## **Energy Industry Talk Secretly Taped**

## "Endless War" and Other Rallying Points

By ERIC LIPTON OCT. 30, 2014

This transcript of the speech made by Richard Berman in June in Colorado Springs to a group of energy executives, as well as other documents, provides a unguarded glimpse of Mr. Berman's lobbying tactics. Richard Berman, a political consultant, said oil and gas industry officials need to exploit emotions like fear and turn them against environmental groups. "Think of this as an endless war," he told executives in a speech that was secretly recorded.



Daniel Rosenbaum for The New York Times

## Hard-Nosed Advice From Veteran Lobbyist: 'Win Ugly or Lose Pretty'

WASHINGTON — If the oil and gas industry wants to prevent its opponents from slowing its efforts to drill in more places, it must be prepared to employ tactics like digging up embarrassing tidbits about environmentalists and liberal celebrities, a veteran Washington political consultant told a room full of industry executives in a speech that was secretly recorded.

The blunt advice from the consultant, Richard Berman, the founder and chief executive of the Washington-based Berman & Company consulting firm, came as Mr. Berman solicited up to \$3 million from oil and gas industry executives to finance an advertising and public relations campaign called Big Green Radicals.

The company executives, Mr. Berman said in his speech, must be willing to exploit emotions like fear, greed and anger and turn them against the environmental groups. And major corporations secretly financing such a campaign should not worry about offending the general public because "you can either win ugly or lose pretty," he said.

"Think of this as an endless war," Mr. Berman told the crowd¹ at the June event in Colorado Springs, sponsored by the Western Energy Alliance, a group whose members include Devon Energy, Halliburton and Anadarko Petroleum, which specialize in extracting oil and gas through hydraulic fracturing, also known as fracking. "And you have to budget for it."

What Mr. Berman did not know — and what could now complicate his task of marginalizing environmental groups that want to impose limits on fracking — is that one of the energy industry executives recorded his remarks and was offended by them.

"That you have to play dirty to win," said the executive, who provided a copy of the recording and the meeting agenda to The New York Times under the condition that his identity not be revealed. "It just left a bad taste in my mouth."

Mr. Berman had flown to Colorado with Jack Hubbard, a vice president at Berman & Company, to discuss their newest public relations campaign, Big Green Radicals, which has already placed a series of intentionally controversial advertisements <sup>2</sup> in Pennsylvania and Colorado, two states where the debate over fracking has been intense. It has also paid to place the media campaign on websites serving national and Washington audiences.

A spokeswoman for Mr. Berman confirmed that he gave the speech, but said he would have no comment on its contents.

Mr. Berman is well known in Washington for his technique of creating nonprofit groups like the Center for Consumer Freedom that secretly collect corporate donations to finance the aggressive, often satirical media campaigns his team

<sup>&</sup>lt;sup>1</sup> https://s3.amazonaws.com/s3.documentcloud.org/documents/1349204/berman-at-western-energy-alliance-june-2014-doc.pdf

<sup>&</sup>lt;sup>2</sup> http://www.biggreenradicals.com/ads-media/

conceives. They are intended to undermine his opponents, like labor unions or animal rights groups that have tried to spotlight the treatment of animals at meatpacking plants.

"I get up every morning and I try to figure out how to screw with the labor unions — that's my offense," Mr. Berman said in his speech to the Western Energy Alliance. "I am just trying to figure out how I am going to reduce their brand."

Mr. Berman offered several pointers from his playbook.

"If you want a video to go viral, have kids or animals," he said, and then he showed a spot his company had prepared using schoolchildren as participants in a mock union election — to suggest that union bosses do not have real elections.

"Use humor to minimize or marginalize the people on the other side," he added.

"There is nothing the public likes more than tearing down celebrities and playing up the hypocrisy angle," his colleague Mr. Hubbard said, citing <u>billboard advertisements</u> <sup>3</sup> planned for Pennsylvania that featured Robert Redford. "Demands green living," they read. "Flies on private jets."

Mr. Hubbard also discussed how he had done detailed research on the personal histories of members of the boards of the Sierra Club and the Natural Resources Defense Council to try to find information that could be used to embarrass them.

But the speech, given in June at the Broadmoor Hotel and Resort, where the Western Energy Alliance held its 2014 annual meeting, could end up bringing a new round of scrutiny to Mr. Berman and the vast network of nonprofit groups and think tanks he runs out of his downtown Washington office.

Mr. Berman repeatedly boasted about how he could take checks from the oil and gas industry executives — he said he had already collected six-figure contributions from some of the executives in the room — and then hide their role in funding his campaigns.

"People always ask me one question all the time: 'How do I know that I won't be found out as a supporter of what you're doing?' "Mr. Berman told the crowd. "We run all of this stuff through nonprofit organizations that are insulated from having to disclose donors. There is total anonymity. People don't know who supports us."

What is unclear is if the hardball tactics that Mr. Berman has pitched will succeed in places like Colorado. Already, The Denver Post editorial page, generally supportive of the oil and gas industry, has criticized <sup>4</sup>Mr. Berman's tactics, calling one video spot — featuring fictitious environmentalists who debate if the moon is made of cheese before calling for a ban on fracking — "a cheap shot at fracking foes."

But Mr. Berman probably appreciated the criticism. As he explained in his remarks, what matters is increasing the number of people who see his work, which is part of the reason he intentionally tries to offend people in his media campaigns.

"They characterize us in a campaign as being the guys with the black helicopters," he explained. "And to some degree, that's true. We're doing stuff to diminish the other sides' ability to operate."

OPEN Document: http://www.nytimes.com/interactive/2014/10/31/us/politics/31lobbyist-docs.html? r=o

 $\underline{https://s3.amazonaws.com/s3.documentcloud.org/documents/1349204/berman-at-western-energy-alliance-june-2014-doc.pdf}$ 

<sup>&</sup>lt;sup>3</sup> http://www.biggreenradicals.com/wp-content/uploads/2014/05/Robert-Redford-Billboard.jpg

<sup>4</sup> http://www.denverpost.com/opinion/ci\_26938377/virtual-life-made-me-homeless?source=infinite