

By JON MOOALLEM

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## 1. Heavy is the head that wears the crown

**The Pigeon King** delivered his closing statement to the jury dressed in his only suit. His name was Arlan Galbraith, and he was representing himself. He had abruptly fired his lawyer nearly two years earlier, during the long lead up to the trial, and then ignored the judges who advised him to hire another. He seemed adrift but also supremely confident. One of his former employees, who testified for the prosecution, speculated that he must have watched too much “Law & Order”: “I think he sat down one day and said, ‘Yeah, I can do this.’ ”

It was December 2013, and Galbraith was being tried in Ontario Superior Court in Kitchener for engineering what a prosecutor described as “one of the biggest frauds in our history.” He was 66 and heavysset with graying hair, narrow eyes and a listless, nasal voice. “A very nice-looking, trusting face,” is how one woman, who invested \$80,000 in his company, described him.

The suit Galbraith wore was dark, and we know it was his only suit because one of the many outlandish questions he put to witnesses during the monthlong trial was this: “Do you believe that this suit is the only suit I own and that I bought it in 1997? Do you believe that?” He worked into the same rambling cross-examination the fact that he was now “homeless,” staying in a friend’s 16-square-foot cabin in the “remote bush of far northern Ontario” — a detail that, like his only suit, he felt undermined the idea that he could have stolen money from hundreds of people. Two days later, he mentioned to another witness that the cabin had no indoor toilet.

Galbraith’s reign as Pigeon King lasted seven years, from 2001 to June 2008, when his empire imploded. The prosecution likened his company, Pigeon King International, to a [Ponzi scheme](#) — much like Bernard Madoff’s operation, which happened to crumble just months after Galbraith’s, except that where Madoff’s scheme centered on stocks and securities, Galbraith’s used live birds. Pigeon King International sold breeding pairs of pigeons to farmers with a guarantee to buy back their offspring at fixed prices for 10 years.

Initially, Galbraith told farmers that the birds were high-end racing pigeons and that he planned to sell the offspring to the lucrative markets that support the sport overseas. Later, Galbraith changed his story, telling farmers that the birds were part of his trailblazing plan to elevate pigeon meat, known as squab, from a fringe delicacy in North America into the next ubiquitous chicken. But in the end, “they were neither,” the prosecutor said; Galbraith never sold a single pigeon for sport or meat. He seemed to have merely taken the young birds he bought from Pigeon King International farmers and resold them, as breeding pairs, to other Pigeon King International farmers, shuttling pigeons from one barn to another. And this meant continually recruiting new investors so he would have the cash to buy the pigeons his existing investors produced every month. When Galbraith’s scheme finally fell apart, Pigeon King International had almost a thousand breeders under contract in five Canadian provinces and 20 U.S. states. He’d taken nearly \$42 million from farmers and walked away from obligations to buy back \$356 million worth of their baby birds, ruining many of those investors. A forensic accountant determined that signing up enough new pigeon breeders to pay off those contracts would have dug him into an even deeper, \$1.5 billion hole. (All figures in this article are in Canadian dollars.)

As more details came to light, Pigeon King didn’t look like a reasonable business. But it didn’t make much sense as a scam either. For seven years, until the day Galbraith shut down the company, he picked up breeders’ young pigeons on time and never broke a contract or missed a payment. In one three-year period, he paid out \$30 million to farmers and other creditors. Many of his early investors walked away with six-figure returns. “I was doing the opposite to what a criminal would do,” Galbraith argued at the end of the trial. He paid the business’s major expenses in full, sometimes months in advance, and didn’t vanish when it was clear his company was coming apart. Instead, he stuck it out and wound up with virtually nothing. (Some years, Galbraith paid himself about \$400,000, but he used much of that money to bail out the company.) Even his paranoid-sounding claims that he was taken down by a “fear-monger’s smear campaign” turned out to be basically true. He had no trouble signing up new investors until his credibility was attacked by a prominent Amish intellectual, an eccentric with a bullhorn and a small, muckraking farming magazine.

