

Mo Siegel

1790 30th Street, #400, Boulder, CO 80301, Phone (303) 447-2418, Fax 447-1271

March 27, 1991

Lyn Davis Lear
1911 Westridge Road
Los Angeles, CA 90049

Dear Lyn:

As usual, you were a pleasure to speak with last week. After our discussion, I thought it might be helpful to clarify issues with facts. We have discussed the problem of a dividing Urantia movement and more specifically division amongst believers in the Los Angeles area. This letter summarizes facts that led me to conclude *Urantia Book* readers should remain united while following a conservative, wise, and long-term strategy for the promulgation and safeguarding of the revelation.

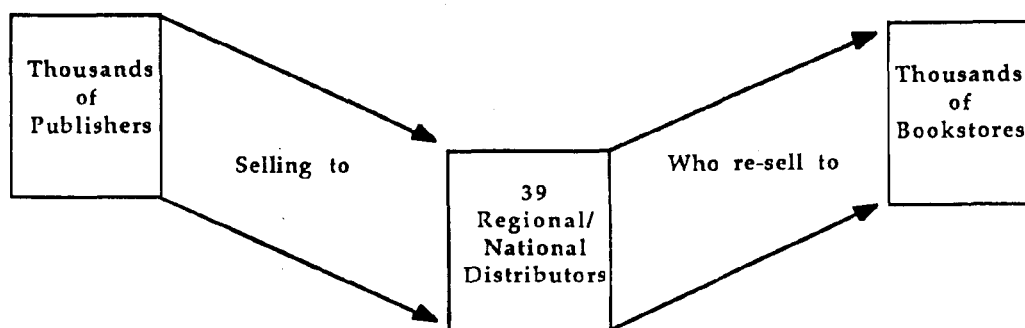
Four issues persuaded me to remain in a Fellowship Society rather than join the new Urantia Brotherhood Association. While The Fellowship performs as an imperfect human institution, it democratically represents the vast majority of organized believers. Conversely, control of Urantia Foundation lies in the hands of five Trustees self-appointed for life. And, as witnessed by recent votes, 17 of 21 Societies elected to remain united in The Fellowship. While we would all like to wholeheartedly support Urantia Foundation, wisdom admonishes us to patiently wait and watch the "Fruits of the Spirit" coming from the new Urantia Foundation Trustees.

The four major issues causing me to proceed cautiously with Urantia Foundation are:

1. Shutting Down Sales to Bookstores

Almost all books in the United States sell through book distributors. Thousands of small bookstores buy books from thousands of small book publishers. But bookstores don't buy these books directly, they purchase them through book distributors. A logistical collapse would occur if bookstores ordered directly from the thousands of small book publishers. And, it would be an impossible task for small publishers to effectively sell to bookstores. Therefore, a national network of book distributors operate by carrying the titles of small and large publishers and in turn, re-selling them to bookstores. Very simply, almost all bookstore business is done through distributors. The only exceptions arise when the few largest chains order directly from the large publishers or when the few largest book publishers service large bookstores directly.

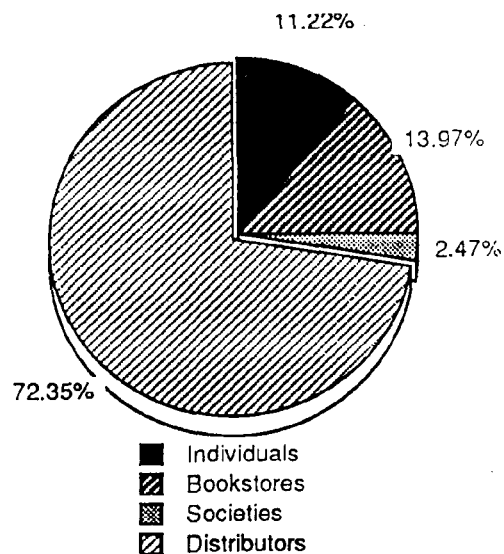
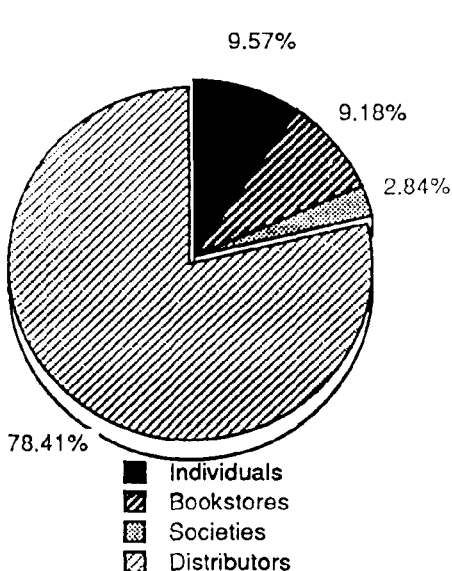
How the United States Book System Works



