

# Lou Pearlman Upbeat Despite Legal and Financial Woes

Contributed by Administrator  
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While Florida authorities and banks attempt to recover assets from the boy-band promoter, Louis J. Pearlman remains optimistic that multi-million dollar debts and accusations of fraud will go away. Fraud expert has enough material for new book on the Orlando-based celebrity.

[USPRwire, Mon Feb 052007 - Despite the overwhelming and undisputable evidence put forward by Florida authorities that his corporate employee savings program, offered to the general public since 1991, was a massive fraud, Lou Pearlman, of Backstreet Boys fame, in an open letter to the Orlando Sentinel, expressed his optimistic vision of a bright future and love for Florida, not once mentioning any concern for the investors, many of whom were elderly, who trusted their life savings with the seemingly self-absorbed Svengali.

While the State of Florida - Office of Financial Regulation has stated in its lawsuit against Pearlman and his known accomplices, that the loss to investors is between \$95-135 million, an informant assisting the government has pegged the amount owing, but still missing, at no less than \$300 million.

Somehow blaming the latest news of securities malfeasance and unpaid bank loan debts, currently exceeding \$130 million, on his success, Pearlman, from abroad, stated, "The tremendous amount of attention given to my private company is largely due to the fact that although we are a local company, we have enjoyed high-profile success on an international scale."

Beleaguered by multiple lawsuits, the promoter still managed to maintain a positive spin of things even as his Church Street offices in Orlando, jet and personal condominiums were being foreclosed upon as security for the multiple loans he has since defaulted on. "I'm an optimist. Rebuilding and making things better is what I do."

Initially blaming the rash of multi-million dollar lawsuits on greedy exploiters of his fame and fortune, the Orlando landmark turned his attention to media naysayers while expressing pride in what he has accomplished thus far. It seems, however, that given the implosion of his talent and airline empire under colossal debt and legal wranglings, Mr. Pearlman may not have been justified in taking a \$200 million dollar dividend from his debt-strapped concerns in 2005/06 alone, according to a state lawsuit..

Les Henderson, one of many fraud awareness advocates who have covered Pearlman's misdeeds for years, recently released a book about "Big Poppa's" foray into talent scouting, along with several convicted criminals, entitled "Under Investigation" which is available at Amazon.com.

The Canadian writer and investment fraud expert, whose early warnings about Pearlman had been ignored in the past, is of the strong opinion that Lou Pearlman's major accomplishment will be to have orchestrated the world's longest running Ponzi scheme in history. Says Henderson, "Most of these investment frauds implode within 18 to 24 months. Lou, through his enormous public persona, and the wisdom to keep the bogus interest rate reasonably low, has managed to dupe the investing public and the authorities for sixteen years."

Mr. Henderson was prompted to investigate and write the highly detailed book after Pearlman sued several of his detractors for notifying the Florida Attorney General Charlie Crist about the obvious criminal activities occurring within the Church Street complex. The book suggests that Charlie Crist whitewashed the investigation in favor of Pearlman, who, has since hosted fundraising parties at his home for the newly elected Governor.

The bombastic and clearly frivolous case against the fraud expert was recently dismissed for lack of evidence after two and half years in an Orlando court. Mr. Henderson, in turn, has also sued Mr. Pearlman, his companies and his associates in Ontario, Canada for defamation. That case is proceeding but even with a judgment, there is little likelihood now of any recovery beyond that of his vindicated reputation.

Les Henderson's next book, entitled "Fraud Flies First Class: Lou Pearlman's Perfect Ponzi," will be published in the near future as a sequel to "Under Investigation: The Inside Story of the Florida Attorney General's Investigation of Wilhelmina Scouting Network - The Largest Model and Talent Scam in America." Also available at Amazon.com is his book "Crimes of Persuasion: Schemes, Scams, Frauds" which deals with telemarketing and investment fraud in general.

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