



## Help wanted

With more than 45,000 employees in the United States and almost 22,000 more worldwide, Koch companies employ a large number of people.

Koch paychecks can also be sizeable.

Last year, Koch's U.S. employees earned an average of 34 percent more in total compensation and benefits than the average U.S. employee (according to statistics provided by the U.S. Department of Commerce).

At Koch, total compensation varies depending on the amount of value created by each role and the benefits choices of each employee.

But the good news here is clear: Koch companies offer good, high-paying jobs – and lots of them – at a time when job creation has become a global concern.

### We're hiring

Koch companies are eager to hire thousands of great new employees.

According to Koch HR, as of April 1, there were more than 2,500 open positions across all of Koch Industries.

For some Koch companies, such as Koch Fertilizer, Koch Chemical Technology Group and Koch Pipeline, more than half of all open positions are new roles that have been created due to growth.

Having several years of job experience is not always a necessity.

"Here at Georgia-Pacific, we have at least 100 to 150 entry-level positions for college graduates this year," said Wanda Bowman, senior HR director for GP.

"More than half of those roles are for engineers, but we also have lots of openings in accounting and human resources."

Dale Gibbens, KII's vice president for corporate HR, sees enormous value in hiring college recruits.

"Many of our current business leaders, including at least five presidents of Koch companies, came to us straight out of college," Gibbens said.

In Wichita, home of Koch's corporate headquarters, the company recently held a job fair targeting IT workers.

"We have more than 50 IT positions to fill within Koch companies," said Jeff Morris, talent development director for Koch Industries.

"Not all of those roles are here in Wichita. We also have several openings in Atlanta and elsewhere."

In addition to jobs such as these in the U.S., Dale Gibbens estimates there are close to 200 job openings at more than 40 international locations.

"Koch Industries definitely has a global presence," Gibbens said.

### Where to start

Job postings for all Koch companies are listed at [www.kochcareers.com](http://www.kochcareers.com), a website that also has links to Georgia-Pacific and INVISTA job sites.

"Hot opportunities" – such as recent openings in engineering, IT, accounting

and human resources – are highlighted on the home page.

Visitors to the site will also find information about Koch's culture, community involvement, management philosophy and benefits.

For those seeking global opportunities, the site has an interactive map showing Koch locations worldwide.

**U.S. employees of Koch companies earn 34 percent more in total compensation and benefits than the average U.S. worker.**

*Sources: U.S. Department of Commerce and Harrah Analytics*

INVISTA, for example, has job openings posted in most of the 20 countries in which it operates.

### Getting the job

"When we consider a candidate for a job with Koch," Gibbens explained, "we don't just look for the knowledge and skills required for the job.

"We also spend a lot of time trying to determine whether or not a candidate will be a good cultural fit.

"We want people who are not only talented, energetic and knowledgeable, but who share our core values, including integrity, humility and a real desire to create value in a principled way.

"If you've got that combination, opportunity is knocking."

[www.kochcareers.com](http://www.kochcareers.com)

# Postal Pipeline

I am a student at Georgia Southern University and recently started my internship at the Savannah River Mill for Georgia-Pacific. I have one degree in civil engineering and am working on a second in mechanical engineering.

After a month of working and learning about Georgia-Pacific and Koch Industries, I wanted to express how much I love my job and how surprised I am to find a company that so closely aligns with my own beliefs and thought processes.

I feel confident that I can continue to grow and learn about myself and about engineering – just as I have since childhood – within a company that encourages this.

In turn, hopefully I can create much value for Georgia-Pacific, myself and, ultimately, society.

**Christopher Morris**  
Reliability engineering co-op  
Georgia-Pacific, Savannah River Mill  
Savannah, Ga.



Georgia-Pacific's Leaf River (above) and Brunswick pulp mills were the first GP assets purchased by Koch in 2004.

Thank you so much for choosing me as a recipient of a Fred and Mary Koch scholarship this year.

I grew up on the Beaverhead ranch and am very grateful that I had the chance to live in such a wonderful place.

