MEMO

TO: Friends of Mercury

FROM: Mercury

DATE: November 11, 2016

SUBJECT: Trump Administration Transition Memorandum

INTRODUCTION

November 8, 2016 will unquestionably be remembered as one of the most unforeseen, and greatest shakeups, in American history. In a stunning upset, outsider Donald J. Trump defied both the odds - and the polls – to win the presidency, reshaping the U.S. electoral map in the process.

Now the work of governing begins in earnest, and with the House of Representatives and Senate firmly in Republican control, Trump will theoretically enjoy the ability to push through significant legislation that addresses many of the promises he made on the campaign trail, including the repeal of the Affordable Care Act ("Obamacare"), the renegotiation of trade deals, and immigration reform.

This Memorandum provides an overview of the President-elect's transition apparatus, and offers unique insights into what his cabinet and executive leadership will look like, as well as what one may expect in the coming months regarding Trump's policy agenda.

PRESIDENT-ELECT TRUMP'S ADMINISTRATION TRANSITION

Pursuant to the Presidential Transition Act (PTA), later amended by the Pre-Election Presidential Transition Act of 2010 (PEPTA), Trump has a transition team in place to facilitate the "orderly transfer of the executive power."[1] This team of individuals is responsible for developing President-elect Trump's post-inauguration agenda and selecting candidates to fill appointed positions.

Donald Trump's transition team provides insight into his future administration and is already busy shaping his policy platform items and implementation plans. The transition process serves to: 1) determine cabinet and agency heads; 2) select political and policy advisors for key staff

[1] Presidential Transition Act of 1963, 3 U.S.C. § 2 note (2006) (establishing a mechanism to assure continuity in the execution of the laws and in the conduct of the affairs of the Federal Government, both foreign and domestic).

positions; 3) develop and refine the first 100 days agenda; 4) analyze all agency existing non-statutory program initiatives and accompanying budgets; and 5) examine and analyze all existing contracts and pending contract decisions.

Transition Team

Despite a propensity for bashing political insiders, Donald Trump's transition team is largely made up of current and former elected officials and Washington power players, including:

- **Chris Christie, Chair:** Current New Jersey Governor; former presidential candidate; former US Attorney for New Jersey.
- **Rich Bagger, Executive Director:** Executive Vice President of the Celgene Corporation; former Chief of Staff to Governor Chris Christie; former New Jersey State Senator and Assemblyman.
- **Bill Hagerty, Director of Presidential Appointments:** Former economic adviser to George H.W. Bush; former advisor to the Romney transition team; former commissioner, Tennessee Department of Economic and Community Development; Founder and Managing Director of Hagerty Peterson & Company.
- **John Rader, Deputy Director for Presidential Appointments:** Former advisor to Senator Bob Corker (R-TN) and Tennessee Governor Bill Haslam.
- **Jamie Burke, Presidential Appointments:** Principal at Stagecraft Staffing LLC; former Personnel Director for the Romney transition team; former staffer in the Bush administration and the Republican National Committee.
- **Bill Palatucci, General Counsel:** Former campaign advisor to former Governor Tom Kean (NJ), Presidents Reagan, George H.W. Bush, and George W. Bush; RNC national committeeman for New Jersey; and former law partner of Governor Christie.
- **Rick Dearborn:** Chief of Staff for Senator Jeff Sessions; former staff member at the Department of Energy, Heritage Foundation, Senate Steering Committee and Senate Republican Conference.
- **Jared Kushner:** Son-in-law to Donald Trump.
- **Vincent DeVito, Coordinator of Transition Policy**: former George W. Bush administration official, practicing attorney in Boston, MA.
- **Eric Ueland, Outreach to Congress and Outside Groups:** Republican Staff Director of the Senate Budget Committee.
- **Ed Feulner, Policy Advisor:** Former President of the Heritage Foundation and former vice chairman of the 1995-96 National Commission on Economic Growth and Tax Reform.

- **Mike Rogers, Advisor on National Security:** Former Chairman of the House Permanent Select Committee on Intelligence; former Congressman from Michigan.

- **Mira Ricardel, Advisor on Defense:** Consultant at Federal Budget IQ; former Vice President of Boeing; former Acting Assistant Secretary of Defense under George W. Bush.

