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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF ALAMEDA

WITNESS LEE, et al.,)	No. 540 585-9
)	
Plaintiffs,)	<u>STATEMENT OF DECISION</u>
)	
v.)	
)	
NEIL T. DUDDY, et al.,)	
)	
Defendants.)	
)	

This matter came on regularly for trial and was heard as an uncontested matter as to the defendant Neil T. Duddy, because of his failure to appear, and was heard as a default matter as to the defendant Schwengeler-Verlag for its failure to file a responsive pleading to the plaintiffs' First Amended and First Supplemental Complaint. Although the trial was uncontested, the Court feels that the plaintiffs have presented competent and reliable evidence, and the Court was very impressed with the stature and quality of the witnesses presented. Moreover, the Court was provided with a complete opportunity to question and

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2 cross examine the witnesses in order to ascertain the truth as
3 the Court should do in a case involving First Amendment rights,
4 regardless of whether the defendants appear or not. There was
5 nothing that the Court wanted to see or to ask that was not
6 provided. Furthermore, the evidence on behalf of the plaintiffs
7 was substantiated by independent evidence from qualified expert
8 witnesses. Accordingly, the Court finds that the manuscript by
9 Neil T. Duddy, entitled The God-Men (Exhibit 1) disseminated
10 (published) in the United States, the book Die Sonderlehre des
11 Witness Lee Und Seiner Ortsgemeinde published by Schwengeler-
12 Verlag (Exhibit 3) disseminated (published) in Europe, and the
13 book The God-Men, An Inquiry Into Witness Lee and the Local
14 Church by Neil T. Duddy and the SCP published by Inter-Varsity
15 Press (Exhibit 5) disseminated (published) in the United States
16 and England, are in all major respects false, defamatory and
17 unprivileged, and, therefore, libelous. (California Civil Code
18 §45)

19 In addition, the Court further finds:

20 1. All of the defendants' publications create the image
21 that Witness Lee and William Freeman are leaders of a cult and
22 that the Church in Anaheim is a cult. All of the express and
23 implied statements to that effect are false and defamatory.

24 A "cult" today is generally understood to involve a
25 centralized authority that manipulates social influences in order
26 to gain control over people for devious ends. (Testimony of Dr.
27 H. Newton Malony, Psychologist and Professor of Psychology at
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2 Fuller Theological Seminary.). The epitome of the cult leader and
3 cult is that of Jim Jones and the Peoples' Temple. (Testimony of
4 Dr. J. Gordon Melton, Director of the Institute for the Study of
5 American Religions, author of the Encyclopedia of American
6 Religions, and a well qualified expert on the subject of "new
7 religions.", pages 20, 39 and 92 of the trial transcript of May
8 28, 1985, hereafter "Tr.")

9 The depositions of defendant Neil Duddy, (pages 738-40, 782)
10 and James Sire (Editor of Inter-Varsity Press and member of Board
11 of Reference of Spiritual Counterfeits Project (SCP)) (Vol.5, p.
12 354-5) indicate that the authors and publishers knew that their
13 publications could convey such an impression and readers would
14 reasonably so understand the publications. This was confirmed by
15 testimony of the expert witnesses.

16 The finding that these statements are false and defamatory
17 as to the plaintiffs is supported by the testimony of the expert
18 witnesses Dr. J. Gordon Melton; Dr. (Father) John Saliba, S.J.,
19 of the University of Detroit, an expert in the study of new
20 religions and "anti-cult" organizations; the Reverend Dr. Eugene
21 Van Ness Goetchius, an Episcopal priest and a Professor of
22 Theology at the Episcopal Divinity School affiliated with Harvard
23 University; Dr. Rodney Stark, Professor of Sociology at the
24 University of Washington; and Dr. H. Newton Malony. These
25 experts unanimously testified that plaintiff Witness Lee was a
26 Christian teacher and preacher and the Church in Anaheim (and all
27 Local Churches) is an evangelical Christian body and that
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2 plaintiff William T. Freeman is likewise a Christian teacher and
3 preacher.

4 It is the finding of the Court that defendants made these
5 statements with knowledge of their falsity and deliberately to
6 create the image of the plaintiffs as such a cult. This finding
7 is supported by the testimony of the expert witnesses, as well as
8 Duddy's testimony that the advertisement correlating Witness Lee
9 with Jim Jones in Die Sonderlehre des Witness Lee und Seiner
10 Ortsgemeinde was unfair. (Duddy, pp 784-785)

11 2. The express and implied statements in defendants'
12 publications that plaintiffs either engage in or advocate
13 deceptive recruiting practices in order to bring people into the
14 Local Church are false and defamatory.

15 Duddy intended to convey to the readers that Witness Lee's
16 teaching could cause members to lie, be deceitful and engage in
17 deceptive proselytizing practices. (Duddy, pp. 433-435, 530-531,
18 754, 2155, 2157). Readers would reasonably so understand the
19 publications.

20 The finding of falsity of these statements is supported by
21 the testimony of present members. It is also supported by Dr.
22 Malony (an expert on conversion processes) together with his
23 survey of current and former members of the Local Church (Ex.
24 24), who unanimously confirmed that there was no such deception.

25 All witnesses established that there were no secret beliefs
26 as expressed and implied in the publications and all such
27 statements are therefore, also false and defamatory.

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2 The principal "case history" of such conduct reported in the
3 publications was that of "Cia" or "Rebecca" who in real life was
4 Cindy Meinecke.

5 Mrs. Meinecke testified at trial as to the falsity of the
6 general tenor of the story as well as the falsity of virtually
7 all the "facts" regarding the alleged incident. The falsity was
8 also confirmed by Son Rockstroh, the alleged proselyter.

