KEY FACTS ABOUT HSUS AND HB 2765

HB 2765 is a misguided effort by the radical Humane Society of the United States (HSUS) to use the Oregon legislature to further its radical agenda and boost fundraising efforts in the state. The proposal is pointless and offers absolutely no benefit to Oregon's citizens.

1. THERE IS NO GREYHOUND RACING IN OREGON.
   The last Oregon greyhound track, Multnomah Park, closed in 2004, and the track property was sold for other uses. Multnomah Park was a highlight of the Oregon entertainment and sporting scene since the 1930s, providing hundreds of jobs and contributing millions of dollars to state and local taxes as well as charitable causes. It was a nationally recognized leader in greyhound adoption, with policies and programs in place to ensure that every retired racer was either adopted or returned to the farm as pets or for breeding purposes.

2. HSUS PROVIDED FALSE AND OUTDATED INFORMATION TO LEGISLATORS.
   When HSUS spokesman Scott Beckstead was questioned about his testimony before the legislature, he cited as his source an outdated 2003 journal article by an animal rights advocate. The article contained false information that HSUS has promoted as fact ever since.

   Example: HSUS' outlandish claim that more than 20,000 greyhounds are euthanized each year is absurd; if it were true, greyhound tracks would have been out of business long ago because there would have been no greyhounds left.

   In fact, the number of greyhounds registered annually over the past five years has averaged about 11,200. The vast majority of those, over 95 percent, are adopted as pets when they retire from racing. There is now more demand for retired greyhounds than there are available greyhounds to satisfy the demand, as many adoption organizations can attest.

3. HSUS HAS A HISTORY OF MAKING FALSE ATTACKS.
   In 2013, HSUS and other animal rights groups paid a total of nearly $16 million to settle a lawsuit brought by Feld Entertainment, owners of Ringling Brothers Barnum and Bailey Circus. The animal rights groups had sued Feld, alleging mistreatment of elephants by circus employees. During the trial, it was discovered that the activist groups had paid the key witness to lie under oath. The lawsuit against Feld was thrown out (and described by the judge as "frivolous" and "vexatious") and Feld brought suit against HSUS and the other plaintiffs under federal racketeering statutes for bribery and other illegal acts. HSUS presumably paid the huge settlement to avoid allowing the case to proceed to trial in open court.

4. HSUS IS UNDER SCRUTINY FOR DECEPTIVE FUNDRAISING PRACTICES.

IN OKLAHOMA: The Attorney General of Oklahoma is investigating HSUS for what he describes as "deceptive" fundraising practices because the organization leads donors to believe that their HSUS donations go to support local pet shelters. In fact, HSUS does not operate any pet shelters, and spends only about 1 percent of its annual budget to support such facilities. HSUS is so worried about what the investigation might reveal that it has counter-sued in an effort to avoid public disclosure of the documents subpoenaed by the Attorney General.

IN NEW YORK: In June 2014, the contractor that HSUS uses to do most of its direct mail fundraising, Quadriga Art, paid $25 million in settlement of a lawsuit brought by the New York State Attorney General's office accusing the company of profiteering off its non-profit clients. It was found that most of the proceeds from the solicitations went to pay the firm instead of benefiting the clients. The HSUS relationship with Quadriga Art has been a topic of interest to the Oklahoma Attorney General in pursuing its investigation.

BY CHARITY WATCHDOGS: Charity Navigator, one of the top charity watchdog groups, has issued a "donor advisory" on HSUS to alert donors that "serious concerns have been raised about this charity." The concerns stem from the use of donor funds to pay the Feld lawsuit settlement. Although HSUS claimed the settlement would be paid by its insurance carrier, the carrier denied coverage, so donors ultimately paid the bill.

The Washington Post

Capital Business

Ringling Circus prevails in 14-year legal case; collects $16M from Humane Society, others

By Thomas Heath May 16, 2014

A number of animal rights groups including the D.C.-based Humane Society of the United States ended their long-running litigation with Feld Entertainment this week by paying nearly $16 million to settle unproven allegations that Feld's Ringling Bros. Barnum & Bailey Circus was mistreating elephants.

