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## NEWS

### Shareholders Push Firms to Cut Ties to ALEC; 49 Corporations Now Out

by [Rebekah Wilce](#) — June 25, 2013 - 7:29am

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Scores of investors working together through [Ceres](#) and the [Interfaith Center on Corporate Responsibility](#) are challenging companies that fund the American Legislative Exchange Council (ALEC), reminding them that such support backs ALEC's anti-environmental agenda. In response, four corporations have confirmed that they have cut or are cutting ties with ALEC:

- [GlaxoSmithKline](#) (GSK), a British pharmaceutical company with [£26.4 billion](#) in annual revenue;
- [Brown-Forman](#), a Louisville, Kentucky alcohol company with [\\$2.8 billion](#) in annual revenue;
- [Unilever](#), a food, home, and personal care products corporation based in the Netherlands and the United Kingdom with a combined [€51.3 billion](#) in annual revenue;
- and [ConocoPhillips](#), a Houston oil company with [\\$58 billion](#) in annual revenue.

In addition, Publix Super Markets [announced](#) via social media in response to a customer challenge this week that it "has not been a member of ALEC since 2011."

This brings the tally to at least [49 corporations](#) that have cut ties to ALEC since 2011.

Timothy Smith of Walden Asset Management, who is involved with the shareholder campaigns, told CMD, "ALEC's partnership with the climate-denying [Heartland Institute](#) to challenge renewable energy standards at the state level has heightened investor concern and opposition. Shareowner pressure has been one important factor in getting many companies to announce that they cut their ties or clarifying that they had left years ago. The next proxy season is expected to see additional pressure on companies seemingly dedicated to keeping their ALEC support flowing."

## GlaxoSmithKline's Involvement with ALEC



GSK manufactures Advair for asthma patients, among other products. GlaxoSmithKline (GSK) CEO Sir Andrew Witty said in a response to a shareholder's question at the company's annual meeting in May that the company had decided to sever its relationship with ALEC. GSK spokesperson Sarah Alspach confirmed to CMD, "We recently conducted an assessment of the policy groups we work with and will fund going forward. After careful consideration, the company will not be renewing its membership of ALEC [*sic*]."

GSK's ties to ALEC were deep and spanned decades -- since the 1980s, according to Alspach.

GSK's former Vice President of State Government Affairs, [John Del Giorno](#), represented GSK on ALEC's [corporate "Private Enterprise" board of directors](#) as of late 2011. When North Carolina State Representative [Harold Brubaker](#), a long-time ALEC member who at the time sat on ALEC's [national board](#) as well as the [International Relations Task Force](#), retired in 2012, Del Giorno left his employer of 17 years and joined Brubaker and Associates, [Brubaker's new lobby shop](#).

GSK employees also represented the company as [ALEC state corporate co-chairs](#) in New Mexico, New York, and North Carolina as of 2011. Government Relations Director Gaspar Laca had been state co-chair of New Mexico [since at least 1999](#), when the company was called Glaxo Wellcome.

According to Alspach, the company's involvement with ALEC has been primarily focused on "civil justice" legislation and "exchang[ing] views with policy makers" about pharmaceutical research and healthcare reform. GSK had representatives on ALEC's [Civil Justice](#) and [Health and Human Services](#) Task Forces as of June 2011. Bills approved by this task force [undermine the rights of injured Americans](#) (particularly those harmed by pharmaceuticals) and further [privatize health care](#).



In 1993, when the company was called Burroughs Wellcome, it was a member of ALEC's National Task Force on Health Care.

## Brown-Forman's Involvement with ALEC

Brown-Forman spokesperson Phil Lynch told CMD that the company "is no longer sponsoring or supporting ALEC," having declined to continue funding ALEC in 2012.

Brown-Forman Vice President of Government Relations and Public Policy Donald McClellan and an administrative assistant represented the company (PDF, p. 28) on ALEC's Tax and Fiscal Policy Task Force as of 2011. Bills approved by this task force rewrite tax code to aid the richest while attempting to shrink government to where it can be "drowned in a bathtub," as Grover Norquist once advocated.

## Unilever's Involvement with ALEC

According to a letter from Unilever President Kees Kruythoff to shareholders sent earlier this year, "Unilever is not a member of ALEC following a review undertaken at the end of 2011. We took the decision that ALEC's agenda did not align with our business objectives and values focused on social, economic, and environmental sustainability, and withdrew as a member."

Unilever External Affairs Director Thomas Langan represented the company as the ALEC corporate co-chair of Maryland as of 2011.

## ConocoPhillips' Involvement with ALEC

ConocoPhillips spokesperson Daren Beaudou confirmed to CMD that the company is no longer a member of ALEC, did not fund ALEC in 2012, and has no plans to do so in 2013.

ConocoPhillips had been a "Director" level sponsor of ALEC's 2011 annual conference (that sponsorship level was \$10,000 in 2010).

## Publix's Involvement with ALEC

On June 24, a customer tweeted at Publix, "If u shop at @publix they take your money and give it to ALEC the authors of Stand Your Ground & Voter Suppression Bills. #boycottPUBLUX." The company responded, "Publix has not been a member of ALEC since 2011." Company spokesperson Maria Brous confirmed to CMD that the company had in fact cut ties with ALEC.

In 2011, Publix Director of Government Affairs Michael Mitchell represented the company as a member (PDF, p. 59) of ALEC's Tax and Fiscal Policy Task Force. Bills approved by this task force create tax giveaways to multinational corporations, give tax breaks to the richest, and eviscerate state legislatures' ability to raise revenue through tax increases.

## The Rush to Cut Ties to ALEC



Tell ALEC Corporations It's Time To Cut Ties! Corporations that have publicly cut ties to ALEC since the Center for Media and Democracy launched [ALECexposed.org](http://ALECexposed.org) in 2011 and highlighted Coca Cola's role in the group include Coca Cola, Wells Fargo, General Electric, Western Union, Sprint, General Motors, Walgreens, Best Buy, Hewlett-Packard, MillerCoors, John Deere, Dell, Johnson & Johnson, Wal-Mart, Amazon.com, Procter & Gamble, Mars, Wendy's, McDonald's, Kraft Foods, and PepsiCo. The addition of these five companies brings the total to at least 49 corporations. These and six non-profits that have cut ties brings the total number of private-sector ALEC members who have cut ties to at least 55.

At least 74 [state legislators](#) have also cut ties with ALEC. In addition, as CMD has reported, [117 ALEC members](#) were voted out of office or left state legislatures in 2011 and 2012.

A diversity of groups have been actively campaigning to pressure corporations to leave ALEC. Public interest groups including CMD, ColorOfChange.org, Progress Now affiliates, Common Cause, People for the American Way, and Greenpeace have urged corporations to stop funding ALEC's extreme agenda, which has included bills to make it harder for Americans to vote and more difficult for workers to organize and negotiate with powerful corporations or the government. These efforts became a feature story for Bill Moyers' special, [United States of ALEC](#), which aired this past weekend on PBS.