- **J.D. Gordon, Veterans and National Security:** former Pentagon spokesperson during the George W. Bush administration; retired Navy commander; national security advisor on Trump's presidential campaign.

- **Ado Machida, Interagency Policy:** former aid to Vice President Dick Cheney and advisor to Senate Majority Leader Bob Dole on banking, finance and tax issues.

- **Andrew Bremberg, Broad Policy Development:** former domestic and foreign policy advisor to Wisconsin Governor Scott Walker's presidential campaign; former policy adviser to Senate Majority leader Mitch McConnell; member of Mitt Romney's transition team tasked with preparing to repeal Obamacare.

- **Michael Catanzaro, Energy Policy Lead:** Partner at CGCN; former energy advisor to former House Speaker John Boehner and EPA policy team lead for Mitt Romney's transition; former official at the EPA and White House Council on Environmental Quality.

- **Michael McKenna, Department of Energy Lead:** President of MWR Strategies; former external relations specialist at the Energy Department.

- **Myron Ebell**, **Environmental Protection Agency:** head of Energy and Environment at the Competitive Enterprise Institute (CEI).

- **David Bernhardt, Department of Interior Lead:** co-chair of Brownstein Hyatt Farber Schreck's Natural Resources Department; former Department of Interior official.

- **David Malpass, Economic Policy Advisor:** economist and investment analyst who was also tapped to lead Treasury's transition efforts; former deputy assistant Treasury secretary under President Ronald Reagan and deputy assistant secretary of State under President George H.W. Bush.

- **Bill Walton, Economic Policy Advisor:** vice president of the conservative-leaning Council for National Policy; former head of investment and private equity firms.

- **Ray Washburne, Commerce Department Lead:** Dallas-based financier; vice chairman of the Trump Victory Committee, a joint fundraising committee for Trump, the Republican Party and down-ballot races; former Republican National Committee's finance chairman; former fundraising chief for New Jersey Governor Chris Christie's campaign.

- **Dan DiMicco, Office of the U.S. Trade Representative Lead:** former CEO of steel manufacturer Nucor Corporation; trade adviser to the Trump campaign.

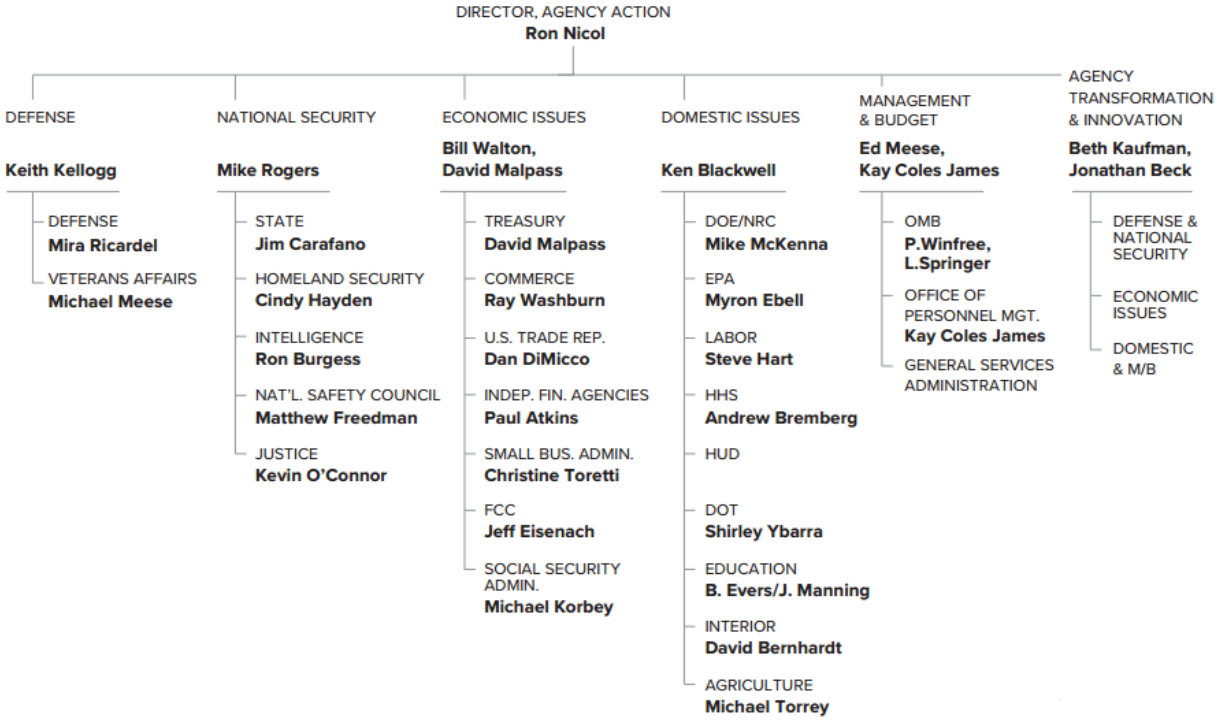
- **Michael Torrey, Department of Agriculture Lead:** food and agriculture lobbyist.

