

RNC Research BRIEFING

“Tricky Terry”

McAuliffe’s Trouble With The Truth Lands Him In Hot Water With The Virginia Media And Voters

Yesterday, The *Richmond Times-Dispatch* Called Out Terry McAuliffe For His Repeated Exaggerations Of His Accomplishments. “So it’s no surprise that GOP gubernatorial candidate Ken Cuccinelli has been crying foul over Democrat Terry McAuliffe’s claims about his own business record. Yet Cuccinelli has gotten some big help from a surprising source: McAuliffe himself.” (Editorial, “Tricky Terry?” [Richmond Times-Dispatch](#), 7/7/13)

- “[McAuliffe] Has A Pattern Of Making Expansive Claims That Don’t Hold Up Under Scrutiny.” (Editorial, “Tricky Terry?” [Richmond Times-Dispatch](#), 7/7/13)

Taken Together, McAuliffe’s Repeated Distortions “Could Undermine His Campaign.” “Individually, none of these misrepresentations qualifies as a mortal sin. But taken together and placed in broader context, they become part of a pattern that could undermine his campaign.” (Editorial, “Tricky Terry?” [Richmond Times-Dispatch](#), 7/7/13)

- “The More He Exaggerates His Record, The Less Reason Voters Have To Believe He Could Follow Through On His Promises.” (Editorial, “Tricky Terry?” [Richmond Times-Dispatch](#), 7/7/13)

MCAULIFFE’S HISTORY OF FALSE AND EXAGGERATED CLAIMS IS EXTENSIVE

McAuliffe Promised 4,000 Jobs With GreenTech And Produced Less Than 100

In July Of 2010, McAuliffe Said GreenTech’s Goal Was 4,000 Workers In Mississippi, Tennessee, & Virginia. “McAuliffe says the company, based in Northern Virginia, is committed to developing vehicles that are energy-efficient, affordable, and built in the United States. The business plan is to hire more than 4,000 workers in Mississippi, Tennessee and Virginia.” (Mar Weiner, “Schumer: Drink NY Wine But Don’t Drive Drunk,” The Post Standard, 7/11/10)

- McAuliffe Went On TV And Boasted That Greentech Would Have 1,000 Employees In Mississippi “By Next Year” In July of 2012. “My business down in Mississippi, with the help of the governor, we’re going to have 1,000 employees by next year. We’re a small business. We’re growing. We want to be a big business, but we’re working together in a bipartisan way.” (“The Situation Room,” CNN, 7/9/12)

Today, GreenTech Employs Fewer Than 100 People. “Marianne McInerney, a GreenTech Vice President, Said The Company Employs About 10 Employees In McLean And 78 In Mississippi.” (Frederick Kunkle, “Car Company Founded By McAuliffe Files \$85 Million Suit Over Web Site Articles,” [The Washington Post](#), 4/12/13)

- **Recent Progress On GreenTech’s Second Plant Has Been Limited To Mowing The Grass Around The Empty Lot.** REPORTER: “Here’s that \$60 million investment. We went by in April and found overgrown grass surrounding the gravel lot. Today, at least the grass has been mowed. Greentech had hoped to finish the facility here by the end of this year. Now McEnery says they’re shooting for early 2014.” ([WMC-TV](#), 6/17/13)

GreenTech Has Only “Produced About 100” Cars. NOBLES: “So, would you then – you talk often about how you’ve had some businesses that have succeeded and some that have failed. Which category would you put GreenTech in?” MCAULIFFE: “Well, right now I’m excited about its prospects. We started it – we started it from scratch. We have been designing and redoing the vehicle. They’ve produced about 100 that they’ve shipped around the world for testing.” ([NBC12-Richmond](#), 4/30/13)

McAuliffe Claimed He Is Creating Renewable Energy Jobs With Franklin Pellets, But The Company Has Yet To Break Ground

McAuliffe Boasted In 2011 That Franklin Pellets Was Creating Renewable Energy Jobs In Virginia. MCAULIFFE: “I’m down in Franklin, Virginia, creating and saving these jobs, but I’m shipping all the wood pellets over to Europe.... Let’s take over every shuttered paper mill in America and do the same thing. It’s a win-win. We’re creating jobs, it’s good for the environment, and it helps reduce our dependence on foreign countries for providing energy to us.” (WVPT’s [“Politics Matters,”](#) 9/11)