9 It is the finding of this Court that the defendants made the
10 foregoing statements or implications with the knowledge that they
11 were false or with a reckless disregard of the truth or falsity
12 thereof. Defendant Duddy admitted that he had not checked with
13 any of the principal persons actually involved in the alleged
14 "case history" (Duddy deposition (hereafter "Duddy") pp 549, 957,
15 1049) and did not verify information from sources that were
16 available to him. (Duddy, pp 990-1, 994-5, 1016, 963) Moreover,
17 Brooks Alexander (Co-founder of SCP, co-author of all the
18 publications (Duddy, pp 248, 1169 and Alexander, p 79)) and James
19 Sire testified that they saw no documentation of any of the
20 statements regarding Cindy or Rebecca. (Alexander deposition
21 (hereafter "Alexander"), p. 1604; Sire deposition (hereafter
22 "Sire"), Vol. 6, p. 484) Alexander admitted that although he came
23 to doubt Duddy's competence to do factual investigation
24 (Alexander, pp 1605-6; 1610-11) and was concerned as to the
25 validity of Duddy's informants, (Alexander, pp 1610-1611) he did
26 no checking of Duddy's work for factual accuracy. (Alexander, pp
27 1424; 1527) Dr. Stark confirmed that Duddy also did not do any

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2 checking on the Cindy incident. As Dr. Stark stated, "This is
3 the worst kind of rumor mongering." (Tr. pp 171-172)

4 Dr. Stark (co-author of Lofland-Stark Model) testified that
5 Duddy did not accurately present his model of religious
6 conversions that Duddy used to explain the Local Churches'
7 alleged recruitment practices. Dr. Stark stated that Duddy
8 "skips everything important in the model and comes out with some
9 flat assertions that are completely, almost diabolically, the
10 reverse of what the model says". (Tr., p 162) Dr. Stark stated
11 that assuming Duddy had actually read Stark's presentation of the
12 model, Stark would have to conclude that Duddy's ^{de todos los} ~~misrepresentation~~ ^{fechos}
13 misrepresentation was "malicious." (Tr., p. 163) Dr. Malony
14 also criticized Duddy's misuse of Stark's conversion model and
15 stated that there was no validity to defendants' statements that
16 the Local Churches' recruitment practices were somehow evil and
17 qualitatively different from those of other Christian
18 organizations.

19 3. The express and implied statements in defendants'
20 publications that Witness Lee rules the Local Churches with an
21 "iron rod" or "with a firm hand" are false and defamatory.

22 Duddy intended to convey to the readers that Witness Lee was
23 a virtual dictator over too many details of Local Church life
24 (Duddy, pp. 2004-5) and readers would reasonably so understand
25 the publications.

26 The finding of falsity is based on testimony of the
27 plaintiffs and their witnesses, including Dr. Melton, Dr. Saliba,

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2 and Dr. Malony together with his survey of current and former
3 members (Exhibit 24). Dr. Melton testified, based on his own
4 investigation, that Lee's position in the Local Church was that
5 of a preacher and teacher rather than exercising "administrative
6 power in a kingly way" as the publications had asserted and that
7 no such hierarchy existed. (Tr. 39) Dr. Malony's survey results
8 (Ex. 24) were consistent with Dr. Melton's testimony.

9 It is the finding of the Court that the defendants made the
10 foregoing statements with the knowledge that they were false or
11 with a reckless disregard of the truth or falsity.

12 There was evidence that the authors and the publishers
13 distorted statements made by Witness Lee in order to create an
14 impression that Witness Lee asserts and imposes complete and
15 unchallengeable control over church affairs and church members'
16 lives. Jack Buckley (an SCP author of God-Men I whose work Duddy
17 and SCP carried over into the publications sued upon) admitted
18 that quotations from Witness Lee's work were taken out of
19 context, misused and created a false and misleading
20 representation of Witness Lee's teaching in that regard. (Buckley
21 deposition (hereafter "Buckley"), pp 728-9, 741-2, 766 and 767)
22 Dr. J. Gordon Melton concluded that given Duddy's education and
23 claims of having read Witness Lee's writings, the consistent
24 distortions of quotations indicate deliberate misrepresentations.
25 (Tr. pp 40-46) Dr. Saliba's testimony also confirmed Duddy's
26 consistent misrepresentation of Witness Lee's writings in this
27 and other areas. (Tr. pp 117-119, 135)

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2 The fact of defendants' willful distortion is further
3 substantiated by the draft of the original manuscript which
4 stated:

5 "Reliable sources tell us that Lee
6 himself does not rule with an iron rod."
7 (Exhibit 62)

8 The language in that draft following that statement was
9 consistent with the concept that Witness Lee does not exercise
10 such control. Nevertheless, that statement and its context was
11 subsequently changed to assert in the publications exactly the
12 opposite meaning.

13 4. The express and implied statements in defendants'
14 publications that plaintiffs or any of the Local Churches engage
15 in mental manipulation, or any of the various forms of what is
16 commonly referred to as "brainwashing" or "thought reform" are
17 false and defamatory. The statements concerning the practice of
18 pray-reading and calling on the name of the Lord as being mental
19 manipulation techniques causing, among other things, blurred
20 mental acuity, is also false.

21 It was Duddy's intention to convey to the readers that "soft
22 thought reform" was utilized by Witness Lee and the Local Church
23 which would result in members sacrificing their individual and
24 personal worth and withdraw from society. (Duddy, pp. 1092-1093)
25 and readers would reasonably so understand the publications.

