

*“One thing is clear . . . the next time a group of hedge-fund managers is summoned to Washington, praise will not be on the agenda.” – Time Magazine, April 19, 2010*

*[“The problem] . . . is this notion we cannot touch hedge fund managers, that these hedgehogs can’t even pay their fair share of taxes.” Senator Dick Durbin (D-IL), Senate Majority Whip – Politico, 7/26/2011*

**FACT:** Hedge Funds have fueled American prosperity for a generation, and been a major engine of growth during these tough economic times. Yet they remain misunderstood and mistrusted by the media, elected officials, regulators, national opinion leaders and the general public. As unemployment soars and the economy stagnates, both politicians and the public seek scapegoats.

**DOWNSIDE RISK:** The risks of this scapegoating, both regulatory and legislative, are grave. Recent European action outlawing short selling is one alarming example. Closer to home, both the leftist Occupy Wall Street activists and the right wing Tea Party movement herald a new era of populist peril for anyone associated with finance. Given current U.S. volatility, various measures of a similarly reactionary nature might very well attract strong political support. The recent debt ceiling fight indicates that partisans on both sides will push narrow political objectives. Hedge funds make inviting targets. Why?



Although the hedge fund industry has employed lobbyists and a national trade association for years, it remains one of the few major industries without a comprehensive public affairs operation, including a robust grassroots program. A key component of image management is entirely missing.

Lobbyists and trade associations do well in the close confines of Capitol Hill. These tactics worked in calmer times, but not in the face of an angry, ill-informed public, especially in the heat of a presidential election year. The dangers multiply with each passing day.

**A WINNING STRATEGY:** Due to engrained negative public perception, the messaging challenge is not as simple as flooding the airwaves with positive ads. A more direct engagement is called for. We recommend establishing a coalition of funds for a comprehensive grassroots campaign which will:

1. Minimize unsubstantiated attacks on the industry.
2. Insert fact-based messages into the public debate at the local level.
3. Raise awareness about the positive role hedge funds play in the American economy.
4. Eliminate the need for politicians to take aim at hedge funds. By addressing both sides of the political spectrum, conservatives can be rallied on free market principles and liberals will see hedge funds as effective market regulators.

**A NEW SOLUTION:** “All politics is local” may be a cliché, but it’s truer in the age of Twitter than when Tip O’Neill first said it. Politicos heed their voters and read their local papers. Hometown interests have far more influence than any DC lobbyist or cable-TV talking head. A broad based, comprehensive, grassroots public affairs campaign can change opinion dynamics from the bottom up – where it counts.

**CREATING YOUR OWN PERSONAL MAIN STREET:** By using the grassroots tools at our command: press, social media, third-party advocacy and coalition building, our in-state associates can re-make targeted local political environments to give you a powerful “home field” advantage every day on every issue. This local support forces any legislator (state or federal) to think twice when tempted to attack, and conversely, provides political cover for defending hedge funds. We bring the power of Main Street to bear in ways that could never be done from K Street or Wall Street. Just as important, this opens the door for your firm to make common cause with your investors and other natural allies across the country, which is always good business.

**A NEW PHILOSOPHY OF PUBLIC AFFAIRS:** McLean/Clark, LLC is one of a small number of innovative firms changing the practice of public affairs. While most agencies sell what they already do regardless of the situation, we create bespoke campaigns based on unique client needs. Then we tailor a team of nationally respected specialists with the right skills and experience to ensure success. The principals for this project are:

**Joe McLean, Senior Partner** — A veteran political and public affairs strategist, McLean was part of the founding leadership team of Barack Obama’s successful U.S. Senate campaign. As a senior public affairs professional, McLean’s clients have included the general aviation, education, defence, and telecommunications industries.



**James Berger, Partner, New York** — Berger is an experienced attorney, participating in numerous high profile financial litigations and negotiations. He is a veteran of multiple presidential and senatorial campaigns. As a senior member of a top-tier Washington DC public affairs firm, Berger managed telecommunications, defense, entertainment and aerospace clients. Most recently he has served as the Senior Policy and Litigation Advisor to New York City Public Advocate Bill de Blasio, the City’s second highest elected official.

**Polling and Message Development – Peter Hart and Bill McInturff**



Peter and Bill have been the pollsters for NBC News and The Wall Street Journal since 1989, and need no introduction.

**Earned Media**

**Greg Mueller and Peter Robbio, CRC Public Relations:** President of CRC Public Relations, Mr. Mueller’s clients include Visa USA, Chevron, Amazon, Lexis Nexis, AT&T, and Microsoft. Mr. Mueller spearheaded surrogate communications and media strategy for the confirmation of both Justices Roberts and Alito.



**Paid Media**



**Anita Dunn and Josh Isay, SKDKnickerbocker:** Dunn served as White House Communications Director and senior advisor to President Obama’s presidential campaign, directing conventional paid and new media communications strategies. SKDK is recognized as the premier Democratic campaign media firm.

**Josh Isay** heads up SKDK’s New York City office. Josh has spent the past fifteen years managing and consulting for Senate, gubernatorial, House and mayoral campaigns and high-profile corporate communications clients. Josh worked as the head of public affairs for DoubleClick and later as a crisis communications consultant for clients ranging from financial services giant Cantor Fitzgerald to the Israeli government.