



STATE OF WASHINGTON
PUBLIC DISCLOSURE COMMISSION

711 Capitol Way Rm 206, PO Box 40908 * Olympia, Washington 98504-0908 * (360) 753-1111 * Fax (360) 753-1112
Toll Free 1-877-601-2828 * E-mail: pdc@pdc.wa.gov * Website: www.pdc.wa.gov

February 4, 2009

BRUCE DAMMEIER
3719 25th COURT
PUYALLUP WA 98374

Subject: Complaint filed by Lindsey Grad – PDC Case No. 09-048

Dear Rep. Dammeier:

The Public Disclosure Commission (PDC) staff has completed its investigation of the complaint from Lindsey Grad received on October 9, 2008, alleging that you received in-kind contributions for printing services that exceeded the statutory contribution limits.

PDC staff reviewed the allegation in light of the following statute:

RCW 42.17.640 limits a 2008 candidate for state legislative office to accepting contributions, both monetary and in-kind, from individuals, political committees, unions, corporations, and other entities not in excess of \$800 per election.

Specifically, the complaint alleged that Print NW provided services to the 2008 Bruce Dammeier campaign in the form of printed political advertisements for less than the fair market value, which exceeded the per-election contribution limit of \$800 for the 2008 primary and general elections.

We reviewed your campaign's response to the complaint, including documentation concerning the fair market value of the political advertisements noted in the complaint. In addition, we contacted a Tumwater based printing company to determine the fair market value of the political advertisements noted in the complaint. As a result of our review, we found:

- On September 8, 2007, you filed a Candidate Registration Statement (PDC Form C-1) declaring your candidacy for State Representative in the 25th Legislative District in 2008. When you ran for the legislature, you were a two-term incumbent School Director for the Puyallup School District.
- You have a 14 percent ownership interest in Print NW. You said that you are not in a key decision-making position for Print NW.
- You met with Print NW representatives in 2007 about the possibility of using the firm to print all of your campaign advertisements. You and Print NW discussed



the need for the campaign to pay the fair market value for all services received and for Print NW to provide the campaign with the required documentation.

- You said your campaign agreed to a pricing arrangement in which the campaign would have all of its printing done by Print NW except for yard signs. This lowered the campaign's per-piece cost for printing resulting in a volume discount. The campaign coordinated all of the print jobs with Print NW well in advance of the mailing date, and your campaign's print jobs were not given any special consideration, which was confirmed by Jeff Stallings, Sales Manager for Print NW.
- You provided a spreadsheet with your response in which you detailed all of the services provided to the campaign by Print NW including costs, job number, order description and quantity for each invoice. The total for services provided by Print NW to the campaign was \$45,888, which excluded sales tax, outside services and postage. You included a notes and comments section in which you identified vendors for each job order that charged a lower price-per-unit than Print NW. The vendors listed included the Seattle Times, Savers and Tully's and they either charged a lower price-per-unit or had a lower pricing grid for the jobs than Print NW.
- In addition, you provided on-line pricing information that you had researched about CCS Printing, a Bellevue printing company that you felt was of similar size to Print NW. The on-line pricing results for CCS were slightly lower than for Print NW. For example, the printing costs for 10,000 4.25" x 5.5" postcards was \$447 for CCS as compared to \$455 for Print NW.
- PDC staff contacted a Tumwater-based printing company and provided them with print jobs that had been performed by Print NW for your campaign. PDC staff requested a cost estimate for printing four of the print jobs, including three mail pieces and one door-hanger.
- The Tumwater company provided a price quote for the three mail pieces that was between 5 to 20 percent lower than the price charged to your campaign by Print NW. The company quoted a price for the door-hanger that was about 15 percent higher than the price charged your campaign. Based on the price quote comparisons provided and found, no evidence was found that preferential treatment was given to your campaign.

In summary, no evidence was provided by Ms. Grad or found during the investigation that Print NW rendered services to the 2008 Bruce Dammeier campaign in the form of printed political advertisements or other services for less than the fair market value. As such, contribution limits are not implicated by this activity.

Bruce Dammeier
PDC Case No. 09-048
Page – 3 –

After a careful review of the alleged violations and relevant facts, we have concluded our investigation and, with the concurrence of the Chair of the Public Disclosure Commission, I am dismissing the complaint filed by Lindsey Grad against your campaign. Ms. Grad is being notified of this dismissal by separate letter.

If you have questions, please contact Phil Stutzman, Director of Compliance, at (360) 664-8853, toll-free at 1-877-601-2828 or by e-mail at pstutzman@pdc.wa.gov.

Sincerely,


Vicki Rippie
Executive Director