Urantia Foundation Fires Book Distributors

For years, most *Urantia Books* sold through the book distributor network. In August, 1990, Urantia Foundation stopped shipping to most book distributors. They told distributors they were out-of-stock even though over 15,000 books sat in Urantia Foundation inventories. By October, 1990 it was obvious Urantia Foundation had completely shut off book distributors whose sales volume accounted for nearly 80% of all *Urantia Books* sold.

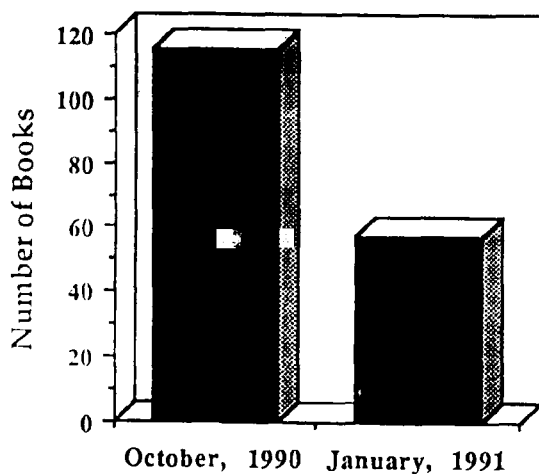
Urantia Book Sales by Channel of Distribution 1988 Average of 1986, 1987, 1988



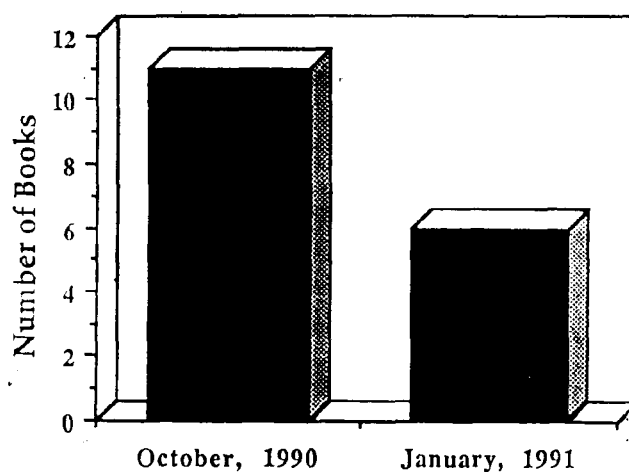
As you can see by the charts, distributors accounted for most *Urantia Book* sales. In 1988, 78% of all English *Urantia Books* sold through distributors. Societies were also prohibited from buying books, further decreasing *Urantia Book* distribution by 2.8%.

To understand the effects of firing distributors, we conducted in October, 1990 a retail store audit of 485 bookstores in 15 major markets. The bookstores were a carefully selected sampling of chain stores, large independents, speciality, and new age stores. Those same stores were re-surveyed in January, 1991. In three months *The Urantia Book* lost 51% of its bookstore availability. Thirty-five stores were surveyed in Los Angeles. During those three months you lost 45% availability. At this rate, most *Urantia Books* will disappear from bookstore shelves by summer.

**Urantia Book Availability
in 485 U.S. Bookstores**



**Urantia Book Availability
in 35 L.A. Bookstores**



Today, Urantia Foundation claims they service bookstores directly. This procedure defies the laws of book distribution. Very few bookstores are logistically equipped to buy directly from Urantia Foundation. Without distributors, *The Urantia Book* will all but disappear from U.S. bookstore shelves. The following U.S. book distributors will confirm they have been denied books by Urantia Foundation. Most have now de-listed *The Urantia Book*.

