

A Reporter's Story: How H-P Kept Tabs On Me for a Year

Firm's Search for Leak Led

Sleuths to Scope Out Trash,
Compile Phone Dossier

Organizing a Bridal Shower

By **PUI-WING TAM**

Unbeknownst to my family and me, someone was scoping out our trash earlier this year—someone hired by Hewlett-Packard Co.

The trash study was carried out in January by Security Outsourcing Solutions Inc., a Needham, Mass., investigative firm that H-P employed, according to a briefing H-P officials gave me yesterday. Whether the sleuths ever encountered my toddler's dirty diapers, H-P said it doesn't know.

I learned this—and more—as I sat in a conference room at H-P's outside law firm yesterday in San Francisco, where attorney John Schultz ran through a litany of snooping tactics H-P's agents used against me as part of its effort to identify which of its directors might be leaking news to the press. For around a year, Mr. Schultz told me, H-P collected information about me. H-P's investigators tried at least five times, he said, to get access to my home-phone, cell-phone and office-phone records. In several instances, they succeeded: H-P now has lists of calls I made to people such as my editors, my husband, my insurance company and a reporting source employed by one H-P rival.

H-P's agents had my photo and reviewed videotaped footage of me, said Mr. Schultz, of the law firm of Morgan, Lewis & Bockius. They conducted "surveillance" by looking for me at certain events to see if I would show up to meet an H-P director. (I didn't.) They also carried out "pre-trash inspections" at my suburban home early this year, Mr. Schultz said.

Mr. Schultz was carrying out a public promise by H-P Chief Executive Mark Hurd, who pledged before Congress last month that he would give investigation details to the targets of H-P's snooping. The company told me, in an email, that I would receive "a complete accounting of the information that H-P gathered about you and exactly what methods were used to collect it."

But what was surprising were the questions Mr. Schultz left unanswered: How did H-P's agents get my phone numbers in the first place? When did they review videotaped footage of me? Did their gumshoes park their cars outside my house at night? And what the heck is pre-trash inspection? On that, Mr. Schultz said: "We just don't know."

Indeed, there's a lot H-P seems not to know—or isn't telling—about what it did to me. Mr. Schultz told me H-P can't yet

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Pui-Wing Tam

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ity firms it contracted with aren't cooperating with its requests to hand over information about some of the investigative work.

Many details of what H-P had done in my case I had already gleaned from some now-public investigation documents. According to those documents, H-P built up information on my husband, including where we got engaged and married. H-P sleuths reviewed voicemails I'd left for an H-P director, and got a description of my car. They read my instant messages to an H-P media-relations executive. According to the California attorney general, H-P's investigators also used the last four digits of my Social Security number to impersonate me in order to obtain my phone records, a technique known as "pretexting."

H-P's lawyer shed no new light on these details, but one thing's increasingly clear: H-P went to some truly strange lengths to dig up personal details.

The methods H-P used on directors and journalists like me were "far from standard practice," says Ann Keating, vice president at Investigative Group International Inc., a Washington, D.C., security consulting and investigations firm. Surveillance and trash inspection in particular, she says, are typically "more tied to marital cases, such as when someone is trying to find out if his or her spouse is cheating."

H-P considered these tactics in its leak probes—code-named Kona and Kona II—which unfolded in two stages, one in 2005 and the other earlier this year. During the investigations, H-P secretly put its directors, nine journalists and others under scrutiny. The scandal, which became public last month, has spurred the departures of three executives and three H-P directors, including former chairman Patricia Dunn. Earlier this month, California Attorney General Bill Lockyer filed fraud and conspiracy charges against Ms. Dunn and four others because of techniques used in the probes. Ms. Dunn hasn't yet entered a formal plea.

I was a subject of the investigations because I covered H-P for The Wall Street Journal from 2002 until earlier this year. The H-P board's initial inquiry into leaks was prompted by a January 2005 Wall Street Journal article I wrote detailing the board's unhappiness with then CEO Carly Fiorina. This angered Ms. Fiorina, who launched the investigation to determine the source of the information. She was fired in February 2005, but the company's probes into leaks didn't stop there.

Ms. Dunn has said my story and others that came later created a "fundamental distrust" on the board because it meant someone was speaking to the press when they shouldn't have, making a leak investigation "necessary." H-P recently said that its initial probe didn't identify any leakers. The company said a second probe, done this year, identified one director, George Keyworth, who has since resigned, as a source for CNET, a technology-news Web site.

