FEDERAL EI	LECTION COMMISSION
FIRST GENER	AL COUNSEL'S REPORT
	MURs: 7679 & 7695
	DATE COMPLAINTS FILED: January 15, 2020 February 11, 2020
	DATE OF NOTIFICATION: January 23, 2020
	LAST RESPONSE RECEIVED: March 13, 2020
	DATE ACTIVATED: April 3, 2020
	EARLIEST SOL: August 2024
	LATEST SOL: March 2025
	ELECTION CYCLE: 2020
COMPLAINANTS:	Todd Hunter Foster
	Richard D. Lively
RESPONDENTS:	Jeffrey Coleman
	Jeff Coleman for Congress, Inc. and Joseph
	Johnson, in his official capacity as treasurer
	Coleman Worldwide Moving, LLC
	Coleman American Moving Services, Inc.
ELEVANT STATUTES	52 U.S.C. § 30101(8)(A)(i)
ID REGULATIONS:	52 U.S.C. § 30104(b)
	52 U.S.C. § 30116(a), (f)
	52 U.S.C. § 30118
	52 U.S.C. § 30125
	11 C.F.R. § 100.52(d) 11 C.F.R. § 114.2
NTERNAL REPORTS CHECKED:	Disclosure Reports
FEDERAL AGENCIES CHECKED:	None
. INTRODUCTION	
These two complaints allege Colen	nan Worldwide Moving, LLC and its subsidiary
Coleman American Moving Services, Inc.	(collectively, "Coleman Moving") made prohibited
n-kind contributions to congressional can	didate Jeff Coleman and his authorized committee, Jeff
Coleman for Congress, Inc. and Joseph Jo	hnson, in his official capacity as treasurer (the
	nts allege that Coleman Moving allowed the

MURs 7679/7695 (Jeff Coleman for Congress) First General Counsel's Report Page 2 of 13

Committee to use its trucks and semitrailers as billboards to display large pictures of Coleman, 1 his campaign logo, and the campaign's website address throughout Alabama's Second 2 Congressional District, without compensation. The Complaints also allege that Coleman 3 Moving did not receive payment from the Committee for allowing the Committee to use its 4 5 trucks, which prominently displayed the company's logo and trademark, in the Committee's 6 television and online advertisements, including on the Committee's Facebook page and YouTube channel. 7 8 The available information is insufficient to support the allegations that the Committee failed to pay the fair market value for the trucks that it leased to use as billboards.¹ Furthermore, 9 the value of any in-kind contribution to the Committee that might have resulted from the 10 11 appearance of trucks with the Coleman Moving logo and trademark in the Committee's advertisements would be difficult to quantify and likely de minimis. 12 13 Therefore, we recommend that the Commission exercise prosecutorial discretion and dismiss with caution the allegations that Coleman Worldwide Moving, LLC and Coleman 14 American Moving Services, Inc. made prohibited in-kind contributions in violation of 52 U.S.C. 15 § 30118, and that Jeff Coleman and Jeff Coleman for Congress, Inc. and Joseph Johnson in his 16 official capacity as treasurer accepted the in-kind contributions in violation of 52 U.S.C. 17 §§ 30116(f) and 30118. 18

1

See Heckler v. Chaney, 470 U.S. 821, 831 (1985).

MURs 7679/7695 (Jeff Coleman for Congress) First General Counsel's Report Page 3 of 13

1 II. FACTUAL AND LEGAL ANALYSIS

A. Facts

2 3

Jeff Coleman is the current Chairman of Coleman Worldwide Moving, a moving and 4 shipping company, and its subsidiary, Coleman American Moving Services, Inc., which owns a 5 large fleet of trucks and l8-wheel trailers.² While serving as chairman of these companies, 6 Coleman became a candidate in Alabama's Second Congressional District, and his authorized 7 committee filed its Statement of Organization on August 14, 2019.³ The Complaints allege that 8 9 Coleman Moving made a prohibited in-kind contribution to the Committee by allowing it to use 10 Coleman Moving trucks and equipment free of charge. Specifically, they alleged that the 11 Coleman Moving trucks and trailers were "wrapped" with the candidate's picture, campaign 12 logo, and campaign messaging and stationed throughout the Second Congressional District.⁴ The Complaint in MUR 7679 further alleges that the Committee used Coleman Moving box-13 14 style moving trucks featuring the Committee's logo, Coleman's picture, and Coleman's campaign messaging in a series of parades in the Fall of 2019 and that the Committee publicized 15 these appearances on its Facebook page.⁵ 16

² Coleman Worldwide Moving is an agent of the Allied Van Lines international shipping and moving company. *See* <u>https://www.colemanallied.com/</u>. Coleman lost the July 14, 2020, Republican primary runoff election.

³ See FEC Form 1, Jeff Coleman for Congress, Inc., Statement of Organization (Aug. 14, 2019), https://docquery fec.gov/pdf/996/201908149162868996/201908149162868996.pdf.

⁴ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1. The Complaints attach pictures of these trucks and trailers. MUR 7679 Compl. at Attach; MUR 7695 Compl. at Attach.

⁵ MUR 7679 Compl. at 1. The Complaint attaches pictures of the moving truck it alleges was shown on the Committee's Facebook page.

MURs 7679/7695 (Jeff Coleman for Congress) First General Counsel's Report Page 4 of 13

1	The Complaints surmise that the trucks and trailers used as billboards belonged to
2	Coleman Moving because Coleman is Coleman Moving's Chairman. ⁶ MUR 7679 also alleges
3	that some of the vehicles in question had mud flaps with the Coleman Moving name on them. ⁷
4	The Complaints thus allege that because the trucks and trailers are not Coleman's personal
5	property, the Committee's use of Coleman Moving trucks and trailers without compensation
6	constitutes an in-kind corporate contribution from Coleman Moving. ⁸ In further support of these
7	allegations, the MUR 7695 complaint points out that the Committee's FEC reports disclose no
8	payments to Coleman Moving for the use of its trucks and trailers. ⁹
9	Additionally, the MUR 7679 complaint alleges that the Committee violated the Act by
10	airing campaign advertisements on television and Facebook that featured Coleman Moving
11	trucks with the company logo and trademark. ¹⁰ Complainant asserts the use of the Coleman
12	Moving trucks in the Committee's television and online advertisements without compensation
13	resulted in an in-kind contribution to the Committee. ¹¹ Respondents do not specifically address
14	whether Coleman Moving owned the trucks or facilities seen in the videos, instead, the company

¹¹ Id.

⁶ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1.

⁷ MUR 7679 Compl. at 1, Attach.

⁸ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1.

⁹ See MUR 7695 Compl. at 1.

¹⁰ *Id.* at 2-3. *See* <u>www.Facebook.com/JeffColemanAL/</u> (posted Nov. 4, 2019)(Coleman Facebook Page). The Complaint does not provide information as to how often or for how long the television advertisements aired. According to the information provided by Facebook and YouTube archives, the online ads began airing October 22, 2019.

simply states that it "was not involved in the creation of Mr. Coleman's campaign materials and 1 advertisements."12 2

The Committee placed at least ten online ads on its Facebook and YouTube pages.¹³ 3 Most of the ads were 30 seconds long, a few of which used images of trucks with the Coleman 4 Moving trademark and logo.¹⁴ The Committee also created a 30-second ad and a 2¹/₂ minute 5 biographical ad that featured the Coleman Moving trucks more prominently, and they included 6 Coleman discussing his family history and his leadership of Coleman Trucking. The online 7 archive shows that starting in late October 2019, the Committee spent a total of \$38,495 for its 8 9 Facebook ads and approximately \$21,700 for ads that aired on its YouTube page, for a total of \$60,195; these expenditures were disclosed in the Committee's Pre-Primary Report.¹⁵ A review 10 of Federal Communication Commission filings shows the Committee spent \$63,215 on 11 television advertising in August – December 2019 in the Montgomery-Selma Markets.¹⁶ 12

https://www.youtube.com/channel/UCiO6m15nuyoVSfhvlfjh0rg/videos (Coleman YouTube Page).

¹² Coleman Moving Resp. at 4 (Mar. 13, 2020).

¹³ See https://transparencyreport.google.com/political-ads/advertiser/AR62103852710625280; https://www.youtube.com/watch?v=XxgajipRDNk, (Google archive); https://www.facebook.com/ads/library/?active status=inactive&ad type=political and issue ads&country=US&im pression search field=has impressions lifetime&view all page id=111891756832652&sort data[direction]=desc &sort data[mode]=relevancy monthly grouped, (Facebook archive).

