



2011
YEAR END
SHAREHOLDERS'
REPORT

ERIC HOLCOMB
CHAIRMAN,
INDIANA
REPUBLICAN PARTY



A Note from the Chairman

Dear Republican Shareholders:

As an existing or potential donor to the Indiana Republican Party, you deserve to know your investment is being spent wisely. And like any good Republican, we try to provide you with the best return on investment for your contributions by providing top-notch events, the necessary infrastructure and direct support to our candidates around the state.

So this year we prepared our first-ever End of the Year Shareholders' Report to give you an overview of all your **Party of Purpose** has achieved during the 2011 calendar year and a look forward to 2012.



Contained within this report you will read about the many successes we had - both in policy and politics - during the 2011 Legislative Session and municipal election cycle.

For starters, our dynamic duo of Governor **Mitch Daniels** and Lieutenant Governor **Becky Skillman**, along with our majorities in the State House and Senate, led by Speaker **Brian Bosma** and Senate President **David Long**, helped advance the core principles of our Party by fighting to protect taxpayers and strengthen education. By expanding opportunity and access to thousands of Hoosier children we are now a national model in both fiscal discipline and education reform.

Politically, we also made a little bit of history. By recruiting and assisting dozens of candidates who presented 21st Century ideas in their cities and towns, we went from 48 Republican Mayors to 63 - which means a majority of City Halls are in Republican hands for the first time in recent memory.

2003 Populations vs. 2011 Populations		
	2003	2011
Democrat	2,318,490	1,361,318
Independent	34,363	15,842
Republican	843,882	1,973,875

In fact, 1.1 million more Hoosiers live under a Republican mayor than did in 2003 prior to the Daniels Era.

I hope among the many points that will jump out at you is most importantly our effort to ensure each dollar was maximized to its fullest potential in order to achieve our strategic objectives of increasing engagement, awareness and involvement. **Yes, we did things a little differently this year** at the Indiana Republican Party.

For instance, never before have we played host to a series of free Presidential Candidate Forums that attracted not only top contenders for our GOP nomination including **Mitt Romney, Rick Perry, Jon Huntsman** and **Herman Cain** but hundreds of Hoosiers anxious to hear directly from the candidates themselves.

We also:

- Held a sold-out State Dinner - the largest in at least a generation! - with keynote speaker First Lady **Cheri Daniels** in May followed by Congressman **Paul Ryan** at our Fall Dinner
- Welcomed our Republican National Committee Chairman **Reince Priebus** to the state not once - but twice!
- Hosted a public book signing with former U.S. Secretary of State **Condoleezza Rice**

- Offered supporters the chance to hear from community leaders like Pacers President **Jim Morris** and Senator **Dan Coats** in an intimate setting as part of our free "Speakers Series" events at the State GOP HQ
- Hosted a special 'Evening with Mitch' event to discuss his recent hit book, *Keeping the Republic*
- Held our first ever online auction of political memorabilia including some one-of-kind gems!
- Took our Congress of Counties training seminars on the road - outside of Indianapolis!
- And much more!

I'm confident after reading this report, you will renew your investment in the Indiana Republican Party and help us return Indiana to the Republican column in the 2012 Presidential election, retain our U.S. Senate seat and the Governor's office while also increasing our majorities in our Congressional Delegation and State House and Senate.

If you're not already a donor, perhaps you will consider joining our team today either at one of our sponsor levels or by joining our new \$20.12 Club by [clicking here](#). For just \$20.12 per month during the 2012 calendar year, you will help us do the type of work you see contained in this report - and much more! The stakes are too high, we must ensure Barack Obama is a one-and-done.

Thank you for all you do to support Indiana's **only** Party of Purpose as we fight for Hoosier taxpayers every day.

Sincerely,

A handwritten signature in cursive script, appearing to read "Eric".

Eric Holcomb
State Chairman
The Indiana Republican Party

2011 Legislative Achievements

Thanks to the leadership of Governor **Mitch Daniels**, Lieutenant Governor **Becky Skillman**, Speaker **Brian Bosma**, and Senator **David Long** and our House & Senate *majorities*, the 2011 Legislative Session was, as Governor Daniels predicted, "a session to remember." We passed another balanced budget without raising taxes or resorting to the past art of accounting gimmicks as well as the most forward looking education reforms in the nation, among them the largest voucher program in the country.

Our Republican majorities in the House & Senate successfully fought for *fiscal responsibility* and policies that will *increase economic activity and job creation*, as well as education improvements that will increase *accessibility, accountability and achievement*.