- **But, In Reality, “There Has Not Been Any Tangible Evidence That Franklin Pellets Is Any Closer To A Groundbreaking.”** “As far back as early 2010, a group of investors that includes Democratic gubernatorial candidate Terry McAuliffe, announced an interest in buying International Paper Co.’s mill in Franklin. At that time, the plant was already in the midst of closing. The investors wanted to convert it into a wood-fired and biomass power plant. A company called Franklin Pellets was eventually formed. A little more than three years later, there has not been any tangible evidence that Franklin Pellets is any closer to a groundbreaking.” (Stephen H Cowles, “Where Is Franklin Pellets?” [Tidewater News](#), 5/4/13)

McAuliffe Boasted That He’s Created 100,000 Jobs, But Can’t Back It Up

In A 2009 Debate, McAuliffe Bragged That He Had “Created Over 100,000 Jobs.” “At a debate during his failed 2009 campaign, McAuliffe declared he ‘created over 100,000 jobs—good-paying jobs with benefits and good wages. That’s what I’ll do as governor.’” (Beth Reinhard, “To Beat Terry McAuliffe, Virginia GOP Turns To Anti-Romney Playbook,” [National Journal](#), 4/11/13)

- **McAuliffe’s Claim To Have “Created Over 100,000 Jobs” Exceeds The Number Of North American Employees For Major Companies, Such As Microsoft (55,000 People), Coca-Cola (75,000 People) And Ford (80,000 People).** (SEC Form 10-K, [Microsoft](#), 7/26/12; “Coca-Cola Cutting 750 U.S. Jobs,” [Reuters](#), 3/21/13; SEC Form 10-K, [Ford Motor Company](#), 2/18/13)

Now, McAuliffe Refuses To Defend His 100,000 Jobs Claim. “McAuliffe’s campaign on Wednesday did not respond directly to questions about whether he stands by the 100,000 jobs-the same number Republican presidential nominee Romney struggled to defend in the 2012 campaign.” (Beth Reinhard, “To Beat Terry McAuliffe, Virginia GOP Turns To Anti-Romney Playbook,” [National Journal](#), 4/11/13)

McAuliffe Said He Helped Secure Passage Of Governor McDonnell's Transportation Bill – A Claim Disputed By Both Republicans And Democrats

McAuliffe Aired A Campaign Ad Claiming That He Helped Pass Governor McDonnell's Transportation Bill. "McAuliffe reaches out to Democrats, and urges them to support the bill. And the bill passes." ("Too Important," [McAuliffe For Governor TV Ad](#), 5/22/13)

Democratic Senate Aide: "There Was No Contact Between Terry McAuliffe And Our Office And Nobody Thought He Had Any Impact On The Outcome." (David Sherfinski, "Virginia Governor's Race Turns Harsh With McAuliffe's Soft Campaign Ad," [The Washington Times](#), 5/28/13)

State Sen. Charles Colgan (D-Manassas): "When I Was There, [McAuliffe] Didn't [Speak To Me]." "Sen. Charles J. Colgan, Manassas Democrat and the longest-serving member of the Senate, was an informal adviser to the conferees as they hashed out differences between the House and Senate versions. But Mr. McAuliffe never spoke to him about it, he said Tuesday. 'When I was there, he didn't,' Mr. Colgan said." (David Sherfinski, "Virginia Governor's Race Turns Harsh With McAuliffe's Soft Campaign Ad," [The Washington Times](#), 5/28/13)

State Sen. J. Chapman Petersen (D-Fairfax): "I Don't Know If [McAuliffe] Tried To Reach Me." "J. Chapman Petersen, Fairfax Democrat and one of two Northern Virginia senators to vote against the plan, said he never spoke with Mr. McAuliffe. 'I don't know if he tried to reach me,' he said." (David Sherfinski, "Virginia Governor's Race Turns Harsh With McAuliffe's Soft Campaign Ad," [The Washington Times](#), 5/28/13)

State Sen. Walter Stosch (R-Henrico): "McAuliffe Was Not A Participant Nor Did He Have Any Influence..." "Terry McAuliffe was not a participant nor did he have any influence in the development or negotiation of the transportation bill... I am not aware of any contacts or influence he provided resulting in changing the outcome of HB 2313." (Todd Allen Wilson, "Sen. Stosch Says McAuliffe Didn't Help Transportation Deal Pass," [Hampton Roads Daily Press](#), 5/28/13)