¹⁴ The 30 second ads titled, "Businessman, not a Politician" and "Business Guy" use the image of an antique Coleman Moving truck for less than 5 seconds. However, the 30 second "Safe" and "Movin' and Shakin'" as well as the 2 ¹/₂ minute "Movers and Shakers" ads use images of the antique and newer Coleman Moving trucks more prominently. See Coleman Facebook Page; see also

¹⁵ See Google archive, Facebook archive. From August 14, 2019 to February 12, 2020, the Committee reported disbursing \$621.947 to Flexpoint Media, Inc. and \$197.065 to Strategic Perceptions, Inc. for "Media Placement" as well as \$2,078 to I360 LLC and \$28,182 to IMGE LLC for "Digital Services." See https://www.fec.gov/data/committee/C00715698/?tab=spending.

¹⁶ Federal Communications Commission databases, https://www.fcc.gov/licensing-databases/search-fccdatabases.

MURs 7679/7695 (Jeff Coleman for Congress) First General Counsel's Report Page 6 of 13

1	The Committee and Coleman Moving deny all allegations in the Complaints. ¹⁷
2	Respondents state that the trucks and trailers that the Committee used as billboards for its
3	campaign advertisements were leased from The Eagle Leasing Company ("Eagle Leasing"), not
4	Coleman Moving. ¹⁸ The Committee asserts that its lease with Eagle Leasing was made in the
5	usual and ordinary course of business, and at fair market rates. ¹⁹ It further states that its
6	disbursements to Eagle Leasing were timely disclosed on the Committee's Pre-Primary Election
7	Report filed with the Commission, which lists two disbursements totaling \$18,620 on January
8	30, 2020, for "Equipment Leasing." ²⁰ Accordingly, Respondents assert, there was no in-kind
9	contribution from Coleman Moving to the Committee. ²¹
10	Respondents also contend that the Committee's use of Coleman Moving trucks in its
11	television and online advertising was a part of Coleman's biographical background and not an in-

¹⁷ Committee Resp. (Mar. 13, 2020); Coleman Moving Resp.

¹⁸ Committee Resp. at 2; Coleman Moving Resp. at 2.

¹⁹ Both the Committee and Coleman Moving Responses state, "Eagle Leasing, Inc. sells trailers identical to the ones shown in both Complaints. Their website is <u>https://www.eagleleasing.com/</u>." *See* Committee Resp. at 2, n. 8; Coleman Moving Resp. at 2, n. 7. It is not clear why Respondents reference <u>www.eagleleasing.com</u>, a storage container and trailer rental company based in Massachusetts, instead of Eagle Leasing, Inc. in Alabama, which the Committee listed in its report to the Commission. The Massachusetts and Alabama companies are separate entities, and Coleman and Coleman Worldwide are directly linked to the Alabama company that purportedly provided the trailers. *See* <u>http://arc-</u>

sos.state.al.us/cgi/corpdetail.mbr/detail?corp=110399&page=name&file=&type=ALL&status=ALL&place=ALL&c ity=. *See also* https://www.buzzfile.com/property/100-Eagle-Ridge-Dr-Midland-City-AL/AB0FC42FA8. The Alabama Eagle Leasing is located at the same physical address as Coleman Worldwide and Jeff Coleman is listed as a registered agent and corporate officer for Eagle Leasing of Alabama.

²⁰ Committee Resp. at 2; Coleman Moving Resp. at 2. *See* Jeff Coleman for Congress Year End Report (Jan. 31, 2020) (reporting the transaction as a debt), <u>https://docquery fec.gov/pdf/418/202001319184773418/202001319184773418.pdf</u>. *See also* Jeff Coleman for Congress Pre-Primary Report at 62, 71 (Feb. 20, 2020), (reporting the payment of the debt), <u>https://docquery fec.gov/pdf/156/202002209186912156/202002209186912156.pdf</u>. The first disbursement was for \$7,448 and the second disbursement was for \$11,172. *Id*.

²¹ Committee Resp. at 2; Coleman Moving Resp. at 2.

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1	kind contribution from Coleman Moving to the Committee. ²² Respondents assert that in its
2	advertisement, Coleman trucks are used in the context of discussing Coleman's family history in
3	the trucking business, the years Coleman worked for the family company, and the success of the
4	company during Coleman's tenure as CEO. ²³ Respondents argue that the statements by
5	Coleman in those advertisements, "My mom and dad started their life together in this truck," "I
6	started working when I was ten," and "Our revenues have increased ten-fold [when I was CEO]"
7	were focused on Coleman's biography and made no mention of a corporate endorsement or a
8	solicitation for funds. ²⁴ Respondents further contend that even if the mention of Coleman
9	Moving and use of its trucks in campaign advertising were viewed as an in-kind contribution, the
10	value associated with it would be <i>de minimis</i> and therefore the allegations should be dismissed. ²⁵
11	B. Analysis
12	The Act and Commission regulations define "contribution" as "any gift, subscription,
13	loan, advance, or deposit of money or anything of value made by any person for the purpose of
14	influencing any election for Federal office." ²⁶ "Anything of value" includes in-kind
15	contributions, such as the provision of goods or services without charge or at a charge that is less
16	than the usual and normal charge. ²⁷ Commission regulations define "usual and normal charge"
17	as the price of goods in the commercially reasonable rate prevailing at the time the services were

²² *Id.* at 3; Coleman Moving Resp. at 3-4.

²³ *Id.*; Coleman Moving Resp. at 3-4. *See also* "Jeff Coleman for Congress" Political Advertisement, Facebook, *available at* Coleman Facebook Page.

²⁴ *Id.*; Coleman Moving Resp. at 3-4.

²⁵ Committee Resp. at 3; Coleman Moving Resp. at 3-4.

²⁶ 52 U.S.C. § 30101(8)(A)(i).

²⁷ See 11 C.F.R. § 100.52(d)(1).

rendered."²⁸ If a committee pays fair market value for a good or service, then it is not considered
 a contribution.²⁹

The Act prohibits a corporation from making contributions to federal candidates and their 3 authorized committees.³⁰ Officers and directors of corporations may not consent to any 4 contribution prohibited by section 30118(a).³¹ Correspondingly, federal candidates and their 5 authorized committees may not knowingly accept a corporate contribution.³² The Commission 6 has previously determined that a corporation's name, trade name, trademarks, and service marks 7 are things of value owned by the corporation, and that authorizing a committee to use them may 8 constitute an in-kind contribution.³³ 9 10 The available information is insufficient to support a reasonable inference that the 11 Committee paid Eagle Leasing less than fair market value to rent the trucks the Committee used. The complaints do not specify when the Coleman trailer billboards appeared, but the available 12

13 information shows that in late October 2019, the Committee began posting ads on its Facebook

page depicting local events and featuring images of the Coleman campaign trailer billboards.³⁴

15 The Committee reported a debt to Eagle Leasing for equipment rental on its 2019 Year-End

²⁹ *Id*.

³¹ *Id.*

³³ See Factual and Legal Analysis at 6, MUR 7508 (Friends of Sherrod Brown, *et al.*)("F&LA") (citing F&LA at 4, MUR 7302 (Tom Campbell for North Dakota, *et al.*), Advisory Op. 2007-10 (Reyes); F&LA at 7, MUR 6542 (Mullin for Congress); F&LA at 10-11, MUR 6110 (Obama Victory Fund)).

³⁴ See Coleman Facebook Page.

²⁸ See 11 C.F.R. § 100.52(d)(2).

³⁰ 52 U.S.C. § 30118(a).

³² *Id.*

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1	Report which would cover the October 2019 timeframe, and subsequently it reported making
2	disbursements totaling \$18,620 to Eagle Leasing of Alabama on January 30, 2020.35
3	While Eagle Leasing appears to have close ties to Coleman Moving and Coleman, which
4	might suggest that the rental agreement may not have been at arms' length, neither the
5	Complaints nor available information indicate that amounts paid were less than fair market
6	value. ³⁶ While Respondents do not specifically address the allegation concerning trucks with
7	Coleman Moving mud flaps, the close relationship between Eagle Leasing and Coleman Moving
8	likely explain why they were on the trucks leased by the Committee. ³⁷ Still, that close
9	relationship of the two companies to each other and to Coleman make the responses'
10	misidentification of Eagle Leasing's website curious. Further, the responses did not include any
11	sworn statements or documentation.
12	Even so, the available information indicates that the Committee paid for certain truck
13	rentals; the Respondents deny the allegation that the Committee paid less than fair market rate;
14	we are aware of no information to the contrary; and the Committee timely reported the debt to

³⁵ Jeff Coleman for Congress, Inc. 2020 Pre-Primary Report at 62, 71 (Feb. 20, 2020), https://docquery fec.gov/pdf/156/202002209186912156/202002209186912156.pdf.

