

The background of the top half of the page is a solid dark grey. Overlaid on this are several faint, light grey geometric shapes: a large circle, a triangle, and various horizontal and diagonal lines. The words "SURVEY REPORT" are written in a large, thin, white, sans-serif font across the middle of this section.

# SURVEY REPORT

Trends in Business Political Action Committees  
**2013 – 2014 Election Cycle**

# Business Political Action Committees

## **MORE IMPORTANT THAN EVER**



Thank you to those who participated in the 2014 Election Cycle Trends in Business Political Action Committees research. The findings from this project give individuals working for business political action committees (PACs) and those studying PACs the opportunity to find out what is working and what may be enhanced in this very important sector of American politics.

When looking back on the history of PACs, it is ironic that the business PAC community has Organized Labor to thank for its establishment and creation. The origin of PACs can be traced back to efforts made by the Congress of Industrial Organizations (CIO), now part of the AFL-CIO, in 1944 to raise money for the re-election of President Franklin D. Roosevelt. However, the Smith Connally Act of 1943 prohibited the CIO from contributing to federal candidates. After this regulation, the CIO solicited voluntary contributions from its union members to support President Roosevelt and, thus, the first PAC was born.

Fast-forward to today and you will find that more than 2,000 business PACs help elect and re-elect candidates to federal office. These individuals understand the significant interests of the corporation or association that is providing financial support through a PAC.

PACs benefit the entire business community by contributing to federal candidates and educating them on the market process, specifically, what we all call “The Free Enterprise System.”

As you look through the results, you will find areas of opportunity to measure your strategies for growing and increasing the influence of your PAC. You will discover insights that will lead you to improve your financial return and expand your reach, and you will also be able to benchmark the performance of business PACs against your efforts.

On behalf of the Graduate School of Political Management at George Washington University, I want to thank those who made this process possible: Sagac Public Affairs, the National Association of Business Political Action Committees (NABPAC) and Lobbyist.INFO. I want to particularly thank Trey Richardson, Managing Partner of Sagac, for his pioneering work in creating this survey and for building and growing the influence of business PACs in our nation.

Enjoy the report.

Dr. David Rehr  
Program Director, Advocacy in the Global Environment  
Graduate School of Political Management  
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*Trends in Business Political Action Committees is a qualitative study of America's top business political action committees (34% Association / 66% Corporation), Sagac Public Affairs, LLC, April 2015.*

# About the Authors



## Trey Richardson

*has influenced the direction of political finance activities throughout the United States for two decades. He is a leader in the political community, author and speaker on issue advocacy campaigns, fundraising and political action committees. He serves as managing partner of Sagac Public Affairs, a national company providing communications, market research and fundraising solutions to America's top business political action committees.*



## David Rehr, PhD.

*is a leading association expert with over 25 years of experience in creating influential trade associations through positioning, advocacy and understanding the nuances of impacting policy in Washington, DC. He is Assistant Professor and Program Director, Advocacy in the Global Environment at George Washington University. He also serves as CEO of TransparaGov, Inc., a privately held company with a mission to bring transparency and real-time information tools focused on performance metrics to state and local government leaders.*

## The PAC Professionals

*The study's co-sponsors wish to thank the more than 30 PAC professionals and organizations for their input and advice in developing this election cycle's study and analysis.*



## Study Co-sponsors.

### The Graduate School of Political Management

THE GEORGE WASHINGTON UNIVERSITY



NATIONAL ASSOCIATION OF BUSINESS  
POLITICAL ACTION COMMITTEES



# FUNDRAISING



## Average Contribution from Donors

The average annual contribution to a federal PAC from an individual employee or member

Total	Association	Corporation
<b>\$575.87</b>	\$701.16	\$514.29

## Average Participation

The average percentage of participation among employees and members who contribute to PACs

