

FEDERAL ELECTION COMMISSION Washington, DC 20463

June 17, 1980

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

ADVISORY OPINION 1980-53

Cedric A. Richner, Jr. Vice President and General Counsel Kelly Services, Inc. G.P.O. Box 1179 Detroit, Michigan 48266

Dear Mr. Richner:

This responds to your letter dated April 25, 1980, supplemented by your letter dated May 2, 1980, requesting an advisory opinion on behalf of Kelly Services, Inc. ("Kelly Services") with regard to application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to proposed activity by your company in connection with the Republican and Democratic National Conventions this summer.

Your letter explains that Kelly Services is a "nationally known temporary help service firm" with offices in over four hundred cities across the country. The headquarters and other offices of Kelly Services are located within metropolitan Detroit, the site of the Republican National Convention. You state that the host committee for the Republican Convention has requested Kelly Services to provide a canvas tote bag for all expected convention attendees. The purpose of the tote bag would be to provide a container for various convention material gathered by each attendee during the course of the convention. Each bag would be inscribed on the outer side with "Republican National Convention" and on the inner side with the name of your company and its logo. You state that the cost of each bag is \$2.12 and that 7600 bags have been ordered for the Republican Convention host committee which will be donated to that committee by Kelly Services.

You explain further that in order to avoid claims of partiality, your company has ordered 9200 bags inscribed with "Democratic National Convention" which will be donated to the host committee of the Democratic National Convention under the same circumstances as described with respect to the Republican National Convention. You state your company's position that the proposed donation of tote bags to the attendees at both national party conventions through the respective host committees is permissible under the Act and Commission's regulations and you request an advisory opinion confirming that position.

The Commission concludes that the proposed donation by Kelly Services of canvas tote bags to the host committees of both the Republican and Democratic National Conventions for distribution to delegates and all other convention attendees is permissible under the Commission's convention financing regulations at 11 CFR 9008.7(c)(2). That section allows local businesses to provide at no charge their products or services in the form of samples or discount coupons. They may also provide promotional items such as maps, pens or pencils with the business' name imprinted on the item to convention attendees provided that in either case the items are of nominal value, are provided solely for bona fide advertising purposes, and are provided in the ordinary course of business.

It appears that the canvas tote bags inscribed with the convention name on one side and the Kelly Services logo on the other side are of nominal value. Further, from the facts presented, the Commission concludes that the bags are being provided solely for bona fide advertising purposes of a local business within the meaning of 11 CFR 9008.7(c)(2) (iv), which appears to be engaging in such activity in the ordinary course of business.

A donation of promotional items by a local business to a host committee under 11 CFR 9008.7(c)(2) does not violate the prohibition contained in 2 U.S.C. 441b against corporate contributions in connection with a Federal election. Further, the value of the benefits provided will not count toward the national party's expenditure limits under 11 CFR 9008.7(a).

This response constitutes an advisory opinion concerning application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. 437f.

Sincerely yours,

(signed)

Max L. Friedersdorf Chairman for the Federal Election Commission