

one staff person to attend a protest and take photographs and then announce that the group 'joined other animal advocates' for the protest. No mention is usually made of the groups who were actually responsible for funding and organizing the event.

The Coalition Hoax: Another convenient ploy is the 'coalition hoax.' Often, big groups jump at the chance to join in a coalition effort for it means a free ride: no work, but a big payoff. This trick has two forms: either they contact the grass-roots group organizing the coalition and ask to be included, or they initiate the coalition themselves and bank on grass-roots groups to do all the work. All too often, naive grass-roots activists from local groups are delighted to get the 'help' of nationally-known organizations and discover only too late that they get little help and no recognition for their efforts.

In cases where large organizations form 'coalitions' and do *not* get the support of grass-roots organizations, invariably nothing concrete ever gets done, although sometimes vast amounts of money are expended on 'studies' or 'materials.'

Cult of the Experts: The third major fund-raising strategy is to encourage the idea among grass-roots groups and activists that the most effective thing they can do to ensure the credibility and success of their campaign is to 'call in the experts,' i.e. the staff of large national organizations. Because this ploy has had such success, so-called experts and movement 'leaders' from large national groups are repeatedly put in the limelight at conferences, protests, rallies, and other events which are organized by grass-roots activists. Although they usually contribute nothing substantial to the campaign or event and do none of the work, their appearance at the microphone guarantees that their organization will receive primary billing for the event. The 'cult of the experts' is another trick whereby minimal expenditure of effort ensures maximal exposure for the organization and increased opportunities for fund-raising on other groups' efforts.

But why is the question of credit so important? For one simple, *economic* reason: if a group pours all of its limited resources into a campaign and gets no recognition for its efforts, then it receives no public support and cannot continue to work for the animals. The dishonest fund-raising tactics of large national organizations directly threaten the *very survival* of the grass-roots animal rights movement. Until the general public comes to recognize who is

doing what for animals, and begins to *rechannel* its donations into the hands of the *activists*, the grass-roots movement will remain crippled and ineffective.

Discouraging Activism

In addition to its usefulness as a credit-grabbing device, the 'cult of the experts' serves to undermine the grass-roots movement in another way. It is a means deliberately utilized by large national organizations to *discourage* activism. The big groups have an *economic stake* in convincing the public that they are *incapable* of acting on their own, but need to call in the experts. The message that repeatedly goes out from the national groups is that the organization has everything under control—*IF you send them a check today!* Rather than seeking to empower individual activists to act on their own, the national groups *actively discourage* such involvement through the cult of the experts.

The reason is simple: they know that once people start to take the initiative to act on their own, they will realize that they are capable of achieving victories for animals, and will begin to question why the large groups accomplish so little with so much. They will also begin to channel their resources into their *own* local activism rather than exporting it *out* of their local community to the national headquarters of the large organizations. Many of the large, wealthy organizations want to *keep* grass-roots activists feeling incompetent and powerless so as to sustain the maximum fund-raising capability.

How You Can Stamp Out Animal Welfare Fraud

1. Become a Critical Donor: Before you donate to a group, critically assess what the organization stands for, how it makes use of its resources, and what it has *actually accomplished* for animals in terms of those resources. Demand a financial statement with specific information on salary levels and amounts spent on fund-raising and 'membership development.' Find out if the organization uses most of its income for active campaigns or stockpiles much of it in bank accounts. Look critically at the group's fund-raising mailings. Do the contents *educate* you about animal issues and broaden your consciousness? Do they tell you *specific* things you can *do* to help relieve animal suffering? Or are they empty fund-raising appeals which waste vital resources by doing nothing more than asking you for money? Look beyond the rhetoric and glossy

pages of publications and appeals to determine whether the organization is merely *talking about* abuses or actually *stopping* abuses. Measure any achievements claimed against the financial resources the organization has available.

2. Exercise Your Donor Power: If your critical evaluation of an organization leads you to the conclusion that it does not meet the criteria for support outlined above, do not contribute to it, and explain to others who donate to animal groups why you do not contribute to it.

Don't forget that support for organizations is not limited to financial donations, but also includes the purchase of their products and the use of envelope stickers and other advertising items which promote the organization. If you conclude that the group is unworthy of your financial support, then do not support it in these other ways, either.

3. Educate Others about Animal Welfare Fraud: Use the contents of this leaflet to alert others to the crippling effect *Animal Welfare Fraud* has on the animal rights movement. Help others learn to see through the rhetoric and hype of glossy publications and to critically evaluate what an organization is *actually doing* for animals.

4. Join the Grass-Roots Movement: The most important thing that you can do to stamp out *Animal Welfare Fraud* is to join the animal rights movement. On the most elementary level, you can do that by only contributing to groups which meet the criteria of genuine commitment to animal rights outlined above, and which have a proven record of austerity and efficient use of financial resources. **Trans-Species Unlimited** suggests that you contribute to your most effective *local* group, and to one or two of the most effective *national* groups, which promote and encourage local grass-roots activism.

But it is equally important to become *actively* involved to as great an extent as your personal lifestyle permits. Find out from the local group you support what else you can do to help. If you live near one of **Trans-Species Unlimited's** offices, join the working group associated with that office. If a TSU office is not immediately accessible to you, you can still join our national network of key contact people throughout the country who play an indispensable role in helping us to implement our national campaigns in their own areas.

What you should

Know About:

ANIMAL WELFARE FRAUD

Trans-Species Unlimited
P.O. Box 1553
Williamsport, PA 17703
(717) 322-3252

HUMANEWATCH.ORG

'I do not like the seal hunt, nor do I like sealers. However, I would rather shake the bloody but honest hand of a Newfoundland sealer than grasp the greedy and dishonest hands of those who pretend to be something they are not.'

Paul F. Watson
Sea Shepherd Conservation Society

The Welfare Legacy

What is animal rights and what is animal welfare? To understand the difference, it is necessary to view the contemporary animal rights movement against the backdrop of the traditional animal welfare movement. In the latter tradition, it is only *overt cruelty* which is opposed. The assumption that it is morally acceptable to *use* animals for our own purposes is rarely if ever called into question. Moreover, although there was a brief upsurge of radical anti-vivisection activity in England at the end of the 19th century, the mainstream animal welfare movement, as it has existed for the last 100 years, has focused almost exclusively on cruelty to dogs and cats, and to a limited extent, to wildlife, while ignoring the large-scale, institutionalized abuses of laboratory and farm animals. This tradition has persisted up to the present day; the legacy which it has left us is one of hypocrisy, conservatism, and bureaucratic inertia.

Worse yet, in the last thirty years particularly, animal protection has become *big business*, and many large national animal welfare organizations are demonstrably more concerned with ensuring their own economic growth and prosperity than with liberating animals from human oppression.

The animal rights movement, as we know it today, emerged out of fundamentally different concerns. Animal rights advocates believe that it is morally wrong, not only to *wantonly abuse*, but also to *selfishly use* other animals for their own purposes. From this perspective, subjective preferential concern or affection for a particular species is entirely irrelevant to the main issue, which is one of *justice*. Just as the rights of ethnic minorities do not depend upon our subjective likes and dislikes, so the rights of animals do not depend upon our being 'animal lovers.' Hence, the animal rights movement focuses primarily upon abuses which affect the largest numbers of animals, and objects equally to *all* forms of animal exploitation. As a liberation movement whose aim is social

justice, the animal rights movement is by its very nature, activist, progressive, and conscientious in its use of financial resources.

Birth of the Movement

Despite this fundamental divergence in outlook, early animal rightists understandably looked to the established animal welfare groups for guidance in seeking an end to animal suffering and exploitation. In the early days of the movement, activists' efforts were bent toward trying to radicalize the Old Guard organizations and to enlist them in more progressive projects. Seldom was the sincerity of their concern for animals called into question, and it was widely presumed that every possible effort should be made to work with them in a spirit of cooperation and unity. In these early days, the fledgling animal rights movement had a few glorious, blazing victories which filled activists with a false sense of power and optimism.

