know if you can play the ad –

(Begin video segment.)

MS. : Ever use birth control? Then you'll want to hear this: It's unfair – health insurance companies cover Viagra but not birth control. Do you have an opinion on that?

JOHN MCCAIN: I don't know enough about it to give you an informed answer.

MS. : Planned Parenthood Action Fund is responsible for the content of this advertising because women deserve quality, affordable health care.

(End video segment.)

MS. RICHARDS: So I think that ad speaks for itself; I don't really have to explain it. But I think it was – we ran this in the summer and it got incredible free media pickup – by the

right, by the left, by everybody – Bill O'Reilly did an amazing segment on it and showed our entire ad all over again – but I think it really – it was interesting there was later a story in the New York Times – very toward the end of the campaign that said that it was this ad and this moment with the press – the sort of open-ended conversation with the press that the straight-talk express actually ended. And they really shut off this sort of open conversation with Senator McCain on issues.

So I think we did strike a nerve there. We then did another ad, which was not part of our plan but it was – I think it spoke to the fact that when Senator Obama was under attack there was an ad that was run by the McCain campaign that Senator Obama essentially wanted to teach sex information to kindergarteners. And we felt like this was – couldn't go unanswered and that we were actually the best organization to speak to it and so – I'll – I think we'll run than now. Thanks so much.

(Begin video segment.)

MR. : Every eight minutes a child is sexually abused. That's why Barack Obama supported legislation to teach children how to protect themselves. Now John McCain is twisting the facts and attacking Senator Obama. Doesn't McCain want our children to protect themselves from sex offenders? Or, after 26 years in Washington, is he just another politician who will say anything to get elected?

Planned Parenthood Action Fund is responsible for the content of this advertising.

(End video segment.)

MS. RICHARDS: So this was a pretty tough ad for us, but I think this actually was also a theme that was mentioned by AFSCME. There was a point at which John McCain's moderate/maverick credentials really got damaged because it seemed like he would anything to get elected. And I think the nomination of Sarah Palin actually really confirmed that and sort of reinforced that. So I'll just end with this: In total we ran four ads, we did an enormous amount of mail, basically just confirming sort of the same health-care theme to women. We targeted 600,000 women in the battleground states – and just to make sure that they understood how out of touch John McCain was and in fact what the difference between him and Senator Obama was.

At the end we are really proud that we won this election – that women voted for Barack Obama by 13 points. I like to think that we had something to do with it. We had seven pro-choice Senate pickups in the United States senate and we defeated the three ballot initiatives that were on the ballot in – on the ballot this year. And that's it. Thank you very much.

ROGER SCHLICHEISEN: Good morning. I'm Rodger Schlickeisen, I'm president of Defenders of Wildlife and Defenders Action Fund. We're set up kind of similar to Cecile's organization. The Defenders of Wildlife is a large charitable C3 and Defenders Action Fund is a political nonprofit. I'm pleased to be here this morning, talk a little bit about our activity in the 2008 election. I think I'll use about 60 seconds or so just to give you a little bit of background.

Again, similar to what Cecile said – I would think she was saying – we’re fairly new to the political electoral process.

Defenders Action Fund first got involved with congressional elections in 2006 and I’ve been involved politically myself – individually for some time, but I felt that the environmental movement really needed more voices out there because it’s a large movement but didn’t have that many people working on electoral politics. And so we got involved for the first time in 2006 and decided to be a little different than our colleagues in that we would really go in and target fierce anti-environmentalists in doing it. And we were engaged in about 16 races and helped pick up 13 seats out of that, but we are known primarily because we were the group that decided to target Richard Pombo. Pombo was the environment’s major enemy; he was a 14-year incumbent and the chairman of the House Resources Committee and was generally considered to be unbeatable.

But we decided since he was our biggest enemy that we would check that out and so we spent a fairly considerable amount for us – about 50 or \$60,000 doing polling upfront, doing focus groups upfront in the fairly conservative – people thought – Central Valley district of California, and discovered that, while he was a 14-year incumbent, he hadn’t really been that well defined – he hadn’t had tough races since he first won and we had an opportunity to going in early – which is sometimes counterintuitive to what – people think you spend you money at the end – by going in early you can define the candidate. And so we went early, starting in October the previous year, and defined him.

We found that his favorability wasn’t that – all that high, but they didn’t know much negative about him but what they did know was they thought he was too close to the special interests. Well, the special interests he was too close to were the ones who were destroying the environment – from our perspective, and so we were happy to play on all of that. So that was a very good win for us; I think it was one of the most surprising wins in 2006. But I tell you this because it kind of set the model for how we decided to go into 2008 and the model was to go look for fierce anti-environmentalists to poll to see if we could figure out a weakness they had and not pay too much attention to whether conventional wisdom thought they were unbeatable or not – invest enough of our own money upfront to find out whether they were in fact vulnerable or not.

And then we ended up picking in the 2008 election – and we started assuming that we were going to spend 90 percent of our resources on congressional races because frankly, looking at the presidential race with all of the money that was going to be spent, we didn’t think someone with about a \$3 million budget for total electoral activity could have that much impact. So we were intending to spend almost all of our money on that and then just work for the best environmental candidate going direct one-to-one to our environmental members – we’re about the fourth largest of the national environmental groups – and going one-to-one to them and a little bit of mail and stuff to others, but that was it.

So we targeted New Mexico because we saw that as an opportunity where we had two fierce anti-environmentalists, Pearce and Wilson, giving up their seats to run against a champion of ours, Tom Udall. And we say that New Mexico was a state that – a small rural state – we

could actually afford to play there in a fairly big way. And we hit upon a fairly unique strategy after polling that we decided, again, that we would go in early and we would take advantage of the fact that on the Democratic side there wasn't really a primary – Tom Udall had it all wrapped up, and on the other hand they had Heather Wilson and Steve Pearce battling each other and calling each other names and so we thought we would help the two of them.

And so this was our first ad, if you can help me with that. Are they there?

(Begin video segment, Note: Mr. Schlickeisen interjects).

MR. : The more voters learn about –

MR. SCHLICKEISEN: No, no, no – (chuckles).

MR. : – Senator Palin, the less there is to like.

MR. SCHLICKEISEN: That's the last one.

MR. : Scientists say global warming –

MR. SCHLICKEISEN: That's the punch line, right there

MR. : – has made the polar bear highly endangered. But Sarah Palin is –

(End video segment.)

MR. SCHLICKEISEN: These are supposed to be queued up in reverse order. (Chuckles.) I think the first one is called "Too Bad." Anyway, we hit upon the fairly unique strategy –

(Begin video segment.)

MR. : Heather Wilson or Steve Pearce – it's a flip of the coin. Heads: Wilson took \$525,000 from Big Oil and gave them billions in tax breaks. Tails: Pearce took \$492,000 from Big Oil and voted against fuel efficiency. Heads: Wilson took Big Oil's money and voted against clean energy. Tails: Pearce took big oil's money and voted not to prosecute price gouging. Heads or tails it's too bad for New Mexico.

Defenders of Wildlife Action Fund is responsible for the content of this advertising.

(End video segment.)

MR. SCHLICKEISEN: So the strategy, again, it's kind of unusual in this sort of situation, but we thought we would take advantage the opportunity that they were running against each other and didn't have a lot of time to refute things we were saying. There's facts – they were obviously factual but they were shooting at each other, trying to drive down each

other's negatives, and we thought we'd just add an independent third-party voice saying they're both right and help drive down their numbers. And I think that was pretty successful and in fact as soon as – we were ready, depending on which way the primary went, and two days after the primary was over we jumped on Pearce with another ad to just keep driving his numbers down.

And, just for the rest of the story there, the strategy was, because we felt that by coming in early and working with other friends, for example SEIU was there – we worked very closely with them – that we could help put Tom Udall sufficiently far ahead by mid-summer that we could shift to then help the pro-environment candidates win in the other two seats that were up for grabs to change and indeed we helped Martin Heinrich in Albuquerque – we shifted all of our field over to helping him. We did Obama and Heinrich – we didn't have to help Udall because he was so far ahead, as Ricky said early on. And at the end, as you know, New Mexico changed from two Democrats and three Republicans to five Democrats.

The second state that we targeted, primarily for congressional races, was Colorado. We'd been very upset with Marilyn Musgrave for years, as I know Cecile had been for years also and we had intended to try to help defeat her in 2006, but we just didn't have the resources. The California 11 district that Pombo was in was pretty expensive – it's the Sacramento and San Francisco media markets – and it was too expensive for us to really get down to Colorado. But the environmental community had tried three times in a row to defeat her and so we were tempted to see what we could do. And so we came in again and we polled early and we found that, in spite of her incumbency, that she wasn't particularly well-liked. In this case they kind of had an idea who she was and they really didn't care that much for her and what we wanted to do was pick up on the things that they didn't care about, go in again fairly early and reinforce that as a third party, of course primarily from our perspective as conservationists. So let's – if we could have the second ad?

(Begin video segment.)

MR. : She was named one of the most corrupt members of Congress: Marilyn Musgrave. Marilyn Musgrave has taken over \$165,000 in campaign cash from big oil. Maybe that's why she voted to give rich oil giants like Chevron and Exxon-Mobile \$20 billion in tax breaks. Marilyn Musgrave: the wrong priorities for Colorado.

Defenders of Wildlife Action Fund is responsible for the content of this advertising.

(End video segment.)

MR. SCHLICKEISEN: And of course, we were very pleased with Betsy Markey beat her – I think by 12 points or something like that – it was pretty substantial. And Marilyn Musgrave has given us a lot of credit for her loss, so we're pleased to have her recognize us. But the more interesting one probably from your perspective is the presidential race and again, we really didn't intend to play in a significant way here for a number of reasons – primarily money, and whatever else. And McCain, while he's not great on the environment, didn't have the terrible record that we like to run on. I mean, we're much better on the attack than we are on the

positive side of things. So he wasn't quite as bad as, say, George Bush was on the environment so it wasn't that appealing a place to go into.

But then he picked Sarah Palin to be the vice president. Well, Sarah Palin is somebody we know pretty well because there are a lot of conservation issues in Alaska and we knew exactly what she was all about. We were dumbfounded by the choice, as was everybody else, and a lot of folks didn't have a lot of research on her, obviously because she's in Alaska. So we watched and tried to figure out what we could do, essentially with no money – (chuckles) – literally with no money. And we watched and we decided to pick on the aerial killing of wolves and bears, but wolves especially, as something that we knew – we didn't have time to do a lot of polling – but we knew because of our organization's work on the issue that this was an issue that had widespread interest among people and it really touched people where they live.

