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HEADLINE: 2 more shareholders file suit against Chiquita
The Cincinnati Enquirer subsequently published an apology in connection with this story. The apology appeared June 28, 1998. The text of the apology appears below.

BYLINE: CAMERON McWHIRTER

SOURCE: The Cincinnati Enquirer

BODY:

Two stockholders of Chiquita Brands International Inc. filed a lawsuit Wednesday in Cincinnati against the company and its board of directors, claiming the plaintiffs have suffered damages "caused by a pervasive and on-going course of illegal conduct designed to artificially inflate the earnings of Chiquita."

The two stockholders originally filed separate suits in New Jersey, where Chiquita was incorporated, after The Cincinnati Enquirer published a report on May 3 about Chiquita's international business practices.

The cases were refiled in Cincinnati, where Chiquita is headquartered, at the request of Chiquita attorneys, who wanted to consolidate the complaints with three other shareholder suits, according to Robert Harwood, a New York attorney representing William Steiner of New York, one of the plaintiffs.

The other plaintiff was listed as Harbor Finance Partners, Ltd. Steven Mizel of San Diego signed an addendum in support of the suit stating he was a general partner of Crandon Capital Partners, the managing general partner of Harbor Finance Partners.

Joseph Hagin, Chiquita's vice president for corporate affairs, did not return telephone calls Wednesday.

The lawsuit, called a derivative complaint, was filed in the Hamilton County Court of Common Pleas. Named as defendants were Chiquita and all seven members of the board: Carl H. Lindner, chairman and chief executive officer; Keith E. Lindner, vice chairman; Fred J. Runk, director; Jean Head Sisco, director; William W. Verity, director; Oliver W. Waddell, director, and Steven G. Warshaw, director, president and chief operating officer.

"The Director Defendants through both their culpable action and inaction have permitted Chiquita to systematically engage in violations of the laws of the United States and foreign countries in which Chiquita does business," the suit contends.

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The suit includes allegations that:

Chiquita attempted to conceal the amount of land it controlled in Latin America "well in excess of the legal requirements of each country."

Chiquita officials have been implicated in a bribery scheme involving the Colombian government.

Chiquita officials permitted lax security at its Central American shipping locations even though more than a ton of cocaine was found on Chiquita ships docking in Europe in 1997.

"Chiquita has been damaged by, inter alia, the unnecessary

payment of millions of dollars, loss of reputation in the community

as well as the securities market, all as a result of unacceptable

business practices," the suit contends.

The new suit, plus the other suits, are all being handled locally by attorneys Richard S. Wayne and William K. Flynn of the Cincinnati law firm of Strauss & Troy.

Text of apology to Chiquita

Starting on May 3, 1998, the Enquirer published a series of articles regarding Chiquita Brands International. Many of the conclusions in these articles were based upon the contents of voice mail messages of employees of Chiquita. At the time, the Enquirer believed that the series' accusations against Chiquita were based upon what was thought to be factual information obtained in an ethical and lawful manner. Specifically, the Enquirer asserted that the voice mails were provided by "a high ranking Chiquita executive with authority over the Chiquita voice mail system."

The Enquirer has now become convinced that the above representations, accusations and conclusions are untrue and created a false and misleading impression of Chiquita's business practices. We have withdrawn the articles from continued display on the Enquirer's Internet web site and renounce the series of articles.

Information provided to the Enquirer makes it clear that not only was there never a person at Chiquita with authority to provide privileged, confidential and proprietary information, but the facts now indicate that an Enquirer employee was involved in the theft of this information in violation of the law.

The employee involved, lead reporter Mike Gallagher, has retained counsel and will not comment on his news gathering techniques. Despite his assurances to his editors prior to publication that he obtained his information in an ethical and lawful manner, we can no longer trust his word and have taken disciplinary action against him for violations of Enquirer standards. The Enquirer will continue to investigate whether others involved in the Chiquita articles also engaged in similar misconduct.

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We want to send a strong message that deception and unlawful conduct has no place in legitimate news reporting at the Enquirer.

We apologize to Chiquita and its employees for this unethical and unlawful conduct and for the untrue conclusions in the Chiquita series of articles.

THE CINCINNATI ENQUIRER

Harry M. Whipple, publisher

Lawrence K. Beaupre, editor

LOAD-DATE: July 8, 1998