³⁶ See n. 20, *infra*. As mentioned above, we do not know why Respondents cited the website of Eagle Leasing in Massachusetts as the owner of the trucks instead of the company with the same name in Alabama that Coleman operates. However, the Committee reported disbursements to the proper Eagle Leasing at the correct address.

³⁷ A review of publicly available information suggests that Coleman Moving trailers in use today have the Allied Van Lines logo and trademark colors and use the logos of both Coleman Moving and Allied Van Lines, which are not like the trailers used by the Committee as billboards. The presence of the mud flaps with the Coleman Moving logo alone does not necessarily result in an in-kind contribution that is worth the Commission's resources and time. *See* MUR 7302 (Tom Campbell for North Dakota) (dismissing allegations that the use of the truck bearing a "Campbell Farms" logo in the background of the candidate's ad in a \$250,000 statewide television ad campaign constituted a prohibited, in-kind contribution because its value was likely *de minimis*); MURs 6287, 6288, and 6297 (Liberatore for Congress) (EPS dismissal based on a determination that the approximately \$2,000 in potential in-kind contribution associated with inclusion of a corporate logo on a campaign mailer was *de minimis*); MUR 6331 (Comm. to Elect Shirley Gibson for Congress) (EPS dismissal based on a determination that the value of a possible in-kind contribution associated with several corporate logos included on printed invitations for a candidate's fundraising event that cost approximately \$4,000 and was attended by 100 people was *de minimis*).

MURs 7679/7695 (Jeff Coleman for Congress) First General Counsel's Report Page 10 of 13

Eagle Leasing on its Year End Report and payments to Eagle Leasing on its Pre-Primary Reports. 1 Thus, we recommend the Commission dismiss the allegation that the Committee received these 2 rentals for free or at a reduced price. 3 Similarly, for the reasons that follow, we recommend that the Commission dismiss the 4 allegation that the Committee used Coleman Moving's logo and its trucks as in the YouTube and 5 Facebook advertisements. An investigation would be necessary to determine the value of any 6 such in-kind contribution, and, consistent with the Commission's handling of similar cases, we 7 8 conclude that doing so here would not be a prudent use of the Commission's limited resources. In several matters, the Commission found that the presence of corporate logos or images 9 in campaign advertisements may result in in-kind contributions, but exercised its discretion and 10 11 dismissed the allegations, either because the value of the contribution was de minimis or too difficult to calculate.³⁸ Additionally, the Commission has permitted candidates to discuss their 12 prior business experience, even when it involved the use of company logos, in connection with 13 their campaigns. 14

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In MUR 6542 (Mullin), the Commission dismissed allegations of in-kind contributions from the candidate's business, Mullin Plumbing, where the campaign committee used images

See First Gen. Counsel's Rpt. at 20, MUR 6110 (Obama Victory Fund) (dismissed use of corporate names and logos to solicit contributions in connection with joint fundraising concert where the companies did not contribute directly to the committee or pay costs of the event, the event was modest, and the value of the names and logos was not substantial). *See also*, MUR 7302 (Tom Campbell for North Dakota); MUR 6542 (Mullin for Congress) (dismissal of allegations that the committee accepted prohibited in-kind corporate contributions where committee paid for video advertisements that featured name and logo of the candidate's business); MUR 6322 (Tommy Sowers) (Commission examined use of a corporate logo on a fundraising invitation for an event that served as both a campaign event for the candidate and a product launch for a corporation that was unrelated to the candidate, but dismissed allegations as a matter of prosecutorial discretion); MUR 5691 (Whalen) (finding no inkind contribution to Whalen's committee from his restaurant chain because an advertisement created by the company failed to meet the content prong of the coordination test, even though it used images of Whalen and themes similar to those used by his campaign, but failed to expressly advocate Whalen's election). MURs 6287, 6288, and 6297 (Liberatore for Congress); MUR 6331 (Comm. to Elect Shirley Gibson for Congress).

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and footage of the Mullin Plumbing's name, employees, facilities, and the committee included 1 several photos of Mullin Plumbing trucks in its television and YouTube ads that featured Mullin 2 interacting with uniformed Mullin Plumbing employees while standing in front of Mullin 3 Plumbing buildings and trucks.³⁹ Similarly, in MUR 7302 (Tom Campbell for North Dakota) 4 the Commission dismissed allegations regarding the committee's ads that featured Campbell 5 standing in front of a truck with the "Campbell Farms" logo on one of the truck's windows as he 6 discussed his experience as a potato farmer and his plans for the state, and the committee did not 7 list any contributions from Campbell Farms-Big Lake in its disclosures.⁴⁰ In both matters, the 8 9 Commission reasoned that the value of any in-kind contributions from the corporations was 10 likely to be *de minimis* and concluded that pursuing the matters further would not have been a prudent use of the Commission's resources.⁴¹ 11 The circumstances here are similar to those past precedents. As with MURs 6542 and 12 7302, the potential in-kind contributions here could result from the use of Coleman Moving 13 14 trucks and/or the use of the Coleman Moving logo in the Committee's online advertisements. The trucks are primarily used as Coleman is discussing his family's history in the trucking 15 business and his accomplishments as CEO to explain his background and qualifications for the 16 office he is seeking. It would be difficult to determine the precise value of any in-kind 17 contribution that might have resulted from Coleman Moving allowing its logo to be used in 18 YouTube and Facebook ads featuring its Chairman. Moreover, because the company expressly 19

³⁹ Factual and Legal Analysis at 6-7, MUR 6542 (Mullin).

⁴⁰ Campbell Farms-Big Lake is a North Dakota partnership that operates a commercial potato farm, for which state records showed that Tom Campbell was the registered agent. Factual and Legal Analysis at 2-3, MUR 7302 (Tom Campbell for North Dakota).

⁴¹ *See* Factual and Legal Analysis at 7-8, 9-10, MUR 6542 (Mullin), Factual and Legal Analysis at 5-6, MUR 7302 (Tom Campbell for North Dakota).

MURs 7679/7695 (Jeff Coleman for Congress) First General Counsel's Report Page 12 of 13

1	denies involvement in the ads'	production or distribution,	determining the value of the Coleman
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- 2 Moving truck footage would require an investigation, which does not seem appropriate in these
- 3 particular circumstances.⁴²
- 4 Accordingly, we recommend that the Commission exercise its prosecutorial discretion
- 5 and dismiss allegations that Coleman Worldwide Moving, LLC and Coleman American Moving
- 6 Services, Inc. violated 52 U.S.C. § 30118 by making in-kind contributions to the Committee and
- 7 caution the Committee against making in-kind contributions to the Committee. ⁴³ We further
- 8 recommend that the Commission dismiss with caution allegations that Jeff Coleman and Jeff
- 9 Coleman for Congress, Inc. and Joseph Johnson in his official capacity as treasurer, violated
- 10 52 U.S.C. §§ 30116(f) and 30118 by accepting corporate in-kind contributions from Coleman
- 11 Moving.

12 III. RECOMMENDATIONS

- Dismiss with caution allegations that Coleman Worldwide Moving, LLC and
 Coleman American Moving Services, Inc. violated 52 U.S.C. § 30118 by making in kind contributions;
- Dismiss with caution allegations that Jeff Coleman and Jeff Coleman for Congress,
 Inc. and Joseph Johnson in his official capacity as treasurer, violated 52 U.S.C.
 §§ 30116(f) and 30118 by accepting in-kind contributions;
- 19 3. Approve the attached Factual and Legal Analysis;
- 20 4. Approve the appropriate letters; and

⁴² We also considered whether the use of Coleman Moving trucks in the Committee's television and online advertisements could amount to corporate facilitation of contributions under 11 C.F.R. § 114.2(f). However, because these ads did not solicit contributions, the principle is not applicable here. *See* AO 2007-10 at 3 (citing AOs 1984-43 and 1978-77) (advising that the use of corporate resources in the form of corporate names, trademarks, or service marks to encourage participation in the federal committee's fundraiser would result in corporate facilitation of contributions).

⁴³ See e.g., MUR 6542 (Mullin) (dismissing with caution apparent violations of 52 U.S.C. § 30118(a)); MUR 6110 (Obama Victory Fund) (same).