- **Stosch: "McAuliffe Had Nothing To Do With Securing The Measure's Final Passage. His Attempt At Claiming Credit Where None Is Due Is An Example Of Self-Puffery That Frankly Deserves A Prompt Correction..."** (Todd Allen Wilson, "Sen. Stosch Says McAuliffe Didn't Help Transportation Deal Pass," [Hampton Roads Daily Press](#), 5/28/13)

McAuliffe Misled Senate Investigators About His Involvement In An Illegal Campaign Finance Scheme

In 1997, The Senate Investigated Whether The Clinton Re-Election Campaign Had Illegally Engineered A Contribution Swap With The Teamsters. "The Senate committee investigating allegations of campaign fund-raising abuses turned its attention for the first time yesterday to the possibility that funds from the International Brotherhood of Teamsters were improperly directed into the Clinton-Gore reelection effort last year. The panel's chairman, Sen. Fred D. Thompson (R-Tenn.), suggested early yesterday that President Clinton knew about an alleged conspiracy to swap Teamsters contributions in exchange for Democratic fund-raisers directing big donors to contribute to the reelection effort of Teamsters President Ron Carey." (Susan Schmidt, "Teamsters Contributions To Clinton Effort Probed," [The Washington Post](#), 10/9/97)

McAuliffe Gave Sworn Testimony That He Had No Part In The Alleged Scheme. "The report also cited sworn Senate testimony by Terence McAuliffe, who was treasurer of the Clinton-Gore '96 campaign, in which he said he had no active part in discussions about a contribution swap scheme that triggered a federal grand jury investigation of the 1996 Teamsters election." (Kevin Galvin, "Fund-Raising Report Says Gore, Others Misstated Campaign '96 Roles," [The Associated Press](#), 2/10/98)

- **But The Executive Director Of The Democratic Congressional Campaign Committee Testified That McAuliffe Did Participate.** “But Matthew Angle, executive director of the Democratic Congressional Campaign Committee, told Senate investigators that McAuliffe “asked did we know anybody that could or would write a check to (Teamsters President) Ron Carey and that if we could help Carey, then we would perhaps get contributions back to the DCCC.” (Kevin Galvin, “Fund-Raising Report Says Gore, Others Misstated Campaign ‘96 Roles,” *The Associated Press*, 2/10/98)

Senate Investigators Concluded That “Terry McAuliffe And Or Other Officials Of The DNC Participated In Efforts To Engage In A Contribution Swap Scheme.” “The Senate investigators, working for the GOP-controlled Senate Governmental Affairs Committee, reached this conclusion: ‘In sum, the committee concludes that Terry McAuliffe and or other officials of the DNC participated in efforts to engage in a contribution swap scheme. Such efforts included soliciting an illegal contribution for Carey’s campaign.’” (Chris Mondics, “McAuliffe Knew About Teamsters Plan To Swap Funds, Officials Say,” *The Philadelphia Inquirer*, 2/20/01)

The DNC’s Former Finance Director Testified In Federal Court That McAuliffe Had Played “A Major Role” In The Scheme. “A former Democratic official has testified that Terence McAuliffe, President Clinton’s friend and chief fund-raiser, played a major role in promoting an illegal scheme in which Democratic donors were to contribute to the Teamster president’s re-election campaign, and in exchange the Teamsters were to donate large sums to the Democrats. The official, Richard Sullivan, the Democratic National Committee’s former finance director, testified in Manhattan at the trial of William Hamilton, the Teamsters former political director, that Mr. McAuliffe urged him and other fund-raisers to find a rich Democrat to donate at least \$50,000 to the 1996 re-election campaign of Ron Carey, the former Teamsters president.” (Steven Greenhouse, “Witness Says Clinton Friend Had Part In Teamster Money Scheme,” [The New York Times](#), 11/18/99)

McAuliffe Acknowledged Discussing A Potential Swap Of Campaign Funds, Saying “You Help Me, I’ll Help You. That’s Politics.” “This year, Mr. McAuliffe’s role in a questionable plan to swap contributions in 1996 by the Teamsters union and the Democratic Party surfaced during the federal trial in New York of the former political director of the union, who was convicted of fraud and conspiracy. Mr. McAuliffe, in an interview, acknowledged discussing a potential swap. ‘You help me, I’ll help you. That’s politics,’ he said. But he denied doing anything wrong, saying he had not known that the plan — which was never implemented — was meant to aid the 1996 re-election campaign of Ron Carey, the former Teamsters president.” (Jeff Gerth, “Friendship Counts: Clinton’s Top Fund-Raiser Made Lots For Himself, Too,” *The New York Times*, 12/12/99)