And we were particularly concerned about the women's vote and when we saw the Republican convention in September and them come out of there and they got this huge Palin boost and it actually put them ahead and the Obama-Biden campaign was pretty well frozen – they couldn't – well the person giving the boost was Sarah Palin. Well, it was a little unseemly for the Obama-Biden campaign to go attack Sarah Palin, obviously, the rest of our community – the progressive community we're in – we're still kind of learning about her to figure out what we could do to redefine her because they had done a very good job of spinning her and defining her for the public and they thought this was just a wonderful woman.

So we decided we would go first. And so I think we had about \$35,000 dollars – (chuckles) – it's a pretty pathetic story. All right, we had about \$35,000, cost about five or \$6,000 to make the ad – a 60-second ad – and then we bought some small buys in Ohio and put it out on the internet. And here's the ad:

(Begin video segment.)

MR. : The more voters learn about Sarah Palin, the less there is to like. As Alaska governor, Sarah Palin actively promotes the brutal and unethical aerial killing of wolves and other wildlife. Using a low-flying plane, they kill in winter when there is no way to escape. Riddled with gunshots, biting at their backs in agony they die a brutal death. And Palin even encourage the cruelty by proposing a \$150 bounty for the severed foreleg of each killed wolf and then introduced a bill to make the killing easier. Do we really want a vice-president who champions such savagery?

Defenders of Wildlife Action Fund is responsible for the content of this advertising.

(End video segment.)

MR. SCHLICKEISEN: Well, we were very gratified by the response to this. All of the sudden it started entering into news stories all over –

(Begin video segment.)

MR. : The more voters –

(End video segment.)

MR. SCHLICKEISEN: – the aerial killing started entering into news stories and we put it out on the Internet and for us it had a remarkable response. We raised over a million dollars in small donations, which then we took to run the ad in six battleground states: We ran it in Ohio, Florida, Wisconsin, Pennsylvania, Colorado – well, what’s the other one, I can’t remember it. I’m missing one – but anyway we – did I say Virginia and Michigan – we won all six. We won all six and all of the evidence that we got back from this was that people were really touched by this and a group – HCD Research and Muhlenberg College and Institute of Public Opinion – apparently their job is to rate ads – and we didn’t even know that, but late in the summer they’d put out an evaluation that said this was the most effective ad of the summer and it was the only one that moved voters. So we were justified in thinking that we didn’t have to have polling in this case because we knew it would move voters.

And so that’s kind of basically the story. We felt very good about the way it entered into popular culture; that was probably it’s biggest impact because even with let’s think – a little over less than a million dollars we spent across six states – it was the viral impact of it and the fact that they started picking it up in news stories. There’s an amazingly good and funny rap cartoon made out of it – if you have seen it you should see that. And Tina Fey, as you probably recall, picked it up twice in her skits on “Saturday Night Live”, Bill Maher picked it up, the New Yorker had cartoons on it – it just kept entering into the popular culture in this way and even when the two Canadians called Sarah Palin, pretended they were the president of France, they said they wanted to come to Alaska and go shoot wolves out of airplanes with her.

So we felt very – just like, you know, that we’re very successful in getting our issue out there and changing people’s perception of who this woman was. Do you want to see the last ad, Brooks? Do you have time for that? Well, this is not one that we ran a lot, but I was concerned that people might think that while this ad was on target that maybe this was a unique thing, that this really didn’t define her. So insisted that we make a second ad and one of the anonymous donors who had contributed to us – I found out when I sent her a little email note and telling her thank you – turned out to be Ashley Judd. And Ashley was so thrilled to be helping us she said can I do anything else. And I said, well, we’d like to make a polar bear ad; do you want to do the voiceover? She said I’m in Vancouver making a movie, I’ve got my sound crew, send me the script. So we sent her the script and then this was the last ad we did - we ran it a few places but we didn’t have a lot of money and it was just, again, the purpose was to back up – to show people this wasn’t a rare, unique experience.

Can I have the last ad?

(Begin video segment.)

MR. : The more voters learn about Sarah Palin, the less there is to like. Scientists say global warming has made the polar bear highly endangered. But Sarah Palin is fighting efforts to

protect the polar bear, allowing them to be killed for body parts, for trophies. Do we really want another vice-president with these values?

Defenders of Wildlife Action Fund is responsible for the content of this advertising.

(End video segment.)

MR. SCHLICKEISEN: Now, I admit putting “another,” Heather, was a little snarky, but nonetheless we decided. Thank you.

MR. JACKSON: Thank you all – fascinating stuff. Cecile, I’m just wondering, Rodger mentioned that they actually made money on one of their ads. I see this from time to time. I wonder if you had any similar experience for an ad, so got to your members that you saw an increase in donations.

MS. RICHARDS: Well, we did, but we also – actually, what I was thinking of more is the sort of the interesting impact that Sarah Palin did make on this race because Rodger indicated, I think she was a lightning rod. We actually had another sort of political experience with Governor Palin, which was someone started a viral e-mail – it wasn’t even started by Planned Parenthood – and said, if folks – as people began to learn how anti-choice she was and how opposed to women’s rights she was, it said, if you were upset about that, don’t just get mad, actually give a contribution in her name to Planned Parenthood.

And we raised more than \$1 million in one week, and sent 38,000 acknowledgement cards to the McCain-Palin campaign because of the contributions that had been made in her name. So she was an interesting – obviously, a very interesting figure and I think will continue to be in American politics, but I think that her – Rodger’s experience was sort of similar to ours, I think, in that vein.

MR. JACKSON: Okay. Just something I want to get off the table before we go any further. Ricky, you talked about the general election. Of course, in the primary, you supported – your union supported Hillary Clinton. There was a time when Hillary Clinton was running out of money that this – I forget the name of it – an independent group sprung up, funded largely by AFSCME, if I’m getting it right. Can you tell us a little bit about that independent spending effort to support Hillary Clinton?

MR. FELLER: Yes, I mean, we endorsed her, so naturally, once we make an endorsement, then we go in and wholeheartedly support the candidates that we endorse. And we were active in numerous states early on going back to Iowa, and we had contributed to this organization that was running some issue ads.

MR. JACKSON: How effective were they? Do you have any sort of after-action polling on that?

MR. FELLER: She didn’t get the nomination.

MR. JACKSON: Ultimately, obviously, that's true. (Laughter.) Would it have been worse without that? It seemed to narrow the gap in terms of total spending and messaging at a critical time for her. It obviously wasn't enough, but –

MR. FELLER: Right. It's hard to say if it would have – just how effective it was.

MR. JACKSON: Larry, overall, I think you said it was \$82 million. Did I hear correctly the figure?

MR. SCANLON: Eighty-four point two (million dollars).

MR. JACKSON: Eighty-four point two million (dollars). Of that, how much went for independent ads aimed at a general electorate, how much internally?

MR. SCANLON: Well, we really did no ads internally towards our membership. I believe it was about \$19 million, and that was a combination of hard money and soft money that Ricky spent.

MR. JACKSON: Okay. Just for all of you, four years ago, we saw massive advertising efforts. MoveOn was huge. They were nowhere this year really in terms of TV advertising. Media Fund was, I think, funded largely, if not entirely, by labor unions and wealthy donors; nothing like that this time around – Swift Boat Veterans, Club for Growth on the other side. What do you think accounts for the decline in independent efforts this time around on both sides, any thoughts on that?

MR. SCANLON: One thing is I think the changes in the law and the FEC regulations regarding electioneering and communications sort of put a little chill, a little fear, into some folks.

MS. RICHARDS: I think, also – I think it was very clear from the outset – once Senator Obama had the nomination, he was pretty clear, and his campaign was pretty clear, that they were not looking for that kind of campaign. So for a lot of organizations, that might have done more in advertising – spent more time actually working with their membership and running more grassroots campaigns than I think we saw in the last election.

MR. SCHLICKEISEN: Along those lines, I think the law didn't change so much that 527s couldn't have played a role in the election, but when Mr. Obama decided that he was not going to use 527 money, he wasn't going to encourage 527 money, that pretty well dried up the 527 contribution. So there wasn't much you could do without any money.

MR. JACKSON: And by those, you mean big-dollar donations, not just the \$25, \$50 donations.

MR. SCHLICKEISEN: Yes, yes, especially the big-dollar donations.

MR. JACKSON: Yes, they discouraged it and that really had an effect on large funds.

MS. RICHARDS: Absolutely.

MR. JACKSON: Fair enough. Well, I'll like to throw this open to questions from the audience. Don't speak until you have a microphone. Tell us who you are.

Q: Hi. I'm Karen Jaffe with MacNeil/Lehrer Productions. I'm not an expert on McCain-Feingold, so I would like you to explain, one of you, really the purpose of the firewall, and also, how do your members understand that? Your members see AFSCME on something that they receive from the union, your members see AFSCME on a television spot, so if you could – it's sort of a two-part question.

MR. FELLER: Yes. Well, the firewall is put up and taken very seriously and I have a lawyer attached to my hip throughout this whole campaign, and I was isolated where I couldn't have contact with my supervisor, was given a pot of money and was sent off in my corner. And what it says is basically, you establish a firewall so that you don't have any contact with candidates, campaign committees, party committees. Anybody that is having conversations with these folks, I was not allowed to talk to.

So for instance, Larry was talking directly with the campaigns. I couldn't talk to him. And we took it to an extreme to make sure that – because information could be conveyed if you're having a conversation, and we set up a – as I said early on – a thick firewall so that if I was ever brought before the FEC or whoever – did you ever have a conversation with – and the answer is no. So it doesn't even get to the next step of, well, but we were talking about this and not this. I'm not sure that gets to the whole question.

Q: And the purpose of keeping the two of you apart in terms of the legislation?

MR. SCANLON: I don't really like Ricky, so it actually worked out pretty well. (Laughter.) It's – because what happens, if you breach the firewall, all of the communications that we would have done with soft money to our membership would be deemed basically a contribution to the campaign. And that would – then we would be fined heavily, and would have to use hard money and obviously, we don't have that much hard money.