<u>Distributor</u>	<u>Phone Number</u>
Baker & Taylor	(800) 648-3540
Bookpeople	(800) 999-4650
DeVorss & Company	(800) 843-5743
Gordon's Books	(800) 525-6979
Ingram Book Company	(800) 937-8000
Moving Books	(800) 777-6683
New Leaf Distributing	(800) 326-2665

In 1986 Urantia Foundation wrote in its own newsletter *Urantian News*, "First, there has long been, and continues to be, a high value placed upon using the commercial book distribution channels, i.e., retail bookstores and distributors. This is done to help prevent us from exhibiting the cultish behavior associated with groups who distribute their publications only through members. Thus, this public availability of the book in thousands of bookstores and libraries helps prevent us from being perceived as a cult and is an important and efficient method of disseminating the book, for many people will be exposed to it while browsing in libraries and bookstore." Why has this policy changed? If the Foundation is concerned about book availability, why have they cut off distributors? What long term effects will result from this change?

The C.U.B.S. Lawsuit

In 1988 and 1989 Urantia Foundation spent hundreds of thousands of dollars suing CUBS for "Trademark Infringement." In informal non-legal discussions, I was frequently told that CUBS was being sued because they price discounted *The Urantia Book* under the name "Center for *Urantia Book* Synergy." The charge was that price discounting would destroy *The Urantia Book* sales in bookstores. Further, Urantia Foundation did not want any stores to see CUBS use of the name Urantia and confuse the Urantia Foundation as the price discounter. CUBS sold *The Urantia Book* for \$19.95, bookstores sold it for \$34.00. Today, Urantia Foundation will sell five *Urantia Books*, once a year, to individuals they approve for the discounted price of \$20.40 each. If CUBS damaged bookstore sales by selling at \$19.95, how can Urantia Foundation justify their price of only 45¢ more per book? Can bookstores be expected to purchase books from a publisher who directly competes with them by selling books to individuals at the same wholesale price retailers pay?

2. Financial and Administrative Considerations

In Urantia Foundation's 1989 Federal Tax filing, they stated their purposes to be: "Urantia Foundation, as the sole publisher of *The Urantia Book*, prints *The Urantia Book*, protects the copyright of *The Urantia Book*, and sponsors translations. To date 185,858 books have been distributed." "Proceeds from the sales of *The Urantia Books* and study materials are part of the overall exempt purpose."

In the Trust document Urantia Foundation's purpose is stated as:

"2.1 Principal Object: The object for which this Foundation is created is the promotion, improvement, and expansion among the peoples of the world of the comprehension and understanding of Cosmology and the relation of the planet on which we live to the Universe, of the genesis and destiny of Man and his relation to God, and of the true teachings of Jesus Christ: and for the inculcation and encouragement of the realization of the Fatherhood of God and the Brotherhood of Man—in order to increase and enhance the comfort, happiness, and well being of Man, as an individual and as a member of society, through the fostering of a religion, a philosophy, and a cosmology which are commensurate with Man's intellectual and cultural development."

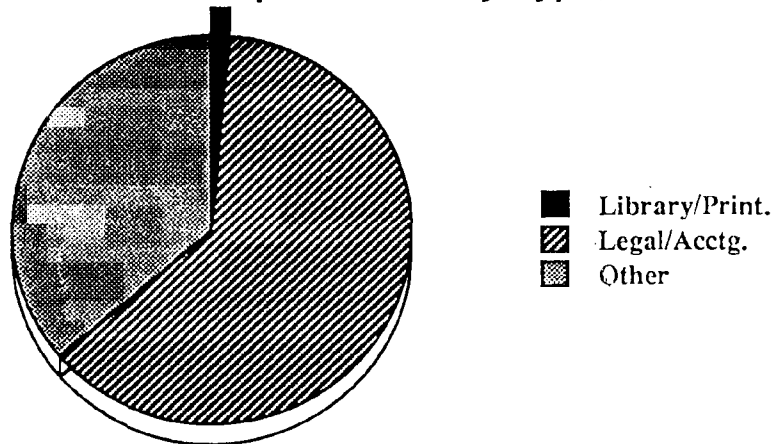
"2.2 Concordant Objects: The concordant objects for which the Foundation is created are to perpetually preserve inviolate the text of *The Urantia Book* and to disseminate the principles, teachings, and doctrines of *The Urantia Book*."

In 1959, the Internal Revenue Service agreed with Urantia Foundation's purpose and granted their tax exempt status which reads, "As it is shown that you are organized and operated exclusively for religious and charitable purposes..."

