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EXCLUSIVE POLITICS

Chamber CEO's Rare Washington Perk: Private Jet Service, Even for Vacations

Thomas Donohue's trips largely on the trade association's nickel make him an outlier

By [Brody Mullins](#) [Follow](#)

June 6, 2019 8:51 am ET



Thomas Donohue, president and CEO of the U.S. Chamber of Commerce, at an event in Washington in April. ANDREW HARRER/BLOOMBERG NEWS

WASHINGTON—One Saturday morning last month, U.S. Chamber of Commerce President and Chief Executive Thomas Donohue arrived in Greece with his girlfriend and another couple after an overnight flight on a Gulfstream jet provided by the chief advocacy group for American corporations.

After a week sailing in the Greek islands, Mr. Donohue continued on the jet to Tokyo and Beijing for three days of business meetings before returning on it to Washington. The total cost? At least \$600,000, according to estimates by four private-jet-service companies.

The Chamber disputed those estimates but declined to provide the trip's actual cost, saying it negotiates flight rates and gets a volume discount.

It is an unusual perk granted to Mr. Donohue: the use of a corporate jet service for personal and business trips. The Chamber pays for all of Mr. Donohue's business trips. But the group also picks up nearly all the costs when Mr. Donohue is flying on vacation.

For some personal flights, Mr. Donohue reimburses the Chamber a heavily discounted fare, according to the Chamber's rules. Other times, the Chamber covers the full cost; in those instances, Mr. Donohue is required to pay income tax on the value of the flight. But Internal Revenue Service rules often allow travelers to report a far lower value for the flight than the true market cost.

Around the World

CEO Thomas Donohue's trip last month on a corporate jet provided by the U.S. Chamber of Commerce included both business and personal travel, including a week of sailing in the Greek islands.

*Based on estimates from four air-charter companies; Chamber of Commerce disputes those estimates but declines to provide trip's actual cost Note: Lines do not represent actual flight routes.
Source: Flight records

That arrangement makes the Chamber an outlier among major Washington trade associations, which are funded by donations from member corporations or entities. No other chief enjoys the same perk, according to a Wall Street Journal review of the 35 largest associations, as measured by annual revenue.

Even the use of private jets for business trips is rare among these groups' executives: Only three of the other large trade organizations allow it, and two of those say they haven't done so in years. The only other association that has used a jet service recently is the National Business Aviation Association, which represents the corporate-plane industry. Its travel policy says its president can use private planes on rare occasions if there is "no commercial airline service to a destination or commercial airline service does not meet the time commitments" of the trip.

On Wednesday afternoon, after the Journal told the Chamber that it could publish an article about Mr. Donohue's flights as soon as Thursday, the Chamber's board of directors, which meets today in Washington, announced that Mr. Donohue would be stepping down as president and CEO in 2022.

Details of Mr. Donohue's travel are based on information from current and former employees, a copy of his calendar reviewed by the Journal, and public flight records.



A Gulfstream G650, the type of plane Thomas Donohue used for his around-the-world trip in May. BOB HOLLAND

The Chamber says its board reviews and approves Mr. Donohue's expenditures. "The expenses are reasonable use of our membership's funds and are critical to the continued effectiveness of the Chamber," said Mike Ducker, chairman of the Chamber's compensation committee, in a statement.

Mr. Ducker said the Chamber "carefully negotiates rates for private and commercial air travel to gain the highest value given the significant volume of travel that is necessary to conduct official business on behalf of its vast membership."

The board allows Mr. Donohue to use its jet service for personal trips because it is an "essential security measure," the Chamber said in a statement.

Mr. Donohue, who has led the Chamber for two decades, is the highest-paid trade-association chief in Washington, with an annual salary of \$6.6 million in 2017. He has two personal security guards and is chauffeured around Washington and its environs, including to Maryland's Eastern Shore, where he often vacations, all benefits provided by the Chamber.

While the Chamber spends the most on lobbying of any Washington interest group, it no longer pulls in the most revenue, [putting financial pressure on the organization](#). Some current and former employees, board members and advisers privately grumble that the Chamber spends too much money on Mr. Donohue's travel and say corporate

donations should promote business priorities. Some of the critics have raised their concerns to Mr. Donohue directly.

The Chamber operates as a nonprofit. To maintain its tax-exempt status, the IRS requires all the group's spending to be "ordinary and necessary." But it gives trade associations broad discretion on how to spend corporate donors' money.

"The members are in control," said Marcus Owens, an attorney who once ran the IRS's tax-exempt division. "If they object to his salary or spending, they can do something about it."

Mr. Donohue took his around-the-world trip in May on a Gulfstream G650, the jewel of the private air fleet. The plane seats 16 passengers, flies faster than a Boeing 747 and can cost more than \$14,000 an hour to charter, according to air-charter companies. The Journal asked four of these companies to review a detailed itinerary for the 12-day, 17,000-nautical-mile journey. Each said it would cost more than \$600,000.

The Chamber says it negotiates a discounted volume rate.

According to his calendar, Mr. Donohue has traveled on weekends to his vacation home near Palm Beach, Fla. Such a round-trip flight on the plane he often has used for these trips, a 10-seat Gulfstream G280, costs about \$40,000, according to the charter-jet firm Eagle Wings Aviation of Lakewood, N.J.

Last August, Mr. Donohue and family members flew in a Gulfstream IV to a Rocky Mountains resort. Four days later, the plane dropped him off in Vail, Colo., for a wedding before returning to Washington. According to Eagle Wings Aviation, it costs roughly \$65,000 for such an itinerary.

In September, Mr. Donohue flew friends, family and Chamber executives to Bermuda to celebrate his 80th birthday and memorialize his wife, who died a year earlier. Eagle Wings Aviation said that air travel would cost about \$42,000.

The Chamber said Mr. Donohue, like usual, either reimbursed it for a portion of the cost or treated it as taxable compensation.

In one instance last year, Mr. Donohue paid the full cost of a personal flight. In June 2018, the day then-Cardinal Theodore McCarrick, a former Roman Catholic archbishop of Washington, D.C., [was accused of sexual misconduct](#), he contacted Mr. Donohue for help getting to Washington from the Mayo Clinic in Minnesota. Mr. Donohue dispatched a Hawker 800, according to flight records.

[Mr. McCarrick resigned a month later](#) after other abuse allegations surfaced. In August, Mr. Donohue wrote a personal check for \$23,341.63, a copy of which was reviewed by the Journal, to pay for the flight.

Mr. McCarrick had been a paid consultant to Mr. Donohue from 2011 to early 2018, earning more than \$200,000 for giving his input on global development and other matters, according to the Chamber. He also performed the funeral Mass for Mr. Donohue's wife.

Earlier this year, [the Vatican found Mr. McCarrick guilty](#) of sexual abuse of minors and sexual misconduct with adults, and dismissed him from the priesthood.

—Tom McGinty, Michael M. Phillips, James Oberman and Mark Maremont contributed to this article.

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Appeared in the June 7, 2019, print edition as 'Chamber of Commerce CEO Gets Rare Perks'.