- **Ed Meese, Executive Office of the President:** former U.S. attorney general; Heritage Foundation's Ronald Reagan Distinguished Fellow Emeritus.
- **Paul Winfree, Office of Management and Budget:** economist and director of the Thomas A. Roe Institute for Economic Policy Studies at the Heritage Foundation.

- **Ken Nahigian**: responsible for setting up staff for the white house transition. He is currently the president of Nahigian Strategies.

Other individuals who the Trump campaign have come to rely upon for their expertise and experience include **Andrew Wheeler** of Faegre; **Jeffrey Eisenach** of the American Enterprise Institute; **Rolf Lundberg** of the U.S. Chamber of Commerce; **Erin Walsh**, Executive Director of the Antiquities Coalition; **Martin Whitmer**, founding Partner of Whitmer & Worrall, LLC; and **Steve Pavlick**, Director at the Cypress Group.

The organizational chart below represents the current team structure that Trump's advisors are utilizing for "agency action," led by Ron Nicol, a senior adviser for the Boston Consulting Group:



Likely Cabinet and Executive Appointments

Trump and his top lieutenants are leaning on a network of CEOs and private-sector executives who have built personal relationships with the President-elect, choosing them over veteran Washington operatives for whom Trump has expressed distaste.

As of yet, Trump has not made public any final decisions on cabinet level officials, and while information continues to trickle into the public space regarding who his transition team is vetting,

those close to his team reveal that all are staying tight lipped for the time being. Despite the uncertainty surrounding potential appointees, to be sure, Trump has continued to emphasize how serious he is about using real world experience to get America back to work and fix the problems plaguing the nation. The following list includes individuals whom a Trump administration may tap for key cabinet positions:

- **Secretary of State:** Former House Speaker **Newt Gingrich**; former U.S. Ambassador to the United Nations **John Bolton**; and former New York City Mayor **Rudy Giuliani** are under consideration for the position. **Senator Bob Corker (R-TN)** has also been mentioned as a possible candidate.

- **Secretary of the Treasury: Steve Mnuchin**, a 17-year veteran of Goldman Sachs and current chairman and chief executive of the private investment firm Dune Capital Management - as well as Trump's campaign finance chairman - is the top pick for the job. Current House Financial Services Committee chairman, **Congressman Jeb Hensarling (R-TX)**, has also been mentioned as a possible pick to serve as Treasury Secretary.

- **Secretary of Defense: Lt. General Michael Flynn** is a likely candidate for Secretary of Defense as well as the position of National Security Advisor. **Senator Jeff Sessions (R-AL)**, who was the first member of the Senate to come out in support of Donald Trump's candidacy; former National Security Adviser **Stephen Hadley**; and former **Senator Jim Talent (R-MO)** are also potential candidates.

- **Attorney General:** Staunch Trump supporter and former New York City Mayor **Rudy Giuliani** is in line for the position. **Senator Jeff Sessions (R-AL)** has also been mentioned as a possible choice, as well as New Jersey Governor **Chris Christie**, although insiders say Christie would prefer the post of Republican Governors Association chairman than a cabinet position. Other possibilities include Florida Attorney General **Pam Bondi.**

- **Secretary of the Interior: Harold Hamm** is in the running for the position of Secretary of the Interior. He is currently the Chairman and CEO of Continental Resources. **Forrest Lucas**, current CEO of Lucas Oil; venture capitalist **Robert Grady**; and Trump's own son, **Donald Trump, Jr.** are also a suspected candidates. Trump has said he would like to put **Sarah Palin** in his Cabinet, and she is likely on the short list for this position. Other possible candidates include: former Arizona Governor **Jan Brewer**; Oklahoma Governor **Mary Fallin**; and Wyoming Representative **Cynthia Lummis**.

