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Attorneys for Respondents, Robert Healey, Jr., Bob Healey for Congress, and Ronald Gravino, Treasurer

IN THE MATTER OF	FEDERAL ELECTION COMMISSION
END CITIZENS UNITED & AMANDA	DOCKET NUMBER: MUR 8056
BOGDEN,	RESPONSE TO COMPLAINT
COMPLAINANT,	CONFIDENTIAL
AND	CONFIDENTIAL
ROBERT HEALEY, JR, BOB HEALEY FOR CONGRESS, RONALD GRAVINO, IN HIS OFFICIAL CAPACITY AS TREASURER, AND VIKING YACHT COMPANY.	
RESPONDENTS.	

RESPONDENTS, Robert Healey, Jr. (FEC Identification Number H2NJ03258), Bob Healey for Congress (FEC Identification Number C00793646), and Ronald Gravino, Treasurer, for Bob Healey for Congress, (hereinafter referred to as "Respondents"), by and through their attorneys Kalavruzos, Mumola, Hartman, Lento, and Duff, LLC, William R. Burns, Esq. appearing, hereby respond to the Complaint as follows:

RESPONSE TO COMPLAINT

 Respondents, individually and collectively, deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino, in his official capacity as treasurer, violated the Federal Election Campaign Act of 1971, as amended.

- 2. Respondents, individually and collectively, deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino, in his official capacity as treasurer, violated Federal Election Commission (hereinafter referred to as "Federal Election Commission" "FEC" or "Commission") regulations.
- Respondents, individually and collectively, deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino violated the law by accepting corporate in-kind contributions and directing the funds of Viking Yacht Company.
- 4. Respondents, individually and collectively, deny the allegations contained in Paragraph 1 of the Complaint.
- 5. Respondents, individually and collectively, deny the allegations contained in Paragraph 2 of the Complaint.

RESPONSE TO FACTUAL BACKGROUND

- 6. Respondents admit that Robert Healey, Jr. is the Republican nominee for the U.S. House of Representatives in New Jersey's 3rd Congressional District.
- 7. Respondents admit that on November 8, 2021, Respondents filed or caused to be filed the original Statement of Organization with the Federal Election Committee. The original Statement of Organization can be found at <u>Bob Healey For Congress Original Statement of Organization</u>.
- 8. On August 3, 2022, Respondents filed or caused to be filed the first amendment to the Statement of Organization. The first amended Statement of Organization can be found at 1st Amended Statement of Organization.
- 9. On August 31, 2022, Respondent filed or caused to be filed the second amendment to the Statement of Organization. The second amended Statement of Organization can be found

- at <u>2nd Amended Statement of Organization</u>. The second amended Statement of Organization is the current version of the statement of organization
- 10. Respondents admit that Robert Healey Jr, is Chairman of the Viking Yacht Company.
- 11. With respect to the posting on the Viking Yacht Company's website that is referenced in the complaint, Respondents admit only that Viking Yacht Company recognized an accomplishment of one of their employees and congratulated the employee for achieving the accomplishment, as is customary by Viking Yacht Company.
- 12. Respondents did not accept, direct, or coordinate a contribution or in-kind contribution from Viking Yacht Company.
- 13. Respondents, individually and collectively, deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino, in his official capacity as treasurer directed or are directing and/or used or are using the resources of Viking Yacht Company to benefit his congressional candidacy.
- 14. Respondents deny that the postings on the Viking Yacht Company website referenced in the Complaint violate any law or regulation.
- 15. With respect to the captured still image from the video which can be found at Bob Healey:

 A Force for Good Respondents admit only that the polo shirt in question is in the video in various scenes for a total of four (4) seconds (seconds 17 through 21) in a thirty second video. It is respectfully submitted that the writing on the shirt is not legible for a majority of the four seconds. It is respectfully submitted that neither the word Viking nor the name Viking Yacht Company was spoken during the video.