26 The finding of falsity is supported by the testimony of Dr.
27 Malony and his survey (Ex. 24), Dr. Goetchius, Dr. Saliba, and
28 other plaintiffs' witnesses including Cindy Meinecke and Local

1 Church members Dr. Steven Johnson, Christopher Leu, Dr. Herbert
2 Zimmer, Dr. George Chua and Mrs. Jeanie Kong. Dr. Malony
3 testified that pray-reading, far from being a manipulative or
4 eastern mystical technique, was a helpful means to approach the
5 Bible. Dr. Melton testified that the practices are not
6 "technological and pagan", they do involve the use of mental
7 faculties, they do not alter consciousness. (Tr. p. 25). Dr.
8 Melton found no evidence of loss of "mental acuity." (Tr. p. 91)

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10 It is the finding of this Court that the statements were
11 made by the defendants knowing they were false or with a reckless
12 disregard of the truth or falsity.

13 Brooks Alexander, the author of the appendix which purported
14 to describe these manipulative techniques, testified that he
15 could not name one person who told him they had blurred mental
16 acuity from said alleged practices, nor had he asked any member
17 regarding it, nor did he know for a fact that there was any
18 elimination of consciously directed thought from pray-reading or
19 calling on the name of the Lord. (Alexander, pp 1281-2, 1319-20,
20 1848)

21 5. The express and implied statements in the defendants'
22 publications that plaintiffs and Local Church leaders control
23 every aspect of church members' lives, including discouraging
24 friendships, prohibiting dating, arranging marriages, controlling
25 the use of finances, dictating where members should live or work
26 are all false and defamatory.

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2 Duddy intended to convey to the readers that arranged
3 marriages occur in the Local Church (Duddy, pp 2253-2254) and
4 readers would reasonably so understand the publications. Dr.
5 Saliba testified that Duddy attempted to convey to the readers
6 that Witness Lee rules "like a despot and the elders are more or
7 less like little despots", "they control everything and you are
8 just merely submissive to them." (Tr. p. 126)

9 The finding of falsity is supported by the testimony of all
10 the witnesses, especially Dr. Melton and Dr. Malony, whose
11 survey (Ex. 24) negated the allegations of control of members'
12 lives.

13 It is the finding of this Court that the statements were
14 made by the defendants knowing they were false or with a reckless
15 disregard of the truth or falsity.

16 Neil Duddy's testimony indicated that he had never seen
17 anything in the teachings discouraging friendships, prohibiting
18 dating, nor any records of arranged marriages nor could he recall
19 anybody that had such records. (Duddy, pp 1145-1150, 2256-7)
20 Alexander testified there was no confirmation of such arranged
21 marriages. (Alexander, pp 1586-7) Sire has no recollection of
22 any substantiation of the charge of arranged marriages (Sire,
23 Vol. 5, pp 352-358) The testimony of William Freeman and Dr.
24 Steven Johnson, as well as other evidence introduced, established
25 that such charges were false. (Exhibit 70)

26 6. The express and implied statements in defendants'
27 publications that Witness Lee and the Local Church elders isolate
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2 members from society and forbid or discourage members from
3 watching television, reading newspapers, going to movie theaters,
4 and participating in sports, is false and defamatory.

5 Duddy testified that he intended to depict the Local
6 Churches as quarantining members from relatives who were outside
7 of the Local Church (Duddy, pp 1644-5) and causing people to
8 withdraw and be isolated from society (Duddy, pp 1092-1093) and
9 readers would reasonably so understand the publications.

10 The finding of falsity is based upon the testimony of
11 plaintiffs' witnesses including Dr. Melton (Tr. p 95), Dr.
12 Malony, his survey (Ex. 24), Dr. Goetchius (Tr. pp 150-152),
13 Cindy Meinecke, Dr. Herbert Zimmer, Dr. Steven Johnson, and
14 Christopher Leu. See also Duddy's deposition at pages 1130-1131,
15 1138-1140 and 1150, wherein he acknowledged he has no evidence of
16 any such conduct.

17 It is the finding of this Court that the statements were
18 made knowing they were false or with a reckless disregard of the
19 truth or falsity thereof, in that Duddy testified he had no
20 evidence of any such conduct. (Duddy, pp 1130-1131, 1138-1140,
21 1150)

22 7. The express and implied statements in defendants'
23 publications that Local Church elders have created an
24 unchallengeable power structure that makes it impossible for
25 church members to maturely exercise their faith and bear
26 responsibility for their own lives are false and defamatory.

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2 Duddy intended by those statements to convey to readers that
3 Witness Lee and "those who cooperate with him" are social
4 manipulators (Duddy, p. 818) who determine God's will for members
5 and their families without even being consulted (Duddy, p. 2252).
6 Alexander testified that the book implies that the church elders
7 are involved in dominance and control over members. (Alexander
8 p. 1571) Sire testified that the statements indicate removal of
9 members to a totalitarian and structured environment. (Sire, Vol.
10 6, p. 637) Readers would reasonably so understand the
11 publications.

