

FEDERAL ELECTION COMMISSION WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

in the Matter of)
Jeff Coleman for Congress, Inc., et. al.) MUR 7679 and 7695
)
	OF VICE CHAIR ALLEN DICKERSON AND OKSEY AND JAMES E. "TREY" TRAINOR, III
recommendation to dismiss the allegation American Moving Services, Inc. violated further voted to approve OGC's recomme Coleman for Congress, Inc., and Joseph.	approve the Office of General Counsel's ("OGC") as that Coleman Worldwide Moving, LLC and Coleman 52 U.S.C. § 30118 by making in-kind contributions. We endation to dismiss the allegations that Jeff Coleman, Jeff Johnson in his official capacity as treasurer, violated 52 epting in-kind contributions. We opposed, however, the lents.
For the purposes of 52 U.S.C. § Analysis in these matters.	30109(a)(8), we attach our proposed Factual and Legal
Allen Dickerson Vice Chair	December 3, 2021 Date
Sean J. Cooksey Commissioner	December 3, 2021 Date
James F. "Trey" Trainor, III Commissioner	December 3, 2021 Date

FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS

RESPONDENTS: Jeffrey Coleman MURs: 7679 and 7695

Jeff Coleman for Congress, Inc. and Joseph Johnson, in his official capacity

as treasurer

Coleman Worldwide Moving, LLC Coleman American Moving Services, Inc.

I. INTRODUCTION

These two complaints allege Coleman Worldwide Moving, LLC and its subsidiary

Coleman American Moving Services, Inc. (collectively, "Coleman Moving") made prohibited
in-kind contributions to congressional candidate Jeff Coleman and his authorized committee, Jeff
Coleman for Congress, Inc. and Joseph Johnson, in his official capacity as treasurer (the
"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,
his campaign logo, and the campaign's website address throughout Alabama's Second

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
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
channel.

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. 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*.

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.

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 The Complaint in MUR 7679 further alleges that the Committee used Coleman Moving box-style moving trucks featuring the Committee's logo, Coleman's picture, and Coleman's

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* https://www.colemanallied.com/. 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.

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.

campaign messaging in a series of parades in the Fall of 2019 and that the Committee publicized these appearances on its Facebook page.⁵

The Complaints surmise that the trucks and trailers used as billboards belonged to Coleman Moving because Coleman is Coleman Moving's Chairman.⁶ MUR 7679 also alleges that some of the vehicles in question had mud flaps with the Coleman Moving name on them.⁷ The Complaints thus allege that because the trucks and trailers are not Coleman's personal property, the Committee's use of Coleman Moving trucks and trailers without compensation constitutes an in-kind corporate contribution from Coleman Moving.⁸ In further support of these allegations, the MUR 7695 complaint points out that the Committee's FEC reports disclose no payments to Coleman Moving for the use of its trucks and trailers.⁹

Additionally, the MUR 7679 complaint alleges that the Committee violated the Act by airing campaign advertisements on television and Facebook that featured Coleman Moving trucks with the company logo and trademark. Complainant asserts the use of the Coleman Moving trucks in the Committee's television and online advertisements without compensation resulted in an in-kind contribution to the Committee. In response to this particular allegation,

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.

MUR 7679 Compl. at 1, Attach.

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

⁹ See MUR 7695 Compl. at 1.

Id. at 2-3. See www.Facebook.com/JeffColemanAL/ (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.

¹¹ *Id*.

Respondents do not specifically address whether Coleman Moving owned the trucks or facilities seen in the videos, instead, the company simply states that it "was not involved in the creation of Mr. Coleman's campaign materials and advertisements."¹²

The Committee placed at least ten online ads on its Facebook and YouTube pages. ¹³

Most of the ads were 30 seconds long, a few of which used images of trucks with the Coleman Moving trademark and logo. ¹⁴ The Committee also created a 30-second ad and a 2 ½ minute biographical ad that featured the Coleman Moving trucks more prominently, and included Coleman discussing his family history and his leadership of Coleman Trucking. The online archive shows that starting in late October 2019, the Committee spent a total of \$38,495 for its 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 of Federal Communication Commission filings shows the Committee spent \$63,215 on television advertising in August – December 2019 in the Montgomery-Selma Markets. ¹⁶

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

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&impression_search_field=has_impressions_lifetime&view_all_page_id=111891756832652&sort_data[direction]=desc &sort_data[mode]=relevancy_monthly_grouped_(Facebook_archive).

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 2½ 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).

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.

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

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

Respondents also contend that the Committee's use of Coleman Moving trucks in its television and online advertising was a part of Coleman's biographical background and not an in-kind contribution from Coleman Moving to the Committee.²² Respondents assert that in its

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

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

Both the Committee and Coleman Moving Responses state, "Eagle Leasing, Inc. sells trailers identical to the ones shown in both Complaints. Their website is https://www.eagleleasing.com/." See Committee Resp. at 2, n. 8; Coleman Moving Resp. at 2, n. 7. It is not clear why Respondents reference www.eagleleasing.com, 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 http://arc-

sos.state.al.us/cgi/corpdetail.mbr/detail?corp=110399&page=name&file=&type=ALL&status=ALL&place=ALL&city=. 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.

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/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 \$7,448 and the second disbursement was for \$11.172. *Id.*

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

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

advertisement, Coleman trucks are used in the context of discussing Coleman's family history in the trucking business, the years Coleman worked for the family company, and the success of the company during Coleman's tenure as CEO.²³ Respondents argue that the statements by Coleman in those advertisements, "My mom and dad started their life together in this truck," "I started working when I was ten," and "Our revenues have increased ten-fold [when I was CEO]" were focused on Coleman's biography and made no mention of a corporate endorsement or a solicitation for funds.²⁴ Respondents further contend that even if the mention of Coleman Moving and use of its trucks in campaign advertising were viewed as an in-kind contribution, the value associated with it would be *de minimis* and therefore the allegations should be dismissed.²⁵

B. Analysis

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 influencing any election for Federal office." "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. Commission regulations define "usual and normal charge" as the price of goods in the commercially reasonable rate prevailing at the time the services were

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

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 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

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

²⁸ See 11 C.F.R. § 100.52(d)(2).

²⁹ *Id*.

³⁰ 52 U.S.C. § 30118(a).

³¹ *Id*.

³² *Id*.

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)).

See Coleman Facebook Page.

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 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

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

and logos to solicit contributions in connection with joint fundraising concert where the companies did not

See First Gen. Counsel's Rpt. at 20, MUR 6110 (Obama Victory Fund) (dismissed use of corporate names

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

See n. 20, infra.

Additionally, 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. 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 and footage 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 with uniformed Mullin Plumbing employees while standing in front of Mullin Plumbing buildings and trucks. ³⁸ Similarly, in MUR 7302 (Tom Campbell for North Dakota) 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 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

_

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).

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

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).

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).

The circumstances here are similar to those past precedents. As with MURs 6542 and 7302, the potential in-kind contributions here could result from the use of Coleman Moving 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 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 contribution that might have resulted from Coleman Moving allowing its logo to be used in YouTube and Facebook ads featuring its Chairman.

Accordingly, the Commission exercises its prosecutorial discretion and dismisses allegations that Coleman Worldwide Moving, LLC and Coleman American Moving Services, Inc. violated 52 U.S.C. § 30118 by making in-kind contributions to the Committee. The Commission also dismisses 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 corporate in-kind contributions from Coleman Moving.