G.O.P. Campaigns Grow More Dependent on 'Super PAC' Aid

By NICHOLAS CONFESSORE

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Weeks of intense campaigning in the early nominating states have left the leading Republican presidential candidates increasingly dependent on millions of dollars spent on their behalf by outside "super PACs," reports filed with the Federal Election Commission on Monday showed.

Mitt Romney's campaign spent close to \$19 million during January, almost three times as much as the \$6.5 million he raised. He ultimately won two states, New Hampshire and Florida, and ended the month with less than \$8 million in cash on hand. Newt Gingrich raised nearly as much, \$5.6 million, and spent close to \$6 million.

<u>Rick Santorum</u>, who enjoyed a surge of grass-roots donations after being declared the victor in Iowa, raised \$4.5 million, as did Representative <u>Ron Paul</u> of Texas. The amounts still leave Mr. Romney in the lead, but no longer in a class by himself.

The super PAC backing Mr. Romney, <u>Restore Our Future</u>, raised \$6.6 million in January and spent close to \$14 million, much of it on advertisements battering Mr. Gingrich in Iowa and Florida. A super PAC backing Mr. Gingrich raised much more that month — almost \$11 million — and spent most of it on attack advertisements against Mr. Romney in South Carolina, where Mr. Gingrich won, and in Florida, where Mr. Romney prevailed.

The spending reports revealed the breadth and power of super PACs as the campaign hits a critical and perhaps decisive period, with outside groups poised to pick up a growing share of political spending during the costly primary battle that lies ahead.

Bolstered by Mr. Romney's extraordinarily high burn rate, the campaigns spent about \$5 million more during January than the super PACs supporting them. But over all, super PACs backing the four leading Republican contenders raised \$22.1 million in January, slightly more than the candidates themselves, and ended the month with \$19.4 million in cash on hand, about \$5 million more than the candidates had.

Most of that money came in six- and seven-figure checks from just a few dozen individuals or corporations — the billionaire casino executive <u>Sheldon Adelson</u>, the <u>mutual fund</u> investor Foster S. Friess and the PayPal co-founder Peter Thiel, among others — who have exploited recent court rulings and changes in campaign finance rules to exert unprecedented influence over their party's choice of presidential nominee.

Restore Our Future, the super PAC backing Mr. Romney, entered February with \$16.3 million in cash on hand, money that has already underwritten an early run of attack advertisements against Mr. Santorum, whose victories in Colorado, Minnesota and Missouri this month have made him the chief target for Mr. Romney's attacks.

Mr. Romney could be even more dependent on Restore Our Future money than he was last month. While he has raised far more than other Republican candidates, he has spent heavily without taking a clear lead in the race. Moreover, Mr. Romney is "maxing out" the donors to his campaign — taking the maximum \$2,500 contribution allowed by federal law for the primary — faster than any of the leading candidates of either party during the last two races.

Through the end of December, Mr. Romney had raised \$2,500 from more than 14,000 donors, representing about 44 percent of all of his contributors. About 5 percent of Mr. Paul's donors, 14 percent of Mr. Gingrich's donors and 30 percent of Mr. Santorum's donors had maxed out, meaning that a vast majority of their contributors can continue to give more money this year.

As Mr. Romney's campaign prepares for a potentially long fight for the nomination, he has increased his fund-raising events in strongholds like Washington and New York and has begun prospecting elsewhere. During a campaign visit to Cincinnati on Monday, Mr. Romney made time for an evening stop at the Great American Tower, where local donors said they would raise more than \$600,000 for him.

"We have exceeded our fund-raising goals and are on track with spending plans," Spencer Zwick, Mr. Romney's national finance chairman, said in a statement. "We are the only campaign who has the organization and resources to go the distance of a long primary process."

Though other candidates appear to be capturing more grass-roots enthusiasm than Mr. Romney, they also ended January with far less money in the bank. Mr. Gingrich had about \$1.8 million, and nearly as much debt. Mr. Santorum ended January with less than \$1.5 million on hand, though his campaign said he raised at least \$3 million in grass-roots contributions after his triple victories this month. Mr. Paul had about \$1.6 million.

A super PAC founded by two former aides to President Obama, <u>Priorities USA Action</u>, raised just \$58,816 during January, helping to prompt a drastic shift from Mr. Obama, who has long inveighed against the influence of outside groups. On Feb. 6, just days after the end of the January filing period, aides to Mr. Obama told his top donors that White House and campaign officials would appear at events for Priorities USA Action in a bid to increase its fund-raising.

While the pro-Romney Restore Our Future took in some donations as small as \$5, close to \$5 million came from just 25 individuals and corporations, each giving \$100,000 to \$500,000. Three individuals gave half a million dollars apiece: Joseph W. Craft, an Oklahoma mining executive; Bruce Kovner, a billionaire hedge fund founder from New York; and David Lisonbee, the founder of a Utah vitamin supplements company.

The group also received donations from some past donors: the Texas industrialist <u>Harold C. Simmons</u>; members of the Marriott and Walton families, founders of the Marriott and Walmart chains; and Julian H. Robertson Jr., a retired hedge fund manager. Mr. Simmons also gave \$5 million in January to American Crossroads, a Republican super PAC co-founded by Karl Rove, in a donation that constituted virtually all of the group's fund-raising for the month.

<u>Winning Our Future</u>, the super PAC backing Mr. Gingrich, raised nearly all of its cash from just three people: Mr. Adelson; his wife, Miriam Adelson; and Mr. Simmons. (Because he gave to both groups, Mr. Simmons's money was in some sense working against itself during the January

run of Republican nominating contests.) Mr. Adelson is reportedly weighing putting yet more money into the pro-Gingrich group.

Restore Our Future also received money from several corporations, some not easily connected to a specific executive or even business. Select Management Resources, a limited liability corporation based in Georgia, gave \$100,000; the company appears to have registered to lobby on banking and credit card issues in Nebraska.

The super PAC backing Mr. Santorum, the <u>Red White and Blue Fund</u>, raised about \$2 million in January, much of it from Foster S. Friess, a wealthy investor who is a top Santorum backer, and William J. Doré, a retired Texas businessman who gave \$1 million to the group. While the Red White and Blue Fund ended January with only about \$600,000 on hand, Mr. Friess has indicated that he is likely to contribute more money to the group should Mr. Santorum require the help.

Griff Palmer and Jeff Zeleny contributed reporting.

In Republican Race, a New Breed of Superdonor

By NICHOLAS CONFESSORE, MICHAEL LUQ and MIKE McINTIRE

Published: The Rew York Times, February 21, 2012, p. 1.

Last June, Harold C. Simmons, a wealthy Texas businessman, sent a \$100,000 check to Americans for Rick Perry, a "super PAC" preparing for Mr. Perry's entry into the presidential race. A few months later, he donated \$1 million to a different pro-Perry group through his company. In December, as Mr. Perry's fortunes waned, Mr. Simmons wrote another check, this one for \$500,000, to Winning Our Future, a super PAC supporting Newt Gingrich.