Q: So the PAC money, obviously, is separate. Your members allocate that money separately from the soft money they're giving the union?

MR. SCANLON: Correct. We raise – the PAC money is the voluntary money that our members give. We raise – we'll probably come close to \$15 million over the two-year cycle in terms – and that money is used not only for the independent expenditure ads that are express advocacy, advocating the election or defeat of a candidate, but we also use them for contributions to congressional candidates, we use them for contributions to state parties, for the hard money. So there's a lot of uses for it, so we husband it very carefully and we're very careful not to have any legal entanglements.

Q: And your members – you do education to your members so that they understand the differences?

MR. SCANLON: Yes. And we've been building our program, particularly over the last 20 years in terms of the PAC, and our members understand it. They work in the public sector for the most part. They have the opportunity to elect their bosses. So when you make the pitch, hey, it's not only being a volunteer, knocking on doors and making phone calls, but we need a little cash and they come up with it.

Q: Thank you.

MR. JACKSON: Just to follow up on this, for future campaigns, if the candidates weren't as fussy about seeing independents spending, there really is no legal barrier you can't get around to use union dues money or very large donations from individual donors, is there? From the evidence here, it seems you have really no trouble putting ads on the air. It was just a matter of how many you wanted to put on.

MS. RICHARDS: Actually, I would disagree. I don't know about my colleagues. I think campaign finance law is incredibly complicated.

MR. JACKSON: Oh, yes.

MS. RICHARDS: And there are enormous restrictions, and we won't even go into all of them here because we'd be all day and it would be quite tedious. So I do believe that there are a lot of restrictions in place for folks to – and certainly, in broadcast efforts – (inaudible).

MR. JACKSON: My question really is how – are they really a barrier to spending the kind of money you want, in the amounts that you might want, in the future, if the candidates weren't fussy about it?

MR. SCHLICKEISEN: I think they're a barrier and it's not just that they're cumbersome. It's that they're unclear. Every time you go out there, you seem to be breaking new ground, and you've got attorneys that you're consulting who are trying to figure out whether this is permitted or not permitted. So it's always kind of an exercise in risk assessment, if you will. You don't want to endanger your organization; you don't want to endanger yourself; you don't want to endanger the campaign by doing anything that's wrong. But the law isn't clear about what's right and what's wrong, and so that makes it very, very difficult and also runs up your legal bills a lot.

MS. RICHARDS: Absolutely.

MR. SCANLON: And that's what I was alluding to early on in terms of the changes with the FEC and some of the court decisions. You can use soft money for independent expenditures, but they are issuance, so you can't expressly advocate the election or defeat of the candidate. So you have to make a value judgment in terms of – it's a risk-reward. If I spend soft money on this address, is it on an issue that is salient to the public? And also, in terms of the longer term

investment, if we do an issue ad around Social Security or health care, there's a presumption, at least from our part, that we're going to be moving that agenda forward with whomever gets elected.

MR. JACKSON: Okay. Other questions from the audience? Yes, sir, just take the mike, and tell us who you are.

Q: Hi. I'm Bob Constantini with CNN Radio. I guess one major question is that when Barack Obama raises \$700 million, or whatever it is exactly he's raised – the money I guess is still coming in – aren't you naturally less inclined to try to help him out and maybe put your dollars elsewhere?

MR. SCHLICHEISEN: I'll offer the first comment on that. Yes, I guess to some degree, if they know that money isn't a problem, but I think what our groups bring is that you bring kind of an independent third-party voice. Voters are expecting the campaign to say good things about itself and bad things about the opposition. They're expecting the party to do the same thing. But independent voices are something different and we were very pleased when we got into congressional campaigns in 2006. As with Planned Parenthood, we discovered Defenders of Wildlife favorability was very high. We haven't found a place yet where we didn't rank very, very high. So that means that that translates into help for the campaign because you're a credible voice speaking – in some cases, depending upon the issue, more credible than the campaign itself.

MR. SCANLON: And if I may, this was not a slam-dunk election. Remember, coming out of the RNC convention in early September, McCain was ahead by three points, so you take nothing for granted in political campaigns. You apply whatever resources you need.

MS. RICHARDS: I think too, just – to echo what Rodger said, I think the third-party validation is critical and particularly when you have a candidate that is really, really unknown and Barack Obama was very much unknown. And also with a candidate like Senator McCain – we did a lot of our education not around Obama, but, frankly, about Senator McCain, who folks had a certain image of, but they basically lacked a lot of really important information about, and I think that was critical in this election. There's a lot of that education that's easier for an outside group to do than for their opponent.

MR. FELLER: And we were desperate to get a president, right, and we weren't going to leave anything on the table, so given that he raised all that money and spent all that money, we weren't going to take any chances.

MR. SCHLICHEISEN: One last point. Back when I was standing at the podium, I made that point. The Obama-Biden campaign couldn't go after Sarah Palin. They knew they couldn't go after her. It would have been very unseemly. It was difficult dealing with a female vice presidential candidate, so it was something that the third-party groups could do much more easily.

MR. JACKSON: Other questions?

Q: Roxanne Summers (ph). That just makes me think why did people consider – I don't know if you're the right people to ask, but why did people consider Sarah Palin so different from Hillary Clinton? They went after her tooth and nail. Why was Sarah Palin off the charts for attacks by the candidates? Why was there a difference?

MR. SCHLICKEISEN: I'll volunteer a first opinion. Hillary Clinton is a well-known figure and the right wing had been attacking her for years and defining her. So there was a definition that people could play on there. In the case of Sarah Palin, outside of Alaska, they didn't know who she was, and the McCain campaign did a very good job of defining her and spinning her out there, and she turned out to deliver a hell of a speech, frankly, and that was the only definition that was out there.

So you didn't have a base that they could play upon to attack her and here you are in the heat of the campaign. The election is only two months away. It would be pretty risky for the Obama-Biden campaign to say to everybody, wait a minute. We said in our ad, the more you learn about her, the less you're going to like. Well, we could say that, but they couldn't because it was too high risk, I think.

MS. RICHARDS: I also think the important part – they weren't running against Sarah Palin. They were running against John McCain. And I think that was really the odd dynamic of this is that post-primary, or post the convention, she was bringing all sort of the energy and excitement to this ticket, but in fact, their opponent was Senator McCain. And so, I think it was just a more complicated situation and one where it probably was easier for outside groups to define her a bit more, but I think you would never want to have a presidential candidate sort of appearing to really define a vice presidential candidate on the other side.

Q: So it's not a – the fact that she was a female.

MS. RICHARDS: Right. I think that gender politics are always a complicating factor, but I think the fact that she was the vice presidential candidate – if you put it on the flipside, you can't imagine that John McCain would start going after sort of Joe Biden, for example. It would have seemed like that's not the right dynamic in the election.

MR. SCANLON: And one could argue that the Democrats are a kinder, gentler party, but I think the real issue is that the Obama campaign was a campaign of change. It was not politics as usual. He ran against the institutions of Washington, et cetera. And for him then to come out in his campaign to attack – I think attacking a female candidate would have gotten him off message, and I think the Obama campaign was very focused. They ran a great campaign, staying on message. They had bumps in the road, but they worked through them and that's – when I refer to, I think McCain and his team really got off message. They lost their brand and I think that's why they lost the election.

MR. SCHLICKEISEN: And voters ultimately vote for the top of the ticket.

MR. JACKSON: Other questions? Here. Wait for the microphone.

Q: Hi. I'm Steve Weissman with the Campaign Finance Institute. I just had maybe a two-part question if you'd permit it. First is, all of your groups, I think, or most of them work with America Votes which is supposed to help coordinate interest group activity on the progressive side of these elections. Could you sort of describe what impact the existence of America Votes and their efforts had on your own independent efforts?

And the second part is simply, I was wondering if Cecile Richards could tell us how much was spent on the federal aspects of the campaign that she described and whether or not that was mainly small donor finance, or large and small mixed, or how you would describe it.

MS. RICHARDS: You want to speak to America Votes?

MR. FELLER: Sure, sure. I mean, from my perspective, America Votes helped because they had folks – I was here in Washington running this independent expenditure campaign just sitting there in what was dubbed “the bubble.” So it helped me to have a contact with America Votes because they had folks within all of these states. So they served, from my perspective, as kind of a set of eyes and ears and they could help – let me know what folks are doing, whether they're – the campaigns that are out there. They weren't talking to them, but it's pretty clear, it's obvious what's going on – the party committees, what they were up to, the same thing, and then what some of the other independent expenditure operations are up to. So that's where they helped me out.

MS. RICHARDS: And I think – I actually used to run America Votes in the last cycle. I think the purpose there was simply to say there are a lot of progressive groups that are doing a lot of great work, but it doesn't work if everybody's in Ohio and nobody is in Nevada. And it was really, I think literally the idea of sort of carving up the work that needed to be done, and I think in many ways, what you've seen today, I think, is a perfect example of an organization sort of figuring out their best purpose in an election, and whether it's working with their membership or the general public. I think that was really the purpose of America Votes.

In terms of the Planned Parenthood Action Fund, R(c)(4), I think over the two years – and this is not only on the election because we do a lot of other advocacy work through a (c)(4) – it's about \$10 million that we'll spend and it's a combination of all kinds of donors. But I'm really proud of – one of our goals going into this is we had 250,000 (c)(4) active people in our (c)(4) when we began this election cycle. And one of our goals was to grow that, and we actually were able to grow it from 250,000 to 750,000.

I come out of grassroots organizing. I actually came out of the labor movement. That's what I really believe in and I think that's where democracy works best. So I'm really proud of the fact that we grew our activist base and our small donor base in this election. I think that's going to be important. I think it was a theme of the Barack Obama campaign and I think it's going to be a very healthy thing for American politics.

MR. SCHLICKEISEN: A brief comment on America Votes and our experience. They have, tables, they call it, the America Votes table in each of the states, and in New Mexico and

Colorado where, as I said, we were very active, we were part of that table. So it was very helpful to coordinate your work at this table in each of the states.

MR. JACKSON: Other questions while people are – okay, here.

Q: Cecile, you mentioned the particular shows that –

MR. JACKSON: Tell us who you are, please.

Q: I'm sorry, I'm Anne O'Hanlon (ph).

MR. JACKSON: Thank you.

