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Drug Firms Among Big Donors at GOP Event

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Pharmaceutical companies are among 21 donors paying \$250,000 each for red-carpet treatment at tonight's GOP fundraising gala starring President Bush, two days after Republicans unveiled a prescription drug plan the industry is backing, according to GOP officials.

Republican officials declined to disclose the donors to the event at the Mayflower Hotel, which is expected to net as much as \$30 million for the party. But people familiar with the dinner said drug companies, as well as financial service firms, are among the biggest contributors. Both industries are lobbying aggressively to fend off new, costly regulations in the waning days of this congressional session.

Drug companies, in particular, have made a rich investment in tonight's event. Robert Ingram, GlaxoSmithKline PLC's chief operating officer, is the chief corporate fundraiser for the gala; his company gave at least \$250,000. Pharmaceutical Research and Manufacturers of America, a trade group funded by the drug companies, kicked in \$250,000, too. PhRMA, as it is best known inside the Beltway, is also helping underwrite a television ad campaign touting the GOP's prescription drug plan.

Pfizer Inc. contributed at least \$100,000 to the event, enough to earn the company the status of a "vice chairman" for the dinner. Eli Lilly and Co., Bayer AG and Merck & Co. each paid up to \$50,000 to "sponsor" a table. Republican officials said other drug companies donated money as part of the fundraising extravaganza.

Every company giving money to the event has business before Congress. But the juxtaposition of the prescription drug debate on Capitol Hill and drug companies helping underwrite a major fundraiser highlights the tight relationship lawmakers have with groups seeking to influence the work before them.

A senior House GOP leadership aide said yesterday that Republicans are working hard behind the scenes on behalf of PhRMA to make sure that the party's prescription drug plan for the elderly suits drug companies. Republicans favor a private-sector solution to lowering drug costs, one that requires seniors to buy insurance for drugs from companies or through a managed-care plan; Democrats want the drug benefit to be part of Medicare, a change companies fear could drive down profits.

The House Energy and Commerce Committee will debate the Republican plan today but break early so GOP lawmakers can attend the dinner.

GlaxoSmithKline spokeswoman Nancy Pekarek said the fact that Congress was considering the GOP drug plan the same day as the annual fundraiser was "coincidental," though she said her company backed the principles behind the House proposal. "Generally we do support Republicans because they favor a business environment that is actually conducive to high-risk R&D investment," she said.

Both parties hold glitzy fundraising events here to wine and dine their most generous donors. Democrats often draw six-figure contributions from Hollywood stars, wealthy trial lawyers and the heads of labor unions, many of whom are looking for help on legislation.

Last night, Democrats were working with a group called the Progressive Donor Network, which is funded by their biggest donors, to pull together ads criticizing the GOP for its position on prescription drug coverage, according to a Democratic operative familiar with the discussions. Democrats are developing as one of their major campaign themes an attack on the GOP for its close relationship to businesses, especially those, such as drug companies, that polls show are unpopular with voters.

Democratic National Committee Chairman Terence R. McAuliffe called the fundraiser an "explicit quid pro quo [that] speaks volumes about where Republican priorities lie."

Still, tonight's event shows how Republicans are smashing fundraising records under the leadership and guidance of Bush and his political team. They are approaching corporations and lobbyists early and often, offering face-time with Cabinet officials and party luminaries, such as Lynne Cheney, the wife of the vice president, who headlined a dinner last night for big donors at the National Museum of Women in the Arts.

Nancy Dorn, deputy director of the Office of Management and Budget, is co-hosting a briefing on the federal budget fight today, and Commerce Secretary Donald L. Evans is the keynote speaker at a luncheon afterward.

With more than 6,000 guests expected, tonight's dinner is likely to be the best-attended GOP fundraiser since President Ronald Reagan endorsed Vice President George Bush in the 1980s. To accommodate the crush of guests, organizers have begun asking \$100,000 donors to take just one table, instead of the four to which they are entitled. The event is unlikely to top the \$33 million Republican National Committee gala featuring the president last month.

Many of the donors see this as the last "soft money" hurrah before the new campaign finance law takes effect after the fall elections. Most of the money raised tonight will be in the form of unregulated soft money; the proceeds will be split between the Republicans' House and Senate campaign committees. "This could be the last one of these," said Rep. John A. Boehner (R-Ohio), the chairman of the event. Boehner raised more than \$3 million.

In addition to GlaxoSmithKline, others that contributed \$250,000 to the event include Blue Cross/Blue Shield, PepsiCo. Inc., Microsoft Corp., CSX Corp., Siebel Systems, Mandalay Resort Group, Fannie Mae and Freddie Mac. Trade associations representing beer wholesalers and life insurers anted up the same amount. Smaller donors include MBNA Corp., Fidelity Investments, the Securities Industries Association, Merrill Lynch & Co. and Deloitte & Touche.

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