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Haitian Official Settles Libel Suit Against Writer

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(CN) - Haiti's prime minister has settled defamation claims against a Haitian-American journalist whom a federal judge previously barred from ever writing about the state official again.

Prime Minister Laurent Lamothe and his South Florida business partner Patrice Baker [sued](#) Leo Joseph and the New York-based Haiti-Observateur Group last year, claiming Joseph had defamed them in two "outrageous, scandalous" articles.

The Haiti-Observateur publishes in print and online, with a large online audience in South Florida, according to Lamothe's complaint.

In two 2012 articles, Joseph reported that Lamothe and Baker had orchestrated a self-serving sale of bankrupt telecommunications company Haitel to get a "lion's share" of the proceeds, according to the complaint.

Lamothe claimed the Haiti-Observateur had falsely accused him of using his connections with Haiti's president, Michel Martelly, to fix Haitel's \$25 million sale price.

This past February, U.S. District Judge Ursula Ungaro in Miami [barred](#) Joseph from ever writing in the future about Lamothe, finding that Joseph had improperly reported that Lamothe and Baker had profited from the sale of Haitel.

Joseph also misreported that Lamothe had exerted pressure on potential buyer Nord Citadel Capital LLC to begin issuing payments for the purchase of Haitel, according to that ruling.

Ungaro came around in April, however, [finding](#) that Joseph had proved insufficient service of process.

The judge noted that the plaintiffs had also failed to plead actual malice, a necessary element in libel actions against public figures.

What's more, courts cannot enter judgments that restrain the publication of nondefamatory statements, unless the plaintiffs can prove that extraordinary relief such as an injunction is warranted, the April 9 ruling concluded.

U.S. Magistrate Judge John O'Sullivan dismissed the case Monday after [approving](#) a settlement the parties reached in open court.

The settlement requires Joseph to publish a declaration from Michael Charles, the founder of Nord Citadel Capital, whom Joseph had cited as a source for the article published on Aug. 15, 2012.

O'Sullivan's Oct. 28 order awards no damages, and each party must bear its own costs and attorney's fees.

"The prime minister was never really after the money," said Bertrand Madsen, the New York attorney representing Lamothe. "He wanted a retraction. The declaration sets the record straight, so we agreed to dismiss the lawsuit because the objective has been accomplished."

Madsen said Charles already refuted Joseph's claim that he had confirmed the Haitel story with him before publication, and will do so again in the published statement.

The [declaration](#), slated to appear on Nov. 6 in the Haiti-Observateur, describes how Charles met Haitel's owner, Franck Cine, at the Haitian consulate in New York two years ago to discuss a possible investment in the company.

The Haitian consul, however, only arranged for the meeting, and never took part in the discussions about Haitel, according to the document.

Charles ultimately decided not to buy Haitel, after realizing that Cine "had deep disagreements with the Haitian government" and that the investment would not benefit Nord Citadel, Charles said in the Oct. 7 statement.

He said Joseph contacted him for an interview, which never took place, and that they only discussed a possible place and time to meet.

Charles said Joseph's article falsely reported that the Haitian government was involved in his negotiations with Cine, and that it had pressured him to make a large down payment toward the purchase of Haitel.

"For example, the article states that the Haitian consulate in New York has been transformed into an operations center for the sale of Haitel, and that Mr. Forbin [Haiti's general consul in New York] was assigned the role of finder or broker for the transaction," the Charles declaration states. "These statements are false, and I never made them, or said anything to that effect, to Mr. Joseph or anyone else. In fact, as I mentioned earlier, Mr. Forbin knew virtually nothing about Haitel, its bankruptcy, and the anticipated auction when I met him. Mr. Forbin was merely kind enough, at my request, to put me in contact with Mr. Cine."

Contradicting what Joseph wrote in the article, Charles said he has never spoken to Lamothe or other Haitian officials, and, even though he is of Haitian ancestry, he has never been to Haiti.

He said Joseph also lied about interviewing him before the article came out.

Scott Ponce, the attorney representing Joseph, said his client was very happy with the settlement.

"It is complete vindication for my client," Ponce said in a phone interview. "The prime minister wanted a full retraction, an apology and \$250,000 in damages. He wanted a court to determine that Mr. Joseph knowingly published false statements about him. The only thing he got in the settlement is getting Mr. Joseph to publish a declaration from someone who made a statement and then told another witness that it wasn't true."

Ponce said the main source for Joseph's articles was Cine, who backed the story, and that Charles was just asked to corroborate facts.

"In his deposition, Mr. Cine says Charles called him afterward and said 'they' had him sign the declaration, and that it wasn't true," Ponce said. "We'll never know what really happened."

Ponce is an attorney in the Miami office of global law firm Holland & Knight.

A transcript for the settlement was not available as of Thursday.

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