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OF INVESTIGATIVE REPORTING

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MR. JONES: If I could invite you to please take your seats, we will get started. Chris Hamby, Matthew Mosk, Kelly Carr. Kelly's not here, okay. Let's get going, because as I say, I want to be very careful with the time. This is the opportunity for some of the best investigative reporters in the country to speak to each other, as well as to the rest of us. And one of the things that we try to do at this session is to give them the chance to talk about how they did what they did. Chris, you're over here. How they did what they did and especially how they overcame obstacles, problems, how they dealt with difficult issues. Is Matthew here?

So, the way we're going to do this is as follows. We have 90 minutes and we have seven projects, plus Candy. And I want Candy to be able to be part of this as well. So, what we're going to do is take ten minutes per. And I would ask you in your ten minutes to focus especially on problems and difficulties and how you overcame them. To give you an example of what I'm talking about, Michael Phillips last night was telling me when they were doing their lobotomy series, he especially looked for very weird names and very isolated hospitals because he was trying to track down people whose documents were from 1945. That's the kind of thing we're looking for, things that tell you how to do this, what your

tricks are, how you sort of found ways to get information that you might not have thought of had you not been confronted with the problem.

So, with that, Chris Hamby and Matthew is here you say? You and Brian are going to have to substitute for him, I'm sorry to say, or I'm glad, whatever. Chris, why don't you start? You were the origin of this enterprise, so tell us about it.

MR. HAMBY: So, this came out of some reporting that I'd previously done on -- I guess it originated with Upper Big Branch, the mine disaster in West Virginia that killed 29 miners. It was one of the worst disasters in the last 40 years. And the startling revelation that of the 29 miners, 24 had enough lung tissue to where they could undergo an autopsy. And of those 24, seventeen had signs of black lung. And this was including young guys who had not worked in the mines for very long and who frankly would not be on your radar for thinking black lung.

And it was shocking. So I started to look into it more and we ended up doing a piece with NPR about the resurgence of the disease, because what's happened is since 1969 when the Federal Coal Mine Health and Safety Act was passed limiting the amount of dust that causes black lung. What's happened is there has been a steady decline and then in the 1990's there was a reversal on that trend. And there's actually been an increase in the prevalence of black lung disease. And this came as a shock to me, as probably most people, because you think of guys in the `50's with a pick axe. That's what you think of when you think of black lung.

But today there's incredibly sophisticated machinery that generates huge amounts of dust, including an increasingly toxic mixture of dust as they're going after thinner seams. So, the prevalence and the severity of the disease has

increased in recent years. So, as I was looking at that I would hear constantly, you know, the benefit system is failing us; we don't even file claims because there is no point. I mean, we're just going to lose. It's the coal company and they've got the doctors and they've got the lawyers and what's the point in all this?

So, I was very reluctant to get into the benefit system because it seemed like a black hole that would be never ending. And how am I going to prove that these doctors are wrong and that these lawyers are doing something unethical. And I think it was when I came across the story of Gary Fox. And it was just –- it was one of those things that you just cannot ignore. He was a miner who clearly had complicated black lung, the most severe form. And evidence had been withheld in his case, that he had this.

He had no legal representation, which is not uncommon in this arena. And he then, after losing his case, which he clearly should have won, he went back to the mine for six years, deteriorated, got to the point where he needed a lung transplant and he died waiting on the lung transplant. And it was just so outrageous and so I said, you know, I just, investigative reporter instinct, despite my apprehensions, you can't ignore that. And so I started looking, is there a pattern with this law firm that handled this case and it turns out, yes, there is a pattern. They had done this in other cases, too. And so that became the first installment in this series.

And then, as I was reading all these cases, so, the peculiar thing about the black lung program is that it's heavily protected by privacy laws. So, all you can get is the final judge's decision in the case. And so –- sometimes they don't even have names, they have initials. So, working sort of backwards from there,

identified key cases, got in touch with the miners, got them to sign a form that said you can have all my case files and then it was open with hundreds of thousands of these previously confidential files. And in these was the evidence of exactly what had been withheld in all of these cases. And it was evidence that basically turned the case to where, if this had been disclosed, the miner would have won, but it wasn't. And that's been this law firm's practice for 20 years.

MR. JONES: Let me ask, Matthew, if you would talk about the Johns Hopkins aspect of this. I think that was mostly ABC's. And I know that you did the interview with him. If you guys would talk about, that was a critical moment. I know you must have done a lot of prep. But how daunting was that and how did you go about it?

MR. MOSK: Well, I would say, at the very beginning of the project when we were first meeting with the center and hearing about Chris's travels around West Virginia and the stuff that he was finding that the initial appeal to us was the law firm story, because it sounded like a John Grisham novel. It was very compelling, but –- and this is really Brian's genius with sort of looking at the material and realizing that the true surprise, when you think about it, is that a doctor from Johns Hopkins Hospital would be essentially making rulings so consistently against miners that even other doctors, this brotherhood of physicians, when we talked to other doctors, they called him intellectually dishonest. They were outraged by the record that he had accumulated. I think it would be great for Brian to talk.

MR. JONES: Brian, why don't you grab that mic and talk a little bit about your own moment.

MR. ROSS: Well, with Chris's incredible work, which was the documentation

of 1,500 cases or so in which he never found a single case of black lung. It was always either tuberculosis or some disease involving bird feces that he had an alternative explanation for every single case. And I read some of the depositions that had been taken of him and in Chris's documentation and so to sit down with him was the moment in our reporting, I thought. And, in fact, the first time we were scheduled for the interview, I forget whether it was some major terror thing happened and we had to cancel the interview, which had been set up. And then he wasn't available for two more months and we thought, oh, we had him and now we're going to lose him.

And he agreed to sit down at Hopkins, the Hopkins PR people were there and we sort of just went through how all of this could be. And had you ever been in a coal mine, Dr. Wheeler? Yes, he was in the coal mine at the Museum of Science and Industry in Chicago. That was his coal mine he had been in. He generally believed that black lung sort of disappeared after World War II. That he was helping expose fraud. It would be wrong for people who don't have black lung to collect benefits.

And there was a kind of an arrogance that was astounding. He had gone to Harvard and he made a point that anybody who criticized him or had a different view didn't have the same credentials that he had. And, therefore, had to be dismissed. And in fact that's one of the powerful arguments that was put before these Labor Department judges, that he had the credentials and of course with Hopkins he did.

MR. MOSK: There was a great moment in the interview where Brian confronted him with the autopsy report where Dr. Wheeler had found that the miner didn't have black lung and the autopsy showed in fact that is what killed

him. And Dr. Wheeler looked at the report and he said, well, where did this man go to medical school? And it was unfortunately only after the fact that we found out that the pathologist too had gone to Harvard.

(Laughter)

MR. PALTROW: Did you ever find out what the motivation for the doctor, I mean, was it purely hubris or was there some other reason?

MR. MOSK: Well, I mean, obviously there was no reason to question the unit's work internally because the unit was making a lot of money for the hospital. But I believe the most charitable way of looking at it is that I think Dr. Wheeler –- and, Chris, you might have an opinion on this too. I think Dr. Wheeler believed in his findings, that he felt that the miners were trumping up these medical claims. He said as much to Brian, that they were trying to game the system and that he felt the compulsion to prevent them from doing that.

MR. JONES: And where is he now, may I ask?

MR. ROSS: It's a good question. They suspended the program right after our broadcast and the Senator's report came out, but they won't answer any further, as best I know as to what--

MR. MOSK: It's in limbo still. They are investigating.