- **Secretary of Agriculture: Bruce Rastetter** and **Chuck Conner** appear to be top contenders for the position of Secretary of Agriculture. In addition, **Sid Miller**, the current secretary of agriculture in Texas; Kansas Governor **Sam Brownback**; Nebraska Governor **Dave Heineman**; former Georgia Governor **Sonny Perdue**; former Texas Governor **Rick Perry**; **Charles Herbster**, Republican donor and agribusiness leader; **Mike McCloskey**, a major dairy executive in Indiana; **Kip Tom**, a farmer who ran for Congress in Indiana this year but was defeated in the primary; **Don Villwock**, president of the Indiana Farm Bureau; and **Ted McKinney**, the current director of the Indiana Department of Agriculture in the Pence Administration, are also said to be in the running for the post.

- **Secretary of Commerce: Senator Bob Corker (R-TN)** and **Senator David Perdue (R-GA)** have been mentioned as possible picks for Secretary of Commerce, although Trump may look to the business community for this job. Billionaire investor **Wilbur Ross**, a Trump economic adviser, or **Dan DiMicco**, the former CEO of steelmaker Nucor Corp and a Trump trade adviser, are possibilities. Trump is also considering former Texas Governor **Rick Perry**, former Arkansas Governor **Mike Huckabee** and potentially even New Jersey Governor **Chris Christie** for the job.

- **Secretary of Labor:** Transition staff are looking for a CEO or executive for this post, including **Victoria Lipnic**, the Commissioner of the Equal Employment Opportunity Commission and former assistant secretary of Labor for employment standards.

- **Secretary of Health and Human Services: Dr. Ben Carson**, former Presidential contender, is a likely choice for Secretary of Health and Human Services. Florida Governor **Rick Scott**; former House Speaker **Newt Gingrich**; and potentially **Rich Bagger**, the executive director of the Trump transition team and former pharmaceutical executive, are also contenders.

- **Secretary of Education:** Despite Trump's stated intention to scale back the Department of Education, **Dr. Ben Carson**; **William Evers**, a research fellow at the Hoover Institution who was worked on education matters for the Trump transition team; and **Gerard Robinson** of the American Enterprise Institute (AEI) and former Commissioner of Education for the State of Florida and Secretary of Education for the Commonwealth of Virginia, are under consideration to lead the agency.

- **Secretary of Veterans Affairs:** House Committee on Veterans' Affairs Chairman **Jeff Miller (R-FL)**, who is retiring from the House and expressed early support for Trump, is a likely candidate.

- **Secretary of Energy**: **Harold Hamm**, an entrepreneur involved in the oil and gas business, may be a top selection for Secretary of Energy. Venture capitalist **Robert Grady** is also seen as a top candidate, as well as **Sarah Palin**.

- **Secretary of Homeland Security: Rudy Giuliani** has been floated as a possible candidate for Secretary of Homeland Security. **David Clarke**, the Sheriff of Milwaukee County, Wisconsin is also a possible candidate for the position.

- **Environmental Protection Agency Administrator: Myron Ebell**, head of the EPA working group on Trump's transition team; venture capitalist **Robert Grady**; **Joe Aiello**, director of the New Jersey Department of Environmental Protection's Division of Environmental Safety and Quality Assurance; **Carol Comer**, the commissioner of the Indiana Department of Environmental Management; and **Leslie Rutledge**, the attorney general of Arkansas and a lead challenger of EPA regulations in the state, are all possible candidates to lead the agency.

- **White House Chief of Staff: Corey Lewandowski**, Trump's former campaign manager; **Stephen K. Bannon**, CEO of Trump's presidential campaign; and RNC Chairman **Reince Priebus**, who was unwavering in his public support for Donald Trump despite the criticism from many establishment Republicans, have been named as potential picks

for Chief of Staff. Transition chairman **Chris Christie** and campaign manager **Kellyanne Conway** are also said to be under consideration.