Feld chief executive and owner Kenneth Feld said the verdict by the U.S. District Court in Washington ends the 14-year litigation and vindicated his circus's treatment of the animals it uses in its act.

The settlement covers the legal costs incurred by Feld Entertainment defending the allegations. The company, which began decades ago in Washington and recently moved most of its operations to Florida, was represented by the law firm of Norton Rose Fulbright.

"Just to get this thing done, to settle this with all the parties, was a great relief," Feld said in an interview. "The important thing is it's behind us. We can focus on our entertainment business and on the welfare of all the elephants, here and in Sri Lanka and also at our Center for Elephant Conservation in Florida."

The win by the privately held Feld comes as the company is recovering from a circus accident this month at the Dunkin' Donuts Center in Providence, R.I. Nine acrobats were severely injured when rigging collapsed, causing them to fall 40 feet to the floor.

The company has not resumed the aerial act since the accident. Two of the nine have been released, but two reportedly sustained severe spinal injuries, according to news reports. The injured performers and their families have asked that no new information on their medical condition be released, according to a Feld Entertainment spokesman.

Feld called the accident "an absolute tragedy and devastating."

"We've been in this business 144 years, and unfortunately from time to time, there are accidents," he said. "This was pretty severe. Thank God all the young ladies will survive and we hope they will all fully recover. We are dealing with it."

The initial lawsuit claiming the elephants were abused was filed in 2000 by a former Ringling circus barn worker who was later found to have been paid at least $190,000 by the animal-rights groups to back their charges.

A judge rejected the claims following a 2009 trial.

Feld subsequently filed a racketeering claim against the groups to recover legal costs.

Michael Markarian, president of the Fund for Animals said in a statement: "The court never ruled on the central question of the abuse of circus elephants in this 14-year-old case, and the groups and their lawyers decided to settle the cases and avoid incurring additional costs."

Wayne Pacelle, president and chief executive of the Humane Society of the United States, said the settlement is covered by insurance and no donor money will go to Feld.

"But with the funds Feld is receiving, we urge the company to combat the killing of tens of thousands of elephants for their ivory," Pacelle said in his statement. "An additional $15 million can save countless elephants, by putting more armed guards on the ground or by working to reduce demand in ivory-consuming countries."

Thomas Heath is a local business reporter and columnist, writing about entrepreneurs and various companies big and small in the Washington Metropolitan area. Previously, he wrote about the business of sports for The Post's sports section for most of a decade.

HUMANEWATCH.ORG

Keeping a watchful eye on the Humane Society of the United States

95 Matches for 'Attorney General'

- Jan 26 2015

What Doesn't HSUS Want the OK Attorney General to Know?

Just days after being forced to defend itself for socking millions of dollars away in Caribbean hedge funds and overpaying staff, the Humane Society of the United States (HSUS) is suing the Oklahoma Attorney General in an effort to stonewall an investigation into its deceptive fundraising practices.

According to news reports, HSUS has refused to release documents that the Oklahoma official has requested as part of a civil investigation. HSUS was given several time extensions but responded with a lawsuit instead of coming clean.

Oklahoma Attorney General Scott Pruitt announced last February that his office would open an investigation into the extreme animal rights organization, which is known for selling overpriced jewelry to misled pet lovers. A statement from the Attorney General's office explained:

> The concern is that the HSUS projects heart-wrenching imagery of puppies and kittens in solicitations in order to extract donations from unsuspecting Oklahomans who believe their donations are going to help local animal shelters, but instead, their hard-earned money may go to high-powered lobbying and special interest campaigns

> that are determined to shape state and federal legislation that would harm farmers, ranchers and other Oklahomans.

Not long after the announcement of the investigation, HSUS and its co-defendants, including two HSUS employees, agreed to pay $15.75 million to settle a long-fought lawsuit filed against them in New York under the Racketeer Influenced and Corrupt Organizations (RICO) Act—a law that's been used to go after the mob.

The settlement prompted Charity Navigator, a charity evaluator, to remove its rating of HSUS and replace it with a "donor advisory."