After I graduate from Oral Roberts University in 2014, I hope to get my M.F.A. in directing from New York University.

This scholarship has helped keep me in school, studying what I love, and I am grateful for it.

**Katherine Korpi**  
Dillon, Mont.



It is with deep appreciation that I thank you on behalf of the Wichita Symphony Orchestra for enabling us to bring "Time For Three" as part of our pops concert schedule.

Your generosity and vision helped us reach almost 11,000 children along with great concerts over the weekend.

This kind of support is vital for Wichita to thrive.

**Daniel Hege**  
Music director and conductor  
Wichita Symphony Orchestra  
Wichita, Kan.

On behalf of all of us at the Council for Economic Education, thank you for your generous gift in support of the CEE teacher luncheon in Kansas City on January 31.

Thanks to your support, we will continue to train over 55,000 teachers a year, enabling them to effectively teach economics and personal finance to K-12 students.

At a time when many good causes compete for scarce resources, we truly appreciate your valuable commitment.

**Nan Morrison**  
President and CEO  
Council for Economic Education  
New York, N.Y.



To "like" and follow Koch companies and leaders – including Georgia-Pacific, INVISTA, Flint Hills Resources, Matador Cattle Co. and Charles Koch – visit [Koch Industries' Facebook page](#).



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**On the cover** - Koch Pipeline helped sponsor a national pipeline safety message during the March 18 NASCAR race at Bristol Motor Speedway in Tennessee.

The No.16 3M Ford Fusion driven by Greg Biffle (who won the pole position for that Sprint Cup race) displayed an 811 decal promoting the "Call before you dig" safety program.

"Safety is key for me and not just on race days," Biffle said to a national TV audience. "Calling 811 is one more way to keep yourself and those around you safe."

**Bristol Motor Speedway** - Dave Stelcher and Kim Woldengen from Koch Pipeline's northern operations group before the March 18 race.



## Discovery

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**Rozenburg** - This INVISTA site will be producing nylon salt by the end of the year.

**Shanghai** - INVISTA is moving forward with plans for an all-new nylon intermediates plant.

**Geneva** - KS&T continues to broaden its range of offerings. It now has a truly global gas trading business.

**Netherlands** – For years, the INVISTA Intermediates’ plant in Rozenburg has produced nylon polymers for use in plastics and fibers. One thing the plant has never produced, however, is nylon salt.

Nylon salt is a vital building block for many of INVISTA’s most popular products. After being polymerized, it can be used to make car parts and tires, air bags, carpeting and a wide variety of sportswear and intimate apparel.

Nylon salt is made by combining adipic acid and a chemical intermediate called HMD. INVISTA’s facilities in Texas make both of these raw materials, but the Rozenburg facility lacks the ability to combine them.

That will change when the construction of a new nylon salt plant at Rozenburg is completed later this year.

Kurt Burmeister, executive vice president of INVISTA engineering polymers, sees several benefits from this investment.

“By producing salt within our own plant, we can reduce manufacturing fees as well as freight costs.

“The plant will help enhance INVISTA’s already-integrated global nylon facilities and will help us grow our engineering polymers segment.”

Burmeister noted how this investment underscores INVISTA’s commitment to European production and to the nylon 6,6 polymer business.

If all goes as planned, INVISTA will have completed construction of the new facility and begun salt production in Rozenburg by the end of this year.

**China** – INVISTA is also moving forward with plans to build the most energy-efficient and technologically advanced nylon intermediates plant of its kind in the world.

INVISTA’s newest plant involves a massive construction effort at the Shanghai Chemical Industrial Park as well as the integration of several cutting-edge technologies.

“This is the world’s first all-new, grass-roots nylon plant in decades,” noted Jeff Gentry, INVISTA’s chairman and CEO.

INVISTA recently signed contracts to secure land for the project and expects to break ground next year. Construction should be complete in late 2014, with production commencing in 2015.

“We had planned to move forward with this project several years ago, but the global economic slowdown – which depressed demand for nylon 6,6 fiber – made us pause and reconsider,” Gentry said.