But Mr. Simmons was not done. In mid-January, as Mr. Gingrich was headed toward a victory in the South Carolina primary, Mr. Simmons wrote a \$100,000 check to Restore Our Future, the super PAC supporting Mitt Romney. And toward the end of the month, as Restore Our Future used his money to help bludgeon Mr. Gingrich with attack ads in Florida, Mr. Simmons sent yet another \$500,000 check to Mr. Gingrich's super PAC.

"He generally supports conservative Republican candidates," said Chuck McDonald, a spokesman for Mr. Simmons. "I assume he was just trying to be helpful."

Mr. Simmons's contributions — all told, he has given more than \$14 million to Republican super PACs so far this cycle — make him the exemplar of a new breed of superdonor in presidential politics. About two dozen individuals, couples or corporations have given \$1 million or more to Republican super PACs this year, an exclusive club empowered by the Supreme Court's Citizens United decision and other rulings to pool their money into federal political committees and pour it directly into this year's presidential campaign.

Collectively, their contributions have totaled more than \$50 million this cycle, making them easily the most influential and powerful political donors in politics today. They have relatively few Democratic counterparts so far, with most of the leading liberal donors from past years giving relatively small amounts — or not at all — to the Democratic super PACs.

And unlike in past years, when wealthy donors of both parties donated chiefly to groups that were active in the general election campaign, the top Republican donors are contributing money far earlier, in contests that will determine the party's presidential nominee.

"What unites them? They're economic conservatives," said Christopher J. LaCivita, a Republican strategist who helped advise Swift Boat Veterans for Truth, a forerunner of this cycle's super PACs, and who in 2008 co-founded another Republican advocacy group, the American Issues Project, that ran advertisements against President Obama.

"Most of these guys are serious business tycoons," Mr. LaCivita added. "They've built something big — usually something bigger than themselves."

Some of the superdonors, like Mr. Simmons and Robert J. Perry, a Texas homebuilder, are longtime backers of independent groups that were active in past campaigns, like the Swift Boat group, which in 2004 challenged the Vietnam War record of Senator John Kerry, the Democratic presidential nominee.

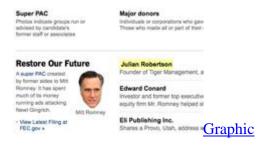
Several attend the exclusive, secretive gatherings of wealthy conservative donors hosted twice a year by the billionaire Koch brothers. Many move in the same social or political circles: Sheldon Adelson, a billionaire casino executive who is close to Mr. Gingrich, serves on the board of the Republican Jewish Coalition with Paul Singer, a hedge fund executive and a top contributor to Restore Our Future.

Some of the million-dollar-plus donors, however, are relatively new to the world of big-league political giving and appear to be motivated by personal connections to particular candidates. Paul B. Edgerley and his wife, Sandra, for example, together gave \$1 million to the pro-Romney super PAC. Mr. Edgerley is an executive at Bain Capital, Mr. Romney's former firm.

A few of the megadonors gave through limited liability companies, shielding their identity. One \$1 million donation to Restore Our Future came from F8 LLC, a company whose listed address in Utah leads to an accounting firm. A charitable foundation linked to Sandra N. Tillotson, cofounder of the skin care company Nu Skin, uses the same address. Ms. Tillotson was reimbursed by Restore Our Future in July for what appeared to be costs associated with a fund-raiser at her New York apartment. But Ms. Tillotson said in an e-mail Wednesday that she did not know who the owner of F8 LLC was and had not made a donation backing Mr. Romney's campaign.

But the superdonors all have one thing in common: they are by definition deep-pocketed, willing and ready to give far more than the \$2,500 checks that donors to candidates are limited to writing. Some of them have almost singlehandedly financed super PACs that support favored candidates.

Multimedia



Who's Financing the 'Super PACs'



Peter Thiel, the co-founder of PayPal, has given Endorse Liberty, a super PAC supporting Representative Ron Paul of Texas, at least \$2.6 million, the bulk of the group's donations so far. Mr. Adelson and his family have contributed over \$10 million to Winning Our Future, the group supporting Mr. Gingrich.

"I might give \$10 million or \$100 million to Gingrich," Mr. Adelson said in a coming profile in Forbes magazine.

The motivation and logistics behind these large contributions remain something of a mystery. Most megadonors and the campaigns they support are reluctant to talk about the hidden scaffolding of high-level political giving. But glimpses of it emerge in public records.

Mr. Perry, who has donated \$3.5 million to Republican causes in the current cycle, rarely speaks publicly about his contributions. However, he testified in a 2007 lawsuit that he occasionally got calls directly from candidates asking for money, and that he sometimes decided to write a check after reading or hearing about a promising politician.

Saying that his "habits are to give more aggressively as we go into the election," Mr. Perry said that in addition to supporting candidates on the national level and in Texas, he liked to give to governor's races in "other states that are not so big, so that my contributions can make a difference."

The lawsuit was brought against the Republican Governors Association by a Democratic candidate for governor in Texas, who said the group did not comply with state campaign disclosure rules in 2006. A judge ruled against the association, which has appealed; Mr. Perry was not a defendant.

Several of the biggest donors to Restore Our Future, the super PAC backing Mr. Romney, share the candidate's Mormon faith. A quartet of companies connected to Melaleuca, a company based in Idaho that makes nutritional supplements and home care products, donated a combined \$1 million to Restore Our Future.

The company is headed by Frank VanderSloot, a national finance co-chairman of the Romney campaign and a graduate of Brigham Young University, Mr. Romney's alma mater. "I am very concerned about the direction of the country and especially the administration's constant attacks on free enterprise," Mr. VanderSloot said in an e-mail.

Many of the biggest givers to the pro-Romney super PAC hail from the world of finance, particularly private equity and hedge funds. Julian H. Robertson Jr., who has given at least \$1.25 million to Restore Our Future, is considered one of the godfathers of the hedge fund industry.

A few of the superdonors are friends: Foster S. Friess, the chief donor to the Red White and Blue Fund, a super PAC backing Rick Santorum, occasionally spars with Mr. Adelson over his support for Mr. Gingrich's super PAC. "Sheldon's prime motivation is his love for Israel, which I share," Mr. Friess said, adding that he had spoken to Mr. Adelson recently. "But my motivation is, I owe this country so much."

Jim Rutenberg contributed reporting.

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Who's Financing the 'Super PACs'

A look at the major donors to "super PACs" during the 2012 campaign cycle. Unlike candidates, who can raise a maximum of \$2,500 per person for each election, super PACs are independent from candidates and can raise unlimited amounts from individuals, corporations and labor unions, and spend unlimited amounts to support or oppose a candidate. The Times is updating this list as groups file their January fund-raising reports with the Federal Election Commission on Feb. 20.

Super PAC

Photos indicate groups run or advised by candidate's former staff or associates

Major donors

Individuals or corporations who gave \$25,000 or more. Those who made all or part of their donations in Jan. 2012 are shown in yellow.

Share from large donors Donations of \$25,000 or more

97%

Raised campaign to date

\$36.8 mil.

