## AP Exclusive: Romney uses secretive data-mining

By JACK GILLUM, Associated Press – August 31, 2012

WASHINGTON (AP) — Building upon its fundraising prowess, Mitt Romney's campaign began a secretive data-mining project this summer to sift through Americans' personal information — including their purchasing history and church attendance — to identify new and likely wealthy donors, The Associated Press has learned.

The project employs strategies similar to those the business world uses to influence the way Americans shop and think. Now they're being used to sway presidential elections. The same personal data consumers give away — often unwittingly when they swipe their credit cards or log into Facebook — is now being used by the people who might one day occupy the White House.

For Romney's data-mining project, which began as early as June, the Republican candidate quietly turned to a little-known but successful analytics firm that previously performed marketing work for a colleague tied to Bain & Co., the management-consulting firm that Romney once led.

The head of Buxton Co. of Fort Worth, Texas, chief executive Tom Buxton, confirmed to the AP his company's efforts, which help Romney identify potentially wealthy and previously untapped Republican donors across the country. The Romney campaign declined to discuss on the record its work with Buxton or the project's overall success.

There are no records of payments to Buxton from Romney's campaign, the Republican National Committee or a joint fundraising committee. Under federal law, companies cannot use corporate treasury funds or resources, such as proprietary data analysis, for in-kind contributions to federal campaigns.

The effort by Romney appears to be the first example of a political campaign using such extensive data analysis. President Barack Obama's re-election campaign has long been known as data-savvy, but Romney's project appears to take a page from the Fortune 500 business world and dig deeper into available consumer data.

Buxton said he's working for the Romney campaign because he wants "to be on the winning team."

He once worked with a former Romney business partner to provide insights, for example, about where Petco should open a new pet-supply store to maximize profits. In addition to Buxton, the data-mining project was described to the AP by a Romney fundraiser who spoke on condition of anonymity because the fundraiser did not want to face repercussions for describing internal campaign processes.

Businesses use those kinds of analytics firms to answer key questions for clients, such as where to build a retail store or where to mail pamphlets touting a new product. The analysis doesn't directly bring in campaign contributions, but it generates the equivalent of sales leads for Romney's campaign.

The project relies upon a sophisticated analysis by powerful computers of thousands of commercially available, expensive databases that are lawfully bought and sold behind the scenes by corporations, including details about credit accounts, families and children, voter registrations, charitable contributions, property tax records and survey responses. It combines marketing data with what is known in this specialized industry as psychographic data analysis, which tries to ferret out Americans' consumer behavior and habits.

An early test analyzed details of more than 2 million households near San Francisco and elsewhere on the West Coast and identified thousands of people who would be comfortably able and inclined to give Romney at least $2,500 or more.

An AP analysis this week determined that Romney's campaign has made impressive inroads into even traditionally Democratic neighborhoods, collecting more than $350,000 this summer around San Francisco in contributions that averaged $400 each. High-dollar donors have been essential to Romney's election effort, unlike Obama, who relies on more contributors giving smaller amounts.

Romney and the GOP have out-fundraised Obama's re-election effort for the past three months.

The fate of the presidency may depend on who raises more money in the campaign, whose cost for the first time is approaching $2 billion. That figure includes hundreds of millions of dollars spent by super political action committees that accept unlimited and in some cases effectively anonymous contributions from millionaires, companies, labor groups and others to pay for television campaign advertisements across the nation.

Buxton confirmed that the data-mining project began with the help of Dick Boyce, Romney's former Bain & Co. colleague, after Romney joined fundraising forces with the Republican National Committee. Buxton expressed such confidence in his business and analysis methods that, in nearly two decades of running his firm, he told AP he has always been able to answer essential questions for customers.

"I can look at data of any kind and say, 'I want to know who that $100 donor could be,'" Buxton said. "We look at data of any kind."

Obama's campaign employs its own form of data analysis to lure potential supporters, via Facebook and Twitter, to fine-tune messages for supporters and potential donors. The Obama campaign declined to comment on its internal fundraising practices, although Buxton said it doesn't work with Obama's campaign.

Romney's campaign has also been secretive about how it raises its money, and most fundraising events have been closed to the press. Unlike Obama, Romney's campaign has declined to publicly identify the names of major fundraisers, known as bundlers, who have helped amass much of its money. Details of this project have not been made public until now.

Buxton is not listed as a vendor in any of the campaign's finance reports submitted to the Federal Election Commission, although some campaigns do not report expenses until the vendor sends them a bill.

When AP initially asked Buxton about its work for Romney, it declined to acknowledge that it helped raise money for the RNC, even as its own website displayed a prominent log-in page for "2012 presidential donor prospecting." That web address contained the letters "RNC" — a common abbreviation for the Republican National Committee. After the AP's continued questioning, the company replaced the "RNC" letters in the web address with a generic "campaign" the next day.

This is not Buxton's first foray into politics: In 2006, the company produced 1,000 names for a Connecticut campaign to meet a write-in ballot requirement, the Fort Worth Star-Telegram then reported, and 900 of them signed up.

Few in Washington campaign circles recognized the work of Buxton, although it lists thousands of other clients in the public and private sector, including hospitals and local governments.

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Associated Press news researcher Judith Ausuebel in New York contributed to this report.