MR. JONES: Has disappeared? I'm sorry, as I say, I would like to be –- we're going to try to have some time at the end for people to ask questions of all of you, but we're going to have to move along because I do want to give everybody a shot. The consortium, very ambitious, very complicated, how did you do it?

MR. RYLE: Well, that's a big question. Basically, this whole story began with a bit of a fairy tale, actually, back in Australia. They guy came along who claimed to have invented a magic pill. And you put the pill in your motor vehicle and it

made your fuel last 20 percent longer. Now, seems perfectly silly, but in fact this guy ran a company that raised about $100 million from investors in Australia, who all thought they were going to be wealthy when this company launched on the stock exchange. And basically, it was no ordinary company. It had no factories, it had no trucks to move its goods and in fact it had no product at all. This product didn't exist.

And when I eventually wrote about the story and exposed it as a fraud, I was attacked in the Senate in Australia and I faced four lawsuits and it pretty much took over my life for one and a half years, because it turned out that a lot of very powerful people in Australia had secretly held shares in this company. And what I found out eventually was that this company was registered in a tax haven called the British Virgin Islands. And what it had been doing was selling shares in the company, moving that money to the British Virgin Islands and to other tax havens and then moving the money back into Australia as if it were sales of the magic pill.

And eventually I wrote a book about this. And in the mail one day a hard drive arrived anonymously. And it contained an awful lot of records about what had happened behind the scenes on this magic pill company. But I also noticed that there were an awful lot of more names and documents in there. And I remember Googling some of the names. I remember distinctly Googling a name from Canada. And it was a guy who had apparently been killed by the mafia over there for drug running. And, yet, inside these documents there was an e-mail address with something like ontherun@hotmail.com.

At the time, I thought wouldn't it be great if I knew somebody from Canada, bring you a journalist from Canada I could give this to. And that's really where it

started. And then, a few weeks later, I just so happened to get a phone call from my old professor at the University of Michigan. And he told me they were looking for new director of the International Consortium of Investigative Journalists. So I had a bit of a dilemma on my hands. I had the information and now I had the potential for a job. So, I went over, eventually got the job, came over, didn't tell them about the files, and then we sat down in January, 2012, and started looking at this material. And that was really just the beginning, because this was a look into a secret world, but it was a complete mess.

The 2.5 million files were almost completely unreadable. We didn't know what we were looking at and we were very determined from the beginning that it was only the beginning of the story. We had to go out there and put context around this material. In the end we had documents and about 130,000 people in more than 170 countries. And they were all very, very powerful politicians, business leaders, power brokers. So, we were taking on something very, very dangerous. So, that's where it started.

MR. JONES: Why were so many names in this Australian companies. I mean, this came out of that Australian.

MR. RYLE: It came out of an Australian story, but in fact the documents were all the internal records for about 30 years of two service providers, people that set up offshore accounts for a time. So we had all of their internal e-mail records, all of their client basis. In some cases we were very lucky, we had bank account details and amounts in there.

MR. JONES: Talk about the source of the whistle blower, the leaker.

MR. RYLE: Well, I've never talked about it publicly and I'm very proud of the fact that no one has ever been caught. So, it's not like we've got a Bradley

Manning on our hands or a Snowden on our hands here. We've actually managed to pull this off as journalists.

MR. JONES: What about the moment when the IRS and Homeland Security and everybody else descended on you for demanding your documents?

MR. RYLE: Well, I was very confused when –- it was like something out of a movie. These three black guys turned up in black suits to our offices. And they said that we're from the IRS and that confused me because I kind of knew that they had the material that we were looking at, I knew that they had it for at least 12 months before I got it. I also knew the Australian tax office had it and the British tax office had it. And, in fact, I think the words to Bill were –- it was we're going to ask nicely, but the guys coming after us aren't going to.

And then we got a phone call from the Justice Department and the Homeland Security where they were both threatening subpoenas.

MR. JONES: So, Bill, if you would, take it from there. This is Bill Buzenberg, who is the head of the Center for Public Integrity.

MR. BUZENBERG: Well, we were never going to give up this material and especially because we thought they had it. So we took all their stuff and we just kept saying, you know, you ought to look around, kind of see what you have. And sure enough, we came out with the story in January and April, that one in April. And then within a week there was this big announcement, a joint press release on a Friday night between the IRS and the British tax authorities and Australian tax authorities saying they had discovered new data and they were looking at it and they were going to investigate. So, it was a follow-up to our work.

MR. JONES: This was the new data that they had for a year?

MR. BUZENBERG: They had it at least a year, possibly more. They had that

same data.

MR. JONES: You were dealing with some very funky people and some very funky issues. Did you ever feel or did the people who were part of the consortium ever have genuine, life threatening situations or how did they manage to navigate these very treacherous waters?

MR. RYLE: Well, we had a lot of very, I guess, mafia figures and other very powerful figures in there. But we had a very tragic situation only last week. We are continuing to report on this material. In fact, the last report we did was in January of this year where we reported all of the secret holdings of the leaders of China and their relatives. You probably read in the papers about Kevin Lau, the editor of *Ming Pao Newspaper* in Hong Kong. They were actually our partners on the China project. He was sacked days after we published. And became a bit of a cost of press freedom in Hong Kong. And then last week some guy took a meat clever to him and hacked him and he's now in hospital and was on life support until a few days ago, so, yeah, it's been a very long, interesting road for us.

MR. JONES: Are you continuing with this? Is it done?

MR. RYLE: Well, we actually--

MR. JONES: This, by the way, is the e-book that was created from the investigation.

MR. RYLE: We went a lot further in June, last year. We actually published all of the names, the very basic data, names and offshore entities, because at that point we had this amazing response around the world. We had David Cameron, the British Prime Minister, come out and say that all companies should be made public, the real owners of companies, which is the real issue here, secrecy. We had other leaders come out with it, put it on the G20, the G8. We had people

resigning around the world with other things, but we actually published –- we have published all of the names and their offshore entities. So it's all there on the web for anyone to look at.

What I said earlier was very important because of the context around us. We weren't going to be a Wikileaks, we weren't going to just dump all this material out on the internet. A good example is we found the form Finance Minister and the current Deputy Speaker of the Parliament in Mongolia. And he was very important because he was negotiating –- at the time he was setting up secret offshore account in the British Virgin Islands. He was negotiating with the giant mining company, Rio Tinto, to allow them to mine the Gobi Desert. And he actually gave them huge tax breaks, which is very controversial.

And we found him setting up this secret offshore entity in the British Virgin Islands, which was linked to a secret Swiss bank account. So when we confronted him, he actually admitted that he had a million dollars in this Swiss bank account, but of course it had nothing to do with Rio Tinto. And then he had to resign.

MR. JONES: Candy, can I ask you, this would seem to me to be an ideal kind of series for CNN, CNN International, CNN Domestic. I mean, a think that would lend itself to really being a distinctively international kind of thing, which did not have, really, a television version yet. Am I kidding myself about something like this?

MS. CROWLEY: No, I certainly don't think so. I will say for CNN we do have an investigative unit. They hired Chris Frates, who now I think heads it up as the journalist, but there's a huge body of folks that work. But this kind of thing, when I look at it, this takes a special, like, if you came to me and said we think

this is a great TV story, the first think I'd think was what pictures are we going to use to do this? And there are great, I mean, obviously, you have names now to put. So, you say you see this guy, but it's a little more complicated, but it's absolutely –- it's in the writing of it as you find. You find it from newspaper reporters, radio reporters, TV reporters, it's all in grabbing this person that's watching you and bringing them into this secret world.