Total	Association	Corporation
<b>18%</b>	21%	17%

The average percent of the eligible population that is solicited

Total	Association	Corporation
<b>80%</b>	78%	80%



## Best Months to Raise Funds

	Total	Association	Corporation
January	7.2%	14.8%	3.6%
February	13.3%	22.2%	8.9%
March	26.5%	14.8%	32.1%
April	30.1%	22.2%	33.9%
May	27.7%	25.9%	28.6%
June	8.4%	3.7%	10.7%
July	6%	3.7%	7.1%
August	1.2%	3.7%	0.0%
September	16.9%	14.8%	17.9%
October	16.9%	14.8%	17.9%
November	3.6%	7.4%	1.8%
December	4.8%	11.1%	1.8%

## PAC Match

Organizations providing charity match in exchange for a PAC contribution

	Total	Association	Corporation
Yes	<b>24.7%</b>	<b>13.3%</b>	<b>30.5%</b>
No	75.3%	86.7%	69.5%

The ratio of charity match in exchange for a PAC contribution

Total	Association	Corporation
<b>82%</b>	67%	97%



## Average Cost to Fundraise

The average cost per dollar raised for PAC fundraising operations  
(e.g. \$0.40 spent for each \$1.00 raised)

Total	Association	Corporation
<b>40%</b>	39.8%	40.6%

# FUNDRAISING METHODS



## Effective Fundraising Methods (Election Year)

	Total	Association	Corporation
<b>One-on-one solicitation by the PAC staff</b>	<b>83.5%</b>	<b>81.4%</b>	<b>84.5%</b>
<b>Small group meetings</b>	<b>75.3%</b>	<b>59.2%</b>	<b>82.7%</b>
<b>Email solicitation</b>	<b>68.2%</b>	<b>59.2%</b>	<b>72.4%</b>
<b>Dues billing/Payroll deduction</b>	<b>65.9%</b>	<b>66.6%</b>	<b>65.5%</b>
<b>One-on-one solicitation by volunteers</b>	<b>63.5%</b>	<b>66.6%</b>	<b>62.1%</b>
Dinners, receptions or food events	56.5%	74.1%	48.3%
Raffles, auctions or giveaways	33.3%	40.7%	29.3%
Club memberships	33%	44.4%	27.6%
Sporting, cultural or other events	31.7%	40.7%	27.6%
Gift programs	30.6%	48.1%	22.4%
Volunteer telephone calls	27.1%	40.7%	20.7%
Direct mail	25.9%	48.1%	15.1%
Professional telephone calls	10.6%	14.8%	8.6%

## The Percentage of Money Raised by Method

	Total	Association	Corporation
<b>One-on-one solicitation by PAC staff</b>	<b>81.5%</b>	<b>75%</b>	<b>85%</b>
<b>Small group meetings</b>	<b>75.3%</b>	<b>57.2%</b>	<b>84.9%</b>
<b>One-on-one solicitation by volunteers</b>	<b>66.7%</b>	<b>64.3%</b>	<b>68%</b>
<b>Email solicitation</b>	<b>60.9%</b>	<b>50%</b>	<b>68%</b>
<b>Dues billing/Payroll deduction</b>	<b>58.1%</b>	<b>57.1%</b>	<b>58.5%</b>
Dinners, receptions or other events	58%	71.5%	50.9%
Sporting, cultural or other events	51.8%	42.8%	41.5%
Volunteer telephone calls	33.4%	46.4%	26.4%
Raffles, auctions or giveaways	33.3%	35.8%	32%
Club memberships	32.1%	39.3%	28.3%
Gift programs	28.4%	9.2%	22.7%
Direct mail	22.2%	32.2%	17%
Professional telephone calls	14.8%	14.3%	15.1%



