

BAD PROFIT: CHARLES KOCH IS USING HIS BOOK TOUR TO WHITEWASH HIS RECORD IN BUSINESS AND POLITICS

Charles Koch's newest book, "Good Profit" sets out to deceive readers that the Koch family's prominence and wealth has been built on sound, ethical, and even patriotic principles. This could not be further from the truth. In reality, the Koch brothers and their business empire has been built on a foundation of bad profit.

Not only have the Kochs been the hypocritical beneficiaries of "corporate welfare" and special treatment in the form of federal subsidies and tax incentives, but they also more egregiously have relied on fraud to prosper. The Koch brothers have on a number of occasions engaged in outright business fraud and have brazenly flouted the law in their pursuit of profit. In 1999, the Kochs stole oil from producers in several states and Indian Reservations and three years earlier, their neglect in pipeline maintenance "ended up killing two teenagers." The Kochs have even conducted business with Iran despite U.S. sanctions. Perhaps most insidiously, the Kochs have also been the driving force behind perpetrating the fraud of climate denial under the guise of philanthropy to benefit their bottom line.

Hypocrisy not only abounds in Koch's general discussion of good business, but also in his discussion of political engagement and their form of "philanthropy." While promoting his book, Charles Koch claimed to be above machine-style politics and downplayed his impact on the GOP, when in reality the Koch brothers and their monetary influence are steering the Republican agenda. The Koch brothers are so powerful, they have been referred to as a "shadow party," guiding the GOP to push through their self-interested agenda items on the Ex-Im Bank, Medicaid, and climate change as well as some of the GOP's most radical actions, including the government shutdown.

As their dominant partisan influence has been met with public backlash, Charles Koch has moved to improve his public standing by injecting himself in the criminal justice reform debate. Koch even has begun to paint himself as someone interested in giving a voice to voiceless while fighting against the powerful dictating people's lives.

Despite this concerted effort at giving himself a new positive image, Charles Koch hypocritically maintains in "Good Profit" that he knows what is best for everyone. He has also made clear through his actions that his stake in criminal justice reform stems from the fact that he thinks it is acceptable to break the law and simply wants to evade punishment for his wrongdoings.

"Good Profit" is just another attempt by Charles Koch to pull the wool over the American public's eyes and hide the fact that the billionaire Koch brothers and their profit driven business and political philosophy hurts real families and working people across the country.

Koch Defined "Bad Profit," Accidentally Described Himself

KOCH CLAIMED HE DIDN'T ENGAGE IN "BAD PROFIT"

Charles Koch: "I Believe The Only Reason For Any Business To Exist Is To Create Good Profit. Unfortunately, Bad Profit Has Become Much More Common. Bad Profit Is Generated By Businesses That Rely On Corporate Welfare, Special Treatment, Short-Sighted Opportunism Or Outright Fraud To Prosper." [Koch Industries' Discovery Quarterly Newsletter - Charles Koch, [September 2015](#)]

KOCH REALITY: HE'S FOLLOWED HIS EXACT DEFINITION OF "BAD PROFIT"

Kochs Themselves Have Engaged In Fraud & Other Criminal And Questionable Activity

November 1999: Koch Charged With Using Fraudulent Measurement Practices

Koch Was Accused Of Using Fraudulent Measurement Practices To Steal Oil From Producers In Several States And Indian Reservations. According to Tulsa World "Koch is accused of using fraudulent measurement practices to steal oil from producers in several states, including Utah. Koch Oil Co. allegedly underreported the amount of oil it purchased from Indian and federal leases in 13 states throughout the 1980s. [...] The plaintiffs claim in a lawsuit that the company adjusted

measurements in ways that allowed it to collect more oil than it paid for. The adjustments were made regardless of field conditions, plaintiffs contend.” [Tulsa World, [11/18/99](#)]

Criminal Negligence

Lynch: When A Former Koch Employee Told His Supervisor About An Unsafe Pipeline, “He Was Told That It Was More Profitable To Risk A Possible Lawsuit Than To Repair It.” According to an opinion by Conor Lynch in Salon, “Former Koch Industries employee Kenoth Whitstine testified about this company culture. After once telling a manager about his concerns for an unsafe pipeline, he was told that it was more profitable to risk a possible lawsuit than to repair it.” [Conor Lynch – Salon, [5/18/15](#)]