So, yeah, I mean, absolutely. I don't know. I can't speak for higher ups and what offered them and what's not. But, I mean, to me, this is the kind of thing all around us that ought to be everywhere.

MS. GUEVARA: We actually were liking when among the nearly 60 partners that we had media partners around the world. We had the BBC, CBC and Finnish Public Broadcasting among other media television partners. And many of them did some undercover work where they went to some of these service providers and got him to admit on camera, you know, complex tax evasion schemes that they were planning for very rich people in different parts of the world.

MR. JONES: This looks like something HBO could do. I mean, in a ten part series or something. It could be very dramatic. I don't know.

MS. GUEVARA: They use a combination of their undercover camera, but also the documents are so rich. You have these e-mails with conversations about, so, the yacht that Dennis Rich owns, how can we put it in this company in the Carribean where then some tax evading or whatever, some tax situation can happen or whatever. So, just showing those documents, highlighting them and then confronting the people, maybe doing some undercover work like they did.

MR. JONES: Thanks. The Berkeley Project. The ladies in the field, that had its own big, big challenges, especially persuading people to speak. How did you guys

approach the problems that you had?

MR. CEDIEL: Well, we had a couple of problems. When we started off, as you were saying last night, we got a tip that there's this big problem out there and we began to investigate and we came across two problems right away. We didn't know how big the problem was and there was no data. And nobody would talk to us. And we were fortunate enough, we spent a year from start to finish working on this. And had you stopped our project six months in, we would have been dead in the water. We didn't have anything. We were beginning, and I'll let Bernice explain a little bit more, to create our own databases with the statistics because there weren't any. And that process, as some of you know, is very laborious.

And then going out and finding women, there was really no secret to what we were doing. We had to go out and meet them where they were and on their terms. When we were starting the project, *Invisible War* had just come out. I'm not sure how many of you saw it, about the sexual assault in the military. I went and I saw the piece because it was very inspirational, very well done, it was nominated for an Academy Award. And I remember thinking what they had that we didn't have is they had white women who spoke English, who were American citizens, who were in a system where there was a hierarchy who you knew was in charge. We had none of that.

We had mono-lingual Spanish speaking women who were not here legally, who did not know who they were working for, who were told if they spoke, they would be fired, deported or, in many cases, beaten by their husbands. And as we began to report we found out that that was actually true. Those were not idle threats. We met a lot of women who had, in fact, decided to speak up, were fired,

were beaten, were deported. And their co-workers saw this. Their co-workers knew what the risks were.

And so here we come from Berkeley with out note pads and our cameras and our lights and our microphones and asking them to go on camera. And a lot of them –- and again, many of these women coming from Mexico or Guatemala often don't have more than a third grade education. And they're looking at us and they're saying, well, if I talk to you, can you protect us? Can you keep us from being deported? And we had to say no. Can you keep us from getting fired? Said no. Well, who is going to see this? Everybody.

And it was against those odds that we had to convince people to talk to us. So over the course of the months and the years we made countless trips. I think it was hard to count how many times we met with people, sat in their homes, spoke with them, met their family members. You know, dinners, lunches, everything we could to make them feel that we were humans and that we're going to tell their story in a humane fashion. And one by one, we felt like we were making progress and then people would back out, they would get too afraid.

There was one woman who we were particularly interested in who, when she found out it was going to be –- she actually won a civil settlement of almost close to a million dollars. And she was petrified that that would be reported because she had family in Mexico. And she said when my people find out they're going to kidnap and kill my family in Mexico, if they find out we have a million dollars. So, after all this time, I feel like the secret here was not that we had some great technique. We had women doing the interviews, we had Spanish speaking women, but it was really a lot of luck that we made it for ourselves,

because it ended up being not so much what we were doing, but finding women who were at a point in their processing of the trauma that they were able to speak.

One of the things we had to be very careful with was re-traumatizing people by asking them to go through these details again. And most of the women we talked to just weren't there. And it wasn't until we found women who had gone through their own process of healing that they were willing to talk and we just had to ask the questions.

MS. YEUNG: In terms of the actually nitty gritty of kind of building trust and taking that time, I mean, it really did take six or seven visits to some communities, the first time simply knocking on the door and being received in their front yard and not, you know, even crossing the doorstop. And then coming back again and then eventually getting invited into their back yard to sit in a chair and talk with them for a couple of hours. And then eventually getting invited into their home. I mean, it was a really long, slow process to develop these relationships. And even then there are so many just risks and concerns that so many of these women had that it was such a roller coaster ride.

I remember there was one woman we were really interested in reaching out to because she was involved in a case involving 26 farm workers who had accused primarily one foreman of sexually harassing and assaulting them. There were a couple of others who were also accused in one particular orchard in the Yacoba Valley and we wanted to find this particular woman because she actually was not part of the suit, but she had been mentioned a number of times in the court documents. And we thought that she would be an interesting person to talk to, to corroborate some of the information that we were hearing, some of

the women we were talking to.

She was very, very difficult to locate, as you can imagine. We finally were able to track down some of her old addresses via some of the public information databases. And we basically knocked on the doors of every old address that she had. And we did that the first time we went, we did that the second time we went back. The third time, and I think the third time she finally called us and said please leave my people alone. But she called us and that's how we were actually able to access her and get some really great information from her.

MR. JONES: Lowell, if you would, this is the story of getting the information. But creating the front line piece is a somewhat different thing. How did you decide or how was it decided, what was the process of figuring out how to tell the story. I thought it was very effective with those voices right at the very beginning.

MR. BERGMAN: Well, Andr_s was the producer. And so he actually could answer a lot of those questions, although I guess you would say I was intimately involved in the process. But I did want to point out a couple of things, just from a kind of getting this kind of story done, getting it broadcast on two networks at the same time, which had never happened before, in two different languages. And so the world that we're in now and some of the challenges I think because, in fact, all the talk about Twitter and so on last night, this is a story that's completely –- there is no data. It's completely off the grid. It's off the radar. This population is invisible.

We only think about them in terms of –- and we're actually doing a sequel, we're trying to do a sequel to it. It's not covered and goes on from there. In fact, for us, the process really was a process of discovering, for instance, how to find

people. These aren't people you look up Nexus, you know, and go to Person Locator and so on. They don't exist in that forum. So it is door to door, knocking on doors. The other critical thing, element to this that both made it somewhat more difficult, ironically, but also possible, was the willingness of Univision to get involved. Because they were actually the first organization that committed to doing it.

And they hadn't been doing reporting basically like this, or supporting reporting like this. And they are now. I think you'll see more of this kind of investigative reporting coming out of the foreign language media in this country. So, to go back to the process, the process was what kind of cases could we find, primarily from the EEOC, the Equal Employment Opportunity Commission. Once they agreed at the beginning to cooperate with us, because initially, on the initial inquiries years ago, four years ago, they weren't going to cooperate at all.

And that opening gave us at least some court cases and data to base some of the cases on so we could say that these things actually happened, for instance, as opposed to hearsay. But this is some reflection.

MR. JONES: Just very briefly on how you decided to create the documentary that you did.

MR. CEDIEL: I think partly to your point about the voices, that was out of necessity. I mean, that was a story telling –- we were, like I said, we were six months in and we didn't have anybody on camera yet. So we had to start to imagine different ways of telling this story. How do these stories –- we had a lot of women who were willing to go on camera in shadow. And I was very adamant that we were going to need to find somebody to show their face to be able to

carry the whole thing.

But during the time we amassed all these voices, I kept thinking to myself, this is a better radio piece than it is a television piece. So we started to construct it as a radio piece. And I think that that's where that opening that you read from last night came from is starting to use, you know, in the broader sense, it didn't matter, the individual women's stories stood for more stories.