Indiana now serves as a *national model* for both fiscal discipline & education thanks to the great improvements and reforms passed on behalf of Hoosier taxpayers, families and students, including:

- **Balanced budget without raising taxes**
 - Indiana maintains its AAA bond rating – one of only 9 states to have it
- **An automatic taxpayer refund when reserves hit ten percent of the budget**
 - Every penny the state takes that it doesn't need is less freedom you have to make your own decisions
- **Full-day kindergarten available statewide**
 - Expanded from 75 percent of schools to every school in the state being eligible for full-day kindergarten
- **A system to reward teachers for performance, not seniority**
 - Identify & reward great teachers because students deserve one inside every classroom
- **The largest voucher scholarship program targeted to low-and-middle income students in the nation**
 - Providing vouchers to low and middle income families ensures Hoosier families have a choice in their educational needs
- **An expansion of charter schools**
- **Reduced corporate tax rate**
 - Indiana already ranks as one of the best states to do business
 - Continually improving our business climate will make Indiana a more attractive state to start or relocate a business

And because of you. Indiana is being recognized nationally for its success. Among the awards:

- Site Selection Magazine [moved Indiana up two spots](#) in 2011 from #8 to #6 on their list of best places to locate and grow a business putting us ahead of all the states in our Midwest region. Indiana was also [second pick](#) as a state leading in the economic recovery.
- The U.S. Chamber of Commerce ranks Indiana as #1 in the Midwest and #4 nationally in its survey of the most enterprising states.
- One of the top 5 for "[Top States for Doing Business](#)" as ranked by a survey of 500 chief executives from across the country
- Indiana ranks [best in the Midwest](#) and 10th nationally among the best states for low taxes, according to the Tax Foundation.

- Our tax and regulatory environments rank as [fourth best](#) in the Nation for job creation and economic growth
- Top in the nation for [rail and highway accessibility](#).
- Lowest property taxes in the Nation.
- Indiana earned the "[Reformist State of 2011](#)" award for passing education reforms

Political Department: Expanding the Playing Field With Positive, Idea Driven Campaigns

"After Tuesday's elections, [Indiana] Republicans have reason to be hopeful about next year. Before the elections, Democrats held a 68 to 48 majority of the mayor's offices. Now, Republicans hold a 61 to 54 majority with 2 Independents. [T]he Republicans retained control of city hall in 'Indianapolis, Terre Haute, Mishawaka, West Lafayette, Valparaiso, Marion and others, and picked up seats in Columbus, Jeffersonville, Evansville, Logansport, LaPorte and Portage, among others.'" - Stephen Moore, "Obama's Indiana Problem," Wall Street Journal

Field Team - Throughout the 2011 election cycle, our Political Department deployed across the state to provide support to Republican municipal candidates.

The Field Team covered three regions - north, central and south - to ensure as many mayoral and municipal candidates as possible were able to benefit from our team's grassroots expertise.

Each field representative set-up phone banks, recruited volunteers, organized direct mail programs and provided messaging advice in their regions.

Grassroots/GOTV Support - Contacting and identifying voters is one of our most important responsibilities. Across the state, the Indiana Republican Party helped provide phones, staff and volunteers to reach hundreds of thousands of voters throughout the municipal election cycle. Those calls helped candidates target areas they needed to focus their attention on before Election Day to ensure victory.

In total, Republicans helped protect sitting mayors and elect new mayors to office by making over 500,000 voter identification phone calls and updating an already state-of-the-art voter data file which will benefit candidates in election cycles to come.

We also assisted candidates in knocking on over 40,000 doors across the state to pass out candidate cards and speak to voters directly. To do so, our team recruited hundreds of new and veteran volunteers to give up their evenings and weekends to work on behalf of Indiana's Party of Purpose.

Training - Immediately following Primary Election Day, we convened over 70 municipal candidates and campaign managers in Indianapolis for a day-long training seminar to cover past lessons learned, the

2003 Mayoral Breakdown-117 Total		
Democrats	64	55%
Republicans	52	44%
Independent	1	1%

2007 Mayoral Breakdown-119 Total		
Democrats	68	57%
Republicans	48	40%
Independent	3	3%

2011 Mayoral Breakdown-119 Total		
Democrats	54	45%
Republicans	63	53%
Independent	2	2%

nuts and bolts of a winning campaign including fundraising, paid, earned & social media, grassroots plans and effective time management on the trail.

We also, for the first time, took our Congress of Counties grassroots training programs on the road to regional Congressional districts. Whereas the program was previously a day-long seminar conducted in Indianapolis, our Executive Director, Secretary and special guests have traveled around the state to conduct the programs in the field in a more local setting.

Absentee Ballot Mail - State Party funded absentee ballot mail programs for 21 targeted mayoral races, over three-quarters of which, 16, we won! [Click here](#) to see some examples of our direct mail!