Q: You mentioned particular shows that you ran ads, "Project Runway," and a couple of others you mentioned. I'm curious what demographic you were particularly looking for? Were those your members? How did you know – what research do you do to figure out who's behind those shows and what was Planned Parenthood specifically looking for?

MS. RICHARDS: We were really focused on particularly independent women and women who were low-information voters and we didn't have a very big media buy, so we were sort of like Rodger. I think we tried to show our ads in places where we thought they would get some buzz. And then, of course, now, because – this year, I think this election was the election of YouTube. So the minute you run an add, even if you run it for – you spend \$35,000 on it, it's on YouTube and if people hear about it, you get really almost as much virally as you do from that initial run.

But we tried to focus all of our – we did our limited buys on women's cable that is less expensive, and really targeted the folks that we thought were the gettable voters and ones who would appreciate hearing from Planned Parenthood and who didn't have as much information about the election as they probably needed.

MR. JACKSON: Let me follow up on that. Cecile, you mentioned reaching people virally, sort of by e-mail, by YouTube. Do you have any sense – and this is for all of you – whether people reached in that manner are the people who are already convinced? Are you preaching to the choir with this stuff? To what extent are you actually reaching people who are persuadable, undecided, don't know, the way you can with television where you've got to watch this thing if it pops up on the tube?

MS. RICHARDS: Sure. Well, I'll give a really quick anecdote, and I'm sure my colleagues have something. It's very hard to know. I think that that's sort of the nature of the beast, but it was interesting. One of the groups that we had never really worked with before was MoveOn and as you mentioned, they kind of took a different tact this time. But they actually polled their members and said – and they have obviously millions of members around the country – and they said, what issues do you want to know about that you don't know about in this election?

And one of the issues that really rose to the top was women's health issues and reproductive rights. And so, they called us and said, could you do something, a viral piece that we could then use with our members, and so for us, it was actually was reaching a whole group that you would think are sort of folks that you had already assumed knew this information but clearly, did not. But I think it is difficult to measure, but if you're not in that space, you're not doing politics anymore.

MR. JACKSON: Comments from the others?

MR. SCANLON: It's a process where people are so select and choose to view the videos, but it's so cheap that it's worth the effort.

MR. SCHLICKEISEN: I think it's a mixture. I think people do self-select, but the viral component after they find it is hugely valuable because we had all these stories about somebody that – then they sent it to their mother, or to their grandmother, or to their aunt saying, you've got to see this. Well, those were the swing voters out there. Those were independents, in a lot of cases. In our case, we'd get stories of people changing their vote. So it wasn't just the people are finding their way to your side on their own, but then passing it on and saying, click here, you won't believe this when you see it, that sort of thing.

MR. FELLER: I think as time goes on, we'll be able to measure this. I think right now, it's just hard. You just throw it out there and let it go.

MR. JACKSON: Fair enough. Other questions? We've got one in the back. The microphone is not turned on, I'm afraid.

Q: I have a loud voice, so I –

MR. JACKSON: Please wait.

Q: Okay. Thanks. Nicholas Ballasy from CNSNews.com. I just wanted to ask you if – by Senator Obama opting out of taking public financing, he could raise however much money he wanted basically from whoever he wanted; do you think his campaign will lead to the end of public financing?

MR. SCANLON: I don't think so, because he's a very unique candidate and they clearly have the magic elixir, but a lot of other candidates don't have that. So if they're looking at the fact they want to run and they can pull down a chunk of money that they could not ordinarily raise, I think there will be some candidates who will want to take advantage of the system.

MR. JACKSON: Could we get a microphone to Kathleen?

MS. JAMIESON: Thank you. Kathleen Jamieson, Annenberg Public Policy Center. A number of your messages included the claim that Senator McCain would tax employer-provided health benefits. They didn't include the statements that said that he would have offset that tax with \$5,000 for a family or \$2,500 for an individual. Did you discuss that omission before you

put the message out? And were you at all concerned that if your target audience realized that that omission was in place, that they might have lost some faith in your credibility?

MR. SCANLON: When you look at the tax imposed on folks versus the tax credit, it was a net loss for most of the workers, so we felt comfortable in putting out that number.

MS. RICHARDS: Sort of more broadly to Kathleen, I think there were so many aspects of Senator McCain's healthcare plan, at least for the women we were talking to, that were really of concern that it became a big topic, not simply that, the financial aspect, but the loss of coverage for women, the loss of so many insurance protections that women have sort of fought to get and that they would possibly lose.

I actually feel like that issue became a real drag for Senator McCain. I think his healthcare plan was – particularly of women who have more healthcare needs probably, and because we have reproductive health care needs, we're not always covered. I think actually his plan was really – ended up being a negative for him in a big way, and I think it linked into the economy in a really critical way for our voters.

MR. JACKSON: Just for the record, I think FactCheck.org took issue with what you said about it being a net loss for most workers, but it's an academic question now since McCain won't be pushing it.

Other questions? Other questions from the audience?

I wanted to ask, Larry, you mentioned that Obama's negatives among your own members was a concern. You showed on the graph there how those had risen at about the time of the campaign and then you were able to drive down his negatives. Could you say a little more about that? What kind of negative things were your members thinking or saying about Obama and how did you address them?

MR. SCANLON: Well, there's two pieces. One is that, as I indicated in our slide, that there was a favorable impression of Obama – I'm sorry – of McCain. There was less of an impression of Obama because he was unknown, and so his negatives when they started, I think they were 23 and we were able to bring them down to 17, which was important.

Clearly, race was an issue. We heard that on the doors. There are people out there who vote by race, unfortunately, in this country, and we felt we had to address that head on. President McEntee and a number of other labor leaders said to our members, look, this is not a black and white issue. It's a green issue. It's about the color of money in your pockets, it's about the economy, it's about jobs, it's about health care. So we had to take that on. We had to deal with the fact, is he a Muslim? Did he swear himself in on the Koran, all those kinds of the Internet viral trash that was there. So, yes, that came up and we felt we had to address that head-on and we did.

MR. JACKSON: Okay. Kathleen?

MS. JAMIESON: One of the labor radio ads seems to explicitly address concerns about race. Could you talk a little bit about that? It seemed to be talking directly to your members to allay those kinds of concerns and reset the agenda.

MR. SCANLON: I'm sorry. I'm not familiar with that ad. I can't comment. It wasn't us.

MS. JAMIESON: Okay. It's got some kind of a labor tag on it. That's all we know about it and we know it aired in Pennsylvania.

MR. SCANLON: There were – I mean, obviously, we're a big player in politics. The AFL spends a lot of money, has a big program, but there are a lot of other unions out there working as well, so it might have been one of them, but I just don't have the facts.

MS. JAMIESON: Okay. Thank you.

MR. SCANLON: I want to fact-check that one.

MR. JACKSON: Okay, fair enough. Other questions? Well, if not, we'll conclude this panel. Thanks to our panelists, Ricky Feller, Larry Scanlon of AFSCME, Cecile Richards of Planned Parenthood, and Rodger Schlickeisen of the Defenders of Wildlife. We'll resume here in – let's make it 10 minutes and we'll be ahead of schedule with our final panel of the day. We'll be back.

(Break.)

MR. JACKSON: Ready? Thank you, all. Our final panel today is going to be somewhat abbreviated. Last night, one of our panelists called me at 5:00 p.m. and because of unavoidable personal conflicts, could not make it. So our panelists today representing conservative independent spenders – first, Ed Patru is vice president of communications for Freedom's Watch, a 501(c)(4) organization. It's been active since the middle of 2007 and was active again in this campaign, and Scott Wheeler who is executive director of the National Republican Trust PAC, which did not exist before September 26th of this year. Am I right?

SCOTT WHEELER: That's correct.

MR. JACKSON: But he had some incredible success. You probably have all seen at least one of the ads that they ran, but I won't spoil his story. I'll let them start first with Ed.

ED PATRU: Thank you. Good morning. Thanks for inviting us. It's a pleasure to be here. I want to spend a few minutes giving an overview on Freedom's Watch and then we'll go through a couple of ads and then look forward to your questions and answers – or questions, rather.

Freedom's Watch, first of all, as was noted, was formed last year. We're a 501(c)(4) organization. We've been in existence about 20 months. You can basically divide Freedom's

Watch's history into two halves. The first half was in 2007. We came out of the gate with a \$15 million ad buy on Iraq. Specifically, we came out in support of the surge, trying to make the case to the public that the effort in Iraq was winnable, that the surge was having an impact and that in effect, it was successful.

We felt that in 2007, you could not have a political discussion – a policy discussion rather sort of divorced from the backdrop of Iraq. In other words, Iraq was, in one way or another, impacting every public policy discussion. So it was very important from our perspective to bring public opinion here in the U.S. more in line with the realities of what was happening on the ground.

In 2008, we sort of shifted focus largely because in an election year, there's a lot more focus on a variety of issues. And as Iraq sort of moved off the front pages, and the economy and energy and other issues sort of began to dominate the front pages, our focus began to change as well.

We focused primarily on the debates, the issue debates, in the House and in the Senate and ended up spending, at the end of the day, \$30 million on – roughly, probably a little bit more than that – on television, as well as some additional expenditures that we aren't required to report, but 30 million was what was reported on television.

I do want to go over four ads. The first ad that we're queuing up now is a Georgia Senate ad that we ran. We ran this ad in late October before the regular general election and our polling demonstrated that people were not supporting Jim Martin. Jim Martin was the Democrat nominee candidate, rather for Senate, and our polling found that it wasn't that people weren't supporting Jim Martin. In fact, they didn't even know who Jim Martin was, most of them.

And what we also found was that there was a lot of disappointment, even anger, toward Saxby Chambliss for the position he took, the vote he took, on the bailout. And Chambliss was spending weeks on end sort of responding to the attacks against his position on the bailout and we wanted to run an ad reminding voters, taxpayers, why they sent Chambliss to the Senate to begin with. So go ahead and roll that first ad.

(Begin video segment.)

MR. : Georgia families are trying to make ends meet: the mortgage, groceries, bills. One man is fighting to help with lower taxes: Saxby Chambliss. He cut taxes for the middle class, pushed to lower gas taxes, even stopped the AMT increase, an enormous middle-class tax hike. Saxby's helped Georgia families keep more than \$2,000 every year. Thank Saxby Chambliss for leading the fight against higher taxes in the Senate. Freedom's Watch is responsible for the content of this ad.