- 16. The Commission has permitted candidates to discuss their prior business experience, even when it involved the use of company logos, in connection with their campaigns. See. MUR 6542 and 7302.
- 17. Respondents deny that the video referenced in the complaint violates any law or regulation.

RESPONSE TO LEGAL ANALYSIS

- Respondents deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino knowingly accepted a corporate contribution from Viking Yacht Company as alleged in the Complaint.
- 2. Respondents deny that Viking Yacht Company made any illegal contribution to Bob Healey for Congress as alleged in the Complaint.
- 3. Respondents deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino acted or used any corporates resources in an illegal or inappropriate manner as alleged in the complaint.
- 4. Federal Election Commission regulations state, "The terms contribution and expenditure shall include any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a State bank, a federally chartered depository institution (including a national bank) or a depository institution whose deposits and accounts are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration, if such loan is made in accordance with 11 C.F.R. 100.82(a) through (d)) to any candidate, political party or committee, organization, or any other person in connection with any election to any of the offices referred to in. 11 C.F.R. 114.2 (a) or (b) as applicable." 11 C.F.R. 114.1.

- 5. Respondents deny that either Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino received any improper expenditure or contribution from Viking Yacht Company as alleged in the Complaint.
- 6. Respondents deny that the value of the congratulatory website message and four (4) second image of a polo shirt is in excess of \$200.00.
- 7. It is important to note that communications by a corporation to its stockholders and executive or administrative personnel and their families on any subject are not considered a contribution or expenditure under Federal Election Commission regulations. 11 <u>C.F.R.</u> 114.1(2)(i).
- 8. Respondents deny that the communication posted on Viking Yacht Company's website, which is the subject of the complaint, was coordinated with campaign and/or candidate.
- 9. Respondents deny that the communication posted on the Viking Yacht Company's website, which is the subject of the complaint, was made in cooperation, consultation, or concert with, or at the request or suggestions of Robert Healy, Jr., Bob Healey for Congress, or any of the candidate's or campaign's agents.
- 10. Respondents deny that the communication posted on the website which congratulates him on winning the Republican primary, as described in the complaint, is a communication that expressly advocates as contemplated in 11 <u>C.F.R.</u> 100.22. The message does not call for the election or defeat of any individual candidate. It is respectfully submitted that the posted website message is a mere congratulatory message talking about a past event, specifically the Republican primary.
- 11. Respondents deny that the polo shirt seen in a thirty second video for a mere four (4) seconds is either a coordinated communication or a contribution.

- 12. Respondents deny receiving a contribution or in-kind contribution from Viking Yacht Company. No reporting was required as Respondents did not receive a contribution or in-kind contribution from Viking Yacht Company.
- 13. Respondents specifically deny that Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino "used a candidate-controlled company and it funds that consist of soft money, to benefit Healey's election" as stated in the complaint at page 7.
- 14. The posting of the congratulatory message on the website and the four (4) second image of a polo shirt did not and do not result in an in-kind contribution.
- 15. Moreover, even assuming in arguendo that the congratulatory message and four (4) second image of a polo shirt were to be considered an in-kind contribution, a position the Respondents disagree with, the value of same was and remains *de minimis*.

Though the Federal Election Commission has previously opined that use of a corporation's name, trade name, trademarks and service mark by a campaign may constitute an in-kind contribution, the Federal Election Commission has held that the resulting in-kind contributions from such use likely to be *de minimis*. See. MUR 7302 6542, 6287, 6288,6297, and 6331. In MUR 6542, a matter involving similar facts, the candidates authorized committee paid for three video advertisements that featured vehicles bearing the name and logo of the candidates local plumping business, as well as images of the company's storefront and appearances by company employees. Citing the likely *de minimis* value of any possible in-kind contribution, the Commission dismissed the allegation that the committee had accepted prohibited in-kind contributions[.] American Democracy Legal Fund v. Tom Campbell et al. Federal Election Commission MUR 7302 First General Counsel's Report page 5 of 7 summarizing MUR 6542.