In past years we were told Urantia Foundation's unwritten objectives were: Establishment of thousands upon thousands of small study groups throughout the world; worldwide distribution of *The Urantia Book*; training for teachers and leaders; provide translations; and protect the copyright of *The Urantia Book*. Within the last couple of years Urantia Foundation's purposes seem to have taken a major turn from the direction set by its founders.

Urantia Foundation drastically increased legal expenses over the last two years. Total legal/accounting for 1988 and 1989 equal \$926,970.00. During this same period, library placement programs, money for training teachers and leaders, dollars for study group development, and funds for secondary works, etc. hardly existed. In 1989, the reported amount totaled \$12,954.00. That's 1.5% of total expenses. The legal/accounting budget in 1989 was 62% of total expenditures. A review of legal expenditures reveal that virtually all legal action was against readers: Suing CUBS; terminating relationships with The Fellowship; drafting an unsolicited Urantia Brotherhood removal procedure; drafting the Finnish Society Constitution.

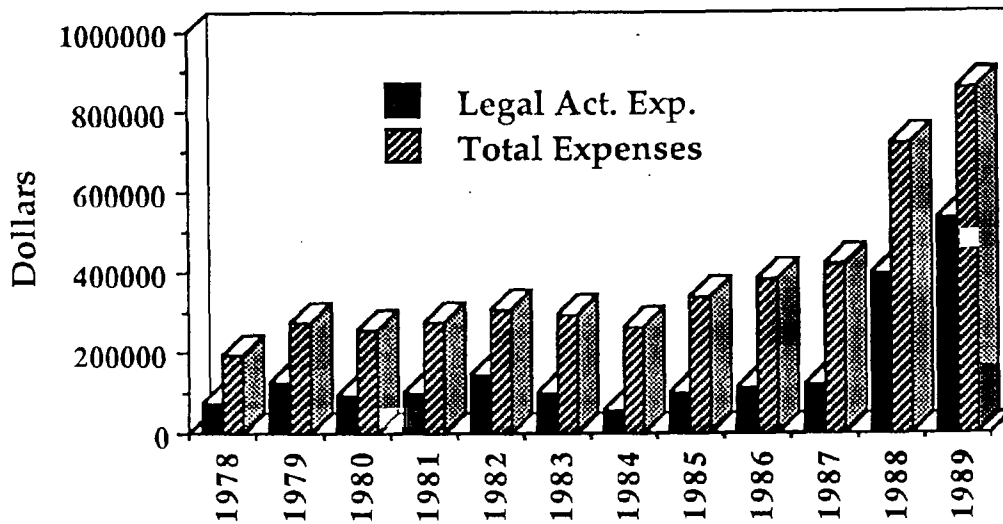
Urantia Foundation Expenditures by Type, 1989



Source: Federal Tax Returns and Arthur Anderson & Co. Audited Financial Statements

Interesting note, Urantia Foundation spent \$203,624 in 1989 with the law firm, Pattishall, McAuliffe, Newberry, Hilliard, Geraldson, which employs Marty Myers' wife, Diane.

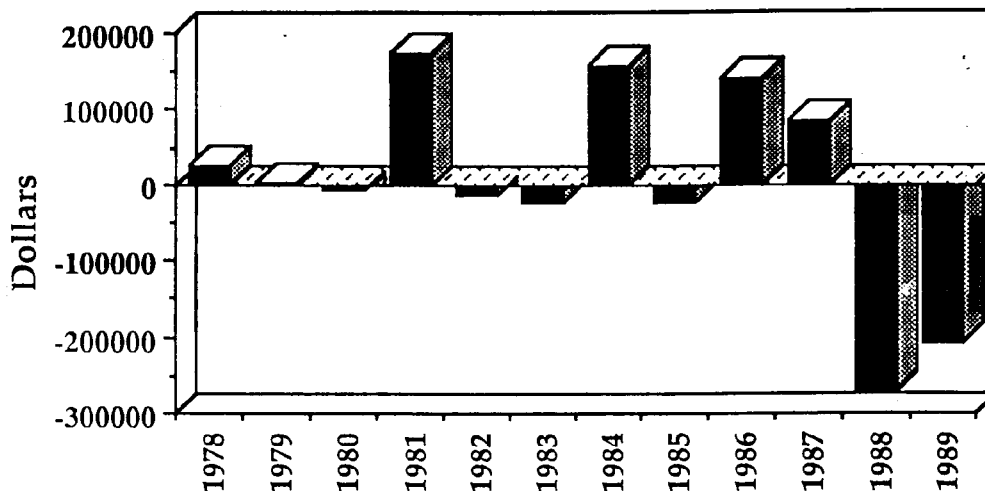
Urantia Foundation's Legal/Accounting Budget vs. Total Expenditures 1978-1989



