

December 11, 2007

Debbie Fine Center for American Progress 1333 H Street NW 10th Floor Washington, D.C. 20005

Dear Ms. Fine,

By this letter I request that you immediately retract the study titled: "Beyond Justice: Bush Administration's Labor Department Abuses Labor Unions Regulatory Authorities." The report, which was authored by Mr. Scott Lilly, intentionally libels the Center for Union Facts (CUF) and its Executive Director Mr. Richard Berman.

While we have not fully assessed the damage done by the report, it is clear that multiple false statements were constructed to intentionally damage the credibility of our organization with current and future contributors.

First, on page 14, Mr. Lilly wrote:

It is also clear that the number of proven violations is not only low but that there is not a "wave of union corruption," as the National Legal and Policy Center warned, and they are not at a "five-year high" as <u>Union Facts argued</u>. In fact, that conclusion is not even supported by the <u>heavily doctored OLMS data that Union Facts took pains to post on</u> their Web site but evidently did not bother to read. (emphasis added)

Mr. Lilly clearly took our statement out of context in an effort to damage our analysis of Office of Labor-Management Standards (OLMS) program reports. Put in context the quote he referenced reads:

The Department of Labor's Office of Inspector General oversees, among other things, cases of labor racketeering — and it stays busy. Union officials have continued to earn their reputation for greed, corruption, and mismanagement of union dues.

In 2005, criminal charges and fines resulting from racketeering investigations hit **five-year highs**. (Source: <u>http://www.unionfacts.com/articles/crimeFraud.cfm</u>, Accessed December 11, 2007)

By intentionally dropping the reference to "criminal charges and fines resulting from racketeering investigations," Mr. Lilly falsely implied that we were referencing the OLMS, not the Office of the Inspector General (OIG). Then, based on his intentional contextual inaccuracy, he goes on to further attack the Center for Union Facts, suggesting that we "did not bother to read" our own information.

In fact, the Department of Labor's OIG—as opposed to the OLMS—*did* see "five-year highs" in 2005 racketeering investigations. Finally, the data posted on CUF's website is drawn directly from the OLMS's annual program data. It was in no way "heavily doctored" as Mr. Lilly falsely states.

Second, Mr. Lilly falsely states that CUFs Executive Director Richard Berman has an "extensive relationship" with political appointees in the Department of Labor. Lilly wrote on page 12:

A freedom of information request by Citizens for Responsibility and Ethics in Washington revealed an extensive relationship between Labor Department political appointees and Union Facts director Richard Berman.

Mr. Lilly's statement is false. Mr. Lilly cites a set of documents obtained through a Freedom of Information Act request that contain two transactions between the DOL and Mr. Berman in the last five years. And each of those transactions were formal letters submitted to the Secretary of Labor.

It is clear that Mr. Lilly and the Center for American Progress have intentionally libeled the Center for Union Facts and Mr. Berman in an effort to damage our credibility. To remedy this we expect the following actions be taken immediately:

- 1. A full retraction of the report;
- 2. All hard copies of the report be destroyed (or recycled);
- 3. The Center for American Progress (CAP) post a notice on its website indicating the errors for no less than 30 days in a highly visible location;
- 4. We be given a list of all recipients of the report within 7 days;
- 5. CAP send a retraction notice to all entities that received a copy of the report;
- 6. CAP place paid notices in any external publications that published findings from the report.

I have already contacted Mr. Lilly regarding these inaccuracies. He has allowed an entire day to pass without a response. I advise you that any further delay in addressing these statements will only compound the damages we seek, as your false allegations are repeated in other venues.

Please contact me immediately after you have taken remedial actions: (202) 463-7106

Kind regards,

/s/

J. Justin Wilson Senior Research Analyst

cc: Scott Lilly