- **Lynch: “This Careless Culture Ended Up Killing Two Teenagers In 1996” When A Pipeline Was Given Minimal Repairs “So As To Limit Expenses” And Leaked Butane, Causing An Explosion .**According to an opinion by Conor Lynch in Salon, “This careless culture ended up killing two teenagers in 1996. After being offline for three years, a pipeline was started up again, and minimally repaired so as to limit expenses. The Koch’s would later regret this when it leaked butane into the air, and killed Danielle Smalley and Jason Stone after their truck ignition set off the flammable cloud of invisible gas. Smalley’s father would later be awarded \$296 million for wrongful death, the largest award in American history at the time.” [Conor Lynch – Salon, [5/18/15](#)]

Conducted Illegal Business With Iran

Bloomberg Investigation Found Koch Subsidiary, Koch-Glitsch (Germany) Sold Millions Worth Of Chemical Equipment To Iran. According to Targeted News Service, “Bloomberg Investigation found Koch Industries has sold millions worth of chemical equipment to Iran, thwarting a U.S. trade ban. A Bloomberg Markets investigation has found that Koch Industries has sold millions of dollars of petrochemical equipment to Iran, a country the U.S. identifies as a sponsor of global terrorism. Internal company documents show that the company made those sales through foreign subsidiaries, thwarting a U.S. trade ban. A Koch Industries, foreign subsidiary, Koch-Glitsch in Germany and Italy continued selling to Iran until as recently as 2007, the records show.” [Targeted News Service, 6/20/12]

Charles Koch Is A Driving Force Behind Perpetrating The Fraud Of Climate Denial To Benefit His Business

Charles Koch Said “It’s Not Settled” Or “Certain” If Humans Are The Cause Of Global Warming And “Anybody Who Says Something This Complex Is Settled Is Not Using Good Science.” [Forbes, [9/29/15](#)]

The Kochs Are Spending Millions On Climate Denial

The Kochs Gave At Least \$79 Million To Groups That Denied Climate Change. According to Greenpeace, “The Koch brothers continue to finance campaigns to make Americans doubt the seriousness of global warming, increasingly hiding money through nonprofits like DonorsTrust and Donors Capital Fund. [...]Now the shroud of secrecy has thankfully been lifted, revealing the \$79 million that he and his brother Charles have quietly funneled to climate-denial front groups that are working to delay policies and regulations aimed at stopping global warming, most of which are part of the State Policy Network.” [Greenpeace, Accessed [10/8/15](#)]

The Kochs Have A Vested Interest In Fighting Climate Change Policy Because It Could Hurt Their Profits

Koch Industries’ Earnings Could Be Negatively Affected By Climate Change Policy. According to NPR, “Climate change policy could negatively affect Koch Industries’ earnings — the University of Massachusetts Amherst’s Political Economy Research Institute found that Koch Industries ranked among the top 30 companies for CO2 emissions in the United States in 2011. Last year, Koch Industries was the top spender for oil and gas lobbying, according to data from the Center for Responsive Politics: It spent \$13.7 million.” [NPR, [8/11/15](#)]

- **Koch Industries Is Among “Top Ten Air Polluters” In America, Called “Kingpin Of Climate Science Denial.”** According to the New Yorker, “In a study released this spring, the University of Massachusetts at Amherst’s Political Economy Research Institute named Koch Industries one of the top ten air polluters in the United States. And Greenpeace issued a report identifying the company as a ‘kingpin of climate science denial.’ The report showed that, from 2005 to

2008, the Kochs vastly outdid ExxonMobil in giving money to organizations fighting legislation related to climate change, underwriting a huge network of foundations, think tanks, and political front groups.” [New Yorker, [8/30/10](#)]

