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CEOs scolded Trump after Charlottesville. Will corporations close their checkbooks? ^[1]

Many won't commit to cutting off funding for Trump-related committees

By [Carrie Levine](#) ^[2]

9 hours, 25 minutes ago

When President Donald Trump [said](#) ^[3] counter protestors at a white supremacist rally in Charlottesville, Virginia, should share the blame for violence there, the [backlash](#) ^[4] was fast and furious.

Among Trump's most outspoken critics: corporate CEOs, who resigned from White House advisory councils and issued vehement statements [breaking](#) ^[5] with the president.

But when the [Center for Public Integrity](#) ^[6] this month asked nearly four dozen large public companies whether they would continue making contributions to funds or political committees related to the Trump administration, none would commit to withholding money from Trump going forward.

That list included several companies with CEOs who stepped down from Trump advisory bodies to protest the president's comments after the Charlottesville violence, or who have [publicly pilloried](#) ^[7] Trump's other policies, such as those on immigration or [climate change](#) ^[8].

Many companies, including Coca-Cola and Qualcomm, didn't respond to questions. Others, such as Amgen and Exxon, referred the [Center for Public Integrity](#) ^[6] to their political giving, lobbying and advocacy policies. A few said contributions to Trump's inauguration shouldn't be considered the same as direct political support, such as funding a presidential campaign.

(All corporate contributions or corporate political action committee contributions reviewed by the Center for Public Integrity were made prior to the events in Charlottesville to Trump's inaugural committee, to Trump's presidential transition entity or to Vice President Mike Pence's [recently formed](#) ^[9] leadership PAC.)

JPMorgan Chase Chairman and CEO Jamie Dimon is among business leaders who explicitly condemned racism after the Charlottesville violence and [said](#) ^[10] he disagreed with Trump's reaction to it. He also stepped down from a position in which he advised Trump.

"There is no room for equivocation here," [wrote](#) ^[11] Dimon, who also [leads](#) ^[12] the Business Roundtable, a high-profile Washington-based group made up of "chief executive officers of America's leading companies" — and at least in that capacity is likely to continue to weigh in on government policies.

Nonetheless, a spokesman for JPMorgan Chase, Andrew Gray, said questions about whether the company would ever again give to a fund or committee connected to the Trump administration were "vague or speculative."

JPMorgan Chase [gave](#) ^[13] \$500,000 to Trump's inaugural committee and the company's PAC [gave](#) ^[14] \$5,000 — the maximum permitted contribution — to his presidential transition committee.

Intel CEO Brian Krzanich, upon [stepping down](#) ^[15] from a Trump manufacturing council, [wrote in a blog post](#) ^[16] that: "I have already made clear my abhorrence at the recent hate-spawned violence in Charlottesville, and earlier today I called on all leaders to condemn the white supremacists and their ilk who marched and committed violence."

Asked about future contributions, Intel spokesman William Moss declined comment except to say, "We are bipartisan in our approach to contributions and our engagement activities, and expect that to continue."

Intel [gave](#) ^[13] \$500,000 to Trump's inaugural committee.

The Center for Public Integrity also reached out to the National Football League, whose marketing and promotions arm [gave](#) ^[17] Trump's inaugural committee \$100,000. In addition, seven NFL franchise owners gave \$1 million each.

Trump and NFL Commissioner Roger Goodell spent the weekend [trading barbs](#) ^[18] after Trump slammed players for kneeling, as a form of protest, during the national anthem. Goodell [said](#) ^[19] the comments were "divisive," and "demonstrate an unfortunate lack of respect for the NFL." Several team owners, including some donors, [also criticized the president](#) ^[20].

The league did not respond to a request for comment on future contributions. The White House press office also did not respond to requests for comment.

Seven-figure support for Trump affairs

Many companies have policies against contributing corporate or corporate PAC dollars to presidential candidates, sticking instead to backing congressional or local candidates.

Typically, though, special events, such as political conventions and presidential inaugurations, are permitted. And these events provide solid opportunities to mingle with officeholders and policymakers and augment corporations' multimillion-dollar government lobbying efforts. This prompts corporations to open their checkbooks every four years no matter who wins the White House.

The chance to influence an incoming administration was particularly valuable.

But companies' support of such events can still invite unwelcome scrutiny.

In the summer of 2016, a number of firms and big donors [scaled back](#) ^[21] on giving directly to convention host committees, reportedly because of controversies dogging both Trump and then-Democratic nominee Hillary Clinton.

Some companies found more [creative ways](#) ^[21] to support the conventions and score coveted access to lawmakers without having their corporate names appear on disclosure forms: sponsoring delegations or throwing private parties, for instance.

Trump's [inaugural fundraising](#) ^[17], in contrast, was an easier sell. It [broke records](#) ^[22], raising roughly \$107 million.

[Seven-figure](#) ^[17] [donors](#) ^[13] — including corporate behemoths AT&T (roughly \$2.1 million, including some in-kind services), Dow Chemical Co. (\$1 million), Pfizer Inc. (\$1 million), Bank of America Corp. (\$1 million), Qualcomm Inc. (\$1 million) and Boeing Co. (\$1 million) — received almost unprecedented access.

Their [donor package](#) ^[23] was advertised to include tickets to a "leadership luncheon," a candlelight dinner and other events featuring Trump, Pence, members of their family and prospective Cabinet secretaries and senior appointees.

Many of those companies did not respond to requests for comment.