As HumaneWatch has documented, only 1 percent of HSUS's budget is given to local shelters. Following that revelation, public support for HSUS declined.

If it has nothing to hide, HSUS should stop stonewalling and cooperate fully with Attorney General Pruitt's investigation into its fundraising practices. Of course, it's likely that a group that paid millions to settle a federal racketeering, fraud and bribery lawsuit has plenty it wants to keep under wraps.

TIMELINE OF INVESTIGATION INTO DECEPTIVE FUNDRAISING PRACTICES OF HSUS:

February 18, 2014 – AG Pruitt announces investigation into fundraising efforts of HSUS. *(more information)*

March 12, 2014 – AG Pruitt releases a consumer alert regarding national animal groups such as HSUS. *(more information)*

May 15, 2014 – HSUS and its co-defendants, including two HSUS employees, agree to pay $15.75 million to settle a long-fought racketeering lawsuit filed against them. *(more information)*

June 17, 2014 – Charity Navigator removes its rating of HSUS and replaces it with a "donor advisory". *(more information)*

July 22, 2014 – AG Pruitt announces that he has issued subpoenas to HSUS. This comes following HSUS fundraiser Quadriga Art paying $25 million to settle claims of misconduct involving solicitations for veterans charities. *(more information)*

January 21, 2015 – HSUS sues AG Pruitt in an attempt to stonewall his ongoing investigation into their deceptive fundraising practices. *(more information)*

Posted on 01/26/2015 at 4:23 pm by HumaneWatch Team.

Topics: Main

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- Aug 13 2014

HSUS Response to Attorney General Investigation: Misdirection

HSUS CEO Wayne "I don't love animals" Pacelle must be very worried about the investigation launched against his organization by Oklahoma Attorney General Scott Pruitt, who last month issued subpoenas to HSUS in light of a major HSUS contractor, Quadriga Art, entering a $25 million settlement with the New York Attorney General. But he's got a strange attitude for responding to the controversy, choosing to attack the motives of General Pruitt while playing the victim card on his blog.

This latest hubbub started when a website called TheAgitator.net—which is run by two guys and which no one has heard of—posted a three-part screed this week attacking Pruitt, attacking us, and then defending HSUS. Pacelle was quick to tout the ranting of this website on his blog. Essentially, Pacelle's defense is, "We're a target simply because we're effective." To which the logical response is: "So what?"

It isn't relevant how "effective" HSUS is in regards to whether or not it is raising money by deceptive and misleading means. To argue otherwise would be like a bank robber saying "But I gave half to charity!"

For starters, HSUS isn't effective by objective measures—and Pacelle's self-selected spin doesn't count as "objective." The independent charity watchdog CharityWatch finds that HSUS spends up to 45% of its budget on overhead, earning a "C-minus" grade (only slightly better than the "D" grades it earned for years). *Animal People*–far from flacks for "Big Ag"–puts the number at 55%. Oh, and all those animals HSUS claims to provide "direct care" for? Half of those animals are street dogs, etc. in *other countries*. Given its name, is it too much to expect the Humane Society of the *UNITED STATES* do more for animals in the United States?

The *real* issue is whether HSUS is raising money under deceptive means. The evidence for this is extensive. Here's the nuts and bolts:

- HSUS donors think their money is being used in a radically different way than it *is* being used—and they think HSUS misleads people;

- HSUS telemarketing scripts show that fundraisers are misleading donors about how much money will go to charity;
- The vast majority of animals in HSUS ads are dogs and cats, even though Pacelle has said on the record that only 20% of HSUS's money goes towards these animals;
- Wayne Pacelle admitted last year that "I think there is some confusion among the general public and I think there's occasional confusion with, with donors."
- HSUS's direct mail does not contain disclaimers that the organization is independent from local humane societies. HSUS's TV ads *now* contain disclaimers (in tiny print and up for just a few seconds), but almost no TV ads did in 2009-2011—which seems like an admission of guilt to us.