Source: Federal Tax Returns and Arthur Anderson & Co. Audited Financial Statements

If **11%** of Urantia Foundation's legal/accounting budget for 1988 and 1989 had been spent on reader's services, we might now have: A *Urantia Book* in Braille, approximate cost \$5,000; *The Urantia Book* on cassettes, approximate cost \$25,000; 5,000 *Urantia Books* placed in libraries, approximate cost \$75,000. Urantia Foundation's total legal/accounting budget for those two years would have funded nearly three foreign language translations or printed 77,248 *Urantia Books* at \$12.00/copy.

Urantia Foundation's Profit and Losses 1978-1989



Source: Federal Tax Returns and Arthur Anderson & Co. Audited Financial Statements

The financial losses of Urantia Foundation over the past two years total \$476,806.00. How long can Urantia Foundation deficit spend donor's money to fund non-copyright related lawsuits? This may seem irrelevant since Urantia Foundation received \$350,000.00 in 1989 from Trustee Richard Keeler's Superior Ideal Commodities Fund. They also have \$1,789,850.00 in reserve from Keeler's same account. But does one man funding Urantia Foundation and its lawsuits sound financially and morally safe for the revelation?

Who runs Urantia Foundation?

Lyn, since you serve in other organizations, you know the careful diligence Board of Directors apply when adding new Board members. Well run non-profit boards find highly qualified candidates to serve their organizations. Board candidates need to meet diverse standards such as appropriate skill levels, time commitment, non-profit experience, integrity, community good will, financial means, and objective arm's length relationships.

Urantia Foundation's current Trustee selection raises negative speculation about conflicts of interest, self dealing, and concerns about checks and balances. Three former college fraternity brothers control the majority of votes on Urantia Foundation Board while simultaneously dominating the Board of Urantia Brotherhood Association. Interesting to note, not one Trustee has a record of regular attendance at a study group in the past three years and only Hoite Caston actively associates with a society.

How safe can the revelation be under these management circumstances? Human history is replete with examples of the disasters which occur when a small group of isolated people obtain unlimited power. Even the best intentioned individuals usually fall when given absolute power. Absolute power corrupts absolutely.

3. Concerns About Protection of *The Urantia Book* Copyright

No one can be certain what the Revelators told the early believers but I feel certain they mandated the protection of the copyright. The Revelators must have known *The Urantia Book* would take at least a few hundred years to catch on. Meanwhile, the copyright would protect the true text during the initial stages. Their hope, as I conceive it, would be *The Urantia Book* distributed in bookstores and libraries worldwide with a sizeable body of believers protecting the text when the copyright ended. During the copyright years, one, two, or three million books would sell. This volume of distributed copies would help ensure the authentic book's protection. Thousands of believers could defend it when charlatans opportunistically rewrote the book for their own gain.

The converse occurs if Urantia Foundation dramatically reduces book sales. The authentic *Urantia Book* stands in jeopardy if only a small number of books have been circulated by the time the copyright ends. Unprincipled or deluded religionists with millions of dollars could distribute a re-authored and rewritten *Urantia Book* when the copyright expires in just forty years. Without a few million copies of the original in circulation, who would ever know about the real version? Shutting down sales directly negates the purpose of the copyright. Making matters worse, most of today's *Urantia Book* readers are over the age of 45. If the movement comes to a screeching halt, who will be here to protect the revelation 40 years from now?

During the last years eight years Urantia Foundation has taken a hit-and-miss approach to copyright protection. J.J. Benitez has flagrantly broken the copyright in Spain and his books are spreading worldwide. Instead of suing Benitez, Urantia Foundation spent donor money licensing trademark franchises, suing groups like CUBS, and in expensive legal posturing with The Fellowship.