A Pfizer spokeswoman, Sharon Castillo, stressed that the company always gives to the inauguration, "which is not a political campaign committee," no matter who the incoming president is.

In May, Vice President Mike Pence [launched](#) ^[24] a leadership political action committee, [something out of the norm](#) ^[25] for a sitting vice president..

The committee has drawn thousands of dollars in contributions from corporate PACs. So far this year, it's [transferred](#) ^[26] \$5,400 to Trump's presidential committee.

Corporate PACs donating to Pence's leadership PAC include [Novo Nordisk Inc.](#) ^[27] and PepsiCo, which didn't respond to requests for comment, and [Honeywell](#) ^[28].

"Honeywell supports those who support policies that are good for our business and help to create jobs in the United States," Honeywell spokesman Rob Ferris said in an email.

Corporations 'much more sensitive'

Star athlete and sneaker magnate Michael Jordan, asked to endorse a Democrat in a North Carolina Senate race decades ago, [reportedly](#) ^[29] demurred, saying, "Republicans buy sneakers, too."

[Some question whether Jordan really said it](#) ^[30], but the point stands: Getting involved in politics means ticking off customers. In 2010, facing calls for a boycott, Target was forced to [apologize](#) ^[31] for contributing \$150,000 to a group promoting candidates opposed to same-sex marriage. The company said the money was meant to support pro-business policies.

The episode came shortly after the Supreme Court's decision in [Citizens United v. FEC](#) ^[32] allowed unlimited corporate, union and nonprofit spending on elections. It was a clear warning: Political spending could backfire.

In recent years, shareholders have pushed for more disclosure of corporate spending on lobbying and politics, and some companies have been targeted for boycotts. Some business groups, notably the U.S. Chamber of Commerce and the Business Roundtable, have [vocally opposed](#) ^[33] the transparency efforts.

Meanwhile, customers, investors and employees are all monitoring whether corporate political spending aligns with stated corporate values, said Bruce Freed, president of the [Center for Political Accountability](#) ^[34], which advocates for more transparency around corporate political spending.

"Companies are becoming much more sensitive about who they are being publicly associated with," Freed said.

A public campaign led by the nonprofit group Color of Change, which [describes itself](#) ^[35] as "the nation's largest online racial justice organization," was credited with convincing companies not to support the Republican National Convention over the summer.

In the wake of the Charlottesville violence and Trump's response to it, Color of Change also targeted executives at companies including PepsiCo Inc. and General Motors with a social media campaign urging them to step down from executive branch advisory councils.

"They are a public-facing company that talks openly about diversity," the group's executive director, Rashad Robinson, told [Advertising Age](#) ^[36] about the group's reasons for taking aim at PepsiCo CEO Indra Nooyi.

PepsiCo, which [contributed](#) ^[13] more than \$250,000 to the inauguration and the maximum \$5,000 contribution to the transition, as well as [\\$5,000](#) ^[37] to Pence's leadership PAC via its own corporate PAC, did not respond to a request for comment.

A complete break with the president and his administration isn't a realistic option for most public companies, business lobbyists interviewed by the Center for Public Integrity said, although the companies may choose to distance themselves from the White House.

The lobbyists wouldn't speak for attribution. But they said walking away from engaging with the administration isn't possible for their clients. Moreover, companies are unlikely to pick a fight, by publicly ruling out making contributions related to Trump, with a president known for holding grudges and tweeting negatively about corporations he believes have wronged him.

How should companies engage with government?

In recent years, controversial political proposals in states have prompted corporate blowback and economic losses for the states.

One example is a religious freedom measure in Indiana. [Signed](#) ^[38] by then-Gov. Pence, the measure faced harsh criticism from opponents who argued it discriminated against lesbian, gay, bisexual and transgender people. Another is North Carolina's so-called "[bathroom bill](#)" ^[39].

More companies are speaking out on diversity and discrimination issues, said Heidi Welsh of the [Sustainable Investments Institute](#) ^[40], a nonprofit that studies efforts to influence corporate behavior on social and environmental issues.

Companies "actually do see that as a bottom-line issue," Welsh said. "They are not dumb on the issue of diversity. If you piss off a whole wide swath of your customer base, people can shop elsewhere, and they do."

[Aaron Chatterji](#) ^[41], a professor at Duke University's business school and an expert in CEO activism, said CEOs' increasing outspokenness could lead companies to reevaluate their political engagement.

"It seems like a natural extension," he said.

He added that he expects a "renewed sort of scrutiny on companies and their political strategies, and I think it's an indication of a broader shift where the political polarization that has characterized how we vote, where we live ... It's increasingly going to come into how we evaluate businesses."

Companies are getting more pressure from employees who care about corporate values, said [Douglas Chia](#) ^[42], the executive director of the governance center of the Conference Board, a business membership and research association that offers members a handbook on corporate political activity.

Chia said corporations must analyze corporate political spending "in light of there being more sensitivity in the public and particularly in the investment community."

Companies must stay engaged with the government, he said, but can choose how they do that.

When companies contributed to Trump's inauguration, he said, they were "trying to be optimistic in terms of this president being good for business interests," especially after years of feeling ignored by the Obama administration.

But Trump's behavior "reached a tipping point when companies said we need to not just distance ourselves, but we need to come out and condemn that behavior because we are getting so much pressure from our main stakeholders, and that goes back to reputational risk."

It will be interesting to see, he said, were Trump to be re-elected, "what the contributions would be to the next inauguration."

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