



## **Winner & Mandabach Wins 5 of 5 Statewide Campaigns in 2004**

In the November 2004 election, Winner & Mandabach Campaigns continued its successful track record by winning all five of the five statewide campaigns in which the firm was involved.

The firm managed three winning campaigns in California, including the precedent-setting passage of a stem cell research measure (which became the most-watched state ballot measure campaign in the nation and the world in 2004), the defeat of an initiative to allow non-tribal casino gambling, and passage of a state Constitutional Amendment protecting local city and county tax revenues from being diverted for other uses by the legislature.

The firm also played advertising and consulting roles in a Michigan campaign that succeeded in passing a constitutional amendment requiring public votes on new casino gambling proposals, and in an Oklahoma campaign that successfully passed a measure clarifying the legality of Indian gaming in the state and approving the operation of slot machines at racetracks.

Below are brief summaries of these five winning campaigns. It's worth noting that four of the firm's five campaigns this cycle involved "YES" campaigns, which are generally more difficult to win than "NO" campaigns. Since 1990, the firm has been successful in passing a total of 34 ballot measures, attaining more "YES" campaign wins than any other firm in the nation.

### **PASSAGE OF PROPOSITION 71: STEM CELL RESEARCH INITIATIVE**

Scientists believe that human stem cells have tremendous potential to provide new treatments and cures for many diseases, including diabetes, cancer, heart disease, spinal cord injury, Alzheimer's and Parkinson's. When President George W. Bush imposed strict limits on federal funding for one of the most promising areas of this research – involving embryonic stem cells – stem cell research became one of the nation's biggest political issues. In 2003, Winner & Mandabach was retained by a visionary and hard working group of patient advocates to pass a state initiative that would address this research and funding gap by authorizing \$3 billion in state bond funding for an intense program of stem cell research at California hospitals, universities and medical schools. Surveys showed that most voters supported the basic concept of expanding stem cell research. However, because of the state's serious budget and debt problems, it was also clear that passing such a huge bond measure for any purpose would be a major challenge.

The campaign overseen by Winner & Mandabach to overcome those odds involved a year-long coalition building effort that ultimately recruited over 40 Nobel Prize winning scientists and more than 100 patient groups, disease foundations and business groups – the largest, most diverse coalition of its kind ever formed to support a state ballot measure. The supporting groups helped mount an intense grassroots outreach and activation effort to their members, who numbered in the millions.

The TV advertising developed by the firm featured award-winning scientists, patients and their families, and highly-respected patient advocates like Michael J. Fox and the late Christopher Reeve. The ads focused on the potential for cures that could save millions of lives. Details of the initiative and economic issues were addressed through in-depth mail pieces and earned media efforts that included the release of an economic study showing that stem cell cures would help reduce the state's skyrocketing health care costs. Prior to the implementation of the paid media campaign in late-September, polling showed Proposition 71 below the 50% threshold. But after an intense 6-week advertising, earned media and grassroots campaign, Prop 71 steadily gained support, even in the face of final attacks by conservative groups and activists like Mel Gibson, and attacks from the left by some anti-biotech groups. Because of its precedent-setting nature, the Prop 71 campaign became the most watched ballot measure campaign in the nation and generated worldwide press attention. On election day, it was approved overwhelmingly by a vote of 59% to 41%.

### **PASSAGE OF PROPOSITION 1A: LOCAL GOVERNMENT PROTECTION**

During the past decade, as California's state budget problems increased, the legislature increasingly resorted to diverting city and county tax revenues to pay for state programs. In response to this ongoing problem, a coalition organized by the League of California Cities, the California State Association of Counties and the California Special Districts Association worked with the firm, legal counsel and other consultants to develop an initiative measure that would prevent legislative raids on local tax dollars and hired the firm to develop a plan to qualify and pass the measure. After the required signatures were gathered, an early grassroots and earned media campaign was mounted that drew significant attention to the issue and the support of many highly credible groups, including police, firefighter and emergency medical organizations. Sensitive to the problem and seeing this momentum, Governor Schwarzenegger negotiated an alternative measure with local governments that achieved their basic goal but gave more flexibility to the state. The compromise measure was then placed on the ballot as Proposition 1A. To maximize the impact of the clients' fairly limited budget, Winner & Mandabach developed attention-grabbing 15-second television spots that highlighted the support of public safety groups and the Governor. On election day, Prop 1A passed with a huge vote of 84%.