“I am not a lawyer,” Galbraith told the jury, summing up his case. “I am just a farmer and an entrepreneur, trying to defend myself against charges, which, I believe, should have never been brought against me in the first place.” He compared himself to Steve Jobs, a “risk taker and visionary,” and explained that all he ever wanted was

to put “joy on people’s faces, by providing them with a better life through pigeon farming.” Even a few of his victims weren’t sure whether he meant to con them. During the trial, Galbraith asked a farmer named Ken Hoffman, “In spite of losing approximately \$125,000, if Arlan Galbraith invited you to join him for dinner, to talk about the past, the present and the future, would you have dinner with him?” Without hesitation, Hoffman responded, “I certainly would.”

The story Galbraith was telling was simple: He started a business and failed. Then again, the prosecution’s story was even simpler: Galbraith was a liar. “Use your everyday common sense,” the prosecutor told the jury. “This isn’t a mistake.” The legal case against Galbraith seemed irrefutable: He misled many people, destroying lives. But to actually understand who the Pigeon King was — skilled con man or hapless businessman or hapless con man or all three — it may help to put common sense aside.

## **2. Everlasting trust**

**Pigeon racing is** a centuries-old sport, a test of the birds’ speed and navigational skills, which is to say a test of humans’ ability to breed exceptional birds. Typically, pigeon racers compete by transporting their flocks long distances, then timing the birds’ flights home. Pigeons have been known to travel 700 miles in a day, at average speeds of 90 miles an hour.

The pigeon-racing world is small, but over the past 20 years, it has become much more professionalized. While the members of a local club in the Bronx might get together on weekends to compete for a couple of hundred dollars, international promoters stage bigger races with astronomically larger purses. In January, the 19th annual Million Dollar Pigeon Race in South Africa paid its first-place finisher \$150,000. As the stakes have risen, the atmosphere around races has intensified — testing pigeons for doping is now standard practice — and the value of the pigeons has soared. Birds from top-performing breeders are auctioned off to racers wanting to inject their own flocks with quality genes. In 2013, a gifted Belgian pigeon named Bolt, after the Olympic sprinter Usain Bolt, sold for \$400,000 to a Chinese businessman.

Galbraith, who declined to be interviewed for this article, told a court official that he started raising pigeons when he was 6, during a much simpler era for the sport. He was apparently introduced to the hobby in the 1950s by aging neighbors in Stouffville, Ontario, northeast of Toronto. His parents came from farming families, and Galbraith knew from an early age that he wanted to be a farmer, too. He

dropped out of school after 11th grade — he was disappointed in the teachers and bored, he recalled — and bought a farm with his parents and older brother, Norman. They raised and slaughtered their own pigs and cattle. But the business faltered, and they declared bankruptcy in 1980, when Galbraith was in his early 30s. With his own family to support, he moved around, picking up farm work. On the side, he bred high-end rabbits and exotic birds for show. For a time, he had a tame cockatiel who had the run of the house.

In February 1989, Galbraith's wife, Elizabeth, was en route to a nursing seminar in Toronto when a snowstorm hit, whiting out the highway, and another vehicle slammed into her car. The wreck left Elizabeth a quadriplegic, and Galbraith spent several years caring for her and their two small children until the couple separated. This was difficult for Galbraith, a family member explained: He “has a strong sense of duty,” and the divorce was “largely” Elizabeth's decision.

Through all this strain and upheaval, pigeons appear to have been a constant in Galbraith's life. For decades, he was active in Ontario's pigeon-racing and pigeon-fancying circles. At his trial, he proudly noted membership in several organizations: the Canadian Racing Pigeon Union, the Canadian National Tippler Union, the National Birmingham Roller Club. He was charter president of the Saugeen Valley Fur and Feathers Fanciers Association.

By 2001, when Galbraith started running ads in small farming magazines, recruiting investors for Pigeon King International, he'd been breeding pigeons for about 50 years. He referred to himself as the Pigeon King and claimed to have developed his own genetic line, which he called Strathclyde Genetics, after his ancestral region of Scotland. He also showed many farmers a photograph of Mike Tyson, the world's most famous pigeon racer, to whom he claimed to have sold birds. Galbraith always insisted he had a clear business plan — he'd mention the big money paid for racing pigeons in the Middle East or allude to contacts he had in Saudi Arabia — but offered few specifics. Many farmers respected that reticence. If Galbraith had found a niche market, it was smart to keep it to himself.

