

Transatlantic Trends

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Today's Agenda

- Public Affairs US vs. Europe
 - Big picture
 - Role of grassroots
 - Campaign finance
 - Regulation, reporting and transparency
 - PA as viewed by business
 - Role of associations
- TTIP
- Building better communication and understanding

Public Affairs US vs. Europe



Public Affairs Staff - Increasing

15. What changes, if any, have occurred in the number of FTE public affairs staff over the past three years? (U.S. vs. non-U.S.-headquartered companies)

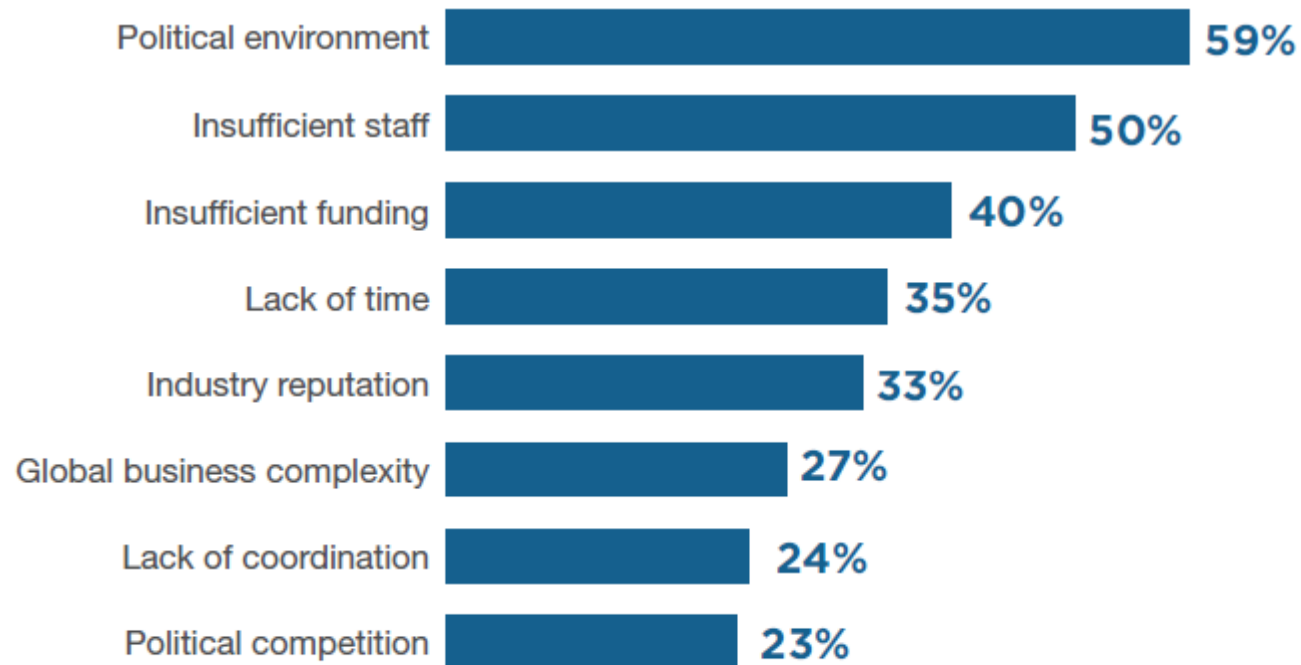
	FTE professional staff			
	U.S. Count	U.S. Percentage	Non-U.S. Count	Non-U.S. Percentage
Increased significantly	8	9.8%	2	8.7%
Increased somewhat	37	45.1%	10	43.5%
Remained about the same	26	31.7%	9	39.1%
Decreased somewhat	8	9.8%	1	4.3%
Decreased significantly	3	3.7%	1	4.3%
Total	82	100.1%	23	99.9%
Average score	3.5		3.5	

Average score based on a 1 to 5 scale where 1 is “decreased significantly” and 5 is “increased significantly.”