This first stage of high hopes and naivete soon gave way to a second period of disillusionment, frustration, and anger. In this period, activists began to come to grips with the fact that victories for animals were not always so easy to achieve, particularly when the animal exploitation industries began to wake up to the fact that a movement was forming which directly threatened their livelihoods. Grass-roots activists also quickly began to feel the strain of lack of time and financial resources. Personal sacrifice began to take its toll on activists' spirits.

This second stage was the beginning of what might be called the *grass-roots struggle*. That struggle is, of course, first and foremost a struggle against the entrenched power and resources of the animal exploitation industries. But it is also an *internal* struggle, which directly affects, in the profoundest possible ways, the primary struggle against animal exploitation. The two struggles are, in fact, intimately interconnected and the success of the one will largely determine the success of the other.

The internal struggle is a struggle against *Animal Welfare Fraud*. In this second historical stage of the animal rights movement, activists ran up against the profoundly disconcerting reality of practices and policies by large national animal welfare organizations which directly threaten the very survival of the grass-roots movement. The naive optimism, openness and confidence in the sincerity of those who profess concern for animals began to be shattered by the sobering realization of the in-

sidious hypocrisy, corruption, and deceit which today *cripples* the animal rights movement.

The Current State of the Movement

The single most significant feature of the animal rights movement today is the gulf between multi-million dollar national animal welfare organizations, which have a stranglehold on the pool of public funding for animal protection, and the scores of mostly local, volunteer-based grass-roots organizations who are struggling to survive in the face of the national groups' superior fund-raising capabilities and unethical practices.

The grass-roots movement, in short, is saddled with *two* struggles: the struggle against animal exploitation and the struggle against those who exploit animal exploitation for their organizations' own perceived benefit. The single greatest challenge which the animal rights movement currently faces is accordingly to document, expose, and denounce *Animal Welfare Fraud*, to dry up the source of funding to large national organizations, and to rechannel those resources into the grass-roots movement where they will have maximum impact for the animals.

This, in turn, is only possible if the general public comes to recognize and understand *Animal Welfare Fraud* and to perceive the serious threat which it poses to the animal rights movement.

Hypocrisy and Corruption

Many animal welfare groups are themselves directly or indirectly involved in promoting animal suffering and slaughter. Although public outcry has in some cases led to a policy of divestment, until recently many large national organizations (including anti-vivisection societies) had investments in corporations directly responsible for the perpetuation of animal suffering, such as pharmaceutical companies. Some of these organizations still retain such investments.

Other organizations condone or actively promote the slaughter of 'food' animals. While advocacy of vegetarianism is a cornerstone of the animal rights movement, virtually no national animal welfare organization has taken a clear and unequivocal stand against the eating of animals, and the vast majority of these organizations' staff are meat-eaters.

There is also the question of wastage of vital resources on extravagant salaries and other frivolous amenities. The large national

organizations seem to have forgotten that this is a movement for social justice. Or rather, the grass-roots movement is a movement for social justice, while the animal welfare 'movement' is a profitable business. The presidents of the Humane Society of the U.S. and the Animal Protection Institute, for example, each earn about \$100,000 a year—more than the Vice President of the United States. How many grass-roots activists would that \$100,000 hire? The grass-roots movement is crippled by lack of full-time activists, freed from the burden of making a living. How many contributors who donate money in good faith to help the animals know that their contributions are used in part to line the pockets of corporate welfare executives?

And how many contributors know that many large animal welfare groups continue to hoard vast monetary resources which lie idle while animals continue to suffer? The Massachusetts SPCA, for example, currently has assets (i.e., money *not* used to help animals) of \$67,000,000. Meanwhile, virtually all grass-roots groups face a continual financial crisis in their efforts to meet the most immediately pressing needs of their campaigns.

Bandwagoning: Tricks of the Trade

The most serious way in which large animal welfare organizations undermine the animal rights movement, however, is through their unethical treatment of less wealthy, more progressive groups. As the public becomes increasingly impatient with the cautious and conservative tactics of the animal welfare organizations, these groups have begun to realize that they must try to be perceived by the public as involved in direct action, or they will start losing support and funding. Since the large groups have virtually no experience in outreach or mobilizing people for action, the easiest way of achieving this is by cashing in on the grass-roots groups' efforts. Here are some of the techniques which have been developed to 'bandwagon' with little legal risk:

Maximum Milking: One of the main tricks used is to get minimally involved in a campaign or event and then to milk that involvement for all it is worth. With professional fund-raising writers and advertising firms at their disposal, many large groups have learned how to reap maximum benefits from this technique, knowing full well that the general public is in no position to critically evaluate a group's real degree of involvement in an issue, particularly when the group is able to publish a glossy news story about it. Thus the group will delegate

H.S.U.S. Annual Conference

Supplementary Information Packet

*handed out by
pickets at 1988
conference*

Coalition Against Animal Welfare Fraud

P.O. Box 11514, Washington, D.C. 20008

Dear HSUS Supporter,

Welcome to the 1988 annual conference of the Humane Society of the U.S.! This packet of supplementary information is designed to acquaint you with some important facts about the HSUS of which you may be unaware.

It was prepared by the **Coalition Against Animal Welfare Fraud**, a loose network of grass-roots activists who are working to expose, document, and combat the unethical practices described in the enclosed leaflet, "What You Should Know About Animal Welfare Fraud." Such practices undermine and cripple the animal rights movement, and ultimately betray the animals whose interests we are entrusted with upholding.

The Humane Society of the U.S. is not the only organization guilty of animal welfare fraud, but in the opinion of the Coalition it is one of the most flagrant violators, and perhaps the most detrimental, in that it is depleting more donor resources than any other animal organization. Organizations such as the HSUS masquerade as part of the animal rights movement but, in fact, they are entirely outside it, and are run more like big businesses than as vehicles for the achievement of social justice for animals.

There are three principal components of animal welfare fraud: financial extravagance and corruption, hypocritical positions on the issues, and exploitation of grass-roots groups through credit-stealing and misrepresentation of campaigns. Each of these problems is explained and documented with particular reference to the HSUS in the following sections.

The Coalition believes that contributions made in good faith to animal organizations ought to be used with maximum efficiency to achieve the purpose for which they were intended: the liberation of animals from suffering and slaughter.

The Coalition believes further that organizations seeking to achieve social change and transformation of public consciousness are obligated to base their policies and positions on a clearly-defined, consistent set of ethical values, and to adhere to those values in their campaigns and educational efforts.

Finally, the Coalition believes that no meaningful social change has ever been effected without popular, grass-roots support, and that the vitality and strength of grass-roots organizations is therefore essential to the success of the animal rights movement.

On all three counts, the net impact of the HSUS (and the overwhelming majority of large national, animal welfare organizations) is, in the opinion of the Coalition, far more detrimental than beneficial to the movement, to grass-roots organizations, and to the animals themselves. The following documentation provides a brief defense of this claim with respect to the HSUS. More detailed documentation concerning the HSUS and other organizations, as well as a "Donor's Guide," based upon clear criteria of adherence to animal rights principles, is available through the Coalition.

Donors to HSUS and other large national organizations which are guilty of the practices outlined in the following pages are encouraged to rethink how their donor dollars may be best spent, and to consider rechanneling their money into the animal rights movement, where it will have maximum impact for the animals.

Financial Extravagance and Corruption

As the enclosed recent expose by nationally-syndicated columnist Jack Anderson makes clear, the Humane Society of the U.S. is not only guilty of squandering vast financial resources on astronomical salaries for its top executives, but attempted to conceal the actual salary level of its president, John Hoyt, from groups like the Coalition critical of this extravagance. As the article makes clear, the HSUS purchased Mr. Hoyt's luxurious \$300,000 home from him in order to reduce his salary level, while allowing him to continue living in the house rent-free.

