

ROLL CALL

Beating Up on Ethanol

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Rising food and fuel prices have led the biofuel industry to take a beating on Capitol Hill the past few weeks. But the pummeling hasn't been by chance — it's part of a concerted effort spearheaded by the Grocery Manufacturers Association and the Glover Park Group.

GMA has been leading an "aggressive" public relations campaign for the past two months in an effort to roll back ethanol mandates that passed in last year's energy bill.

The association hired Glover Park Group to run a six-month campaign, according to GMA's request for proposal and Glover Park's response.

"GMA has concluded that rising food prices ... create a window to change perceptions about the benefits of bio-fuels and the mandate," reads the three-page RFP, a copy of which was obtained by Roll Call.

GMA's Scott Faber said it was high time the group, which represents many of the nation's largest food, beverage and household goods companies, joined the debate.

"We think that America has only heard one side of this debate for too long," said Faber, GMA's vice president for federal affairs. "The food industry is just adding its voice to the anti-poverty, environmental and consumer groups that have been ringing the alarm bells about diverting so much of our food to our fuel supplies."

GMA, which believes the current ethanol policy has caused a major rise in food prices, sent out the RFP in early March looking for a public relations shop to "build a groundswell in support of freezing or reversing some provisions of the 2007 Energy Bill and for the elimination/reform of ethanol subsidies and import restrictions."

The energy bill, which passed in December, includes a renewable fuel standard that mandates 36 billion gallons of ethanol be produced yearly by 2022, up from about 7 billion gallons last year.

In its RFP, the GMA outlined a four-part approach: building "a global center-left coalition," which includes environmental, hunger, food aid, poverty, development, senior, children, business, nutrition, farm consumer and labor groups; taking advantage of the "extraordinary earned media opportunities" caused by rising food prices; mobilizing local

food banks and “other local opinion leaders in key states and districts”; and hiring “trusted third-party experts” to document the effect of fuel mandates on, among other things, global hunger and poverty, job losses in the food industry, and inflation.

In its 21-page answer, a copy of which was also obtained by Roll Call, Glover Park laid out a hard-hitting plan with two main goals for the campaign.

“First, we must obliterate whatever intellectual justification might still exist for corn-based ethanol among policy elites. ... Second, we must demonstrate to policy makers at the state and federal level that there is a political price to allowing ethanol policy to drive up the cost of food,” Glover Park wrote.

In order to do that, Glover Park said the campaign must “clearly show the direct and irrefutable link between corn-based ethanol policy and the variety of harms caused by that policy, above all food price inflation” along with an urgent and remedy-based messaging strategy.

The emphasis, the lobbying and public affairs shop noted, must be that “this is a ‘Now’ issue that is fast reaching crisis proportions for American consumers.”

Among other ideas suggested by Glover Park for “news-driving and public visibility events” are a “costumed ‘mascot’ ... to draw attention and distribute advocacy materials at local supermarkets,” and handing out coupons at supermarkets to “offset the ‘ethanol tax’ on staple goods.”

In addition, Glover Park suggested creating a brand name and Web site, as well as using direct outreach and earned and paid media, including producing an online viral campaign.

“Our strategy depends on sparking a high-volume, intense political battle,” the firm wrote, requesting a six-month \$50,000 retainer for the publicity campaign. Expecting a tough fight, Glover Park wrote that the coalition must “be first to punch every time.”

The firm did not respond to several interview requests.

While Glover Park was hired to help manage the coalition, Faber says not everything in the proposal was adopted. So far, the members haven’t created a name or Web site and haven’t taken as aggressive an approach as Glover Park recommended.

“We’re doing everything in our power to educate legislators about the impacts of food to fuel mandates, hunger and environmental issue,” said Faber, who didn’t rule out ratcheting up efforts further.

Beyond hiring Glover Park, GMA also expanded its lobbying contract with Dutko Worldwide. The association is relying on Andy Wright, former chief of staff to Reps. Rick Boucher (D-Va.) and Brad Sherman (D-Calif.), to develop a state-level grass-roots program.

Faber declined to discuss the association’s payment of Glover Park and Dutko.

Pro-ethanol companies and associations haven’t stayed out of the biofuels debate. Besides individual efforts by groups like the Renewable Fuels Association, the National Corn Growers

Association and the Advanced Biofuels Coalition, there have been different levels of coordination between them.

So far, a formal coalition hasn't gotten off the ground, although members of different industry groups met Tuesday and expect to meet again next week to discuss coordination on the issue, according to Brent Erickson of the Biotechnology Industry Organization.

"This has actually been going on for over a year and a half, even before food and fuel raised its head," Erickson said. "For one reason or another, they haven't gelled."

Different efforts to address the "growing chorus of criticism" of biofuels have been circulating.

One proposal, obtained by Roll Call, calls for a coalition building effort that would include six to 10 entities with biofuels interests to contribute a total of \$2 to \$4 million in what is estimated to be a one- to two-year effort.

Possible membership included 14 companies and associations, including agribusiness giants like ADM, DuPont and Monsanto.

Still, Erickson says the industry has gotten some traction on Capitol Hill, especially with House and Senate leadership.

"There is a little bit of hysteria being worked up there by some of the food companies and environmental groups," Erickson said.

"We're starting to see now that it's kind of moving back the other way. Yes there's some work to do, but is the RFS really in danger?" he said. "My sense is no, not at this point."