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Feds investigating labor figure's book deal

Andy Stern, retired SEIU president, received a six-figure advance on a book the union helped research, promote and buy.

By Paul Pringle, Los Angeles Times

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Federal investigators who have examined a consulting agreement between the Service Employees International Union and a former Los Angeles labor official also have questioned people about a book deal that paid a six-figure advance to Andy Stern, the recently retired president of SEIU who now sits on President Obama's deficit reduction commission, sources have told The Times.

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According to the sources, who spoke on condition of anonymity because of the secretive nature of the inquiry, the investigators were focused primarily on other SEIU matters but were interested in the book transaction because the union helped research and promote the 2006 publication, "A Country That Works," and then bought it in bulk.

Stern and SEIU representatives have denied any wrongdoing and say he is not under investigation. Federal authorities have declined to comment.

SEIU officials would not say how many copies of the book the union and its locals bought, or how much it spent in total on the purchases, research, marketing and any other expenses. In an e-mail, SEIU spokeswoman Michelle Ringuette said the book helped draw attention to issues important to the union, that locals were not pressured to buy it and those that did paid a discounted price.

In the book's acknowledgements, Stern thanks an SEIU consultant and a staff researcher for their work on the volume. U.S. Labor Department records show that the consultant, Don Stillman, received more than \$53,000 from SEIU in 2006, but Ringuette said he was not paid for his contributions to the book. She said the researcher worked part time to fact-check the book under an arrangement approved by the union's executive board.

A Simon & Schuster spokesman said it printed about 28,000 hardcover copies of the book, plus 10,000 paperbacks. Under typical publishing industry formulas, the potential sales from such a printing would not total enough for Stern to have earned any royalties on top of his \$175,000 advance, from which he paid fees to an agent and \$30,000, plus expenses, to a collaborator. Stern had agreed not to take royalties from the sales to the union.

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