Koch’s Themselves Receive Special Treatment

Koch Industries Received At Least \$157 Million In State & Federal Subsidies

Center for Media and Democracy Deputy Director Mary Bottari: A New Subsidy Tracker Data Base Detailed \$157 Million In State And Federal Subsidies To Koch Industries. According to an opinion by the Center for Media and Democracy’s Deputy Director Mary Bottari on CMD’s PR Watch, “Now Good Jobs First, a nonprofit watchdog on corporate subsidies, has provided the Kochs with an excellent opportunity to put their money where their mouth is. Good Jobs First unveiled a new, upgraded version of the their Subsidy Tracker data base which aggregates subsidy recipient data from more than 700 state, local, and federal economic development programs. Type ‘Koch Industries’ into the search engine and voila! \$157 million in state and federal subsidies are revealed, with an additional \$6.2 million in federal loan guarantees.” [Mary Bottari – Center for Media and Democracy’s PR Watch, [3/18/15](#)]

David Sirota: Since Koch Industries Is Privately Held, It “Could Reject Subsidies And Not Have To Justify The Move To Shareholders” But Instead “They Have Accepted The Government Support, Even As They Fund Conservative Campaigns That Deride The Influence Of Government On The Economy.” According to an Op-Ed by David Sirota for SFGate, “Koch, it should be noted, is not like other top executives of major corporations. His company is not publicly traded — it is privately held, with most of the company owned by him and his brother David. That means the Kochs could reject subsidies and not have to justify the move to shareholders. Instead, though, they have accepted the government support, even as they fund conservative campaigns that deride the influence of government on the economy.” [David Sirota - SFGate, [8/13/15](#)]

Matador Cattle Grazed On Federal Lands In Montana At A Price Below Market-Value

Former Montana Gov. Brian Schweitzer: The Kochs Rent Land From The Federal Government And Montana To Graze Their Cattle At Rates Significantly Lower Than Market Value - \$6.50 On Montana Land And \$1.50 On Federal Land Compared To \$25 On Private Land. According to an opinion by former Gov. Brian Schweitzer for the Lake County Leader-Advertiser, “They have owned the 200,000-acre + Matador Ranch near Dillon for more than 50 years. Well, not really owned the ranch, because about one-third of the ranch is owned by the state of Montana while the Federal government owns around another third. The brothers rent the land from the State and the Feds to graze their 2,000 head of cattle. I am a rancher so I crunched the numbers. The current rate charged for a cow unit on private land in Montana is about \$25 per month. The Koch Brothers have historically paid \$6.50 per month on State of Montana land and \$1.50 on Federal land. So let’s add up the subsidy.” [Gov. Brian Schweitzer – Lake County Leader-Advertiser, [2/18/15](#)]

The Koch’s Business Philosophy Explains Their Political Involvement

KOCH CLAIMED GOOD BUSINESS IS DRIVEN BY A HIGH RISK-REWARD RATIO

Charles Koch Wrote In His Book That “He’d Rather Have An Employee Risk A Project With A 50% Chance Of Success And A \$10 Million Payoff Than A 90% Chance Of Success And \$1 Million Payoff.” [Forbes, [9/29/15](#)]

KOCH REALITY: KOCH’S RISK-REWARD CALCULATION EXPLAINS POLITICAL SPENDING

High Risks

The Koch’s Political Network Planned To Spend Close To \$900 Million On The 2016 Campaign, An Amount That Put Allowed Their “Political Organization To Operate At The Same Financial Scale As The Democratic And Republican Parties.” According to the New York Times, “The political network overseen by the conservative billionaires Charles G. and David H. Koch plans to spend close to \$900 million on the 2016 campaign.” [New York Times, [1/26/15](#)]

Expecting Rewards

David Koch On His Philanthropic Contributions: “If We’re Going To Give A Lot Of Money, We’ll Make Darn Sure They Spend It In A Way That Goes Along With Our Intent... And If They Make A Wrong Turn And Start Doing Things We Don’t Agree With, We Withdraw Funding.” According to The New Yorker, “Many of the organizations funded by the Kochs employ specialists who write position papers that are subsequently quoted by politicians and pundits. David Koch has acknowledged that the family exerts tight ideological control. ‘If we’re going to give a lot of money, we’ll make darn sure they spend it in a way that goes along with our intent,’ he told Doherty. ‘And if they make a wrong turn and start doing things we don’t agree with, we withdraw funding.’” [The New Yorker, [8/30/10](#)]

Koch-Linked Org. Spent \$400,000 On Ad Blitz To Help Sam Brownback Win Bob Dole’s Vacant Senate Seat.