Other top HSUS executives draw similarly outrageous salaries. As long as five years ago, no less than six other HSUS employees were drawing salaries ranging from over \$46,000 to over \$72,000. During this five year period, Mr. Hoyt's salary has skyrocketed from slightly over \$100,000 a year to almost \$140,000 a year. Similar dramatic rises in salary level may be presumed for other top HSUS executives.

Like most other large national organizations, the HSUS pours a substantial proportion of its vast resources (over \$10 million dollars for 1987 alone) into recruiting more members and raising more money. No less than 30% (almost \$3 million!) of HSUS' 1987 income went into membership development and fund-raising.

As a result of these practices, the National Charities Information Bureau, which monitors non-profit organizations for responsible financial practices lists HSUS as failing to meet its "Basic Standards in Philanthropy" in the category of expenses, which includes program, management, and fund-raising expenses. According to the Bureau, "Compliance with the standards ... is considered essential by the NCIB."

HSUS also stockpiles vast resources which are unused for animal protection. As of 1987, almost \$10 1/2 million of unrestricted funds were sitting idle in cash, investments, and other assets.

In spite of this vast wealth, HSUS tries to raise even more funds by charging exorbitant prices for its educational materials and in general refuses to provide materials at cost or for free to grass-roots groups and individual activists. This has even gone so far as to charge for the order form to order materials!

Hypocritical Positions on Animal Issues

The hypocrisy of large national organizations like the HSUS is revealed nowhere so clearly as in the positions adopted on issues and the choice of campaigns, which are determined not primarily by what is most effective in reducing animal suffering but by what is most effective in raising funds.

This is evident most recently in the newly-launched HSUS "Shame of Fur" campaign, whose theme and graphics were taken directly from the anti-fur materials of the Dutch Anti-Bont Comite. Many of the other concepts were taken from Trans-Species Unlimited's **Campaign for a Fur-Free America**. For example, more than two and a half years ago Trans-Species prepared a Coordinator's Manual for its anti-fur campaign which has been widely used by participating groups throughout the country. In the manual, the strategy being adopted was explained in detail. An explicit comparison was drawn to the anti-smoking campaign and the key concept of "Fur-Free Zones" was developed. In HSUS' anti-fur campaign materials, President John Hoyt describes the HSUS campaign as parallel to the anti-smoking campaign and the material urges HSUS supporters to establish "no furs allowed areas."

In the thirty odd years that the HSUS existed, it had never tackled the fur issue as such, focusing instead on the narrow topic of leghold traps. But during the last two and a half years, through the efforts of grass-roots organizations, the issue of fur as such has become a "safe" issue, i.e., working on it is no longer likely to alienate conservative donors. Thus the HSUS campaign is born, in competition with already existing national fur campaigns which it is based upon.

Another conspicuous example is the HSUS' "breakfast of cruelty" campaign. According to the latest information available to the Coalition, a grand total of 3 of HSUS' 70 odd employees were vegetarians! Imagine anything more ludicrous than HSUS staffers coming in to work on the "breakfast of cruelty" campaign after wolfing down a breakfast of bacon and eggs. The Coalition even has reliable information that the HSUS national office is regularly visited by a vending truck selling "organic meat." And at the conference you are attending fish are still not accorded the moral right by the HSUS not to be eaten.

Such blatant opportunism is apparent to an even more shocking degree in the attached two letters from HSUS President John Hoyt, sent to two different self-declared donors whose views on the sinking of the Icelandic whaling ship by the Sea Shepherd Conservation Society were opposite of one another. This clearly demonstrates that the President of the HSUS is fully prepared to adopt polar opposite positions on major animal rights issues when it is financially advantageous to raise funds for the HSUS. Hoyt was unaware when he wrote the letters that one of the persons to whom he was writing was deliberately "testing the waters" to see whether in fact the HSUS had a genuine position on the issue or responded solely on the basis of fund-raising considerations.

Exploitation of Grass-Roots Groups

Without question, the most destructive aspect of the behavior of organizations like the HSUS is the deliberate and systematic policy of exploiting grass-roots groups for fund-raising purposes. This takes many forms but the basic formula is the same: find a good campaign or project of a grass-roots group, get minimally "involved" in it and reap the maximum benefits for fund-raising from your own members and the general public by reporting on it in your organization's publication and even sending out fund-raising mailings on it.

The number of organizations who have suffered at the hands of the HSUS in this regard are legion, but a couple of conspicuous examples are enclosed of highly effective grass-roots groups whose campaigns have been usurped by the HSUS.

Since groups cannot function without money and money is available only if donors recognize the groups' role in campaigns and feel impelled to support them, the unethical credit-stealing, "bandwagoning," and misrepresentation of their own efforts by large, affluent organizations like the HSUS directly threaten the very survival of the grass-roots groups which are the heart and soul of the animal rights movement.

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Animal rights executives defend compensation for national officers

TOP DOGS IN the animal rights business have rallied around the Humane Society of the United States since we hinted at how much money there is to be made in the top ranks of animal charities.

We reported that national Humane Society President John Hoyt and Treasurer Paul Irwin were reaping far more compensation for their work than even their own board members knew. Last year, in lieu of a portion of his compensation, the Humane Society bought Hoyt a \$310,000 home in Maryland. It also allowed Irwin to write himself \$85,000 in checks for another real-estate venture, which was later considered by the board to be a loan.

The Humane Society gets its money with heart-tugging pleas to donors that "The animals need it now," and contributions will be "put into action on the front line immediately."

The questionable financial transactions for Hoyt and Irwin prompted the Humane Society board to hire two Washington law firms to conduct separate investigations of the dealings.

But, respected presidents of two of the wealthiest animal organizations in the country wrote letters defending Hoyt, and complaining that we were out of line to question the financial dealings.

Frederick J. Davis, president of the Massachusetts Society for the Prevention of Cruelty to Animals, defended Hoyt: "I am confident that future disclosures of all the facts will document his integrity."

John F. Kullberg, president of the American Society for the Prevention of Cruelty to Animals, wrote there was nothing unusual about Hoyt's salary. Kullberg said the average salary for the president of a non-profit organization is about \$119,000, although he was careful to add a "disclaimer," that his own salary is less than Hoyt's and "I am not given a house to live in."

WE REPORTED THAT Hoyt's and Irwin's compensation did not stop with salaries. In all, their salaries and benefits amounted to more than \$139,000 and \$114,000 respectively.

Maybe our report on the money to be made in animal charities hit too close to home. Davis and Kullberg run wealthy non-profit



Jack Anderson
Joseph Spear

than \$40 million in assets. Kullberg's American Society for the Prevention of Cruelty to Animals was in ninth place with \$6 million in assets. Hoyt's Humane Society of the United States placed fourth with assets of more than \$11 million.

Peter Paul, a San Francisco journalist, recently finished a four-year study of charities in the United States and abroad. His upcoming book, "Easy Pickings," includes a chapter on animal organizations. Paul told our associate Jim Lynch, "I tell people if you want to get rich, get into AIDS, animal rights or missing children."

PAUL THINKS HUMANE Society literature should include a disclaimer that the national society is not connected with local humane societies that must raise their own funds to run animal shelters and other projects. The

Humane Society of the United States is not an umbrella organization for local humane societies, he noted.

Dr. George Cave, president of Trans Species Unlimited of Williamsport, Pa., thinks too many animal welfare groups are more concerned with raising money than with animal suffering.

Trans Species Unlimited crusades for animal rights and works to expose what in Cave's opinion is "animal welfare fraud." Cave maintains that the animal rights movement has been slowed because most of the donations are sponged up by some large animal groups with high salaries and expensive corporate assets.