Finance: Fueling Our Success

Just like our Political and Communications departments, Finance did things a little differently this year too.

We secured top-notch speakers for our Spring and Fall dinners in First Lady Cheri Daniels and Congressman Paul Ryan, put on a special event with Governor Mitch Daniels in conjunction with the launch of his book, *Keeping the Republic*, and brought together mayoral candidates and donors at our Chairman's Rock the Block Party this summer. In addition, Chairman Holcomb traveled around the state to meet one on one with donors and held fundraising events in Valparaiso, Fort Wayne, South Bend and Evansville.

NextGen Program - We helped foster the next generation of donors through our Next Generation Fund. Members of NextGen successfully raised and spent money on Republican candidates in crucial races around the state - candidates they chose to donate to through the fund! Having set a goal of raising \$13,000 through the program by Labor Day, we shattered that goal with \$16,000 before Memorial Day!

Thanks to the efforts of the NextGen program we not only helped elect a Republican mayoral majority but also elected 4 mayors who are still in their 20s. Clearly Republicans aren't pandering to younger voters and keeping our future leaders on the bench, we are electing them and putting them on the field!

Online Political Memorabilia Auction - Our inaugural online auction of political memorabilia almost immediately ignited bidding wars on the most popular items when we launched it this December. One-of-a-kind items like a Paul Ryan & Mitch Daniels Vs. the Red Menace poster signed by both; an NBA basketball signed by our entire GOP Congressional Delegation, Governor Daniels and Congressman Ryan; and books signed by Condoleezza Rice, Mitt Romney and Governor Daniels fetched the highest prices. We expect to do more of these in the coming year with a different theme each time.



Communications: Spreading the Message

The Communications Department entered the year with the specific goal of keeping Republicans informed, engaged and motivated for the legislative and electoral battles ahead.

To accomplish that goal we used the usual tactics - earned, paid and social media - but also included some unique methods and ideas to achieve those goals and garner positive press coverage for the Indiana Republican Party.

Throughout 2011, our communications team **garnered over \$1 million in earned media coverage** for our message, candidates and campaigns through innovative events and aggressive efforts to comment on stories both locally and nationally. This included an increased visibility in national media outlets including *Politico*, the *Wall Street Journal*, FOX News and MSNBC. We conducted background briefings, released research documents and invited reporters to conference calls with members of our Congressional delegation all to help get our message out to Hoosiers.

Some of our most followed online work included:

INDemsGPS.com - During the five-week State House Democrat walk-out, we launched an online portal for Hoosiers to keep track of exactly where their AWOL representatives were. Called

INDemsGPS.com, the site offered visitors up-to-date information on the whereabouts of members based

on press reports and sightings submitted directly through Facebook, Twitter and the site. [Blogs loved the site](#), sharing it with their readers, our INDemsGPS Twitter account received hundreds of followers within just days and the site was covered by dozens of media outlets including the [Wall Street Journal](#).



DemDictionary.com - Keeping track of what Democrats really meant - but forgot - to say is no simple task. So we created a website in July - <http://www.demdictionary.com> - to help voters define exactly what it is Democrats mean when they say things like "end Medicare as we know it" or "investment" or - one of our favorites - "end spending reductions in the tax code." The site saw a sudden spike in traffic and submissions for phrases and words to add to the dictionary after being mentioned on *MSNBC's Daily Rundown with Chuck Todd*.



YouTube Videos - Where 1,000 views for a video on our [YouTube page](#) was a lofty goal a year ago, that number now serves as a baseline for many of our enterprise videos.

Our most popular videos included:

- [FOX News Alert!](#) story detailing abuses perpetrated by Indiana Democrats - 10,889 views
- Holcomb's [The Audacity of Arrogance](#) video on Democrats Culture of Corruption - 1,177 views
- [Just 7 Years: A World of Change](#), Video Introduction of Governor Daniels at Spring Dinner - 8,474 views

- Chairman Holcomb on [State House Democrats Walk-Out](#) - 1,710 views

As you can see, in many of these videos, we kept the pressure on Democrats in the State by touting our idea driven message and exposing the rampant fraud within the Indiana Democrat Party.

In addition, we started a periodic Party Line: Video Edition series supplement to our weekly Party Line emails to give supporters an opportunity to hear more in-depth answers to their questions from Republican newsmakers. We're grateful [Tony Bennett](#), [Tim Berry](#) and [Greg Zoeller](#) joined us and look forward to more Party Line: Video Edition episodes to come.