12 The finding that these statements are false is supported by
13 the testimony of Cindy Meinecke, and current members who
14 testified at trial, as well as Dr. Saliba and Dr. Malony's survey
15 of current and former members (Ex. 24). Moreover, the testimony
16 of Witness Lee, William Freeman, and Anaheim elder Eugene Gruhler
17 indicated that the elders do not constitute an unchallengeable
18 power structure. Rather, members have the freedom to disagree
19 with elders and with Witness Lee, and that members are encouraged
20 to seek God's will for themselves and to bear responsibility for
21 their lives. Dr. Goetchius testified of his observation as to
22 the maturity and well-developed character generally of the Local
23 Church members and their families with whom he had personally
24 interacted. (Tr. pp 149-152)

25 It is the finding of the Court that the statements were made
26 knowing they were false or with a reckless disregard of the truth
27 or falsity thereof.
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2 Duddy could not recall the name of one actual Local Church
3 member that told Duddy that he did not make his own decisions.
4 (Duddy, p. 1150) Moreover, Duddy stated under oath that it was
5 not his testimony that members do not make their own decisions in
6 matters of importance in their personal lives. Duddy also did
7 not know if members made such decisions without consulting the
8 elders. (Duddy, p. 1148) Jack Buckley testified that before SCP
9 made the statement that Local Church members "prefer submission"
10 over the "exercise of personal judgment and individual
11 decision," SCP should have made some investigation to support the
12 statement. Buckley, however, was not aware of any such
13 investigation by SCP. (Buckley, p. 771) Buckley further
14 testified that the limit of his work in investigating the
15 government by the elders in the Local Church was to read
16 materials given to him by SCP and to talk with SCP members.
17 (Buckley, p. 721) Buckley admitted that The God-Men quoted
18 Witness Lee's statement, concerning ministers of the Holy Spirit,
19 out of context and missued it to convey the impression that the
20 elders have authoritative power over members. (Buckley, p. 766-
21 767) Dr. Saliba confirmed the misuse of this quote by Witness
22 Lee. (Tr. pp 126-127)

23 8. The express and implied statements in defendants'
24 publications that Witness Lee and the other plaintiffs are
25 teaching and advocating conduct that would allow or encourage
26 church members to engage in immoral behavior are false and
27 defamatory.
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2 Duddy intended to convey to the readers that Witness Lee's
3 teaching instructed one to listen to intuition and feelings, but
4 in no case consider the Scripture; that one can engage in sexual
5 assault, including rape, be a liar and deceitful and still regard
6 himself as a good Christian; that you abide by your inner
7 feelings, regardless of what the Scripture says; that unlike the
8 Christian community, Witness Lee's teachings enhance immorality.
9 (Duddy, pp 531, 566, 568-569, 673). Readers would reasonably so
10 understand the publications.

11 All witnesses testified as to the falsity of all such
12 statements or implications and established that all the writings
13 of Witness Lee taught the Biblically high standard of morality.
14 Dr. Maloney's survey (Ex. 24) also supported the finding of
15 falsity, as does the evidence of the author's and publishers'
16 deliberate distortion of statements by Witness Lee.

17 It is the finding of the Court that the statements were made
18 knowing they were false or with a reckless disregard of the truth
19 or falsity thereof.

20 Dr. Melton testified that Duddy conveyed to the readers
21 exactly the opposite of what Witness Lee teaches regarding
22 morality (Tr. p. 59) and that for Duddy to convey such an
23 impression was either deliberate or a reckless disregard of what
24 Witness Lee said (Tr. p. 75-76); the authority of the Scripture
25 in Witness Lee's teachings was misrepresented by Duddy to create
26 the idea that Witness Lee encourages immorality, whereas, Witness
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2 Lee repeatedly upholds the Bible and its moral commandments. (Tr.
3 pp 57-58)

4 Dr. Goetchius testified that Duddy's use of Witness Lee's
5 writings was a deliberate, careful misrepresentation of Witness
6 Lee's teachings, including the teachings on morality. (Tr. p.
7 141, 143)

8 Dr. Saliba testified the quotes were taken out of context,
9 "I get the impression they were twisted around to mean what he
10 wanted them to mean." (Tr. pp 125-126)

11 The defendants' own testimony established that the
12 statements were made knowing them to be false, or with a reckless
13 disregard of the truth or falsity thereof.

14 Duddy admitted that Witness Lee teaches that people should
15 follow the Ten Commandments and live a life higher than the Ten
16 Commandments but that he never told the readers that Witness Lee
17 taught this. (Duddy, pp. 406-7, 411-412)

18 Buckley testified that:

19 ". . . God Men I as written has painted
20 a false picture as far as Witness Lee's
21 teachings on morality."

22 (Buckley, p. 843)

23 David Adeney, a member of the Board of Reference of SCP and
24 former missionary to China testified that he has never seen any
25 teachings in Witness Lee's writings that would allow one to be a
26 liar, deceitful or engage in rape and still regard himself as a
27 good Christian. (Adeney, p. 183)

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2 9. The express and implied statements in defendants'
3 publications that the plaintiffs or church members that follow
4 plaintiffs' teachings are "moral dwarfs," which the authors
5 define as persons whose conduct falls below the standard of the
6 law, are false and defamatory.

7 Duddy again intended to convey to the readers that Witness
8 Lee's teachings enhance immorality. (Duddy, p. 623) Readers
9 would reasonably so understand the publications.

10 The finding that these statements are false is supported by
11 the testimony of Jack Buckley (Buckley, p. 796), the testimony of
12 plaintiffs' expert witnesses and Cindy Meinecke.

13 It is the finding of the Court that the statements were made
14 knowing they were false or with a reckless disregard of the truth
15 or falsity.

16 Dr. Melton testified that Duddy not only distorted Witness
17 Lee's teachings in characterizing them as creating "moral
18 pygmyism", but also distorted Benjamin Warfield's intent in
19 creating the term. Dr. Melton testified that there are numerous
20 writings of Witness Lee that are directly contrary to what Duddy
21 conveyed to the readers. (Tr. pp. 69-73)

22 Dr. Goetchius testified that a reasonable interpretation of
23 Duddy's charge of "moral pygmyism" would be that of someone who
24 is short on morals or lacking in moral perception and
25 understanding. He further testified that there was no
26 justification for such a charge against Witness Lee's teachings
27 or those who follow it and to the contrary, Witness Lee's
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2 teachings require a morality higher than the ethical code of the
3 law (Tr., pp. 143-144)

4 Buckley testified that he had not found anything in his
5 reading of Witness Lee that would justify calling people who
6 believe in his teachings moral dwarfs. (Buckley, p. 796)

7 10. The express and implied statements in defendants'
8 publications that plaintiffs have publicly humiliated members and
9 that some Anaheim church members and an alleged Northern
10 California leader were hospitalized for psychiatric care because
11 of plaintiffs' acts are false and defamatory.