PENSION SKIMMING — Congress is looking into increased skimming from corporate pension funds. A company can legally skim excess pension funds when it terminates a pension plan. The only requirement is that enough is left in the plan to pay pensions at current levels. But the skimming wipes out any hope of future cost-of-living increases for pensioners.

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The Humane Society of the United States
2100 L Street, N.W.
Washington, D.C. 20037
(202) 452-1100

John A. Hoyt
President

December 22, 1986

F.
S.

on

Dear

Thank you for your note of December 3 and a copy of your excellent letter to Paul Watson. It was, indeed, a daring and masterful bit of James Bond on behalf of the great whales.

Great to see you in Miami Beach. Next year, let's get away for lunch one day so we can become better acquainted. I would enjoy that very much.

We are most appreciative of your remembering The HSUS in your will. I will look forward to receiving a numbered file copy as indicated.

Best wishes for a joyous holiday season and a very healthy new year.

See you in Phoenix.

Sincerely,

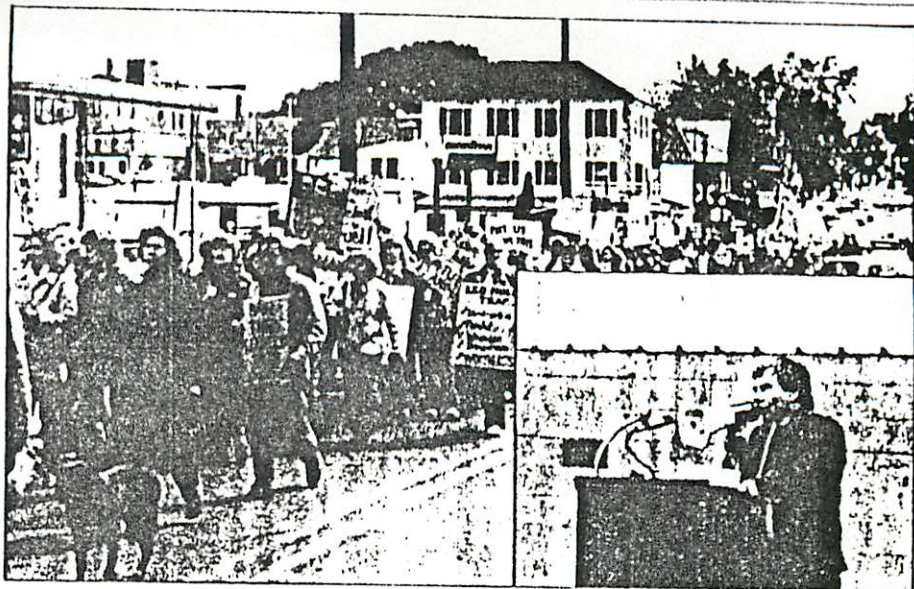
John A. Hoyt

JAH:jdf



Two examples of HSUS rip-offs of campaign efforts by Trans-Species Unlimited. The group single-handedly organized the first protest march of Woodstream Corporation, manufacturer of leghold traps, in Lititz, Pennsylvania.

HSUS' only involvement was sending John Grandy as a speaker at the rally. In its reportage in its national publication no mention was made of TSU.



Approximately 500 demonstrators against the steel-jaw, leghold trap marched down Main Street in Lititz, Pa., Woodstream's headquarters. HSUS Vice President for Wildlife and the Environment John Grandy (right) spoke to the crowd condemning the trap.

What The HSUS Is Doing

In our work to defeat the trappers in their concerted efforts to keep the steel-jaw, leghold trap legal in the United States, The HSUS is

- alerting animal shelters throughout the country to avoid buying the Havahart cage trap, manufactured by the Woodstream Corporation
- pressuring Congress to hold hearings on H.R. 1797, the bill which would outlaw the use of the steel-jaw, leghold trap

- cosponsoring the Mobilization For Animals rally to ban the use of the steel-jaw, leghold traps on April 7, 1984, in Washington, D.C.

- strongly urging Interior Secretary William P. Clark to dismiss Assistant Secretary G. Ray Arnett

- continuing our educational campaign throughout the United States on the cruelties of trapping

- initiating and supporting state and local efforts to ban the steel-jaw, leghold trap.

Trans-Species Unlimited launched and carried through a successful effort to ban the decompression chamber in Pennsylvania as a method of animal euthanasia. The HSUS sent one speaker to testify at one of two hearings on the bill along with more than a dozen other witnesses, including the President of Trans-Species. No mention of TSU is made in the HSUS coverage of the campaign.

Ms. Morris testified that "The HSUS is strongly opposed to the use of the decompression chamber and, for the past two decades, has been a leader in the movement to outlaw its use. Twenty states, including all of the states surrounding Pennsylvania, have banned the use of decompression chambers for euthanasia."

Since that meeting, Pennsylvania has joined those twenty states. The legislation banning decompression chambers allows for the use of carbon monoxide if certain conditions are met and also allows humane societies direct access to the purchase of sodium pentobarbital.

Decompression Ban

HSUS Director of Accreditation Lisa Morris testified before the Pennsylvania Senate Agriculture and Rural Affairs Committee in support of legislation banning the decompression chamber in that state. The October meeting, which attracted animal-welfare representatives from throughout the state, was the culmination of many years of effort to prohibit this method of euthanasia.

COMMITTEE TO ABOLISH SPORT HUNTING VERSUS NINA AUSTENBERG AND H.S.U.S.

EXHIBIT A

By CAROL A. PERKIN
Courier-News Staff Writer

the officials still want the names after the demonstration," she said. "Otherwise, the attorney can swallow the names." Austenberg said the ACLU decided to join the opposition after the Humane Society was denied permission to protest at the hunt Saturday. The Humane Society and DEER INC. today were expected to take the Division of Parks and Forestry to court.

EXHIBIT B

By PETER QUACKENBUSH
Herald-News Staff Writer

HARDING TOWNSHIP —
It was opened for deer hunting in 1974.

The American Civil Liberties Union has aided in organizing the protest, according to Nina Austenberg, president of the state Humane Society.

EXHIBIT C

By NANCY JAFFER

STAR LEDGER

*Boote
Nina Austenberg*
wildlife," she said. Last month, the American Civil Liberties Union intervened on behalf of HSUS, DEER and several other wildlife groups to fight a ban on protesters by Great Swamp officials.

EXHIBIT D

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

LUKE DOMMER, et al.

Plaintiffs,

vs.

THE UNITED STATES DEPARTMENT OF THE INTERIOR, et al.

Defendants.

Civil Action No. 78-2920

RECEIVED ORDER

NAAR & SPONZILLI, ESQS.
Attorneys for Plaintiffs
163 Madison Avenue
P.O. Box 2008-R
Morristown, New Jersey 07960
(201) 267-3333

Exhibit A. (False): A.C.L.U. contacted H.S.U.S. after A.C.L.U. intervened on behalf of Committee because of permit denial. H.S.U.S. had not applied for demonstration permit up until this time when they decided to deal with the U.S. Attorney's Office. Exhibit B (False): There would have been no permit issued without A.C.L.U. intervention. H.S.U.S. and DEER refused to join in A.C.L.U. case. Exhibit C (False): A.C.L.U. did not intervene on behalf of H.S.U.S. or DEER and they are not listed on court papers in my possession. Exhibit D (Shows Truth): Proves that Committee initiated action and is primary plaintiff which brought in several other organizations as co-plaintiffs at its discretion. I am the only signee of lawsuit and have other documents which will be revealed in an expose at a later date. There is much more to tell about what went on in the Great Swamp Case, a revelation, so to speak. No wealthy fuddy-duddy organization will be allowed to profit from the labor of the Committee, nor will I tolerate any more sneaky attacks by them upon the Committee. They will stand with us or they will stand out of our way, or by God, they shall be taught some lessons about infighting! Nina, the Great Swamp is no longer your private lollypop and I haven't forgotten your threat to denounce the Committee as a "nut group" if I brought in the A.C.L.U. so that other organizations would be allowed to demonstrate there.

