



## One-Year-In: PHP Annual Report to Investors

It has been just over one year since the creation of People's House Project as a legal entity. An idea born of political frustration, PHP has become an impactful advocate not only for particular candidates, but for a revival of the Democratic Party in America's heartland.

It is the People's House Project's goal to identify, promote, and elect middle- and working-class candidates to the U.S. House of Representatives. We target districts that are particularly difficult for Democrats – seats that, in most cases, are not considered swing districts by most pollsters, and that the Democratic Party itself has abandoned. We're targeting these places in the belief that Progressive economic policies have more to offer than Republican trickle-down economics and that Democrats can prevail if they offer the right kinds of candidates. We support candidates that:

- Have first-person experience with the economic crisis
- Directly represent America's diverse working class
- Are more connected to her community than to special interests
- Do not make good villains for the other side to campaign against
- Hold Progressive economic priorities central to their campaigns

PHP has supported 14 candidates in 13 states, putting seven into the general election. With one exception, all are in districts conventionally thought to be out of reach of Democrats; at least three are now assumed to have a good chance of winning the general election, and we think the number will be higher.

As primary season fades and the political world's focus shifts to November's general election, PHP is reinventing its operation to better serve its mission.

## STRATEGIC GOALS/PROGRESS

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PHP established four strategic goals/principles that would guide its development.

**Establish PHP as the Authority in Its Territory** – Hundreds of interviews, district profiles, polling, on-the-ground visits to identify opportunities for PHP impact. We’re learning our territory.

**Provide Services the Campaigns Will Value** – PHP provides its endorsed candidates with a wide range of support and services, both in coordination with the campaign and independently.

**Unify Progressives Across Demographic Lines** – Engaged PPP, identified and support viable minority candidates in predominantly white districts, focus candidates on universal “kitchen table” concerns.

**Define and Protect the PHP Brand** – At this stage establishment of our brand is more of a side effect than a primary goal. We’re busy helping candidates, after all, but through networking, social, and traditional media we are gaining name recognition and have been able to tell our story to millions of people.



**Perry Political Partners (PPP)** is a firm run by Melissa Harris-Perry and James Perry. It specializes in the nuts-and-bolts of running successful political campaigns, with special expertise in minority outreach and engagement.

## CANDIDATES GOING INTO THE GENERAL ELECTION

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PHP was the first national organization to endorse **Richard Ojeda**, who has become a political phenomenon in West Virginia. An Army veteran from a family of coal miners, he’s showing Democrats how to run successfully as a Progressive in heavily Trump districts. His passionate support for striking teachers and regular appearances at union rallies has rekindled enthusiasm for the Democrat/labor alliance and is reviving Democratic hopes in coal country. In what started as a five-way primary, he won more than half the vote.



**JD Scholten**, running in Iowa’s supposedly safe (for Republicans) 4<sup>th</sup> Congressional District, bases his campaign on his local roots and his attention to locally important issues largely ignored by the culture warrior Steve King. Those issues are resonating with the public, and Scholten has raised more in campaign contributions than incumbent King every reporting period since filing for office. He’s leveraging King’s infamy to make his campaign a national cause, and PHP is helping him do it



**DD Adams** is an up-by-her-bootstraps former union member running in North Carolina's 5<sup>th</sup> Congressional District. An African American in a predominantly white district, she's making significant inroads into rural communities that have been resistant to Democrats since LBJ signed the Voting Rights Act. She is an electric personality, a methodical thinker, and a tireless campaigner. Victory may be an uphill battle for her, but the district will be forever changed by her campaign.

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**Jahana Hayes** is a joyful American success story. Running in Connecticut's 5<sup>th</sup> District, the 2016 National Teacher of the Year entered the race a deep underdog. Raised by her grandmother in the largest housing project in Waterbury, she serves as a real-life example of life's possibilities. Since her PHP endorsement, she has captured the imagination of Progressives all over the country, attracting donations from thousands and building a remarkably strong campaign organization. She won her primary by almost 25 points, defeating a long-time politician backed by both the state and national parties.

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**Mary Geren** has taken-on the task of wresting South Carolina's 3<sup>rd</sup> Congressional District from the Republican hands that have held it for a generation. A schoolteacher who decided to run while watching the installation of an utterly unqualified Secretary of Education, she's raising Democratic hopes in a seemingly contradictory place that voted overwhelmingly for both Barack Obama and Donald Trump. She's working with passion and the kind of common sense that will win-over people wary of Democrats, but appalled by what Republicans have become.