# FUNDRAISING



## Soft Dollar Fundraising

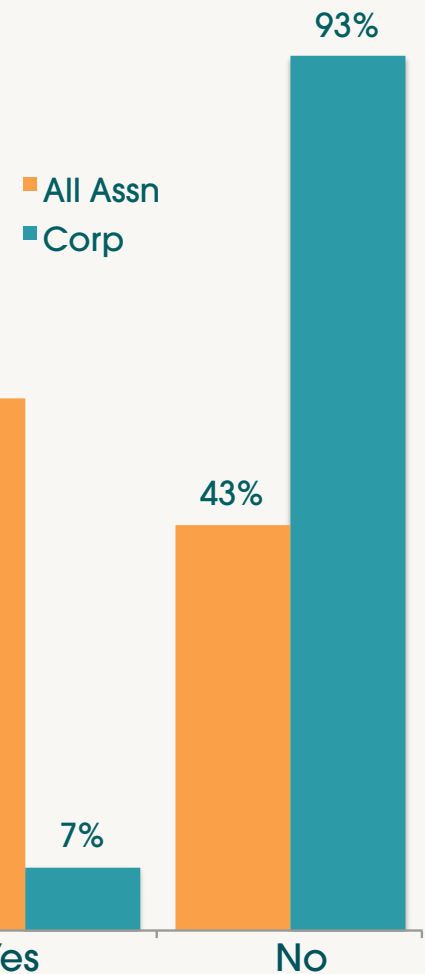
Organizations maintaining a soft dollar account for use in political activities

	Total	Association	Corporation
Yes	23.6%	56.7%	6.8%
No	76.4%	43.3%	93.2%

## The Percent of Soft Dollar Funds Used for Expenditures

	Total	Association	Corporation
Other	48%	55.8%	24.5%
General PAC Operations	46.2%	43.7%	53.7%
Communication (other than video productions)	30.1%	33.2%	0.0%
Technology (database, email deployment, etc.)	24.6%	25.2%	22.5%
PAC Compliance	20.6%	29%	6.6%
Gift Programs	20%	25%	13.3%
Video Production	15%	19.2%	0.0%
Consulting Fees	10%	11.5%	7.7%

Organizations that maintain a soft money account for use in political activities



# RECOGNITION



## Most Effective Recognition Methods

	Total	Association	Corporation
<b>Invitations to events</b>	<b>83.6%</b>	<b>82.1%</b>	<b>84.2%</b>
<b>Opportunities to network with officials</b>	<b>78.9%</b>	<b>75%</b>	<b>80.7%</b>
<b>Insider information regarding politics</b>	<b>72.9%</b>	<b>78.6%</b>	<b>70.2%</b>
<b>Thank-you letters</b>	<b>65.9%</b>	<b>71.4%</b>	<b>63.2%</b>
<b>Opportunities to network with peers</b>	<b>64.7%</b>	<b>75%</b>	<b>59.7%</b>
Lapel pins or ribbons	53%	85.8%	36.8%
Public recognition (signage)	59.2%	89.3%	35.1%
Photo opportunities	49.4%	60.7%	43.9%
Public recognition (invitations or ads)	45.9%	82.1%	28.1%
Gifts (e.g. coffee cups or specialty items)	44.7%	35.7%	49.2%
Certificates or awards	22.3%	39.3%	14.1%

## Leadership

Participation in fundraising efforts by leadership category

	Total	Association	Corporation
<b>Senior Executive/Association Leadership</b>	<b>87.4%</b>	<b>85.7%</b>	<b>88.1%</b>
<b>President/CEO</b>	<b>75.9%</b>	<b>71.4%</b>	<b>78%</b>
National PAC Board	63.2%	89.3%	50.8%
Business Unit/Regional Leaders	62.1%	32.1%	76.3%
Peer Recruiters/Mid-level Managers	37.9%	17.9%	47.5%
State or Local Managers/Leaders	33.3%	39.3%	30.5%
State or Local PAC Board	21.8%	32.1%	16.9%