State of Corporate Public Affairs 2014

Challenges

Greatest Challenges Facing Public Affairs Executives



Big Picture



U.S. Public Affairs - D.C. vs. States

- Washington gridlock
- 62% surveyed have a Washington GA office*
- Dramatic state-level lobbying expenditure increase over past decade**
- Federal lobbying spend peaked in 2010 at \$3.52 billion; \$32.4 billion in 2014***

*2014 *State of Corporate Public Affairs*

***Washington Post* May 11, 2015

***Center for Responsive Politics

Budget Trends - Fed vs. State

23. Please indicate what changes, if any, have occurred over the past three years in the amount of your company's public affairs budget that is dedicated to the following functions/activities.

	Increased significantly	Increased somewhat	Remained about the same	Decreased somewhat	Decreased significantly	Not involved	N=	Average score	n=
Budget for direct lobbying in Washington, D.C.	14.4%	17.3%	41.3%	11.5%	4.8%	10.6%	104	3.3	93
Budget for state/provincial and local direct lobbying	8.7%	24.3%	40.8%	10.7%	4.9%	10.7%	103	3.2	92

Role of grassroots in Public Affairs



Role of Grassroots in Public Affairs

- U.S. market – it's everything
- American politicians care about getting re-elected
- 57% surveyed conduct grassroots activity (SCPA)
- Is a recognized, sophisticated function often with FTEs

Campaign Finance



Regulation, reporting and transparency



Regulation, Reporting, Transparency

Dissemination of Political Information (Beyond Legal Requirements)



