

BUSINESS RESPONSE TO THE U.S. GOVERNMENT SHUTDOWN

On December 21, 2018, the U.S. government entered a partial shutdown after Congress failed to reach a compromise on a spending bill that included billions of dollars in funding for a border wall between the U.S. and Mexico. On January 25, 2019, President Trump announced that Congress had reached a deal to temporarily reopen the government after 35 days, making it the longest government shutdown in U.S. history. Throughout these 35 days, many companies and organizations issued comments about the shutdown or took action. By January 25, we captured reactions from 87 companies and organizations. The following report is part of Weber Shandwick's business response series, which explores CEO and corporate reactions to challenging current and societal issues.

Of the 87 organizations that responded through January 25, 2019...

- + 53% had the head of their company (e.g., CEO, Founder, President) as lead spokesperson.
- + Responses were most commonly released by companies through Twitter (34%), media interviews (30%) and press releases (25%) and messages on the organization's website (17%).
- + The largest proportion come from the financial sector (22%), followed by nonprofits (11%), tech (9%) and hotels, restaurants & leisure (9%).
- + 37% are 2018 U.S. or Global Fortune 500 companies.
- + 64% are "new" activists who have not been vocal on [other events we have examined](#).
- + 64% took some sort of action beyond issuing a response. Examples of action include offering free/discounted products and services to furloughed government workers, offering assistance with bill payments and funding to support national parks.
- + Only one organization responded within the first week of the shutdown.

In terms of the content of the responses...

- + 48% expressed concern for government workers.
- + 34% were critical of the shutdown. 9% said this is not the way to run a government.
- + 29% specifically called for a quick end or solution to the shutdown.
- + 23% described the impact of the shutdown on their company or industry. 17% say it is bad for the economy.
- + 10% provided recommendations on developing a solution.

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INSIGHTS

- 1. Organizations can lend their voices while remaining above politics.** While this issue centered around a government event, few companies were openly critical of the shutdown and many didn't even mention politics in their responses.
- 2. Focus on the human element.** A number of organizations focused on the people immediately affected by the shutdown. About half expressed concern for the government workers who had to continue to work without pay and many more offered assistance to help ease their financial burden. Again, responses were not rooted in politics.
- 3. Some events afford the opportunity to take action.** We saw more organizations take action beyond issuing a statement than in any other event we have examined over the past few years.
- 4. It's not just the largest companies that are activists.** The majority of organizations that responded to the shutdown were not Fortune 500 companies. In this case, about a third of the smaller organizations that responded were associations, non-profits or unions, which have government ties.