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# Washington's Biggest Lobbyist, the U.S. Chamber of Commerce, Gets Shut Out

Chilly relations with both the White House and congressional Democrats leaves the chief advocacy group for American corporations struggling to adapt

By *Brody Mullins* [Follow](#) and *Alex Leary* [Follow](#)

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A month before his inauguration, and shortly after he had finished a round of golf with Tiger Woods, [Donald Trump](#) was introduced to an adviser of the U.S. Chamber of Commerce, the chief advocacy group for American corporations.

Stanton Anderson stood in the clubhouse of Mr. Trump's golf course in West Palm Beach, Fla., and extended his hand to the president-elect.

Mr. Trump refused it.

"You guys did everything to stop me," Mr. Trump said, his face reddening, according to two people who were there. "I haven't forgotten."

In the two years since, relations between Mr. Trump and Washington's biggest lobbying organization haven't much improved.

The chill has hurt the U.S. Chamber, which for decades was the unmatched voice of industry. Its revenue has dipped, spending on lobbying and elections has fallen, and its large-donor pool has shrunk.

After eight years tussling with the Obama administration, the chamber hoped a business-friendly administration would help reanimate its power. But Mr. Trump's populism has refashioned the GOP agenda, and that has cut against priorities of various chamber constituencies that oppose tariffs and view immigration as a useful labor supply.

"I feel they are not much of a force anymore," said U.S. Rep. Justin Amash (R., Mich.), a conservative Republican who has been at odds with the chamber. "I believe in free markets and am against cronyism and corporate welfare, and they support those things."

The chamber said in a statement: “Today, we are stronger than ever with the influence, expertise, partnerships, and long-term vision to drive our members’ agenda in every political environment and well into the future.”

The group has found little refuge across the aisle. “The chamber dug themselves into a deep, deep hole when they decided to become an arm of the Republican Party and even oppose moderate Democrats,” said Sen. Chuck Schumer, of New York, the top Democrat in the Senate.

Not long ago, corporations seeking a voice in elections and public-policy decisions had few options beyond the chamber. It represents about 80% of the Fortune 100 companies and commands a platoon of lobbyists. Since 1998, it has spent \$1.5 billion on lobbying, more than any other interest group and three times the amount spent by the next-largest.

The group now competes with dozens of super PACs and scores of advocacy coalitions—nimble lobbying operations that serve companies on specific legislative issues and then fade away.



President Trump and Treasury Secretary Steven Mnuchin, left, at a tax policy meeting in the White House on Oct. 31, 2017. Thomas Donohue, chief executive of the U.S. Chamber of Commerce, is facing Mr. Trump. EVAN VUCCI/ASSOCIATED PRESS

The chamber has drawn much of its money from older industries such as tobacco, oil and gas, transportation, defense and manufacturing. On their behalf, the chamber has battled environmental regulations, restrictions on cigarette packaging, workplace antidiscrimination rules and minimum-wage requirements.

Some of those fights have been opposed by other members, such as [CVS Health](#) Corp. and [Apple](#) Inc., both of which quit the chamber in recent years. That makes it hard to build a unified position that pleases everyone.

"If you are the big dog, how do you work to remain the big dog with so many little dogs chipping at your heels?" said David Rehr, a business lobbyist for 25 years and former president of the National Association of Broadcasters.

Chamber Chief Executive Officer Thomas Donohue, a pugnacious 80-year-old Irish Catholic from Brooklyn, isn't a fan of Mr. Trump's, according to people close to the chamber chief. Early in the 2016 primary season, Mr. Donohue, a vocal advocate of free enterprise, said on Bloomberg Television that Mr. Trump had "very little idea about what trade really is."

After Mr. Trump clinched the Republican nomination, the chamber ratcheted up criticism of his "America First" trade policies, warning that millions of jobs would be lost. The next day, at a campaign rally in Bangor, Maine, Mr. Trump said the chamber was "controlled totally by various groups of people that don't care about you whatsoever."

The chamber said Mr. Donohue, who wasn't made available for an interview, has since praised the president on many issues.

Weeks after Mr. Trump snubbed Mr. Anderson at the Trump International Golf Club in Florida, he was sworn in as president and invited a chamber executive to the White House to meet with advocacy groups about the Supreme Court nomination of Neil Gorsuch.

At the meeting, the president derided the executive as the "chamber guy," according to people familiar with the exchange. The chamber "wasn't very nice to me," Mr. Trump said, and he grumbled about criticism of his trade policy.

The chamber official responded that Mr. Trump and U.S. companies have plenty to agree on. The president said, "Tell your boss" that the two men, Messrs. Donohue and Trump, should move on.

Months later, Mr. Donohue was named to the Task Force on Apprenticeship Expansion, an advisory board run by the Labor Department.

"President Trump and the U.S. Chamber of Commerce share a vision of ensuring policies are in place that support a growing economy and the American worker," the White House said in a statement.

At a board meeting in Aventura, Fla., this March, executives complained about the absence of prominent Trump administration figures.

The same month, the Business Roundtable, a rival lobbying group, hosted Mr. Trump, Ivanka Trump, Treasury Secretary Steven Mnuchin, U.S. Trade Representative Robert Lighthizer and National Economic Council Director Lawrence Kudlow at their quarterly meeting in Washington.