According to Aljazeera America, “Two years later, when Bob Dole ran for president, [Sam] Brownback won his vacated Senate seat, thanks in no small part to a last-minute \$400,000 ad blitz paid for by an organization linked to Wichita’s billionaire brothers Charles and David Koch.” [Aljazeera America, [9/15/14](#)]

- **Thanks To Gov. Sam Brownback’s Tax Cuts, Much Of Koch’s Profits Are Now State-Income Tax-Free.** According to an opinion by David Kay Johnston in Al Jazeera America, “In 2012 Brownback signed his tax cuts into law. The bottom rate was cut from 3.5 percent to 3 percent. The top rate, which starts at \$15,000 of taxable income for singles, was lowered from 6.25 percent to 4.9 percent. The biggest impact was on 191,000 businesses. Their profits are now tax-free, though wages paid to owners remain taxable. This change prompted many owners of corporations to convert to partnerships and other forms of ownership that the law exempted from the income tax. Beneficiaries of this change included Charles and David Koch, the billionaire brothers who are the richest people in Kansas. Much of their \$82 billion of known wealth is in businesses that are now eligible to earn profits without owing Kansas state income taxes.” [David Kay Johnston – Al Jazeera America, [12/1/14](#)]

Koch Claimed To Be Above Machine-Style Politics

KOCH CLAIMED HE WASN’T GOING TO GET SPECIFIC ON CANDIDATES TO SUPPORT

Charles Koch On Who He Liked In The GOP Field, I’ll Let Someone Else Decide That. I’m Not Going To Talk About Personalities Or The Individuals.” [Forbes, [9/29/15](#)]

KOCH REALITY: HE’S IDENTIFIED AND TOUTED SEVERAL CANDIDATES

The Kochs “Identified Five Candidates Who Have The Right Message And ‘A Good Chance Of Getting Elected’”: Scott Walker, Jeb Bush, Ted Cruz, Rand Paul, And Marco Rubio. According to USA Today, “[Charles] Koch, his brother David and their team have identified five candidates who have the right message and ‘a good chance of getting elected,’ he told USA TODAY in an exclusive interview at Koch Industries’ headquarters. They are Wisconsin Gov. Scott Walker, former Florida governor Jeb Bush and Sens. Ted Cruz of Texas, Rand Paul of Kentucky and Marco Rubio of Florida.” [USA Today, [4/21/15](#)]

KOCH CLAIMED HE DIDN’T HAVE A BIG IMPACT ON THE GOP

Charles Koch Responded To Whether Or Not He’s Had Any Impact On The Republican Party, Saying, “It’s Tough. Not Nearly What We’d Hope.” [Forbes, [9/29/15](#)]

KOCH REALITY: THE KOCHS HAVE DRIVEN THE GOP AGENDA

Kenneth Vogel: Americans For Prosperity Was Part Of A “Shadow Party” Which Had Its Fingerprints “All Over The Shutdown.” According to Kenneth P. Vogel’s “Big Money: 2.5 Billion Dollars, One Suspicious Vehicle, and a Pimp—on the Trail of the Ultra-Rich Hijacking American Politics,” “As it became apparent that no deal was imminent, Obama pulled aside House Speaker John Boehner, who really just wanted to go outside and grab a smoke, and pressed him about how it had come to this. [...] But it didn’t take much sleuthing to find the fingerprints of the conservative wing of the shadow party all over the shutdown. A loose coalition of outfits with hefty wallets—Americans for Prosperity, FreedomWorks, the Club for

Growth, Heritage Action for America, and the Senate Conservatives Fund—were pressuring lawmakers against voting to fund the government.” [Big Money, [6/3/14](#)]

- **Republican National Committee: The Koch Network Was Trying To Control The Republican Party’s Master Voter File, And To Gain Influence Over – Some Even Say Control Of – The GOP.** According to Yahoo News, “The RNC is now openly arguing, however, that the Kochs’ political operation is trying to control the Republican Party’s master voter file, and to gain influence over — some even say control of — the GOP.” [Yahoo News, [6/11/15](#)]
- **RNC Source: “It’s Pretty Clear That The Kochs Don’t Want To Work With The Party But Want To Supplant It.”** According to Yahoo News, “Their decision to take their dispute with i360 public shows the level of alarm inside the RNC at the growing clout of the Koch political empire. They have concluded that the Koch political machine wants to replace them and to essentially become a shadow party. ‘It’s pretty clear that they don’t want to work with the party but want to supplant it,’ the source close to the RNC said.” [Yahoo News, [6/11/15](#)]