MR. BERGMAN: By the way, the key also is we were able to –- and this was really surprising, we were able to find the perpetrators.

MR. JONES: Interesting.

MR. BERGMAN: Which surprised us. That wasn't difficult at all.

MR. JONES: Tim Elfrink. Biogenesis. As I said last night, punching above your weight, did you get punched back much?

MR. ELFRINK: Less than you might think, actually. This was a story that, you know, ended up costing Alex Rodriguez $20 million, untold millions of dollars to baseball to investigate this. And it all started with an argument over $4,000 in a little anti-aging clinic in Coral Gables, Florida. A guy who was a long time client who'd become an investor and the marketing manager for this clinic got burned on $4,000 investment he had made in the clinic. And his thought process was he took all these boxes of records thinking, well, this guy is not going to be able to run his clinic without his patient files. So, he'll have to pay me back eventually.

And it was only once he got home with them and started really researching what he had that he realized that this guy had a whole side business outside of his clinic selling performance enhancing drugs to some really huge athletes. And he reached out to me about a month later. Side story, actually, he had e-mailed me and T.J. Quinn at ESPN, but it got lost in the system at ESPN. So I met with

him a week after that and from the start it was exciting to have these documents and what he believed they represented. But they were a very confusing and strange batch of documents to be handed over.

There are hundreds and hundreds of pages of handwritten notebooks, little notations, phone numbers. And a lot of cases, Tony Bosch, who ran this clinic, had a sort of code name system he would use for his biggest clients. So, he called Alex Rodriguez Cacique, which is like an Indian Chief in the Dominican Republic. And he called Nelson Cruz Mohamad. He called Melky Cabrera Mostro. And so we kind of had to, like, just the first step was trying to figure out what these records meant. The much bigger question was then trying to figure out, well, how do we prove this is what we think it is, because even the source who was providing them wasn't entirely sure what this all meant. He was as much an outsider to the professional sports side of this clinic as we were.

So that was kind of the key question to this investigation, was we know what we think we have here and we think it shows that some of the richest guys playing sports in America are cheating, pretty blatantly. How do we prove that these records are what they look like? There were steps to do that. The first was just calling hundreds and hundreds of numbers in these handwritten records to talk to ordinary clients from his clinic. And our thought process was if we could get enough people to confirm, yeah, that is totally accurate, I went to the clinic on this date, I bought this kind of drug from him. It was pretty powerful evidence that the rest of these records were also what they looked like.

That was a tough process. The vast, you know, 90-some percent of the folks that I called would have no interest in talking about buying illegal drugs from a fake doctor. So, it's tough to get people to be willing to even, you know, on

background confirm that these details were accurate. On the more conventional side of things, it turned out that the guy that owned this clinic had just enormous trail of paperwork from, you know, he had basically burned every business partner he ever had. He had several ex-wives he owed a ton of money to.

So, there was a lot of reporting just in the court system to sort of flesh out who this guy was and his back story, how he ended up opening this clinic. And about three months in we got to a point we felt comfortable that we had found a half dozen people who all confirmed their information was accurate. I'd found another former employee from the clinic who verified my whistle blower's side of the story. And after a long and stressful weekend with our attorney we decided we had enough to go forward with these records.

MR. JONES: How has life changed at the *Miami New Times*?

MR. ELFRINK: Not as drastically as you might think. We had an exciting year last year. There's no question about it. It was the kind of story we had never really come across before. We do investigative reporting is at the heart of what we do, but on a very local scale. So, to have a story like this, with that kind of a national impact, was certainly incredible.

MR. JONES: What about the impact of the Rick Scott story?

MR. ELFRINK: Yeah, so, that was sort of the second and third piece of this. About three months after our initial story ran, there became this mad scramble to get these records from both the players involved and from Major League Baseball, who was desperate to try to suspend everybody involved. And some of the players, particularly Alex Rodriguez, were desperate to get these records to, you know, cover them up and prevent a suspension from happening.

We had Major League Baseball, two vice presidents came to our office and basically asked nicely would we please give them all the records we had, which we considered and told them no, sorry, we're not really in the business of just handing over source material to folks. But over the course of those months I started hearing from my whistle blowing from others just some incredible stories about what was happening with these investigators, that they were handing out envelopes full of cash in the back of dark SUV's, that they're posing as cops to get into apartment buildings. And that was our second story, once we had enough folks willing to go on the record. And my initial whistle blower decided at that point to no longer be anonymous and tell his story on the public record. So we did that about three months later.

And then the final piece of this that we thought was really important was just the systemic problems that led a clinic like this to be able to open out in the public in a strip mall in Coral Gables. The more we dove into it, it really was pretty incredible. We sort of took to tacks. We started with the –- there's an industry group called A4M that represents these anti-aging clinics. And we were able to get a database of all of the registered members, sorted to find all the clinics that had registered with them in Florida and it turned out there were more than 500 of them.

And then start going to the business records to look into who owned these clinics, what kind of doctors were working at them. And, perhaps not surprisingly, it actually was not all that difficult to find some pretty felonious business owners connected to these clinics, including guys with cocaine convictions and illegal steroid convictions, you know, violent felonies on their records. And the second piece of this was on the state regulatory side. And it

turned out just the year before several employees of the Department of Health had filed a whistle blower complaint basically alleging that since Rick Scott had been elected as Governor –- and important side note, before he entered politics, Governor Scott had owned the health care company convicted of the largest Medicare fraud in U.S. history. They had to pay $600 million back to the U.S. Government for fraud.

So, a lot of people felt and the evidence was pretty clear that when he came in, it was not as someone with any kind of favorable view of regulatory agencies on the health care side of the business. And indeed, his first budget he had stripped $60 million from the regulators. He had hired his own managers who actively discouraged any kind of criminal investigations into doctors or into clinics. And in fact, the state law had been changed so that any clinic of this sort that doesn't take insurance money actually cannot be regulated by the state, health care agencies.

So, as long as you're only taking cash payments, which the vast majority of these clinics do, you don't have to register who owns it. You don't have to have a medical director listed and you're not open to any kind of inspection from the state, which is the exact kind of system that encourages somebody like Tony Bosch to operate so openly.

MR. JONES: So, what was the impact of that final story?

MR. ELFRINK: We do have a state senator and a co-sponsor in the House who's put a bill together for the upcoming session, which starts later this month in Tallahassee that would at least close that loophole, so that cash only clinics would still be subject to the state health care regulators and would have to list the medical directors. Similar legislation that passed about three years ago

helped make a pretty good dent into the Oxycontin pill mills, which had been a previous huge problem in Florida and had sort of skidded through the exact same loophole.

So, it's not clear how much support it will have. Obviously, Governor Scott's Administration is still in power, but there does seem to be some support building behind that.

MR. JONES: Thank you. Ellen Gabler, the babies, so tell us your story.

MS. GABLER: So, the story started out with one of my colleagues getting a tip about a child whose newborn screening test was late. And every single kid who is born everywhere has to get this test. It's required by law, because it is very effective if it's done right. It saves lives and saves children from disabilities. So that's why it's required by law in every state. So, he had heard about this kid in a small town in Wisconsin whose test was late and the child almost dies and doctors had to do all this crazy stuff to save his life. He has disabilities now and so that was the tip.

So, then we started talking, well, is this a bigger problem? And so we were trying to figure out how we can establish that. And so, one thing I do a lot in my job is data analysis. So every –- basically, the idea was to get data for every single kid born in Wisconsin and you can get data that says when the blood was taken and when it arrived at the lab. And then the idea is to analyze it and see which hospitals are sending samples late.

