

STRATEGIC MANEUVERS



The Revolving Door from the
Pentagon to the Private Sector

Strategic Maneuvers

High-ranking generals and admirals earn their stars. They earn their stripes. Then, they earn their cash. New research by Citizens for Responsibility and Ethics in Washington (CREW) found 70 percent (or 76) of the 108 three-and-four star generals and admirals who retired between 2009 and 2011 took jobs with defense contractors or consultants. In at least a few cases, the retirees have continued to advise the Department of Defense while on the payroll of defense contractors, suggesting the Pentagon may not always be receiving unbiased counsel.

The retired generals and admirals moving into the private sector in general do not appear to be breaking any rules. Nonetheless, their heavily traveled path through the military-industrial complex continues to raise important questions about the intersection of national security and the interests of private companies that stand to make billions of dollars.

A 2010 *Boston Globe* investigation revealed the number of retired three-and-four star generals and admirals moving into lucrative defense industry jobs rose from less than 50 percent between 1994 and 1998 to a stratospheric 80 percent between 2004 and 2008, findings that brought new scrutiny to the revolving door.¹ CREW's research shows the number of high-level retirees taking those jobs has since ticked down, though the vast majority of retiring generals and admirals continue to sign on with defense contractors vying for their services.

Every year, the Pentagon awards hundreds of billions of dollars in contracts to the defense industry.² Retired generals, with their strong relationships, robust contact lists, and insider knowledge, are valuable assets in the competition for contracts and can easily make more than their base pay – currently \$164,221 per year for a three-star general and \$179,700 for a four-star general – by serving on a single corporate board.³ A recent study found that when a defense company announced the hiring of a former defense department political appointee, on average, the company's stock price increased.⁴ The relationship was statistically weak but positive, suggesting investors believe such hires bring benefits.⁵

In 2011 alone, the Department of Defense committed to spending nearly \$100 billion with the five largest defense contractors - Lockheed Martin, Boeing, General Dynamics,

¹ Bryan Bender, [From the Pentagon to the Private Sector](#), *Boston Globe*, December 26, 2010.

² Center for Strategic and International Studies, *U.S. Department of Defense Contract Spending and the Supporting Industrial Base*, September 2012.

³ <http://militarypay.defense.gov/PAY/BASIC/docs/Active%20Duty%20Tables/2012%20Basic%20Pay%20Table%20-%20Active%20uncapped.pdf>.

⁴ Simon Luechinger and Christoph Moser, [The Value of the Revolving Door: Political Appointees and the Stock Market](#), KOF Working Papers No. 310, August 2012, available at http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2147674.

⁵ *Id.*

Raytheon, and Northrop Grumman.⁶ At least nine of the top-level generals and admirals who retired between 2009 and 2011 took positions with those five companies. In addition, 12 generals who retired during that period have gone on to work for Burdeshaw Associates, a “rent-a-general” consulting firm specializing in helping companies obtain defense contracts.⁷ Burdeshaw’s clients have included Northrop Grumman.⁸

Further, CREW found some retired generals and admirals work for defense contractors while they continue to advise the Pentagon. Both Gen. James Cartwright, who retired from the U. S. Marine Corps on September 1, 2011 after serving as vice chairman of the Joint Chiefs of Staff, and Adm. Gary Roughead, who retired from the Navy in 2011⁹ after serving as the chief of naval operations, were appointed to the Defense Policy Board on October 4, 2011.¹⁰ The board’s charter mandates that it provide the secretary of defense “with independent, informed advice and opinion concerning major matters of defense policy.”¹¹

Gen. Cartwright, shortly after his retirement, was elected to the Raytheon Co. board of directors.¹² Raytheon, a public company that reports director compensation, disclosed paying each of its non-employee directors an \$85,000 annual cash retainer in 2011, as well as a \$1,500 meeting fee for each board or committee meeting attended in person or by teleconference.¹³ In addition, directors received \$120,000 worth of restricted stock grants in 2011.¹⁴ Gen. Cartwright is also on the board of advisors of TASC, Inc.,¹⁵ a former subsidiary of Northrop Grumman that advises military agencies,¹⁶ and a member of the U.S. federal advisory board of Accenture Federal Services.¹⁷

Less than four months after his retirement, Adm. Roughead joined Northrop Grumman’s board, for which he is paid \$115,000 per year.¹⁸ Northrop Grumman, a public company that reports director compensation, will also pay him an additional \$10,000 per year for serving on the board’s audit committee, and he receives an annual grant of \$130,000 in deferred stock.¹⁹

⁶ Center for Strategic and International Studies, *U.S. Department of Defense Contract Spending and the Supporting Industrial Base*, September 2012.

