Files hint `pretexting' may be common among firms

By Ross Kerber, Globe Staff | September 20, 2006

A congressional committee looking at corporate spying practices at Hewlett-Packard Co. already has found links between other large companies and researchers who used sketchy and possibly illegal investigation methods.

Documents provided to the House Energy and Commerce Committee show that large companies including LaSalle Bank, Ford Motor Credit, and a unit of Wachovia Bank hired investigators who officials suspect passed along data such as personal telephone call records obtained through illicit means.

Investigators believe these firms or their vendors lied to obtain the records, a method called `pretexting' that Hewlett-Packard Co. has admitted its contractors used and that has set off a furor leading chairwoman Patricia Dunn to announce her resignation.

The congressional documents suggest that the same methods the California computer company's investigators used are common in corporate America. Part of Hewlett-Packard's defense might wind up being that it was following the lead of other firms, said James Dempsey, policy director for the Center for Democracy and Technology, a Washington privacy advocacy group.

``A guess is, they might say `all the best companies use these guys,'" Dempsey said.

A Hewlett-Packard spokesman declined to discuss the possible lines of testimony at the hearings, which are scheduled for next week.

Yesterday, Energy and Commerce spokesman Terry Lane said Dunn and Hewlett-Packard's top lawyer, Ann Baskins, have agreed to appear, as has the company's outside attorney, Larry Sonsini.

A fourth person, Needham private investigator Ronald DeLia, is likely to appear but may invoke his Fifth Amendment right against self-incrimination, Lane said. DeLia played an unspecified role for Hewlett-Packard, according to California Attorney General Bill Lockyer.
In addition, the committee said it sent invitations to a Florida investigative firm and to a Hewlett-Packard employee in Marlborough, Anthony Gentilucci, leader of the company's global investigations division.

In a securities filing this month, Hewlett-Packard said the pretexting was done by a party it didn't identify, working for "an outside consulting firm" it had hired to conduct the investigation.

DeLia is cooperating with the investigation, said his attorney, John A. Kiernan. In a recent telephone interview Kiernan noted the House's findings showing many companies' involvement with investigations firms.

Kiernan did not specifically say the filings would help defend DeLia, but their details suggest some practices are widespread. For instance one firm that sold private telephone records, PDJ Services of Texas, reported its clients from 2000 to 2006 included LaSalle Bank of Chicago and Pinkerton Consulting & Investigations.

Another company that acknowledged it sold the phone records, Universal Communications Co. of Colorado, had clients including auto lenders Ford Motor Credit Co., Chrysler Financial, and American Honda Finance Corp.

A third firm that Congress sought to question, Global Information Group Inc. of Florida, had clients including Wachovia Bank, Wells Fargo Financial, Ford Motor Credit, and Enterprise Rent-A-Car in 2005, its filings to Congress show. Earlier this year the Florida company agreed to pay $250,000 to settle claims by Florida's attorney general that it had impersonated consumers to gain access to their telephone records.

Phone records have become a flashpoint, since in theory they can only be obtained through official means or by falsehoods.

In an April 12 letter to the committee, Universal Communications explained that its clients include banks and repossession companies seeking people who have defaulted on loans or skipped out on bonds.

It contracted with vendors who claimed they could find them legally, the company wrote, and said it ceased selling them after speaking with congressional investigators.

For its part, PDJ said in a letter to the committee that it stopped gathering cellphone call records last year from other vendors: "There is nothing suspect about the sort of information we provide -- and certainly nothing illegal about how it is obtained," it wrote.

A Global Information attorney did not return a message.

A spokeswoman for Ford Motor Credit said the company stopped using Global Information Group and PDJ in 2004, for reasons she couldn't specify.

A spokeswoman for LaSalle Bank declined to comment, as did a spokeswoman for Pinkerton.

Representatives for Wells Fargo did not return messages seeking comment. A Wachovia spokeswoman said it ceased using Global Information Group "when we learned their practices were in question."
Spokesmen for Honda said the company couldn't immediately comment. An Enterprise spokeswoman said the company is looking into the matter.

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