I suddenly became aware of H-P's machinations for the first time on the afternoon of Sept. 6. While I was working on a story on deadline, an email marked "urgent" plopped into my inbox. The message's alarming subject line: "Investigation re. your phone records being illegally accessed." The email was from an investigator in the California attorney general's special-crimes unit, who called minutes later to tell me my phone records had been obtained by H-P.

Over the next few weeks, information about H-P's leak investigation emerged in dribs and drabs. I got an emailed apology from Ms. Dunn, the H-P chairman who continued the investigation. I often found myself reading about what H-P had done in press reports.

At first, I thought the company had simply accessed a month's worth of my phone records.

But I grew more concerned as the scope of H-P's tactics became clearer. I learned from documents released to Congress last month—but not by Mr. Schultz yesterday—that H-P's investigative team unearthed factoids about myself that I

never knew. In one PowerPoint slide prepared for Ms. Dunn, H-P's team noted that I live precisely two miles away from former H-P director Mr. Keyworth. In another slide that mapped out—like a spider's web—Mr. Keyworth's relationships with the press and others, I learned that my real-estate agent, Mavis Delacroix, had once worked with his wife. When I called Ms. Delacroix to tell her that her name had popped up in H-P's probe, she said: "I end up in the weirdest places."

H-P's leak investigations first kicked off in early 2005. At that point, an H-P outside security consultant, Ronald DeLia, owner of Security Outsourcing Solutions, gave the names of several journalists, including mine, and former H-P executives to Action Research Group, a Melbourne, Fla., data brokerage firm, according to investigation documents released by Congress. Mr. DeLia asked Action Research Group to pull our telephone records, according to the documents.

It isn't clear how Mr. DeLia got our phone numbers. Mr. Schultz said my name came up as a target after Mr. DeLia's firm reviewed thousands of articles on H-P and homed in on journalists who wrote about confidential H-P information citing unidentified sources. An attorney for Mr. DeLia didn't return a call for comment. Mr. DeLia has been charged by the California attorney general in this case, and has pleaded not guilty. Action Research Group officials, one of whom has been charged by the California attorney general and has also pleaded not guilty, didn't return a call for comment.

By July 2005, H-P had compiled background on many of its subjects, including me, according to documents released by Congress last month. In an investigation summary, H-P listed my educational background, the date I joined The Wall Street Journal, and information about my husband. The document also notes that I made 78 phone calls from my cellphone between April 16, 2005, and June 16, 2005. "An analysis of the subscribers of the 78 numbers is in progress," the document says.

That 2005 analysis, which H-P's lawyer wasn't able to provide me, probably yielded nothing more than a portrait of frenzied planning for my sisters' weddings. At the time, my family had just finished the wedding preparations for one of my sisters and we were busy organizing a bridal shower for my other sister. That meant frequent phone calls to and from my mother.

Still, H-P's investigative team compiled information on me. In November 2005, one of H-P's then directors turned over voicemail messages I'd left him earlier that year, according to an email from H-P's investigative team. That gave the company a record of my voice, which was stored away. Mr. Schultz, H-P's outside lawyer, told me yesterday that such records were collected to provide "context," in an attempt to link me to a source of the leaks.

H-P's probe ramped up again in January, after articles ran in The Wall Street Journal about H-P's talks to acquire technology outsourcing and consulting firm Computer Sciences Corp. and after an article appeared on CNET about a board of directors' retreat that same month. By late January, the second phase of the company's investigation—known as Kona II—was in full swing. (The investigations were dubbed Kona by Ms. Dunn, who named the probes after the location of her Hawaiian vacation home.)

That was when some of H-P's creepiest incursions on me occurred. On Jan. 30, Security Outsourcing Solutions reported that a "pre-trash inspection survey is in progress for the Tam residence," according to a document Mr. Schultz gave me yesterday. But there was more to the story: H-P investigation documents that Mr. Schultz didn't provide me reveal that in early February H-P's investigators also conducted "pre-surveillance reconnaissance" on directors and several journalists, including me.