Luke R. Dommer

THE INTERNATIONAL PRIMATE PROTECTION LEAGUE

Headquarters: P.O. Drawer 5
Summerville, S.C. 29483, U.S.A.

REPRESENTED IN BANGLADESH . BRAZIL . BURMA . CAMEROUN . CANADA . GHANA . HONG KONG
INDIA . JAPAN . LIBERIA . NETHERLANDS . PAKISTAN . PERU . SINGAPORE
S. AFRICA . SPAIN . TAIWAN . TANZANIA . THAILAND . U.K. . U.S.A. . ZIMBABWE

C.C.P.
DR. SHIRLEY MCGREAL
DR. ARNITH A. EDEY

U.K. OFFICE
I.P.P.L.
19-25 ARGYLL STREET,
LONDON, W1V 2DU.

Please reply to: Shirley McGreal

IPPL
P.O. Drawer 5
Summerville
SC 29483
21 July 1982

Dear Fellow-Litigant in the IPPL/PETA/ALEA et al case,

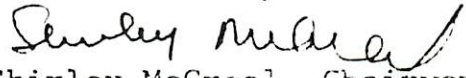
The International Primate Protection League was very disturbed to read recent claims by the Humane Society of the United States to be involved in our suit for custody of the IBR monkeys. This is especially irritating since HSUS is not a litigant in this case, to the best of my knowledge, and in fact, it declined an invitation to join the suit at its initiation. As usual, the names of other litigants are conveniently omitted so that, again, it seems like HSUS is the only group helping the IBR monkeys.

At the time when we all joined this suit, we were in serious risk of being counter-sued for libel and harassment. All organizations could have been sued, as well as individual members of our Boards of Directors. The individual plaintiffs could also have been sued, and were especially vulnerable due to their Maryland residency. We all showed guts in signing on. Now, with the conviction of Taub, the danger is less, and other groups which perceive the publicity and fund-raising value of this suit, may well wish to join.

IPPL would like to propose that no group in the suit add other litigants without the approval of all current plaintiffs. A vote would be taken on the merits of any application to join. Further, if any group should join, we should work out a contract with them stating that, in any publicity generated by their participation, all groups should be mentioned with the date of their joining the suit. As it is, the Baltimore Sun article included a claim that a non-party was a party, and ignored the existence of the real plaintiffs. IPPL feels that retractions should be requested from both the HSUS News and the Sun.

Comments would be appreciated.

Yours sincerely,


Shirley McGreal, Chairwoman, IPPL

On Wednesday, September 7, 1988, Jack Anderson produced a column based on internal working documents of the Board of Directors of The HSUS. The intention involved in the creation of these documents was to carefully review the operating procedures of the Society and to determine ways in which the Society might improve its internal operating practices. The need for this review was dictated by the Society's significant growth and success during the last decade. The internal study has produced positive results and will better enable the Society to address its mandate of protecting the nation's animals.

From these internal documents, Mr. Anderson chose to focus on two particular^w issues, namely the providing of housing for the President of the Society and the granting of a loan to the treasurer of the Society. In lieu of additional compensation, a committee of the Board, and later the Board, decided that it was in the best interests of the Society to provide a home for its president. Note was made of the fact that housing provisions are commonplace with charities. Most churches and educational institutions provide a similar benefit as do many other more general charities. The value of the provided housing is assessed to the president and is reflected on his personal income tax statements. It is also

contained in the Society's accounting records and subjected to audit by a public accounting firm.

The Society has a loan outstanding to its treasurer in the amount of \$85,000. This loan is associated with a piece of property in the state of Maine owned by the treasurer and secured by a lien on property owned by him in Montgomery County, Maryland. Interest on the loan is imputed at the rate of 9% per annum and represents an income tax liability for the treasurer. The Society's interest are well protected in this matter.

The Society's business activities are competently administered, are subjected to an annual audit by an independent public accounting firm, are reported to all governmental agencies in timely fashion and are circulated to the entire membership in an annual report. The Board remains committed to maintaining an organization of excellence and effectiveness.

FAX COVER SHEET

DATE: OCTOBER 6, 1995

TO: SUSAN BARNETT
PRIME TIME

FROM: BOB BAKER
(314) 843-6947 fax
(314) 843-6347 voice

PAGE ONE OF 5



To the Attorney General's Office:

We are current directors of The Humane Society of the United States, a public charity raising funds and conducting operations in the State of California. We request the the Attorney General of California take appropriate action to recover for The Humane Society of the United States the hundreds of thousands of dollars in losses which it has suffered due to the wrongdoing of its two principal officers and three current board members.

A layman's description of these events is enclosed, along with a copy of a thorough and detailed legal report, prepared by the Washington, D.C., law firm of Harmon and Weiss, which supplies evidentiary support for all of our charges.

We believe that unless your office takes action, this type of misconduct will continue and the organization and its donors will continue to suffer.

We are in the process of being dropped from the Board of Directors. In the same manner, all other board members who have raised any questions (in effect, who have done their "fiduciary duty") have been dropped in recent years.

As a result, we will have no opportunity to continue, as we have attempted, to work within the system. Your direct intervention is therefore urgently needed.

Thank you for the opportunity to present this information to you. We will be happy to discuss this with you or answer questions as they arise.

The HSUS has been forced to spend in excess of one-half million dollars (\$500,000.00) as a direct result of the misconduct of Hoyt and Irwin and the misconduct and breach of fiduciary duty of Wiseman, Lydman and Burke as members of the secret Deferred Compensation Committee which had knowledge of and permitted this conduct. There was also subsequent misconduct, cover up, and breach of fiduciary duty of all of them once the facts began to come to the attention of the Board of Directors in late 1987.

These expenditures include:

(a) substantial legal fees spent on the firm of Harmon & Weiss, the attorneys for the first Audit Committee;

(b) substantial legal fees to Jacob Stein, the attorney hired following the obliteration of the Audit Committee, firing of Harmon & Weiss, and their replacement by a controlled "Select" Committee and new counsel Stein;

(c) substantial legal fees paid to Theodore Sonde, private attorney for Hoyt and Irwin;

(d) substantial legal fees paid to Bardyl Tirana of Silverstein and Mullens, the attorney that several "dissident" Board members were forced to hire in order to receive any information as to what was going on internally at The HSUS, the organization of which they were Board members;

(e) substantial fees paid to the accounting firm of Deloitte, Haskins and Sells;

(f) substantial extra fees paid to the regular HSUS accounting firm of Thomas Havey & Co.;

(g) the \$85,000 which Treasurer Irwin wrongfully paid to himself in connection with the Maine property;

(h) the loss incurred in having \$310,000 invested in the purchase of Hoyt's home in Germantown, Maryland, which constituted having these funds diverted from normal charitable use, or earning interest as an investment;

(i) the value of the personal insurance policies turned over to Hoyt and Irwin and the premiums already paid on them since the turnover;

(j) the funds illegally funnelled to Hoyt and Irwin through the sham bank account for the dormant NHEC corporation;

(k) the extra costs incurred by The HSUS, various staff members, and Directors in connection with special meetings and the diversion of time and energy from the charitable purposes of The HSUS;

(l) the extra costs incurred by HSUS in connection with the time spent away from useful and HSUS-related charitable matters as a result of all of these problems.

Why The HSUS-MHS Union?

President Hoyt's letter to Directors, August 27, 1987, says "it will enhance not only the programs and activities of both organizations but significantly impact the larger animal protection movement in a positive way."