AFP Targeted 93 Republicans Over Export-Import Reauthorization, “Enough To Commit A Majority Of The Republican Majority To The Bank’s Demise.” According to The New York Times, “The [AFP] targets are 93 House Republicans who they see as willing to block action on the bank’s reauthorization, enough to commit a majority of the Republican majority to the bank’s demise.” [New York Times, [3/9/15](#)]

- **Rubio: “What’s Driven It Is The Fact That Groups Like AFP And Others Have Made It A Priority.”** According to an AFP web post, “During the onstage conversation with Americans for Prosperity Regional Director Mark Lucas, Rubio had the following to say: [...] ‘Only in the last couple years as outside groups have paid attention — not just to its existence but to how it’s actually working— has it risen to a level of consciousness in the political realm. So I think that’s really what’s driven it is the fact that groups like AFP and others have made it a priority to inform Americans about it.’” [AmericansForProsperity.org/article, [6/29/15](#)]

When Asked If Charles Koch Has Had Any Influence On The Republican Party, His Aide Said “He Succeeded In Killing The Export-Import Bank.” According to an interview with Charles Koch in Forbes, “Q. Have you had any impact on the Republican Party? A. It’s tough. Not nearly what we’d hope. (An aide suggests he seems to have succeeded in killing the Export-Import Bank.)” [Forbes, [9/29/15](#)]

AFP President Tim Phillips On Killing Medicaid Expansion In Florida: “Our Side Won A Crucial Victory... We’ve Spent A Lot Of Time, A Lot Of Money On That Effort.” According to an interview AFP President Tim Phillips gave on Fox News’ *Power Play with Chris Stirewalt*, Stirewalt said, “Now across the network, across this organization, we’re talking about a number approaching \$1 billion American dollars. Now, there was a time in politics when spending \$1 billion would have been really astronomical, but that would still be like a sixth of the total spend for the 2016 cycle coming through. Your group and other groups as part of this network. That is a tremendous amount of money. Can it be raised and can it be spent and can it be spent fruitfully?” Phillips said, “It is a large amount of money to raise and it is a challenge to raise that, absolutely, so we’re working hard to do that. It is important to note that a lot of that money is for issue battles happening right now. Medicaid expansion in Florida was just decided. Our side won a crucial victory—they did not expand Medicaid there.” [Fox News – *Power Play with Chris Stirewalt*, [6/15/15](#)]

Several Republican Presidential Hopefuls Pledged To AFP That They Would Oppose Any Climate Tax Legislation. According to an opinion by the editor and publisher of the Nation, Katrina Vanden Heuvel, for the Washington Post, “And the billionaire Koch brothers, fierce opponents of environmental regulation, remain immeasurably influential among Republican politicians competing for their support. Indeed, as The Post’s Catherine Rampell points out, White House hopefuls Marco Rubio, Scott Walker, Rand Paul and Ted Cruz have signed the ‘No Climate Tax’ pledge sponsored by the Kochs’ advocacy organization, American for Prosperity.” [Katrina Vanden Huevel - Washington Post, [6/16/15](#)]

Charles Koch’s Talking Points Are Dripping With Hypocrisy

KOCH CLAIMED HE’S AGAINST THE POWERFUL DICTATING PEOPLE’S LIVES

Charles Koch: “You’ve Gotta Change The Hearts And Minds Of The People To Understand What Really Makes Society Fairer And What’s Going To Change Their Lives... Not More Of This Government Control, And Those In Power Telling Us All How To Live Our Lives.” [Forbes, [9/29/15](#)]