And let's review some highlights from 2014 for HSUS:

- HSUS and its affiliate HSWLT filed amended tax returns after HSUS was caught violating IRS instructions and inflating its revenue;
- Charity Navigator, the nation's largest charity evaluator, revoked its rating of HSUS and replaced it with a "Donor Advisory" warning;
- HSUS paid up to $15.75 million to settle a federal racketeering, fraud, and bribery lawsuit—and then was exposed for misleading donors in the aftermath, insinuating that insurance would cover the settlement when HSUS's insurance company has *denied* coverage.

The facts are simple, but HSUS can't argue these facts. The evidence is unimpeachable. So instead it has concocted a phony "victim" story whereby a big, bad politician is going after this poor, little group. It smacks of desperation. And the public will see right through it if Pruitt makes a fact-based case.

At the end of the day, Pacelle is hoping that he can make enough noise and get what he wants—for Oklahoma to drop its investigation and give HSUS a free pass. He reminds us of the six-year-old whining to his parents for candy. But if your best defense is two guys' blog-rant, that speaks volumes.

Posted on 08/13/2014 at 10:28 am by Humane Watch Team.

Topics: Main

Permalink

- Jul 22 2014

Oklahoma Attorney General Subpoenas HSUS

In March, Oklahoma Attorney General Scott Pruitt announced that his office was opening an inquiry into the fundraising of the Humane Society of the United States, issuing a "consumer alert" to the public about national animal charities. Things have been fairly quiet in the news since then—until yesterday.

Speaking to the radio show "All Around Oklahoma Ag," Pruitt offered an update of his office's investigation of HSUS. Pruitt stated that his office has recently issued subpoenas to HSUS in light of the $25 million settlement that major HSUS contractor and direct-mail firm Quadriga Art agreed to with the New York Attorney General earlier this month.

Pruitt also revealed that his office has met with HSUS leadership, and it didn't seem to go well. Pruitt says that HSUS's reaction has been "in some respects, not good…there's been denial."

HSUS can deny that its fundraising is deceptive all it wants to, but we have its CEO Wayne Pacelle admitting last year, on audio, that "I think there is some confusion among the general public and I think there's occasional confusion with, with donors." You can't play the denying game when you've already *admitted* that there's a problem with your donors. Even for an organization with dozens of staff lawyers, it's hard to talk your way around that one.

As for other states joining in an investigation of HSUS, Pruitt offered that "I've been in contact with other state attorneys general. We've talked about this on a national basis. … I don't have concrete information about their involvement but we are talking about that."

We'll see—we're hopeful that other offices will see the light about the deceptive fundraising of the Humane Society of the United States. As for Pruitt, he says, "Someone can sit across a table and say, 'We're doing it the right way,' but when you raise literally hundreds of millions of dollars, and all that we see so far is less than 1 percent of those monies going into what would be considered local shelters, it is a very fair and right question to ask this organization nationally, are they being deceptive and unfair in their communications? … We intend to push that issue, we intend to find out and if in fact they are engaging in what we consider deceptive practices, we will bring enforcement actions…and seek to recover damages."

Kudos to Pruitt for doggedly attempting to hold HSUS accountable. It sounds like he's going to see this through.

Attorney General Eric T. Schneiderman

Translate to Another Language

NEW YORK STATE OFFICE of the ATTORNEY GENERAL

A.G. Schneiderman Announces $25 Million Settlement With National Veterans Charity And Its Direct Mail Fundraisers

Agreement Provides $10 Million To Support Medical Research For Disabled Veterans; Disabled Veterans National Foundation To End Misleading Fundraising Appeals And Reorganize Board; Direct Mail Vendors Required To Reform Business Practices

Schneiderman: Charities, Direct Mail Companies Must Not Mislead Donors In The Name Of Our Brave Veterans

NEW YORK – Attorney General Eric T. Schneiderman today announced that his office has secured a $24.6 million settlement of his Charities Bureau's investigation into direct mail fundraising abuses at what has become one of the country's largest veterans' charities, the Disabled Veterans National Foundation (DVNF). The abuses, the investigation found – including misleading solicitations and failure to disclose conflicts of interest –were perpetrated by DVNF's two outside, for-profit direct mail vendors, Quadriga Art and Convergence Direct Marketing.