Mr. Schultz said it isn't clear if H-P's investigators actually went through my trash or just looked around my house. According to Ms. Keating, the security expert at IGI, terminology such as "pre-trash-inspection" typically means that investigators scouted out neighborhoods and office buildings and tried to figure out if the garbage was easily accessible—all in preparation for more-extensive digging-through at a later time.

Trying to learn more about investigators' tactics, I asked Francie Koehler, a licensed private investigator in Oakland, Calif., for the past 21 years, to visit my neighborhood to give me tips on how such techniques might be carried out. This week, as she walked around my street, which is atop a small hill, Ms. Koehler thought it would be easy to stake out my house. There are plenty of parking spots on the hill where one can get a clear view of my home through a car's rearview mirror, she said. Since I'm not on a cul-de-sac, it would also be easy for an observer to get away, she added. And because we bring down our recycling to the curb every Monday, Ms. Koehler says, it is legal for someone to rifle through some of the trash. "That's all fair play," she said.

H-P didn't just plan to infiltrate my neighborhood, however. According to the documents released by Congress, in one PowerPoint slide from February—which was, again, missing from Mr. Schultz's briefing yesterday—H-P investigators proposed sending in their team to pose as cleaning crew members or clerical staff in The Wall Street Journal's and CNET's San Francisco offices. Mr. Schultz said that as far as he knows, "that was never done."

By mid-February 2006, H-P had obtained my cellphone records for mid-December 2005 through mid-January 2006,

Mr. Schultz told me. H-P's investigators later accessed my cellphone records for February and my home-phone records for January and February, he said.

H-P now had printouts of names and numbers of people I called. From these records, copies of which Mr. Schultz gave me, H-P discovered that of the 25 calls I made from my cellphone between mid-December and mid-January, I called home 20 times. In other records, H-P's investigators highlighted calls I made to current and former H-P executives, as well as calls I was making to my editors in San Francisco and New York. Twice, H-P saw that I called my insurance company. They saw that I often called my sister.

Among the calls H-P's investigators saw were those I made to sources for other stories I was reporting for the Journal—including sources at H-P competitors. One call was to Marlene Somsak, a former H-P media-relations executive who now works at H-P competitor Palm Inc. H-P's phone records list Ms. Somsak's name and address. Ms. Somsak declined to comment. The list provided by Mr. Schultz also shows reporting calls I made to Lucasfilm Ltd. and the San Francisco Police Department. A spokeswoman for Lucasfilm declined to comment.

H-P's briefing of its spying on me is mired about other events around February 2006. Mr. Schultz had no information, for example, on how the H-P investigative

team handed out a photo of me and a description of my car to their surveillance teams—something that a congressional subcommittee has now made public. It's unclear where they got the information. H-P began researching my husband and whether he had any relationships with H-P directors and others—work that was "90% complete" at the time, according to a note in a February document.

Also missing from Mr. Schultz's briefing was H-P's snooping on my instant messaging. In February, H-P's investigative team focused on my communications with one of their own media-relations executives, Mike Moeller, whom I frequently talked to as part of our jobs. That was when they accessed our instant messages, which generally included witty repartee such as the following transcript that H-P had in its files: Me: Nice results (for H-P's financial quarter). Mr. Moeller: Real nice. Nice guidance. Me: Yup.

Mr. Moeller declined to comment. H-P also attempted to catch me talking to sources. In a March email from then H-P chief ethics officer Kevin Hunsaker, who

helped direct the H-P investigation, Mr. Hunsaker asks one of his investigators: "Can you please do some monitoring on incoming and outgoing calls to Pui-Wing Tam, and keep a really close eye on her IM traffic with Moeller. There is going to be a special telephonic board meeting next Tuesday to discuss a very important topic...this is yet another major opportunity for a leak to occur." Mr. Schultz didn't include this email, which H-P released to Congress, in his briefing with me. An attorney for Mr. Hunsaker declined to comment. Mr. Hunsaker has been charged by the California attorney general, but hasn't formally entered a plea.

In March, a man whom the California attorney general has identified as Bryan Wagner of Littleton, Colo., allegedly used the last four digits of my Social Security number and my home phone number to set up an AT&T online account for my local phone service. Mr. Wagner has worked for Action Research Group, according to the California attorney general. Using that account, Mr. Wagner appears to have accessed some of my phone records, according to the state attorney general's criminal complaint. It's unclear how Mr. Wagner may have gotten my Social Security number, but H-P's outside attorney Mr. Schultz said there appear to be databases where Social Security numbers can be accessed.