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**Randy Bryce** is a union ironworker. No one gave him much of a chance. He'd never been elected to anything, talked a little rough, and his background didn't include any of the Democratic Party ticket-punches. (No Congressional staff time; no Kennedy School seminars.) He believed Progressive policy could appeal to people in a conservative district and ran a grassroots campaign so fierce it helped drive Speaker Paul Ryan to retirement. He has raised six times as much money as his Republican rival and won his primary by more than 20 points.

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**Mariah Phillips** is introducing central Tennessee to a different sort of campaigning. A teacher who believes passionately in public service, she and her dedicated volunteers show-up for projects benefiting the less fortunate all over the 4<sup>th</sup> District. They've built housing for the homeless, served meals to the hungry, and cleaned trash out of waterways. She captured nearly 50% of the vote in a three-way primary and has gone from longshot to tossup in her effort to unseat the scandal-plagued Republican incumbent, demonstrating that politics can be based on more than self-interest.

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## PRIMARY ELECTION

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We believe, as the primary season ends, we were able to influence both the political center of gravity and the primary outcomes in most of the districts where we worked. This has had the overall effect of pulling the Democratic party toward the type of classic economic Progressivism that appeals to working people across demographic and geographic lines.

Our candidates tend not to be experienced politicians. Our main post-endorsement goal is to secure and provide the guidance, expertise, and resources necessary for candidates with little-to-no political networks nor fundraising capacity to build credible campaigns in the eyes of their districts' primary voters.



Because we are targeting Republican-held House seats in areas often written-off by the party's traditional decision-makers, our organization tends to work in districts away from major media markets. That substantially lowers the cost of running – at least in the primary – and means a little bit of money and effort can have disproportionate effect.

Our contribution is not uniform across all campaigns. We don't work from a formula. Instead, we tailor what we offer based on the needs of each campaign. We have, in different combinations, done the following for our candidates:

- Aided with the development of a working campaign structure
- Identified and recruited professional campaign management
- Mentored candidates and their staff in current best practices
- Cross-pollinated insurgent campaign tactics between PHP candidates
- Amplified campaign social media impact
- Prepared and placed ghost-written op-eds and other attractive content
- Introduced candidates to supportive donor networks
- Promoted candidates to national media
- Conducted independent fundraising efforts
- Provided polling and political intelligence
- Consulted on general strategy and tactics

PHP has endorsed 14 candidates in 13 states. Of those, seven made it through the primaries to the general election. They're changing the perception of the Democratic Party in districts that went for Trump by as much as 50 points, putting themselves in position to generate big upsets in the fall. The impacts are both obvious and subtle. Randy Bryce knocked Speaker Paul Ryan out of the race; Richard Ojeda drove his blandly moderate, shoe-in Democratic rival out of the race before the primary, and

currently leads in a district Trump won by 50 points; JD Scholten has generated enough energy (and fundraising) to cause political prognosticators to re-think the conventional wisdom that Steve King cannot be beaten.

PHP's candidates have formed a mutually supporting network, sharing best practices, helping each other garner national publicity, and joining in fundraising efforts.

All in all, we believe we have developed a set of tools and a body of knowledge that will make it possible for PHP to increase its impact going forward. We have expanded our network, established a data management and fundraising infrastructure, and attracted a small but feisty staff. And, most importantly, we've put solid Progressives on the general election ballot in seven states.



## **GENERAL ELECTION**

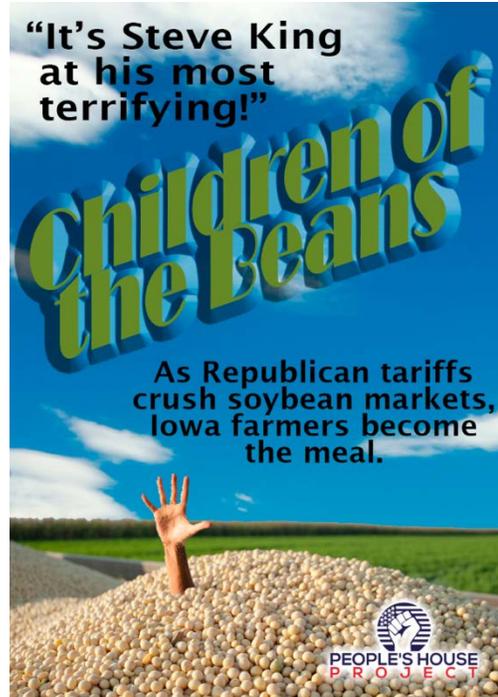
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The general election poses a different set of challenges. Campaigns become less personal, more professional, and better funded. Pressure is higher and there is less time to recover from a mistake.