Through Jan. 31

Raised in Jan. 2012

\$6.6 mil.

Restore Our Future

A super PAC created by former aides to Mtt Romney. It has spent much of its money running ads attacking New t Gingrich.



 View Latest Filing at FEC.gov »

Julian Robertson	\$1.3 m	il.
Founder of Tiger Man		

Edward Conard \$1.0 mil.

Investor and former top executive at Bain Capital, the private equity firm Mr. Romney helped start.

Eli Publishing Inc. \$1.0 mil.

Shares a Provo, Utah, address with F8 LLC.

F8 LLC \$1.0 mil.

Shares a Provo. Utah. address with Eli Publishing Inc.

\$1.0 mil. Melaleuca

An Idaho-based health and wellness products company, donations were made under the names of four associated companies.

\$1.0 mil. Robert Mercer

Co-chief executive at Renaissance Technologies Corp., a hedge fund company.

\$1.0 mil. John Paulson

Founder of the hedge fund Paulson & Company. Well known for earning billions of dollars betting against the subprime mortgage market.

Bob Perry \$1.0 mil.

Houston homebuilder who was a major financier of Swift Boat Veterans for Truth in 2004.

Rooney Holdings Inc. \$1.0 mil.

Private investment firm based in Tulsa, Okla. Its chief executive is Francis Rooney, a former U.S. Ambassador to the Vatican.

Paul Singer \$1.0 mil.

Manager of Elliot Associates hedge fund.

Show 203 More

American Crossroads

This super PACwas active in many No known Congressional races candidate **Harold Simmons**

Dallas billionaire who was among the top donors to Gov. Rick Perry of Texas.

\$10.0 mil. 99% \$23.4 mil.

\$5.1 mil.

Through Jan. 31

during the 2010 ties midterm elections and has Karl Rove as its senior adviser. Crossroads GPS, a 501(c)(4) nonprofit group that is affiliated with the super PAC and does not have to disclose its donors, has spent at least \$20 million on ads criticizing President

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Bob J. Perry		\$2.5 mil.

Houston homebuilder who was a major financier of Swift Boat Veterans for Truth in 2004.

Contran Corporation \$2.0 mil.

Private holding company owned by Harold Simmons, a Dallas billionaire who has been among the top donors to Gov. Rick Perry of Texas

Jerry Perenchio Living Trust \$2.0 mil.

Affiliated with Jerry Perenchio, the chief executive of Chartwell Partners.

Robert B. Rowling \$1.0 mil.

Chief executive of TRT Holdings Inc.

Whiteco Industries, Inc. \$1.0 mil.

Outdoor advertising company.

Crow Holdings, LLC \$500,000

Areal estate investment firm headed by the Trammell Crow family of Dallas.

Philip H. Geier \$500,000 Chairman emeritus of The Geier Group.

Kenny A. Troutt \$500,000

Founder of the telecom company Excel Communications.

\$425,000 **Alliance Management Holdings**

Coal producer run by Joseph W. Craft III, a Tulsa businessman.

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Winning Our Future

This super PACwas created by Becky Burkett, the former chief development officer for American Solutions, a PAC that New t Gingrich founded.



Newt Gingrich

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Sheldon Adelson

Billionaire casino owner and Mr. Gingrich's longtime friend

and patron.

Miriam Adelson

Wife of Sheldon Adelson.

Harold Simmons

Dallas billionaire who has also been among Mr. Perry's top donors.

Sivan Ochshorn

The youngest daughter of Miriam Adelson, who reportedly contributed at least \$10 million to the super PAC with her husband Sheldon Adelson in January, after the current reporting period.

W.S. Propst

An Alabama real estate investor.

Margaret C. Caveney

Homemaker in North Palm Beach, Fla.

Oren Lukatz

Husband of Yasmin Lukatz

Yasmin Lukatz

Daughter of Miriam Adelson.

Michael E. Martino

Portfolio manager at Mason Capital Management.

Stephen Muss

Mami real estate developer.

Make Us Great Again

A super PAC that was supporting Gov. Rick Perry of Texas before he left the race, headed by Mike Toomey, Mr. Perry's



Rick Perry

former chief of staff. View Latest Filing at FEC.gov »

Contran Corporation

Private holding company owned by Harold Simmons, a Dallas billionaire who has been among the top donors to Gov. Rick Perry of Texas.

S. Javaid Anwar

President of Mdland Energy, a West Texas energy company. Filings with the Federal Election Commission from last November show that the campaign of Gov. Rick Perry owed Mr. Anwar \$66,362.50 in travel debts, apparently for use of a

\$1.0 mil.

\$5.0 mil.

\$5.0 mil.

\$1.0 mil.

\$500,000

\$500,000

\$250,000

\$250,000

\$250,000

\$100,000

\$100,000

\$250,000

99%

\$13.1 mil. \$11.0 mil.

Through Jan. 31

97%

Jan. 2012 report

\$5.5 mil. Through Dec. 31 not yet available

private jet. The latest filings show the debt to be paid.	
Tony Buzbee Personal injury lawyer at Buzbee Law Firm.	\$250,000
Darwin A. Deason Billionaire entrepreneur who founded Affiliated Computer Services, an information technology firm.	\$250,000
Brint Ryan Founder and chief executive of the Ryan LLC accounting firm.	\$250,000
Kelcy L. Warren Chief executive and chairman of the board of Energy Transfer Partners, a Texas-based energy company.	\$250,000
Mike Toomey Founder of the super PAC; lobbyist, former legislator and one- time chief of staff to Mr. Perry of Texas.	\$102,174
Stephen I. Chazen President and chief operating officer of Occidental Petroleum Corp.	\$100,000
Paul L. Foster Chairman of Western Refining Company, a Texas oil refiner and marketer. Mr. Foster spent almost \$20,000 flying Gov. Perry to a trade meeting in Mexico, where the governor asked Mexican energy officials to consider more joint ventures with Texas oil companies.	\$100,000
David L. Haug Co-owner of Arctas Capital Group, an energy-sector investment firm.	\$100,000

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Priorities USA Action

Bill Burton, a former Obama White House aide, heads this Democratic super PAC, which has not been as active as its Republican



counterparts.

View Latest Filing at FEC.gov »

Jeffrey Katzenberg Chief executive of Dreamworks Animation.	\$2.0 mil.	
Service Employees International Union Labor union with 2.1 million members.	\$1.0 mil.	
Fred Eychaner An Obama bundler and Chicago media mogul.	\$500,000	
Priorities USA A501(c)4 group connected with the super PAC that does not have to disclose its donors.	\$215,234	
William E. Little Chairman of George Little Management, an organizer of trade shows.	\$150,000	
John C. Law Managing director of Warland Investments Company.	\$100,000	
Steven Spielberg Film director and co-principal of Dreamworks Animation.	\$100,000	
J. J. Abrams Film director and producer; directed 'Star Trek' and 'Mission Impossible III.'	\$50,000	
American Association for Justice PAC Atrial lawyers' association.	\$50,000	
Kathleen McGrath Producer; married to J.J. Abrams.	\$50,000	

Show 3 More

American Bridge 21st Century

A Democratic-leaning super PAC founded by David Brock, the Democratic operative and activist. The group

No known candidate ties

American Federation of State, County and Municipal **Employees**

Public services employees union.