The chamber's featured guest, meanwhile, was former Florida Gov. Jeb Bush. The following day, Dan Coats, the director of national intelligence, spoke to a separate gathering of chamber officials.

Challenges to the chamber come at a crucial time for business, which is pressing for decisions on China trade, tariffs and infrastructure spending. The chamber has little influence over Democratic policy proposals that many of its members oppose: the Green New Deal environmental plan; an increase in the top individual tax rate; and health-care legislation that could substitute government-run insurance for private health plans.

Some of the harshest blows have come from former allies.

"When I got to Washington, I naively thought that the Chamber of Commerce was about lower tariffs and regulations and creating a better business environment for everybody," said Jim DeMint, the former Republican senator from South Carolina. The chamber bought ads for him during his 2004 GOP primary.

"I now pronounce them totally part of the swamp," Mr. DeMint said.

The U.S. Chamber of Commerce building in Washington, D.C., in 2014. ANDREW HARRER/BLOOMBERG NEWS

## Growth industry

Over the years, Mr. Donohue built up the chamber's financial muscle, traveling around the U.S. to drum up contributions and give speeches. A sign on his desk reads, "Show me the money."

By 2014, the chamber reported more than \$275 million in annual revenue from membership dues and contributions, up from about \$70 million when Mr. Donohue took charge in 1997, according to public tax filings.

One Donohue strategy has been to solicit donations from companies for specific goals. Since donor names aren't public, the chamber could pursue controversial fights without identifying firms that would benefit.

"I want to give them all the deniability they need," Mr. Donohue told Washington Monthly magazine in 2010.

During his tenure, the chamber successfully pushed for lower taxes, fewer regulations, greater free trade and curbs on labor unions.

In recent years, financial support from big donors has shrunk. The number of companies contributing \$1 million or more to the chamber fell to 23 in 2017 from 42 in 2012, tax records show.

[Dow Chemical](#) Co., for instance, cut its chamber contributions to roughly \$1.1 million in 2017 from nearly \$3 million three years earlier, according to company figures. The company didn't respond to requests for comment.

Altogether, the chamber and its affiliates received roughly \$220 million from corporations and other business groups in 2017 compared with \$277 million in 2014, according to tax filings. The chamber said contributions rose last year.

Mr. Donohue has delegated many responsibilities of the chamber's operations to Suzanne Clark, the senior executive vice president.

Ms. Clark, with the approval of Mr. Donohue and the board, has been reshaping the century-old organization, including a campaign to recruit more small and midsize firms, especially in high-tech industries and renewable energy. The chamber has also shifted some policy positions that better align with the changing views of its membership.

When President Obama took office, the chamber opposed the leading climate-change bills advanced by Democrats.

The chamber has acknowledged, however, that industry plays a role in rising temperatures. It has also proposed short-term policy changes to address climate change, such as increased federal research funding on clean energy. It still opposes broad regulations.

For years, the chamber urged lawmakers to vote against legislation that would prohibit some forms of discrimination by companies on the basis of sexual orientation or gender identity. In 2014, it adopted a neutral stand. Last month, the chamber endorsed the bill.

The chamber also revamped its congressional-vote scorecard this year, which is expected to boost the scores of some Democratic lawmakers.

Changes under Ms. Clark have created rifts among some chamber employees, according to current and former employees. Among the roughly dozen executives who have left in the past two years was Michelle Bolles, the vice president of human resources. Ms. Bolles quit during an argument with Ms. Clark. She cleared her desk and left that day, said two people who saw what happened. Ms. Bolles couldn't be reached for comment.



Thomas Donohue, chief executive of the U.S. Chamber of Commerce, and Suzanne Clark, senior executive vice president, last month in Washington, D.C. SALWAN GEORGES/THE WASHINGTON POST/GETTY IMAGES

The chamber's media-relations team resigned this year over complaints about management, according to people familiar with the matter.

## Big spender

Even with the decline in contributions, the chamber last year spent \$95 million on lobbying, more than any other group. In 2014, it spent \$124 million, according to data from the nonpartisan Center for Responsive Politics.

Unlike its smaller competitors, the chamber has significant overhead. Mr. Donohue has said the group needs about \$1 million each workday to cover its 500 employees, fund advocacy work and keep the lights on at the building it owns across from the White House.

In 2017, the chamber spent \$86 million on salaries and benefits, which accounted for more than half of its revenue that year.

By comparison, the Pharmaceutical Research and Manufacturers of America, the drug industry trade association known as PhRMA, spent \$70 million in salaries in 2017, equal to about 15% of its annual revenue, according to tax filings.

Mr. Donohue earned \$6.6 million in 2017, making him the highest-paid head of any Washington trade group. His perquisites cost more, according to people familiar with chamber finances.

In Washington, Mr. Donohue travels in a chauffeured SUV accompanied by two security guards. On weekends, he uses the chamber's private jet service to reach his Florida vacation home, often with a guest, according to his calendar. On overseas trips, his physician sometimes joins him. Personal or guest trips are either reimbursed or claimed as income, the chamber said.

Mr. Donohue has long avoided talk of retirement, though senior chamber officials and members of the board have pressed him about it.

Several times over the past year, chamber officials approached former House Speaker Paul Ryan about the job. He declined, his spokesman said.

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