



## Private Equity at Work - Defending an Industry in the Crosshairs of a Billion-Dollar Presidential Campaign

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The Glover Park Group and The Private Equity Growth Capital Council, Jan 1, 2013

**Summary:** 2013 Silver Anvil Award of Excellence Winner — Events and Observances - Seven or Fewer Days — Associations

Mitt Romney touted his business experience running Bain Capital as his primary qualification for President. His candidacy posed an urgent reputational threat to the private equity industry, which suddenly found itself at the center of the most well-financed campaign in the history of American politics.

The Private Equity Growth Capital Council (PEGCC) seized the task of defending the industry's reputation with the launch of "Private Equity at Work," a proactive, highly-targeted and innovative education campaign that combined traditional advocacy with the power of new media to balance the flow of information and communicate the industry's value to key audiences.

Events and observances (seven or fewer days) includes programs or events scheduled for one to seven consecutive days (not including planning and preparation). Events may include commemorations, observances, openings, celebrations or other special activities, and must occur within a time span of one week. The association subcategory includes trade and industry groups, professional societies, chambers of commerce and similar organizations.

### Full Text: **SUMMARY**

#### **The Situation**

The private equity industry has always preferred to keep their collective heads down – hence the term "private." But that all changed in 2012 as the industry found itself in the crosshairs of the most well-financed presidential campaign in the history of American politics. As a result, private equity was forced into the eye of a political storm, opening the industry to an unprecedented level of scrutiny. The task of defending private equity's reputation fell to the industry's trade association, The Private Equity Growth Capital Council (PEGCC), which recognized and began preparing for the threat of a Romney candidacy in early 2011, well before the first votes were cast. With a staff of just 10, the PEGCC partnered with The Glover Park Group to develop and execute a targeted public-facing campaign on the industry's behalf. From the outset, a single strategic question emerged: with a budget of \$2 million, how could we possibly compete with a billion dollar presidential campaign?

#### **Our Objective**

We knew Gov. Romney's campaign would own the responsibility of defending his personal record, but not that of the industry. We also knew that being an effective voice for the industry required the discipline to stay above the political fray. *We quickly honed in on our charge: to defend the industry from broadside attacks that misrepresented our value and our role in the economy.*

## **RESEARCH**

In December of 2011, the Private Equity Growth Capital Council commissioned public opinion research to benchmark public attitudes and perceptions of the industry, measure the impact of politically-motivated attacks on private equity and test and refine messages that best communicate the industry's value proposition. The research protocol was two-fold and consisted of:

1. A series of focus groups with PEMA (politically engaged, mass affluent) audiences, split by party ID, in Boston, MA, and Tampa, FL, and policy elites in Washington D.C.
2. A national online survey of 1,000 likely voters (margin of error +/- 3.1%); and 300 PEMAs (margin of error +/- 5.7%).

The research findings painted a very clear picture of how best to communicate the industry's value to our target audiences that was grounded in a single strategic insight: reframe the debate from "private equity" to "private equity investment".

Our campaign therefore focused on communicating the broad-based benefits of private equity investment, including its capacity to:

1. Drive economic growth;
2. Strengthen companies;
3. Improve U.S. competitiveness; and
4. Provide financial security to millions of Americans.

## **PLANNING**

### **The Campaign**

To narrow the resources gap, we conceived a far more targeted and substantive counteroffensive that combined traditional media relations with the power of the new media landscape. The result was "Private Equity at Work," a branded education campaign designed to balance the information flow about the industry, ground the debate in reality rather than political hyperbole and make it substantially more difficult for opponents to get away with caricaturing the industry or promoting punitive policies that would harm not just the industry, but the entire economy.

### **The Targets**

Understanding that we needed to spend our campaign dollars prudently, we became relentlessly focused on communicating to key audiences, including Beltway opinion elites and decision makers, PEMAs (politically engaged, mass affluent) nationally and political elites in presidential battleground states.

## **EXECUTION**

We also recognized that we needed to match our keen understanding of who we were targeting with a hyper-focused strategy for how we would target them. Our targeting strategy included earned, owned and paid communications that were geo-targeted inside the beltway and in presidential battleground states, contextually targeted to reorient audiences exposed to news articles and other content focusing on Romney and the industry, as well as searchtargeted to inform audiences actively seeking information about the industry.

### **The Launch**

The PEGCC launched Private Equity at Work on Feb. 2, on the heels of the first wave of negative criticism of the industry and ahead of several key battleground contests. The campaign was anchored by a new website, [www.PrivateEquityAtWork.com](http://www.PrivateEquityAtWork.com), and resource center featuring shareable educational content, industry data and an in-depth look at specific private equity investments that drive growth and create jobs. The launch of Private Equity at

Work garnered a wide range of national and D.C.-focused media coverage, including a lengthy feature that led Politico's Playbook by Mike Allen, the all-important early-morning newsfeed that Washingtonians wakes up to. Over the next 10 months, the campaign produced, released and garnered press coverage for nine more videos highlighting successful private equity investments.

### **Digital Media**

The search-optimized website was just the beginning of Private Equity at Work's online footprint. The campaign featured a daily blog, real time Twitter feed, dedicated YouTube channel, a Facebook page and shareable presentations cross-posted on SlideShare.net. Web traffic was driven largely by earned media coverage and digital and Facebook ad campaigns targeting our key audiences.

### **Rapid Response**

On April 11, MoveOn.org released a "chalkboard" video starring former Clinton Labor Secretary Robert Reich that heavily distorted the private equity business model. The PEGCC was armed and ready to respond with our own whiteboard video, which explained how the private equity business model works and how it drives economic growth, value creation and jobs. The video release led to a flurry of coverage in top tier publications and a huge spike in web traffic to the Private Equity at Work website and the campaign's YouTube channel. The video has been viewed more than 20,000 times. We also developed a positive working relationship with PolitiFact, an independent watchdog group, to discredit political attacks that mischaracterized aspects of the industry.

### **Obama Campaign Takes Aim**

Five days after the release of the whiteboard video, the president's reelection campaign released its first ad attacking Bain Capital in several campaign battleground states. Anticipating this moment, the PEGCC countered with state-specific data displayed in an infographic and interactive map that organized private equity investment by state and congressional district. Visual components allowed us to drive positive coverage in the very battleground states the president's campaign was targeting. We secured coverage in *The Columbus Dispatch*, *The Denver Post*, *The Las Vegas Review-Journal* and *The Miami Herald*.

With the campaign running on all cylinders, the fruits of our labor began to emerge. Only weeks after the president's campaign targeted private equity, it clarified its intent when several high profile surrogates came out in defense of private equity, including former President Bill Clinton and Newark Mayor Corey Booker. Deputy campaign manager and spokesperson for President Obama's reelection campaign Stephanie Cutter told reporters in an interview that, "No one is questioning the private equity industry as a whole."