American Bridge 21st Century Foundation

A501(c)4 group connected with the super PAC that does not have to disclose its donors.

\$375,000

\$222,926

97%

\$4.5 mil.

Through Jan. 31

\$58,816

96%

Jan. 2012 report not yet available

\$3.7 mil. Through Dec. 31 has a non-profit arm American Bridge 21st Century **Foundation**

View Latest Filing at FEC.gov »

Anne G. Earhart Investor, Corona del Mar, Calif.	\$200,000	
Paul Egerman Co-founder of eScription Inc. and member of a committee that advises the Department of Health and Human Services.	\$200,000	
Peter B. Lewis Chairman of Progressive Insurance Company.	\$200,000	
Stephen Bing Movie producer.	\$150,000	
Lee Fikes President, Bonanza Oil Company.	\$150,000	
AFL-CIO Worker's Voices PAC PAC of the labor union federation.	\$100,000	
American Federation of State County and Municipal Employees Public services employees union.	\$100,000	
Nancy Beeuwkes Retired, Concord, Mass.	\$100,000	

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Endorse Liberty

Endorse Liberty

supports Ron Paul's No known campaign and has candidate spent money on online ties

View Latest Filing at FEC.gov »

Peter Thiel

Stephen Oskoui

Founder and chief executive of Smiley Media, an Internet advertising company.

Gunter Marksteiner

Florida television station owner.

Scott Banister

Technology entrepreneur and investor; a founder of IronPort, a Web security appliance provider.

Technology entrepreneur, venture capitalist, a founder of PayPal and Clarium Capital Management.

\$2.6 mil.

\$471,230

\$163,252

\$50,000

\$250,000

\$100,000

\$100,000

\$100,000

\$50,000

\$50,000

\$50,000

\$50,000

\$37,500

Our Destiny

This super PAC supported Jon M Huntsman Jr. before he left the race. A former Huntsman campaign aide, Fred Davis, helps run the committee.



Huntsman Jr.

View Latest Filing at FEC.gov »

Jon	М.	Huntsman Sr.	
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Father of Jon M. Huntsman Jr. and executive chairman of the Huntsman Corporation.

Robert D. Arnott

Chairman of Research Affiliates, an investment management firm in Newport Beach, Calif.

A. Jerrold Perenchio

Billionaire and former chairman of Univision

James R. Swartz

Founding partner of Accel Partners, a venture capital firm.

Jim Walton

Chairman and chief executive of Arvest Bank Group and son of Sam Walton, the founder of Walmart.

C. Boyden Gray

Washington lawyer, former diplomat and White House counsel in the first Bush administration.

William E. Oberndorf

Founding partner of SPO Partners, an investment firm.

Nicholas F. Taubman

President of Mozart Investments and former ambassador to Romania.

Christy R. Walton

Philanthropist and widow of John Walton, Walmart founder's

Craig McCaw

Cellphone pioneer and founder of McCaw Cellular and Clearwire

\$2.2 mil.

96%

97%

\$3.2 mil.

\$485,685

Through Jan. 31

\$3.4 mil.

Through Jan. 31

\$2.4 mil.

FreedomWorks for America This committee is a	Freedomworks A501(c)4 group connected with the super PAC that does not have to disclose its donors.	\$1.4 mil.	68%	\$3.0 mil. Through Jan. 31	\$347,112
wing of No known Freedom/Norks, a candidate nonprofit organization ties ed by Dick Armey, the former House majority	Crow Holdings, LLC Areal estate investment firm headed by the Trammell Crow family of Dallas.	\$250,000			
eader. View Latest Filing at FEC.gov »	Richard Uihlein Chief executive of U-Line, a Wisconsin freezer company.	\$250,000			
	Donald Oeters Owner of EnterTRAINment Junction in Cincinnati, Ohio.	\$150,000			
	Foster Friess Wealthy mutual fund manager who supports Christian and conservative causes. Major investor in the Daily Caller news website led by Tucker Carlson.	\$100,000			
	Myrna Darland Wife of Michae Darland of Bellevue, co-founder of Digital Systems Inc., a telecommunications company.	\$50,000			
	Conway Ivy Retired, Beaufort, S.C.	\$50,000			
	Ann Kerchville Chairman and chief executive of Kercheville & Company	\$50,000			
	Herbert Siegel Retired media investor, New York.	\$25,000			
	William Siegel Private investor, son of Herbert Siegel.	\$25,000			
House Majority PAC A super PAC	Laborers' Political League Education Fund Labor group.	\$350,000	97%	\$3.0 mil. Through Dec. 31	Jan. 2012 repo not yet availabl
established to support No known Democratic House candidate members and ties candidates.	International Association of Fire Fighters FIREPAC PAC of a labor union representing firefighters.	\$250,000			
* View Latest Filing at FEC.gov »	American Federation of Teachers AFL-CIO Committee on Political Education PAC of the American Federation of Teachers.	\$200,000			
	DRIVE - Democrat Republican Independent Voter Education PAC of the International Brotherhood of Teamsters labor union.	\$200,000			
	United Food & Commercial Workers International Union Active Ballot Club PAC of the food industry union.	\$200,000			
	Service Employees International Union COPE PAC of the labor union.	\$185,000			
	Fred Eychaner Chief executive of Newsweb Corporation	\$150,000			
	Working for Working Americans - Federal Account Super PAC of the United Brotherhood of Carpenters and Joiners.	\$125,000			
	American Association for Justice PAC PAC of the trial lawyer association.	\$100,000			
	International Brotherhood of Electrical Workers PAC PAC of the trade union.	\$100,000			
	Show 5 More				
Red White and Blue					

inis comπιτee. founded by a former low a adviser to former Senator Rick Santorum of Pennsylvania, is one of two super

PACs supporting his

candidacy.

Rick Santorum

View Latest Filing at FEC.gov »

Foster S. Friess

Wealthy mutual fund manager who supports Christian and conservative causes. Major investor in the Daily Caller news website led by Tucker Carlson.

Dr. John M. Templeton Jr.

\$265,000

\$1.0 mil

President and chairman of the John Templeton Foundation; former chairman of Let Freedom Ring, an independent conservative group that supported President Bush in 2004.

Kimber Manufacturing Inc.

\$100,000

AYonkers, N.Y., manufacturer of classic firearms.

Steven G. Mihaylo

\$55,000

Chairman and chief executive of iMergent, Inc., a provider of ecommerce software.

Richard F. Barry

\$50,000

Attorney in San Rafael, Calif.

Timothy Busch

\$50,000

Chief executive of Pacific Hospitality Group, a hotel developer.

Terrence R. Caster

\$50,000

Retired real estate developer.

Frank Hanna

\$50,000

Executive at FSH Capital.

Charles Parlato

\$25,000

President of C&C Shorelands, a real estate development company.