From the Proposal this is not very clear, although The HSUS's increased administrative burden and financial risks and responsibilities are obvious and very considerable. The Proposal begins with some vague reference to animal rights, includes a flyer on this topic (why this out of hundreds of HSUS publications?) and then suggests that it will adopt a "Greenpeace" image with its newly conceived "strike force." How this team can operate in Michigan is unclear. Wouldn't Washington, D.C. with its access to national and international media, Congress and many national public interest organizations as well as the staff of HSUS be a better place for its center of operations? Why hasn't The HSUS ever developed its own "strike force," which is a concept familiar to senior staff.

On page 3 the decline of the American Humane Association is attributed to poor leadership. Many believe that it was their conservatism and not simply a lack of leadership, plus their involvement in animal shelter operations and avoidance of more "radical" issues that lead to their decline.

How will HSUS members feel about HSUS involvement with animal control and mass euthanasia of cats and dogs? Should this be part of our image, and a potential financial burden?

What of the other two new initiatives of this union-- the animal control "university" and the National Center for

the Advancement of Animal Protection? Setting up a teaching/training facility for animal control (which makes the HSUS's involvement in the Animal Control Academy obsolete) is a replication of what the HSUS has already done. How would this be financed and supported by students, presumably from outside the state of Michigan, and how do other states and municipalities feel about this and what support will they give?

The various divisions of The HSUS (including NAAHAE and ISAP) "have gathered, compiled, evaluated and disseminated data with regard to both general information in all fields of animal protection as well as specific problems and new areas of interest" for many years. Now it is proposed that the new National Center for the Advancement of Animal Protection in Michigan is to do all of this. Who will direct this enormous and costly task? What happens to the five PhDs and other graduate scientists employed in the central office? Do they turn their data-files over to the new center, and to whom? And what happens to the HSUS's National Association for the Advancement of Humane Education? They would seem to be redundant and that isn't good for morale or creativity. An appraisal of The HSUS staff by any board member will reveal a low morale, underpaid secretarial help (that moves on soon after being trained) and over-worked senior staff. Considering these "domestic" problems, is this the best time for The HSUS to engage in this union? Might it not be better to go slowly and start, for example, the "university" concept alone and see how that goes first?

The "strike force" concept and belief that it will be able to bring about "an immediate resolution of the problem

and/or an exposé of such dimensions that we can bring to the situation national attention and focus" raises other questions. Who is to direct it? Are HSUS board members entitled to see the resumé of these key people?

What will be the future of The HSUS central office and its senior staff? Will the modus operandi shift even more in the direction of non-radical legislative, publicity, public relations and fund-raising activities? A Greenpeace style strike force may give The HSUS a much needed "face-lift" but the outcome could be two-faced. Radicalism is not consistent with the conservative image needed for legislative and lobbying activities.

There are "humane" and rational alternatives--beef up the understaffed and overworked investigations division at HSUS headquarters and at our regional offices where a strike force could be far better coordinated with other HSUS programs. Also, why not provide additional support staff for data collation, cataloging and dissemination of information insted of setting up the costly National Center for the Advancement of Animal Protection. HSUS has several highly qualified scientists whow could accomplish this at much less cost.

The activities proposed for the Michigan Center also make the legislative and higher education departments of The HSUS appear superfluous, at least in terms of their involvement in meaningful and effective animal protection projects. Why not instead provide more staff support for these HSUS divisions? What is to happen to the animal contron/companion animal division and publication (Shelter Sense) of The HSUS? Presumably this too will be made to

feel redundant, like other divisions within the organization. With all these impacts on morale, how long will The HSUS survive this union and how effectively will it "impact the larger animal protection movement?" What is the vision and what will The HSUS look like 10 years from now, if it is still in existence?

Is this union really innovative, or is it an idea, like "bigness," that has no substance and thus no purpose? If all the "action" is to go to the Michigan Center, then they will get the publicity and credit and The HSUS central office will just become another Washington beaurocracy. It will be difficult for The HSUS's public relations and publicity departments to coordinate with the active Michigan Center, who with their own media expertise will surely be running their own public relations and publicity.

All of this could be seen by a skeptic as a take-over of The HSUS by the charismatic aura and new blood promises of the Michigan Humane Society. Does The HSUS really want to give so much away, to risk so much, and for whom?

The proposed activities of the Michigan Center make those of the various divisions of The HSUS (with the exception of the Wildlife, Laboratory and Farm Animal programs) seem redundant, rather than supportive of them. And if support is needed, would it not be better to strengthen the staff and its needs within The HSUS?

These are critical questions that need to be answered. They should not be seen as an attack on those people of good intention who are involved in this project. But they sure need to be aired now for everyone's benefit.

THE PENNSYLVANIA FEDERATION of DOG CLUBS

Facts about the Federation

The Federation was founded in 1970 to benefit dogs and dog owners in the state of Pennsylvania. It is now composed of over 100 member clubs that sponsor a great variety of dog related activities, including showing, training, rescue work, sled dog racing, field work, herding, agility and pet therapy. These clubs count many thousands of people among their members.

To achieve its purposes the Federation works in three main areas:

• LEGISLATION

We constantly monitor state and local laws that pertain to dogs, to dog owners and to purchasers of dogs. We worked for the passage of the Dog Law (Act 225) of 1982, The Rabies Law of 1987 and The Dangerous Dog Law of 1990, among many others.

• EDUCATION

We sponsor an annual symposium on the most advanced aspects of veterinary medicine and care. We also provide materials for distribution by member clubs to people just learning about dogs. A high priority is to educate people about the legislative process and to encourage them to participate. Our knowledgeable volunteers are always available to help people with individual problems related to dogs.

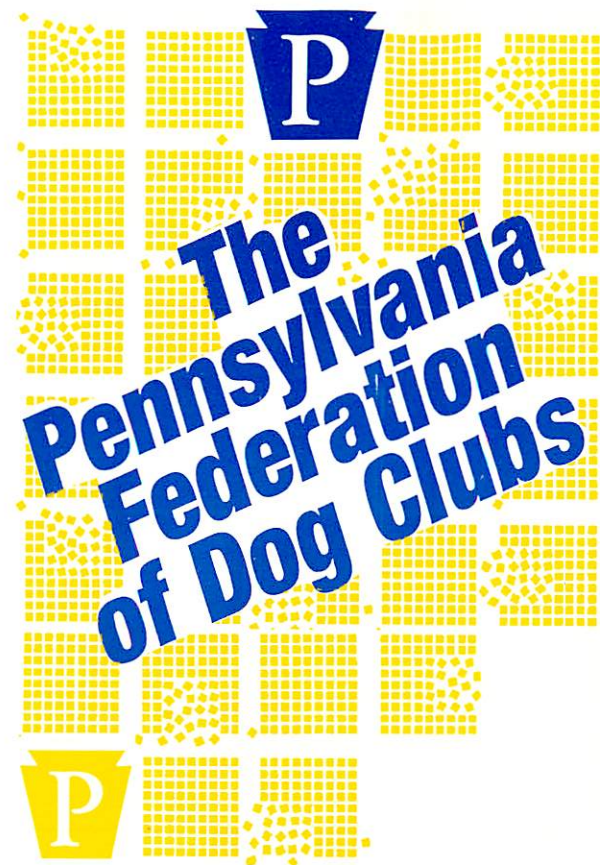
• REFERRAL TO RESPONSIBLE PRIVATE BREEDERS

We publish an annual Directory of private breeders who are members of our member clubs. This Directory is widely distributed throughout the state. Our Information Committee makes referrals through the Directory and consults over the phone with callers who have questions about the various breeds.



The By-Laws state the purposes of the Federation:

- A) To monitor all State and Local legislation concerning dogs and dog owners.
- B) To bring such legislation to the attention of the general public and member clubs.
- C) To educate the general public concerning the enjoyment of dog activities and the importance of obtaining dogs from reputable sources.
- D) To use all legal means to promote the general welfare of dogs and dog owners.