KOCH REALITY: HE THINKS HE KNOWS WHAT'S BEST FOR EVERYONE

Charles Koch: Market Based Management Helps Organizations Succeed By “Helping Others Improve Their Lives.” According to Charles Koch in an interview for Forbes, “Q. Explain Market Based Management in 20 words or less. A. It’s a way for organizations to succeed by helping others improve their lives. Now that sounds like left-coast psychobabble and it normally would be, but not if you base everything on it. And that’s who you are, and you don’t just have posters on the wall and put all this stuff up for show and don’t implement. (MBM drives) who we hire, the training, having leaders who live up to our values, and then testing everything for results.” [Charles Koch – Forbes, [9/29/15](#)]

Wichita Business Journal: Koch Said The Instilling MBM Principles Of Integrity, Humility, Respect And Value Creation Is A Good Place To Start In Helping To Give Children A Sense Of Purpose. According to the Wichita Business Journal, “In response to a question from a ‘soon-to-be new parent’ about the lessons to pass along to the child, Koch explains how MBM’s underlying tenants can be used in such a way. ‘Since kids can spot hypocrisy a mile away, I believe the first rule of parenting is to make your behavior consistent with your words,’ he says. ‘To me, the primary obligation of parents is to provide their children with the values and understanding that give them the best chance of happiness and fulfillment.’ Koch goes on to say that instilling the MBM principles of integrity, humility, respect and value creation, is a good place to start in helping give children a sense of purpose that he views as vital to happiness and fulfillment as they grow older. That sense of purpose can help reveal a passion, something he also sees as crucial.” [Wichita Business Journal, [8/6/15](#)]

KOCH CLAIMED HIS WORK ON CRIMINAL JUSTICE WAS ABOUT UNDOING WRONGS

Charles Koch: Koch Industries’ Federal Criminal Case “Introduced [Him] To The Many Imperfections Of The American Criminal Justice System” And Prompted His Involvement In The Criminal Justice Fight. According to the Charles Koch in Koch Industries’ Discovery Quarterly Newsletter, “In his new book, ‘Good Profit,’ Charles Koch tells the story that led to that decision. It began with a problem at the company’s Texas refinery that should have been resolved at the state level, with a civil remedy. Instead, it ended up becoming a federal criminal case ‘That,’ Charles Koch explained, ‘introduced Koch to the many imperfections of the American criminal justice system.’ If a large company with significant resources has to struggle for justice, Koch wondered, what chance does a little guy have? ‘This experience influenced, in part, our decision to consider the job applications of people with prior felony convictions, rather than ruling them out at the start.’” [Koch Industries’ Discovery Quarterly Newsletter - Charles Koch, [September 2015](#)]

KOCH REALITY: HE REFUSES TO ACKNOWLEDGE THE RULE OF LAW

Lynch: When A Former Koch Employee Told His Supervisor About An Unsafe Pipeline, “He Was Told That It Was More Profitable To Risk A Possible Lawsuit Than To Repair It.” According to an opinion by Conor Lynch in Salon, “Former Koch Industries employee Kenoth Whitstine testified about this company culture. After once telling a manager about his concerns for an unsafe pipeline, he was told that it was more profitable to risk a possible lawsuit than to repair it.” [Conor Lynch – Salon, [5/18/15](#)]

- **Koch Industries Paid A \$30 Million Civil Penalty, The Largest In History At The Time, And Committed \$5 Million To Environmental Projects After A Settlement Covering More Than 300 Oil Spills At Facilities In Six States.** According to an EPA press release, “Koch Industries Inc. will pay the largest civil fine ever imposed on a company under any federal environmental law to resolve claims related to more than 300 oil spills from its pipelines and oil facilities in six states, the Justice Department and the U.S. EPA announced. A settlement filed today requires Koch, the second-largest privately held company in the United States, to pay a \$30 million civil penalty, improve its leak-prevention programs and spend \$5 million on environmental projects.” [EPA Press Release, [1/13/00](#)]

Former Vice President Of Koch Oil Darrel Brubaker: “The Company’s Goal Was To Receive More Oil Than It Paid For.” According to Tulsa World, “The former vice president of Koch Oil testified Tuesday that the company’s goal was to receive more oil than it paid for. Darrel Brubaker told the federal jury that gaugers were taught it was better to receive more oil than Koch told producers it purchased rather than come in short. [...] Brubaker testified Tuesday that it is almost impossible to accurately measure crude oil, so it was Koch’s goal to have overages rather than shortages.” [Tulsa World, [11/17/99](#)]