“That delay was actually good news,” said Warren Primeaux, president of INVISTA Intermediates, “because it gave us a chance to make significant advances in our technology. We can now incorporate those advances in this new plant.”

INVISTA is already the world’s largest producer of nylon 6,6 polymer and the only spandex producer with facilities in Asia, Europe and North and South America.

Most of the Shanghai plant’s production is earmarked for Asia, which has exhibited strong demand for INVISTA products. China, for example, now consumes more spandex fiber than any other nation.

**Switzerland** – Koch companies have traded dozens of commodities over the years, ranging from weather derivatives and waterborne freight to precious metals and pork bellies.

So it may come as a surprise to learn that Koch Supply & Trading Sarl only recently announced it has launched a global gas trading business with a focus on natural gas, liquefied gas and related commodities.

This effort is led by Stephen Cornish, who recently joined the KS&T office in Geneva, Switzerland.

“Back in the 1990s, in the days of our Entergy-Koch joint venture, we traded a lot of domestic natural gas from our Houston office,” recalled Steve Mawer, president of KS&T. “We’ve also traded natural gas in the U.K.

”But we were never really involved in the European gas market. That’s because European Union regulations favored a very small number of very large traders in that business.”

Mawer points to recent structural changes as the reason for KS&T’s new involvement in global gas trading.

“E.U. deregulation over the past couple of years has made it possible for smaller, more nimble traders – like us – to enter the market and create value for clients.”

It has also made it possible for KS&T to trade gas on a more global scale.

“We believe this entry into international gas markets is good news for gas producers and customers alike,” said Cornish.

“This is a very exciting venture for us.”

# Award-winning performance

Since January 2009, Koch companies have earned a total of 459 local, state and national awards for safety, environmental excellence, community stewardship, innovation and customer service.

Given the broad diversity of Koch enterprises – ranging from toilet tissue production and wine filtration to ranching and refining – the array of operational challenges facing Koch is substantial.

Even so, Koch company employees have done an exemplary job of operating safely, remaining compliant, improving environmental performance and meeting customer needs.

As Jim Mahoney, KII's executive vice president for operations excellence and compliance has noted: "It's easy to say that you are committed to excellence.



Koch's Matador Cattle Company operates award-winning ranches in Texas, Kansas and Montana.

"But the facts demonstrate that our employees have many, many accomplishments they can be very proud of when it comes to actual performance.

"We're not just talking about operational excellence. We're demonstrating it."

Here are the stories behind just a few of those 459 awards.

## Land stewardship

Last fall, the Matador Ranch in West Texas was honored with a prestigious regional Environmental Stewardship Award.

That award was sponsored by the U.S. Department of Agriculture's Natural Resources Conservation Service, U.S. Fish and Wildlife, Dow AgroSciences

and the National Cattlemen's Beef Association.

The Matador was also one of five finalists for the national version of that award.

Matador Ranch has become a model for sustainable ranching techniques that actually improve the environmental quality of the land while supporting an average of 2,500 cattle.

Koch's Beaverhead Ranch in Montana is also an environmental award-winner. It has earned Wildlife Habitat Certification for natural resources stewardship.

The Beaverhead, which covers more than 300,000 acres in southwestern Montana, was the first ranch in the nation to be honored with that certification. It was recertified in 2010.

The Beaverhead Ranch has also been honored by the Montana Preservation Alliance for maintaining the historical integrity of its many ranch buildings, including a log barn dating back to the 1860s.

Together with Spring Creek Ranch, the original Koch ranch located in the Flint Hills of Kansas, all three Koch ranches have achieved one of the best safety records in the industry.

## MBM® Guiding Principle #2: Compliance

Strive for 10,000 percent compliance, with 100 percent of employees fully complying 100 percent of the time. Ensure excellence in environmental, safety and all other areas of compliance. Stop, think and ask.

Combined, they total about 440,000 managed acres and support more than 15,000 head of cattle.

Similarly, Georgia-Pacific has received the Two Chiefs' Award from the Siuslaw Stewardship Group for innovative forest



For the second year in a row, KPL has won API's highest safety and environmental awards.

and watershed restoration along the Oregon coast.