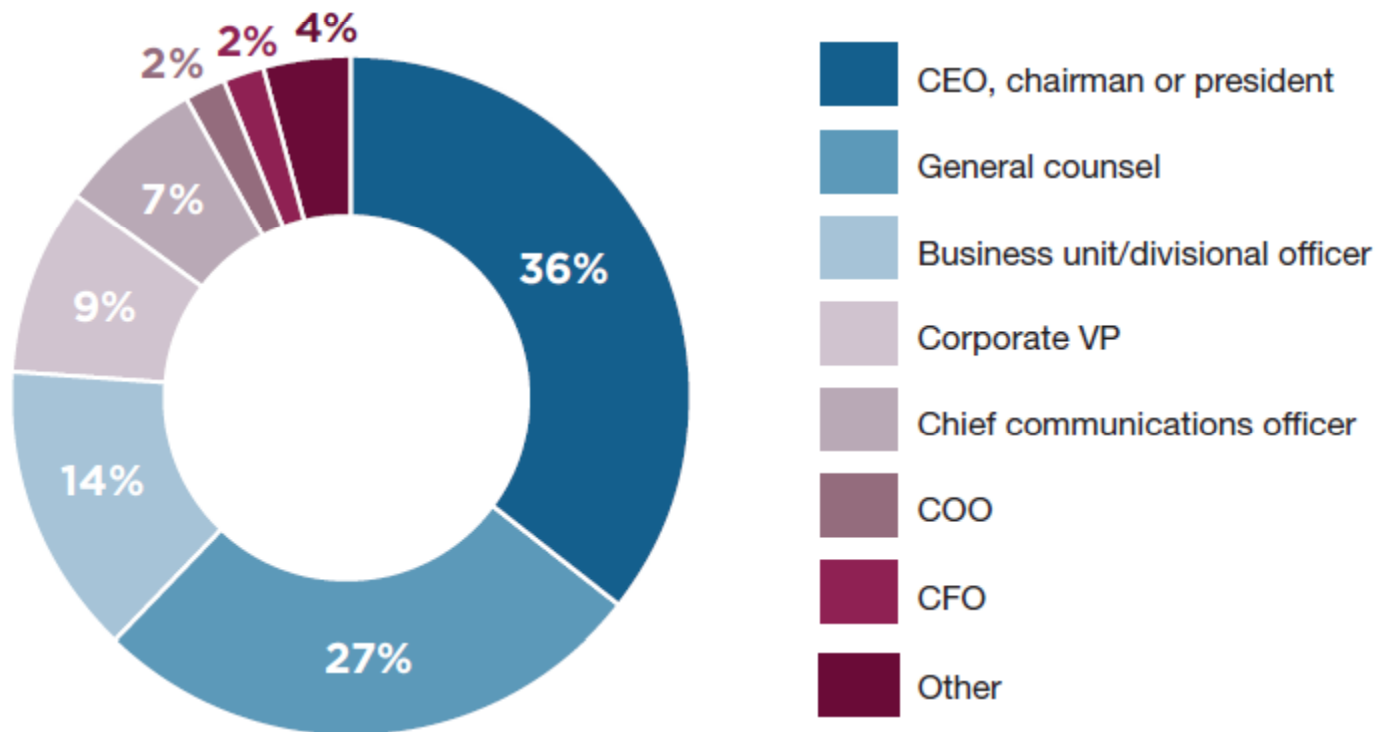
SCPA 2014

How PA is Viewed by Business



CEOs Take the Function Seriously

To whom does the most senior public affairs executive report?

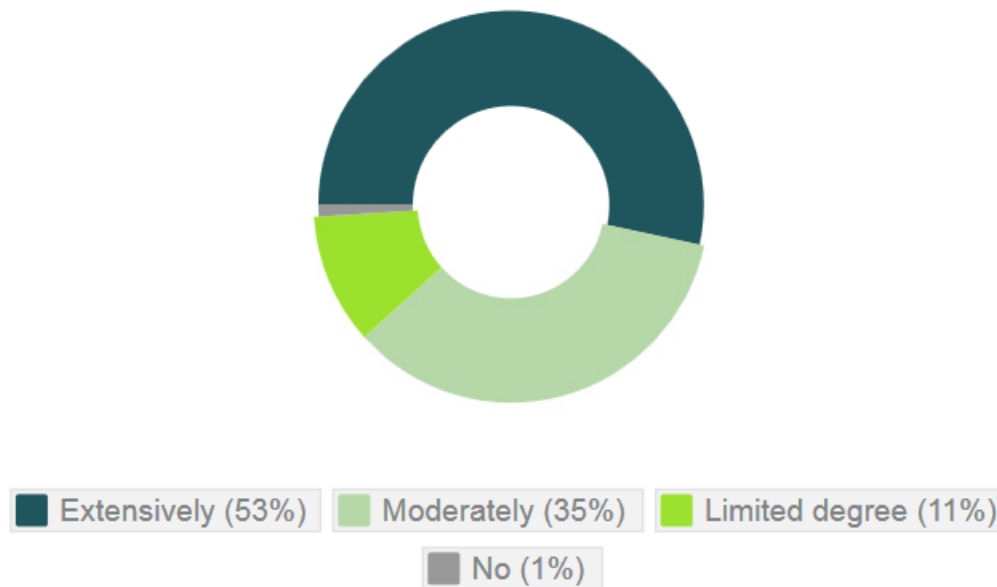


Role of Associations



Role of Associations: U.S.