- **White House Counsel: Donald McGahn**, a Trump advisor and Partner at Jones Day, is in the running for the position.

Donald Trump's Policy Agenda

Trump has made very clear that he believes the quickest and most efficient way to get America back to work is to roll back the red tape that Trump perceives to be slowing American enterprise. Trump's transition team is currently evaluating what a President Trump could do through executive order or the halting of regulation to get unemployed Americans working as quickly as possible. His team is specifically targeting individuals who have experience in the regulated community and understand how over regulation has the ability to stifle American job growth. The breadth of the first 100 days will be focused on creating jobs, and will expand from rolling back onerous regulation to tax reform.

In a campaign speech delivered at historic Gettysburg, Pennsylvania, Trump reiterated his intention to address many of the proposals he has long touted on the campaign trail in his first 100 days in office including: tax cuts, repealing Obamacare, and cracking down on illegal immigration by imposing mandatory minimum prison sentences for those who illegally return to the United States after deportation. In addition, Trump has pledged to suspend immigration from "terror prone" nations and begin deporting criminal illegal immigrants.

Trump also confirmed that he would immediately renegotiate NAFTA, withdraw from the Trans-Pacific Partnership, and request that the Secretary of the Treasury designate China a currency manipulator. He also promised to propose term limits on members of Congress, hiring freezes at federal agencies, new limits on former government officials' ability to lobby, and a requirement that for every new federal rule promulgated, two existing regulations must be eliminated.

Now that Tuesday's election has cemented a Republican-controlled House and Senate, President-elect Trump has a real opportunity to advance those GOP initiatives to repeal Obamacare and roll back the Dodd-Frank Act. Moreover, it is believed that Trump will spend the beginning of his presidency issuing a series of executive orders that effectively undo most of President Obama's executive actions, including those on immigration and regulatory efforts on environmental and energy policy.

We can also expect President Trump to reject the Trans-Pacific Partnership, and work to renegotiate NAFTA, as well as the US relationship with NATO to ensure that other countries in the alliance assume a greater share of the costs associated with their joint defense.

MERCURY'S BIPARTISAN GOVERNMENT AFFAIRS AND POLITICAL TEAM

Republicans



Michael DuHaime

Partner and head of Mercury's New Jersey and Pennsylvania public affairs operations; Long-time political-advisor to New Jersey Governor Chris Christie; Campaign Manager for former New York City Mayor Rudy Giuliani's 2008 presidential campaign; former advisor to President George W. Bush.



Hon. Vin Weber

Partner in Mercury's Washington, DC office; former member of congress from Minnesota's 2nd Congressional District; Plain States Regional Chairman for Bush-Cheney '04; Named by The Hill as one of the top lobbyists of 2016.



Hon. Denny Rehberg

Co-Chairman at Mercury; former member of Congress from Montana; former Lieutenant Governor of Montana.



Tony Fabrizio

Pollster for President-elect Donald Trump; pollster and strategist for Governor Rick Perry's 2012 presidential campaign; key advisor to dozens of U.S. Senators, Representatives, Governors and other statewide elected officials.



Mike McSherry

Delegate strategist for Donald Trump's presidential campaign; former Director of Government Affairs for the RNC; former Executive Director of the Republican Governors Association.



Mark Braden

Former campaign manager for U.S. Senator Bob Corker (R-TN); former Deputy Campaign Manager to Governor Chris Christie; former Deputy Executive Director of Governor Christie's transition office.



Stephen Aaron

Former staff to the Senate Environment and Public Works Committee and senior lobbyist for one of the nation's leading advocacy



Tyler Threadgill

Former Deputy Chief of Staff and Communications Director for Rep. Chuck Fleischmann (R-TN); Victory Director of the Tennessee

organizations.

Democrats



Hon. Fabian Núñez

Partner in Mercury's California offices; former Speaker of the California State Assembly; National Co-Chairman for Hillary Clinton's 2008 presidential campaign; consistently listed as one of the top 100 influential leaders in the Hispanic U.S.; named "Legislator of the Year" in 2007 by Governing Magazine.



