

To: edwin@585research.com
Subject: Plagiarism allegations
Date: Friday, October 18, 2024 4:22:29 PM

Hello Edwin,

This week you falsely accused us of plagiarism in your article "*Problems at Hindenburg Research*".

The [definition](#) of plagiarism is "to steal and pass off the ideas or words of another as one's own". Given that Hindenburg is in the research industry, this is a serious allegation, tantamount to an accusation of fraud.

We have always taken the proper citation of our research seriously, and over the 6 years we have been in business, have built a reputation for integrity and honesty, which are essential in our line of work.

When you publicly raised the implication last Friday that we plagiarized a part of your October Roblox report, I gave you the benefit of the doubt that it was just a simple misunderstanding, reached out to you directly, and detailed evidence showing that we developed the parts of our report in question independently. You publicly accepted this and the matter seemed to be settled. Then, without any further correspondence, you decided to launch a wild attack against us this Tuesday, essentially alleging fraud and dishonesty.

Your article alleged plagiarism based on our research on LifeStance, Axos, Freedom Holdings, and Roblox.

Following our public rebuttal to your article, which highlighted how you seemingly willfully ignored evidence disproving your plagiarism allegation, you publicly whittled down your allegations on 'X', conceding,

"I'm not alleging you plagiarized my work on LifeStance, Axos, or FRHC (Freedom Holdings)":



Thus, your plagiarism allegations boil down to our work on Roblox.

You then went on to broadcast to your 110,000 followers on 'X' an accusation that I lied to you,

while you also worked with Marc Cohodes to dox individuals whom he believes are Hindenburg employees, implying that these individuals are paying subscribers to the Bear Cave.

I want to be clear that we protect our reputation against false allegations to the maximum extent possible.

Pursuant to this, following this episode, we reached out to multiple journalists to share older versions of our Roblox drafts that clearly show that we developed our work independently, months in advance of where you claim similarities in your newsletter. We have clearly documented and can show definitively that we did not rely in any way on your work for our own.

For example, we will show drafts from 3 months ago showing how we evidenced and drafted the list of Roblox pedophile cases that was at the center of your grievance with us. We will also show our drafts, again, *prior to your October article*, showing that we had already written these cases out in a chronological list, as shown in this screenshot below, which is almost identical to the version that appeared in our final report.

Numerous Criminal Indictments From 2019-2023 Allege That Sexual Predators Groomed Children On Roblox, Ranging From 8-14 Years Old, And Kidnapped, Raped Or Traded Sexual Content With Them

We ran a [quick](#) search to see whether and how pedophiles were using Roblox to groom and rape children offline.

Our search was limited to the U.S. and was by no means exhaustive, identifying a small sample of what has been a [years-long](#), persistent issue:

1. In 2019, police [arrested](#) a man for enticing children aged 10-12 into sending naked photos in exchange for the virtual gaming currency [Robux](#). He was [charged](#) with 27 counts relating to child pornography and sexual battery.
2. In 2020, police [arrested](#) a registered sex offender for enticing an 8-year-old girl into sending him sexual content in exchange for [Robux](#). Deputies found at least 20 videos of the minor on his iPad. He was charged with 7 counts of child pornography.
3. In 2021, police [arrested](#) a man who kidnapped and raped an 11-year-old girl he met through Roblox, resulting in 13 felony [counts](#) relating to kidnapping and unlawful sexual contact.
4. In 2021, police [arrested](#) a registered sex offender for enticing a 12-year-old boy into sending him sexually explicit content through Roblox. He was [charged](#) with solicitation of a child, failure to register as a sex offender, and grooming.
5. In 2022, police [arrested](#) a 41-year-old registered sex offender who drove from California to Pennsylvania to break into the home of and assault a 14-year-old girl he met on Roblox. He was [charged](#) with assault, unlawful sexual contact and corruption of a minor.
6. In 2022, police [arrested](#) a 33-year-old man who kidnapped and raped a 13-year-old girl he met on Roblox. He was [charged](#) with 5 felony counts ranging from statutory rape to child molestation.
7. In 2022, police [arrested](#) a man for kidnapping and sexually [assaulting](#) a child under the age of 12 that he met on Roblox. The family witnessed the kidnapping and chased after the suspect in a vehicle until their child was able to escape.

Our drafts prior to your report also show another section you thought resembled content you wrote about, as shown in the screenshot below:

Core To The Problem Is That Roblox's Social Media Features Allow Pedophiles To Efficiently Target Hundreds Of Children

Example: In 2018, Prior To Roblox Going Public, A 29-Year-Old Was Caught Sexually Harassing A Minor Near A School

Police Discovered 175 Hours Of Video Footage Of Him Grooming And Engaging In Explicit Behavior With 150 Minors Using Online Platforms, Namely Roblox

Roblox has faced major scandals for years due to a volley of horrible things that have happened to children throughout the platform's history.

Core to the issue is that Roblox's social media features allow a single pedophile to target hundreds of children. This has resulted in scores of instances of abuse, both on and offline.

For instance, in November 2018, a 29-year-old paralegal was caught sexually harassing two minors outside a school. When police seized his devices, they discovered 175 hours of video footage of him contacting, grooming, and engaging in explicit behavior with 150 minors using online platforms, namely Roblox. In one instance, he offered a 10-year-old 400 Robux (worth approximately \$5) to expose themselves on a webcam.



Paedophile groomed 150 children to engage in sexual activity using online game Roblox

Owain Thomas paid one 10-year-old victim 400 Robux to perform a sexual act while he watched him on a webcam.

By **Liz Day** Court correspondent

(Source: [Wales Online, 2019](#))

The other items you referenced on Roblox largely relate to our independent findings on pedophilia group walls, a concept first uncovered by YouTuber Ruben Sim, who we *both* cite in our respective reports.

In general, it seems a large part of your grievance is that you wanted us to cite or attribute our work to *The Bear Cave* because we independently wrote different reports about companies you covered. While you may hold that view, that is in no way tantamount to or justifies an allegation of plagiarism.

The reason I am writing this is because I figured I would just pause for a second before proceeding. I have no deep desire to publicly embarrass you or counterattack you further. We have always been respectful to you and, as it relates to our work, we have always just minded our own business. I am happy to jump on a Zoom call and show you these older drafts so you can see the dates and the content for yourself, if that would put this issue to rest.

Basically, I want to give you every opportunity to correct the record.

And from whatever happens here on forward, if you simply retract your wrong allegations, my commitment to you is that I will gracefully accept that the issue is over and be happy to be on the same side of the issues we both care about.

We obviously both want to see the disgusting pedophilic content at Roblox remediated, and at least seem generally aligned in our goals of outing wrongdoing in the markets. After our conversation last Friday, it seemed we were on the path to a warmer relationship, which I welcomed. This is a small industry which already faces plenty of controversy by virtue of the fact that we are basically picking fights with white collar criminals for a living.

So the ball is in your court—shall we end this spat and just move forward?

Sincerely,

Nate