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Feds Paid Politico \$432K in 2014

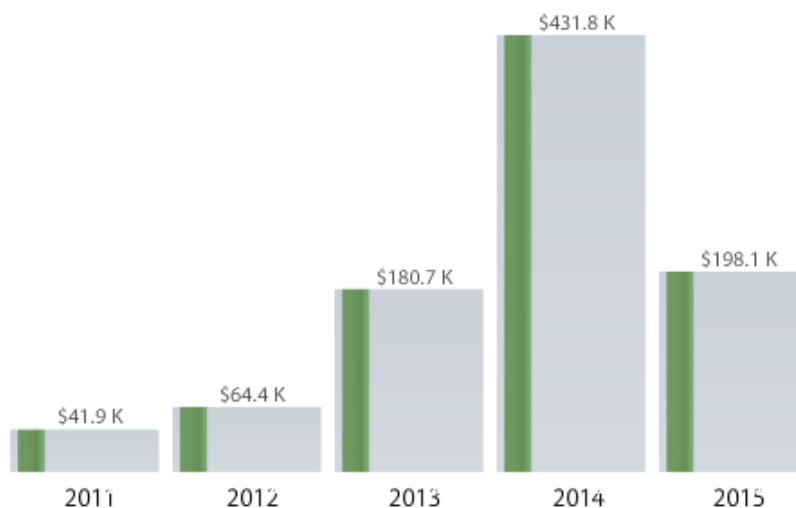
Nearly a million taxpayer dollars to Politico since 2011.

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Since *Politico*, a politics-focused website and newspaper, launched its subscription-based news service *Politico Pro* in 2011, government agencies have increasingly turned to the service to keep abreast of the latest developments in their spheres of policy. Government records show fiscal year 2011 contracts with the owner of *Politico*, Capitol News Company, totaling \$41,900. By fiscal year 2014, there were no fewer than twenty-eight contracts with sixteen different departments and agencies, including the Executive Office of the President, totaling \$431,800.

A chart from the USASpending.gov website [illustrates](#) the trend (including the first five and a half months of fiscal year 2015):



The first five and a half months of fiscal 2015 have seen [fifteen contracts](#) for \$198,188, although at least one agency, the FCC, appears not to have renewed a \$50,000 fiscal 2014 [contract](#) in 2015.

Although not all of the records found under Capitol News Service explicitly name "Politico Pro" in their descriptions, the primary categories used for the contracts strongly suggest the premium Pro service is the subject of most, if not all of them. Most contracts are categorized as Web-Based Subscription, Newspapers and Periodicals, and Support- Administrative: Library. (Two additional contracts are clearly [mis-classified](#) as ADP Software; the descriptions of both include "Politico Pro.")

In [addition](#) to the \$49,862 contract with the FCC, the other two top dollar 2014 contracts were with the Department of Energy (\$61,496) and the Treasury Department (\$60,000). Although the larger contracts do not include a breakdown on the number of users permitted under the subscriptions, some of the smaller ones give some details. A \$4,995 [contract](#) for 2015 with the Executive Office of the President, for example, is for five users for 12 months, while a \$2,495 [contract](#) for 2015 with the Federal Energy Regulatory Commission is for "five additional licenses required for incoming commissioner."

Before *Politico Pro's* launch, the *New York Times* [reported](#) that *Politico* does not have a set rate for the *Politico Pro* service, but rather tailors subscriptions for an organization's number and areas of policy interests. At least one government department determined at one time that the price was too steep: The *Washington Post* [reported](#) in January 2014 that the Education Department declined the service due

to the cost. The Education Department had a change of heart in 2015, however, signing a \$14,985 [contract](#) this year.

In most cases, not only is *Politico Pro* the preferred policy news service for government agencies, it's the only service some will consider. Most of the contracts for *Politico Pro* that can be found on the [FBO.gov](#) contracting website were awarded on a "sole-source" basis. Other vendors who believe they are able to offer a comparable service were permitted to submit proposals, but in the absence of compelling evidence, the agencies are often effusive in their praise of what they see as *Politico Pro's* unique product.

For instance, the Consumer Financial Protection Bureau [says](#), "it was found that the content contained in *Politico Pro's* product is crucial to the successful completion of the CFPB mission." The Treasury Department's Bureau of the Public Debt has [this](#) to say: "*Politico Pro* is the only source with the early and valuable behind the scenes information that is essential for OFR to respond quickly and plan strategy to newly introduced legislation. This coverage cannot be provided by comparable news outlets or vendors." The Environmental Protection Agency [cites](#) the "unbiased" presentation of information as a major benefit: "*Politico Pro* is unique in that it also does not provide too much content and analysis, which many other services provide. It is first and foremost a news agency, not an analytical organization, and as such it provides information in an unbiased and accessible way."

Since 2011, the federal government has [contracted](#) with Capitol News Company for a grand total of \$917,193. Capitol News Company's annual revenue is listed as \$30,000,000 under "Contractor Characteristics" at the USASpending website. This means that the total government contracts of \$431,800 for 2014 represented about 1.4 percent of the company's total revenue for the year.

Politico did not respond to an email requesting comment for this article.

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