OFFICERS

President NINA SCHAEFER (215) 947-1677
Siberian Husky Club of Delaware Valley

1st Vice President LYNN SMITH (215) 598-3226
Hatboro Dog Club

2nd Vice President DOTSIE KEITH (215) 794-7173
Delaware Valley Dalmation Club

Recording Secretary CYNDIE ADAMS (215) 374-7293
Berks County Kennel Club

Corresponding Secretary ANNE M. GREEN (717) 472-3163
Back Mountain Kennel Club
Box 47, Bear Creek, PA 18602

Treasurer BETTY GINSBERG (215) 338-6870
Greater Philadelphia Dog Fanciers Assn.

DIRECTORS

DR. ELAINE MILLER Great Dane Club of Pennsylvania

JIM RAU Lehigh German Shepherd Dog Club

RONALD TUCKER Penn Ridge Kennel Club

SANDRA VOINA Hatboro Dog Club

PATRICIA WIKSTROM Schuylkill Valley
German Shorthaired Pointer Club

•

Legislative Chairman DOTSIE KEITH (215) 794-7173
Box 67, Furlong, PA 18925

Public Information Phone (215) 842-2407



MEMBER CLUBS

ALL BREED CLUBS • Back Mountain Kennel Club • Bald Eagle Kennel Club • Beaver County Kennel Club • Berks County Kennel Club • Bryn Mawr Kennel Club • Bucks County Kennel Club • Carlisle Dog Club • Chambersburg Area Kennel Club • Chester Valley Kennel Club • Delaware County Kennel Club • Devon Dog Show Association • Erie Kennel Club • Greater Philadelphia Dog Fanciers Association • Harrisburg Kennel Club • Hatboro Dog Club • Huntingdon Valley Kennel Club • Kennel Club of Philadelphia • Lackawanna Kennel Club • Lancaster Kennel Club • Laurel Highlands Kennel Club • Lebanon County Kennel Club • Lehigh Valley Kennel Club • Mid-Susquehanna Valley Kennel Club • Montgomery County Kennel Club • Neshaminy Valley Dog Club • Nita-Nee Kennel Club • Penn Ridge Kennel Club • Penn Treaty Kennel Club • Perkiomen Valley Kennel Club • Pocono Mountain Kennel Club • Schuylkill Haven Kennel Club • South Hills Kennel Club • Western Pennsylvania Kennel Association • York Kennel Club • SPECIALTY CLUBS • Airedale Terrier Club of Greater Philadelphia • Alaskan Malamute Association of Eastern Pennsylvania • Borzoi Club of Delaware • Bull Terrier Club of Philadelphia • Bulldog Club of Philadelphia • Central Penn Collie Club • Colonial Rottweiler Club • Dachshund Fanciers Association of Berks County • Delaware Valley Cardigan Welsh Corgi Association • Delaware Valley Chinese Crested Club • Delaware Valley Dalmation Club • Delaware Valley German Shepherd Dog Club • Delaware Valley Manchester Terrier Club • Delaware Valley Miniature Schnauzer Club • Delaware Valley Samoyed Club • Delaware Valley Soft Coated Wheaten Terrier Club • Delaware Valley Weimaraner Club • Delaware Valley Yorkshire Terrier Club • German Shepherd Dog Club of Greater York • German Shepherd Dog Club of Western Pennsylvania • Great Dane Club of Central Pennsylvania • Great Dane Club of Lehigh Valley • Great Dane Club of Pennsylvania • Greater Harrisburg Chinese Shar-Pei Club • Greater Pittsburgh Samoyed Club • Greater Pittsburgh Standard Schnauzer Club • Interstate Shetland Sheepdog Club • Irish Setter Club of Delaware Valley • Irish Wolfhound Association of Delaware Valley • Keeshond Club of Delaware Valley • Keystone Cocker Spaniel Club • Keystone Collie Club • Keystone English Springer Spaniel Club • Lehigh German Shepherd Dog Club • Lenape Golden Retriever Club • Lower Susquehanna Irish Setter Club • Middle Atlantic St. Bernard Club • New-Pen-Del Newfoundland Club • Penn-Dutch Great Pyrenees Club • Philadelphia Kerry Blue Terrier Club • Poodle Club of Lehigh Valley • Quaker City Doberman Pinscher Club • Saucon Valley Boxer Club • Schuylkill Valley German Shorthaired Pointer Club • Siberian Husky Club of Delaware Valley • Waterland Retriever Club • West Highland White Terrier Club of Western Pennsylvania • William Penn Poodle Club • William Penn West Highland White Terrier Club • OBEDIENCE CLUBS • Allentown Dog Training Club • Berks County Dog Training Club • Brandywine Valley Dog Training Club • Dog Training Club of Chester County Pennsylvania • Dog Training Club of York • Hilltown Dog Training Club • Lower Bucks Dog Training Club • Mifflin County Dog Training Club • Mount Nittany Dog Training Club • Old York Road Dog Training Club • Philadelphia Dog Training Club • Suburban Dog Training Club • Tri-County Dog Obedience Club • Tri-State Obedience Club • West Chester Obedience Club • Wilkes-Barre Dog Training Club • MISCELLANEOUS MEMBERS • Bucks Mont Chapter OHA • Chester County SPCA • Coventry Canine Search and Rescue • Humane League of Lancaster County • Pennsylvania Sled Dog Club • Women's Humane Society •



5/15/90

COMMENTS concerning the "Business Judgment" rule and other matters.

1. The original view and focus of this matter was that here is a terrible misuse of a charity which needs to be set straight or at least brought to light.

2. The focus upon the application of the Business Judgment rule to this situation overlooks several crucial elements, namely

a. that we are dealing with two individual officers who have been engaged in every imaginable type of breach of their fiduciary duty to the organization's members, the majority of the Board of Directors, the public at large, the IRS, etc., through their self-dealing, conflict of interest violations, private inurement and diversion and misappropriation of charitable assets, plus the three Directors (out of a Board of 24) that aided, abetted and facilitated this by operating in secret and actively withholding all of this from their fellow Board members.

b. this is not a derivative suit in the usual sense -- it is not a suit against the Board to force them to take or overturn some action -- there is no challenge of what the full Board did (question of subsequent ratification arises later). The Delaware case deals with Board action -- here we are dealing with no Board action because three

Directors and two staff (the President and the Treasurer) kept it from them.

3. There can be no ratification of illegal acts -- such as opening and closing secret bank accounts, reviving sham corporations to funnel money from a separate account -- all to keep these transactions from showing up on any of the normal fiscal accounts of the charity (commonly known as "cooking" the books). See Draft Count I.

4. A major part of the Aaronson case on "business judgment" was the burden on a plaintiff to show that a "demand (on the Board to do the right thing) would have been futile."

Here we had a clear demand by Bardyl Tirana, attorney for three of the dissident Board members by letter dated May 11, 1988 asking that the Board should make a recommendation as to the means of recovering from the individuals responsible (Hoyt, Irwin and the secret committee members) all of the damages and expenses incurred by the HSUS.

Accordingly, we don't have the burden of showing that a demand would have been futile -- in fact, one was made and completely ignored.

5. The growth of the organization doesn't justify what was done -- we are not second guessing compensation -- we are not second guessing anything that can be debated such as compensation, housing. We are second guessing the deceit and secrecy and conflict of interest and private inurement and self-dealing by high officials of this charity and outrageous breaches of fiduciary duty.

6. Another problem with looking at this situation as analagous to a situation in a business corporation with reference to the "business judgment" rule, for example on the question of "ratification" of acts ranging from clearly illegal to merely obvious breaches of fiduciary duty, conflicts of interest, self-dealing, private inurement by insiders, diversion of charitable funds -- what about the interest of the public who give to the charity -- the Internal Revenue Service that gives it tax exemption -- the Attorney General who in most states makes sure that these things don't happen (see California - New York - AG Regs).