(End video segment.)

MR. PATRU: Okay. So that was a positive ad, kind of a collector's item in the third-party 527(c)(4) world, but we thought it was necessary and also effective.

The next ad that we're going to look at is a Senate ad from Oregon. As you all know, that was a very close election. We think that this was one of our most effective ads, actually, and it was also one of our most expensive ads and that's largely because all the footage in the ad was original. We had to locate the family, record the original footage. And we were trying to accomplish basically one thing, and one thing only, in this ad, and that was to try to shore up support among independent-minded and conservative males.

We found from our polling that because Gordon Smith, the Republican, was tying himself so closely to Obama, it was turning off a lot of conservatives, Republicans, specifically males. And so, the purpose of this ad was designed to make inroads, or win back sort of those conservatives, independent males, particularly young males. Go ahead and roll the ad.

(Begin video segment.)

MS. : My husband Leonard and I started this business 37 years ago and now we have 40 employees. It's hard to stay in business in this economy and taxes are a big part of that problem.

MR. : Jeff Merkley backed higher taxes in Salem and Oregon businesses pay the price.

MS. : I don't want to choose between hiring people or paying higher taxes, but that's the situation we're in.

MR. : Call Jeff Merkley. Tell him to stop raising taxes that kill our jobs. Freedom's Watch is responsible for the content of this advertising.

(End video segment.)

MR. PATRU: Very interesting tidbit in this race, 50 percent of voters in Oregon in the Senate race had voted 10 days out from the election. So we actually went dark, ran our final ad, concluded five days before the election – really, really high turnout, more than even 10 days in advance of the election, so interesting dynamic there.

The next two ads – the final two ads that I'll show are a little more comical, humorous. One is a House address; one's a Senate ad.

The first ad is from Nevada three. This is the Las Vegas district. Jon Porter was the incumbent, a biannually very difficult race. This is one of the most difficult, for either party, districts in the country. For years, this district had about 5,000 new voters per month coming into the district. So you can imagine how difficult it is just to keep track and to maintain relationships with your voters with such an ever-changing electorate there.

The Democrat in this race was Dina Titus. She had run for governor. We felt she had a very high liability, strong liability, on the issue of taxes. She'd been attacked on that in the past. And we wanted to accomplish two things: one, to drive home the point that Dina Titus is

synonymous with tax hikes; and two, we wanted to make it memorable, so that when people – so after the ad came down, people remembered Dina Titus and tax hikes. Go ahead and roll the ad.

(Begin video segment.)

MR. : Oh, my.

MS. : Colitis?

MR. : No.

MS. : Hepatitis?

MR. : No.

MS. : Diverticulitis?

MR. : I'm afraid it's Dina Titus.

MS. : Dina Titus?

MR. : Taxes up the ying-yang. Her tax policy is killing us.

MR. : Dina Titus voted for the biggest tax increase in Nevada's history. Dina Titus voted to raise taxes on small business and Dina Titus even voted to tax us when we buy or sell a house.

MS. : Taxes up the ying-yang?

MR. : Tell Dina Titus, no new taxes. Freedom's Watch is responsible for the content of this advertising.

(End video segment.)

MR. PATRU: Great. The last ad is a Senate ad from Colorado. This was probably our most famous, or infamous, ad that actually made the Drudge Report shortly after it went up. This ad is fundamentally about spending. We found in Colorado, as well as in other states, but particularly in Colorado, people were very – there's a lot of anxiety about the economic slowdown, energy costs and people were very concerned about excessive government spending. So this ad is fundamentally about government spending and again, uses humor to drive the point home. Go ahead and roll the ad.

(Begin video segment.)

MR. : Welcome to the Department of Peace. Sure, it looks like a van, but with Congressman Mark Udall's help, it could really happen. You don't want him to spend billions

on a Department of Peace and a Peace Academy, so Udall voted against funding for our troops. Cha-ching. Come on, let's go inside Udall's Peace Department.

MR. : Call Mark Udall. Tell him no Department of Peace. Freedom's Watch is responsible for the content of this advertising.

(End video segment.)

MR. PATRU: We like that ad. The results of that contest didn't turn out exactly the way we had hoped, but those are four ads that I think give a pretty good snapshot of what we were up to over the past few months leading up to Election Day. Looking forward to your questions and answers – questions, rather.

MR. WHEELER: I'm Scott Wheeler, National Republican Trust PAC, goptrust.com, as we're otherwise known on television it seems. That's how most people refer to us. We've got a late start in the election game this year, largely due to just a lack of planning, a lack of an idea that we were going to do this. I think most people going into the – coming into this year were expecting Hillary Clinton to run away with the Democratic nomination and that would be that. It would be whatever Republican versus Hillary.

Then the Obama fascination began and that's what really kind of surprised everybody. We didn't know much about him. He was clearly an unknown to everyone except those who had studied his record and studied what little record there was, in addition to the things that he was saying out on the campaign.

And so, about mid-summer, I started toying with the idea of speaking with people that I trusted about the potential for doing something to get involved in the election. At that time, we had very little research that indicated bias in the media, but everyone could feel it. As a former journalist myself, I noticed that there were some things about Obama that just your average person did not know. I found that to be troubling because as a journalist myself up until that point, I'd always felt it was our job to make sure everyone went to the polls and voted with an informed decision.

So I spoke to Dr. Peter Leitner, who had recently retired from the Department of Defense, and I said, what can we do here? And we started exploring our options and came up with the idea of forming a PAC, thinking we could raise a little money and run a couple of ads, maybe where it counted, in Ohio or Pennsylvania, or whatever the crucial swing state was at the moment. And so we started putting things together about late August, early September, and by just past mid-September, I think, we had the PAC up and running where we could start raising money and start planning ads.

And we began preparing the first address, which was an issue that had been – it wasn't so much an issue that was personally interesting to me, but when I was shown some polling data about Obama's idea to give driver's license to illegal aliens, I was really surprised. That polling data showed – from a Rasmussen poll in 2007 – 88 percent of Republicans opposed giving driver's licenses to undocumented immigrants; 68 percent of Democrats did; and 75 percent of

those without a party affiliation also opposed giving driver's licenses to undocumented aliens. How can you mess with that plan? And so, I'll show you what we ran here and explain the rationale – driver's licenses for illegal aliens here.

(Begin video segment.)

MS. : Nineteen terrorists infiltrate the U.S.; 14 get drivers' licenses. The 9/11 plot depended on easy-to-get licenses. Obama's plan gives a license to any illegal who wants one, a license they can use to get government benefits, a mortgage, board a plane, even illegally vote.

MR. : Senator Obama, yes or no?

PRESIDENT-ELECT BARACK OBAMA: Yes.

MS. : Barack Obama, too radical, too risky. The National Republican Trust PAC is responsible for the content of this advertisement.

(End video segment.)

MR. WHEELER: We took the national security route for two reasons: one, I was a national security reporter and Leitner was a national security specialist. What bothered us about the driver's license for illegal aliens issue itself was probably not what bothered most people in the country. Most people, I think, were bothered by it as a law enforcement issue, an issue that is law and order essentially.

We thought there's even a greater risk there and exposing – allowing that is people who've come into the country illegally undocumented, we have no idea who they are, and Obama, as you saw at the end, had advocated giving them drivers' licenses. Most people didn't realize that with a driver's license, you can go rent a great, big, gigantic truck, such as what was used in the 1993 World Trade Center bombing and the 1995 Oklahoma City bombing. Most people were unaware that with a driver's license, you can buy guns in many states.

Those are two issues that should be a concern national security-wise because we need to harden our defenses, not lower them. The harder we make it for someone coming into the country illegally with the intent on doing us harm, the harder we make it for them to find a smooth, glide path to legitimacy, the more likely it is we will find out what their intention is, the more likely it is we can find out that they have an agenda other than just coming here to work. So that was the mindset behind the drivers' license for illegal aliens' ad.

What was interesting and compelling to me was the data that I looked at – and we were taken to the woodshed in it, by the way, by many, including some in this room, for that ad and saying that Obama didn't have a plan. Ironically, I found the evidence for this in a San Francisco Chronicle column last January which warned Obama that he was taking a big risk by advocating for drivers' license for illegal aliens. He had at that point a problem with Hillary Clinton who was immensely popular with Hispanics, and she had, I think, about a 59-27 advantage with Hispanic populations. At that time, California was still in play. So Obama, according to the San

Francisco Chronicle, was taking a big risk by coming out and advocating for that kind of program to allow undocumented aliens to have a driver's license.

Well, it didn't become an issue in the general election. McCain didn't make it an issue, and so we thought this was an important thing to bring up and inform the American people, especially since a large portion of those from other polls had determined that many people would change their votes on that issue, and so, an important bit of information. It was not discussed hardly at all in the press in the general election. Once the Democratic primary was settled, that was it. Americans really had no idea where Obama stood.

Next, the ad that I think most Republicans thought McCain should have been running himself was Jeremiah Wright, Barack Obama's controversial pastor from Trinity United Methodist Church. And again, that was a little easier subject for this reason. It didn't take any, hardly any production, writing or arranging because there was Wright on their own released – DVDs they had released saying some very controversial things, things that many Americans did not know was Barack Obama's minister for 20 years, 20-plus years. So let's run the Wright ad and then we'll discuss that.

(Begin video segment.)

MS. : For 20 years, Barack Obama followed a preacher of hate and said nothing as Wright raged against our country.

JEREMIAH WRIGHT: Not God bless America, God damn America, U.S. of KKKK.

MS. : He built his power base in Wright's church. Wright was his mentor, adviser and close friend. For 20 years, Obama never complained until he ran for president. Barack Obama, too radical, too risky. The National Republican Trust PAC is responsible for the content of this advertisement.

(End video segment.)

MR. WHEELER: Many had warned me that running such an ad was going to provoke people to call me racist, which anyone who knows me could not fathom such a thing. But there were people who did in the press and it was extremely offensive to me that you're not allowed – I think by the exact opposite, by not dealing with this issue, you have put yourself in a position of being a racist by saying you're not – if that had been an outrageous preacher of any Anglo candidate, it would have been a significant issue and we would have parsed everything he's ever said and you would have that candidate's record of attending church on display for everyone to see.