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1	5. Close the file.	
2		Lisa J. Stevenson
3		Acting General Counsel
4		
5		
6		Charles Kitcher
7 8		Acting Associate General Counsel For Enforcement
9		
10		Data 1 Blumberg
11	August 14, 2020	Peter G. Blumberg Peter Blumberg
12	Date	Peter Blumberg
13		Acting Deputy Associate General Counsel
14		For Enforcement
15		
16		
17		Ayr In
18		Lynn Y. Tran
19		Assistant General Counsel
20		
21		Com Ma Ocokana Ocaca
22		Camilla Jackson Jones Camilla Jackson Jones
23		
24		Attorney
25		
26		
27	Attachment	

28 Factual and Legal Analysis

FEDERAL ELECTION COMMISSION 1 FACTUAL AND LEGAL ANALYSIS 2 3 **RESPONDENTS: MURs:** 7679 and 7695 4 Jeffrey Coleman 5 Jeff Coleman for Congress, Inc. and Joseph Johnson, in his official capacity 6 as treasurer 7 Coleman Worldwide Moving, LLC 8 9 Coleman American Moving Services, Inc. 10 I. **INTRODUCTION** 11 These two complaints allege Coleman Worldwide Moving, LLC and its subsidiary 12

Coleman American Moving Services, Inc. (collectively, "Coleman Moving") made prohibited 13 in-kind contributions to congressional candidate Jeff Coleman and his authorized committee, Jeff 14 Coleman for Congress, Inc. and Joseph Johnson, in his official capacity as treasurer (the 15 16 "Committee"). Specifically, the Complaints allege that Coleman Moving allowed the Committee to use its trucks and semitrailers as billboards to display large pictures of Coleman, 17 his campaign logo, and the campaign's website address throughout Alabama's Second 18 19 Congressional District, without compensation. The Complaints also allege that Coleman Moving did not receive payment from the Committee for allowing the Committee to use its 20 21 trucks, which prominently displayed the company's logo and trademark, in the Committee's television and online advertisements, including on the Committee's Facebook page and YouTube 22 channel. 23

The available information is insufficient to support the allegations that the Committee failed to pay the fair market value for the trucks that it leased to use as billboards.¹ Furthermore, the value of any in-kind contribution to the Committee that might have resulted from the appearance of trucks with the Coleman Moving logo and trademark in the Committee's advertisements would be difficult to quantify and likely *de minimis*.

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See Heckler v. Chaney, 470 U.S. 821, 831 (1985).

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 2 of 11

1	Therefore, the Commission exercises its prosecutorial discretion and dismisses the
2	allegations that Coleman Worldwide Moving, LLC and Coleman American Moving Services,
3	Inc. made prohibited in-kind contributions in violation of 52 U.S.C. § 30118, and that Jeff
4	Coleman and Jeff Coleman for Congress, Inc. and Joseph Johnson in his official capacity as
5	treasurer accepted the in-kind contributions in violation of 52 U.S.C. §§ 30116(f) and 30118, and
6	cautions them to adhere to the Act's contribution limits and prohibitions.

- 7 II. FACTUAL AND LEGAL ANALYSIS
- 8 9

A. Facts

Jeff Coleman is the current Chairman of Coleman Worldwide Moving, a moving and 10 11 shipping company, and its subsidiary, Coleman American Moving Services, Inc., which owns a large fleet of trucks and l8-wheel trailers.² While serving as chairman of these companies, 12 Coleman became a candidate in Alabama's Second Congressional District, and his authorized 13 committee filed its Statement of Organization on August 14, 2019.³ The Complaints allege that 14 Coleman Moving made a prohibited in-kind contribution to the Committee by allowing it to use 15 Coleman Moving trucks and equipment free of charge. Specifically, they alleged that the 16 Coleman Moving trucks and trailers were "wrapped" with the candidate's picture, campaign 17 logo, and campaign messaging and stationed throughout the Second Congressional District.⁴ 18 The Complaint in MUR 7679 further alleges that the Committee used Coleman Moving box-19

² Coleman Worldwide Moving is an agent of the Allied Van Lines international shipping and moving company. *See <u>https://www.colemanallied.com/</u>*. Coleman lost the July 14, 2020, Republican primary runoff election.

³ See FEC Form 1, Jeff Coleman for Congress, Inc., Statement of Organization (Aug. 14, 2019), https://docquery fec.gov/pdf/996/201908149162868996/201908149162868996.pdf.

⁴ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1. The Complaints attach pictures of these trucks and trailers. MUR 7679 Compl. at Attach; MUR 7695 Compl. at Attach.

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 3 of 11

1	style moving trucks featuring the Committee's logo, Coleman's picture, and Coleman's
2	campaign messaging in a series of parades in the Fall of 2019 and that the Committee publicized
3	these appearances on its Facebook page. ⁵
4	The Complaints surmise that the trucks and trailers used as billboards belonged to
5	Coleman Moving because Coleman is Coleman Moving's Chairman. ⁶ MUR 7679 also alleges
6	that some of the vehicles in question had mud flaps with the Coleman Moving name on them. ⁷
7	The Complaints thus allege that because the trucks and trailers are not Coleman's personal
8	property, the Committee's use of Coleman Moving trucks and trailers without compensation
9	constitutes an in-kind corporate contribution from Coleman Moving. ⁸ In further support of these
10	allegations, the MUR 7695 complaint points out that the Committee's FEC reports disclose no
11	payments to Coleman Moving for the use of its trucks and trailers. ⁹
12	Additionally, the MUR 7679 complaint alleges that the Committee violated the Act by
13	airing campaign advertisements on television and Facebook that featured Coleman Moving
14	trucks with the company logo and trademark. ¹⁰ Complainant asserts the use of the Coleman
15	Moving trucks in the Committee's television and online advertisements without compensation

⁵ MUR 7679 Compl. at 1. The Complaint attaches pictures of the moving truck it alleges was shown on the Committee's Facebook page.

⁶ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1.

⁷ MUR 7679 Compl. at 1, Attach.

⁸ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1.

⁹ See MUR 7695 Compl. at 1.

¹⁰ *Id.* at 2-3. *See* <u>www.Facebook.com/JeffColemanAL/</u> (posted Nov. 4, 2019)(Coleman Facebook Page). The Complaint does not provide information as to how often or for how long the television advertisements aired. According to the information provided by Facebook and YouTube archives, the online ads began airing October 22, 2019.

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 4 of 11

1	resulted in an in-kind contribution to the Committee. ¹¹ Respondents do not specifically address
2	whether Coleman Moving owned the trucks or facilities seen in the videos, instead, the company
3	simply states that it "was not involved in the creation of Mr. Coleman's campaign materials and
4	advertisements." ¹²
5	The Committee placed at least ten online ads on its Facebook and YouTube pages. ¹³
6	Most of the ads were 30 seconds long, a few of which used images of trucks with the Coleman
7	Moving trademark and logo. ¹⁴ The Committee also created a 30-second ad and a 2 ¹ / ₂ minute
8	biographical ad that featured the Coleman Moving trucks more prominently, and included
9	Coleman discussing his family history and his leadership of Coleman Trucking. The online
10	archive shows that starting in late October 2019, the Committee spent a total of \$38,495 for its
11	Facebook ads and approximately \$21,700 for ads that aired on its YouTube page, for a total of
12	\$60,195; these expenditures were disclosed in the Committee's Pre-Primary Report. ¹⁵ A review

¹¹ Id.

¹² Coleman Moving Resp. at 4 (Mar. 13, 2020).

¹³ *See* <u>https://transparencyreport.google.com/political-ads/advertiser/AR62103852710625280;</u> https://www.youtube.com/watch?v=XxgajipRDNk, (Google archive); https://www.facebook.com/ads/library/?active status=inactive&ad type=political and issue ads&country=US&im pression search field=has impressions lifetime&view all page id=111891756832652&sort data[direction]=desc &sort data[mode]=relevancy monthly grouped, (Facebook archive).

¹⁴ The 30 second ads titled, "Businessman, not a Politician" and "Business Guy" use the image of an antique Coleman Moving truck for less than 5 seconds. However, the 30 second "Safe" and "Movin' and Shakin" as well as the 2 ½ minute "Movers and Shakers" ads use images of the antique and newer Coleman Moving trucks more prominently. *See* Coleman Facebook Page; *see also*

https://www.youtube.com/channel/UCiO6m15nuyoVSfhvlfjh0rg/videos (Coleman YouTube Page).

¹⁵ See Google archive, Facebook archive. From August 14, 2019 to February 12, 2020, the Committee reported disbursing \$621,947 to Flexpoint Media, Inc. and \$197,065 to Strategic Perceptions, Inc. for "Media Placement" as well as \$2,078 to I360 LLC and \$28,182 to IMGE LLC for "Digital Services." See https://www.fec.gov/data/committee/C00715698/?tab=spending.