16. It is respectfully submitted that though the precise value of the congratulatory message and four (4) second image of a polo cannot be determined, as in MUR 6542, the value of same is likely *de minimis*.

17. As the value of the congratulatory message and four (4) second image of a polo shirt is *de minimis* it is respectfully submitted, that even if said message and images were considered a contribution, this matter does not justify the use of further Commission resources, as stated in a similar matter in the First General Counsel's Report in <u>American Democracy Legal Fund v. Tom Campbell et al.</u> Federal Election Commission MUR 7302 First General Counsel's Report page 2 of 7.

PRAYER FOR RELIEF

- Respondents submit that the Federal Election Commission should take not action against
 Robert Healey, Jr., Bob Healey for Congress, and/or Ronald Gravino as no provision of
 Federal Election Campaign Act of 1971, as amended or Federal Election Commission
 regulations were violated.
- 2. Respondents respectfully submit, based on the totality of the circumstances, that the Commission should conclude that the value communications, (the congratulatory message and four (4) second image of a polo shirt), detailed in the complaint and described above are likely *de minimis* and as such, pursing the matter further would not be a prudent use of the Commission's resources.
- Respondent respectfully requests that the Commission exercise its prosecutorial discretion and dismiss the allegations against Robert Healey, Jr., Bob Healey for Congress, and Ronald Gravino.
- 4. Respondents Robert Healey, Jr., Bob Healey for Congress, and Ronald Gravino, request dismissal of the Complaint and closure of the Commission's file in this matter.

SEPARATE DEFENSES

- 1. The Respondents are in compliance with all constitutional, statutory and regulatory obligations.
- 2. The Complaint fails to state a claim upon which relief may be granted.
- 3. The Complaint fails to assert a sufficient basis for the Committee to act.
- 4. Complainant's claims are barred under the Doctrine of the Doctrine of Equitable Estoppel, Waiver, Laches and Unclean Hands.
- 5. Complainant's claims are barred by reasons of *Res Judicata* and Collateral Estoppel.
- 6. Complainant's claims are barred as pursing the matter further would not be a prudent use of the Commission's resources. See MUR 6542 and MUR 7302.
- 7. Respondents' actions were lawful and were not arbitrary, capricious, or unreasonable.
- 8. Respondents reserve the right to move for dismissal of the Complaint at any time.
- 9. Respondents reserve the right to assert any and all other defenses, both factual and legal, as may be justified by information subsequently obtained.

DESIGNATION OF COUNSEL

William R. Burns is hereby designated a counsel and trial counsel for Respondents, Robert Healey, Jr., Bob Healey for Congress, and Ronald Gravino.

CERTIFICATION

The undersigned hereby certified that a copy of this pleading was served and field within the time permitted.

I certify that this dispute is not the subject of any other action pending in any other court or pending arbitration proceeding to the best of my knowledge and belief. Also, to the best of my knowledge and belief, no other action or arbitration proceeding is contemplated. Further, other

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than the parties set forth in this complaint, I know of no other parties that should be made a part of

this lawsuit. In addition, I recognize my continuing obligation to file and serve on all parties and

the court an amended certification if there is a change in the facts stated in this original

certification. I certify that this dispute is not the subject of any other action pending in any other

court or pending arbitration proceeding to the best of my knowledge and belief. Also, to the best

of my knowledge and belief, no other action or arbitration proceeding is contemplated. Further,

other than the parties set forth in this complaint, I know of no other parties that should be made a

part of this lawsuit. In addition, I recognize my continuing obligation to file and serve on all parties

and the court an amended certification if there is a change in the facts stated in this original

certification.

The foregoing, to the best of my knowledge is true and accurate.

October 7, 2022

Respectfully submitted,

Kalavruzos, Mumola, Hartman,

Lento and Duff, LLC

William R. Burns

Attorneys for Respondents