4. Questions on *The Urantia Book* Authorship

During the last three years the authenticity of *The Urantia Book* has been put into question three times by the Trustees charged with the book's protection. These instances were:

A. In the files of U.S. District Court for the Central District of California on July 26, 1988, Urantia Foundation, when asked to respond to the following statement in Paragraph 10, "*The Urantia Book* is the fifth epochal revelation to the planet, Urantia, also known as the planet Earth." answered, "Plaintiff is without knowledge or information sufficient to admit or deny the allegations of paragraph 10 of defendant's counterclaim and therefore denies same,..." When asked to repond if the book was written by divine beings they also reponded they could not confirm nor deny therefore they denied.

B. In 1989 and 1990, Bowkers "Books in Print," the foremost listing of published books in the United States, noted the Urantia Foundation staff as author of *The Urantia Book*. When "Books in Print" was contacted, they furnished the date and name of the individual within Urantia Foundation who instructed Bowkers to list the "staff" as *The Urantia Book* author.

C. In U.S. District Court on March 15 1991, with Marty Myers in the room, Urantia Foundation lawyers testified "*The Urantia Book* is a work for hire." "There was a Trustee of the Urantia Foundation, William Sadler Jr., not Sr. who wrote, authored, however you want to look at it, parts of *The Urantia Book*."

As devoted believers in the revelation, we can only pray the Trustees have been making unintentional errors answering the authorship question. Nothing could destroy the revelation's long-term success quicker than the original publisher giving sworn court testimony that *The Urantia Book* was authored by human sources. Imagine how

discredited the revelation would appear when church leaders gave their congregations copies of Urantia Foundation's disclosures on authorship.

Lyn, you must be asking why I bring up issues which seem like obvious errors. While I don't accuse anyone of intentional wrong doing, honest appraisal to safeguard the revelation requires understanding why lawyers might desire to deny divine authorship.

Federal Copyright law grants expansive rights to works of fiction not granted to factual nonfiction works. The copyright holder of a fictional work owns the rights to all fictional characters, places, details, settings, and story lines. Non-fictional copyright owners can protect their text from plagiarism, paraphrasing, unlawful parallelism, and outright copyright theft. But, they don't own facts, names of real places, historical time sequences, or names and details of real peoples lives. For example, if George Lucas copyrighted a science fiction film based on a character named Luke Skywalker, Lucas would own Skywalker's name, character, and all fictional details like place of birth, etc. On the other hand, Encyclopedia Britannica can own its descriptive version of the life of George Washington but historical facts are public domain.

If a precedent setting legal case ruled *The Urantia Book* a humanly authored work of fiction, the publisher would exclusively own all rights to the characters of Michael of Nebadon, Lanonandeks, etc. Newly revealed history in *The Urantia Book* would be classified as fiction and the sole ownership of Urantia Foundation. The cosmology and life after death sequence from the revelation would become a tall tale owned by the Foundation. All secondary works protected under fair use laws related to facts of history would become subject to claims of copyright infringement. Plain and simply, if *The Urantia Book* were reclassified as fantasy, authored by humans "for hire," the fictional copyright holder would have total control of all new truths, new facts, and all secondary works except book reviews.

What prevents Urantia Foundation from precisely speaking the truth about the book's unseen authors? If re-classification is an intentioned strategy to gain sweeping legal control of the revelation, don't the Trustees see that their tactics will discredit, then annihilate the very object they covet for their sole possession?

Conclusion

The Urantia Book describes that Christianity's problems lie partially in the division of believers. The warnings against a divided house also rings true for *Urantia Book* readers. If Lucifer could destroy this revelation, his first step might be to divide believers. So, from my point of view, we should stick together.

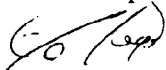
FUSLA is and always has been a Society of the former Urantia Brotherhood, now The Fellowship. If FUSLA cut ties with The Fellowship and became a part of the new Urantia Brotherhood Association, FUSLA would contribute to a division among believers.

Why wouldn't FUSLA members who support the Foundation take a "wait and see" attitude? Urantia Foundation has not offered a constitution for Urantia Brotherhood Association. Wouldn't a wise and patient approach advocate studying the Urantia Brotherhood Association constitution before joining? And what about issues raised in this letter?