12 Duddy testified that he intended to convey to the readers
13 that Witness Lee periodically publicly humiliates members.
14 (Duddy, p. 1159) Sire testified that he recognized these
15 allegations as being potentially libelous. (Sire, Vol. 4, p. 95-
16 97, Vol. 6 520-521), Ex. 68) Readers would reasonably so
17 understand the publications.

18 Plaintiffs' evidence established that there was no such
19 conduct by Witness Lee or any of the plaintiffs and that no such
20 hospitalizations ever occurred.

21 Dr. Melton testified he found no evidence of humiliation or
22 hospitalization. (Tr. p. 92) Dr. Malony's survey (Ex. 24)
23 confirmed, even from ex-members, that there was no such
24 humiliation.

25 It is the finding of the Court that the statements were made
26 knowing they were false or with a reckless disregard of the truth
27 or falsity thereof.

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2 Duddy never confirmed one hospitalization and could not name
3 one person allegedly hospitalized. He had no documentation
4 (Duddy, pp 1166-68), nor did he feel he should check. Duddy also
5 asked the alleged Northern California church leader for an
6 affidavit supporting such an allegation but was unable to obtain
7 one. (Duddy, p. 1165) Duddy admitted that he has never been
8 advised by any medical or psychological expert that any member of
9 a local church has suffered due to Lee's theology or alleged
10 thought reform. (Duddy, p. 1089)

11 Albrecht, an SCP director, testified that it was Duddy's
12 obligation to verify the allegations and that he should have
13 tried to speak to the people allegedly hospitalized. (Albrecht,
14 pp. 117-118) It was Duddy's primary responsibility to find out
15 who allegedly went to the hospital. (Albrecht, pp 119-120)

16 Squires, a director of SCP and the person in charge of
17 defending the present lawsuit, was not aware of any evidence that
18 a Northern California church leader was hospitalized because of
19 Witness Lee's conduct. (Squires, p. 723) He could not remember
20 any response to questionnaires he recently sent out concerning
21 church members needing psychiatric care. (Squires, p. 760) He
22 was not aware of any investigation done to determine the accuracy
23 of the psychological or sociological areas of the book.
24 (Squires, pp. 724-725)

25 Sire, of Inter-Varsity Press, never received any
26 information from Duddy concerning the alleged hospitalization of
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2 the Northern California church leader nor had he ever seen any
3 records dealing with the matter. (Sire, Vol. 4, pp. 97-98)

4 11. The express and implied statements in defendants'
5 publications that William Freeman, or any elder in the church in
6 Anaheim, deceived Fuller Seminary is false and defamatory.
7 Furthermore, the express and implied statements in said
8 publications that "this alleged lack of forthrightness in self-
9 representation is a quality which the Local Church displays" is
10 also false and defamatory.

11 Duddy intended to convey to the readers that William Freeman
12 had not been forthright in his representation to Fuller and that
13 he was concealing certain information, also that Local Church
14 members are people who conceal, which he represented was an
15 accurate description of their behavior and represented the
16 general character and quality of the Local Church. (Duddy, pp
17 430-432, 433-435). Readers would reasonably so understand the
18 publications.

19 The finding of falsity is based upon testimony of Dr. Cecil
20 Melvin Robeck, Jr., Director of Academic Services of Fuller
21 Seminary, formerly Director of Admissions, and the plaintiff
22 William Freeman, together with the exhibits presented, (Ex. 14,
23 15, 16, 17, 18, and 19) which established conclusively that there
24 was no concealment, deception or lack of forthrightness nor had
25 any member of the Fuller faculty made any such statement (Tr. pp
26 81-89) and which also proved that such an allegation was a
27 fabrication by the defendants. Furthermore, the foregoing

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2 evidence, together with the testimony of the expert witnesses
3 established that all allegations of concealment, deception or
4 lack of forthrightness on the part of the Local Church, its
5 leaders or members are also false.

6 It is the finding of the Court that the statements were made
7 knowing them to be false or with a reckless disregard of the
8 truth or falsity thereof.

9 Sire confirmed that the Fuller Seminary admissions officials
10 stated that Freeman was as forthright as possible and there was
11 no thought of misrepresentation. (Ex. 47) Based upon that
12 evidence Sire pulled the Freeman-Fuller incident from The God-
13 Men, published by Inter-Varsity Press.

14 12. The express and implied statements in defendants'
15 publications that plaintiffs use fear tactics or threats of
16 reprisal in order to keep members loyal to the Local Church and
17 prevent them from leaving are false and defamatory.

18 Duddy intended to convey to the readers that the Local
19 Church harassed and persecuted former Local Church members.
20 (Duddy, pp. 1774, 2235). Readers would reasonably so understand
21 the publications.

22 The finding of falsity is based upon the testimony of
23 plaintiffs' witnesses, including present members, Cindy Meinecke
24 and Dr. Melton who established that there were no fear tactics or
25 threats. Dr. Melton's testimony was that members were not being
26 held against their will but were in the Church voluntarily, their
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2 participation was not coerced but rather because they enjoyed
3 being in the Local Church. (Tr. p. 96-97)

4 It is the finding of the Court that the statements were made
5 knowing them to be false or with a reckless disregard of the
6 truth or falsity thereof.