PHP expects to approach the general election differently than we approached the primaries. We believe the following areas are where we can most add value:

- Preventing unnecessary expenditures on consulting – the months leading up to a general election are a feeding frenzy for consultants, and there is no prey more attractive than first-time candidates with relatively inexperienced staffs. The methods of most of these consultants – particularly the really expensive ones – was developed years ago, before the great equalizers of social media and crowdfunding. PHP will consult with campaigns to make sure they're getting maximum bang for their consulting buck – without having a direct financial interest one way or the other.

- Emphasize independent fundraising – We’ve had a lot of success raising pass-through money for our candidates. We do that either by introducing those candidates to donors sympathetic to PHP’s mission, or by conducting activities that drive small donations to the candidates’ websites. PHP intends to increase that activity, in part by expanding the reach of our #IAmtheBlueWave group on Facebook, which raises money for PHP candidates by selling merchandise.
- Develop and distribute supportive content – This content will cover a stylistic range from the workish (op-eds) to the goofy (memes ridiculing Steve King).
- Amplify social media impact – Using PHP’s own network, the networks of its candidates, other like-minded networks, and various Facebook groups and Twitter “rooms”, PHP will continue to build its ability to direct and amplify its messages to large, relevant audiences.
- Aggressively differentiating between Democratic and Republican worldviews in sometimes impolite ways.



PHP intends to endorse 3-5 additional candidates, bringing our total number of active campaigns to 10-12. Candidates newly endorsed will roughly fit the established PHP profile, with slightly more flexibility on geography. The goal remains putting working people in office; the footprint may expand.

## BEYOND 2018

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The expected Democratic gains in 2018 need to be only the beginning.

Remember: PHP exists to change the type of candidates that are considered viable, to leverage those candidates to alter the perception of the Democratic Party in the Midwest and Appalachian states, and to win elections in places thought to be safely Republican. This is not something that can be accomplished in a single election cycle – particularly an election cycle where we get as late a start as we did for 2018.

PHP is learning an incredible amount about aspects of doing political business in areas no one else is focused on – places with a tradition of Progressive politics but that clash culturally with the coastal party.

A logical question is this: how does PHP leverage that knowledge after the 2018 election to advance the cause of working people? The is to prepare for the 2020 election cycle.

Though people routinely complain that elections go on forever, it is a fact of professional politics that the time between elections is short, not long. To be effective beginning in early 2020, we need to spend 2019 doing the following:

1. Increasing the depth and breadth of our network within the Democratic Party state and local organizations
2. Forming an effective Board of Advisors
3. Honing our candidate selection process to include more voices (e.g., the Board of Advisors) and increase our due diligence against unpleasant surprises
4. Expanding our social media networks and email/mail lists
5. Adding nuts-and-bolts campaign organization and volunteer management expertise
6. Developing a best-practices playbook for campaigns to hand to candidates we endorse
7. Raising the profile of PHP by networking, providing content to candidates and organizations, and generating earned media

PHP set out – perhaps immodestly – to reunite the Democratic Party with people and places with strong, but neglected, Progressive traditions. In one year, we have put together a core staff, garnered significant media attention (not all of it good, certainly a sign of success), established a corporate infrastructure, and established contacts with media and political figures throughout its footprint. The reception of consistent Republican voters to our candidates and Progressive philosophy has been exciting. They know they're getting screwed, and they're hungry for political leadership that knows that, too, and who will not turn on them once elected.

PHP's support of candidates with relatable life experiences and deep community roots is demonstrating that Democrats can, and will, recapture working people outside of the big cities. Progressive ideals will override racial and ethnic divisions by offering and delivering real improvements in quality of life and security.

That's what PHP is working toward, and we thank you for your support.