



Congress Watch • Critical Mass • Global Trade Watch • Health Research Group • Litigation Group
Joan Claybrook, President

July 26, 2006

The Honorable Karen L. Haas
Clerk of the House of Representatives
Legislative Resource Center
B-106 Cannon
Washington, DC 20515

The Honorable Emily J. Reynolds
Secretary of the Senate
Office of Public Records
232 Hart
Washington, DC 20510

Re: Lobbying of Archer Daniels Midland

Dear Ms. Haas and Ms. Reynolds,

The Lobbying Disclosure Act of 1995 (2 USC §1602) requires organizations that employ lobbyists to register their lobbying activities with the U.S. Congress.

Archer Daniels Midland (ADM), America's largest oilseed processing company and ethanol producer, has never registered that it does any federal lobbying, and no lobby firms have registered that they are currently hired by ADM to lobby. Indeed, ADM has made a habit of boasting to the news media that it does no federal lobbying.

But a review of publicly available information by Public Citizen casts doubt on this claim. We therefore request that the Secretary of the Senate and the Clerk of the House of Representatives notify ADM in writing that the company may be in noncompliance with the Lobbying Disclosure Act of 1995.

ADM's prominent role as the largest ethanol producer in the United States means the company captures the lion's share of the \$2 billion in annual subsidies that taxpayers provide to ethanol producers. It is important that the American people have a full understanding of the various special interests that influence federal government decision-makers who help determine how the public's money is spent.

There are two facts that support Public Citizen's suspicions that ADM should be required to register. First, ADM—which has its corporate headquarters in Decatur, Illinois—has an office in Washington, DC, staffed by at least four people, including John G. Reed, Jr. (Vice President for Governmental Affairs) and Shannon S. S. Herzfeld (Vice President, Government Relations).

It is hard to imagine that none of the DC staff (or any of the more than 25,000 ADM employees for that matter) spend at least 20 percent of their time on research, preparation and any other activity designed to facilitate a lobbying contact with a covered official. What is the purpose of an Illinois company expending money to staff a DC office but to lobby the federal government? Public Citizen sent an e-mail to Mrs. Herzfeld on July 18 asking these questions but has not yet received a reply.

Second, filings made by a lobbyist working for ADM, Daniel G. Amstutz (who passed away in April 2006), raise questions as to the extent of outside “consultants” that are paid by ADM to lobby.

On May 10, 2002, Mr. Amstutz filed a Lobbying Registration form on behalf of ADM with the Senate Office of Public Records (Exhibit 1). Under lobbying issues, Mr. Amstutz listed: “Farm Bill of 2002”; “Trade Promotion Authority”; and “Modernization of locks on Mississippi River System.” These are issues that clearly encompass congressional activities, and any consulting on such issues would appear to be covered as lobbying activities under the LDA.

Mr. Amstutz did not file any documents for another year and a half, until writing a letter on December 8, 2003 (Exhibit 2), which reads, in part:

“Soon after entering into a consulting agreement with Archer Daniels Midland Company (ADM), I filed a Lobby Registration (5/1/2000), thinking my work with ADM might include lobbying. This was never the case. My relationship with ADM does not include lobbying activity.”

If ADM was paying Mr. Amstutz to work on the Farm Bill of 2002, Trade Promotion Authority and Modernization of locks on the Mississippi River System, in what ways did that work not constitute lobbying?

Furthermore, Public Citizen inquires as to whether or not ADM has employed or is employing “consultants” that are working on active legislative or regulatory matters pending before the federal government.

Thank you very much for your attention to this inquiry.

Sincerely,

Tyson Slocum, Director
Public Citizen’s Energy Program
202.454.5191
tslocum@citizen.org

cc:

U.S. Attorney Kenneth L. Wainstein
US Attorney’s Office for the District of Columbia
555 4th St NW
Washington, DC 20530

Shannon S. S. Herzfeld
Archer Daniels Midland
1401 New York Ave NW Suite 520
Washington, DC 20005