⁷ Bender, *Boston Globe*, Dec. 26, 2010.

⁸ *Id.*

⁹ CREW found conflicting information regarding Adm. Roughead’s retirement date. In response to a Freedom of Information Act request, the Navy said he retired on November 1, 2011. His official biography on the Navy’s web site, however, says he retired on September 23, 2011. See <http://www.navy.mil/navydata/bios/navybio.asp>.

¹⁰ Press Release, Department of Defense, DoD Announces New Defense Policy Board Members, October 4, 2011.

¹¹ André Velroy and Daniel Politi, Advisors of Influence: Nine Members Of The Defense Policy Board Have Ties to Defense Contractors, *Center for Public Integrity*, March 28, 2003.

¹² Press Release, Raytheon Co., James E. Cartwright Elected to Raytheon Board of Directors, January 27, 2012.

¹³ Raytheon Co., Proxy Statement for 2012 Annual Meeting of Shareholders, April 27, 2012, p. 16.

¹⁴ *Id.*

¹⁵ Press Release, TASC, Inc., TASC, Inc. Names Gen. James Cartwright to Board of Advisors, November 29, 2011.

¹⁶ Peter Lattman and Jeffrey McCracken, Northrop to Sell TASC Unit for \$1.65 Billion, *Wall Street Journal*, November 9, 2009.

¹⁷ Press Release, Accenture Federal Services, Accenture Announces Advisory Board for U.S. Federal Business, February 7, 2012.

¹⁸ Press Release, Northrop Grumman, Former U.S. Navy Chief of Naval Operations Gary Roughead Joins Northrop Grumman Board of Directors, February 16, 2012; Northrop Grumman Corp., 8-K Report, February 17, 2012.

¹⁹ *Id.*

Adm. Roughead also sits on the strategic advisory council of The SI Organization,²⁰ a systems engineering and integration company previously owned by Lockheed Martin.²¹

Public Expertise to the Private Sector

In some cases the revolving door spun quickly, with senior military officers retiring and almost immediately taking industry jobs related to their military work. For instance, Vice Adm. David Dorsett was the deputy chief of naval operations for information dominance and the director of naval intelligence, which included cybersecurity responsibilities.²² On August 1, 2011, apparently the same day Adm. Dorsett officially retired,²³ Northrop Grumman announced his appointment as vice president of cybersecurity.²⁴ Then, in March 2012, Northrop Grumman announced a \$16.3 million contract to provide cybersecurity and information operations support to several Navy organizations, including Fleet Cyber Command and Navy Information Operations Command Norfolk.²⁵

Lt. Gen. David Deptula retired from the Air Force on October 1, 2010, after serving as the deputy chief of staff for intelligence, surveillance and reconnaissance.²⁶ A few months later, Mav6 LLC, a defense contractor, announced Lt. Gen. Deptula would be its new chief executive officer and managing director.²⁷ On March 14, 2011,²⁸ Mav6 signed an \$86.2 million contract²⁹ with the Air Force to develop an unmanned airship designed for “persistent intelligence, surveillance and reconnaissance missions.”³⁰ The Air Force cancelled the airship program earlier this year after it ran into delays and accumulated cost overruns.³¹ Lt. Gen. Deptula is also an associate at Burdeshaw & Associates,³² has consulted for Northrop Grumman,³³ and is on the strategic advisory council of the SI Organization.³⁴

²⁰ Press Release, The SI Organization, Inc., The SI Names Admiral Gary Roughead To Strategic Advisory Council, January 4, 2012.

²¹ <http://www.thesiorg.com/about-us/legacy>.

²² Navy Information Dominance Corps, *The U.S. Navy's Vision for Information Dominance*, May 2010, available at <http://www.carlisle.army.mil/DIME/documents/Navy%20Information%20Dominance%20Vision%20-%20May%202010.pdf>; <http://www.navy.mil/navydata/bios/navybio.asp?bioid=98>.

²³ In response to a Freedom of Information Act request, the Navy said Vice Adm. Dorsett retired on August 1, 2011. A Navy press release says he turned over his duties as director of naval intelligence on June 1, 2011. See Press Release, U.S. Navy, Naval Intelligence Welcomes New Leadership, June 1, 2011.