Social Media - We worked to increase the quantity and quality of our social media engagement, adding thousands of new followers to our [Facebook](#) and [Twitter](#) pages along the way. Our goal has been to offer supporters a quick and easy way to get the message of the day and disseminate it among their followers and contacts - whether it be a news story, press release or video from State Party. On Facebook alone we received over 2 million post views this year - a 1,154% increase year-to-year!

Our Facebook page also saw a 295% increase in comments, proving our social media friends are an engaged group. They also help amplify our message by re-tweeting and sharing the latest information from our feed to their friends.

Branding the Party of Purpose - Our recently purchased banner backdrop has already received more air-time than we imagined. It's success has been evident by just watching FOX News and MSNBC where you could see the backdrop for weeks following visits by presidential candidates as part of B-Roll packages on their campaigns.

The backdrop helps us convey a simple message - the Indiana Republican Party is Indiana's Party of Purpose - without speaking a single word.



Party Line Emails - We also resurrected the weekly Party Line email to keep supporters informed on the latest from the Statehouse, Congress and the campaign trail. In addition, we profiled over a dozen of our mayoral candidates throughout the summer and fall to help Republican voters get a better idea of the Candidates of Purpose running to lead their cities and our state.

Cheri Daniels, Paul Ryan & Condi Rice - State Party also had the distinct honor of playing host to First Lady Cheri Daniels, Congressman Paul Ryan and former U.S. Secretary of State Condoleezza Rice at events this year. Mrs. Daniels drew a record sell-out crowd - the largest in at least a generation! - to our Spring Dinner. Congressman Ryan joined his partner in taking on the 'Red Menace' - Governor Daniels - at our Fall Dinner and Secretary Rice held a public book signing attended by 300 on an afternoon in November at our downtown headquarters.

Presidential Candidate Visits

Mitt Romney - The former governor of Massachusetts joined us at the JW Marriott for a Forum on September 23rd. Local, state and national news outlets converged on Indianapolis for the event, attended by 500 Hoosiers eager to hear

Jon Huntsman - Fresh off his service to our country as Ambassador to China, former Utah Governor Jon Huntsman was the second presidential candidate to headline one of our free forums. His event took place in the lobby of our HQ

from one of the leading candidates for the nomination. Governor Romney's remarks focused on contrasting his message with that of Barack Obama and how his private sector experience sets him apart from the field. Governor Romney was joined by his wife Ann. ([Video](#))

in Indianapolis. Speaking to a packed house that included elected officials and a lot of young folks, Governor Huntsman spoke of the deficit not just in fiscal terms, but also in terms of trust in our officials in Washington to get the job done. His wife Mary Kaye joined him. ([Video](#))



Rick Perry - Shortly after entering the race for president, Texas governor Rick Perry spoke to an early afternoon crowd of 300 Hoosiers at the Columbia Club on the Circle in downtown Indianapolis on October 12. Governor Perry's remarks on the economy and path forward under a Republican president were well received by the energetic crowd. The governor also touted his record as governor of Texas and spoke about that day's breaking news headline that a potential terrorist attack against the Saudi Embassy had been thwarted. ([Video](#))

Herman Cain - Our first presidential candidate to visit the Hoosier State was former Godfather's Pizza CEO Herman Cain. Mr. Cain drew over 400 Hoosiers to the Columbia Club on August 15 and did a great job explaining the many reasons why our Nation simply cannot afford another four years of Barack Obama. ([Video](#))

2012: Looking Ahead

Our 2012 goals are to be the first in the Nation to report our support for the next Republican President of the United States, welcome our next Republican Governor, maintain statewide offices and expand our majorities in our Congressional delegation and in our State House and Senate.

But even with our great gains of late, 2012 will be no cake walk.

As one of the baker's dozen of "states that matter" according to the *Washington Post*, we are poised to once again have the eyes of the Nation fixed on Indiana as we are one of the first - if not the first - states called on Election Night 2012. But even before then, we could potentially play a deciding role in crowing our Party's nominee during our May 8 primary.

Here are some of the key events taking place in 2012:

January 4 - March 14: Legislative Session
January 10: Governor Daniels' State of the State Address
February 5: Super Bowl in Indianapolis
April TBD: GOP Spring Dinner
May 8: Primary Election Day
June 8-9: GOP State Convention, Convention Center
August 27-30: GOP National Convention, Tampa, Florida
October TBD: GOP Fall Dinner
November 6: General Election Day (a/k/a Barack Obama is retired)

Also, be on the look-out for information on Lincoln Day events, special guest speakers, and the continuation of Lt. Gov. Becky Skillman's year-long tour of all 92 counties - she's been to 27 already!



Indiana GOP Staff & Interns with Secretary Condoleezza Rice