By saying that it's racist to point this out because it's an African-American running for president takes a great deal of chutzpah. We all know that it would not have been this way had it been an Anglo candidate, his church and his minister, particularly in light of what we know Jeremiah Wright said would have been outrageously scrutinized, painfully so. So I'll conclude with that and prepare to take your questions.

MR. JACKSON: Thank you, both. I've got a bunch of questions here. Ed, you told me, I believe, that your organization is folding its tent here pretty soon. Is that correct?

MR. PATRU: That's correct.

MR. JACKSON: And you're organized as a 501(c)(4), and I think it's correct to say that you can take donations of any size, and that you are primarily a large dollar-funded organization. Am I right about that?

MR. PATRU: Well, we have a lot of small dollar donors, but certainly, the big dollar donors get us closer to where we need to be in terms of putting ads on TV.

MR. JACKSON: So why are you closing up?

MR. PATRU: A number of reasons, but I think far and away, the number one reason is the downturn of the economy. I think a lot of our support came from individuals for whom politics is not a livelihood or business. It's an interest or a hobby. Often times, it's 10, 12, 15 down on their list and in tough times, a lot of our donors have to make tough decisions. And I think it became increasingly difficult with the downturn of the economy to raise the funds that we needed to remain viable and effective.

MR. JACKSON: And Scott, your organization, it seems to me to be the opposite in many ways. You're organizing a political action committee. Therefore, you cannot take – if I understand it correctly – donations larger than \$2,300 per individual. Am I right?

MR. WHEELER: Five thousand.

MR. JACKSON: Five thousand, but still, you're limited. Tell me about your donor base. And did it surprise you that you were able to raise the amount of money you did in so short a time?

MR. WHEELER: I was surprised in the amount of time, and interestingly enough, when we speculated the idea of the Jeremiah Wright ad, we went from – we raised \$3 to \$4 million immediately. We had very few \$5,000 donors. Most of our donors were \$50, \$100, \$200 donors and many of them donated two or three times, four times during – in that three-week period.

MR. JACKSON: And by Election Day, how much did you raise?

MR. WHEELER: We were closing in on 10 million, I believe, coming into the election.

MR. JACKSON: Having registered on September 26th.

MR. WHEELER: I was quite surprised.

MR. JACKSON: I observed, because I sign up for a lot of mailing lists, that Newsmax, the conservative news site – and I was getting a lot of e-mails through them and you were advertising through them. Was that your primary venue for raising money?

MR. WHEELER: In the beginning, yes. They raised a lot of money through – we bought their list and mailed it and I was surprised by the results we got from that. Then, once word started getting out, our own Web site surpassed everything else. People were going directly to GOPtrust.com and donating online. And then following the election, we had the runoff in Georgia, which we got involved in, and we raised about another million, 1.2 million for that, and spent close to \$1 million in TV ads in Georgia.

MR. JACKSON: Well, I don't know that you've had enough time to look back and reflect on this very much, but what do you think caused this surprising outpouring of cash?

MR. WHEELER: Well, I think there were few other groups doing what we were doing. And when I went to Dr. Leitner with this idea, he had – I thought this – based on what I was hearing from media people I was talking to, they were saying, you guys are going to be run out of town on a rail. I went to him and I said, are you sure you're up to this? You've got a great reputation. I, on the other hand, was a journalist, so nothing is going to hurt me, but you've enjoyed an esteemed career and have many accolades. And he said, one of the reasons we've been friends for many years is we both have a lot of guts when it comes to this, and what's right is right and this is the right thing to do, informing Americans.

I have to say it wasn't as bad. The attacks weren't as vicious as I expected, but I pointed out to many reporters who called me that our political ads were far more fair to Obama than their editorial coverage of McCain and Palin were. That's a striking dichotomy, a political ad being as fair, or more fair, than journalistic coverage. I can tell by your forum's reaction, Brooks, you don't agree.

MR. JACKSON: Well, we're not here to –

MR. WHEELER: That's another discussion, right?

MR. JACKSON: That's another discussion. We're not here to re-litigate these things. I will say for the record that FactCheck.org found your Mohamed Atta ad to be false on a couple of counts. Obama did not have a plan to issue drivers' licenses. He had spoken favorably of it in the past and you didn't need a driver's license to get on an airplane. Those guys had passports, visas.

MR. WHEELER: That's true, but your argument is with the San Francisco Chronicle which called it a plan.

MR. JACKSON: Well, they may not have been correct. I don't know about that. But again, we're not here to re-litigate the – we did call that a false ad and we'll leave it at that.

And I wanted to ask you, I've heard from other groups on the right that were involved in independent political spending that John McCain's stated displeasure with having independent spending groups supporting him really did have an effect on their money. Was that the case with you? Did your donors, listening to McCain say – who, after all, is the author of the McCain-Feingold bill, was that a factor in keeping you out of the – you were out of the presidential race entirely, right? You did not –

MR. PATRU: We were, we were.

MR. JACKSON: You were involved only in state races. Was McCain's stated disinclination to see that sort of thing happen a factor?

MR. PATRU: I don't think so for two reasons: one, for the reason you just alluded to and that is that we weren't involved in the presidential to the extent –

MR. JACKSON: But well, I'm asking, is that the reason you weren't involved?

MR. PATRU: No, it's not. And I'm happy to elaborate on that more if you'd like, but that's the first reason of why I don't think it had an impact is because we didn't involve ourselves in the presidential contest. But the second reason – I think the more important reason is that our donors almost categorically gave to our organization because they cared deeply about the issues, whether it was the issue of taxes, energy, car check legislation, or national security, or any other issue that we ran ads on. They fundamentally believed in the positions we had staked out on those issues and that's why they gave.

MR. JACKSON: Okay.

MR. PATRU: So in other words, that's a roundabout way of saying that their motivation for giving was larger than any one candidate. It was about a set of principles.

MR. JACKSON: But again, it's primarily the decline of the stock market that you're saying is affecting your donors. They just didn't have the money.

MR. PATRU: I think so. We haven't commissioned a study on it, but my feeling, my sense – and I think, certainly, there are plenty of other people in our organization that agree with me on this – is that the downturn in the economy had a significant impact on their willingness, even their ability to give.

MR. JACKSON: Yes. Scott, your small dollar success contrasted with problems with big dollar donors. What does that tell us about the future of independent spending, or does it tell us anything?

MR. WHEELER: Well, we know, right now, we're preparing to get involved in the Illinois election, the Senate situation with the vacated Obama seat to, for one thing, make sure that the citizens of Illinois get a shot to elect a senator that's not picked for political reasons or,

as we've recently found, for other reasons. And so we're going to get involved in the Illinois situation.

So I think, again, the American people have a sincere interest in seeing how their government is run now and if we can play a part in that, it is, I think, very exciting. Maybe independent expenditures are the future of politics because as the media becomes more dispersed, more ghostlike, in a sense, through the Internet, people are going to be looking for information about elections in ways that previously have been done in a different way, generally sponsored by parties. In '04, we saw the rise of the Swift Boat Veterans for Truth which had a tremendous impact and raised more money than we did over a long period.

MR. JACKSON: They started earlier.

MR. WHEELER: They started earlier. I think we might have beat them if we had gotten two or three months longer, but we will continue to raise these issues and try to help people – inform them of what's going on in these races.

MR. JACKSON: And I wanted to ask you too about the mix of your ads. The driver's license ad, how many times did that appear on the air, as opposed to the Reverend Wright ad?

MR. WHEELER: The popularity of the Wright ad, and the polling suggesting many people did not connect Wright with Obama, is surprising. People in the media probably considered the Wright-Obama connection to be way overdone. Most people did not connect the two. Most people who voted had no idea about Wright and Obama, telling us that if we had been able to get it out a little more and sooner, it could have had even –

MR. JACKSON: But you ran that ad primarily? Was it 10-to-one or two-to-one, what? I know that's the one I saw most often.

MR. WHEELER: Yes, that's the one. When we started making the national buys, we started running the Wright ad more often. I'm sorry, I didn't mean to ignore your question. But I cannot tell you the precise ratio, but we phased the illegal alien ads down to a smaller percentage because there was a much stronger reaction to the Wright ads.

MR. JACKSON: Yes. Did you have any chance to assess the impact, any sort of discrete polling that might tell us what effect those ads had?

MR. WHEELER: We had none of our own, that is. We did have some that suggested a bump. People who had seen the Wright ad who were undecided, who saw the Wright address, I think seven in 10 broke for McCain, but that was a small sample and we can't really call it scientific, but it gives us some indication.

MR. JACKSON: Okay. I've got lots of other questions, but I don't know want to monopolize, so I'll go to the audience here. Can we get a microphone over here? Tell us who you are.

Q: Al Milliken, AM Media. I'm wondering if anyone has further reaction or reflection on the role faith played in the election beyond the limits – what you mentioned already as far as Barack Obama's pastor and church? It seems like a lot was really unspoken or not dealt with regarding Sarah Palin, but obviously she greatly energized and excited particularly Evangelicals and Pentecostal Christians, but it seemed like perhaps it was a question mark or turnoff to much of the rest of the electorate.

And I'm wondering, John McCain seemed very uncomfortable, like I suppose many Americans are, to talk about faith, but I would have liked to have heard much more about his own background in the Anglican Church, and his current involvement in the Baptist Church. And even I had heard reports he acted like a chaplain when he was in the prisoner of war situation when there wasn't one present among other prisoners.

And then also, in comparison to the way that Sarah Palin's daughter and the decision to have her baby was dealt with, the Roman Catholic Church, I thought, might play a bigger role in relation to Joe Biden's Roman Catholicism and his differences with the church teaching, as well as Barack Obama's explanation, how he might deal with his own children having a baby.

MR. JACKSON: Thank you. Sounds more like a question for the candidates than independent spenders, but any thoughts on this?

MR. WHEELER: I think it's a very good question. There was little coverage of faith. And I think some people – I can't speak for Senator McCain, of course, or Senator Obama, but I think some people are uncomfortable talking about their faith in public. I think recently, I read a quote about Andrew Jackson, his faith, and how he never wanted to use that in public. He kept it quiet, silent, because he didn't want people to think, or get the impression that he was using it to his advantage, something that I could really respect in someone. I don't know if that's how it affected these candidates, but I have tremendous respect for someone who would not want their faith – not want to be perceived or to – perceived or not, to use their faith to maybe gain support or influence someone.

MR. JACKSON: Other questions? Get a microphone to Kathleen.