That award was presented to GP last year by the U.S. Forest Service and the Natural Resources Conservation Service.

The Siuslaw National Forest, southwest of Portland, has benefitted from an active cooperation between local organizations and individuals concerned about environmental management.

Corporate winners of this award are rare. Of the 23 organizations given the Two Chiefs' Award last year, Georgia-Pacific's West wood and fiber operations group, based in Philomath, Ore., was one of only two corporate winners.

## Safety first

According to the Association of American Railroads there are nearly half a million freight cars transporting billions

of pounds of products along more than 160,000 miles of U.S. track every year.

Many of those products are hazardous materials, such as industrial chemicals, that require special handling and a

particular attention to safety.

Last year, INVISTA was one of only three companies in North America to earn the highest award for safe shipping practices from the Association of American railroads.



The Grand Slam Award, given to INVISTA last summer, was presented on behalf of the association's Hazardous Materials Committee and its Non-Accident Release Reduction Task Force.

The incident-free rail transport of hazardous materials throughout all of 2010 reflects well on hundreds of INVISTA employees at locations in the U.S and Canada.

INVISTA employees in Wilmington, N.C.; Mait-

land, Ontario; and Victoria, LaPorte and Orange, Texas, gained the attention of four major railroads, all of whom honored the company for transportation safety.

The Canadian National Railroad recognized INVISTA for handling dangerous goods carefully and judiciously, and for respecting high safety standards.

Norfolk Southern Corporation recognized INVISTA for shipping more than 1,000 carloads of hazardous material over the railroad's 22-state network without incident for the year.

CSX Transportation recognized INVISTA for shipping 600 or more railcars safely with no releases attributed to loading or unloading processes.

And Union Pacific recognized INVISTA for implementing successful prevention and corrective plans, and achieving a rate of zero non-accident releases for shipments of regulated hazardous materials.

On April 12 this year, Union Pacific honored Flint Hills Resources, Georgia-



Georgia-Pacific, which has several facilities in Oregon, won a Two Chiefs' Award for its forest and watershed restoration efforts there.

Pacific Chemicals and Koch Sulfur Products Company with Pinnacle Awards for chemical transportation safety.

To receive the award, these companies had to successfully implement prevention and corrective plans, and achieve a rate of zero non-accident releases for regulated hazardous materials shipments.

"Chemical transportation safety is critical," said Diane Duren, Union Pacific's vice president and general manager for chemicals.

"This is Union Pacific's opportunity to acknowledge and thank our customers for their continuing efforts to eliminate chemical releases from rail cars."

The safe transportation of products via pipelines has also resulted in prestigious awards for Koch Pipeline Company, L.P.

Last year, the American Petroleum Institute's highest safety awards, the Distinguished Award for Outstanding Safety and Environmental Performance, were presented to Koch Pipeline.

Koch Pipeline, which operates more than 4,000 miles of pipeline, has an enviable safety performance record. Its employees recently celebrated 10 consecutive years without any safety incidents that resulted in time away from work.

But the good news doesn't stop there.

On April 9, API announced that it was once again honoring Koch Pipeline for outstanding performance.

For the second year in a row, KPL earned the Large Operator API Distinguished Safety and Environmental Awards. KPL was the only award-winner in the large operator category.

### Far and wide

Awards like these have become the norm across all of Koch Industries.

Last year alone, Koch companies won a record 121 awards, ranging from Energy Star certification from the U.S. Environmental Protection



Wichita - The U.S. EPA has recognized Koch's headquarters building as one of the most energy-efficient in the nation.

Agency to the Corporate Excellence Award from the American Red Cross.

The number of VPP Star certifications earned by Koch company sites from the U.S. Occupational Safety and Health Administration now totals almost 100, making Koch the second-most awarded corporation in the U.S.

"We have so many employees doing such a great job at so many sites," Jim Mahoney said. "That's a real testament to the ability of our employees."

"The fact that we are absolutely committed to compliance excellence is a big factor in these great results. I credit our MBM® Guiding Principles with helping us get to this point."

