



Ruling opens up political ad frontier

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In the wake of the Supreme Court's decision on campaign financing, the companies who will turn corporate and union money into political ads look to win big. Mitchell Hartman reports.

TEXT OF STORY

KAI RYSSDAL: In the wake of yesterday's Supreme Court decision on campaign financing, one group of corporate executives is pleading for mercy. Executives from companies as far afield as Men's Warehouse and Playboy say they're already harassed by political fundraisers and now it's only going to get worse now. They have sent a letter to Congress asking for public financing of national elections.

There will be some winners out of yesterday's ruling though. Like the companies who'll turn all that corporate and union money into political ads. Here's Marketplace's Mitchell Hartman.

Mitchell Hartman: With yesterday's Supreme Court decision, the political advertising probably won't get any screechier, but there'll be more of it.

How much more? I asked media analyst Jack Myers.

Jack Myers: \$300 million to a billion dollars in incremental spending just this year.

That's on top of a record \$2.8 billion spent in 2008. Myers says the mid-term elections will be a bright spot for ad firms, TV and radio stations, and billboard companies.

Myers: For local media especially, which has been hurting, this has the potential of being a windfall.

The new money won't flow everywhere, though, says Evan Tracey of TNS Media Intelligence.

Evan Tracey: The stations that are going to benefit are going to be located in states that have a lot of competitive races, or they have a Senate or House seat that has national implications. Places like Florida, Ohio, California, Texas, Maine.

Tracey says what's not as clear is who will be spending more. It may not be the best-known companies.

Tracey: Corporate America is going to have to decide is this the right thing to do for their businesses, to go put a lot of money into political races, when they're on one hand laying off employees and having problems on their bottom line.

But Tracey says, while public companies subject to board and shareholder scrutiny may hold back, billionaire business titans like George Soros and his counterparts on the Right probably won't have any such hesitation.

I'm Mitchell Hartman for Marketplace.