MS. JAMIESON: Hi. Kathleen Jamieson, Annenberg Public Policy Center. Could you tell us where those two ads aired, Scott? And if you were to hypothesize an impact in terms of states, where would you say you had the greatest impact?

MR. WHEELER: Well, thank you, Dr. Jamieson. It's an excellent question. I wish I knew the answer. We were flying so fast and devoting almost all of our money that wasn't going to fundraising to the ads themselves. We did not do a focus group. We didn't do polling data or collect it along the way. It was dealing with a short timeframe. We knew Ohio, Pennsylvania, which the illegal alien, all of them – everywhere the illegal alien ad ran, the Wright ad also ran.

But we started out – we had the illegal alien ad probably a couple of weeks before we had the Wright ad, and so our early states, Ohio, Pennsylvania, and I believe Nevada and Florida were those four, and went to – and then we realized, once we had the Wright ad in the can, that

we were going to have the money to go national with it. And so we started looking at national buys, cable buys, that sort of thing.

MR. JACKSON: Yes.

Q: Hi. I'm Mary Gilbert with National Journal. And Mr. Wheeler, you said that Republicans really wanted McCain to bring out the Wright issue himself. But when he started going after Obama for his connections with Bill Ayers, his negatives actually shot way up. So I mean, do you think looking back that he really should have gone after Jeremiah Wright or was that something that was better left to third parties to address?

MR. WHEELER: I'm not sure if it's better as a third-party angle. What I would have – if we had had time to do some really deep research, something I thought would have been significant would have been a comparison between Obama in Berlin saying, I'm a citizen of the world versus McCain in his military uniform with the question, don't we want someone to represent America? We don't need anymore citizens of the world. We need somebody to fix our economy, make sure we're protected, who's strong on national security. That's my personal belief.

And so the ad – the Wright ad, we felt that people had to know, if people could see what was going on in Barack Obama's church on a regular basis that he attended for 20 years, and in some interviews, in print interviews said, yes, I rarely missed a Sunday, or I was there almost all the time, and so sort of undercutting his argument that it was an occasional social event for him. But we felt that the American people would be able to see that. It was clear cut. It was Wright himself and people should have had that information, and polling, of course, showed that most did not.

MR. JACKSON: That brings up something that I wanted to ask Ed about, because you mentioned that the pro-Chambliss ad was a collector's item among independent spenders because it was positive, and I think that's right. I think that, in my observation anyway, ads run by independent groups are overwhelmingly attack ads. Why is that?

MR. PATRU: Well, for a number of reasons, but I think the principal reason is that ultimately, I think the public finds negative ads more believable, more credible, than they do positive ads. For example, if I'm running for Congress and I promise to create 20,000 new jobs in the district, you may or may not believe me; but if my opponent runs an ad saying that I failed to pay my taxes 20 times, and have a number of liens on my business, et cetera, you are much more likely to believe that. So that's one.

And second, I think, you're much more successful when you approach – the ballot results are a factor largely of image, of positive to negative ratio, be it an issue or a candidate or whatever you're trying to impact. And so, when you can affect change on the positive side and affect change on the negative side, you're going to be more successful than when you just focus on either the positive or the negative exclusively.

MR. JACKSON: Roxanne.

Q: Roxanne Summers. I should have perhaps asked this question earlier. But Ed mentioned something about the voting ahead of time in Oregon and this seems to be a major trend towards people voting weeks ahead of Election Day. How is that going to affect your media placement if there's – you build up to Election Day, you've missed a bunch of voters.

MR. PATRU: Well, I think the biggest impact that will have is that the days of sort of the 11th hour surprise attack ads are going fast, if not gone. It just means the candidates and third parties are going to have to start earlier than ever and if you thought this last campaign was long, wait until four years from now.

MR. WHEELER: It is changing the dynamics of it and it will even change ultimately the campaign strategy itself, apart from media, because if you imagine a breaking scandal, if you had – say one of those states of early voting is a swing state and you're a candidate with a scandal you know is going to break, the longer you hold it off, the more votes you can accumulate before the public is aware of the scandal. And so it's going to change it in many ways, some of which are incalculable at this point.

MR. JACKSON: I should mention that Oregon, of course, is an extreme case because they have only mail voting, through the mails, something they instituted a few years ago. But other states are trending in that direction with more absentee voting, mail-in ballots, et cetera. That's M-A-I-L.

MS. : I know, yes.

(Laughter.)

MR. JACKSON: Okay. Other questions? Yes, here.

Q: Steve Weissman with the Campaign Finance Institute. I just wanted to follow up, Ed, with three things you touched on. I'm wondering if you could expand on why Freedom's Watch focused entirely on the congressional races, rather than the presidential at all.

And you mentioned also the non-television ad type, I guess maybe non-radio ad, and why you don't have to report it. I'm wondering if you could give us some idea of how important it was or unimportant it was.

And the other thing is the effectiveness. You were talking just now about ads and what kind of ads are effective. The previous panel of pro-Democratic interest groups, each group claimed that their ad was terrifically effective in delivering a state for Obama. And because you're on the losing side in the presidential, but and some – many of the congressional races, can you say something about the effectiveness of your ads or what other influences might have accounted for their effectiveness or lack of effectiveness?

MR. PATRU: Sure. Well, first of all, let me say for the record that we're interested in impacting the issues debate, not in getting particularly candidate elected. As a (c)(4), that has to

be our focus and that was our focus. Let me try to address the three questions in order. First of all, why we focused on the congressional issue debates as opposed to the presidential – when we started, when the organization started in mid-2007, we built up pretty quickly. And by early 2008, certainly a few months into 2008, we had a staff of several dozen, pushing 50 staff members, a pretty significant research operation, communications, field operation, et cetera.

And so, we had the capacity to involve ourselves in congressional issue debates. I think the difference between – largely between third-party groups that are focused on Congress and third-party groups that are focused on the presidential is the research component. In a presidential, pretty much all your research is coming out in real time. Every day you open the newspaper, one of the two camps is dropping a new piece of opposition research to reporters. It's getting published.

And so, you know, the job of a third party at the presidential level is to basically assemble your favorite issues, poll them, figure out which one moves numbers the most and then run that ad. Whereas, with the congressional, particularly when you're in a (c)(4), you have to get all that research yourself, any quotes, any voting record, any other issues, positions, you have to get that yourself. It's not like as a (c)(4), we're allowed by law to pick up the phone and call the DNC or call the RNC or the NRCC and request their research from them and they can share it. That's all illegal.

So because we had the capacity to do all that research ourselves, and a number of other things because of the size of our organization we could do ourselves, we thought that that's where we could have the biggest impact – not to mention the fact that over \$1 billion was spent on the presidential election, and so \$30 million in the larger scheme of things had a much bigger impact at the congressional level than it did in the presidential.

Your second question, I think, was on non-reported expenditures. That includes Web ads, phones, mail. We think that had a big impact. Mail, obviously, you can target a lot more. You can have a lot more of a narrow focus, much more targeted operation in terms of getting a specific message to a specific demographic that you can't necessarily do with TV. It's much cheaper.

Phones, we had a lot of robocall/live call expenditures going on throughout the summer, almost exclusively focused on the issue of energy. When gas prices were over \$4 a gallon, we, every week, had a new set of robocalls going up from anywhere to a dozen – going up anywhere between a dozen congressional districts and three dozen congressional districts.

We thought that any energy plan in Congress had to be comprehensive, and because of that, had to include a drilling component, a domestic drilling component and so we pushed very hard to have members who were opposed to that to change their position on that. And I think we had – certainly, we weren't the only ones pushing that issue, but I think in terms of supporters of drilling, as part of a comprehensive solution, we were effective.

But, Web, for example, there are some states and districts where we had more expenditures on Web ads. For example, we'd go up in the same week with a Web ad and a cable

television address, and we spent more on the Web ad than we did on cable and nothing gets picked up by the news, by the media. I think too many reporters and too many districts still don't consider Web ads, even if you're putting more dollars behind it, to have the same kind of weight as a cable address, even though more people may be seeing it. And so, certainly, there were districts where we spent pretty significantly with Web advertising, targeted Web advertising. In terms of the effectiveness of the ads – could you again –

Q: Well, the question is a lot of other groups that appeared in the earlier panel, labor unions, other interest groups, would show an ad and then they'd say we did polling after and we saw that Obama went up –

MR. JACKSON: Use the microphone.

Q: Sorry. In the previous panel, some of the interest groups said, here's an ad, showed us the ad, said, we did polling before the ad and after the ad and we thought this ad was terrifically effective. It drove X's negatives up or the other one's down. It changed people's opinion, and then, at the end of which they often claimed some credit for influencing a particular stake.

And you're on the kind of losing end on the presidential and on some of the congressional races, so we didn't hear as much about this issue of effectiveness. It doesn't mean you couldn't be effective even though a race was lost. So I wonder if you could talk a little bit about whether you tried to assess the effectiveness of this \$30 million program and what you found.

MR. PATRU: Sure. We think the ads, almost all of them, but not all of them, had an impact on the issues which is, again, what we were focused on. There's no question that at least at the congressional level – because that's a lot different than the presidential. The presidential level, I think, earned media sort of drives everything. Everybody's interested in covering the presidential, the issues that the candidates stake out. Everything they say is covered. But at the congressional level, resources determine how effective you are in getting your message out and the reality is that at the congressional level, conservatives were outspent badly.

I think we had an impact, and I think in many of the congressional districts where we ran issue ads, by the time our issue ads stopped running, the positions, at least publicly, that the candidates were staking out on the issue were – you couldn't really tell the difference. Both candidates were for domestic drilling, both candidates were for lower taxes, both candidates were for not doing anything, for the most part, irresponsible in Iraq. And so I think they did have an impact. So I guess it just depends on how you gauge the definition of effectiveness, whether it's the outcome on the ballot or whether we had an impact on the issues, and I think we did have an impact on those issues.

MR. JACKSON: Other questions?

Q: Justin Bank, FactCheck.org. And I think you kind of have a unique position to maybe give us a little preview towards 2010, seeing as you were addressing these congressional issues

at the congressional level, and I know from tracking you guys that there were dozens of races that you got into. But were there any specific issues that you found to be gaining a little more traction, be it drilling or car check? And I know it's a different demographic in different parts of the country and different states, different congressional districts, but was there any one that you tried in a few different areas that really seemed to be building a following or a response?