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Majority PAC

A super PAC established to support Democratic senators and candidates

No known candidate

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James H. Simons

Stephen L. Bing

\$500,000

92% \$2.5 mil.

Through Dec. 31

Jan. 2012 report not yet available

President of Euclidean Capital and Board Chair of

Renaissance Technologies Corp., a hedge fund company.

Movie producer, Encino, Calif.

Service Employees International Union COPE PAC of the labor union

\$250,000

\$250,000

DRIVE - Democrat Republican Independent Voter

\$200,000

Education PAC of the International Brotherhood of Teamsters labor

union.

Guy D. Gundlach

\$150,000

Retired, Las Vegas.

William E. Little Chairman of George Little Management, an organizer of trade

shows

\$150,000

American Association For Justice PAC

\$100,000

PAC of the trial lawyer association.

\$100,000

Stephen J. Cloobeck Chairman and chief executive of Diamond Resorts

International.

\$100,000

Elaine McKay Family Inv. LP Laguna Beach, Calif.

JHJM Nevada I. LLC

\$100,000

Linked to Stephen J. Cloobeck, chairman and chief executive of Diamond Resorts International, who made another \$100,000 contribution on his own.

Show 7 More

Americans for a Better Tomorrow, Tomorrow

Jan. 2012 report

ψ101,070 311100 the beginning of the year, for a total of ψ1,020, 121.

comedian Stephen candidate Colbert, and it ran ties advertisements in his home state, South Carolina, before the primary there in support of Herman Cain, who suspended his campaign in December

View Latest Filing at FEC.gov »

Unlike many of the other super PACs, the 9-9-9 Fund raised the bulk of its money from donations of less than \$200. Just one person gave \$5,000.

0% \$617,620

Through Dec. 31

Jan. 2012 report not yet available

9-9-9 Fund

This super PAC supported the candidacy of Herman Cain, the former chief executive of Godfather's Plzza, before he suspended his campaign in



December View Latest Filing at FEC.gov »

Restoring Prosperity Fund

This super PAC began as "Americans for No known Rick Perry," but candidate changed its name and ties spent money before the low a Straw Poll in August 2011.

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Harold Simmons

Dallas billionaire who was among the top donors to Gov. Rick Perry of Texas.

Dealer Computer Services Inc.

Houston-based computer manufacturer and supply company and part of Universal Computer Systems, headed by Robert T. Brockman

James Pitcock Jr.

Chairman and chief executive of Williams Brothers Construction Company, the largest highway contractor in Texas

Kenny A. Troutt

Founder of the telecom company Excel Communications.

Withers Energy Group LP

Texas-based company that develops energy management systems and products.

Anderson Columbia Company

Construction company headed by T. H. McRae.

Nathan Crain

President of Crain Information Systems.

George Mihlsten

Partner in the Los Angeles law office of Latham & Watkins LLP.

predicted the American subprime market and the European

ties television advertising time in crucial primary

No known

candidate

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Santa Rita SuperPAC

A Texas committee

that supports Ron

Paul's candidacy, this super PAC aims to buy

states like South Carolina.

Mark Hart

Founder of Corriente Advisors, a private investment firm; debt crises

Shannon Hart

Wife of Mark Hart, a hedge fund manager.

Donald B. Huffines

Dallas-based real estate developer.

Patrick Walker

Pathologist; Director of Nephropath laboratory in Little Rock, Ark.

David W. Tice

Investment fund manager and founder of the Prudent Bear Fund

Another super PAC supporting Rick Santorum for president.

\$75,000

conservative causes. Major investor in the Daily Caller news website led by Tucker Carlson.

Charles Parlato

\$25,000

\$433,256

Jan. 2012 report not yet available

Through Dec. 31

\$100,000

\$50,000

\$50,000

\$50,000

\$35,000

\$25,000

\$25,000

\$25,000

\$50,000

\$50,000

\$50,000

\$50,000

\$25,000

96%

100%

84%

Jan. 2012 report not yet available

\$234,096 Through Dec. 31

Leaders for Families

The second of two super PACs formed to No known support Rick candidate Santorum Its founders ties have ties to an organization opposed to same-sex marriage.

Super PAC

Red White and Blue Fund

\$50,000

Wealthy mutual fund manager who supports Christian and

\$150,050 Through Dec. 31

Jan. 2012 report not vet available

* View Latest Filing at FEC.gov »	President of C&C Shorelands, a real estate development company.	
By MATTHEW ERCSON, HAEYOUN PARK, ALICIA PARLAPIANO and DEREK WILLIS Send Feedback Source: Federal Election Commission		

Loose Border of 'Super PAC' and Campaign

By MIKE McINTIRE and MICHAEL LUO

Published: The Rew York Times, February 26, 2012, p. 1.

When <u>Mitt Romney</u>'s presidential campaign needs advice on direct mail strategies for reaching voters, it looks to <u>TargetPoint Consulting</u>. And when the independent "super PAC" supporting him needs voter research, it, too, goes to TargetPoint.

Sharing a consultant would seem to be an embodiment of coordination between a candidate and an independent group, something prohibited under federal law. But TargetPoint is just one of a handful of interconnected firms in the same office suite in Alexandria, Va., working for either the Romney campaign or the super PAC Restore Our Future.

Elsewhere in the same suite is <u>WWP Strategies</u>, whose co-founder is married to TargetPoint's chief executive and works for the Romney campaign. Across the conference room is the <u>Black Rock Group</u>, whose co-founder — a top Romney campaign official in 2008 — now helps run both Restore Our Future and <u>American Crossroads</u>, another independent group that spoke up in defense of Mr. Romney's candidacy in January. Finally, there is <u>Crossroads Media</u>, a media placement firm that works for American Crossroads and other Republican groups.

The overlapping roles and relationships of the consultants in Suite 555 at 66 Canal Center Plaza offer a case study in the fluidity and ineffectual enforcement of rules intended to prevent candidates from coordinating their activities with outside groups. And there has been a rising debate over the ascendancy of super PACs, which operate free of the contribution limits imposed on the candidates but are supposed to remain independent of them.

In practice, super PACs have become a way for candidates to bypass the limits by steering rich donors to these ostensibly independent groups, which function almost as adjuncts of the campaigns.

While insisting that the tangle of connections does not violate any laws, Alexander Gage, TargetPoint's founder, said he understood how it could look "ridiculous." His own firm had taken steps, he said, to prevent improprieties, including erecting "a fire wall" separating employees who work for the Romney campaign and the super PAC.

"We go to great lengths to make sure that we meet all legal requirements," he said. "I have removed myself personally from working on either Restore Our Future or Romney stuff because of this sort of potential conflict of interest."

The prohibition against candidates working in concert with independent political committees has its roots in Watergate-era reforms intended to prevent large donors from gaining improper influence over elected officials. But it has taken on added significance in the wake of recent court decisions that opened the spigot for unlimited contributions to the independent groups.