²⁴ Press Release, Northrop Grumman, Northrop Grumman Names Jack Dorsett Vice President of Cybersecurity/C4, August 1, 2011.

²⁵ Press Release, Northrop Grumman, Northrop Grumman to Provide Cybersecurity Solutions to U.S. Navy Information Operations, March 20, 2012.

²⁶ <http://www.af.mil/information/bios/bio.asp?bioID=5213>.

²⁷ Press Release, Mav6 LLC, Mav6 Names Dave Deptula CEO and Managing Director, February 28, 2011.

²⁸ http://usaspending.gov/explore?fiscal_year=all&comingfrom=searchresults&piid=FA862011C4024&modification=0&typeofview=complete.

²⁹ Stephen Trimble, *US Air Force Joins Air Ship Demonstration Race with Blue Devil 2*, *Flightglobal*, April 7, 2011.

³⁰ David Axe, *Military Airships: Hot Air or Soaring Promise*, *AOL Defense*, May 1, 2012.

³¹ Amy Butler, *Bedeveled*, *Aviation Week & Space Technology*, June 4, 2012.

³² http://www.burdeshaw.com/associates/Air_Force_Naval_Maritime_Associates.pdf.

³³ Ben Iannotta, *Crucial or Expendable?*, *C4ISR Journal*, June 1, 2012.

³⁴ <http://www.thesiorg.com/about-us/leadership/board-of-advisors>.

Lt. Gen. Robert Dail retired from the Army on January 1, 2009, after serving as the director of the Defense Logistics Agency (DLA).³⁵ In March 2009, Lt. Gen. Dail became president of Supreme Group USA, a then-new offshoot of the global logistics services company Supreme Group.³⁶ Since 2005, Supreme Foodservice, another part of the Supreme Group, has been paid at least \$6.8 billion under a contract with the DLA to supply food to U.S. and coalition troops in Afghanistan.³⁷ The Pentagon says the company overcharged it by hundreds of millions of dollars, and began pressing it for a \$756.9 million refund in December 2011.³⁸ Despite the dispute, the company's contract was renewed during Lt. Gen. Dail's time at Supreme Group, and in June 2012, the company was awarded an additional \$1.5 billion contract to ease the transition to a new vendor.³⁹ The House Oversight and Government Reform Committee's Subcommittee on National Security, Homeland Defense, and Foreign Operations is investigating the contract.⁴⁰ A lawyer for Supreme Group said Lt. Gen. Dail was not involved with granting the contract while at DLA.⁴¹ Both Lt. Gen. Dail and the Supreme Group lawyer said Lt. Gen. Dail has not participated in negotiations with the agency over the food contracts since joining Supreme.⁴²

Lt. Gen. Dail is also on the board of directors of ADS Tactical Inc., another DLA contractor.⁴³ In public disclosures filed before a planned initial public offering (IPO), ADS said it intended to offer directors – including Lt. Gen. Dail – a \$40,000 cash retainer and \$100,000 in equity.⁴⁴ Lt. Gen. Dail also served on the boards of three other companies: government consulting company LMI,⁴⁵ consulting firm Nat'l Security Associates Worldwide,⁴⁶ and communications technology vendor iDirect Government Technologies.⁴⁷

³⁵ Lt. Gen. Dail's biography for the 64th Annual NDTA Forum & Expo says he retired in November 2008. See http://ndtahq.com/documents/Dail_000.pdf. A *Washington Post* article also described Lt. Gen. Dail as retiring in November 2008. See Walter Pincus, *Agency Extends Contract for Firm That Hired Former Director*, *Washington Post*, January 5, 2011. In response to a Freedom of Information Act request, however, the Army said Lt. Gen. Dail retired on January 1, 2009, which led CREW to include him in this study.

³⁶ Pincus, *Washington Post*, Jan. 5, 2011.

³⁷ Nathan Hodge, *U.S. Awards Afghan Contract to Dubai Firm*, *Wall Street Journal*, June 24, 2012.

³⁸ *Id.*; Department of Defense Office of Inspector General, *Improvements Needed In Contract Administration of the Subsistence Prime Vendor Contract for Afghanistan*, Report No. D-2011-047, March 2, 2011; Tony Capaccio, *Pentagon Seeks \$756.9 Million Overpayment Refund From Supreme Foodservice*, *Bloomberg*, December 13, 2011.