So, I asked for that information from the state health lab. All these tests are done at public –- at state labs. And they freaked out. They were basically like that is –- we're not giving you that. That's adversarial to the hospitals. We'll decide what –- we know what you need, we'll decide what you need. I was like,

that, this is no good. So, they were deciding what we needed and they made it pretty clear they were not going to reveal which hospitals were doing a poor job. So, I basically just requested data from the entire country. So, I set up like a spreadsheet with all of the contact information from every state lab. Did like a mail merge, like you're sending like your Christmas cards.

And this request, this request for information, this request for data went out to every state lab in the country. And, again, they all totally freaked out. So, they're all on the list serve and they started talking amongst themselves. They're like, you know, what's going on in Milwaukee. What are they doing? And then I basically had to, state by state, pry the information out of them. So it was a lot of like negotiating, negotiating for data, right? So, talking with them about what they could provide and what they couldn't provide. And then, like in a lot of cases I had to go over the head of the people in the labs.

So, one of my favorites was in Arizona. They were like, no, we're not going to give you this information. It's very private. And just to be clear, I was not asking for any children's names. You can basically de-identify this data. So, I wasn't asking for kids' names and I certainly wasn't asking for results of any tests, because that would obviously be a confidentiality concern. So, Arizona wasn't going to give it to me. I was searching around on their website and I saw that –- they said they weren't going to give me even the total number of children born at an individual hospital, because I could then identify a baby who was born at a hospital and that would be very bad.

So, I went on their website and I saw that they were reporting for specific Indian tribes, they were reporting the STD's. So, they said in this very small tribe of 200 people, three women between ages 18 and 25 had chlamydia last year.

And so I just sent them an e-mail and I was like, I think it's really interesting that you won't provide this basic newborn screening data that's completely de-identified, but you're saying that three women in this one Indian tribe have chlamydia. And I also –- I basically just went straight to the head of the State Health Department. I sent him that e-mail too. And he wrote back and he said, Ellen, thank you for your note; I have now provided some guidance. I think you will see a change in attitude. And so I got the data.

It was like that with all the different states, just dealing with different personalities and different people.

MR. JONES: So it was like inch by inch, state by state?

MS. GABLER: Yes. I have this –- for weeks I had the same conversation over and over. And then once the data started coming in I had to analyze it. And so, it came in in different ways. So, like from Texas, I got every single kid born in Texas for a five year period and so I had to analyze the data and figure out which hospitals were the worst. I had to like do an analysis to show which hospitals had the biggest problems. In other states, like Florida, was already posting this information in PDF's online, but by month. So our news application developer, he had to scrape all that data. And then we had to like do all this weird stuff to it.

MR. JONES: And how shocked were you by the character of the fame of the hospital relative to whether they were actually fulfilling this obligation? Like Lenox Hill, for instance, is really kind of a shock to me.

MS. GABLER: Well, that was an important point of this story. It wasn't limited to hospitals in poor regions, hospitals in certain states. It was just kind of what it was.

MR. JONES: Do you think, based on what you know now, that this has had an

impact that is genuinely going to change this situation?

MS. GABLER: Oh, yeah. I mean, the impact was incredible. In Wisconsin, the state's largest hospital chain, they were the worst, essentially. They have a ton of hospitals. And they're like they stand for quality. The very next day, they were like, oh, my gosh, we are so sorry. We didn't know. And they added a courier service. They've completely revamped their whole program. I mean, Arizona, they were one of the worst. Arizona and Texas were two of the worst states. And the heads of the Health Department, the State Health Department there, they were like thank you for pointing this out. We're going to completely redo our program.

So, for the most part, the hospitals and the health departments overseeing this, once the information was out there, they absolutely say they are going to correct it.

MR. JONES: Your newspaper has a long time reputation for doing serious work, but these are hard times. How difficult was it for you to get the amount of time and resources that it took to do this?

MR. BOROWSKI: I'm the editor for the project and the watchdog team. And we, when Mark Johnson came to me with the idea, it was very easy to say we're going to do this as a big project, because he's a science writer and his background is more coming at it from this heroic story of the doctor who saves the kid who is at death's door and would have been fine for the great explanatory piece about it. But embedded in his discussion with me was, well, we –- I said, well, how did this occur? And he said, well, the doctor thinks it was batched. And he said, well, what's batching? He didn't really know, so he went back and looked and came back and said, well, here's what it is. Well, how often does that occur?

I sent him back to go look and see, has anyone else written about this? Is this a problem that we're just not aware of but everyone else is aware of?

And he came back and said he hadn't found any articles in mainstream media about it, but every website they looked at for a state lab had this big, giant warning on it. So he said this is a big story. We knew from the beginning it was a big story and it was a national story. We didn't want to say, hey, let's tell the story of this one piece and then put it out there and then some other bigger outfit would come along and say we're going to take it national.

So, right away we got Ellen involved with her data skills and said let's start this, because it's going to take substantial time just to get everybody to comply. And my editing secret for those is to say I bet Ellen a pitcher of beer at the IRE Convention she couldn't get more than half the states to give hospital by hospital data.

MS. GABLER: We are really lucky in Milwaukee to have editors like Greg and the other top editors at the paper who are very committed to doing this kind of work. And I feel lucky to work there and I wish and hope that other places will do the same thing, because it's really important.

MR. JONES: *Wall Street Journal*. Lobotomies.

MR. PHILLIPS: Yes, question?

MR. JONES: When was yours?

MR. PHILLIPS: Last night in the bar at the hotel.

(Laughter)

MR. JONES: How on earth did you come across this as an idea and what's the story?

MR. PHILLIPS: Well, I'm not an investigative reporter, unlike everybody else

in the room here. I have been covering the war in Afghanistan and Iraq for a period, for the last 13 years and write about veterans' issues when I'm at home and the aftermath of war, effects on families, that sort of thing. And my brother is a novelist and he was out in Stillwater, Minnesota, at a book festival, one of his books. And he ran into a woman who was doing her Ph.D in psychology and her thesis topic was the Jungian interpretation of dreams of veterans with PTSD. And so my brother thought that's a good story. I'll call Mike and see if he's interested.

So, I talked to the woman and she tried to explain the Jungian interpretation of dreams of veterans with PTSD. I can't make the whole –- I can't make any heads or tails of it. But her other interest was in lobotomy because her uncle had been lobotomized in –- I think it was 1948 by the VA and he spent the rest of his life pushing a mop at McDonald's. And she had done enough looking into it to find some 1940's journal articles about it. And she was convinced that her uncle was not the only one, which was a reasonable assumption.

And this immediately caught my attention, as you can imagine. Greatest generation, lobotomy, you don't have to be a very good reporter to see there is probably a story there. And so, but the problem was finding out, first of all, how extensive was it and what was the thinking that went into the decisions that led to lobotomization of a group of veterans. And then, secondly, how can I find these guys? At least find their families and figure out what happened to them and what effect it had on their lives.

So, I immediately submitted a FOIA request to the VA, which came back really promptly and completely empty. I think, literally, I don't think there was anybody at VA Headquarters who knew they had done this. It was 60 years ago

and there's no reason that anybody there would have remembered. There were some doctors around the system who had patients, 90 year old patients, who had had lobotomies and so knew, you know, knew an individual case that had happened. But there was no systematic memory of this happening. The VA had gotten rid of its records.

