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# What the Small Player Can Expect When Using a Lobbyist

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Robert Caplin for The New York Times

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IF there is one thing most small-business owners have in common, it is that they have far less ability than big corporations to affect what happens to them politically.

Few small-business owners — the kind of people who accumulate wealth through a service or manufacturing business and are working at it every day — have the deep pockets of a major corporation. Consider what Amgen, the world's largest biotechnology company, did to help win an [exemption in the so-called fiscal cliff bill](#) to extend its patent on a profitable dialysis drug for two more years at a great cost to [Medicare](#). It sent its 74 lobbyists in Washington to meet with — and direct contributions to — a host of politicians who worked in its favor.

But even if small businesses can't buy the kind of influence that a huge company like Amgen can, that does not mean they cannot buy influence at all. Still, as in other aspects of life, you get what you pay for.

Entrepreneurs would want to hire a lobbyist for a fairly straightforward reason: they have an issue they want addressed or changed and they have reached the point where they feel they need to act. What is more difficult is acting on that impulse effectively, knowing it could cost a lot of money.

Lawrence E. Scherer, a founder of State and Broadway, a lobbying firm in New York, said a typical retainer for a small-business client would be around \$5,000 a month, but the assignment could last for a year or more. Suri Kasirer, once an aide to former Gov. Mario Cuomo of New York and president of Kasirer Consulting, said her typical retainer was \$10,000 to \$20,000 a month, with a three-month minimum.

“For small-business owners, the idea of having a lobbyist interact with a government is so novel and so out of their scope that \$5,000 a month could seem daunting,” Mr. Scherer said. “But as government has more issues in front of it, it could be a cheap date.”

People who have success lobbying state and local governments — since the federal government is beyond the budget of individuals — tend to fall into three categories: they want something changed, they want something new or they want access.

Avik Kabessa, chief executive of Carmel Car and Limousine Service in New York City, said he became part of a group of livery car owners in 2008 that lobbied the state to establish a workers' compensation fund for livery drivers and to repeal a sales tax on livery fares.

He said it took a year and a half for the lobbying effort to work. The costs were split among members of the group, called the Livery Round Table. (Livery companies fall between higher-end black car and limousine services and city taxis.)

“I wish we had the expertise, knowledge and contacts to have been able to do this ourselves,” he said. “But just as you would go to a doctor when you're sick, you go to a lobbyist for your legislative affairs.”

Ms. Kasirer is working on a similar case with a group of small-business owners who do not often work well together. She is representing seven expeditors — companies that are paid by contractors and developers to get various building permits in New York City. She said new rules could end their business.

“We were approached by a few of them, and we said, ‘Let's get as many of them together as we could,’ ” she said. “They realized that ultimately they could be put out of business, or their business

could be so severely handicapped that they would have to lay off people.”

For small-business owners, forming an ad hoc group and putting aside any competitive business interest to get something greater for their industry is important. So, too, is having the patience and the willingness to accept something short of their goal and then go back for more.

Domenic Rom, a senior vice president at Technicolor, a postproduction company for film and television, became part of a group of similar companies that wanted to lobby for a tax credit. While New York offered tax credits for shooting a film or television show in the state, it did not offer similar credits to the postproduction part of the industry, which includes editing, sound design and adding computer-generated effects.

Mr. Rom said the 14 companies created the Post New York Alliance and each paid \$5,000 in dues. They began lobbying in 2009, working with Mr. Scherer. By the next year, they received a 10 percent tax credit for postproduction work.

He said it did little to increase the number of films and shows coming to New York, so the next year they went back to the Legislature. “We said thank you so much for the 10 percent,” Mr. Rom said. “We said it wasn’t really moving the needle. We said 30 percent would be better.”

When that was approved, 19 new projects worth some \$30 million came to New York to do postproduction work, he said.

“People have to understand that the Legislature is an incrementalist institution,” Mr. Scherer said. “It takes time to move your initiative forward.”

That patience is certainly needed for someone trying to sell a product or service to a government agency. “There’s a huge market opportunity for lobbyists in New Jersey to work with clients who have a product or service that they want to sell, whether it’s solar, information technology, engineering services,” Dale J. Florio, managing partner at Princeton Public Affairs Group in Trenton, said. “You name it, counties are buying it.”

Small-business owners become stymied, he said, by not knowing where to turn or how to distinguish themselves from other businesses doing similar work.

Betty Crea Davidson is in this position now. She is trying to raise awareness of a software program she developed based on a difficult and costly technique to treat autism that she used with her son. She has turned to a lobbying firm to get her company, Apex Spectrum Guide, in front of state departments of education.

“We don’t know what door to knock on,” she said. But the lobbying fees, she said, were a cost of

doing business and an investment in her company.

While a small-business owner is going to have the best chance of success on the local and state level, some will naturally fail and be out a lot of money.

Lobbyists said business owners had to be prepared to ask themselves what they were trying to accomplish and then be ready to put in a lot of effort.

“You want more than a meeting,” Ms. Kasirer said. “You want the correction. You want the contract. You need the next step.”

She said business owners needed to ask themselves a series of tough questions: What are legislators going to be interested in? How are you going to make the case that this makes sense? How does government benefit? Who loses? Are more people going to be paying taxes if this gets done?

Then comes the effort the business owner has to put in. “A lot of times, a small business thinks they have you on retainer and they don’t have to do any more,” Mr. Florio said. “They have to be an equal marketing partner. They have to do more to make it a success.”

And lest anyone forget, lobbying is a business, with its share of false prophets. “The less scrupulous could give you a lot of hope and not much else,” Mr. Florio said. “It’s clearly buyer beware when you look into the market for retaining a lobbying firm. It helps to understand local politics.”