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 5 of 11

1	of Federal Communication Commission filings shows the Committee spent \$63,215 on
2	television advertising in August – December 2019 in the Montgomery-Selma Markets. ¹⁶
3	The Committee and Coleman Moving deny all allegations in the Complaints. ¹⁷
4	Respondents state that the trucks and trailers that the Committee used as billboards for its
5	campaign advertisements were leased from The Eagle Leasing Company ("Eagle Leasing"), not
6	Coleman Moving. ¹⁸ The Committee asserts that its lease with Eagle Leasing was made in the
7	usual and ordinary course of business, and at fair market rates. ¹⁹ It further states that its
8	disbursements to Eagle Leasing were timely disclosed on the Committee's Pre-Primary Election
9	Report filed with the Commission, which lists two disbursements totaling \$18,620 on January
10	30, 2020, for "Equipment Leasing." ²⁰ Accordingly, Respondents assert, there was no in-kind

https://docquery_fec.gov/pdf/418/202001319184773418/202001319184773418.pdf. See also Jeff Coleman for Congress Pre-Primary Report at 62, 71 (Feb. 20, 2020), (reporting the payment of the debt), https://docquery_fec.gov/pdf/156/202002209186912156/202002209186912156.pdf. The first disbursement was for

¹⁶ Federal Communications Commission databases, <u>https://www.fcc.gov/licensing-databases/search-fcc-</u> <u>databases</u>.

¹⁷ Committee Resp. (Mar. 13, 2020); Coleman Moving Resp.

¹⁸ Committee Resp. at 2; Coleman Moving Resp. at 2.

¹⁹ Both the Committee and Coleman Moving Responses state, "Eagle Leasing, Inc. sells trailers identical to the ones shown in both Complaints. Their website is <u>https://www.eagleleasing.com/</u>." *See* Committee Resp. at 2, n. 8; Coleman Moving Resp. at 2, n. 7. It is not clear why Respondents reference <u>www.eagleleasing.com</u>, a storage container and trailer rental company based in Massachusetts, instead of Eagle Leasing, Inc. in Alabama, which the Committee listed in its report to the Commission. The Massachusetts and Alabama companies are separate entities, and Coleman and Coleman Worldwide are directly linked to the Alabama company that purportedly provided the trailers. *See* <u>http://arc-</u>

sos.state.al.us/cgi/corpdetail.mbr/detail?corp=110399&page=name&file=&type=ALL&status=ALL&place=ALL&c ity=. *See also* https://www.buzzfile.com/property/100-Eagle-Ridge-Dr-Midland-City-AL/AB0FC42FA8. The Alabama Eagle Leasing is located at the same physical address as Coleman Worldwide and Jeff Coleman is listed as a registered agent and corporate officer for Eagle Leasing of Alabama.

²⁰ Committee Resp. at 2; Coleman Moving Resp. at 2. *See* Jeff Coleman for Congress Year End Report (Jan. 31, 2020) (reporting the transaction as a debt),

https://docquery fec.gov/pdf/156/202002209186912156/202002209186912156.pdf. The first disbursement was for \$7,448 and the second disbursement was for \$11,172. *Id.*

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contribution from Coleman Moving to the Committee.²¹ 1

2	Respondents also contend that the Committee's use of Coleman Moving trucks in its
3	television and online advertising was a part of Coleman's biographical background and not an in-
4	kind contribution from Coleman Moving to the Committee. ²² Respondents assert that in its
5	advertisement, Coleman trucks are used in the context of discussing Coleman's family history in
6	the trucking business, the years Coleman worked for the family company, and the success of the
7	company during Coleman's tenure as CEO. ²³ Respondents argue that the statements by
8	Coleman in those advertisements, "My mom and dad started their life together in this truck," "I
9	started working when I was ten," and "Our revenues have increased ten-fold [when I was CEO]"
10	were focused on Coleman's biography and made no mention of a corporate endorsement or a
11	solicitation for funds. ²⁴ Respondents further contend that even if the mention of Coleman
12	Moving and use of its trucks in campaign advertising were viewed as an in-kind contribution, the
13	value associated with it would be <i>de minimis</i> and therefore the allegations should be dismissed. ²⁵
14	B. Analysis
15	The Act and Commission regulations define "contribution" as "any gift, subscription,

loan, advance, or deposit of money or anything of value made by any person for the purpose of 16

²¹ Committee Resp. at 2; Coleman Moving Resp. at 2.

²² Id. at 3; Coleman Moving Resp. at 3-4.

²³ Id.; Coleman Moving Resp. at 3-4. See also "Jeff Coleman for Congress" Political Advertisement, Facebook, available at Coleman Facebook Page.

²⁴ Id.; Coleman Moving Resp. at 3-4.

²⁵ Committee Resp. at 3; Coleman Moving Resp. at 3-4.

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influencing any election for Federal office."²⁶ "Anything of value" includes in-kind
contributions, such as the provision of goods or services without charge or at a charge that is less
than the usual and normal charge.²⁷ Commission regulations define "usual and normal charge"
as the price of goods in the commercially reasonable rate prevailing at the time the services were
rendered."²⁸ If a committee pays fair market value for a good or service, then it is not considered
a contribution.²⁹

The Act prohibits a corporation from making contributions to federal candidates and their authorized committees.³⁰ Officers and directors of corporations may not consent to any contribution prohibited by section 30118(a).³¹ Correspondingly, federal candidates and their authorized committees may not knowingly accept a corporate contribution.³² The Commission has previously determined that a corporation's name, trade name, trademarks, and service marks are things of value owned by the corporation, and that authorizing a committee to use them may constitute an in-kind contribution.³³

- ²⁸ See 11 C.F.R. § 100.52(d)(2).
- ²⁹ *Id*.
- ³⁰ 52 U.S.C. § 30118(a).
- ³¹ *Id*.
- ³² *Id*.

³³ See Factual and Legal Analysis at 6, MUR 7508 (Friends of Sherrod Brown, *et al.*)("F&LA") (citing F&LA at 4, MUR 7302 (Tom Campbell for North Dakota, *et al.*), Advisory Op. 2007-10 (Reyes); F&LA at 7, MUR 6542 (Mullin for Congress); F&LA at 10-11, MUR 6110 (Obama Victory Fund)).

²⁶ 52 U.S.C. § 30101(8)(A)(i).

²⁷ See 11 C.F.R. § 100.52(d)(1).

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1	The available information is insufficient to support a reasonable inference that the
2	Committee paid Eagle Leasing less than fair market value to rent the trucks the Committee used.
3	The Complaints do not specify when the Coleman trailer billboards appeared, but the available
4	information shows that in late October 2019, the Committee began posting ads on its Facebook
5	page depicting local events and featuring images of the Coleman campaign trailer billboards. ³⁴
6	The Committee reported a debt to Eagle Leasing for equipment rental on its 2019 Year-End
7	Report which would cover the October 2019 timeframe, and subsequently it reported making
8	disbursements totaling \$18,620 to Eagle Leasing of Alabama on January 30, 2020. ³⁵
9	While Eagle Leasing appears to have close ties to Coleman Moving and Coleman, which
10	might suggest that the rental agreement may not have been at arms' length, neither the
11	Complaints nor available information indicate that amounts paid were less than fair market
12	value. ³⁶ While Respondents do not specifically address the allegation concerning trucks with
13	Coleman Moving mud flaps, the close relationship between Eagle Leasing and Coleman Moving
14	likely explain why they were on the trucks leased by the Committee. ³⁷ Still, that close

³⁴ See Coleman Facebook Page.

³⁵ Jeff Coleman for Congress, Inc. 2020 Pre-Primary Report at 62, 71 (Feb. 20, 2020), https://docquery fec.gov/pdf/156/202002209186912156/202002209186912156.pdf.

³⁶ See n. 20, infra.

³⁷ A review of publicly available information suggests that Coleman Moving trailers in use today have the Allied Van Lines logo and trademark colors and use the logos of both Coleman Moving and Allied Van Lines, which are not like the trailers used by the Committee as billboards. The presence of the mud flaps with the Coleman Moving logo alone does not necessarily result in an in-kind contribution that is worth the Commission's resources and time. *See* MUR 7302 (Tom Campbell for North Dakota) (dismissing allegations that the use of the truck bearing a "Campbell Farms" logo in the background of the candidate's ad in a \$250,000 statewide television ad campaign constituted a prohibited, in-kind contribution because its value was likely *de minimis*); MURs 6287, 6288, and 6297 (Liberatore for Congress) (EPS dismissal based on a determination that the approximately \$2,000 in potential in-kind contribution associated with inclusion of a corporate logo on a campaign mailer was *de minimis*); MUR 6331 (Comm. to Elect Shirley Gibson for Congress) (EPS dismissal based on a determination that the value of a possible in-kind contribution associated with several corporate logos included on printed invitations for a candidate's fundraising event that cost approximately \$4,000 and was attended by 100 people was *de minimis*).