Mr. Wagner, whom the California attorney general filed felony charges against this month, didn't return a call seeking com-

ment. His attorney also declined to comment. Mr. Wagner has pleaded not guilty.

Even as late as April, H-P was conducting "surveillance" of me. Around April 3, Security Outsourcing Solutions reported that an investigator traveled to a San Francisco hotel to attend a dinner reception where then-H-P director Tom Perkins was making a speech. The investigator was asked to look out for whether I would show up at the event—which I didn't. A few days later, Security Outsourcing Solutions reported looking out for me at an H-P conference in Los Angeles. (I was a no-show). H-P's probes wrapped up around this time, according to the California attorney general's investigators.

Since then, H-P officials have apologized repeatedly for the investigations. Mr. Hurd apologized in a news conference and before Congress. Ms. Dunn emailed all nine journalists who were under scrutiny a similar apology. (In the copy she sent me, my name was written in a different font from the rest of the message.) Yesterday in the conference room, it was the turn of Cathy Lyons, H-P's chief marketing officer. "I apologize on behalf of H-P," she said.

Will H-P ever be able to tell me the whole story?

Since some of the investigators the company hired aren't cooperating with its requests for information, "There are limitations," Mr. Schultz said.



Mark Hurd



Patricia Dunn

NIKKEI GLOBAL SEMINAR IN NEW YORK

JAPAN'S COMEBACK:

What are the challenges for the new Abe government?

Keynote Speaker



Mr. Atsutoshi Nishida
President and CEO
Toshiba Corporation

Panelists
(Alphabetical Order)



Dr. Robert H. Dugger
Managing Director
Tudor Investment Corporation



Mr. Yutaka Kosai
Senior Adviser
Japan Center for Economic Research



Mr. Hiroshi Mikitani
Chairman & CEO
Rakuten, Inc.



Dr. Thomas A. Pugel
Professor
Economics and Global Business
NYU Stern School of Business



Moderator: **Naoaki Okabe**
Senior Executive Officer and
Editorial Page Editor
Nihon Keizai Shimbun, Inc. (NIKKEI)

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Park Avenue at Grand Central, New York, NY 10017

Registration:
Free Admission
Advance registration is required.
Please register at the website listed below.

Program:
1:30 P.M. Open
2:00 P.M. Greeting & Opening Message
2:10 P.M. Keynote Speech
• Mr. Atsutoshi Nishida
President and CEO, Toshiba Corporation
3:00 P.M. Panel Discussion
• Dr. Robert H. Dugger
Managing Director, Tudor Investment Corporation
• Mr. Yutaka Kosai
Senior Adviser, Japan Center for Economic Research
• Mr. Hiroshi Mikitani
Chairman & CEO, Rakuten, Inc.
• Dr. Thomas A. Pugel
Professor, Economics and Global Business,
NYU Stern School of Business
• Mr. Naoaki Okabe (Moderator)

The Nihon Keizai Shimbun (Nikkei), Japan's leading business newspaper, will hold a seminar on Friday, November 3rd, 2006 to address Japan's recovery from its more-than-a-decade-long slump.

It has been 15 years since the collapse of the bubble economy of the 1980s. The Japanese economy has at last emerged from its post-bubble malaise and an economic revival is underway. Former Prime Minister Koizumi, whose administration made structural reform the driver of today's economic revival, stepped down in September, making way for Shinzo Abe's new administration to take the reins. What approach will this new government take to further the reform effort? What are the strengths of the Japanese economy and

Curbs Appear to Ease Pace of China Growth

BELJING—The headlong expansion of China's economy appeared to ease slightly in the most recent quarter as government measures to cool growth started to take effect.

China's gross domestic product for the first nine months of 2006 grew at an annual rate of 10.7%, the National Bureau of Statistics said. The agency didn't provide a breakdown of quarterly growth rates, but the figure indicates that the economy slowed somewhat in the July-September quarter after expanding at an annual rate of 10.9% in the first half.

Officials expressed satisfaction with the results but warned that problems are still present.

China's economy, now the fourth-largest in the world, has been barreling along this year at its fastest pace in a decade as its exports surge and companies and government agencies