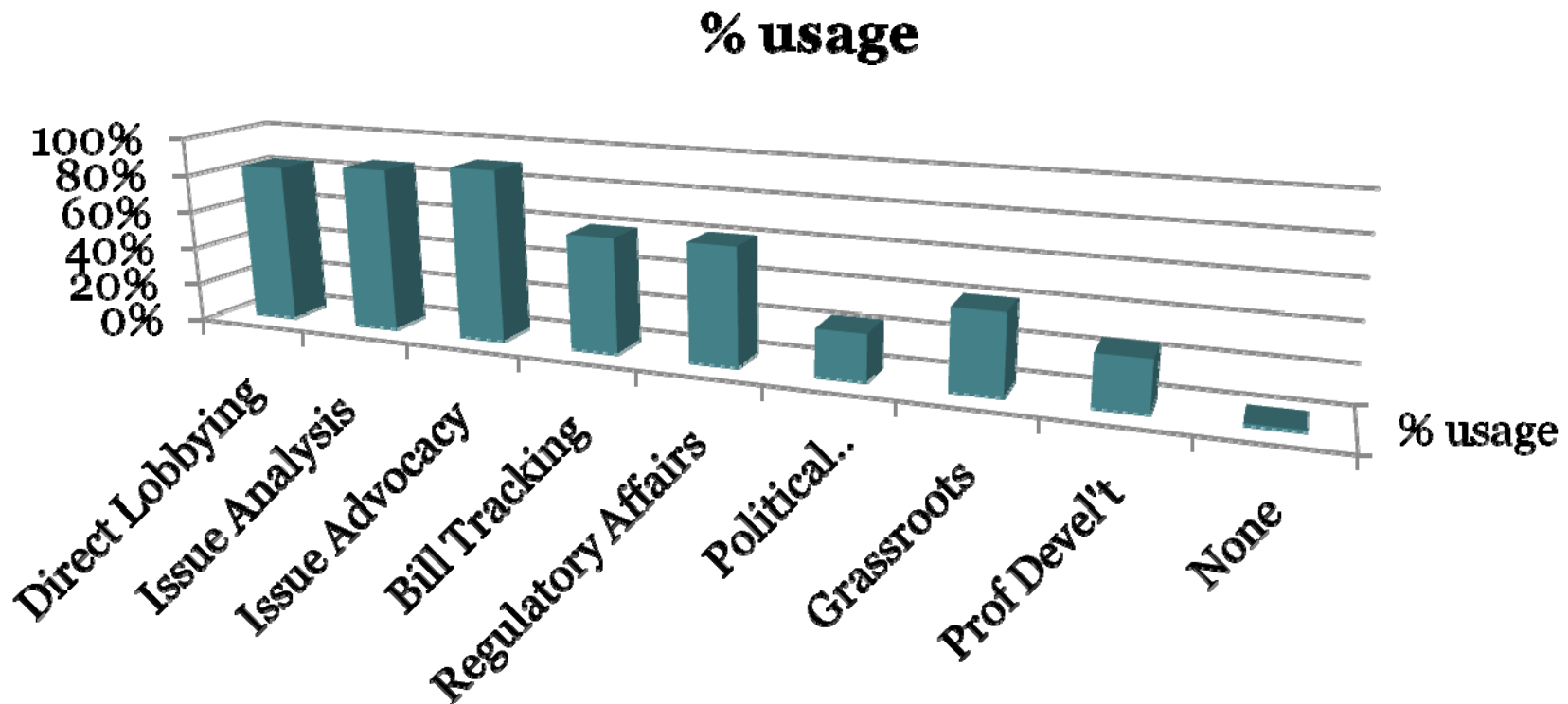
Does your company rely on associations to advance your public policy agenda?



*source: State of Corporate Public Affairs 2014-2015

Role of Associations: U.S.

For which services does your company's public affairs department use trade associations?



*source: State of Corporate Public Affairs 2014-2015

Evaluating Associations in the U.S.: Quantitative and Qualitative

Effectiveness:

Does the association help the staff do their jobs better?

Were leg. goals consistent with company goals?

Did the leg. outcome meet expectations?

Effort:

Did time spent on your needs meet expectations?

Did importance assoc. placed on your issues meet expectations?

Quality:

Quality of work?

Accuracy of leg. assessment?

Timeliness of information

Highlight emerging issues?

Communications

Staff skills, knowledge, contacts

Leadership/representation

Reputation

Transatlantic Relations



A photograph of a string telephone setup on a light-colored wooden surface. Two silver, corrugated metal tin cans are positioned diagonally across the frame. A white string is threaded through the center of each can, forming a loose, wavy loop between them. The lighting is soft, casting gentle shadows from the cans onto the wood.

Building Better Communication and Understanding

Tips on Communicating Value

- Educate stakeholders constantly
- Relate measures to org. strategy
- Use quantitative and qualitative terms
- Track performance over time
- Relativity (peers, past...)
- Speak the language of management and other dep'ts – “bottom line impact & ROI”



Overshare updates and successes so that you become part of your organization's fabric.

Building Better Communication

- Nothing beats face-to-face meetings
- You cannot over-communicate with education, value proposition and ROI
- Americans need to listen
- Manage expectations (length of process, need for long-term relationships, what you can/cannot control)
- Nothing beats local staff

Communicating Value in Non-Public Affairs Culture

- Create an education campaign
- Competitor/industry performance = motivational
- Get a senior management champion
- Create cross-function issues management teams: goals relate directly to business objectives
- Serve as “partner” & “solution center”
- Share success stories

Annex



Government affairs vs public affairs



Feel free to follow up:

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