So, I ended up going to the National Archives, which I highly recommend to anybody. There's just so much in there. And they didn't –- the archives didn't have a lobotomy, VA lobotomies index or something. So, we had to go to various places where we thought there might be technical bulletins that the VA sent to VA hospitals giving them advice about how to do things, which was one possible route. But we also called up the surgery boxes and went through maybe 18 boxes of records or something. And there's appendectomy under A and lungs and that sort of thing and cardiac surgery and you get to L and there's lobotomy.

And there was a box of magical documents that laid out all the VA's thinking, the arguments they had internally, the decisions that they made and how they went from we don't have a treatment that's effective to, hey, let's try lobotomy. So those documents, just read them, copied them, took pictures of them. And most amazingly there were lists of probably 800 veterans who had been lobotomized with the dates they were lobotomized and the diagnoses for which they were lobotomized. Often paranoid schizophrenia or various other types of schizophrenia, sometimes psychosis, homosexuality sometimes was the diagnosis.

And so I had these long lists of names and, as Alex mentioned, I didn't go for the Smiths. If you read the article you'll think that the VA was targeting recent immigrants because Kazlariches and the Kandalanins and the Tritz's were the

easy ones –- easier ones to find, find their living relatives. And so, found probably a dozen families and I was at one point talking to a woman actually in Wisconsin out by Green Bay, Regina Davis, and talking to her about her brother, Roman Tritz. And she said, yeah, he was a B-17 pilot, lots of combat missions, came back and was really scary. The family was scared. They had him committed. Eventually the family decided if you go along with the doctors who said he should have a lobotomy. And we talked about his case and at the end of 20, 25 minutes on the phone, I said, so, when did Roman die? She said, oh, he's not dead, he lives in Lacrosse.

And that was the only living veteran I found who had been through all of this. And he's an extraordinarily resilient guy. He is not mentally well, but he has somehow made it through 90 years, 60 of them with a semi-working brain.

MR. JONES: So, what has been the impact on the recent vets that you normally write about?

MR. PHILLIPS: Well, it's not something we can measure. The VA, at the request of Congress, is supposed to be looking to see how many of these living vets are alive. The VA has lots of things on its mind right now and this is probably not in their top 50 priorities, so I don't know if they'll ever –- if, in time, they will get around to finding how many of these guys are still alive. We got a lot of response from families who said, oh, that's what happened to Uncle Joe and I can tell that's what happened. He came back from the hospital and I know why he was who he was after the war. Got lots of those kinds of things, other cases surfacing.

MR. JONES: Well, may I ask, is lobotomy something that the VA still does?

MR. PHILLIPS: Not that they are willing to say. No, I don't think so. I mean,

there is a form of lobotomy that is still kind of used, but it's a much more targeted kind of severing of certain connections in the brain. But, no, it's not a –- it died. Basically, Roman was lobotomized July 1, 1953. In 1954 Thorazine came on the market, the first anti-psychotic drug. If he'd held out another year he'd be taking pills.

MR. JONES: And what about the pamphlet?

MR. PHILLIPS: Oh, yeah. I'm sure all of us want you guys to read our stories, but if you go to the website, wsj.com/lobotomy files, if you go down the first story there's this extraordinary document, which is the take home guide that was given to the families of the veterans as they left, if and when they left the hospital. The families would be given this six page document with 37 questions. It's like if you had your wisdom teeth out and they said, well, here's how you take care of your packings when you get home. This was here is how you take care of your man-child when you get home.

And, as you read these points, they're just increasingly horrifying. He may –- his sexual appetites may be unchanged, or he may be very aggressive. And then they would suggest the answer. The wife may just have to say no. And he may get into the bathtub for six hours and emerge still dirty. Well, encourage him to clean himself. He may lock himself in the toilet. Well, you might not leave the key in the door. And you can imagine these parents who got this document and thought, holy, what have I done? Because they, generally speaking, the families gave consent to the doctors. You know, doctors are authority figures, as we know.

And if they say your son needs a lobotomy, then the families would often say, okay, that sounds like a good idea, if it will help. And then they get handed this

thing on the way out the door, which they should have been handed on the way in the door that says you're not going to get the same person back when you're done with this. And you can click on this on the online thing and you can read the whole thing and be horrified for the rest of the day, if you like.

MR. JONES: Scot, plunging into the Pentagon's accounting system, I can't imagine anything more of a morass than that. What prompted you, one, to do it and how on earth did you go about it?

MR. PALTROW: Well, what prompted me to do it actually was I, going back a couple of years, had had an interview with David Walker, who was then the Comptroller General of the United States, which meant that he was head of the GAO. And in the course of interviewing him about something entirely different, he said, you know, you've been writing about the Defense Department for years and its lack of accounting, somebody should really do a story. So it was a case of finally meeting up with the right editor, Mike Williams at Reuters who had the enthusiasm for this and that's how it got going.

I think what by far was the most difficult aspect of doing it was that the subject was not a discreet subject. It was not one bad thing that you were trying to document, you know, one totally egregious thing. It was egregious things going on financially in the largest federal agency in the country that got more money than almost all the other federal agencies combined, that spent more money than the next 13 countries combined together spent on defense. And showing that it was absolutely unaccountable for its money. Not only had it never passed an audit, it's the only federal agency, and again, it's the largest, that has never even been audited.

In 1991 Congress passed the –- what was called the Chief Financial Officer's

Act, which required every federal agency to undergo an annual audit. And since then, every other agency has and with rare exceptions they've all passed. But instead, with the Defense Department, the Inspector General, who was the one charged with conducting the audit, simply sends the letter to Congress and says the Military's books are in such disarray that there's no hope of doing an audit. And, you know, had to delve into how this came about.

And it turned out that the whole auditing –- they had no unified auditing system. That had all grown up entirely ad hoc since World War II. And that they had built systems as early as 1960 that were still in use and ran on COBOL and on antique IBM mainframes and each of the Military departments, you know, the Army, Navy, etcetera, had their own systems, none of which could talk to each other and produce any kind of accurate records, financial records, financial statements. So what that meant was that the Secretary of Defense and Congress and the President had no accurate records for determining budget and that it's largely charade, making statements about what needs to be cut and how much money there is because they really don't know.

One example that we found of just outright game playing that everybody knew about, but sort of winked their eyes, was the Defense Department simply being able to balance its checking account. The Treasury Department essentially was the bank and it doled out money as appropriated by Congress as the Defense Department needed it. And every month the Defense Department was supposed to reconcile its checkbook with what the bank said. Only Defense Department's records never matched.

So, what they would do is they would just fill in fake numbers and send them off to the Treasury so that the numbers matched and Treasury knew about it, but

rubber stamped it because since they agreed it complied with the regulations. But it just went to show that the Defense Department was largely clueless. And it had real impact on people. We found a number of wounded warriors who had been real heroes, who had served terms in Iraq and Afghanistan, been blown up, had PTSD, actual brain injuries, physical injuries, who came back and discovered that not only had their pay been mistakenly cut off completely, but they were being charged with debts that they didn't owe that the Military was going after them to complain.

And so these heroes, instead of being welcomed back, were forced to go to food banks and charities. And I guess what interested me the most from the whole project was that –- it struck me and it struck my editors that this was a really important subject because this was so much of the Federal Budget. There was no accountability for it. And yet, how do you make it interesting to the public and get it across. What was interesting was when, years ago, when they discovered the Air Force's toilet seat that cost, I don't know, $500, and the coffee maker that cost X-hundred, that was a huge story. It was big on television. It resonated with people.

But when you talk about vast amounts of taxpayer's money that just actually has disappeared, that they can't find, that it's been stolen in many cases, it's interesting how little it resonates. And Congress ultimately is the regulator for the Defense Department. And when we asked congressmen who had served on the Armed Services Committees, they said, well, you know, accounting is a boring subject. How am I going to go back home and tell my constituents that I did something about Defense Department accounting. Their eyes are just going to glaze over and there are no votes in it.

