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Heather Podesta, The Insider's Insider

Social Connections, Political Savvy and Boundless Energy Have Made Heather Podesta The It Girl of a New Generation Of Lobbyists

By Manuel Roig-Franzia
Washington Post Staff Writer
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The chairman beams.

So many people *just dying* to see him, the business guys, the pols, the lobbyists -- lots and lots of lobbyists. They circle Charlie Rangel -- birthday boy, Democrat and, of course, House Ways and Means chairman -- circles like rings on a tree planted in the party room here at Tavern on the Green. Simple math: the more powerful the pol, the more rings on the tree. This is a very thick tree.

Not a problem, though, for Heather Podesta.

"It's like doing the tango!" she says, all smiles yet all business.

The lobbyist tango: She glides right in her red D&G heels and her periwinkle stockings, cutting through the outer rings with a smile here, a kiss-kiss there, a "Great to see you!" or two. Some guy yells out: "The most beautiful woman in the world!" She doesn't blush, and she doesn't linger. She wriggles left, gets blocked, reverses direction, gets blocked again, reverses direction again. She's in.

"Great party!" Podesta tells the chairman.

"Isn't it wonderful?" Rangel gushes back.


The chairman pecks the lobbyist's cheek, and they're done. Thirty seconds of face time. Mission accomplished.

"Doesn't get any better than that," Podesta says, amused by the surreal nature of the ritual she has mastered. "A kiss from the chairman."

And so it goes, in Heather's World. On this particular muggy night in Central Park, she's electrically caffeinated after taking the red-eye from Las Vegas the night before (Senate Majority Leader Harry Reid's energy summit) and she'll be turning around and flying west again in a couple of days (Speaker of the House Nancy Pelosi's donor shindig in Napa wine country). It may be summer recess, but this is not a time to rest. This is a time to go full-bore. This is a time like nothing we've seen for a long, long time.

We've had the Summer of Love. We've had the Summer of the Shark.

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Now, get ready for the Summer of the Lobbyist.

In a glum economy, the lobbying business feels kind of bubbly. Every new Obama proposal comes with acres of fine print for corporate powers, interests groups and lobbyists to haggle over, profitably. Three gargantuan legislative challenges -- health care, the environment, the economy -- crisscrossing at once on Capitol Hill. Major health-care interests alone are spending \$1.4 million this year lobbying Congress . . . *per day*, according to Common Cause, a government watchdog group. A lobbyist's delight created, ironically, by the let's-solve-all-our-problems-RIGHT-NOW approach of a president who pooh-poohed the excesses of lobbyists.

"This is a very good time to be a Democratic lobbyist . . . it's incredibly exciting to be able to engage with Democrats and really see things happen," Podesta says one afternoon at her office in one of those cool, restored red-brick buildings on E Street. "It's always a good time to be Heather Podesta."

There are more than 12,500 registered lobbyists -- about 23 for every member of Congress, [according to](#) the Center for Responsive Politics -- and some are getting richer while others stagnate or even dip a bit because of all of this pesky recession talk. But those who operate at the confluence of this summer's big three legislative streams are happiest of all.

Podesta is right there in the eddy, an It Girl in a new generation of young, highly connected, built-for-the-Obama-era lobbyists. She gets an undeniable boost from a famous name -- she is the sister-in-law of John Podesta, the insider's insider who was Bill Clinton's White House chief of staff *and* Obama's transition director, and the wife of über-lobbyist Tony Podesta. Heather and Tony run his-and-hers lobbying shops. His grew a staggering 57 percent in the first six months of this year compared with the same period the year before, taking in \$11.8 million, fourth-highest among major lobbying firms. (Full disclosure: Tony Podesta has long represented The Washington Post, which paid him \$10,000 in 2009 and \$80,000 the year before, according to the Center for Responsive Politics.) Her six-person shop grew even faster, rocketing 65 percent to \$3.4 million.

The Scarlet 'L'

Few Washington lobbyists do "The Ask" with more whimsy than Heather Podesta, a leggy 39-year-old with striking streaks of silver in her black hair, a flirty style and a lawyer's eye for detail. In a sea of Washington gray, Podesta has a penchant for flamboyantly patterned dresses -- a Brazilian number featuring the image of a cassette tape one recent afternoon. She once read one of those networking manuals and she took its advice to heart: Wear interesting clothing or jewelry to spark conversations; no matter where you are, pretend you're the hostess.