³⁹ *Id.*; Hodge, *Wall Street Journal*, June 24, 2012.

⁴⁰ Letter from House Oversight And Government Reform Subcommittee on National Security, Homeland Defense, and Foreign Operations Chairman Jason Chaffetz and Ranking Member John Tierney to Stephen Orenstein, Jean Contant, and Micahel Schuster of Supreme Foodservice GmbH, May 23, 2012.

⁴¹ Pincus, *Washington Post*, Jan. 5, 2011.

⁴² Aram Roston, *Supreme Group Probed Over No-Bid Contracts To Feed Troops In Afghanistan*, *Newsweek*, November 27, 2011; Pincus, *Washington Post*, Jan. 5, 2011.

⁴³ Robert McCabe, *Former Defense Officer Joins ADS Tactical Board*, *Virginian-Pilot*, July 4, 2011.

⁴⁴ ADS Tactical Inc., *Amendment No. 5 to Form S-1*, July 22, 2011, pp. 97-98. The company later decided against proceeding with the IPO. See Robert McCabe, *Virginia Beach Firm, ADS Tactical, Calls Off IPO*, *Virginian-Pilot*, July 28, 2011.

⁴⁵ Press Release, LMI, LTG Robert T. Dail, USA (Retired), Joins LMI Board, January 21, 2009.

⁴⁶ Press Release, Nat'l Security Associates Worldwide, Nat'l Security Associates Worldwide Adds Six New National and International Clients; Company Also Significantly Expands its Board of Advisors, January 11, 2010.

⁴⁷ Press Release, iDirect Government Technologies, iDirect Government Technologies Welcomes New Board Members, January 12, 2011.

Revolving Door Lobbyists

The revolving door is, of course, not limited to generals and admirals. CREW's research shows defense companies also covet lobbyists with backgrounds in appropriations and strong connections on the Hill. CREW analyzed the employment history of in-house lobbyists registered on behalf of Lockheed Martin, Boeing, Northrop Grumman, Raytheon, and General Dynamics as of the first quarter of 2012 and found at least 68 percent had prior public sector experience. Nearly half of the 84 lobbyists had worked for Congress. In addition, 21 percent, or 18 lobbyists, had worked for a federal agency. Of those lobbyists with experience on the Hill, roughly a third – 14 lobbyists - had worked for either the House or Senate Appropriations Committees, the powerful panels responsible for directing billions of dollars in government spending. There were also other connections to the appropriations committees: of the 16 lobbyists who worked directly for members of Congress, seven had worked for members of the appropriations committees.

The five companies spend millions of dollars on federal lobbying every year, and receive billions of dollars in federal contracts. Lobbying records show their collective spending on lobbying increased by nearly 40 percent between 2007 and 2011, skyrocketing from \$44.6 million to \$62.3 million. Over the same period, the total amount of dollars committed to them in federal contracts increased by roughly 13 percent, growing from \$100.61 billion in fiscal year 2007 to \$113.28 billion in fiscal year 2011.⁴⁸

The five companies spent roughly \$33 million lobbying during the first half of this year, indicating a likely overall increase for 2012 as well. As defense contractors step up the fight against planned budget cuts, well-connected lobbyists and senior military personnel are likely to become even more valuable.

Lots of Loopholes

The Pentagon has rules meant to address conflicts of interest by retirees, but independent studies have found they are riddled with loopholes.⁴⁹ For example, retiring flag and general officers are subject to a one-year cooling-off period barring them from contacting anyone in the agencies they most recently worked at with the intent to influence.⁵⁰ Nothing, however, prevents them from offering behind-the-scenes advice to business colleagues who *can* contact employees in their former agencies.⁵¹

Such influence is hard to track. In 2008, Congress required senior defense acquisition officials to seek guidance from ethics officials before accepting compensation from a defense contractor.⁵² The department was required to create a centralized database containing copies of

⁴⁸ Federal Procurement Data System, *Top 100 Contractors Reports 2007-2011*, accessed on September 19, 2012, available at <https://www.fpds.gov/fpdsng/cms/index.php/reports>.

⁴⁹ Revolving Door Working Group, *A Matter of Trust: How The Revolving Door Undermines Public Confidence In Government – And What to Do About It*, October 2005.

⁵⁰ Department of Defense Panel on Contracting Integrity report, *Review of Post-Employment Restrictions Applicable to the DoD*, May 9, 2011.