"Charles Koch often reminds us we should always be driving creative destruction.

"We do that by replacing old and inferior ways of doing things with new and better ways of doing things."

Mahoney adds: "No matter how good we are we cannot sit on our laurels."

"For us, operational excellence is a journey, not a destination."

# Turning up the heat

Ten months after acquiring Hamworthy Combustion, John Zink has become the largest company within Koch Chemical Technology Group (as measured by number of employees and total revenues).

Hamworthy, which makes industrial burners, flares, thermal oxidizers and boiler burners is the latest in a long line of major acquisitions by the group since John Zink became a KCTG company in 1989.

That list includes McGill (1992), Todd Combustion (1999), Gordon-Piatt (2000), Kaldair (2001), KEU GmbH (2005) and Coen (2007).

What made Hamworthy so attractive?

To Jim Goodman, the president of John Zink, the appeal was two-fold: technology and location.

“We picked up several new technologies from Hamworthy,” Goodman said, “as well as some expanded product lines.

“John Zink was already very international, but Hamworthy brought strength in areas where we didn’t have much of a presence.”

Thanks to Hamworthy, “we have added major facilities in Poole, England, and Milan, Italy, and strengthened our presence in Asia, most notably South Korea.”

Goodman sees many similarities between John Zink’s acquisition of Hamworthy Combustion and Koch Engineering’s acquisition of Glitsch in 1997.

“Like Glitsch, this acquisition makes John Zink a more complete company with more and better options for customers.”

## Asian LNG Boom

John Zink is currently executing the largest project in its history, which involves providing flare equipment for one of the world’s largest natural gas projects.

**“We want to be the world leader in combustion and pollution control technology.”** - Bob DiFulgentiz, KCTG president

The Gorgon Project involves moving natural gas from a sub-sea field 130 kilometers (about 81 miles) off the northwest shore of Australia to a coastal plant where it will be processed into liquefied natural gas, then loaded onto ships.

In addition to this project, John Zink is providing flare equipment for other plants that are being developed around Australia to satisfy the vast demand for cost-effective energy in the Chinese and Japanese markets.

The acquisition of Hamworthy is providing another opportunity to profit from the Asian LNG boom, through sales of Hamworthy’s boiler burner and gas recovery systems designed for use on LNG carriers.

Hamworthy is a premier supplier of these items that are in high demand among shipbuilders trying to keep pace with the demand for LNG carriers to transport product to northern Asia.

Elsewhere, John Zink has also signed agreements to produce thermal oxidizers and vapor recovery systems for substantial projects around the globe.

“Some of these orders,” Goodman said, “are four or five times bigger than what we considered big 10 years ago.” All of this activity is leading to some serious job creation.

“We have at least 50 new positions we need to fill right away.” Those jobs range from engineers and designers to welders and other shop roles.

## The future

“Our overall plan is to integrate John Zink and Hamworthy into one entity,” said Bob DiFulgentiz, KCTG president.

“We will absolutely retain the Hamworthy brand in areas where it is preferred, and of course we’re investing in Hamworthy’s very promising marine boiler burner business.

“But we are also going to rationalize products and evaluate performance and costs across both businesses.

“Our goal is to come up with a product portfolio that adds the most value for our customers and creates optimal efficiency for us,” DiFulgentiz said.

That’s exactly the kind of strategy that has enabled John Zink to grow tenfold in recent years.

“Although we have already made quite a few acquisitions,” DiFulgentiz said, “we see plenty of opportunities to acquire other companies, especially in business segments where we don’t currently operate.”

[www.johnzink.com](http://www.johnzink.com)



John Zink’s Tulsa R&D facility (above) is a world leader in the development of combustion technology.



Hamworthy’s AMOXsafe® gas combustion units (below) have been installed on more than 60 LNG tankers.





## Noteworthy

### Throw Them All Out – by Peter Schweizer

Between 2004 and 2006, the net worth of the average American increased 20 percent. During that same time period, members of Congress averaged an 84 percent increase.