7 13. The express and implied statements in defendants'
8 publications that "most people who have left the Local Church
9 find it necessary to relocate" in order to avoid Local Church
10 persecution and that any such persecution occurred (including
11 vandalizing of ex-members' homes) are all false and defamatory.

12 Duddy intended to convey to the readers that most people who
13 leave the Local Church find it necessary to relocate to avoid
14 persecution. (Duddy, pp. 896-898)

15 The finding of falsity is based upon the testimony of Eugene
16 Gruhler which established that former members generally do not
17 move away. Those that do move away do not do so because of fear
18 of persecution as alleged. His testimony also established that
19 some former members actually moved back into the area of Local
20 Churches. Mr. Gruhler also investigated the allegations of
21 vandalism and found that they were not only false but that the
22 persons allegedly reporting the same denied such reports.

23 It is the finding of the Court that the statements were made
24 knowing them to be false or with a reckless disregard of the
25 truth or falsity thereof.

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2 Duddy admitted that no one in SCP, including himself had
3 ever checked with anyone who allegedly had a home vandalized.

4 (Duddy, p. 920)

5 14. The express and implied statements in defendants'
6 publications that Witness Lee, or any of the plaintiffs, were
7 guilty of financial mismanagement including any alleged misuse of
8 \$235,000 intended for a Stuttgart meeting hall are false and
9 defamatory.

10 It was Duddy's intention to convey to the readers a possible
11 violation of law in the misuse of funds and also to demonstrate
12 financial mismanagement. (Duddy, pp. 822-823, 839, 840, 849)
13 Readers would reasonably so understand the publications.

14 The finding of falsity is based upon testimony and
15 documentary evidence presented at the trial which established
16 that the funds for a Stuttgart meeting hall were originally
17 forwarded to the Church in Stuttgart for the purpose represented.
18 (Ex. 6 and 7) The funds were returned to the United States only
19 after the proposed transaction in Stuttgart failed. The money
20 was to be held in the United States, earning a higher rate of
21 interest than in Germany, until the Church in Stuttgart found a
22 suitable meeting hall. The Church in Stuttgart continued its
23 efforts to obtain a meeting hall, (Ex. 31) which was known by all
24 defendants prior to the publication of either Die Sonderlehre des
25 Witness Lee Und Seiner Ortsgemeinde or The God-Men published by
26 Inter-Varsity Press. (Ex. 46) (Mr. Sire of Inter-Varsity Press
27 also had knowledge of this before publication of The God-Men)
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2 (Ex. 46)) The Church in Stuttgart found a suitable meeting hall
3 and received the money with interest, upon its request, prior to
4 the publication of Die Sonderlehre des Witness Lee Und Seiner
5 Ortsgemeinde. Although that purchase was unable to be completed,
6 the money thereafter remained in Stuttgart with the Church in
7 Stuttgart and was ultimately used for the purchase of the
8 Church's present meeting hall.

9 Duddy acknowledged that such facts do not indicate
10 mismanagement of money or deception. (Duddy pp. 835-837)

11 It is the finding of the Court that the statements were
12 published knowing them to be false or with a reckless disregard
13 of the truth or falsity thereof.

14 Albrecht testified it was irresponsible journalism to
15 publish allegations of mismanagement of money without having some
16 documentation. (Albrecht, p. 242) No such documentation was ever
17 produced. (Sire, Vol.5, pp 301-3)

18 Duddy conceded he never contacted anyone in the Church in
19 Stuttgart or the Church in Anaheim regarding the transaction.
20 (Duddy, pp. 826-7, 840-1, 875) His sole source of alleged
21 information was Max Rapoport, whom he knew was in conflict with
22 the Local Church. Duddy had been warned by SCP to be careful of
23 ex-members' statements and to check with other sources to confirm
24 the accuracy of such statements. (Duddy, pp. 824-6) Duddy did
25 not. Duddy had obvious reasons to doubt the veracity and
26 accuracy of any report by Rapoport. (St. Amant v. Thompson (1968)
27 390 U.S. 727, 732, 20 L.Ed.2d 262, 267-268)

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2 Duddy was also unable to persuade Rapoport to verify the
3 alleged information by an affidavit. (Duddy, p. 865, Ex. 43)

4 Sire recognized the lack of documentation as a major problem
5 of this accusation and noted the allegation as being "libel".
6 (Ex. 42 and 41) Sire did not recall seeing any documentation nor
7 asking for any. (Sire, Vol.5, p. 301-303)

8 15. All of the defendants intended to convey to the readers
9 all of the false statements set forth above or recklessly
10 disregarded the false and defamatory meanings that would be
11 conveyed to the readers.

12 This is supported by the testimony of all experts as well as
13 the deposition testimony of Duddy, Alexander, Sire and Buckley
14 offered by plaintiffs.

15 16. All of the false statements set forth above were
16 defamatory in that they convey to the readers that the
17 plaintiffs Witness Lee and William Freeman are leaders of a
18 "cult," and the Church in Anaheim is such a "cult". The false
19 statements also convey to the readers that plaintiffs are engaged
20 in a program of deceptive recruiting practices that prey upon
21 weak and vulnerable people in order to bring them under the
22 plaintiffs' total subjugation; that plaintiffs control every area
23 of Local Church members' lives through the use of fear and other
24 various techniques of mental manipulation and social isolation.
25 The statements also convey to the readers that plaintiffs are
26 teaching principles that allow, encourage, or condone immoral
27 conduct; also, that plaintiffs are exploiting these people

1 financially for plaintiffs' own gain and further that those who
2 leave are persecuted and threatened with disaster.