This took some doing for the daughter of two academics who grew up in a Rochester, N.Y., home, far removed from A-list soirees. "There is this 12-year-old geeky girl in me who just wants to read books and have nothing to do with anyone," Podesta says. "Big glasses, jeans too short, wearing running sneakers. Total geek."

Now, it's all about hosting a luncheon for "kick-ass women" at the Pakistani Embassy and cheekily urging guests to "slip on your Birkenstocks" for a fundraiser in honor of that Senatorial Deadhead himself, Patrick Leahy of Vermont. Sometimes, she might be too cheeky, though -- Sen. Dianne Feinstein of California canceled a Podesta fundraiser in June amid the tut-tutting over an invitation sent out by Podesta that said "the prix fixe includes the Select Committee on Intelligence for the first course followed by your choice of Appropriations, Judiciary or Rules committees."

At last year's Democratic convention, Podesta wore a scarlet L to razz Obama for talking so much about curbing lobbyist enthusiasm. She rejected about a dozen mock-ups before settling on a Gothic-style letter, which became such a popular giveaway that she blew through 100 of them.

"*Everybody* was talking about it at the convention," says Podesta pal Leahy, the Senate Judiciary chairman, who says Heather is invariably "the most knowledgeable person in the room because she's done her homework."

In this Summer of the Lobbyist, Heather Podesta hits each of the big three. She's got health-care clients such as insurance giants Cigna and HealthSouth, drugmaker Eli Lilly and the breast cancer group Susan G. Komen for the Cure; financial powerhouses such as Prudential and Swiss Reinsurance Co.; and energy outfits such as Marathon Oil, the major utility Southern Co. and Climate Masters, a geothermal heating firm.

Cigna has her pushing for an employer-based health system, says the company's general counsel, Carol Petren; Eli Lilly has her bird-dogging drug regulation, especially in the "follow-on biologics" field considered promising in the fight against cancer, in hopes of "preserving incentives for innovation," says Joe Kelley, the company's vice president of government and public affairs.

There's so much work, in fact, that certain painful sacrifices are required. The couple used to escape to the beloved retreat they own in Venice 10 or 12 times a year, but "now we only maybe get there six times a year," Heather Podesta says. Leaving Washington doesn't always really mean *leaving* Washington. In Venice they've hosted, among others, Homeland Security Secretary Janet Napolitano, though she was a mere governor back then, and hung with, by Podesta's count, something like 20 members of Congress (Nevada Rep. Shelley Berkley, New York Rep. Eliot Engel, even Teddy Kennedy).

When the whole gang is back in town, there's reconnoitering to do at the Capitol. Before big votes, she does her "Heather Tour" to see who's there. Once the action starts, she's not above firing text messages at staffers and the occasional member of Congress.

"Are you with us?" she always wants to know, on behalf of her clients who get the benefit of working with a lobbyist who also happens to have raised \$2.4 million in the last cycle alone for various candidates and Democratic election committees.

Energy business to conduct? The Podestas hosted a fundraiser in June for Rep. Henry Waxman of California, chairman of the House Energy and Commerce Committee. Money matters? Fundraiser back in April for Rep. Barney Frank of Massachusetts, chairman of the House Financial Services Committee. Health care? Fundraiser in June for Reid.

A Whole Lotta Love

So does this mean they're buying friends? The Podestas have their answer down: "We mostly raise money for people who are already our friends, rather than to get to know people," Tony says. *Lots* of friends these Podestas have -- they figure they've donated to or held fundraisers for all but one or two Democratic senators. (Heather noses out even her husband -- no mean feat -- in political contributions this year, \$48,250 to \$47,750, according to federal disclosures. Together the couple has bestowed \$558,195 of love to candidates since 2004, according to CQ Moneyline.)

The Podestas are certainly not alone -- most lobbyists live with their checkbooks out. Government

watchdog groups generally rip this money-churning as blatant influence-buying. Lobbyists tend to sigh, saying it's what they have to do to survive and noting they're always getting hit up, from both near and far. Case in point: Heather Podesta was briefly introduced to a candidate for New York City comptroller at Rangel's birthday party. Within days, he's asking for some cash, even though she doesn't lobby there.

"It may look like just a social scene to people outside the process, but it's actually a lot of hard work," says Terry Straub, a client of Heather Podesta's who is a senior vice president at U.S. Steel. "You have to do that to stay well-informed and connected. She's incredibly savvy."