When the recession hit in 2009, Americans saw their net worth drop an average of 22 percent. But the net worth of Congress actually increased 6 percent, on average.

How is it that so many Congressmen come to Washington D.C. with meager or middle incomes and so often retire rich?

Schweizer, a fellow at Stanford's University's Hoover Institution, offers a straightforward answer: cronyism.

For years, he writes, politicians have been allowed to use insider trading, sweetheart deals and the threat of unfavorable legislation to get what they want.

This problem transcends political parties. Democrats and Republicans alike try to game the system to their own personal benefit.

"Political entrepreneurs," Schweizer writes, are eager to go along with this game. They "make their money from government subsidies, guaranteed loans, grants and set-asides."

To break this cycle, Schweizer suggests we start "simply by applying the rules that the politicians expect us to abide by."

He recommends disallowing "sweetheart" IPOs, applying whistleblower laws and prohibiting campaign contributions when Congress is in session.

"If you want to get rich," Schweiber concludes, "do it the legitimate way. Go out and produce a useful good or service that you have a right to sell."

Too True

"I want taxes to be less, that the people may have more."

– Calvin Coolidge



Akaushi cattle were introduced to Koch ranches in 2010.



Fred Koch bought his first ranch, Spring Creek, on Dec. 2, 1941.

## Reinventing ranching

Ranching is a very traditional business, and those traditions can be appealing.

But that doesn't mean Koch's ranches are immune from creative destruction, or from the need to embrace change.

"We're just like every other Koch business when it comes to applying Market-Based Management<sup>®</sup>," said Randy Lair, president of the Matador Cattle Company.

"We're always looking for ways to improve and create greater value."

### Prime time

Not all cattle are created equal. Some breeds are much better than others for yielding higher-quality beef.

The U.S. Department of Agriculture inspects and grades beef according to its marbling and other factors. (Marbling is usually an excellent indicator of flavor and tenderness.)

On average, less than 3 percent of beef is graded prime. Choice, the next-highest grade, accounts for just over half. The rest is select, the lowest retail grade.

In the 1980s, Koch ranches switched from white-faced Herefords to an Angus-Hereford cross-breed in hopes of improving the yield of higher-grade beef.

"Those cattle averaged about 1 or 2 percent prime and 65 or 70 percent choice," Lair said, "which was a nice improvement."

But when Akaushi cattle, a Japanese breed, were introduced to Spring Creek Ranch in 2010, what used to seem "nice" began to pale in comparison.

"On average, over 80 percent of the beef from full-blood Akaushi cattle is graded

prime. And our half-blood Akaushi calves grade about 30 to 40 percent prime, with almost all of the rest choice.

"We view Akaushi as a form of creative destruction, because we can improve our margins by 15 to 30 percent for very little additional cost to our operation," Lair said.

"Plus, we have mitigated many of the risks of converting our herd by working with Heartbrand<sup>®</sup> Beef." Akaushi beef from Koch's ranches is sold through an exclusive agreement with HeartBrand.

On May 3, employees at Georgia-Pacific's Atlanta headquarters will get to sample

Akaushi brisket, burgers and hot dogs in the GP Center's café.

"Akaushi is the best beef I've ever tasted!"

– Charles Koch

"If that event is as popular as the

Akaushi tasting in Wichita last August," Lair said with a chuckle, "there will be a line out the door to Peachtree Plaza."

### Living legacy

The popularity of Akaushi beef is just one measure of success for Koch's ranch hands.

"We've already improved the value of Koch property through award-winning environmental practices and good stewardship of the land," Lair said. "But the work doesn't end there."

"For all of us at Matador Cattle Company, these ranches are not just a business, they're also a part of Fred Koch's legacy.

"For as long as we run these ranches, we want to sustain his passion for the land."

[www.heartbrandbeef.com](http://www.heartbrandbeef.com)

How would you feel if someone repeatedly phoned you at work and left a message accusing you of eating boiled babies for breakfast?

What if you were a cancer survivor and reporters said you were willfully promoting activities that will cause more cancer?