3 This is supported by the testimony of all experts and the
4 presentation of the cover of The God-Men, by the American
5 Broadcasting Company on television for a program on mind-
6 manipulating cults, which cover contains the name of the
7 plaintiff, Witness Lee, together with a caricature of him.

8 17. The plaintiff Witness Lee has been exposed to hatred,
9 contempt, ridicule, and obloquy by reason of the false and
10 defamatory statements, and in addition his calling as a minister
11 of the Bible for over 50 years has been severely and irreparably
12 harmed. His reputation has also been severely and irreparably
13 damaged. (Scott v. Times Mirror, (1919) 181 Cal. 345, 365) In
14 addition, the plaintiff Witness Lee has suffered severe emotional
15 distress from these charges (Douglas v. Janis, (1974) 43
16 Cal.App.3d 931, 940 and Waite v. San Fernando Publishing Co.,
17 (1918) 178 Cal. 303, 306) in knowing that his family and those
18 who follow his teachings have likewise been exposed to hatred,
19 contempt, ridicule, and obloquy, have had family relations
20 destroyed and in some instances have lost their jobs, all because
21 of following his teachings. Plaintiff Witness Lee has suffered
22 further emotional distress because of the harm done to his wife,
23 children and grandchildren from the severe and irreparable damage
24 to Witness Lee's reputation.

25 This is supported by the testimony of all expert witnesses,
26 present members and the ABC-TV programs. (Ex. 84a and b)

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2 18. That the sum of Five Million Dollars (\$5,000,000.00) is
3 a reasonable sum to award the plaintiff Witness Lee for the
4 damages sustained by him by reason of all of the libelous
5 publications involved in this action as against the defendants
6 Neil Duddy and Schwengeler-Verlag.

7 19. The plaintiff, the Church in Anaheim has been exposed
8 to hatred, contempt, ridicule, and obloquy by reason of the false
9 and defamatory statements, and has been severely and irreparably
10 harmed (Vegod Corp. v. American Broadcasting Co., Inc., (1979) 25
11 Cal.3d 763, 770) in its function and position as a Christian
12 church, and in addition has suffered the loss of members and
13 potential members and the benefits therefrom, as well as having
14 its members and their families exposed to hatred, contempt,
15 ridicule, and obloquy.

16 20. That the sum of Three Million Dollars (\$3,000,000.00)
17 is a reasonable sum to award the plaintiff the Church in Anaheim
18 for the damages sustained by it by reason of all of these
19 libelous publications as against the defendants Neil Duddy and
20 Schwengeler-Verlag.

21 21. The plaintiff William Freeman has been exposed to
22 hatred, contempt, ridicule, and obloquy by reason of the false
23 and defamatory statements and, in addition, his calling as a
24 minister of the Bible for over 20 years has been severely and
25 irreparably harmed. His reputation has been severely and
26 irreparably damaged. In addition, the plaintiff William Freeman
27 has suffered severe emotional distress from these charges and in
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2 knowing that his family and those who follow his teachings have
3 likewise been exposed to hatred, contempt, ridicule, and obloquy.
4 Further, the plaintiff William Freeman has suffered damages
5 because he was the only Church in Anaheim elder named in these
6 publications, the only church leader, other than Witness Lee,
7 against whom all the accusations were being made, and because he
8 was the only Local Church elder who attended Fuller Seminary
9 during the time period mentioned in these publications.
10 Plaintiff, William Freeman, has suffered further emotional
11 distress because of the harm done to his wife, children and
12 grandchildren from the severe and irreparable damage done to
13 William Freeman's reputation.

14 22. That the sum of Five Hundred Thousand Dollars
15 (\$500,000.00) is a reasonable sum to award the plaintiff William
16 Freeman for the damages sustained by reason of all of these
17 libelous publications as against the defendants Neil Duddy and
18 Schwengeler-Verlag.

19 23. The Court finds that none of the plaintiffs are public
20 figures. (Gertz v. Welch, (1974) 418 U.S. 345, 41 L.Ed.2d 808,
21 94 S.Ct. 2997; Hutchinson v. Proxmire, (1979) 443 U.S. 111, 135,
22 61 L.Ed.2d 411, 431, 91 S.Ct. 2675) Therefore, under the
23 principles of Gertz v. Welch, the plaintiffs need not prove
24 "actual malice" (knowing falsity or reckless disregard of the
25 truth or falsity) in order to recover compensatory damages.
26 Nevertheless, under the principles of Gertz v. Welch, supra., in
27 order to recover punitive damages, the plaintiffs must establish

1 "actual malice." The plaintiffs indicated at the outset of this
2 trial and hearing that they intended to establish "actual malice"
3 and the Court is satisfied that they have done so. The evidence
4 indicated that in almost all instances where the defendants
5 purported to quote from Witness Lee's statements they did in fact
6 distort and take out of context such statements by Witness Lee in
7 order to arrive at a predetermined result or conclusion. This
8 is supported by the testimony of the plaintiffs and the testimony
9 of Dr. Melton, (Tr., pp 16, 18, 23, 46, 48-49), Dr. Saliba, (Tr.,
10 pp 109, 114, 117-118, 135), Dr. Stark, (Tr., pp 162-163, 171-
11 174), and Dr. Goetchius (Tr. pp 141-142). In addition, the
12 evidence has established that the defendants also distorted the
13 sociological model of religious conversion by Lofland and Stark
14 in order to attempt to fabricate a theory of deceptive
15 recruitment by Local Church leaders and members allegedly based
16 upon the plaintiff Witness Lee's teachings. The testimony of Dr.
17 Rodney Stark, one of the model's authors, convinces the Court
18 that the distortion was deliberate and intentional. (Tr., pp
19 162-163, 169, 171-172) (St. Amant v. Thompson (1968) 390 U.S.
20 727, 732, 20 L.Ed.2d 262, 267-8, 88 S.Ct. 1323) Furthermore, the
21 deposition testimony of Duddy, Alexander, Buckley and Sire
22 confirm that the defamatory statements were published in some
23 instances knowing they were false and in other instances with a
24 reckless disregard of the truth or falsity thereof.