⁵¹ *Id.*

⁵² *National Defense Authorization Act for Fiscal Year 2008*, Public Law 110-181, 110th Congress, January 28, 2008.

the ethics opinions,⁵³ but has refused to make it publicly available.⁵⁴ A June 2010 report by the defense department's inspector general found that 219 such opinions had been issued, the most recent number available.⁵⁵

In 2009, Congress directed the Defense Department Panel on Contracting Integrity to assess the Pentagon's post-retirement policies and determine whether they "adequately protect the public interest without unreasonably limiting the future employment options of former Department of Defense personnel."⁵⁶ The panel concluded existing conflict of interest laws were sufficient, but the National Academy of Public Administration (NAPA), which reviewed the panel's findings, criticized the defense department's methodology and analysis and concluded the panel's study didn't persuasively show the existing rules were adequate to protect the public interest.⁵⁷ For example, the NAPA review found the defense department failed to address how the existing restrictions adequately address the behind-the-scenes problem.⁵⁸

As Congress stares down the possibility of massive cuts to the defense budget, contractors are scrambling to position themselves on the winning side, making high-ranking generals and admirals and experienced lobbyists even more of a valuable commodity. That means the revolving door is unlikely to stop spinning anytime soon.

⁵³ *Id.*

⁵⁴ Press Release, Project on Government Oversight, POGO's Request For Transparency To Revolving Door Database Denied, November 20, 2009.

⁵⁵ Department of Defense Inspector General, *Review of DoD Compliance with Section 847 of the NDAA for FY 2008*, Report No. SPO-2010-003, June 18, 2010. CREW filed Freedom of Information Act requests in April 2012, requesting the database, and in September 2012, requesting the 219 opinions cited in the Inspector General's report. The department has refused to turn over the database, and the inspector general's office has indicated a response is not immediately forthcoming.

⁵⁶ Department of Defense Panel on Contracting Integrity, *Review of Post-Employment Restrictions Applicable to the DoD*, May 9, 2011.

⁵⁷ *Id.*

⁵⁸ *Id.*; National Academy of Public Administration, *Independent Assessment of the Department of Defense Review of Post-Employment Restrictions*, February 2012.

Methodology

CREW filed a request under the Freedom of Information Act for the names and retirement dates of three-and-four star admirals and generals who retired from the Army, Navy, Air Force, and Marine Corps in 2009, 2010, and 2011. CREW researchers then used news articles, social media profiles, press releases, federal contracting records, and other publicly available information to identify post-retirement jobs taken by those high-ranking generals and admirals and determine whether their new employers were defense contractors or consultants.

CREW relied upon Federal Procurement Database System (FPDS) reports about the top 100 federal contractors to determine the largest defense contractors, and drew the names of registered lobbyists for those companies from first quarter 2012 lobbying reports filed in the lobbying information database maintained by the Senate Office of Public Records in its online Lobbying Disclosure Act Database. To determine the past employment of the lobbyists, CREW researchers used lobbying reports, news articles, official biographies, press releases, and revolving door information assembled by Legistorm Pro and the Center for Responsive Politics.

CREW researchers also used lobbying data from the Senate's Lobbying Disclosure Act Database to determine the total amounts spent on lobbying by the top five defense contractors from 2007 until 2012. CREW relied upon campaign contribution data tracked by the Center for Responsive Politics. The center's totals for each company include contributions of \$200 or more given by company political action committees and individuals associated with the company to federal candidates.

CREW used an analysis of FPDS data by the Center for Strategic and International Studies (CSIS) to determine the total amounts of money obligated to the top defense contractors in fiscal year 2011. CSIS reported its totals in FY 2011 dollars.

Boeing

Registered lobbyists as of first quarter 2012: 25

Revolving door lobbyists: 21

Amount spent on lobbying since 2007: \$86.93 million

Campaign contributions since 2008 cycle: \$7.58 million¹

Top congressional recipients of campaign contributions during the 2012 election cycle:

Rep. Buck McKeon (R-CA), Rep. Ron Paul (R-TX), Sen. Maria Cantwell (D-WA)

Total dollars obligated to Boeing for Defense Department contracts in 2011: \$20.49 billion

Boeing's lobbying spending increased from \$10.64 million in 2007 to \$15.91 million in 2011, a jump of roughly 50 percent. The company spent \$4 million lobbying in the first quarter of 2012 and has reported lobbying on a host of issues, including cyber security, missile defense programs, and space launch vehicles. Of the 21 Boeing lobbyists with public sector experience:

- Five worked for the House Appropriations Committee;
- One worked for the Senate Appropriations Committee;
- One worked for the Senate Small Business and Entrepreneurship Committee;
- Two worked for members of Congress who sat on one of the appropriations committees;
- Five worked for other members of Congress;
- Seven held other positions with the federal government, including jobs in the office of the secretary of defense, the office of the secretary of the Army, and the Commerce and Transportation Departments. Tim Keating, Boeing's senior vice president for government operations, was the staff director for the White House legislative affairs office during the Clinton administration.²

As of first quarter 2012, 13 outside firms were also registered to lobby on Boeing's behalf. The list of outside firms includes Gephardt Group Government Affairs, the firm headed by former House Majority Leader Richard Gephardt (D-MO). Boeing has paid Gephardt Group \$1.65 million since 2008. Boeing also uses Shockey Scofield Solutions, a lobbying firm started in May 2011 by two former appropriations committee staff members that is affiliated with retired Gen. Stanley McChrystal's consulting firm.³ Gen. McChrystal is not a registered lobbyist. Boeing has paid Shockey Scofield Solutions \$160,000 since 2011.

So far, Boeing has contributed \$2.31 million to federal candidates during the 2012 cycle. The biggest congressional recipient is Rep. McKeon, the chairman of the House Armed Services Committee, who received \$31,750.⁴ In addition, three of the top ten congressional recipients of Boeing contributions – Sen. Cantwell, Rep. Norm Dicks (D-WA), and Rep. Adam Smith (D-WA), the ranking member of House Armed Services⁵ – are from Washington state, where Boeing employs more than 80,000 people.⁶ They received \$26,875, \$25,500, and \$25,000, respectively.

¹ All contributions are as of September 20, 2012.

² <http://www.boeing.com/companyoffices/aboutus/execprofiles/keating.html>.

³ Kate Ackley, *Former Appropriations Aides Launch New Lobby Shop*, *Roll Call*, May 13, 2011.

⁴ <http://armedservices.house.gov/index.cfm/members>.

⁵ *Id.*

⁶ http://www.boeing.com/aboutus/employment/employment_table.html.

General Dynamics

Registered lobbyists as of first quarter of 2012: 10

Revolving door lobbyists: 2

Amount spent on lobbying since 2007: \$53.08 million

Campaign contributions since 2008 cycle: \$4.79 million¹

Top congressional recipients of campaign contributions during the 2012 election cycle: Rep. Buck McKeon (R-CA), Sen. Scott Brown (R-MA), Rep. Jim Langevin (D-RI)

Total dollars obligated to General Dynamics for Defense Department contracts in 2011: \$17.98 billion

General Dynamics' lobbying spending increased from \$7.19 million in 2007 to \$11.36 million in 2011, a jump of roughly 58 percent. However, the company spent \$2.22 million lobbying in the first quarter of 2012, a 22 percent decrease from the first quarter of 2011. The company reported lobbying on appropriations for a wide range of programs, including shipbuilding, Army ground vehicles, and defense intelligence programs. Of the two General Dynamics lobbyists with public sector experience, one worked for a former representative from 1979 until 1986 and the other was a Senate liaison for the Navy from 2005 until 2007.

As of first quarter 2012, 28 outside firms were also registered to lobby on General Dynamics' behalf. The list of outside firms includes American Defense International and Prime Policy Group. General Dynamics also uses Shockey Scofield Solutions, a lobbying firm started in May 2011 by two former appropriations committee staff members that is affiliated with retired Gen. Stanley McChrystal's consulting firm.² Gen. McChrystal is not a registered lobbyist. General Dynamics has paid Shockey Scofield Solutions \$110,000 since 2011.

So far, General Dynamics has contributed \$1.43 million to federal candidates during the 2012 cycle. The biggest congressional recipient is Rep. McKeon, the chairman of the House Armed Services Committee, who received \$36,000.³ Sen. Brown, recipient of the second-largest amount, is a member of the Senate Armed Services Committee and took credit in August 2012 for intervening with the Department of Defense to save 100 jobs at a General Dynamics facility in Massachusetts.⁴ He received \$27,700 from the company. The third-largest recipient, Rep. Langevin, a member of the House Armed Services Committee, received \$24,850.⁵ He has worked to maintain funding for General Dynamics projects in his district.⁶

¹ All contributions are as of September 20, 2012.