MR. JONES: So, is there any prospect of anybody actually engaging this subject?

MR. PALTROW: I'm eternally optimistic.

(Laughter)

MR. JONES: In the Administration, in the Congress, is there any constituency?

MR. PALTROW: The Administration has shown absolutely no interest in it. The Defense Department's response has been extremely defensive. There are a few senators who are interested in this subject, Senators Harper and Coburn and they've been working on this for some time and they've been pressing to have a hearing, but for some reason it gets postponed and postponed and postponed. And it's sort of gotten lost in all the talk about budget cuts.

MR. JONES: Well, I want to open it up to questions now. And this will be for those of you who are at the table and those of you who are in the audience and if you would direct your comment –- by the way, I was remiss. I keep getting reminded and I keep forgetting. Our hashtag for this session is @goldsmith. Is that correct, Janelle? @goldsmith. Sorry. I get a very sort of look. I apologize for not telling you that earlier. Those of you who have questions or if any of you who, in the course of listening to these accounts, what is your question? What is your sort of curiosity about things? Candy, let me give you the first crack at posing something.

MS. CROWLEY: Yeah, I mean, pretty easy. Just sort of to all of you, start to finish, like when you got the tip and first –- you were first published, because I realize there are others, how long from the tip to publication or airing?

MR. BERGMAN Four years.

MS. GABLER: Six months.

MR. ELFRINK: Three months for me.

MR. RYLE: From beginning to end, about two and a half years.

MR. HAMBY: About a year, but it kind of began before that, but, yeah, about a year.

MR. PHILLIPS: Seven months.

MR. BOROWSKI: About three years.

MS. CROWLEY: And did you all have, I mean, were there forces pulling you elsewhere? So, was there a day job and then this was something you did, say, okay, I've got three free hours here or was this full on?

MR. BERGMAN: Four years, didn't look like we could do it. Took about three years for Andr_s and Bernice and others to figure out how to get people to talk, and then a year.

MR. JONES: And did you spend virtually all of your time on this for that length of time?

MR. CEDIEL: For the year, yeah, this was a full time job.

MR. JONES: What about the four year?

MR. CEDIEL: The four years, I think, well, as the tip came in it was kind of percolating in our office for a while. It came originally from a grad student. She did some initial research. We handed it to another grad student, they kept going. They weren't getting very far. It wasn't the kind of thing that was going to progress a little bit here, a little bit there. It was going to take dedicated time and resources.

MR. JONES: If I may, a follow up on what Candy was asking, could you do that again? I mean, has anything changed that would –- I don't mean in this

particular story, but if you get another tip, maybe you're already working on something. Has the economic climate at your situation such that you would be able to continue to do this kind of work without thinking that this was the end?

MS. YEUNG: I guess I'd say that I am very lucky to work in an organization where this is all we do. So, however long it takes is how long we get to work on it.

MR. JONES: Well, I know the Center for Public Integrity, you've got to finalists, but I know you guys are always –- you're a non-profit and you guys are too, I assume, and that's a big challenge.

MR. BUZENBERG: Chris will tell you, I kept asking him how long is this story going to take?

(Laughter)

MR. BUZENBERG: In the ICIJ one ate up, really, fully a year and a half and then more. It is what we do, but it is a challenge.

MR. MOSK: I think it's probably one reason that you see so many collaborations up here. I mean, I know for our part, having the ability for Brian to do the number of stories that he does, but knowing that the center is constantly plowing forward, analyzing data, doing interviews, it's a very mutually beneficial arrangement, I think, to be able to work together.

MS. GUEVARA: If I could say something else. It's super important to have this trust from your editors. That, in our case, for example, was they had to wait like four or five months for us to even start understanding what we had in front of us. There were months where we couldn't even open the data. And for them to just trust that we were getting the right help and that we were doing the right thing. And then when we decided that this story was not just a one, or two, or three country story, but was a global story and that implied bringing in all these

journalists, putting the data online, giving them access and that would take additional six, seven, nine months or whatever and say yes to that, even though we were ready to go maybe with a U.S. story or other countries.

MR. JONES: How did you identify the people that you wanted to bring in? Were these people who were already members of the Consortium?

MS. GUEVARA: Yeah, the advantage the ICIJ has is that we have this existing network of reporters and we work with them and with many of them in previous projects. So we don't have to go finding, in most cases, reporters. But we can just turn to our trusted members around the world in 60 countries. And that's a huge advantage. And my advice to anybody doing investigative reporting these days is you need to either use these existing networks or build your own personal networks. And to be in a network, you have to be a giver. You can't be part of this network just to take stuff from other people. You have to be able to give what you have. In this case it was our data that we shared.

MR. JONES: How difficult was the relationship between ABC and the Center on this? I mean, is it easy, hard, problems?

MR. MOSK: We worked with the Center on a couple of stories and so I knew these guys and they knew me and I think we get sort of each other's needs and rhythms. I think there were a number of occasions where Chris and I went out and would meet a source together for lunch or we'd talk about who would be ideal for television, as opposed to what would be more useful for a print piece. I mean, it was actually a remarkably seamless collaboration in that respect.

MR. JONES: As I say, if you have a question, just stick up your hand. But until somebody else does, I'm going to keep asking, because I'm fascinated. Yes, Steve.

MR. ONEY: I've got a question for you, Chris, and for you, Tim, what was the blowback, either from the law firm that you exposed or from the low lifes that you were dealing with. I mean, you were bringing into bright light people who would much rather operate in the shadows and at some danger their ability to make money and carry on their lives. So, what threat of lawsuit was there from the law firm that you were working with and just, again, from the unsavory characters who became all of a sudden to intimate to use?

MR. JONES: If I may, this is Steve Oney. He's a superb magazine writer and currently a Shorenstein Fellow. And some of the magazine articles he's done and I know one in particular was on just such a low life and this guy has been threatening. I mean, it was funky and I know that because I know the situation. So, he's asking from experience.

MR. HAMBY: I was actually stunned at the lack of response from the law firm, which I was expecting someone to show up at the Center with a lawsuit, a subpoena, something like that. This law firm is very aggressive and notoriously litigious and, I mean, if I'd thought about it too much going in I probably would have said this is –- so, you're going to do a project where you accuse a litigious law firm of fraud and you say that a bunch of seasoned veterans at Johns Hopkins are wrong in their medical opinions? I mean, that's crazy. But that's what the project ended up being and that only evolved over time.

The law firm, he said surprisingly nothing. And that told me a lot, which was that they had nothing. And they are now under disciplinary investigation.

MR. JONES: You guys had sleaze in a whole different sort of level and dangerous stuff, I would think.

MR. RYLE: Yeah, we were –- our lawyers had kittens behind the scenes,

believe me, when we had a hundred and something thousand people, all of who were very wealthy and very powerful. I mean, we had politicians from about, well, we had Bangladesh, India, Australia, former and current, you know, we had politicians and very, very powerful people there. I am actually –- one of our partners, the Canadian Broadcasting Corporation, is facing a lawsuit in Canada and I'm named in that. We're also named in another lawsuit that's been filed in Delaware. So, we are facing two lawsuits which we're fighting and which we think we will win.

But then there was this extraordinary legislation passed in the British Virgin Islands only recently where, if I go there, I'm now facing 20 years in prison if it gets passed. And sources face 40 years for giving information like this out. So, that's sort of blow back we were getting, but it's just different in every country. We had very good legal advice at the beginning that what we were doing was perfectly legal. We had every right to do this. And we always figured too that if someone did come after us, we had so much information on them that they probably wouldn't want that to come out. So, what we were publishing was just the tip of the iceberg.