Under the settlement, Quadriga, which produced and sent out the mailings and played the dominant role in running DVNF's fundraising efforts, will pay $9.7 million in damages, and Convergence, which designed the solicitations and provided other advice, will pay $300,000 in damages. This $10 million will go to help support and improve the lives of disabled American veterans. In addition, Quadriga will forgive $13.8 million in debt that DVNF owes to Quadriga, and adopt a number of significant reforms to improve transparency and set a higher ethical bar for the direct mail charitable solicitations industry. Quadriga will pay an additional $800,000 to the State of New York for costs and fees.

"This investigation sheds light on some of the most troublesome features of direct mail charitable fundraising as it is practiced in the United States today," said **Attorney General Schneiderman.** "Taking advantage of a popular cause and what was an unsophisticated start-up charity, these direct mail companies used cleverly designed but misleading mailers to raise tens of millions of dollars in donations from generous Americans, nearly all of which went to the fundraisers and their agents, and left the charity nearly $14 million in debt. Charities and their fundraisers that rely on direct mail campaigns can and must do better -- and this settlement is an important milestone on the path forward."

The settlement with Quadriga and Convergence is believed to represent the largest amount of financial relief ever obtained in the U.S. for deceptive charitable fundraising. In addition to forgiving DVNF's current debt of approximately $13.8 million, these for-profit direct mail companies will pay $10 million to assist the disabled vets who were supposed to have been helped by the DVNF's nationwide appeals. Those funds will be used to support federally conducted research into technological advancements, new treatments, and innovative rehabilitation and service-delivery practices designed to improve the lives of disabled veterans. For example, $1 million of the funds will be directed to support cutting-edge spinal cord research at the James J. Peters VA Medical Center in the Bronx; $1,250,000 will go to support research on mental health issues; and $750,000 will be directed to support research into medical issues confronting disabled women veterans.

DVNF, the Louisiana-incorporated, Washington, D.C.-based charity in whose name millions of misleading mailings were sent to the public, was founded in late 2007 by a board with no direct mail fundraising experience. The charity is required by the settlement to reorganize its board, including replacing all of its founding directors; appoint a committee to re-examine its business model; terminate Quadriga and Convergence as fundraising advisers, and discontinue in all of its nationwide fundraising appeals the use of certain messaging, such as fictional stories of wounded veterans supposedly helped by the charity, that the New York Attorney General's Office found to be misleading to the donating public.

New York City Press Office: (212) 416-8060

Albany Press Office: (518) 776-2427

nyag.pressoffice@ag.ny.gov

A.G. Schneiderman Requests Executive Order To Restore Public Confidence In Criminal Justice System

A.G. Schneiderman Announces Resources To Aid Homeowners And Consumers Impacted By Buffalo Area Snow Storm

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Through the end of 2013, DVNF had raised over $116 million in charitable donations from members of the public who generously responded to the mailings and product inserts that Quadriga and Convergence designed, manufactured and shipped. Many of those mailings were false and misleading, the investigation found. Some highlighted a moving story about a wounded veteran who was never helped by DVNF; others falsely claimed that DVNF had a robust “network” of veterans’ advocates and benefit coordinators throughout the country; and still others claimed that for every dollar donated, the DVNF would be able to deliver $10 in goods and services to disabled veterans, when in reality over 90 cents of every dollar went to cover DVNF’s direct mail costs. Indeed, despite having already paid its fundraisers over $104 million, DVNF still owed them another $13.8 million.

DVNF was founded in November 2007 by the board of the National Association of State Women’s Veterans Coordinators, another Louisiana not-for-profit corporation. From the beginning, the investigation found, DVNF failed to maintain adequate independence from its principal fundraiser, Quadriga. Quadriga’s lawyers got the charity up and running and drafted the fundraising counsel agreement that DVNF signed with Brick Mill Studios, a Quadriga affiliate; Quadriga selected DVNF’s auditor; Quadriga’s agent, Larry Rivers, a veteran with deep ties to the DVNF board, served as a highly influential “unpaid financial consultant” to that board, even while earning over $2.3 million in undisclosed commissions from Quadriga on the business that the fundraiser did with DVNF; and, when the media asked probing questions about these relationships, it was Quadriga that managed DVNF’s public relations response.

