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August 14, 2011

Janice K. Fedarcyk
Assistant Director in Charge
FBI, New York Field Office
26 Federal Plaza, 23rd Floor
New York, NY 10278-0004

Re: Expanding NewsCorp Criminal Investigation

Dear Assistant Director Fedarcyk:

On July 10, 2011, we wrote to you asking that the FBI investigate NewsCorp under the Foreign Corrupt Practices Act ("FCPA").
http://www.velvetrevolution.us/images/FBI_News_Corp_7-11-11_Final.pdf Within a week, both the Attorney General and the FBI confirmed such an investigation. We are now writing to ask that you expand that investigation of NewsCorp to include (1) a conspiracy to cover up, obstruct and undermine an investigation under the FCPA, and (2) a conspiracy to use private investigators, military intelligence contractors, and law firms to spy on Americans and organizations that they consider threats, either on political, financial or ideological grounds. We believe that the evidence presented below warrants investigation by the FBI.

News Corp's Million-Dollar Donation To The Chamber Of Commerce

News Corp has known for years that it was facing liability for illegal hacking in the UK. It has known that the serial bribing of officials there facilitated that hacking. In order to keep a lid on that illegal conduct, News Corp spent millions paying off victims and using its influence with police and politicians to minimize any scandal. Just this week, it was reported that Clive Goodman, one of the former UK editors, wrote that the illegal hacking was widely discussed at executive meetings and then covered up.

<http://www.guardian.co.uk/media/2011/aug/16/phone-hacking-now-reporter-letter>

At some point, News Corp executives and attorneys realized that the bribing of foreign officials violated the Foreign Corrupt Practices Act. Therefore, it appears that in the summer of 2010, they formulated a plan to undermine the FCPA in order to help News Corp escape liability in the event the bribe scandal could not be contained. That plan involved the U.S. Chamber of Commerce and its lobby arm. In short, News Corp called

on the Chamber to lobby Congress to weaken the FCPA and write the proposed legislation to amend it. It then gave a massive \$1 million donation to the Chamber, which was reported in the press on September 29, 2010.

<http://www.politico.com/news/stories/0910/42989.html> On October 27, 2010, the Chamber released a paper called “Restoring Balance: Proposed Amendments to the Foreign Corrupt Practices Act.” <http://www.instituteforlegalreform.com/restoring-balance-proposed-amendments-to-the-foreign-corrupt-practices-act.html> The law firm hired to help lobby Congress was Debevoise & Plimpton and its senior partner Michael Mukasey. On June 14, 2011, just weeks before the NewsCorp hacking scandal broke, the House Judiciary Committee held a hearing on the proposed amendments with Mr. Mukasey making the case for the Chamber and NewsCorp.

<http://www.financialtaskforce.org/2011/06/13/foreign-corrupt-practices-act-under-attack/> The head of that Committee, Rep. James Sensenbrenner, has received \$22,500 from News Corp.’s political action committee, News America-Fox PAC.

After the DOJ announced that it would be investigating FCPA violations by NewsCorp, the company hired Mr. Mukasey to represent it in FCPA matters.

<https://www.mainjustice.com/justanticorruption//2011/07/20/news-corp-hires-mukasey-other-fcpa-big-guns/>

Clearly, it appears that NewsCorp conspired with the Chamber to cover up its criminal activity under the FCPA. Its hiring of the Chamber to use its lobbying muscle was not done in the normal course of business but rather as part of a pattern and scheme to buy protection for its industrial scale criminal conduct. This amounts to obstruction of justice.

The Use Of Investigators And Military Intelligence Contractors To Target Opponents

As noted above, NewsCorp and the Chamber have an extremely close relationship. In fact, NewsCorp rents the roof of the Chamber building for its satellite transmissions of White House activities. <http://thinkprogress.org/media/2010/07/09/106844/chamber-foxnews/> When the Chamber wants a story written, it calls on NewsCorp and its cadre of reporters at FoxNews. See e.g., <http://mediamatters.org/blog/201010210033>

More than a dozen NewsCorp executives and staff have been arrested in the UK for the hacking/bribe scandal, which included the hiring of private investigators who had relationships with the police. Those police were bribed by the investigators in exchange for phone numbers, banking records and other personal information about people of interest to NewsCorp. This week, one of the company’s American executives, former News of the World editor Stuart Kuttner, was arrested in the scandal.

