[Written by Jack Stiles]

CAMPAIGN REPORT
--February 24, 1976

As we enter into the campaign "stretch" it is important that I give you an inside report on the operations, personnel and effectiveness of the President Ford Committee. After 6 months watching the trials and tribulations of your campaign organization, I would rate it a little better than a C+ on a scale from E to A. Although involving many more people than Nixon's campaign staff which lost the game in 1960, I would say it is less efficient than Leonard Hall's operation at the time; it is well below the 1968 operation level of effectiveness and amateurish compared to 1972. It has indeed improved in recent weeks, but has a long way to go. There are at least ten states at the present time with little or no P.F.C. organization. There are 7 states that don't even have a P.F.C. Chairman. Assuming the name of the game is to win, we should analyze our problems now and take those steps necessary to gear up more effectively.

Our problems begin, frankly, with the temperament, personality, and mental make-up of Bo Callaway. Although I have consistently defended him - because I don't believe in changing horses in the middle of the stream - he has these distinct faults:

a/ personal arrogance and aristocratic military manner

b/ a poor sense of priorities. He behaves as if he were the candidate and loves the limelight rather than concentrating on the mechanical problems that should concern a campaign manager.

c/ inability to sort out problems and to properly delegate decisions to others

d/ although his experience in campaigning is very limited (especially on a 50 state Presidential level) he does not ask advice from those who have experience and seldom takes the advice when offered.

As one simple example, I have been in the P. F. C. office for half the year as "Consultant". In that period of time I have been consulted twice for a total of 15 minutes. His door is always closed and he is too busy to speak to the rank and file even in the morning when he passes into his private office. There are those in the office he has never deigned a "good morning" and a number who have never met him.

This is rotten for morale and, to my mind, is a poor way to give leadership to a campaign. He has never learned to recognize that troops are human too. Having known you for forty years this is absolutely the opposite of you.

How this is to be solved I don't know. I ask myself if a heart-to-heart talk would help? If not, we have to seek some other solution.

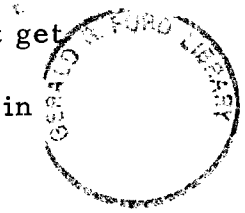
"Layering"

Because of Bo's deficiencies, he has tried to beef up the organization by "layering". Between himself and the troops he has set up at least three lieutenants of dubious qualifications - Mimi Austin, Bob Marik and now, Ed DeBolt.

He has not really delegated anything to them, but has simply set them up as "gophers". I don't think that either Mimi Austin or Bob Marik has leadership or decision making talents. Marik has been there weeks at a high salary (probably twice mine) and hasn't made one effective decision yet. He is the joke of the office. I think he should be fired or sent back to some bureaucracy from whence he came. I will reserve judgment on Ed DeBolt. He has only been on board 10 days. However, if Bo restricts his decision making authority, he too will be rendered useless and will represent nothing more than another "layer" of useless baggage at a high salary.

Stu Spencer, Skip Watts and Ed Terrill

Stu Spencer is a "doer". He is great at making field decisions and fighting brush fires. He is not an overall planner. He puts out one fire at a time. As we get further into the heat of the campaign this will become a problem. He cannot rush to every fire and keep the station house operating at the same time. He likes to function as a "loner" or with his own tight-knit team. That's OK for fighting brush fires, but in the meantime the overall planning will not get done. When we come to the month of May with 16 Primaries in one month, it will be chaos.

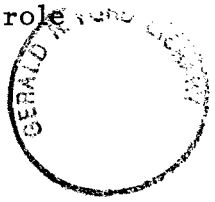


If Bo will delegate sufficient authority to one competent person compatible with Stu Spencer to tend the fire station (this may be Ed DeBolt - I haven't yet had a chance to size him up) we may be able to solve some of our problems.

Skip Watts is compatible and fits the Stu Spencer mold. He, too, is a fire fighter. However, he tends to keep his moves secret and does not ask anyone's advice.

A very few people in the office know what's going on in Florida. It is all a big secret and as a result none of us outside of Stu and Skip have any significant input into what is going on in the field. We cannot function very effectively as "support troops" if we don't know what's going in the front line.

When Bruce Ladd (field coordinator for the five Great Lakes States) was let go on February 1, I offered to shepherd those States which I know well until a new man was hired. I managed to keep track of progress in those States by Watts line because I know the leaders there, but I was given no authority to act. Meanwhile we lost 3 weeks time while Stu and Skip fought fires in Florida and New Hampshire. It is too bad, but I seem to be regarded as an old man who doesn't know much but is a friend of the President who must be kept on the payroll and tolerated. I naturally don't like playing this role. I have had less responsibility in 1976 with the Ford campaign than I had in 1960 with the Nixon campaign. Obviously I will play any role



you chose but I would have thought my performance record since 1948 would have justified a little more authority.

Ed Terrill

As you know, Ed Terrill is a single minded, spunky Scotch terrier. He has been given supervision of some tough states and he is going after them with know-how, tenacity and purpose. However, Ed's plight is somewhat like others. Bo only half-listens to him and he is not given either the tools or backing to do his job.

Ed now has all the big eastern States, the plains States, and supposedly supervision below the Mason-Dixon line. To accomplish this he has one fieldman, namely Dave Owens from Kansas. This is an utter absurdity. Although we all have a high regard for Ed's initiative he will get buried in details and frustrations if this is not straightened out.

Staff Unbalance

This brings up the important subject of Staff unbalance. The battle is to be won in the field -- not at 1828 "L" Street. We are so "over-layered" with unproductive headquarters personnel who know nothing about politics, the ship is likely to capsize from over-burden. A job analysis should be made of every department and the balance of resources shifted to the field. Ed needs help - NOW!

Planning for the General Campaign

Months ago I mentioned the need to plan in detail the structure of the

general campaign after August 20, 1976. At that time we will have 20 million dollars from federal funds to spend in less than 75 days! You told me it was your understanding someone was drawing up a plan for this purpose. I have repeatedly made inquiries and found no such plan being put together.

This will lead to chaos after the convention. I saw this happen to Nixon in 1960, and it could happen to us in 1976.

After the nomination battle, which I fully expect will go to the wire in Kansas City, we must be prepared to move immediately into a hard hitting general campaign without hitches in staff work. As of now, we have no plans. They must be made in detail now.

Summary and Suggested Actions

1/ A heart-to-heart talk with Callaway about his role, sense of priorities and delegation of authority

2/ Demand to know precisely where we stand in every state. Ask about Delaware, Kentucky, Louisiana, Maryland, New Jersey, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia

   a/ Why do we have states with no Chairmen?

   b/ Why do we have states with little or no organization?

   c/ Ask for state by state lists of PFC County Chairmen

   d/ Ask for an accounting of each state below the Mason-Dixon line (Bo's territory; can he deliver Georgia, Alabama, Mississippi, Louisiana? I doubt it)

3/ Demand an accounting of who's in charge of which state (including specific names of field men) and judge for yourself what the status is of this set-up. It should be established in 7 days to your satisfaction, there is no time to waste.

4/ Get rid of over-layered personnel or replace them with someone competent. We have too much unproductive baggage at 1828 L Street.

5/ Give someone 30 days to come up with a plan for the general campaign in September and October. It may be inadequate but at least it is a plan to dissect and re-structure.

Nelson Rockefeller said to me recently: "The President will win in November not because of the campaigning but because on his own merits he deserves to win". I couldn't agree with him more, but there's no sense in adding to the task.