Koch Employees Testified They Were Instructed To Adjust Oil Measurements In Koch’s Favor And Feared Being Fired If They Didn’t While Others Claimed It Was A Way To Get Promoted. According to the Associated Press, “The

plaintiffs rested their case after calling 77 witnesses from North Dakota to New Mexico. The jury of four women and four men heard former Koch employees say they were instructed to adjust oil measurements in the company's favor. Some said they feared being fired if they didn't. Others said it was the way to be promoted.” [Associated Press, 11/9/99]

Koch And Holden: “Criminal Laws Should Not Impose Liability If The Accused Did Not Knowingly And Willfully Intend To Commit The Bad Act.” According to an opinion by Charles Koch and Koch Industries General Counsel Mark Holden in Politico Magazine, “Criminal laws should not impose liability if the accused did not knowingly and willfully intend to commit the bad act. This explosion of criminal laws has led to imposing liability on activities that ordinary citizens would have no reason to believe would be criminal such as converting a wild donkey into a private donkey, bathing in the Arkansas Hot Springs National Park without a doctor’s note, and agreeing to take mail to the post office but not dropping it off. It has led to criminal liability for amateur arrowhead collectors who had no idea their hobby could be a federal crime, as well as criminal charges and a conviction for a former Indianapolis 500 champion who got lost while snowmobiling during a blizzard and unwittingly ended up on federal land.” [Charles Koch & Mark Holden – Politico, [1/7/15](#)]

Charles Koch & Failure

KOCH QUOTE

Charles Koch: What We Do When We’re Evaluating Somebody’s Performance “Is Look At The Sum Of Everything They Do” And If They “Have More Losers Than Winners But If The Winners Have Done Better Than The Losers Because We Followed Through On Them And Made A Business Out Of Them, Then These Are Just Small Deductions From Your Overall.” [Forbes, [9/29/15](#)]

KOCH REALITY

Failed Candidates

David And Julia Koch Held A \$50,000 A Person Fundraiser For Mitt Romney’s Campaign At Their Home In The Hamptons; Americans For Prosperity Also Spent \$120 Million Opposing President Obama And Democrats In 2012. [Mother Jones, [1/22/15](#)]

Terri Lynn Land Was Supported By At Least \$5 Million Worth Of Ads From Americans For Prosperity. According to the Detroit Free Press, “Showing no sign of slowing down its attack on U.S. Rep. Gary Peters, the conservative Americans for Prosperity group will go up on TV and the Internet on Thursday with yet another ad blasting him for supporting the Affordable Care Act in 2010. [...] Former Michigan Secretary of State Terri Lynn Land is the presumptive Republican nominee. AFP’s ad buys have been done independently but could aid Land as she looks to become the first Republican to win a U.S. Senate election in Michigan since 1994. With an ad buy of some \$800,000 over the next three weeks, AFP’s total spending on independent ads targeting Peters tops the \$5-million mark, though this time the ad does not include any personal stories from Michiganders about their individual experiences with what they call Obamacare.” [Detroit Free Press, [4/23/14](#)]

Salon Headline: “Scott Walker Never Stood A Chance: Why This Awkward, Koch-Backed Midwesterner Was Outrageously Overrated.” [Salon, [9/22/15](#)]

Koch Backed Alaska Loser And Inadvertently Helped His Opponent Win

Karl Kassel Was Elected Fairbanks Borough Mayor After Being Targeted By Americans For Prosperity, Which He Said Was “A Boost To His Campaign Because People Were Angry About Outsiders Trying To Influence The Election.” According to the News Miner, “Karl Kassel won the top elected office in the Fairbanks North Star Borough, drawing 8,334 votes—57 percent—and defeating three opponents. [...] Kassel is the first local candidate to be targeted by an Outside group. Americans for Prosperity, based in Arlington, Virginia, is supported in part by billionaire conservative activists Charles G. Koch and David H. Koch, who own the Flints Hills Resources Alaska Terminals in North Pole. The political action committee ran ads criticizing Kassel for voting to raise taxes. Kassel said the ads were a boost to his campaign because people were angry about outsiders trying to influence the election. ‘I’m going to send them a thank you note,’ Kassel said again Tuesday.” [News Miner, [10/6/15](#)]