

CHAIRMAN MICHAEL STEELE STATEMENT TO RNC MEMBERS

DECEMBER 13, 2010

I want to sincerely thank each of you for giving me the opportunity to work with all of you over the past two years. I consider it a privilege and an honor.

Through your efforts, we have made historic contributions to the party and our country. We have done this in a bold way. But as you each know, now the stakes are higher, the work becomes harder and our commitment to complete the job—to ensure that Obama is a one term President—becomes more important.

The 2009 – 2010 cycle allowed us to chart the course and succeed in a new political environment.

This new political environment included challenges like President Obama's stimulus package, a democrat controlled congress, a bogus reform of our nation's health care system, a recession, a demoralized American public, and unfair federal election laws.

However, I hope each of you appreciate that while we began this cycle bowed, we ended stronger, better and prouder.

Thanks to you and the American People, 2010 was a watershed year for Republicans and our conservative limited government movement. We elected 63 new members to take control of the House and 13 new Senators setting the stage for Senate control in 2012 and more than 690 new state legislators -- more than ever before.

We achieved that in part because we adhered to two important principles: consistency and inclusion. Today members of the republican national committee govern themselves versus being ruled by a small cliquish elite. Together, we have laid the ground game for—as you've heard me say before—"turning the elephant" and now we must build the framework for winning the White House.

Our goal is clear: 270 electoral votes in 2012!

We fired Pelosi so let's increase our resources and strength to take back the senate, elect new governors and a principled republican leader to serve as President of the United States. United, we will make a difference for America's future. You and i already know that.

The path to 2012 and 270 electoral votes requires leadership.

True leadership requires a group of dynamic people who are willing to collaborate and

implement winning strategies for achieving victory. We must forge ahead with an infrastructure that is governed by the insights and input of the 168 members who govern the RNC.

As we move into 2011 the rnc must work towards specific benchmarks, including:

- Upholding and defending our party's core principles.
- Working together to immediately retire the committee's debt and strategically working to restore our resources for strategic 2011 and 2012.
- Exercising the discipline necessary to streamline operations that directly achieves our goals of electing republican candidates in 2011 and 2012.
- An infrastructure that rewards measured results, and provides direct and consistent transparency from all members and staff.
- To this end, we have already begun to implement a new accounting and reporting system—as recommended by the internal review of our ethics and executive committees—that will provide the members high-quality financial reporting, accuracy, objectivity and transparency.

The path to 2012 and 270 electoral votes requires resources:

The most valuable resource of the RNC comes from our donors and grassroots volunteers across the country. Our donors and volunteers reside in all 50 states and territories.

Collectively, we secured over \$179 million, 37% more than the DNC in the comparable 2006 cycle. Since, the political and financial landscape has changed—and it has changed—the RNC will dramatically increase its fundraising for the 2012 cycle. We will do so by continuing to build our unmatched small donor programs and augmenting it with an expanded and updated major donor program which takes into our new reality.

So what have we done with our small donor program?

- ***Well over 1,000,000 donors have given so far this year—far more*** than the last mid-term election year, and the RNC has gained ***over 685,000 new donors*** this cycle. The average gift this cycle has been \$39.98.
- The RNC's expanded donor base also reflects the RNC's ***success in building an energized grass roots***:
 - you see, our small donor base has been and remains a critical asset, not just as a means to raise record amounts of funds, but also as a way to mobilize supporters and drive turnout. For the first time, we were able to link donations of cash with donations of time and effort on the ground.
- Going forward and through the 2012 cycle, the RNC will redouble its efforts and continue to grow dramatically its small donor base using tools like new media (internet, fundraising, social networking).

While we have reached significant numbers this cycle with smaller donors, we also know

this alone is not enough. In this process we have identified a number of smart dc and regional fundraisers who are prepared to assist us on this new terrain. One such individual is Jim Johnson, who has already begun to evaluate and implement (real time) changes that will the efforts of this committee to capture every available dollar in the coming year

We know a significant number of past RNC major donors have migrated to other organizations led by former RNC Chairmen who are affiliated with organizations that are not bound by the same laws as the RNC. In addition, to working aggressively to get our past donors back, through out the year we have tested new tools to bring back older major donors (those who have a long history of giving) and to attract the next generation of major donors (those who have the means to give but have never been approached by the party to do so).

We will continue to identify and cultivate new major donors so that the party can establish an even stronger financial footing not just for the coming cycle, but for future cycles as well.

This enhanced major donor program will be organized in several ways— for example, geographically and by shared interests; but, but it will also include a direct role for RNC Members for expanding the abilities of the party to raise funds nationally, but to also work with them in developing programs to train and assist state parties in raising money locally.

But the foundation of our path to 2012 and 270 electoral votes will be our grassroots.

Our presidential nominee in 2012 must have a bottom-up organization of grassroots activists who are engaged early as we did in NJ, VA, MASS, and Hawaii, and engaged often as we did in making over 45 million voter contacts in 2010 and listened to and embraced as we did with our tea party friends throughout the 2010 cycle.

We are now stronger, better and prouder because of our ability to connect with the American people through breaking new ground candidates like Allen West and Nikki Haley, the emerging strength of the tea party movement, new technologies like our web platform, contributions of conservative 527's; a growing Hispanic population and messages that resonate with younger voters.

In partnership, we will continue to build our grand old party into the great opportunity party through consistent and inclusive activities that maintains neutrality for our presidential nominee and strengthens our ground game to victory.

So tonight i come to my bosses with a record that only you can judge, based upon directions you made clear to me from the very beginning. Yes i have stumbled along the way, but have always accounted to you for such shortcomings. No excuses. No lies. No hidden agenda.

Going forward, i ask for your support and your vote for a second term. Our work is not done; and my commitment has not ended. I believe the worst thing we can do now is to look backwards. Who you elect as our next Chairman will speak volumes about our willingness to truly be the party of Lincoln. What we do as a party must reflect the realities of the political marketplace and the voters. Growth for our movement requires new allies. We can no longer settle in the safe harbor of our comfort zone, but must reach beyond ourselves for the next generation.

Tonight I truly believe we are stronger, better and prouder because we started those things and more over the past two years. Now let's finish the job.