Savvy enough to sometimes whup her hubby in the race to sign clients.

"It takes a Podesta to take out a Podesta," Heather says one afternoon, over lunch of Mediterranean lite.

Sometimes they compete on Capitol Hill, like the time he was representing nursing homes and she was representing rehabilitation hospitals in a fight over Medicare payments. They kept the battle out of their house -- church/state separation, Tony says. In the end, Heather's side won.

The couple met -- why aren't we surprised? -- through a government connection. Dorothy Robyn, a top economic adviser to President Clinton and a self-described "amateur yenta," ran into Heather on the street one day in 2001. Through tears, Heather revealed her second marriage was kaput.

The yenta swung into action. After the opera one night, Robyn presented a list of three eligibles, with Tony Podesta -- whom Robyn had dated briefly -- at the bottom. Robyn moved him up, past "two wonky types," when Heather kept saying she just "*looooooves MEN*." Tony Podesta, Robyn decided, was sufficiently "larger-than-life" to satisfy her, even though he was more than a quarter century older.

A romance quickly blossomed, followed almost immediately by a living-together period and, in 2003, a show-stopping wedding reception, with guests the likes of Pelosi, Leahy, Massachusetts Rep. Ed Markey and New Mexico Gov. Bill Richardson. Celebrity chef Roberto Donna, of Iron Chef and Galileo fame, and Kaz Okochi, of Kaz Sushi Bistro, personally cooked for the guests.

She got the ring, but kept her name. Miller.

Married, yes, but maybe still a hottie at the Capitol, where she was a top congressional aide in her pre-lobbyist days. One afternoon, while subbing for her boss, California Rep. Bob Matsui, at a meeting, another congressman, apparently a naughty dude, was "visually undressing her," she says. She rolled her eyes to discourage him. But a Teamsters rep thought she was dissing him, and boy, did he give her bosses an earful. That is, until he learned that the aide he knew as Miller was married to a Podesta. Full stop. He backed off. Podesta power confirmed . . . which brought her, six months or so after saying, "I do," to a question: To Podesta or not to Podesta? (She had waited that long, she says, "to see if the marriage took.")

" 'There are going to be people who hate you without knowing you,' " she remembers her new husband telling her. " 'And there are going to be others who are loyal to you without knowing you.' I thought that was a lot cooler."

So did Tony.

"I'm the third husband, but this is the first time she's changed her name. That should tell you something," says Tony Podesta, now 65.

Tony, Italian bachelor that he was, came -- of course -- with a Mama: Mary Podesta, who died in 2007 after spending a chunk of her 88 years making pesto for Democratic fundraisers. "The Pesto PAC" get-togethers used to take place at Tony's home in Fairfax County, but they sold it and now party at their Woodley Park home while spending the past 2 1/2 years converting a large Kalorama home into the ultimate party pad -- its cellar will house Tony's wine collection, which runs into the thousands of bottles -- and showcase for their vast art collection. (The couple [recently donated](#) Shepard Fairey's iconic Obama "Hope" poster to the National Portrait Gallery.)

Real-estate adventures haven't slowed the gusher of Heather Podesta party e-mails. A recent invite to a lunch at Charlie Palmer's for Sen. Patty Murray of Washington came with reminders about two fundraisers the next day: breakfast for Rep. Steve Driehaus of Ohio and the ill-fated Feinstein lunch, and six more in the next five weeks.

"How do you throw all those damn fundraisers, Heather?" former Illinois congressman Marty Russo barked at Podesta at Rangel's birthday party.

"You ought to come sometime," she shot back.

On the flight up to New York (Podesta gave up her first-class seat to sit with me in steerage), she acknowledges that sometimes it's all too much.

"I have days when we're having a fundraiser at the house, and I just hit a wall and go upstairs and go to sleep," she says.

On inauguration night, Heather and Tony organized a D.C. dinner for Pennsylvania Gov. Ed Rendell. The couple is close to Rendell -- Tony was a top strategist for Rendell's 2006 reelection campaign.

The Podestas booked every table at Posto, where they are regulars, for Rendell's supporters. But the Podestas also brought a few guests of their own.

"They were not there just to celebrate the victory, but wanted to talk to me about some things," Rendell says. "Tony and Heather are always working."

Research Director Lucy Shackelford contributed to this report.

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