> Attachment Page 8 of 11

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 9 of 11

1	relationship of the two companies to each other and to Coleman make the responses'
2	misidentification of Eagle Leasing's website curious. Further, the responses did not include any
3	sworn statements or documentation.
4	Even so, the available information indicates that the Committee paid for certain truck
5	rentals; the Respondents deny the allegation that the Committee paid less than fair market rate;
6	the Commission is aware of no information to the contrary; and the Committee timely reported
7	the debt to Eagle Leasing on its Year End Report and payments to Eagle Leasing on its Pre-
8	Primary Reports. Thus, the Commission dismisses the allegation that the Committee received
9	these rentals for free or at a reduced price.
10	Similarly, for the reasons that follow, the Commission dismisses the allegation that the
11	Committee used Coleman Moving's logo and its trucks as in the YouTube and Facebook
12	advertisements. An investigation would be necessary to determine the value of any such in-kind
13	contribution, and, consistent with the handling of similar cases, the Commission concludes that
14	doing so here would not be a prudent use of its limited resources.
15	In several matters, the Commission found that the presence of corporate logos or images
16	in campaign advertisements may result in in-kind contributions, but exercised its discretion and
17	dismissed the allegations, either because the value of the contribution was de minimis or too
18	difficult to calculate. ³⁸ Additionally, the Commission has permitted candidates to discuss their

³⁸ See First Gen. Counsel's Rpt. at 20, MUR 6110 (Obama Victory Fund) (dismissed use of corporate names and logos to solicit contributions in connection with joint fundraising concert where the companies did not contribute directly to the committee or pay costs of the event, the event was modest, and the value of the names and logos was not substantial). See also, MUR 7302 (Tom Campbell for North Dakota); MUR 6542 (Mullin for Congress) (dismissal of allegations that the committee accepted prohibited in-kind corporate contributions where committee paid for video advertisements that featured name and logo of the candidate's business); MUR 6322 (Tommy Sowers) (Commission examined use of a corporate logo on a fundraising invitation for an event that served as both a campaign event for the candidate and a product launch for a corporation that was unrelated to the candidate, but dismissed allegations as a matter of prosecutorial discretion); MUR 5691 (Whalen) (finding no inkind contribution to Whalen's committee from his restaurant chain because an advertisement created by the

prior business experience, even when it involved the use of company logos, in connection with
their campaigns.

In MUR 6542 (Mullin), the Commission dismissed allegations of in-kind contributions 3 from the candidate's business, Mullin Plumbing, where the campaign committee used images 4 5 and footage of the Mullin Plumbing's name, employees, facilities, and the committee included 6 several photos of Mullin Plumbing trucks in its television and YouTube ads that featured Mullin interacting with uniformed Mullin Plumbing employees while standing in front of Mullin 7 Plumbing buildings and trucks.³⁹ Similarly, in MUR 7302 (Tom Campbell for North Dakota) 8 9 the Commission dismissed allegations regarding the committee's ads that featured Campbell standing in front of a truck with the "Campbell Farms" logo on one of the truck's windows as he 10 11 discussed his experience as a potato farmer and his plans for the state, and the committee did not list any contributions from Campbell Farms-Big Lake in its disclosures.⁴⁰ In both matters, the 12 13 Commission reasoned that the value of any in-kind contributions from the corporations was likely to be *de minimis* and concluded that pursuing the matters further would not have been a 14 prudent use of the Commission's resources.⁴¹ 15 The circumstances here are similar to those past precedents. As with MURs 6542 and 16

- 17 7302, the potential in-kind contributions here could result from the use of Coleman Moving

company failed to meet the content prong of the coordination test, even though it used images of Whalen and themes similar to those used by his campaign, but failed to expressly advocate Whalen's election). MURs 6287, 6288, and 6297 (Liberatore for Congress); MUR 6331 (Comm. to Elect Shirley Gibson for Congress).

³⁹ Factual and Legal Analysis at 6-7, MUR 6542 (Mullin).

⁴⁰ Campbell Farms-Big Lake is a North Dakota partnership that operates a commercial potato farm, for which state records showed that Tom Campbell was the registered agent. Factual and Legal Analysis at 2-3, MUR 7302 (Tom Campbell for North Dakota).

⁴¹ *See* Factual and Legal Analysis at 7-8, 9-10, MUR 6542 (Mullin), Factual and Legal Analysis at 5-6, MUR 7302 (Tom Campbell for North Dakota).

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 11 of 11

1	trucks and/or the use of the Coleman Moving logo in the Committee's online advertisements.
2	The trucks are primarily used as Coleman is discussing his family's history in the trucking
3	business and his accomplishments as CEO to explain his background and qualifications for the
4	office he is seeking. It would be difficult to determine the precise value of any in-kind
5	contribution that might have resulted from Coleman Moving allowing its logo to be used in
6	YouTube and Facebook ads featuring its Chairman.
7	Accordingly, the Commission exercises its prosecutorial discretion and dismiss
8	allegations that Coleman Worldwide Moving, LLC and Coleman American Moving Services,
9	Inc. violated 52 U.S.C. § 30118 by making in-kind contributions to the Committee and cautions
10	them against making in-kind contributions to the Committee. ⁴² The Commission also dismisses
11	allegations that Jeff Coleman and Jeff Coleman for Congress, Inc. and Joseph Johnson in his
12	official capacity as treasurer, violated 52 U.S.C. §§ 30116(f) and 30118 by accepting corporate
13	in-kind contributions from Coleman Moving and cautions them to adhere to the Act's
14	contribution limits and prohibitions.

⁴² See e.g., MUR 6542 (Mullin) (dismissing with caution apparent violations of 2 U.S.C. § 30118(a)); MUR 6110 (Obama Victory Fund) (same). MUR767900048

THIS PROPOSED DRAFT WAS VOTED ON BUT NOT APPROVED BY THE COMMISSION.

Cooksey and Dickerson Office Edits

1 2		FEDERAL ELECTION COMMISS FACTUAL AND LEGAL ANALYS	
3 4 5 6 7 8 9	RESPONDENTS:	Jeffrey Coleman Jeff Coleman for Congress, Inc. and Joseph Johnson, in his official capacity as treasurer Coleman Worldwide Moving, LLC Coleman American Moving Services, Inc.	MURs: 7679 and 7695
10 11	I. INTRODUC	TION	
12	These two co	mplaints allege Coleman Worldwide Moving	, LLC and its subsidiary
13	Coleman American M	Moving Services, Inc. (collectively, "Coleman	Moving") made prohibited
14	in-kind contributions	to congressional candidate Jeff Coleman and	his authorized committee, Jeff
15	Coleman for Congres	ss, Inc. and Joseph Johnson, in his official cap	pacity as treasurer (the
16	"Committee"). Spec	ifically, the Complaints allege that Coleman	Moving allowed the
17	Committee to use its	trucks and semitrailers as billboards to displa	y large pictures of Coleman,
18	his campaign logo, a	nd the campaign's website address throughou	t Alabama's Second
19	Congressional Distric	ct, without compensation. The Complaints al	so allege that Coleman
20	Moving did not recei	ve payment from the Committee for allowing	the Committee to use its
21	trucks, which promin	nently displayed the company's logo and trade	emark, in the Committee's
22	television and online	advertisements, including on the Committee	s Facebook page and YouTube
23	channel.		
24	The available	information is insufficient to support the alle	gations that the Committee
25	failed to pay the fair	market value for the trucks that it leased to us	e as billboards. Furthermore,
26	the value of any in-k	ind contribution to the Committee that might	have resulted from the

27 appearance of trucks with the Coleman Moving logo and trademark in the Committee's

advertisements would be difficult to quantify and likely *de minimis*.

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 2 of 11

Therefore, the Commission exercises its prosecutorial discretion and dismisses the
allegations that Coleman Worldwide Moving, LLC and Coleman American Moving Services,
Inc. made prohibited in-kind contributions in violation of 52 U.S.C. § 30118, and that Jeff
Coleman and Jeff Coleman for Congress, Inc. and Joseph Johnson in his official capacity as
treasurer accepted the in-kind contributions in violation of 52 U.S.C. §§ 30116(f) and 30118, and
cautions them to adhere to the Act's contribution limits and prohibitions. ¹
II. FACTUAL AND LEGAL ANALYSIS
A. Facts
Jeff Coleman is the current Chairman of Coleman Worldwide Moving, a moving and
shipping company, and its subsidiary, Coleman American Moving Services, Inc., which owns a
large fleet of trucks and 18-wheel trailers. ² While serving as chairman of these companies,
Coleman became a candidate in Alabama's Second Congressional District, and his authorized
committee filed its Statement of Organization on August 14, 2019. ³ The Complaints allege that
Coleman Moving made a prohibited in-kind contribution to the Committee by allowing it to use
Coleman Moving trucks and equipment free of charge. Specifically, they alleged that the
Coleman Moving trucks and trailers were "wrapped" with the candidate's picture, campaign
logo, and campaign messaging and stationed throughout the Second Congressional District. ⁴

¹ See Heckler v. Chaney, 470 U.S. 821, 831 (1985).