MR. JONES: Did all of you lawyer up heavily before you published?

MR. PALTROW: This is the only story I've ever done where –- and I asked to be lawyered, but they said no, don't bother.

MR. ONEY: Tim what about you?

MR. ELFRINK: Yeah, we –- I guess there's two fronts, like you said, some of the shadowy characters involved in this and then also the guys that had a ton of money on the line in this thing. And the weekend before the story published my main source, my whistle blower in this, called me in a panic and said that he had

gotten pretty credible information that one of the more street steroid dealers was going to kill him if his name was in the story. And he panicked and basically fled town for like three weeks because he was so worried about this. Naively or not, I guess I didn't worry about it so much on my side of things because at some point, especially once you publish the story, there's just not a lot to gain from taking that kind of action against a reporter.

On the legal front, there was definitely a stressful couple of weeks. The day after the story ran all the baseball players lawyered up. Alex Rodriguez hired Roy Black, who is sort of this very famous celebrity attorney in South Florida. There were some sleepless nights there for sure. I think we always figured, you know, assuming our records were legitimate and we were obviously very convinced they were that any of the baseball players involved would have had a lot more to lose in a lawsuit than to gain because at some point they would have had to sit down for a depo under oath and talk about their relationship to this clinic. And I always believed that nobody would want to take that step and that turned out to be true.

MR. PHILLIPS: Particularly for that multi country thing, when we do stories and we put people's names in the paper, we always call them for comment. When you're putting a hundred thousand names online, how many do you call for comment?

MS. GUEVARA: All the names that we reported about, that we wrote stories about, they got not only a call, but letters with detailed questions and it was surprising how many of them actually wanted to explain themselves and that would enrich the project. The decision to put out the database was different because, of course, we can't call a hundred thousand people for comment. But

what we decided is that this information was information that needed to be public anyway. It's not that we were exposing their bank accounts or their super private confidential information. All we were doing was putting up basically what should be a public registry of companies where you could see who owned a company, who was the director, who was the shareholder. And in that case, that information, we really didn't need to call people for comment.

MR. RYLE: We also were very lucky in that David Cameron, the British Prime Minister, actually, as a result of our stories gave a press conference at the White House where he actually came out and said this information should be public. So we had a public interest document, which is what we needed before we could do this.

MR. JONES: Did any of you in the course of –- oh, yeah, John.

MR. REIDY: I was just looking over all these wonderful presentations we heard and it sort of seems to me that they fall into one of two categories. Either they're institutional, governmental, with the malfeasance or their persons, such as in the case of *New Times* and the "Rape in the Fields" and I think I would also –- oh, and "Secrecy for Sale", so those are personal. In looking ahead in the future, by the way, I don't see much about corporations. Should we have more stuff on BP and Goldman Sachs and J.P. Morgan? But what do you see as the most fertile area? Is it going to be governmental, whether it be hospitals and things like that, or the Pentagon, or is it going to be really bad individuals that are going to make for the better stories going forward, or corporations?

MR. MOSK: I mean, I thought what made the story so compelling, our story so compelling was that it was such an unexpected thing to have Johns Hopkins Hospital, which is world renown, considered one of the finest medical

institutions in the world for sure involved in something like this. And in a way, you know, when we're evaluating how much emphasis to put on the coal companies and their role in all of this versus how much emphasis to put on Johns Hopkins it's really the surprise of Hopkins' role in this that made that, in a way, I think more important.

MS. GABLER: I think good stories are everywhere and one interesting thing about the newborn screening story was nobody really knew about it. It had never really been –- really never been written about it. And so I think it's good to just always keep an open mind, because you just never know where something will come from.

MR. BOROWSKI: The people driven stories have always been there and it's just a matter of getting a tip to find them. That over simplifies it, but the story that Ellen and our team put together with this data driven stuff, the more data that becomes available, I think that opens a lot more systems to be able to analyze them and to be able to quantify the nature of the problem. Because this could have been a real compelling anecdotal story of here's two or three cases and it's some sort of problem; we don't know how big. But because we had access to the data, analyzed in a sophisticated way, we could say here's exactly how big it is and here's exactly who is screwing up on a very simple problem to fix.

MR. BERGMAN: In the "Rape in the Fields" story there are three major corporations involved, all of whom were –- there were attempts to hold them accountable in different ways. So there is a corporate element to the stories about labor conditions basically.

MR. JONES: And the Goldsmith Prize, remember, is focused on especially on

some aspect of government malfeasance or incompetence or whatever. And all of the stories have that dimension in one way or the other. Some of them, like the Pentagon, are in your face. But I think even the like "Rape in the Fields", it was a matter of whether there is going to be an institutional ability for these women to be able to seek redress and protection. I mean, that's something that –- this was sort of something that had completely fallen in the cracks and needed to be addressed.

MR. BERGMAN: I had a question about the ICIJ and I've dealt with the government in the British Virgin Islands on this issue. And they always say there are more anonymous corporations –- they have 700,000 anonymous corporations. But they say there are more in Delaware and Wyoming and Nevada and that people from all over the world create corporations in Delaware, Wyoming and Nevada because it's the same thing, so why pick on them?

MR. RYLE: Well, we didn't pick on anyone actually. We did work on ten different jurisdictions. But you're right. In fact, America is actually the largest tax haven in the world and what we found in this whole –- looking at this whole system and how it works, the money doesn't end up on a Carribean island, it actually ends up in the Bank of America or other banks. We did look at the role of corporations, the big accountancy firms and banks.

In fact, we focused in on those a lot. And really the money stays in Britain or it stays in France or it stays in America, it doesn't go anywhere else. In fact, there's this very interesting scenario that's happened in that each country tends to use its former colonies to hide its money. So that's why a lot of, you know, the French use their former African colonies and why you see the British Virgin Islands being used is because it's still ruled under British law and people prefer

to use British law than their own law.

So that's why Cypress had a huge issue last year because all the Russian money was going to Cypress. It's the reason why Greece had all its fiscal problems was the system. So we really tackled –- what we were looking at was this like parallel universe. And this data kind of gave us the first ever chance to look at it in a way that no one else had been able to do.

MR. JONES: I think that on the note that America is the biggest tax haven in the world--

(Laughter)

MR. JONES: That gives you all something to shoot for next time. Listen, I want to thank you for being here. We are so proud to be working with the Greenfield Foundation to make the Goldsmith Prize system work. It's always an inspiring time for us at the Shorenstein Center. I know the Greenfield Family, many of whom are here this morning, feel the same. We're very proud of you. We're very proud to be a mechanism for bringing attention and recognition to this incredible and important work that you do. We want to hand out some things that we are calculated to make look as impressive as we possibly can.

(Laughter)

MR. JONES: Harvard University at the top. If you don't look too carefully, maybe someone will think you have a diploma.

(Laughter)

MR. JONES: Thank you all, very much. I really appreciate it. Especially I want to say how much I really appreciate Candy Crowley for being here with us last night and this morning.

(Applause)

MR. JONES: Thank you and please keep it up.

(Whereupon, at 10:33 a.m., the session was concluded.)

C E R T I F I C A T E

This is to certify that the preceding transcript is an accurate record based on the recordings of the proceedings taken before: Alex S. Jones

In the Matter of:

THE GOLDSMITH AWARDS IN POLITICAL JOURNALISM

Date: March 6, 2014

Place: Cambridge, Massachusetts

_ Date:_____

Allyson R. Farley

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