7. It is agreed that the three Directors on the secret committee didn't benefit financially -- but their conspiracy to aid and abet the President and Treasurer in covering up these activities from the Board and the membership made all of this possible and the attempts to set it right have cost the organization more than \$500,000 -- a direct loss to the charity -- and the public at large in that this was and is a public charity.

8. It is ironic to see the admiration offered to the potential plaintiff here for "doing her duty." The facts are that in October 1988 two dissident Board members (Mettler and Bowman) were dropped and this year the remaining dissidents will be dropped. (The organization has had a long history of never failing to renominate a director willing to continue to serve -- until this all arose, and after this year the housecleaning will be complete -- no one

who has ever challenged or even questioned any of this will be left.

9. To date the two officers and the Board have won every challenge. They fired Gail Harmon after her report was critical and they have gotten rid of all questioning Directors. No where has there been the slightest acknowledgment that what was done was reprehensible -- and one view is that the only way this will ever happen will be in a simple court action where stonewalling and cover-up can't control (to hopefully quote Louis Brandeis who opined that "sunlight is the best disinfectant").

See Baker v. Glass 531 N.Y. Supp. 2nd 746 and 748 where the court went into the case of a secret Board committee -- there was not the slightest hint that this would be protected as sound "business judgment" and it is suggested that a D.C. court interpreting Delaware law or a Delaware court itself wouldn't entertain any such position.

A final note -- does the member have any separate rights -- remember S.P. is both a director and a member (and as such a contributor). How about a right to have the Board act like a Board -- the right to have the key officers not engage in self-dealing with and private inurement of the charity's assets, etc., etc.

o
arry ver. purely internal matter thoroughly addressed by
he board of directors.

Ind
e Michigan: considered assimilation -- both boards were
deceptive. Objections raised. In light of divisiveness,
they opted out. One board member became offended (by
comments at the Phoenix board meeting). Pursued what they
could see to target (terminate) us. Latched on to decision
made by DCC to purchase the house.

Four articles published now.

Purchase of property in Maine with Paul acting as our agent.
Completely cleared in terms of integrity and competence.

New thing: travel by T. she has gone to annual conferences. Three
Baltimore women -- nurtured them -- became benefactors.
now have a 1.5 million fund.

Contributor gave 350 thousand for travel that cost less than
3 thousand.

If you receive questions they ought to be referred to JAH
office or PGI.

PR consultant recommended that we not respond to Anderson.

This same former board member presumably went to AG of
California. Probably neglected to give him Stein report.
Are simply being victimized by this former board member.

Are making "No comment" to the press (Agenda magazine). (Didn't print
anything in our magazine or distribute information about
their inside turmoil and problems, about which we had full
detail.)

References to DW - continuations of objections to the
merger.

Bookkeeper now sitting in jail.

Personally offended by another attack. Happened four times
now. Never has been substance to any of these charges.

NCIB raised questions about our accounting procedures. Jack
Anderson caused problems. HSUS being sabotaged by
malfeasance?

Made submissions to California within a week's time.
The problem is the negative pr.

PI/ have annual audit; 990 return open to inspection; BBB
filing; NY State reports -- under intense scrutiny; full
disclosure

HSUS is a 501 c3 charity. it is an open book; open to public
scrutiny.

JH/ this has been public record since the time it was done
(house)

Sent to Karl Stark:

6/12/96

Anderson articles

Bd. mber list 90, 91, 92

" " affiliations

Office of atty gen. "lawsuit"

document list (4 pg. handwritten)

Chron. document list typed)

Stein report

Hannon report



Free Pick-Up
and
Delivery

PHONE: 913-451-9500

FAX: 913-451-5678

TO Repper

DATE 3/14 TIME 10:16

WHILE YOU WERE OUT

M Kince Fuller

OF _____

PHONE() _____

BUZZED	<input checked="" type="checkbox"/>	BUZZED YOU BACK	<input type="checkbox"/>
WILL BUZZ BACK	<input type="checkbox"/>	WANTS TO MEET	<input type="checkbox"/>
PLEASE BUZZ BACK	<input checked="" type="checkbox"/>	STOPPED BY	<input type="checkbox"/>

WHOA, ONE HOT POTATO ☐

MESSAGE 202 / 331-5536

MESSAGE TAKEN BY Be

WEDNESDAY

185

WEDNESDAY

WEDNESDAY

WEDNESDAY	WEDNESDAY	WEDNESDAY
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WEDNESDAY	WEDNESDAY	WEDNESDAY

WEDNESDAY

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WEDNESDAY

WEDNESDAY

WEDNESDAY

WEDNESDAY

20006

839 17th St NW

Williams & Connolly

my resume

reviewed chronology
Dixie - early '87 2/87
Resp. of Dir.

theory - NAAHE

~~deterioration~~

returned

concern - derivative
case
Aranson vs. Lewis
Del. 805

+ Michael - pleading
asked other ed. who support?
asked who drew up pleading
asked wh. I want
send all other documents

keep book of expenses
determination

statute of limit

standing

liability -
holding me harmless

Hoyt

employment thru 12/31/96

income guarantee

deferred comp

insurance

pension

house rent free + all maint.
expenses

travel for wife

termination w/o cause

resign for merger -

1 yr compensation

disability - extra \$2,500

death & house rent free
comp.

HSAS

perform all duties

full time

3 mo. notice to
resign

noncompete

9-19-01
16¹⁰

Ken Janssund - ^{going to} ~~Chr~~ ^{size}

Betcher Long ^{attorney} - ~~Tom~~

drafting case - going up ¹ to
the lesser women in the firm
member of firm

- had take breed stock to RA

Stample some presentat

paper a mess - ~~generation~~

Tom took on Stample - he should
have done that.

- Stand on committee to
work out volume breeders
(probably tally of Tom Hally)

Hunts mad at Anc

MBA { Schindler group
are not going to his - event!

Brownyn

$$\begin{array}{r} 56 \\ \hline 7 \end{array} \quad \begin{array}{r} 161 \\ \hline 221 \end{array}$$

Kente high mountain miles N of Goodman.

20 minutes past
Joplin

71 to

GOODMAN

Corp. H. Kente Corp. (Sundaroney)

World's largest

Bob Hughes buying for Kente

SAT

0900

Reg. at 0800

all breeders - all started
in the business - all invited

Bob Page - owner

Robert Quinn USDA, APHIS

700 seats.

1-800-333-2647

Physic animal health -

The biggest breeder event ever held
Free food - plenty for all
Medical support.
congregate down pages.

6
11/1/1994
11/1/1994

ARTHUR ANDERSON

32 W Monroe

Chi IL 60603

1-312-580-0033

312-507-6748 KAA

WEBMASTER @ ARTHURANDERSON.COM

CUNY ACLES

financial statement - historical performance
unaudited returns house
balance sheet

when Dixie retired

Trayner

tab 3 joint venture
missing pg 7

Harmon report

sep. book -

costs

Belton Mouras -

Lydman - Magloira - retired

Mosher

Mason

Smith

Mick Hum. - hills

executor

Butler's sister - Irwin

Weber -

Amy Freeman Lee - friend Irwin

gold - appr. collection of silver coins

HSUS

send summary - Harrison

draft of pleading - courts

#1

delete
4th line
Hoyt + Lewis

defendants
humong corp. \$5,000

~~Harrison~~

new - bottom line

law firm fired

new one hired by ones criticized

result - 2 culprits 100% in charge

rubber stamp

cover up

got in touch w. AG

Mrs. Evans house -

Don
~~Bill~~ Ray

PO Box 4375

(ENG Productions)

Barbark, CA 91503-4375

818-843-6397
3223

book how to teach people to get info
fr. pub.

Bill Abbey - CA atty gen.

brain deal board

atty gen. not doing anything

~~451-6464 Gary~~

Aramony - United Way
smaller salary in proportion
extravagance vs. illegality