Erick Mullen

Managing Director in Mercury's Washington, DC office; former senior staff member and advisor to Senator Chuck Schumer (D-NY) and Democratic Whip Steny Hoyer (D-MD); Consultant to Bill Bradley's presidential campaign and Hillary Clinton's first campaign for the Senate.



Michael Soliman

Partner in Mercury's New Jersey office; Lead strategist for U.S. Senator Cory Booker's successful 2014 Senate campaign; Served as Senator Robert Menendez's State Director and New Jersey Chief of Staff.



Morris Reid

Partner in Mercury's Washington, DC and London offices; Senior aide to the late Commerce Secretary Ron Brown; Deputy Director of Vice Presidential Operation for Clinton/Gore '96.



Charlie King

Mercury's New York City Co-chairman; former senior campaign advisor to Andrew Cuomo's re-election campaign; former State Executive Director for the New York State Democratic Party.



Modia "Mo" Butler

Managing Director in Mercury's New Jersey office; former Chief of Staff for New Jersey Senator Cory Booker; former Chairman of the Newark Housing Authority.



Ashley Walker

Partner in Mercury's Ft. Lauderdale office; 2012 State Director for Obama for America in Florida; Named by Campaign and Elections magazine as one



Erin Pelton

Managing Director; former career U.S. Foreign Service Officer; Director of Communications and Spokesperson to the United States Mission to

Republican Party in 2010; Campaign Manager for several House of Representatives races.

of the top 50 Democratic influencers in Florida politics.

the United Nations under Ambassadors Susan E. Rice and Samantha Power.

MERCURY'S MEDIA AND DIGITAL TEAM



Ben Feller

Former Chief White House correspondent for The Associated Press; Covered President Barack Obama and President George W. Bush, reporting on all facets of their domestic, foreign, and political agendas.



Jim Roberts

Leads Mercury's global digital practice; former executive editor at Mashable; longtime editor and leader of digital innovation for the New York Times and Reuters.



Mike McKeon

Partner at Mercury; Featured on City & State's Albany Power 100 List in 2014 and 2015, as well as the Observer's Albany's Top 40 List in 2014 and 2015; Executive Director of Republicans for Governor Andrew Cuomo.



Stefan Friedman

Partner at Mercury, where he leads the strategic communications, crisis communications and public relations practices in Los Angeles and New York; former newspaper columnist at the New York Post, editorial board writer and reporter.



Dan Bank

Senior Vice President at Mercury; former producer for The O'Reilly Factor; developed and managed Bill O'Reilly's social media platforms.



Emily D'Alberto

Former Anchor Producer for CNN's morning program, American Morning; Director of Surrogates and Television for Mayor Rudy Giuliani's presidential campaign in 2008; Political Booker for CNN's morning show overseeing 2004 presidential election guest coverage.



Juan Peñalosa

Developed e-government and new media strategies for sovereign nations and US agencies; recognized for successfully using cutting edge digital programs for corporate clients to mitigate crisis and influence customers.



Jennifer Wlach

Senior Vice President in Mercury's DC office; former ABC News Political Unit Producer; former Good Morning America & This Week political booker, overseeing 2012 Presidential Election and 2010 midterm election coverage.



Kate Lucadamo

Vice President in Mercury's New York City office; former City Hall reporter for the New York Daily News; former Writer for The New York Times, The Wall Street Journal, The New York Post, the Atlantic, Glamour and other media outlets.



Nicole Flotteron

Vice President in Mercury's New York office; specializes in merging traditional media and public affairs strategy with cutting-edge digital tactics to break news and drive media coverage for clients; worked as a digital consultant on over a dozen political campaigns throughout the Northeast at the state and federal level.

CONCLUSION

Home to seasoned political operatives with a diverse range of experiences, both inside and outside the beltway, Mercury's experts maintain strong relationships with Washington power players on both sides of the aisle. We will continue to provide updates on the administration transition as they become available, and look forward to working with you to navigate the new political landscape and maximize your influence with the new Administration.

For more information about Mercury or to schedule a more detailed presentation please contact Morris L. Reid at +1 202-261-4000 (Washington, D.C.) or +44 207 319 7650 (London).