

In Pepsi contest, vote tallies questioned

Skepticism surrounds sources of balloting for Refresh Project hopefuls seeking sizable grants

Good fortune, if not magic, shined on Carol Schultz's Guardian Angels Feline Rescue in October.

The South Elgin cat shelter won \$50,000 in the Pepsi Refresh Project, a monthly online voting contest, by clinching one of the top 10 slots in its category. Schultz planned to spend some of the money on an addition to her home to accommodate the growing number of [felines](#) she said people leave on her lawn.

But now, Schultz is having to defend herself against accusations about how the shelter got those votes. Ann Goody, the curator of Three Ring Ranch Exotic Animal Sanctuary in [Hawaii](#) — it finished in 11th place, one spot outside the prize money — is sharing e-mails apparently from Schultz acknowledging paying an overseas contact to boost her totals.

Schultz issued a response, saying that she "found myself making stuff up to get (Goody) off my back." In an earlier interview, Schultz told the Tribune she didn't know the proprietor of the overseas firm, referred to by some as "Mr. Magic," and did not make any payment to him. Schultz also called Goody "a sore loser."

Similar voting controversies have cast a pall over what at first blush appears to be an innovative, democratic way to hand out millions of dollars for worthy projects.

Goody said Pepsi should either "clean (the project) up or shut it down."

Pepsi spokesman Peter Land said vote-buying tactics would, at the very least, violate "the spirit of the project."

It remains unclear how votes were brought in for the charities. Pepsi has strict rules against Internet proxy voting and using dummy e-mails to boost totals. Plus, the way grant money is spent has to be disclosed.

Still, Pepsi officials say, there have been efforts to get around the rules of the contest and votes have been scratched because of fraud. The soft drink giant said it is doing all it can to keep the contest on the up and up. On Thursday, the Pepsi Refresh Project responded to the brouhaha on its blog, with a post titled "Maintaining the Integrity of PRP Voting." A company official said it will investigate the latest allegations.

At least 11 Chicago-area charitable projects have won money in the Pepsi contest since it started last February.

The Child and Adolescent Bipolar Foundation in Evanston, which won \$250,000 in December, is not implicated in the controversy. But executive director Susan Resko said she had heard about suspicious voting and contacted Pepsi with her concerns when two groups skyrocketed from nowhere to the top five in 72 hours, even though there was no evidence of their existence in the news, social media or elsewhere.

After being at the top of the standings almost the entire month, "we were worried that some group would come out of nowhere and take it away," she said.

Two participants in the Pepsi contest told the Tribune they had direct contact with someone who said they could bring in the clicks to win the contest — for thousands of dollars. In both cases, the charity owners saw their rankings skyrocket.

"I am totally disillusioned," said Daniel Graham, who agreed to pay a man offering to boost his project — donating baked goods to hungry children in his hometown of Arkadelphia, Ark. "I respect what Pepsi is doing, but it seems people always find a way to take advantage. Every system has its cheaters."

Graham said he at first agreed to share 20 percent of his winnings if the contact could secure his project enough votes to win a grant. After "Mr. Graham's Bread" soared from 250th to seventh place in one week, he had second thoughts. After he asked Pepsi to audit his votes, he quickly tumbled down the ladder.

Randall Herzon hoped to win enough money to develop a permanent animal refuge on 20 acres he owns in [Washington](#) state. The veterinary technician competed in the \$250,000 category every month since the contest began. In December, he received an e-mail, then a call, from a man offering a boost.

Within days, whiskerkisses.org rocketed from 64th to ninth in the rankings.

"He raised me up to show what he could do ... so I would then sign on and pay for his help. When I declined, he became pushy and nasty," Herzon said. "I knew that it was simply not possible to go that far, that fast without shenanigans."

Herzon played it straight and lost — his 11th straight defeat. He never heard from the caller again.

Chris Moran, of [Louisiana](#), said he was hired by an [India](#) contact to send out blast e-mails urging votes for at least two contestants in the Pepsi Refresh Project. He refused to release the name, phone number or e-mail of the contact in India. Attempts by the Tribune to reach the India contact were unsuccessful.

Moran said his company, NetDigital, has been paid at least twice, from \$500 to \$1,000, for its efforts because the contestants won. He said he also helped a woman involved in a cat charity transfer money to the India contact because "she (couldn't) seem to make a wire" transfer.

He quit last month because participants in the Pepsi contest kept contacting him, complaining they weren't moving up in the ranks, he said. He calls his efforts, and those of the India business that contracted with him, promotion.

"To win that contest, it takes a lot of votes and people," Moran said. "It takes promotion, whether you are doing self-promotion yourself or whether you hire someone."

Moran said he wasn't sure what else the India company does to spur the votes. "I would think they pursue every channel," he said.

Internet security expert J. Alex Halderman said it would be easy to manipulate an online voting system such as Pepsi's and hard to guard against.

Pepsi said it is aware of the digital era's equivalent of ballot box stuffing and has multiple safeguards in place.

"Pepsi is committed to ensuring the integrity of the Refresh Project voting process," Land said. "We do not discuss specifics related to our proprietary security measures in order to maintain their confidentiality."

In these cash-strapped times, Pepsi's program has been embraced by ordinary Americans with great projects — 9,100 in all — but not the money to make them happen. In the metropolitan area, winners used their grants to fill backpacks for needy children with school supplies in DuPage County and to aid victims of sexual abuse in Chicago.

In return, Pepsi snared impressive numbers of its own — including more than 17 million unique visitors to the Web site. The social marketing has so elevated the brand that Pepsi scrapped its [Super Bowl](#) commercials, preferring to put that advertising money into the project.

If anyone knows the ins and outs of the Pepsi Refresh Project, it is Justin Markus. And he has seen the seedy side of it.

Markus won \$25,000 for his [Minnesota](#)-based arts institute after trying for months. With his experience, he launched a Web-based organization called Good Dreams to pool the strength of members in online charity voting contests.

In less than a year, more than 30 members, including Markus, have won a total of \$1.5 million from Pepsi.

Markus doesn't get paid, but he believes other groups are trading cash for votes, which come via lists of dummy e-mail addresses. He said he kicked three groups out of Good Dreams that were under suspicion of doing just that.

"The problem comes when you have a group who has put together six, 10 or 30,000 names, and they sit down and put in hundreds of votes an hour with just one person," Markus said.

Pepsi doesn't list the number of votes projects are getting. But Markus believes it could take 40,000 votes a day for a month to win the top prize of \$250,000.

"Every day, a whole small city has to wake up and vote for you."

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