² Kate Ackley, *Former Appropriations Aides Launch New Lobby Shop*, *Roll Call*, May 13, 2011.

³ <http://armedservices.house.gov/index.cfm/members>.

⁴ <http://www.armed-services.senate.gov/about/committee-members.cfm>; Christopher Nichols, *Scott Brown Speaks at General Dynamics in Taunton*, *Taunton Daily Gazette*, August 21, 2012.

⁵ <http://armedservices.house.gov/index.cfm/members>.

⁶ Paul Edward Parker, *U.S. House Votes to Block Delay in Submarine Production*, *Providence Journal*, May 18, 2012.

Lockheed Martin

Registered lobbyists as of first quarter 2012: 26

Revolving door lobbyists: 18

Amount spent on lobbying since 2007: \$74.23 million

Campaign contributions since 2008 cycle: \$ 8.03 million¹

Top congressional recipients of campaign contributions during the 2012 election cycle: Rep. Buck McKeon (R-CA), Rep. Kay Granger (R-TX), Sen. Bill Nelson (D-FL)

Total dollars obligated to Lockheed Martin for Defense Department contracts in 2011: \$35.76 billion

Lockheed Martin's lobbying spending increased from \$9.76 million in 2007 to \$15.1 million in 2011, a jump of roughly 54 percent. The company spent \$3.96 million lobbying in the first quarter of 2012, a 25 percent increase over first quarter 2011, and reported lobbying on issues including shipbuilding, Navy radar programs, and contractor compensation. Of the 18 Lockheed Martin lobbyists with public sector experience:

- Four worked for the House Appropriations Committee;
- Two worked for members of Congress who sat on one of the appropriations committees;
- One worked for the Senate Homeland and Governmental Affairs Committee, one worked for the Senate Budget Committee, one worked for the Senate Select Committee on Intelligence, and one worked for the secretary of the Senate;
- Eight held other positions with the federal government, including jobs in the Department of Defense, the National Reconnaissance Office, and the Federal Emergency Management Agency. Gwendolyn Brown, now a registered lobbyist for Lockheed Martin, was a deputy assistant secretary of defense during the Clinton administration.²

As of first quarter 2012, 25 outside firms were also registered to lobby on Lockheed Martin's behalf. The list of outside firms includes the Podesta Group, the Glover Park Group, and Van Scoyoc Associates.

So far, Lockheed Martin has contributed \$2.45 million to federal candidates during the 2012 cycle. The biggest congressional recipient is Rep. McKeon, the chairman of the House Armed Services Committee, who received \$64,250.³ Rep. Granger, who received \$62,700, is the second largest recipient. Rep. Granger's former chief of staff, Robert Head, is now a lobbyist for the company.⁴ Sen. Nelson, the third top congressional recipient, received \$37,750. Lockheed Martin is the largest defense contractor in Florida.⁵

¹ All contributions are as of September 20, 2012.

² Lockheed Martin, First Quarter 2011 Lobbying Disclosure Report, Secretary of the Senate, Office of Public Records.

³ <http://armedservices.house.gov/index.cfm/members>.

⁴ http://www.legistorm.com/person/bio/13163/Robert_H_Head.html; Lockheed Martin, Second Quarter 2011 Lobbying Disclosure Report, Secretary of the Senate, Office of Public Records.

⁵ Richard Burnett, Lockheed Seeks To Trim Workforce 1.5% in Training, Missiles, *Orlando Sentinel*, September 20, 2012.

Northrop Grumman

Registered lobbyists as of first quarter 2012: 10

Revolving door lobbyists: 7

Amount spent on lobbying since 2007: \$83.85 million

Campaign contributions since 2008 cycle: \$6.19 million¹

Top congressional recipients of campaign contributions during the 2012 election cycle: Rep. Buck McKeon (R-CA), Rep. John Boehner (R-OH), Rep. Dutch Ruppersberger (D-MD)

Total dollars obligated to Northrop Grumman for Defense Department contracts in 2011: \$11.88 billion

Northrop Grumman's lobbying spending increased from \$10.88 million in 2007 to \$12.77 million in 2011, a jump of roughly 17 percent. The company spent \$4.07 million lobbying in the first quarter of 2012, a 51 percent increase over first quarter 2011, and reported lobbying on issues including cybersecurity, the joint tactical radio system, and the Virginia class submarine. Of the seven Northrop Grumman lobbyists with public sector experience:

- Three worked for the Senate Appropriations Committee;
- Three worked for members of Congress, including two who sat on one of the appropriations committees;
- One is a former senior procurement executive for the General Services Administration.