² Coleman Worldwide Moving is an agent of the Allied Van Lines international shipping and moving company. *See <u>https://www.colemanallied.com/</u>*. Coleman lost the July 14, 2020, Republican primary runoff election.

³ See FEC Form 1, Jeff Coleman for Congress, Inc., Statement of Organization (Aug. 14, 2019), https://docquery fec.gov/pdf/996/201908149162868996/201908149162868996.pdf.

⁴ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1. The Complaints attach pictures of these trucks and trailers. MUR 7679 Compl. at Attach; MUR 7695 Compl. at Attach.

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 3 of 11

1	The Complaint in MUR 7679 further alleges that the Committee used Coleman Moving box-
2	style moving trucks featuring the Committee's logo, Coleman's picture, and Coleman's
3	campaign messaging in a series of parades in the Fall of 2019 and that the Committee publicized
4	these appearances on its Facebook page. ⁵
5	The Complaints surmise that the trucks and trailers used as billboards belonged to
6	Coleman Moving because Coleman is Coleman Moving's Chairman. ⁶ MUR 7679 also alleges
7	that some of the vehicles in question had mud flaps with the Coleman Moving name on them. ⁷
8	The Complaints thus allege that because the trucks and trailers are not Coleman's personal
9	property, the Committee's use of Coleman Moving trucks and trailers without compensation
10	constitutes an in-kind corporate contribution from Coleman Moving. ⁸ In further support of these
11	allegations, the MUR 7695 complaint points out that the Committee's FEC reports disclose no
12	payments to Coleman Moving for the use of its trucks and trailers.9
13	Additionally, the MUR 7679 complaint alleges that the Committee violated the Act by
14	airing campaign advertisements on television and Facebook that featured Coleman Moving
15	trucks with the company logo and trademark. ¹⁰ Complainant asserts the use of the Coleman

⁵ MUR 7679 Compl. at 1. The Complaint attaches pictures of the moving truck it alleges was shown on the Committee's Facebook page.

⁶ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1.

⁷ MUR 7679 Compl. at 1, Attach.

⁸ MUR 7679 Compl. at 1; MUR 7695 Compl. at 1.

⁹ See MUR 7695 Compl. at 1.

¹⁰ *Id.* at 2-3. *See* <u>www.Facebook.com/JeffColemanAL/</u> (posted Nov. 4, 2019) (Coleman Facebook Page). The Complaint does not provide information as to how often or for how long the television advertisements aired. According to the information provided by Facebook and YouTube archives, the online ads began airing October 22, 2019.

MURs 7679/7695 (Jeff Coleman for Congress) Factual and Legal Analysis Page 4 of 11

1	Moving trucks in the Committee's television and online advertisements without compensation
2	resulted in an in-kind contribution to the Committee. ¹¹ In response to this particular allegation,
3	Respondents do not specifically address whether Coleman Moving owned the trucks or facilities
4	seen in the videos, instead, the company simply states that it "was not involved in the creation of
5	Mr. Coleman's campaign materials and advertisements." ¹²
6	The Committee placed at least ten online ads on its Facebook and YouTube pages. ¹³
7	Most of the ads were 30 seconds long, a few of which used images of trucks with the Coleman
8	Moving trademark and logo. ¹⁴ The Committee also created a 30-second ad and a 2 $\frac{1}{2}$ minute
9	biographical ad that featured the Coleman Moving trucks more prominently, and included
10	Coleman discussing his family history and his leadership of Coleman Trucking. The online
11	archive shows that starting in late October 2019, the Committee spent a total of \$38,495 for its
12	Facebook ads and approximately \$21,700 for ads that aired on its YouTube page, for a total of
13	\$60,195; these expenditures were disclosed in the Committee's Pre-Primary Report. ¹⁵ A review

¹³ See <u>https://transparencyreport.google.com/political-ads/advertiser/AR62103852710625280;</u> <u>https://www.youtube.com/watch?v=XxgajipRDNk,</u> (Google archive); <u>https://www.facebook.com/ads/library/?active status=inactive&ad type=political and issue ads&country=US&im</u> <u>pression search field=has impressions lifetime&view all page id=111891756832652&sort data[direction]=desc</u> <u>&sort data[mode]=relevancy monthly grouped,</u> (Facebook archive).

https://www.youtube.com/channel/UCiO6m15nuyoVSfhvlfjh0rg/videos (Coleman YouTube Page).

¹¹ Id.

¹² Coleman Moving Resp. at 4 (Mar. 13, 2020).

¹⁴ The 30 second ads titled, "Businessman, not a Politician" and "Business Guy" use the image of an antique Coleman Moving truck for less than 5 seconds. However, the 30 second "Safe" and "Movin' and Shakin" as well as the 2 $\frac{1}{2}$ minute "Movers and Shakers" ads use images of the antique and newer Coleman Moving trucks more prominently. *See* Coleman Facebook Page; *see also*

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1	of Federal Communication Commission filings shows the Committee spent \$63,215 on
2	television advertising in August – December 2019 in the Montgomery-Selma Markets. ¹⁶
3	The Committee and Coleman Moving deny all allegations in the Complaints. ¹⁷
4	Respondents state that the trucks and trailers that the Committee used as billboards for its
5	campaign advertisements were leased from The Eagle Leasing Company ("Eagle Leasing"), not
6	Coleman Moving. ¹⁸ The Committee asserts that its lease with Eagle Leasing was made in the
7	usual and ordinary course of business, and at fair market rates. ¹⁹ It further states that its
8	disbursements to Eagle Leasing were timely disclosed on the Committee's Pre-Primary Election
9	Report filed with the Commission, which lists two disbursements totaling \$18,620 on January
10	30, 2020, for "Equipment Leasing." ²⁰ Accordingly, Respondents assert, there was no in-kind

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¹⁷ Committee Resp. (Mar. 13, 2020); Coleman Moving Resp.

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¹⁹ Both the Committee and Coleman Moving Responses state, "Eagle Leasing, Inc. sells trailers identical to the ones shown in both Complaints. Their website is <u>https://www.eagleleasing.com/</u>." *See* Committee Resp. at 2, n. 8; Coleman Moving Resp. at 2, n. 7. It is not clear why Respondents reference <u>www.eagleleasing.com</u>, a storage container and trailer rental company based in Massachusetts, instead of Eagle Leasing, Inc. in Alabama, which the Committee listed in its report to the Commission. The Massachusetts and Alabama companies are separate entities, and Coleman and Coleman Worldwide are directly linked to the Alabama company that purportedly provided the trailers. *See* <u>http://arc-</u>

sos.state.al.us/cgi/corpdetail.mbr/detail?corp=110399&page=name&file=&type=ALL&status=ALL&place=ALL&c ity=. See also https://www.buzzfile.com/property/100-Eagle-Ridge-Dr-Midland-City-AL/AB0FC42FA8. The Alabama Eagle Leasing is located at the same physical address as Coleman Worldwide and Jeff Coleman is listed as a registered agent and corporate officer for Eagle Leasing of Alabama.

²⁰ Committee Resp. at 2; Coleman Moving Resp. at 2. *See* Jeff Coleman for Congress Year End Report (Jan. 31, 2020) (reporting the transaction as a debt),

^{\$7,448} and the second disbursement was for \$11,172. Id.

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contribution from Coleman Moving to the Committee.²¹ 1

2	Respondents also contend that the Committee's use of Coleman Moving trucks in its
3	television and online advertising was a part of Coleman's biographical background and not an in-
4	kind contribution from Coleman Moving to the Committee. ²² Respondents assert that in its
5	advertisement, Coleman trucks are used in the context of discussing Coleman's family history in
6	the trucking business, the years Coleman worked for the family company, and the success of the
7	company during Coleman's tenure as CEO. ²³ Respondents argue that the statements by
8	Coleman in those advertisements, "My mom and dad started their life together in this truck," "I
9	started working when I was ten," and "Our revenues have increased ten-fold [when I was CEO]"
10	were focused on Coleman's biography and made no mention of a corporate endorsement or a
11	solicitation for funds. ²⁴ Respondents further contend that even if the mention of Coleman
12	Moving and use of its trucks in campaign advertising were viewed as an in-kind contribution, the
13	value associated with it would be <i>de minimis</i> and therefore the allegations should be dismissed. ²⁵
14	B. Analysis
15	The Act and Commission regulations define "contribution" as "any gift, subscription,
16	loan, advance, or deposit of money or anything of value made by any person for the purpose of

²¹ Committee Resp. at 2; Coleman Moving Resp. at 2.