Urantia Book readers need Urantia Foundation to flourish. Nothing would be better than Urantia Foundation conducting its affairs in a moral, legal, and spiritually uplifting way. We all wish to see a successful Foundation that works in the deepest level of loyalty.

cooperation, and dignity with the universe government and the men and women dedicated to the universe government's work on Earth, the Fifth Epochal Revelation. But, considering our stained history of confusion and rebellion, wisdom and experience suggests that any act of division within our small brotherhood of believers should be viewed askance. Time, patience, love, and cooperation should be exhausted before we succumb to disunity. The greatest body of believers converge in The Fellowship. I couldn't imagine why we would want to dismember this body. In the meantime, let time pass to determine if the work of Urantia Foundation is good. If it is of God, it shall stand. If not, it shall fail. By the passing of time and by the fruits of the Spirit, we shall come to know what the new Trustees have in mind for the revelation. If it is good we can support them. If it proves to be ill-fated, a united body of believers will not have been destroyed in the process.

In the Spirit,



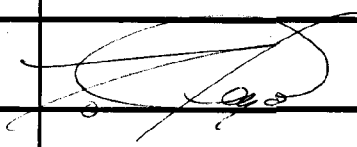
Mo Siegel

P.S. I would be willing to privately or publicly discuss any of these matters with Urantia Foundation Trustees.

A Statement of Belief by Urantians

PLEASE REMOVE AND MAIL AS SOON AS POSSIBLE

THE UNDERSIGNED BELIEVERS IN THE URANTIA REVELATION herewith declare our conviction that the Urantia Papers are a religious Epochal Revelation that was authored ~~and materialized~~ *exclusively* by Celestial Beings and that the text was preserved inviolate by those human personalities to whom it was originally entrusted. We further believe that the Urantia Revelation is a gift to *all* the people of this planet from God, our Father. The undersigned affirm that their personal religion is based upon the teachings of the Urantia Papers.

NAME (PLEASE PRINT)	SIGNATURE	DATE
Mo Sege		12/2/94

PLEASE NOTE:

Our mailing list is limited. Please help by passing this Declaration around to others, and obtaining signatures if you can. MAIL THIS SHEET TO BOULDER NO LATER THAN DECEMBER 1, 1994

SEND TO: **THE DECLARATION PROJECT**
 P.O. BOX 17544,
 BOULDER, CO 80308-0544

[ENVELOPE IS ENCLOSED]

April 1, 1991

Neal Waldrop
Trustee of Urantia Foundation
c/o U. S. Mission to The United Nations, Economic Section
799 U.N. Plaza
New York, New York 10017

Dear Neal:

As you will ascertain by reading my letter to Lyn Lear, the goings on of Urantia Foundation are being meticulously watched. The factual information found in this letter represents a fraction of the information at hand.

Neal, as a Trustee of Urantia Foundation you owe to *The Urantia Book*, the object of your Trust, the highest duty of care and loyalty imposed by law. Your fiduciary duty requires you to act with the utmost attention to detail and with the greatest care, confidence, trust, and good faith. It is your responsibility to oversee and approve all significant actions and policies of Urantia Foundation. You must avoid even the appearance of impropriety. You may not entrust your duties to others nor rely on the opinions or conclusions of your fellow Trustees.

As a Trustee, you are completely accountable for all actions of the Foundation including the actions of your fellow Trustees. If you suspect that a fellow Trustee may be guilty of not acting in accordance with his or her legal trust, and you do not take action, you too will be in breach of your Trust. As a Trustee you have joint and general liability for any misappropriation or mis-application of Trust funds or any judgments against the Foundation. This means that you may be held individually and wholly accountable for any civil or criminal actions brought against the Foundation.

The Trustees have entered a period during which there will be extreme outside scrutiny for civil improprieties and criminal activities. For example, Urantia Foundation has historically raised large sums of money by telling donors *The Urantia Book* was a divine revelation written by divine beings. As of March 15, 1991 testimony by Urantia Foundation reads, "There was a trustee of the Urantia Foundation, William Sadler, Jr., not senior, who wrote, authored, however you want to look at it, parts of *The Urantia Book*." Which papers did he write Neal? And if he wrote papers, or part of papers, why does each paper have another author listed? Is "Divine Counselor" Bill Sadler's surname? You should be fully aware that you Trustees have embarked upon a course that will assuredly result in dire consequences.

Mo Siegel

1790 30th Street, Suite 400, Boulder, CO 80301, Phone (303) 447-2418, Fax (303) 447-1271

May 23, 1991

Lyn Lear
1911 Westridge Rd.
Los Angeles, CA 90049

Dear Lyn:

Thank you for sending me a copy of Urantia Foundation's letter to Jeff Keys. Their letter was heart-breaking because of the Trustees pervasive lack of truth and fact. *The Urantia Book* says on Page 1981, "It requires a great and noble character, having started out wrong, to turn about and go right." We all hope the best for Urantia Foundation Trustees and pray they return to the Trust they were given.