<http://articles.latimes.com/2011/aug/03/world/la-fg-britain-phone-hacking-arrest-20110803>

In October 2010, the Chamber, through its attorneys at Hunton&Williams began negotiations with three military intelligence contractors, HB Gary Federal, Palantir

Technologies, and Berico Technologies, code named “Team Themis,” to spy on and undermine its opponents, including several organizations and individuals with which I am affiliated. The proposed six million dollar dirty tricks campaign included hacking through the use of computer malware, false personas, false documents, social network scraping and targeting the children and families of the opponents. In fact, this week, it was reported that Team Themis even created fake Facebook accounts as part of its scheme. <http://thinkprogress.org/politics/2011/08/18/298081/hbgary-federal-us-chamber-persona/> On May 6, 2011, we sent a letter to the FBI requesting an investigation into this activity. http://www.velvetrevolution.us/images/FBI_Investigation_Chamber_Themis.pdf We also filed a bar complaint against the Hunton&Williams lawyers involved in this illegal scheme to hack and target opponents. http://www.velvetrevolution.us/images/H_W_Bar_complaint.pdf

Prior to the hiring of Team Themis, the Chamber had hired investigators to dig up dirt on its opponents, and provide that information to Fox News, which in turn published defamatory articles about those parties. Several of those articles about an organization I am affiliated with resulted in hundreds of death threats against the organization and its staff. http://www.huffingtonpost.com/brad-friedman/fox-news-fans-flood-anti_b_389276.html We provided a zip file of all those threats to the FBI. http://www.velvetrevolution.us/stop_chamber/images/FBI_ChamberLetter_121009.pdf

On January 14, 2011, after the Chamber hired Team Themis, the team received a massive data disc and a 189kb xml document from the Chamber’s Hunton&Williams attorneys about its investigation of my associates and organizations. It appears that this information included private personal data gathered by Chamber investigators about the opponents, their family and children.

Over the past few weeks, NewsCorp’s conduct with regard to a company called Floorgraphics has received new interest in light of the UK hacking scandal. <http://latimesblogs.latimes.com/entertainmentnewsbuzz/2011/07/old-lawsuits-against-news-corp-could-get-second-look.html> In short, NewsCorp considered Floorgraphics a competitor and sought to destroy it with false information, harassment, dirty tricks and computer hacking. Floorgraphics sued and NewsCorp settled by buying the company for more than it was worth. Although the FBI was made aware of the illegal conduct when it occurred, no charges were filed at the time. Now Senator Frank Lautenberg has asked the FBI to reopen the case and consider NewsCorp’s conduct as part of a pattern of racketeering. <http://www.adweek.com/news/advertising-branding/how-bad-news-corp-133928>

Similarly, NewsCorp and the Chamber worked together to target, bully and destroy organizations and opponents they believe pose a threat to their activities. The Chamber and its attorneys at Hunton&Williams have engaged in conduct that appears to mirror the illegal conduct of NewsCorp in the UK and the illegal conduct against Floorgraphics – hiring investigators to dig up dirt and personal information, hacking into computers and social networks, targeting children and family members, leaking false and scandalous stories to friendly reporters, and acting above the law. We believe that a comparison of

NewsCorp's UK /Floorgraphics conduct and the NewsCorps/Chamber's conduct before and after Team Themis will demonstrate coordination and similarity of tactics and activities.

In conclusion, the evidence suggests that NewsCorp has conspired with the Chamber to engage in criminal activity, including obstruction of justice with regard to the FCPA, cyber stalking, spear phishing, invasion of privacy, fraud, extortion, harassment, destruction of property, spying, illegal social network scraping, identity theft, and interference with business. We strongly urge you to expand your investigation to include these matters, that you review all emails and documents between NewsCorp and the Chamber, and that you interview all parties who participated in contacts between the two. We believe that you will conclude that the Chamber has been used as the enforcement arm of NewsCorp and that criminal liability applies to both under numerous specific federal statutes as well as conspiracy and RICO.

We have hundreds of emails and documents related to the Chamber's Team Themis hacking scheme that we are prepared to provide to you. Please contact me at the number below if you have any questions or need additional information.

Sincerely,



Kevin Zeese
Attorney at Law
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