²² Id. at 3; Coleman Moving Resp. at 3-4.

²³ Id.; Coleman Moving Resp. at 3-4. See also "Jeff Coleman for Congress" Political Advertisement, Facebook, available at Coleman Facebook Page.

²⁴ Id.; Coleman Moving Resp. at 3-4.

²⁵ Committee Resp. at 3; Coleman Moving Resp. at 3-4.

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influencing any election for Federal office."²⁶ "Anything of value" includes in-kind
contributions, such as the provision of goods or services without charge or at a charge that is less
than the usual and normal charge.²⁷ Commission regulations define "usual and normal charge"
as the price of goods in the commercially reasonable rate prevailing at the time the services were
rendered."²⁸ If a committee pays fair market value for a good or service, then it is not considered
a contribution.²⁹

The Act prohibits a corporation from making contributions to federal candidates and their authorized committees.³⁰ Officers and directors of corporations may not consent to any contribution prohibited by section 30118(a).³¹ Correspondingly, federal candidates and their authorized committees may not knowingly accept a corporate contribution.³² The Commission has previously determined that a corporation's name, trade name, trademarks, and service marks are things of value owned by the corporation, and that authorizing a committee to use them may constitute an in-kind contribution.³³

- ²⁸ See 11 C.F.R. § 100.52(d)(2).
- ²⁹ *Id*.
- ³⁰ 52 U.S.C. § 30118(a).
- ³¹ *Id*.
- ³² *Id.*

³³ See Factual and Legal Analysis at 6, MUR 7508 (Friends of Sherrod Brown, *et al.*) ("F&LA") (citing F&LA at 4, MUR 7302 (Tom Campbell for North Dakota, *et al.*), Advisory Op. 2007-10 (Reyes); F&LA at 7, MUR 6542 (Mullin for Congress); F&LA at 10-11, MUR 6110 (Obama Victory Fund)).

²⁶ 52 U.S.C. § 30101(8)(A)(i).

²⁷ See 11 C.F.R. § 100.52(d)(1).

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The available information is insufficient to support a reasonable inference that the
Committee paid Eagle Leasing less than fair market value to rent the trucks the Committee used.
The Complaints do not specify when the Coleman trailer billboards appeared, but the available
information shows that in late October 2019, the Committee began posting ads on its Facebook
page depicting local events and featuring images of the Coleman campaign trailer billboards. ³⁴
The Committee reported a debt to Eagle Leasing for equipment rental on its 2019 Year-End
Report which would cover the October 2019 timeframe, and subsequently it reported making
disbursements totaling \$18,620 to Eagle Leasing of Alabama on January 30, 2020. ³⁵
Neither the Complaints nor available information indicate that amounts paid were less
than fair market value. ³⁶ The available information indicates that the Committee paid for certain
truck rentals; the Respondents deny the allegation that the Committee paid less than fair market
rate; the Commission is aware of no information to the contrary; and the Committee timely
reported the debt to Eagle Leasing on its Year End Report and payments to Eagle Leasing on its
Pre-Primary Reports. Thus, the Commission dismisses the allegation that the Committee
received these rentals for free or at a reduced price.
Similarly, for the reasons that follow, the Commission dismisses the allegation that the
Committee used Coleman Moving's logo and its trucks as in the YouTube and Facebook
advertisements. An investigation would be necessary to determine the value of any such in-kind

³⁴ See Coleman Facebook Page.

³⁵ Jeff Coleman for Congress, Inc. 2020 Pre-Primary Report at 62, 71 (Feb. 20, 2020), <u>https://docquery_fec.gov/pdf/156/202002209186912156/202002209186912156.pdf.</u>

³⁶ See n. 20, *infra*.

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contribution, and, consistent with the handling of similar cases, the Commission concludes that
 doing so here would not be a prudent use of its limited resources.

In several prior matters, the Commission has exercised its discretion and dismissed allegations that the presence of a corporate logo or image in a campaign advertisement resulted in an in-kind contribution, either because the value of the contribution was *de minimis* or too difficult to calculate.³⁷

7 Additionally, the Commission has permitted candidates to discuss their prior business 8 experience, even when it involved the use of company logos, in connection with their campaigns. 9 In MUR 6542 (Mullin), the Commission dismissed allegations of in-kind contributions from the 10 candidate's business, Mullin Plumbing, where the campaign committee used images and footage 11 of the Mullin Plumbing's name, employees, facilities, and the committee included several photos of Mullin Plumbing trucks in its television and YouTube ads that featured Mullin interacting 12 with uniformed Mullin Plumbing employees while standing in front of Mullin Plumbing 13 buildings and trucks.³⁸ Similarly, in MUR 7302 (Tom Campbell for North Dakota) the 14 Commission dismissed allegations regarding the committee's ads that featured Campbell 15

See First Gen. Counsel's Rpt. at 20, MUR 6110 (Obama Victory Fund) (dismissed use of corporate names and logos to solicit contributions in connection with joint fundraising concert where the companies did not contribute directly to the committee or pay costs of the event, the event was modest, and the value of the names and logos was not substantial). See also, MUR 7302 (Tom Campbell for North Dakota); MUR 6542 (Mullin for Congress) (dismissal of allegations that the committee accepted prohibited in-kind corporate contributions where committee paid for video advertisements that featured name and logo of the candidate's business); MUR 6322 (Tommy Sowers) (Commission examined use of a corporate logo on a fundraising invitation for an event that served as both a campaign event for the candidate and a product launch for a corporation that was unrelated to the candidate, but dismissed allegations as a matter of prosecutorial discretion); MUR 5691 (Whalen) (finding no in-kind contribution to Whalen's committee from his restaurant chain because an advertisement created by the company failed to meet the content prong of the coordination test, even though it used images of Whalen and themes similar to those used by his campaign, but failed to expressly advocate Whalen's election). MURs 6287, 6288, and 6297 (Liberatore for Congress); MUR 6331 (Comm. to Elect Shirley Gibson for Congress).

³⁸ Factual and Legal Analysis at 6-7, MUR 6542 (Mullin).

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standing in front of a truck with the "Campbell Farms" logo on one of the truck's windows as he discussed his experience as a potato farmer and his plans for the state, and the committee did not list any contributions from Campbell Farms-Big Lake in its disclosures.³⁹ In both matters, the Commission reasoned that the value of any in-kind contributions from the corporations was likely to be *de minimis* and concluded that pursuing the matters further would not have been a prudent use of the Commission's resources.⁴⁰

7 The circumstances here are similar to those past precedents. As with MURs 6542 and 8 7302, the potential in-kind contributions here could result from the use of Coleman Moving 9 trucks and/or the use of the Coleman Moving logo in the Committee's online advertisements. The trucks are primarily used as Coleman is discussing his family's history in the trucking 10 11 business and his accomplishments as CEO to explain his background and qualifications for the office he is seeking. It would be difficult to determine the precise value of any in-kind 12 contribution that might have resulted from Coleman Moving allowing its logo to be used in 13 YouTube and Facebook ads featuring its Chairman. 14 Accordingly, the Commission exercises its prosecutorial discretion and dismisses 15 allegations that Coleman Worldwide Moving, LLC and Coleman American Moving Services, 16 Inc. violated 52 U.S.C. § 30118 by making in-kind contributions to the Committee. ⁴¹ The 17 Commission also dismisses allegations that Jeff Coleman and Jeff Coleman for Congress, Inc. 18

³⁹ Campbell Farms-Big Lake is a North Dakota partnership that operates a commercial potato farm, for which state records showed that Tom Campbell was the registered agent. Factual and Legal Analysis at 2-3, MUR 7302 (Tom Campbell for North Dakota).

⁴⁰ See Factual and Legal Analysis at 7-8, 9-10, MUR 6542 (Mullin), Factual and Legal Analysis at 5-6, MUR 7302 (Tom Campbell for North Dakota).

⁴¹ See e.g., MUR 6542 (Mullin) (dismissing with caution apparent violations of 2 U.S.C. § 30118(a)); MUR 6110 (Obama Victory Fund) (same).

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- and Joseph Johnson in his official capacity as treasurer, violated 52 U.S.C. §§ 30116(f) and
- 2 30118 by accepting corporate in-kind contributions from Coleman Moving.