The Attorney General’s investigation determined that Quadriga took advantage of the DVNF board’s lack of fundraising experience to sign the charity up for a “funded model” direct mail solicitation campaign far larger in scale than the DVNF board ever imagined. Under the “funded model” arrangement, the fundraiser assumes the up-front printing, packaging and mailing costs of the direct mail campaign, and is paid only out of the revenues brought in by the campaign. In exchange, the fundraiser obtains effective control over the charity’s donated revenues, as well as a lien on the charity’s donor list. In this case, the investigation found, DVNF was not adequately informed, and did not ask, about many critical elements of such a campaign, including its projected revenues and costs, the projected break-even point for the charity, the price of particular items used in the campaign or potential conflicts of interest. Here, there were multiple conflicts of interest, including among the Quadriga affiliates, between Convergence and Quadriga, and between Larry Rivers, Quadriga’s commissioned sales agent, and DVNF, where Rivers served as a consultant and which then hired his daughter as chief administrative officer.

Since its founding, DVNF’s principal program activity has been its “gift-in-kind” program. Under this program, DVNF paid a third-party vendor, Charity Services International (CSI) of South Carolina, to obtain donated goods from corporate or institutional donors, document the supposed value and transfer of title to the donated goods and transport the goods to recipients such as veterans’ homeless shelters and “stand-downs” (sites where goods are distributed to needy veterans and their families). The investigation found that DVNF’s board provided minimal oversight of its “gift-in-kind” program, failing in many cases to ensure that the donated goods were being directed to disabled veterans, as the fundraising appeals suggested, or had any useful purpose at all. The investigation also showed that, without telling its charity client, Convergence received commissions from CSI linked to the amount of goods that DVNF obtained from CSI.

Under the settlement agreement, DVNF has terminated its relationship with CSI and will establish a board-level gift-in-kind committee to re-evaluate this program and, if it is continued, improve its administration.

The settlement affords DVNF, which hired a new executive director while the investigation was ongoing, the opportunity to make a fresh start: It is relieved of its enormous debt burden; all of its original board members must step down by the end of 2014; at least five new qualified directors must be added to its board; and, in addition to the gift-in-kind committee, the board must establish a new, independent audit committee. Furthermore, after a transition period winding down its existing direct mail campaign, DVNF is prohibited, for three years, from using Quadriga or Convergence to design or manage its charitable fundraising appeals, and it must permanently cease and desist using the fundraising claims the Attorney General’s office found to be false and misleading.

Attorney General Schneiderman’s settlement also requires Quadriga and Convergence to adopt a comprehensive set of reforms that will serve as important rules of conduct for the charitable fundraising industry going forward. Among other things, the reforms agreed to by Quadriga and Convergence require full disclosure of all potential conflicts of interest, prohibit dealings with a

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start-up charity that does not have independent counsel, and require the direct mail vendors to exercise due diligence concerning the factual accuracy of the fundraising appeals they send out in a charity's name. To ensure that its "funded model" charity clients fully understand the scope and costs of their fundraising campaigns, Quadriga is also required to provide these clients with a complete written description of the elements of the proposed campaign, the costs and rate structure associated with each such element, and the annual and total costs and revenues the campaign is projected to generate.

The parties to the settlement have neither admitted nor denied the Attorney General's findings. A copy of the settlement is available here.

The investigation was conducted by Assistant Attorneys General Michael Torrisi and Elizabeth Fitzwater of the Attorney General's Charities Bureau and Senior Enforcement Counsel David Nachman of the Executive Division, together with Research Analyst Liam Arbetman. The Charities Bureau is led by Bureau Chief James Sheehan. The Executive Deputy Attorney General for Social Justice is Alvin Bragg.