Super PACs have collected more than \$100 million so far, much of it from a relatively small collection of well-heeled individuals or companies who are free to give millions to these outside

groups but no more than a few thousand dollars to a candidate's own committees. Those unlimited contributions are fueling a barrage of negative advertising in the Republican primaries.

But while the Federal Election Commission has established elaborate, though narrow, guidelines for determining whether the creation of a specific campaign advertisement violates the coordination ban, it has not focused on other kinds of activities between all PACs and candidates. Rules the commission adopted in 2003, still on the books, allow for regulation of this gray area, but they have been largely ignored.

"Most of the focus so far has been on the ads, but there may be a lot of other activity that is being coordinated between the campaigns and the super PACs that could be seen as resulting in a benefit to the campaign," said Lawrence M. Noble, a campaign-finance lawyer at Skadden, Arps and a former general counsel for the election commission.

The regulations on coordination include a general prohibition on expenditures "made in cooperation, consultation or concert with, or at the request or suggestion" of candidates and their representatives. The commission's records show that when devising this rule, it turned aside pleas from political groups to limit enforcement only to ads, saying such a narrow focus was not what Congress intended.

Nine years later, however, there is little evidence that the commission has followed through on this intent.

The commission, made up of three Republicans and three Democrats, has long been divided along partisan lines on how far to go in enforcing rules on coordinated expenditures, often resulting in paralysis.

Last fall, the commission was asked by American Crossroads if it could broadcast certain ads, "fully coordinated" with a candidate, who would be consulted about the script and appear in the advertisement. The group argued that it would not be improper as long as the ad ran outside of a time window established by the commission for "electioneering communications."

The commission deadlocked and could reach no conclusion.

"The campaigns know the F.E.C. isn't going to enforce the law, and so they've decided to do whatever they want," said Fred Wertheimer, whose watchdog group, <u>Democracy 21</u>, has complained to the Justice Department about the lack of enforcement. "What is going on is just absurd."

The commission declined to comment for this article.

From the start, there has been no doubt that the super PACs are closely entwined with the candidates they support.

<u>Priorities USA Action</u>, which supports President Obama, was formed by two former White House aides, and Obama administration officials are helping it raise money. A former top aide to Newt Gingrich helps run a pro-Gingrich super PAC, <u>Winning Our Future</u>. And Foster S. Friess, a major donor to Rick Santorum's super PAC, often travels with the candidate.

Mr. Romney has often blurred the distinction between his campaign and Restore Our Future. Last summer, discussing a large donation to the super PAC by one of his former business partners, Mr. Romney characterized it as a donation to himself. He appeared at a fund-raiser for Restore Our Future and has publicly encouraged people to donate to it.

Campaign spending reports filed by both the super PAC and the Romney campaign shed additional light on just how closely interconnected the two entities are.

Restore Our Future, for example, has paid TargetPoint Consulting nearly \$350,000 for survey research. Meanwhile, the Romney campaign has paid TargetPoint nearly \$200,000 for direct mail consulting. In one instance, the campaign and the super PAC paid TargetPoint on the same day.

Mr. Gage, a senior strategist in Mr. Romney's 2008 campaign, is married to Katie Packer Gage, a deputy campaign manager of the current Romney campaign. The campaign has paid her firm, WWP Strategies, nearly \$250,000 for strategy consulting.

Both of their companies share an office suite with the Black Rock Group, a political consulting firm co-founded by Carl Forti, who worked as political director for Mr. Romney's 2008 campaign and helps direct Restore Our Future. The super PAC has paid Black Rock about \$21,000 for communications consulting.

Mr. Forti declined to comment. Mr. Gage said that his firm had a separate work space from Black Rock, divided by a conference room. "It's not like we're a commingled office," he said.

His wife's office for WWP Strategies is in the same area as TargetPoint's, he said, but she has been working out of the Romney headquarters in Boston for the most part. Mr. Gage said they do not discuss the campaign.

Gail Gitcho, a spokeswoman for the Romney campaign, said the campaign followed both the letter and the spirit of the law on coordination.

"We know the law," she said, "and we abide by it scrupulously."

The spending reports suggest that the Romney campaign and the super PAC, if not coordinating, have been closely following each other's fund-raising events, though Ms. Gitcho emphasized that no joint fund-raisers had been held.

Last summer, the super PAC and the Romney campaign employed <u>Creative Edge Parties</u>, a New York catering company, and each sent it a payment on the same day: the super PAC gave a check for \$1,676 for a "fund-raising event," while the Romney campaign sent \$1,584 for "facility rental/catering services."

On another occasion, Restore Our Future paid \$1,500 as a fund-raising expense to the Waldorf Astoria in New York, where the Romney campaign held a fund-raiser in December. Around the same time, the Romney campaign paid the Waldorf \$19,000 for "facility rental/catering services" and lodging.

And in mid-July, Restore Our Future wrote two checks to Sandie Tillotson, a cosmetics executive and a friend of Mr. Romney, reimbursing her for "event costs," which appear to be associated with a fund-raiser held in her apartment on the top floor of the north tower of the Time Warner Center in Manhattan. Several weeks later, the Romney campaign also sent a check to the residential board of Ms. Tillotson's building, which is home as well to the Mandarin Oriental hotel, for "facility rental/catering services." (The campaign had a fund-raiser at the hotel on July 19.)

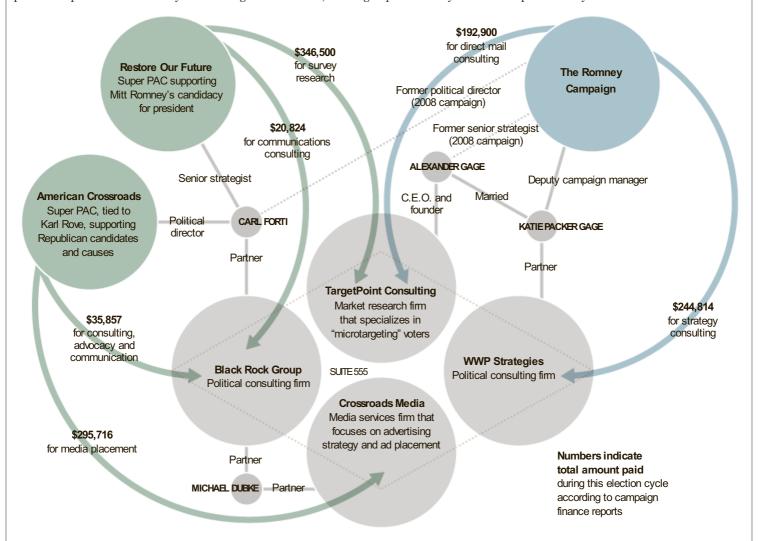
The overlapping connections of American Crossroads, the independent group tied to Karl Rove, with the Alexandria office suite are likely to draw more scrutiny in the general election, should Mr. Romney win the nomination. Mr. Forti is the group's political director, and Crossroads is expected to be a big player in November.

While American Crossroads has not officially endorsed a candidate, it has been seen by some as tacitly supporting Mr. Romney. It issued a memorandum last month defending his electability in the face of attacks by the Obama campaign. That was soon followed by another, saying its earlier note "probably should have been clearer" that the group remained neutral in the Republican primaries.