Would you laugh it off as absurd, or be so angry you'd sue whoever spread such lies?

During the past few years, our political opponents and their allies have launched a series of coordinated and sustained attacks like these against Koch Industries, Koch companies and the Koch family.

They have also attempted to compromise our IT systems, intimidate employees and drive away customers and supporters.

There have even been death threats against our shareholders and threats of physical attacks against our facilities.

It's gotten so bad that a partisan fundraiser, guest-hosting on MSNBC, falsely suggested that Koch was responsible for the tragic shooting death of teenager Trayvon Martin.

As a company, we believe in the importance of truth and integrity. That's why we want to make sure you

understand what's really happening with these ridiculous and inaccurate attacks.

## Keystone XL pipeline

Plenty of critics have asserted that Koch is "behind" the Keystone XL pipeline project delayed by President Obama.

In reality, Koch has no financial stake in that system, is not building it, will not operate it or even be a customer.

But because a Koch company filed as an "intervener" with an "interest" in a Canadian regulatory proceeding 3 years ago, critics say this proves Koch is involved.

They conveniently ignore the fact that many other non-investors – including Sierra Club Canada, other energy companies and the Alberta Federation of Labour – also filed as intervenors.

Tellingly, the Canadian regulator's 168-page final decision never mentioned Koch.

## Free Wisconsin

Koch has also been falsely accused of wanting to buy state-owned power plants in Wisconsin without a bidding process.

This nonsense began when Wisconsin passed legislation that said the state "may sell any state-owned heating, cooling, and power plant or may contract with a private entity for the operation of any such plant, with or without solicitation of bids."

After national political and activist groups descended on Wisconsin in February 2011, they began falsely inserting Koch into the story line.

Based on those false statements, those who suspect a Koch conspiracy is hiding behind every tree jumped to the conclusion that Koch would somehow be given a sweetheart deal to acquire the plants.

In reality, Koch has zero interest in any publicly owned power plants in Wisconsin.

Not only do those plants not fit with Koch's current business interests or plans, they are – by and large – woefully obsolete. It appears that many of them are also troubled with environmental issues.

To-date, only locally-owned entities have shown an interest in these plants.

Meanwhile, Koch companies directly employ nearly 2,900 people in Wisconsin and indirectly support another 7,700.

Those jobs are worth more than half a billion dollars in annual payroll and benefits for the Badger State during these tough economic times.

## White House misinformation

Two years ago, Austan Goolsbee, then the President's chief economic advisor, falsely stated that Koch companies pay no taxes. His comments prompted a federal investigation of Goolsbee for possible violation of federal criminal law.

After these false comments were scrutinized, the administration had to admit that there was no factual basis for Goolsbee's statements.

In January, the very first TV ad of President Obama's re-election campaign began with the words: "Secretive oil billionaires attacking President Obama."

The *New York Times* called this "a shot at the Koch brothers," while the *Washington Post* gave the Obama ad "Three Pinocchios" for its many factual inaccuracies.

Recent fundraising letters for the President have accused Koch of "jacking up prices at the pump," even though Koch produces negligible amounts of crude oil and owns no gas stations.

Those same fundraising letters accuse Koch of trying "to destroy President Obama." This confuses honest disagreement over policies with the politics of personal destruction.

For decades, Koch and its owners have opposed policies that are inconsistent with free-market principles, regardless of which political party was in power.

It is an abuse of the President's position to criticize private citizens for engaging in their constitutional right to free speech.

## What to do

Sadly, we expect to see even more of these distortions, misrepresentations and outright lies in the months ahead.

But with your help, we can make sure people know the truth about our company, our guiding principles, particularly Principles 1 and 2, and our desire to build a better society for everyone – not just the favored few.

Make it a point to share the truth with your friends and family. Encourage them to visit [kochfacts.com](http://kochfacts.com) whenever they hear some outrageous "news" story attacking your company.

And never forget that those critics who are willing to smear or undermine Koch companies are, in effect, putting more than 185,000 Koch-supported jobs in the United States at risk.

[www.kochfacts.com](http://www.kochfacts.com)