Investors describe Galbraith as talkative but low-pressure. “He could care less whether you invested or not,” one said. In a promotional mailing, he recommended that farmers visit families already breeding for Pigeon King and wait until they were “absolutely satisfied” before investing — even if it took years. A large share of his investors, especially at first, were Amish and Mennonite families, people for whom trusting others is central to living a meaningful life. Prosecutors would argue that Galbraith deliberately targeted these groups, that he exploited their credulousness and knew that Mennonites, especially, are committed to absolute forgiveness,

typically unwilling to participate in the legal process and unlikely to bear witness against him. (An employee would testify that he overheard Galbraith mocking the Amish as “aliens.”) Often, Galbraith threaded his rhetoric with biblical-sounding aphorisms. He signed an early flier: “He who does not trust is not to be trusted. My business is built on everlasting trust.”



At one point, Galbraith had 14 holding barns in Ontario alone, some filled with upward of 40,000 pigeons. CreditIllustrations by Kristian Hammerstad

When Pigeon King International grew enough to move out of Galbraith’s basement into a proper office, he taped a sign with that credo on the front door.

**In late 2004**, Galbraith visited the hog farm of Christine and Ron Bults. The Bultses had recently bought the property, which was not far from the Pigeon King office in Waterloo, Ontario. They had five kids and were looking for extra income. Christine told me that

Galbraith arrived in pinstriped overalls like an “everyday hick farmer,” which put her at ease. She invited him in for coffee.

Christine Bults is 50 but looks much younger; when we met last fall, she wore muted gold eye shadow and a denim jacket. She remembered that Galbraith talked about his family, recounting his wife’s accident, and explained that raising pigeons, unlike larger livestock, was oriented around family. Christine and the kids could do the work together safely, while Ron worked his job off-farm. They talked for more than three hours. Galbraith insisted they do some research and think it over.

Several months later, the Bultses borrowed \$125,000 against their farm and bought 360 pairs of pigeons at \$165 a pair. There were only a few dozen Pigeon King breeders at the time, but Christine had learned what she could and didn’t feel especially suspicious. Still, she’s strong-minded and vigilant by nature; she has her father’s temper, she told me, adding, “My husband’s a little afraid of me when I get pissed.” At one point, she glared at Galbraith across the kitchen table and heard herself telling him, “If this goes bad, I will come and find you.” Ron, shocked, kicked her under the table. They were trying to do business with the guy, after all.

There’s a temptation to dismiss farmers who were taken by Galbraith as ignorant or blinded by greed. But typically, their motivations were nuanced, their ambitions modest. Families dreamed of giving each child his or her own bedroom or keeping both spouses from having to take second jobs away from the family and the farm. “We didn’t see dollar signs,” one man told me. “We saw more time together.” And many, like the Bultses, did their due diligence only to find that watchdogs and regulators were unconcerned about Galbraith, even after a former Pigeon King employee says he warned Ontario’s Ministry of Agriculture, Food and Rural Affairs about the company in 2006. An Ohio couple who lost \$250,000 (U.S.) described, in an affidavit, how they called half a dozen agricultural and law-enforcement agencies, as well as Better Business Bureaus in the United States and Canada, and turned up no red flags.

Feeling compassion for Galbraith’s victims — and possibly, understanding this story at all — may also mean getting past some disparaging stereotypes of pigeons. To a *New Yorker*, a pigeon is flying trash; but to a small poultry farmer, accustomed to stretching and diversifying, the bird could reasonably be seen as one more animal with potential value. At the time, commodity prices were low. Even the market for pregnant-mare urine had tanked. (Mare urine, which is used in hormone-replacement therapy, was a longstanding sideline in farming communities.) Many investors were simply looking for a way to ease the strain of running a small family farm.

