

Dick's Sporting Goods Shareholder Meeting Question
David W. Almasi, Vice President
The National Center for Public Policy Research, June 13, 2018

I'm David Almasi of the National Center for Public Policy Research.

After a deranged former student murdered 17 students and staff in Parkland, Florida, liberals blamed guns instead of bullying, poor policing or inadequate mental health screenings. Dick's Sporting Goods immediately engaged in corporate virtue signaling by ending sales of AR-15s, high-capacity magazines and other accessories. Dick's also no longer sells guns to people until three years after they are eligible for military service.

In addition, the company reportedly hired lobbyists to promote gun restrictions¹ even though it is literally in the business of selling guns.

Mr. Stack, you knew the risk of these political moves from the start. During your March 13 earnings call, you admitted: "There are just going to be some people who just don't shop us anymore for anything. It's only been two weeks, and we've seen a bit of a difference in the hunt business."² Addressing it again during your May 30 earnings call, you reported the company is "going to continue to be challenged through the balance of the year. We don't see a big change."

Sales are so anemic and relations with gun manufacturers such as Mossberg so poor right now that you've even indicated Dick's might get out the gun business entirely. Meanwhile, Sportsman's Warehouse reports that their gun sales and net sales were up 15% during the first quarter. That company credits consumer backlash against companies such as Dick's as partially responsible for its success.

The company is willfully giving up money. It has damaged its reputation by lending its voice and its resources to those who want to abolish the 2nd Amendment, even while the vast majority of Americans support the 2nd Amendment.³ Thirty percent of American adults own guns, and another 11 percent live with someone who does.⁴ You've now alienated them.

Let's consider what an investor with a good track record for generating return on investment said when he was asked if his company would divest from certain gun manufacturers. CNBC asked Warren Buffett about corporations distancing themselves from the National Rifle Association and gun manufacturers and how Berkshire Hathaway would respond. Buffett replied: "I don't believe in imposing my views on 370,000 employees and a million shareholders. I'm not their nanny on that... I don't think that Berkshire should say we're not going to do business with people who own guns. I think that would be ridiculous."⁵

Buffett suggested that corporations making in-the-moment political decisions are subject to the fickle nature of politics and are constantly reacting to events instead of standing on consistent principles.

So can you tell us – your investors – how you determined that it was a sound business decision to alienate millions of current and potential customers who support the 2nd Amendment and lawful use of firearms, and explain why you have this right while Warren Buffet has it wrong?

*Contact: Jenny Kefauver at (703) 842-7405 or cell (703) 850-3533 or
Jenny@jkpublicrelationsdc.com and
David W. Almasi at (703) 568-4727 or DAlmasi@nationalcenter.org
National Center for Public Policy Research
20 F Street, NW, Suite 700, Washington, DC 20001
www.nationalcenter.org • www.conservativeblog.org • @NationalCenter*

¹ <http://thehill.com/business-a-lobbying/business-a-lobbying/386162-dicks-sporting-goods-hire-lobbyists-on-gun-control>

² <http://fortune.com/2018/03/13/dicks-under-armor/>

³ <http://news.gallup.com/poll/1645/guns.aspx>

⁴ <http://www.pewsocialtrends.org/2017/06/22/the-demographics-of-gun-ownership/>

⁵ <https://www.cnbc.com/2018/02/26/buffett-slippery-slope-to-avoid-business-due-to-of-your-personal-beliefs.html>