

HUSCH BLACKWELL

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April 5, 2021

VIA E-MAIL AND FEDERAL EXPRESS

Warren Cole Smith
2514 Plantation Center Drive
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WSmith@MinistryWatch.com

Wall Watchers d/b/a Ministry Watch
2514 Plantation Center Drive
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ATTN: Christopher J. Hempe

Re: Demand for Retraction—Articles: “Kanakuk Financial Statements Reveal ‘Suspicious’ Pattern of Self-Dealing”; “Website Documenting History of Sexual Abuse at Kanakuk Kamps Goes Live”; and “Kanakuk Knew of Abuser’s Behavior At Least 6 Years Before Finally Firing Him”

Dear Mr. Smith and Mr. Hempe:

This office represents Kanakuk Ministries, Joe White and Debbie-Jo White. I have reviewed the above referenced articles you published on March 20, 28 and 30 respectively. After review and analysis, it is our certain belief that you have defamed my clients, causing significant reputational harm and damage. We demand immediate retraction of each article.

I. March 20, 2021: “Kanakuk Financial Statements Reveal ‘Suspicious’ Pattern of Self-Dealing”

I initially note that this article was published close in time with The Dispatch/French Publication and the website “FactsAboutKanakuk.com” generally alleging sexual abuse coverup. I have serious doubts the timing was a coincidence. If these articles are not retracted, we will learn the truth about the coordination of these publications.

In this article you write, **“In fact, Kanakuk is part of an inter-related web of at least nine non-profit organizations and ten for-profit organizations, all owned or controlled by Joe White and his wife Debbie-Jo White.”** When you wrote this, you knew Kanakuk Ministries was a standalone 501(c)(3) organization. Mr. and Mrs. White are employed by

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Kanakuk Ministries and serve on its Board. You also knew, or should have known, the White family donated the Kanakuk Kamp facilities to Kanakuk Ministries in 2008 but failed to mention it. You did write about long term ground leases with Kanakuk Ministries but omitted that the leases are below market value rates. You also omitted that the financial obligations and conditions of Kanakuk Ministries are reviewed annually by the audit committee and its independent auditor (Capin Crouse). Instead of writing the truth, you suggested there were multiple shell nonprofit corporations used in a pattern to funnel monies to Mr. and Mrs. White. Your statements and intentional omissions are defamatory.

In this article you write, **“And in addition to their salaries, Debbie-Jo White, received an additional \$142,738 in what is simply called ‘compensation.’ Joe White receives an additional \$41,909 in ‘compensation.’”** When you wrote this statement, you omitted that your statement was based on a one year analysis (2017). In addition, you incorrectly calculated the compensation. In 2017, Mr. White received \$41,909 in total compensation. That number includes Mr. White’s \$36,844 salary. Similarly, Mrs. White received \$142,738 in total compensation. The total compensation figure included her \$39,864 salary. You intentionally inflated the figures to support your false narrative. Your statements and omissions are defamatory.

In this article, you write, **“Again, while these arrangements do not prove illegality, they do raise concerns about ‘private inurement,’ which is against the law.”** When you wrote this, you knew that no concerns had been raised by anyone (independent auditor, government agency) other than yourself for your own self-serving interest in making your article more salacious. All transactions occurred in accordance with generally accepted accounting principles. The transactions are reviewed annually by the audit committee and its independent auditor, Capin Crouse. To even suggest any of your statements prove or disprove illegality is journalistically dishonest and defamatory.

II. **March 28, 2021: “Website Documenting History of Sexual Abuse at Kanakuk Kamps Goes Live”**

In this article you write, **“One of the lawsuits filed by John Doe IX against Kanakuk and a senior staff member, Peter Newman, resulted in a judgment for the plaintiff for nearly \$20 million in 2018.”** Incredibly, although you reached out to John Jensen to clarify circumstances surrounding this judgment, you ignored the explanation and wrote the above defamatory statement anyway. You knew the judgment was a “default judgment” and entered against Mr. Newman only. When the judgment was taken, Mr. Newman was incarcerated and to our knowledge had no legal counsel. No judgment was taken against Kanakuk and there has been no collection of the “default judgment” against Mr. Newman. Even though Kanakuk spoke the truth to you regarding this matter and the lawyer who obtained the default judgment

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“refused” to speak to you, you published this defamatory statement anyway. The statement is misleading, defamatory and malicious.

III. March 30, 2021: “Kanakuk Knew of Abuser’s Behavior At Least Six Years Before Finally Firing Him”

While continuing your theme that Kanakuk is surreptitiously lining the pockets of Mr. and Mrs. White, you further defame Kanakuk and the Whites by ‘piling on’ with sexual abuse coverup statements. The article title is itself defamatory. You knew, or should have known, there is not a shred of evidence suggesting Kanakuk knew of Mr. Newman’s sexual abuse behavior prior to 2009. To further suggest Kanakuk knew six years prior to 2009 (the year of Mr. Newman’s termination) is, again, journalistically dishonest and defamatory. After republishing certain defamatory statements of Mr. and Mrs. French, you add, **“One of Newman’s victims called ‘John Doe IX’ in court documents won nearly a \$20 million settlement against Newman and Kanakuk in 2018. It was the largest settlement of its kind in Missouri that year.”** This is a blatant factual misstatement. The article you published **two days prior** referred to it as a “judgment.” It now becomes a settlement and **it now definitively includes Kanakuk!** As stated above, and as explained to you by Mr. Jensen, there was a \$20 million **default judgment** taken against Mr. Newman (only) that has never been collected. To add salacious effect to your publication, you call it a “settlement,” alleging it was the largest of its kind in Missouri that year. The statement is journalistically dishonest, a blatant misstatement of fact, defames my clients and is malicious.

In this article you write, **“...Pete Newman was not the only perpetrator at Kanakuk. The Fifty-seven victims who have come forward so far could push the financial liability of the perpetrators, the camp, and Joe White himself to \$100 million.”** This is not just a misstatement of fact. It is a complete fabrication. When you wrote this statement, you had to know there are no other lawsuits related to child sexual abuse other than those concerning Mr. Newman. Those publicly filed lawsuits identify the specific number of plaintiffs (victims). The only person who truly knows the number of Mr. Newman’s victims is Mr. Newman. Did you interview Mr. Newman for this story? Your article doesn’t indicate that you did so, thus it is (at best) reckless for you to suggest there are 57 victims. To further suggest there is contingent financial liability related to 57 victim claims of \$100 million is incredulous. It is defamatory, dishonest and malicious.

In this article you write, **“But perhaps the most telling example of Kanakuk’s lack of transparency is that it has required all victims to sign non-disclosure agreements as conditions of their settlements.”** When you wrote this statement, you knew or should have known that Kanakuk has never used nondisclosure agreements in an attempt to hide details of abuse. The details of allegations against Pete Newman and Kanakuk were filed publicly and most are still public record. The criminal prosecution of Pete Newman was public. Mr.

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Newman was prosecuted based on the information provided by victims. Mr. Newman's illegal activities were openly prosecuted and covered by local television stations and newspapers for many months. Confidential settlement agreements were entered into after lawsuits were filed or threatened by alleged victims of Pete Newman. Those agreements were negotiated in good faith with lawyers, almost always, representing the victims. Your statements to the contrary are defamatory.

You have 10 days from the date of this correspondence to retract your defamatory articles. My clients will continue to endure the suffering Pete Newman has caused but they do not have to endure your untruthfulness. If you fail to retract, legal action will be taken.

I look forward to hearing from you.

Sincerely,

HUSCH BLACKWELL LLP



Bryan O. Wade