They saw Galbraith as one of them, and he offered a means to preserve the way of life they believed in. He called the values and work ethic they shared Pigeon Religion.

As Galbraith hired salesmen and pushed across Ontario and into Pennsylvania and the American Midwest, the monthly newsletter he started, *The Pigeon Post*, became a sort of small-town newspaper for the community he was building. Among the pigeon nutrition tips, pigeon trivia and mazes for kids were testimonials from Pigeon King investors. One chronicled the escalating misfortunes of a family with eight children — one with a brain tumor, another in a wheelchair with spina bifida — who lived in a falling-down old house, then ended: “And then came the pigeons. WHAT A BLESSING.”

### **3. ‘We at the office have sure had lots of good laughs about these rumors.’**

**As the business grew**, Pigeon King became more precarious. But it also appeared more credible. By late 2007, hundreds of breeders were making thousands of dollars a year selling pigeons back to Galbraith. It became easier for prospective investors to quiet their skepticism. When a man appeared outside a company open house in Ontario, warning that Pigeon King was a scam on the verge of collapse, people thought he was crazy. Then again, he was standing on a log, in the cold, shouting through a megaphone.

The man on the log was David J. Thornton. He is 73, and runs a website called *CrimeBustersNow*, a one-man vigilante regulatory force bent on taking down pyramids and Ponzi schemes. In conversation, Thornton comes off as erratic, abrasive and unnervingly fixated on the sins of the con men he calls “dream stealers”; when we spoke, he had difficulty relaying information chronologically, or even in linear fashion, and broke down crying more than once. He has been arrested many times — for harassment, disturbing the peace and assault, he said. In 2010, for example, he got into an altercation with an elementary-school girl while handing out *CrimeBustersNow* literature outside a school near Toronto. According to court documents, Thornton grabbed at the girl’s wrist to get her to pay attention. The school’s vice principal had to intervene. (Thornton was convicted of assault and breach of probation but later won an appeal on procedural grounds.) Thornton told me that he was living off a pension, rent-free in the basement of a friend in Quebec, and he seemed almost debilitated by the impassioned tunnel vision with which he goes after his enemies. “I’ve lost everything,” he said. And yet he was one of the first people to see through Galbraith’s operation.

Thornton began investigating Pigeon King in the summer of 2007 after being tipped off by a Mennonite nut grower. “It was just like Madoff,” he told me. “I saw this thing could destroy all the farming communities in North America.” He knew the only way to stop a scheme like Galbraith’s was to choke off new investment. So he posted screeds about the company online, then started phoning bankers and feed companies in agricultural areas around North America, urging them to spread the word. (To reach Amish farmers, he called blacksmiths.) He contacted television stations and law enforcement and visited the federal prosecutor’s office near Pigeon King’s headquarters, where he was escorted out by the police. He then stood outside with a bullhorn, shouting about Pigeon King.

**‘It was just like Madoff. I saw this thing could destroy all the farming communities in North America.’**

By the fall of 2007, almost in spite of himself, Thornton was starting to hamstring Pigeon King. Bankers referred farmers to the CrimeBustersNow site when they came in for pigeon loans. Many farmers called Thornton, and Thornton began collecting numbers and cold-calling others pre-emptively. He apparently talked many people out of investing. But because he often phoned late at night, and also asked for money to fund various CrimeBustersNow campaigns, it was hard for many farmers to take him seriously. “He sounded like he was on a tirade against anyone and everyone,” one American investor told the police. A farmer in Ontario named Dale Leifso told me, “He sounded slightly unhinged.” Leifso was already skeptical of Pigeon King when Thornton called him late one night, but Thornton sounded so unbalanced that Leifso thinks he may have even wound up defending Galbraith. Leifso eventually cut a check to Pigeon King for \$125,000. The company folded before he could sell back any birds.