A version of this article appeared in print on February 26, 2012, on page A1 of the New York edition with the headline: Fine Line Between 'Super PACs' and Campaigns.

66 Canal Center Plaza, Suite 555

In a single office suite in Alexandria, Va., firms hired by "super PACs" share the same space as consultants hired by the Romney campaign. Federal law prohibits super PACs from directly coordinating with candidates, but the groups share many ties and have paid for many similar services. Related Article »



Subtler Entry From Masters of Attack Ads



Luke Sharrett for The New York Times

Steven J. Law of Crossroads GPS said a new ad was aimed at voters who may like President Obama but are disillusioned.

By JEREMY W. PETERS

Published: May 22, 2012, The Rew York Times National Edition, A1.

WASHINGTON — The ad is the work of two of the most fearsome players in Republican politics: Larry McCarthy, the producer behind the infamous Willie Horton commercial in 1988, and Crossroads GPS, the political battle squad founded by <u>Karl Rove</u>.

The commercial features a woman ruing that the poor economy has forced her adult children to move back in.

When it makes its debut Wednesday in 10 swing states as the centerpiece of a \$25 million campaign, it is expected to become one of the most heavily broadcast political commercials of this phase of the general election.

Yet what Mr. McCarthy and Crossroads have produced is not the kind of searing denunciation of President Obama that their track records would suggest. More soft-pedal than Swift Boat, the 60-second advertisement, complete with special effects, is a deeply researched, delicately worded story of a struggling family; its relatively low-key tone is all the more striking, coming at a point in the campaign when each side is accusing the other of excessive negativity.

Behind the story of the ad's creation rests one of the greatest challenges for Republicans in this election: how to develop a powerful line of attack against a president who remains well liked even by people who are considering voting against him.

The concept for the newest advertisement and even some of the lines in the script were culled directly from focus groups of undecided and sometimes torn voters that were held over nearly a year. As Crossroads strategists would learn after 18 different focus groups and field tests, from Missouri to Colorado to Ohio to Florida, the harshest anti-Obama jabs backfire with many Americans.

Middle-of-the-road voters who said they thought the country was on the wrong track were unmoved when they heard arguments that the president lacks integrity. And they did not buy assertions that he is a rabid partisan with a radical liberal agenda that is wrecking America.

"They are not interested in being told they made a horrible mistake," said Steven J. Law, president of Crossroads GPS and the affiliated "<u>super PAC</u>," American Crossroads. "The disappointment they're now experiencing has to be handled carefully."

In interviews with voters, Crossroads strategists picked up on some common sentiments that they concluded could provide a clear rationale for voters to deny Mr. Obama a second term.

Some said they felt that the president was an eloquent communicator, but that his actions had failed to live up to his words. They said they thought the country's budget problems had gotten out of hand, yet the government kept spending recklessly — like someone with maxed-out credit cards. And they reported being worried that their children would not have the same opportunities to get ahead as they had.

All these thoughts made their way into Mr. McCarthy's script. But one exchange in particular, at a focus group in St. Louis in October, gave Mr. McCarthy and Mr. Law the idea for the ad, which they named, innocuously enough, "Basketball."

A woman described how her 32-year-old son, burdened by <u>student loans</u> and unable to make ends meet, had moved back home. "That particular group had several women who basically told the same story," Mr. McCarthy said.

The script, which he started writing that day in October, features a composite character from the focus groups. "Kind of like President Obama's girlfriends," he noted dryly, referring to Mr. Obama's acknowledgment that a girlfriend he referred to in his book "Dreams From My Father" was a composite of several women he knew.

The ad opens with a woman talking about her family's financial woes. "I always loved watching the kids play basketball," the actress says, her voice heavy with worry as she glances out at her backyard. "I still do, even though things have changed."

Her face quickly morphs into an old woman's. Her skin is wrinkled, her hair gray. She explains how her adult children have moved back into the house because they are unable to find jobs. And she is not sure she can afford to retire now.

"I supported President Obama because he spoke so beautifully," she says. "He promised change. But things changed for the worse."

Ben LaBolt, a spokesman for the Obama campaign, dismissed the commercial's premise. "However many millions Mitt Romney's special interest allies spend won't change the facts," he said, noting that the economy has strengthened considerably since 2008.

In previous presidential campaigns, Republicans have relished mocking their Democratic opponents. They made commercials with video of Michael S. Dukakis riding in a tank wearing an oversize helmet, leaving viewers with images that many thought made him look silly and unpresidential.

They used pictures of Senator John Kerry windsurfing to create ads that ridiculed him as a flip-flopper. Bill Clinton, with his admission of drug use, accusations of draft dodging and extramarital affairs, was easily lampooned.

But Republicans acknowledge that they have always faced a more complicated target in Mr. Obama, whose candidacy four years ago struck a deep emotional chord with many Americans.

That is why the Crossroads ad features a heavy repetition of the word "change." Many participants in the focus groups cited the Obama mantra of hope and change as a reason they supported him in 2008, but they said they now felt let down.

"Criticizing President Obama is a challenging proposition in terms of ads because a lot of your swing voters this year voted for him in 2008," Mr. McCarthy said. "They genuinely liked him, they thought he had the right message, they thought he was different."

"Basketball" is similar in its message and tone to a commercial Mr. McCarthy produced for Crossroads last year called "Wake Up." That ad opens with a shot of a clock showing the time as 3:01 a.m., a nod to the famous "3 a.m." ad that Hillary Rodham Clinton used in 2008 to try to portray Mr. Obama as unprepared for the presidency.

The actress in "Wake Up" says, "Sometimes it's hard to sleep," as she climbs out of bed to check on her sleeping daughter. "Lately, I worry a lot about my kids. What's their future going to be like?" The ad tested higher with voters than any Crossroads had ever produced.

Using actors is not a common tactic for political attack ads, which often rely on stern-sounding announcers to recite a series of damning facts or on testimonials from aggrieved citizens, like a recent series from the Obama campaign that questions Mr. Romney's history as a private equity executive.

But in this case, Crossroads felt that a scripted story would soften a tough message about complicated issues.

"The challenge is obviously that the issues we want to talk about — health care, the economy, debt — it's not like kittens and adoption. They're tough issues to communicate in a warm way," Mr. Law said.

A fictional family also allowed for more creative flexibility in creating a rebuttal to the president's message that although things may not be great, the country is moving in the right direction.

The alternative point of view the Republican strategists are trying to sell to voters is a hard truth wrapped in soft packaging: even though the headlines might be looking good now, the American dream is still in tatters.

"There are some who believe he's made things worse; then there's a larger group of people who are upset at him because he hasn't fixed these problems," Mr. Law said. "And the larger point of these ads is that the agenda he's pursued has not made things better."

A version of this article appeared in print on May 22, 2012, on page A16 of the New York edition with the headline: Masters of Attack Ads Take Subtle Shot at Obama.