# COMMUNICATION



## Grassroots Communication

Formats used for communicating with employees and members

	Total	Association	Corporation
Emails	94.3%	89.7%	96.6%
Newsletters	69.3%	65.5%	71.2%
Meetings	64.8%	72.4%	61%
Brochures	30.7%	41.4%	25.4%
Educational Programs	29.5%	31%	28.8%
Video	29.5%	37.9%	25.4%
Direct Mail	28.4%	48.3%	18.6%
Other	10.2%	17.2%	6.8%
Flyers	9.1%	10.3%	8.5%
Advertising	4.5%	10.3%	1.7%

Organizations maintaining a key contact program to communicate with Congress

	Total	Association	Corporation
Yes	25.8%	46.7%	15.3%
No	74.2%	53.3%	84.7%

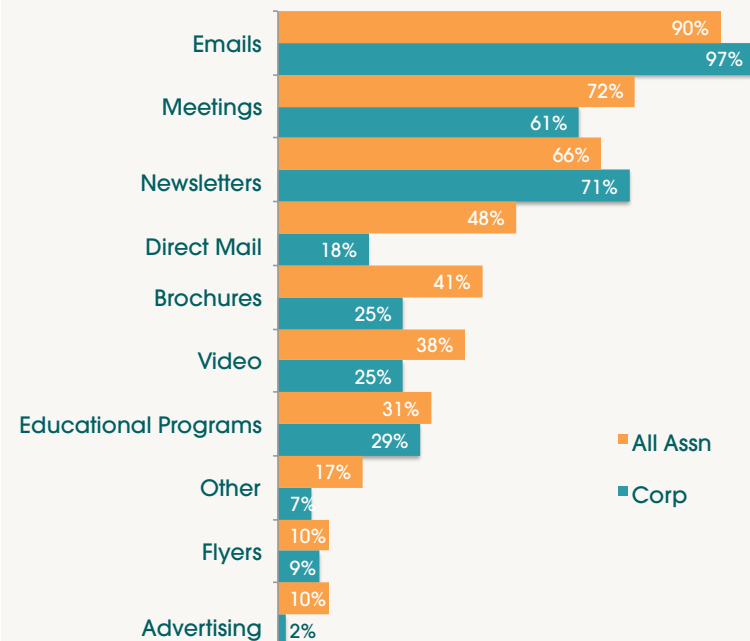
Average number of employees/members enrolled in key contact program

	Total	Association	Corporation
1-99	29.4%	10%	57.1%
100-499	29.4%	40%	14.2%
500-999	35.2%	50%	14.2%
1,000 +	5.8%	0.0%	14.2%

Average number of total contacts made by employees/ members enrolled in key contact program with Congress

	Total	Association	Corporation
1-99	6.6%	0.0%	14.2%
100-499	20%	30%	20%
500-999	26.6%	10%	20%
1,000-2,499	20%	50%	0.0%
2,500 +	26.6%	10%	20%

## Ranking of formats used for communicating political information





# EXTERNAL COMMUNICATION



Organizations providing training to employees and members on how to communicate with Congress

	Total	Association	Corporation
Yes	39.8%	69%	25.4%
No	60.2%	31%	74.6%

Organizations engaging in independent expenditure activities (e.g. asking the public to "vote for" or "vote against" candidates for office)

	Total	Association	Corporation
Yes	10.5%	31%	0.0%
No	89.5%	69%	100%

Organizations providing training to employees/members on how to run for public office

	Total	Association	Corporation
Yes	4.6%	13.8%	0.0%
No	95.4%	86.2%	100%

Organizations engaging in issue advocacy activities

	Total	Association	Corporation
Yes	37.2%	71.4%	20.7%
No	62.8%	28.6%	79.3%

Organizations engaging in partisan communication activities (e.g. asking employees or members to "vote for" or "vote against" candidates for office)