25 24. The Court also finds that the defendants' conduct in
26 publishing the books and manuscript referred to above was
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2 intended to vex, annoy, and injure the plaintiffs and to destroy
3 the ministries of all three plaintiffs.

4 This is supported by evidence that SCP, Duddy's employer,
5 and co-author, had a long standing animosity against the Local
6 Church dating back to the early 1970s and the loss of some of its
7 members. This was confirmed by James Miller and Jack Sparks, co-
8 founder of SCP. (Sparks, p. 16) Dr. Melton testified that SCP
9 came out second best in these confrontations. (Tr. pp. 48-49) In
10 addition, documentary and deposition testimony disclosed that
11 Inter-Varsity perceived itself to be in a competitive
12 relationship with the Local Churches on college campuses in
13 preaching the Gospel and because of the loss of its members to
14 the Local Churches (Sire, Vol. 4, pp. 47-48, 58-59; Vol. 5, p.
15 228; Ex. 85 (Former Ex. 381.240) and therefore, solicited the aid
16 of Duddy and SCP in expanding SCP's prior publication, The God-
17 Men I, so as to add the so-called "sociological" section which
18 contained most of the defamatory statements referred to above
19 (Ex. 85 (Former Ex. 383.4)). In responding to their
20 solicitation, Duddy presented to Inter-Varsity a "sales pitch"
21 that the book "may contribute to the Local Churches' demise."
22 (Ex. 38)

23 Testimony and documentary evidence also establishes that the
24 defendant Schwengeler-Verlag had a history of being in publishing
25 competition with the Church in Stuttgart concerning the works of
26 Watchman Nee and also solicited the aid of Duddy and SCP to
27 attempt to discredit the Church. Duddy knowingly and wilfully

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2 joined in these endeavors to harm, if not destroy the ministries
3 of the plaintiffs (as well as the Churches throughout the world)
4 (Ex. 38, 40). In addition, Schwengeler-Verlag inserted in Die
5 Sonderlehre des Witness Lee und Seiner Ortsyemeinde an
6 advertisement for a book on Jim Jones and the Peoples Temple and
7 correlated it with the plaintiffs by the language "Here is
8 another book that reveals how seducers operate." This simple
9 juxtaposition was "calculated" to remind someone "of the picture
10 on Time Magazine of all these people lying around dead." (Tr. p.
11 147 - Dr. Goetchius)

12 From all of the testimony, it is clear that the traditional
13 use of the word "Cult" has changed so that we now have, since the
14 middle 1970's, a new meaning to the word. It is now understood
15 to mean "brainwashing of members" (Tr. p. 28), deceitful
16 recruiting (Tr. p. 28), a mischievous group that is evil and
17 ready to control you and take your money (Tr. p. 113), harmful to
18 their members (Tr. p. 20), undermining American values (Tr. p.
19 20). Cults are claimed to be just about every bad thing in the
20 book these days, and with the pervasive images of Manson and Jim
21 Jones hanging over us, any group that is called a Cult is
22 immediately associated with those two people.

23 As stated by Dr. Melton, "to call someone a Cult is the
24 1970's equivalent of labeling them a Pinko (Communist) in the
25 days of McCarthyism". (Tr. p. 49) Once the accusation is made,
26 that stigma remains even if proven to be totally wrong.

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2 The Court agrees with the statement of the witness Dr.
3 Rodney Stark when he stated:

4 "If all that the defendants were to do
5 was write a book even though real nasty
6 to Witness Lee's theology, we wouldn't
7 be here today because that is fair in
8 our American Society. You can do that.
9 But the second you start talking
10 . . . naming names and events,
11 discrediting events, sexual hanky-panky,
12 financial hanky-panky, or indeed getting
13 to a certain point of quoting a man's
14 theological statements diametrically
15 opposed to what the man is saying, then
16 I think we have . . . We are not
17 talking about religion, we are talking
18 about truth, we are talking about libel,
19 we are talking about fairness, we are
20 talking about a whole constellation of
21 things." (Tr. pp. 171-172)

22 The damage to the plaintiffs cannot be erased by this
23 action, but the following awards of punitive damages will
24 vindicate the plaintiffs and deter others similarly situated from
25 issuing further deliberate untruths about the plaintiffs. (Secord
26 v. Schlachter, 58 Fed.Supp. 56-58 (1983)).

27 Therefore, the Court awards punitive damages in favor of the
28 plaintiffs and against the defendants as follows:

For the plaintiff Witness Lee as against Neil T. Duddy
One Million Dollars (\$1,000,000.00).

For the plaintiff Witness Lee as against Schwengeler-Verlag
One Million Dollars (\$1,000,000.00).

For the plaintiff Church in Anaheim as against Neil T. Duddy
Five Hundred Thousand Dollars (\$500,000.00).

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For the plaintiff Church in Anaheim as against Schwengeler-Verlag Five Hundred Thousand Dollars (\$500,000.00).

For the plaintiff William T. Freeman as against Neil T. Duddy Two Hundred Thousand Dollars (\$200,000.00).

For the plaintiff William T. Freeman as against Schwengeler-Verlag Two Hundred Thousand Dollars (\$200,000.00).

DATED: JUNE 26, 1985

LEON G. SEYRANIAN

JUDGE OF THE SUPERIOR COURT, PRO-TEM