At 40, Steering the Right's Vast Money Machine



Jay Westcott/Politico
Carl Forti will direct at least \$400 million in political money.

By NICHOLAS CONFESSORE

Published: The New York Times National Edition, July 22, 2012, p. A1+

The most influential political strategist of the 2012 campaign works out of an unmarked suite in an anonymous office park in suburban Virginia, a few floors above a Japanese-themed steakhouse. He does not work for one of the presidential campaigns. He is not a pundit.

But Carl Forti, a low-profile Buffalo native who served as the political director of Mitt Romney's first White House campaign, will deploy at least \$400 million in political money this season, more than Senator John McCain spent running for president in 2008.

After years in the Republican Party trenches, Mr. Forti, 40, is now a consultant and strategist for the biggest of the outside groups and "<u>super PACs</u>" that are rapidly displacing parties as the means for raising and spending vast amounts of political money.

In those roles, his work embodies the coordinated punch brought by like-minded groups to the effort to oust President Obama and give Republicans full control of Congress.

And as a veteran of Mr. Romney's inner circle, he brings to the effort a keen understanding of the Romney campaign's needs even as he is barred by campaign finance law from working directly with it.

Mr. Forti is the political director of <u>American Crossroads</u>, the super PAC founded by his mentor, Karl Rove; Mr. Forti's firm, the <u>Black Rock Group</u>, is a consultant to tax-exempt groups like the <u>60 Plus Association</u>, which are expected to spend millions of dollars on ads this fall; and he is a founder of Restore Our Future, the super PAC that helped Mr. Romney in his bid for this year's Republican presidential nomination.

Now, with Mr. Romney prohibited from spending much of the cash he is raising until after the Republican convention in August, Mr. Forti and his clients are filling in the breach: Crossroads Grassroots Policy Strategies, Restore Our Future and other Forti-linked groups have spent at least \$35 million on advertising in 17 states against Mr. Obama since early April, according to the Campaign Media Analysis Group.

On Thursday, American Crossroads announced that it would begin a \$9 million, nine-state campaign defending Mr. Romney against the Obama campaign's attacks on his tenure at Bain Capital. The ads signify a pronounced shift in strategy for Crossroads, which has spent heavily on advertising attacking Mr. Obama, and demonstrate how super PACs and outside groups can synchronize with the candidates they support without violating federal rules that prohibit direct coordination.

"What happened to Barack Obama?" the narrator in the ad asks. "The press and even Democrats say his attacks on Mitt Romney's business record are misleading, unfair and untrue."

Mr. Rove and others crisscross the country raising most of the money, tapping a network of wealthy conservatives and business executives determined to see Mr. Obama defeated. But at Crossroads and Restore Our Future, it is chiefly Mr. Forti who figures out how to spend it.

Drawing on his political acumen and knowledge of the swing-state political terrain built over three election cycles at the National Republican Campaign Committee, which oversees Republican strategy for House races, Mr. Forti trolls through reams of polling data, picks targets, approves scripts and helps negotiate with television stations for airtime in significant markets.

Most of the advertising has been placed through a company called Crossroads Media, founded by one of Mr. Forti's Black Rock partners and housed in the same office suite. So far this cycle, Crossroads and Restore Our Future have broadcast ads in about 40 Senate and House races as well as the presidential race, officials at the groups said, a breadth unmatched in the world of independent spending.

"We came up through the party infrastructure, where you are forced to look at the entire national battlefield," said Brian O. Walsh, a friend and former colleague of Mr. Forti's who directs the <u>American Action Network</u>, a tax-exempt group closely allied with Crossroads.

American Crossroads and its tax-exempt affiliate, Crossroads GPS, are expected to spend \$300 million on the presidential campaign and Senate races; Restore Our Future is planning to raise at least \$100 million and possibly more. Americans for Job Security, a tax-exempt trade association that spent \$9 million in 2010 but is not required to release the names of its donors, shares office space with Black Rock and retains one of Mr. Forti's partners as a consultant.

Mr. Forti, whose clients prize his discretion almost as much as his expertise, declined to be interviewed for this article. But he is well known to watchdog groups tracking the explosive growth of outside spending this year — and is feared by the Democratic candidates who have been pummeled by Crossroads ads.

"He's pretty good at keeping his name out of the papers," said Melanie Sloan, the executive director of <u>Citizens for Responsibility and Ethics in Washington</u>. "He needs big donors to know he's there — and no one else."

Mr. Forti also helps lead a monthly meeting known as the Weaver Terrace Group, where officials from a variety of conservative groups, like the American Action Network, gather at the Crossroads offices to plan their political spending. (Several other groups that attend, like <u>Americans for Tax Reform</u> and the Republican Jewish Coalition, have also received large grants from Crossroads, enabling them to run their own large-issue ad campaigns.)

The meetings allow an extraordinary level of coordination on the right: over the last month or so, conservative groups have taken turns pounding Mr. Obama in critical states like Florida, Iowa and Michigan, the advertising buys dovetailing to ensure a constant barrage. And the enormous budgets that Crossroads and its allies now command allow for high-quality advertising with production values on a par with presidential campaigns, said several consultants who work for outside groups.

Mr. Forti's own career is a case study in the evolution of unrestricted money and outside groups from the margins to the mainstream of American politics. He spent seven and a half years at the House campaign committee. In his last year, 2006, he supervised its \$80 million "independent expenditure" campaign, so called because the spending is financed by the party but cannot be coordinated with the party's candidates.

Congressional scandals and the war in Iraq helped turn that election into a Democratic rout, with Republicans losing control of the House of Representatives. But the effort cemented Mr. Forti's reputation as a master of the complicated legal and logistical demands of independent spending.

"He's a Gatling gun," said Thomas M. Reynolds, a former Republican congressman from New York who was the chairman of the House committee that year. "He's got multiple races going at any given time. Carl's unflappable, disciplined and focused."

During the race for the 2008 Republican presidential nomination, Mr. Forti was Mr. Romney's political director, serving alongside the two men with whom he founded Restore Our Future last year: Charles R. Spies, the campaign's chief counsel, and Larry McCarthy, a veteran ad creator. When Mr. Romney dropped out of the 2008 race, Mr. Forti signed on with Freedom's Watch, a conservative group that spent at least \$30 million in an effort to counterbalance liberal groups like MoveOn.org.

Mr. Forti has often worked at the edge of the regulatory envelope that governs outside spending. Freedom's Watch ignored a demand from the Federal Election Commission that it disclose its finances, after reports that the casino billionaire Sheldon Adelson had provided virtually all of the group's financing and was directing its political spending, a circumstance that would normally have stripped the tax-exempt group of its right to keep its donors private. (The

commission's Republican and Democratic members deadlocked on pursuing the investigation,

leaving the group's finances undisclosed.) In 2009, after Mr. Forti founded the Black Rock Group with two other Republican consultants,

the company sought a legal opinion from the election commission that would have allowed it to solicit money from donors and coordinate spending without registering as a political committee. The proposal, which would have allowed the donors to spend money on political advertising without being subject to contribution limits, was not approved.