Very few distortions from their letter deserve response. The facts speak for themselves. All details in my last letter are of public record. I reiterate my willingness to discuss these matters with any of the Trustees in front of a public forum at FUSLA.

But a few issues need to be cleared because of the Trustees irresponsible fabrications.

They are as follows:

1. Book sales. This section of Urantia Foundation's report is so filled with half-truths and deception that it would require pages to answer their distortions. I grieve that the custodians of the Fifth Epochal Revelation would resort to such pretense. For you to obtain the truth, you need to ask Urantia Foundation to provide you written records for total *Urantia Book* sales in 1988, 1989, 1990, and YTD 1991. The total sales numbers will clearly illuminate the damage caused by firing bookstore distributors. If they have nothing to hide they should willingly open all their sales records for your full inspection.

2. Authorship of *The Urantia Book*.

a. In Urantia Foundation's letter they stated they were legally forced, due to insufficient knowledge or information, to deny *The Urantia Book* was a revelation from divine beings. They claimed legal procedure required them to state only provable fact versus what they believed to be truth. United States law, as stated in Rule 8 of the Federal Rules of Civil Procedure, governing pleadings and answers to interrogatories says: "A party shall state in short and plain terms his defenses to each claim asserted and shall admit or deny the averments upon which the adverse party relies. If he is without knowledge or information sufficient to form a belief as to the truth of an averment, he shall so state and this has the effect of a denial." (emphasis added) Federal courts have interpreted this law to mean that a corporate officer may not deny allegations on lack of knowledge or information where such officer had knowledge or information sufficient to form a belief as to the truth of a proposition. This precedent was set in National Millwork Corp. v. Preferred Mutual Fire Insurance Co., 28 F. Supp. 952#(D.C.N.Y. 1939). In other words, if the Trustees of Urantia Foundation have information or knowledge to make them believe *The Urantia Book* was a revelation written by divine beings, the law states they should have affirmed it to be a revelation.

b. To ensure no legal threats against employees of Bowkers "Books in Print", I shall leave out the name of the employee I personally spoke to who informed me that

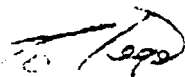
Urantia Foundation sent a written request to change the authorship of the book to read "Urantia Foundation Staff." The employee of the Foundation who signed the 1989 change request was Vincent Myers.

c. In the courtroom in Phoenix, Urantia Foundation lawyers stated the following, "The Urantia Book is a work for hire." "There was a Trustee of the Urantia Foundation, William Sadler Jr., not Sr. who wrote, authored, however you want to look at it, parts of The Urantia Book." This quote is not taken out of context. It is direct from the transcripts. The Urantia Foundation's letter states they were referring to the Table of Contents. But there is absolutely no reference in the transcripts to the Table of Contents or the Titles of the Papers. You may read the words exactly as recorded in the United States Court for the District of Arizona. How relieved we would be if Urantia Foundation had referred to the Table of Contents!!!

Urantia Foundation states that if I had been forthright I would have informed you of my feelings toward Urantia Foundation. So be it. While not being a rubber stamp, I have been a long term ardent financial and moral supporter of the Foundation. I hope and constantly pray that the Trustees will rise to the standards of truth, love, graciousness, and service spelled out in *The Urantia Book* and translated into the Urantia Foundation Declaration of Trust. Yet after all the truth and facts are examined, I believe Marty Myers is leading Urantia Foundation into collapse and should be immediately removed as a Trustee. Thereafter, in a measured and wise pace, Hoite Caston, Richard Keeler and Neal Waldrop, III should resign. The Foundation needs to be restored to the dignity of high meanings and values our forefathers dreamed for this human institution.

May you at FUSLA and all Urantia believers everywhere pray and work for a united movement. Lets bring about the day Urantia Foundation and The Fellowship work hand in hand to bring this revelation to the spiritual hungry peoples of the world. United we stand, divided we fall. Our actions of today will have small repercussions in our lives but the thousand year future of this revelation depends upon a currently unified, goal-oriented, and loving body of believers working through our heavenly Father and for our heavenly Father.

In His service and grateful for the opportunity,



Mo Siegel