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Charity Navigator has become aware of the following information in connection with this charity:

On May 15, 2014, Feld Entertainment ended its long running legal dispute with the Humane Society of the United States, the Animal Welfare Institute, the Fund for Animals and other non-profit animal rights groups who had accused the Ringling Brothers and Barnum & Bailey Circus of abusing its world famous elephants, in violation of the Endangered Species Act ("ESA").

The Fund for Animals and the Humane Society the United States, which merged in 2005 but operate separately, issued this statement in which they said: "Although The HSUS was never a plaintiff in the case against Ringling, we believe it was prudent for the parties to settle, because this court would never address the core claims of elephant abuse, and there would be significant cost to continuing to litigate. We expect that a substantial portion, if not all, of the settlement costs to The HSUS and The Fund for Animals will be covered by insurance, and in the end, that no donor dollars from The HSUS will go to Feld."

As described in this February 20, 2014 decision: "The plaintiffs in the ESA action premised their case on the testimony of the late Tom Rider, who testified that he observed the mistreatment of the elephants when he worked for the circus. [The judge], however found that Rider was not credible and that he was essentially a paid plaintiff witness whose sole source of income throughout the litigation was provided by the animal advocacy organizations, which were his co-plaintiffs in the ESA action. [The judge] therefore concluded that Rider lacked standing and entered judgment for Feld, the defendant." Feld then sued the plaintiffs in the ESA case as well as their attorneys, arguing that the ESA plaintiffs' payments to Rider during the litigation violated the RICO Act. After Feld's RICO case survived a motion to dismiss, and the animal rights groups were ordered to disclose the names of certain donors in discovery, the defendants agreed to pay Feld $15.75 million to settle Feld's claim for attorneys fees in the ESA case and the pending claims in the RICO action. Media coverage of the $15.75 million settlement, in which none of the parties admitted liability, can be found here, here and here and Feld's statement on the settlement is available here.

On July 7, 2014, the Washington Examiner reported that on May 15, 2014 "when the [voluntary] settlement…' between Feld Entertainment and several non-profit animal rights groups "…was announced, officials at the Humane Society of the U.S. and the Fund for Animals, which were responsible for paying the $15.7 million, defiantly claimed their insurance companies, not their donors, would pay the money to Feld." The article goes on to note that "what the animal rights groups failed to disclose to the public was that they'd been told four years before that their insurance companies would not provide coverage." The article also states that "today, the groups are suing their insurers." In response, " Wayne Pacelle, the Humane Society's president and CEO, shrugged off the insurance companies' refusal to cover the settlement, saying in an interview, 'denial of coverage is a standard posture within the industry.' Pacelle… said they have a 'commitment' from one carrier 'to cover the bulk of what our responsibility is.' He said he hopes there can be settlements with the other two insurance carriers." For more information, please see The Washington Examiner article.

Charity Navigator, as an impartial evaluator of publicly reported financial information, takes no position on allegations made or issues raised by third parties, nor does Charity Navigator seek to confirm or verify the accuracy of allegations made or the merits of issues raised by third parties that may be referred to in the Donor Advisory. However, Charity Navigator has determined that the nature of this/these issue(s) warrants making this information available so that donors may determine for themselves whether such information is relevant to their decision whether to contribute to this organization. (See *How we decide to post a Donor Advisory*).

Charities Performing Similar Types of Work

Highly Rated

Charity Name & State	Overall Score	Overall Rating
North Carolina Veterinary Medical Foundation (NC)	91.65	★★★★
Alley Cat Allies (MD)	93.14	★★★★
American Kennel Club Canine Health Foundation (NC)	90.74	★★★★
American Veterinary Medical Foundation (IL)	97.11	★★★★

Compare These Charities (Highly Rated)

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Charity Name & State	Overall Score	Overall Rating
American Society for the Prevention of Cruelty to Animals (NY)	83.20	★★★☆
People for the Ethical Treatment of Animals (VA)	72.38	★★☆☆
PetSmart Charities (AZ)	94.45	★★★★
Farm Sanctuary (NY)	92.89	★★★★

Compare These Charities (Most Viewed)

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