	Total	Association	Corporation
Yes	11.4%	27.6%	3.4%
No	88.6%	72.4%	96.6%



# DISBURSEMENTS



Organizations contributing to national party committees (e.g. DNC, RNC, DSCC, NRSC, DCCC, NRCC)

	Total	Association	Corporation
Yes	73.9%	<b>82.8%</b>	<b>69.5%</b>
No	26.1%	17.2%	30.5%

Organizations engaging in in-kind fundraisers for federal candidates

	Total	Association	Corporation
Yes	<b>33.7%</b>	48.3%	25.4%
No	66.3%	51.7%	74.6%

Organizations contributing to leadership PACs

	Total	Association	Corporation
Yes	81.6%	<b>82.8%</b>	<b>81%</b>
No	18.4%	17.2%	19%

Average PAC contribution to a federal candidate

	Total	Association	Corporation
U.S. House	\$2,599.32	\$3,087.28	\$2,363.75
U.S. Senate	\$4,144.62	\$4,591.91	\$3,928.68

Percentage of disbursements made to leadership PACs

	Total	Association	Corporation
1% - 10%	44.7%	<b>38%</b>	<b>41.3%</b>
11% - 20%	16.4%	33.3%	12%
21% - 30%	24.7%	9.5%	32.7%
31% - 40%	10.5%	14.2%	10.3%
41% - 50%	3.5%	4.7%	3.4%
51% - 100%	0.0%	0.0%	0.0%

Percentage of all disbursements by party

	Total	Association	Corporation
Democrats	38.2%	35.3%	39.2%
Republicans	61.4%	64.5%	60.3%
Other	1.2%	1%	1.4%

Organizations contributing to 527 committees

	Total	Association	Corporation
Yes	8%	14.3%	5.2%
No	<b>92%</b>	<b>85.7%</b>	<b>94.8%</b>

Percentage of candidates supported who won election or re-election

	Total	Association	Corporation
51% - 60%	1.1%	0.0%	1.7%
61% - 70%	0.0%	0.0%	0.0%
71% - 80%	3.4%	0.0%	3.5%
81% - 90%	28.4%	<b>50%</b>	<b>32.1%</b>
91% - 100%	67%	<b>50%</b>	<b>62.5%</b>

# RESPONDENT DEMOGRAPHICS



## Party identification by respondent

	Total	Association	Corporation
Total Democrat	29%	48.1%	21.4%
Total Republican	63.9%	48.1%	69.7%

## Time in current professional position

	Total	Association	Corporation
3 years or less	44.4%	41.4%	46.6%
4 – 10 years	36.7%	48.3%	29.3%
11 – 20 years	17.8%	6.9%	24.1%
More than 20 years	1.1%	3.4%	0.0%

## Number of employees dedicated to PAC activities

	Total	Association	Corporation
	1.5	2.3	1.1

## Average age of PAC professional

	Total	Association	Corporation
	41	41	41

## Gender of PAC professional

	Total	Association	Corporation
Male	34.1%	37.9%	32.1%
Female	65.9%	62.1%	67.9%

## Respondent Title

	Total	Association	Corporation
Manager	30.8%	10.3%	40.7%
Director	20.9%	27.6%	18.6%
Vice President	12.1%	20.7%	8.5%
Senior Manager	7.7%	0.0%	8.5%
Other	7.7%	6.9%	8.5%
Senior Director	6.6%	13.8%	3.4%
Coordinator	3.3%	3.4%	3.4%
Assistant Director	3.3%	6.9%	1.7%
Administrator	2.2%	0.0%	3.4%
Senior Vice President	2.2%	3.4%	1.7%
Exec. Vice President	1.1%	0.0%	1.7%
Executive Director	1.1%	3.4%	0.0%
Managing Director	1.1%	3.4%	0.0%

## Type of Organization

	Total
Individual Trade Association	9%
Corporate Trade Association with corporate members	16.9%
Corporate Trade Association with individual and corporate members	7.9%
Corporation	66.3%



# SAGAC

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