MR. PATRU: Well, I do want to make one note and then answer your question. One of the limitations that you had, that we had as a (c)(4), is that there are only certain kind of issues that you can run ads on and there's a whole subset of issues that you can't even touch as a (c)(4) because you have to be issue based.

For example, probably the most competitive Senate race in the country was Minnesota. We really couldn't delve into the Minnesota race at all because almost all the issues that were brought up in Minnesota had to do with fitness for office, personality differences. Al Franken's personality – his character became a huge issue, a lot of back and forth on that. That's all a fitness for office issue. It's the same as a candidate who kicks their dog or a candidate who jaywalks repeatedly. We can't run those ads because they don't have to do with specific legislations, specific issues, and so that's the reason that we stayed out of that state entirely, as a (c)(4). Now, had we been a 527, we could delve into that, or a PAC, you could get involved in that.

In terms of the larger sort of that, the 30,000-foot level, I think the public – there's sort of two takeaways in my mind from the last year, and that is that the public wants government to be involved on the economy, on a myriad of issues. They want government involvement, but at the same time, they don't want to have to pay – they don't want to pay higher taxes to the extent possible. So what that means is I think the public, more and more, is looking for and demanding more competent, more accountable, more efficient government.

So I think that's where you're going to see a lot of the trends going in the next two years. The candidate who goes out and says, I'm not going to raise your taxes, I'm not going to raise your taxes, my opponent will, but doesn't offer any solutions is going to have a problem. On the other hand, the candidate who says, we're going to fix all your problems and you're going to pay through the nose for it is also going to have a problem.

MR. WHEELER: I think Ed made an excellent point with regard to people's interest in good government. What I'm hearing, and what we're going to pursue, is Fannie Mae and Freddie Mac investigations, what happened there. We now have the same entities, the House and the Senate, getting involved in the Detroit bailout and we know that they want tight controls for them and raising the question, what do they know about running an auto company? We know how they did in the housing market. They did pretty lousy and led to the huge mortgage crisis. Now, they want to run Detroit, and as I've pointed out, Detroit is no place for Washington politicians. We can expect more trouble.

We'll focus on those issues; we'll focus on Obama appointments. There is one in particular – I won't go into the details yet, but I'm hearing from liberal organizations, they are outraged and want to stand up and impose it. And some have reached to me and asked if we'd

join hands with them in opposing one of the Obama appointments and so, it's going to get interesting, I think.

MR. JACKSON: Let me ask just both of you to sort of pitch forward the idea of independent spending. From what I'm hearing, I think you'd both agree there's a future for independent groups, whether it's (c)(4), 527, whatever. Do you see this thing growing, shrinking? It is going to depend on the candidate, or the issues, or what?

MR. WHEELER: Your answers are always better and I like to listen to them.

MR. PATRU: Well, look, I'll just say one thing, one note, and that is that I think that sort of innovation – when it comes to third parties and effectiveness, you get more innovation and you have third parties that are more effective at doing what they need to be doing when they're out of power in general.

I think one of the reasons why liberals and Democrats are sort of light years ahead of Republicans in terms of how they run (c)(4)s and 527s and PACs is because for years, they were out of power and you had sort of the brightest minds in the Democrat Party on the liberal side, sort of out of work looking – it's like a kid. If you leave a kid alone and he doesn't have anything to do, he's going to find something to do. And I think a lot of these very intelligent staffers and long-time consultants or political types on the left put their minds together and came up with some very innovative ways. And so cycle after cycle, they kept improving upon success.

And you have today – in 2006, I can remember a myriad of 527s and (c)(4)s on the left that were very effective: robocalls, ads, radio ads, mail pieces, et cetera. And on the right, you basically had Club for Growth which, more often than not, aimed its guns at conservatives or Republicans. They will argue that it wasn't a true conservative, but nevertheless, most of the casualties came – a lot of the casualties came on the Republican side.

So I think now that control of the government has shifted largely to the left, you're going to see a lot of people on the right, a lot of Republicans, many of whom are out of work and looking for something to do, start to devote themselves and dedicate themselves to making these third parties more effective. And so I think eventually, you'll hit parity and it's not out of the realm of possibility, in my view, that in a matter of years, Republicans may surpass Democrats in terms of how effective their third parties are.

MR. WHEELER: I think again, he made excellent points. He always makes me think more deeply, but I think what he was pointing out where you have these out-of-power organizations, you have much more concentration of brain power into what did we do wrong and what are they doing wrong? How can we do draw a better contrast? So I think we're going to see a much more circumspect Republican Party in the future going forward and we will continue, as long as we have support of people, as long as we can argue their issues on a national basis through TV ads for people, we will continue going forward.

And I think that there is a future for independent expenditures, whether it's us or whoever else, because as Ed also pointed out, you've got people doing one particular thing well and

they're focusing a lot of brain power on one particular thing. And whether it's a single issue, or whether it's a broader project defeating a candidate or electing a candidate, whatever it is, you're going to have much more focus on that and much more efficiency and effectiveness using dollars better, raising money easier, that sort of thing.

MR. JACKSON: So we should reserve the hall for four years from now.

MR. WHEELER: I hope I'm honored to return.

MR. JACKSON: Talking about more independent spending, other questions from the audience? Just a couple then that I have. One is a question I asked the first panel. There was a lot of journalistic fact-checking going on. I think you'd agree, not just FactCheck.org, but various organizations. Did this factor into the thinking of either one of you? Scott?

MR. WHEELER: I think the more facts we check, the better off we are. The problem is that we started, as I told one reporter who saw a Fact Checks report on the driver's license for illegal aliens, one reporter who phoned me and said, what Obama says, does that really constitute a plan? And my response to him was, if you are now parsing the definition of the word plan in this campaign, what are we saying about the politicians, that we are so cynical that if they say they're for something, we can't assume they really plan to do it? What are we saying in general?

And clearly, other people in the press referred to Obama's illegal aliens' thing as a plan, and that was his proposal. This is what he stood for. He said it in the CNN debate with Wolf Blitzer, very emphatically, and that was a controversial, divisive issue, but Hillary Clinton was polling way better than him with Latinos, for example. And he had to do something and everybody knew it was risky, but then, everybody dropped it when it came to the general election.

MR. JACKSON: What I'm hearing is no, it didn't. Ed?

MR. PATRU: Look, I will say that in terms of – I can't speak for other groups, but in terms of Freedom's Watch, we intended from the beginning to be a generational sort of a campaign that extended beyond Election Day. We didn't want to be one of these one-cycle shows that dissolved after Election Day, didn't really care about our credibility, et cetera. We wanted to be around for years, if not decades.

And so, every ad that we ran, what we kept at the forefront of our mind was credibility, long-term credibility – for example, Swift Boats for Veterans. They ran very effective ads, but it was very doubtful they could have had much of a future after the Election Day because of how hard-hitting their ads were and how so many of the public perceived that their ads were – pushed the envelope too far.

MR. JACKSON: They were very specific to John Kerry anyway.

MR. PATRU: Sure, sure, but they were extremely – typically, the more hard hitting – the more effective an ad is, in general, the more hard hitting it is. And we – many, many times I can

tell you, we erred on the side of caution for one reason, and one reason only, and that was because the credibility of our organization was paramount for us. It wasn't until December, until this month, that we realized that we were probably going to have to close our doors. And so that was sort of our guiding – what guided us all along was credibility.

MR. JACKSON: Just a heads-up, unless there are other questions, I'll just make this the last one. Scott, it's for you. About the Jeremiah Wright ad, we've heard from the McCain folks that of course, John McCain absolutely ruled this out, didn't want to do it. You've seen recently one ad was produced. Steve Smith said it wasn't even shown to John McCain because he knew he wasn't going to approve it. Give us some idea of how you came to the notion that you should run this ad that John McCain didn't want to run.

MR. WHEELER: The fact that we knew that he didn't and wouldn't was one clue that it was a very important issue, something that the American people needed to know about, especially with Senator Obama, who had a blank slate. And I think many analysts have pointed out that Obama was a blank canvas and people were painting whatever they wanted onto his – whatever. I had e-mails from people, and I've heard this backed up in other news accounts, people thought that they weren't going to have to pay for gas if Obama was president.

And I thought, well, how on earth are they thinking that? And Obama being a blank slate, someone had to show what has informed his opinions over the years. Someone had to say this guy has had some very controversial friends, Bill Ayers and Jeremiah Wright, just two of the most prominent. And so we said, McCain is not going to mention this. There's a place for this ad here and the American people need to know that questions need to be asked. The press wasn't asking them.

MR. JACKSON: I think in the end, you were running that ad on MSNBC even.

MR. WHEELER: Yes.

MR. JACKSON: You had so much money that you – were there any persuadable voters for you watching MSNBC?

MR. WHEELER: You'd never know. I think you really can't tell. I know that –

MR. JACKSON: You were looking for open slots to run that ad, just to spend the money, right?

MR. WHEELER: Well, we were. As we were coming down, we were leaving no stone unturned and we wanted to try to influence everyone we could.

MR. JACKSON: I guess here's what I'm wondering. McCain clearly made a decision that Jeremiah Wright would not help him to run it, so did you run that ad to help John McCain or to help your own fundraising, just to put it bluntly?

MR. WHEELER: No, it had nothing to do with fundraising. It had to do with – we wanted to help the American people. We wanted to inform and explain to them, here’s a guy running for the highest office in the land and here’s what his minister thinks about this country and this government. I cannot overemphasize the importance of that information to someone voting for Barack Obama who spent 20 years in that church.

MR. JACKSON: All right. With that –

MR. : I’m going to ask you to use this mike instead of that one.

MR. JACKSON: Okay. Well, I’m being asked to use this mike. I’m going to say thank you to our panelists. Thank you all for coming. I’m just going to say in conclusion, a video of this event is being posted on FactCheck.org’s Web site as we speak, and we hope to have that completed by the end of the day. There will be a printed transcript of the entire event posted on the Web site early next week, hopefully Monday.

It will eventually be made part of a book that will include earlier debriefings done in a non-public event in Philadelphia by the Annenberg Public Policy Center of officials of the McCain and Obama campaigns. This will be distributed and available for sale. With that, I want to thank you on behalf of the Annenberg Public Policy Center and FactCheck.org for coming. That concludes our event.

(Applause.)

(END)