As of first quarter 2012, 13 outside firms were also registered to lobby on Northrop Grumman's behalf, including law firm Patton Boggs. Northrop Grumman also uses Shockey Scofield Solutions, a lobbying firm started in May 2011 by two former appropriations committee staff members that is affiliated with retired Gen. Stanley McChrystal's consulting firm.² Gen. McChrystal is not a registered lobbyist. Northrop Grumman has paid Shockey Scofield Solutions \$220,000 since 2011.

So far, Northrop Grumman has contributed \$2.42 million to federal candidates during the 2012 cycle. The biggest congressional recipient is Rep. Buck McKeon (R-CA), the chairman of the House Armed Services Committee, who received \$50,500.³ In 2011, shortly after Rep. McKeon assumed the chairmanship, the Armed Services Committee hired Thomas MacKenzie, a Northrop Grumman vice president and lobbyist.⁴ Shortly before Mr. MacKenzie left Northrop Grumman to work for the committee, the company paid him a \$498,334 bonus roughly equal to his annual salary.⁵ The second biggest congressional recipient of Northrop Grumman contributions is Speaker of the House Boehner, who received \$32,000. Rep. Ruppersberger, the third largest congressional recipient, represents parts of Anne Arundel County, where Northrop Grumman is the largest private employer.⁶ He received \$30,400.

¹ All contributions are as of September 20, 2012.

² Kate Ackley, *Former Appropriations Aides Launch New Lobby Shop*, *Roll Call*, May 13, 2011.

³ <http://armedservices.house.gov/index.cfm/members>.

⁴ Lee Fang, *Exclusive: Northrop Grumman Awards Lobbyist \$500K Bonus Weeks Before Becoming Low-Paid Congressional Staffer Shaping Military Policy*, *Republic Report*, June 11, 2012.

⁵ *Id.*

⁶ http://www.aedc.org/top_employers.html.

Raytheon

Registered lobbyists as of first quarter 2012: 13

Revolving door lobbyists: 9

Amount spent on lobbying since 2007: \$36.84 million

Campaign contributions since 2008 cycle: \$5.85 million¹

Top congressional recipients of campaign contributions during the 2012 election cycle: Sen. Scott Brown (R-MA), Rep. Buck McKeon (R-CA), Rep. Jim Langevin (D-RI)

Total dollars obligated to Raytheon for Defense Department contracts in 2011: \$13.57 billion

Raytheon's lobbying spending increased from \$6.15 million in 2007 to \$7.15 million in 2011, a jump of roughly 16 percent. The company spent \$1.52 million lobbying in the first quarter of 2012, a 2 percent increase over first quarter 2012, and has reported lobbying on issues including missile defense, shipbuilding, and sensors and radars. Of the nine Raytheon lobbyists with public sector experience:

- One worked for both the House Appropriations Committee and a member of Congress who served on the committee;
- Four worked for members of Congress, including two who served on the House Armed Services Committee;
- Two worked on the Senate Homeland Security and Governmental Affairs Committee;
- One worked on the Senate Select Committee for Intelligence and one worked for the Senate Finance Committee.

As of first quarter 2012, 18 outside firms were registered to lobby on Raytheon's behalf. The list of outside firms includes the Breaux Lott Leadership Group, a firm founded by former Sens. John Breaux (D-LA) and Trent Lott (R-MS). Raytheon has paid Breaux Lott Leadership Group, which is now owned by law firm Patton Boggs, \$1.295 million since 2008.

So far, Raytheon has contributed \$1.79 million to federal candidates during the 2012 cycle. The Waltham, Mass.-based company has directed the most money to Sen. Brown, a member of the Senate Armed Services Committee, who has received \$62,900.² The second largest congressional recipient of Raytheon contributions, Rep. McKeon, is the chairman of the House Armed Services Committee.³ He received \$24,000. The third top recipient of Raytheon contributions, Rep. Langevin, who received \$14,900, is a founder and co-chair of the Congressional Cybersecurity Caucus.⁴

¹ All contributions are as of September 20, 2012.

² <http://www.armed-services.senate.gov/about/committee-members.cfm>.

³ <http://armedservices.house.gov/index.cfm/members>.

⁴ <http://cybercaucus.langevin.house.gov/>