### **DEFEAT OF PROPOSITION 68: NON-TRIBAL GAMING MEASURE**

Proposition 68 was a politically clever initiative developed by California card clubs and racetracks. Promoted as a measure that would supposedly require Indian tribes to "pay their fair share," it said that, unless all gaming tribes agreed to pay 25% of their net revenues to the state, card clubs and racetracks would get slot machines and pay 33% – providing billions in new revenues. A coalition of gaming tribes hired Winner & Mandabach to serve as the lead consulting firm, develop ads against Prop 68 and work with other California consulting firms on various elements of the campaign. The campaign attacked 68 as "the Deceptive Gambling Proposition," casting doubt on claims that it would ultimately generate more state revenues and focusing on the fact that slots at card clubs and racetracks would bring casino gambling to many urban and suburban neighborhoods. Both sides spent tens of millions of dollars. But, on election day, 84% of California voters voted "NO." (NOTE: Winner & Mandabach was not involved in the campaign for or against the other 2004 gaming measure rejected by California voters, Proposition 70, which would have allowed further expansion of Indian gaming, if the tribes agreed to pay the state revenues equivalent to the taxes paid by other businesses.)

## OTHER NOVEMBER 2004 CAMPAIGNS

Six years ago, Winner & Mandabach managed a campaign that achieved an upset victory to pass a statewide measure permitting three casinos in Detroit. By 2004, racetrack owners were on the verge of pushing a bill through the legislature that would allow casino gambling at nine Michigan racetracks without any public vote. In response, the Detroit casinos and Michigan tribes that had casino gaming on their reservations retained Winner & Mandabach to help provide strategic guidance and develop an advertising campaign to pass a measure requiring public votes before new casino gambling expansion could occur. Despite an intense opposition campaign that was heavily funded by racetracks and which featured the state's highly popular Governor and leading education groups, the amendment – called Proposal 1 – was approved by a vote of 58% to 42%. In Oklahoma, Winner & Mandabach was part of a team of consultants hired to pass a ballot measure that clarified the right of Indian tribes to have gaming on reservations and allowed slot machines at racetracks. That measure, Question 712, was also approved by an overwhelming margin of 59% to 41%.

### **Overview of Winner & Mandabach's November 2004 Campaigns**

<b>State</b>	<b>Issue</b>	<b>W&amp;M Client Position</b>	<b>Final vote – with W&amp;M % shown first</b>
California	Proposition 71: Stem Cell Research Bond	YES	<b>59% YES</b> 41% NO
California	Proposition 68: Non-Tribal Gaming Measure	NO	<b>84% NO</b> 16% YES
California	Proposition 1A: Local Government Protection	YES	<b>84% YES</b> 16% NO
Michigan	Proposal 1: Requirement for Public Vote on Gambling Expansion	YES	<b>58% YES</b> 42% NO
Oklahoma	Question 712: Casino Gaming at Indian Gaming Facilities and Racetracks	YES	<b>59% YES</b> 41% NO

Since its inception, Winner & Mandabach has managed or consulted on more than 140 ballot measure campaigns in 26 states and has consulted on issues in Europe, Canada and the Far East. The firm's success rate is over 90%. The firm has directed campaigns in numerous fields, including: health care, biotechnology, taxation, utilities, food and agriculture, government regulation, banking, gaming, high technology, insurance, mining, packaging, energy, solid waste, telecommunications, transportation, and bonds related to parks, water, education, the environment and stem cell research.

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