In early December 2007, Pigeon King was attacked again. Better Farming, a magazine with a full-time editorial staff of three, working out of an office on the editor’s own farm in eastern Ontario, published a 16-page “special investigation” of Pigeon King International, by far the longest piece of reporting the magazine had ever tackled. Its editor, Robert Irwin, told me that Better Farming was stonewalled by provincial and federal authorities. (“The police had no interest in what was going on,” he said.) Even so, Irwin’s team assembled an exhaustive and devastating exposé, a heroic piece of



public-interest journalism that pulled together all kinds of agricultural data and quotes from pigeon fanciers and squab processors to undermine Galbraith's claim that there could be a market for so many birds.

The bad press crippled Pigeon King. Farmers were showing the Better Farming article to salesmen, asking for explanations. One salesman, Mark DeWitt, drove out to Better Farming's office — Irwin's farmhouse — to photograph it; he seemed to think that showing investors the magazine's unimpressive headquarters would undercut its credibility. There was an altercation. In a letter Galbraith sent to breeders, DeWitt said that Irwin "went absolutely ballistic," jabbing a shovel in his face. (Irwin told me he put the shovel up to block DeWitt's camera, and DeWitt grabbed it through the driver's side window of his truck and wouldn't let go.) DeWitt explained that he then drove off with one end of the shovel still in his truck. Irwin says he was dragged for several yards; DeWitt denies this. Eventually, Better Farming published an investigative profile of DeWitt, reporting that he was a disbarred lawyer who swindled clients out of at least \$100,000 in the 1980s and that he still owed Better Farming for some classified ads he took out years earlier. DeWitt denies these allegations. Documents provided by Better Farming show that the disbarred lawyer, Mark DeWitt, and the pigeon salesman, Mark DeWitt, happen to have the same middle initial and date of birth.

**Until then, Galbraith** had dealt with his critics calmly. Earlier that year, an influential Amish figure, David Wagler, warned farmers about Pigeon King in a prominent Amish newspaper, Plain Interests. Galbraith's responses in The Pigeon Post were breezy: "Judge not lest ye be judged yourself," he wrote, adding, "We at the office have sure had lots of good laughs about these rumors." But as David Thornton, and then Better Farming, piled on, Galbraith hit back harder. He railed in The Pigeon Post against the "destructive purveyors of fear" out to destroy innocent farmers. And though he resisted divulging all the details of his business plan — "Toyota did not become the world's largest carmaker by publicizing all their plans in advance" — he announced his intention to build a processing plant at Sacred Dove Ranch, a property he had purchased in far northern Ontario, so he could start delivering squab to the masses. In the past, Galbraith insisted his birds were racing pigeons and dismissed squab as unprofitable, but now he described the birds that Pigeon King farmers were raising as part of a long-term breeding program to create a superior meat bird. At this stage, Galbraith was merely building up his flocks, he said, working to achieve the quality and scale he would need to capture a chunk of the chicken market — if

the “fear mongers and envious critics” didn’t destroy him first. He would call his brand Hinterland Squabs.

“The global demand for quality squab at reasonable prices is unlimited,” Galbraith insisted, and he was resolute, even cocky, as the assaults kept coming. Soon, the attorney general of Iowa issued a civil investigative demand, asking Galbraith for proof that his company was not “a Ponzi-type of investment scheme” if it wanted to keep doing business in the state. Maryland and Washington followed with similar actions. “I feel like an old oak tree with a very strong wind trying to blow me down,” Galbraith wrote in *The Pigeon Post* in the spring of 2008. “I have been battered and wounded, but I am still standing.”

Inside the company, though, Galbraith was scrambling. A year earlier, Pigeon King didn’t have enough pigeons to supply all its new breeders with birds. Now there was a backlog. The so-called holding barns — facilities that Pigeon King rented across the United States and Canada to house pigeons it purchased from farmers, before shipping them off to new investors — were filling up. Desperate to lure in new business, Galbraith offered referral fees and progressively more lucrative contracts. He pushed salesmen into the untapped territory of western Canada. “You could tell he was just log-jammed with pigeons,” the owner of one holding barn in Ontario told me. “There was clearly no way to get rid of them.”

In a typical Ponzi scheme, like Bernie Madoff’s, the scammer moves money between investors, to pay what he claims are dividends on an investment that doesn’t actually exist. But Galbraith didn’t have a fake investment as a front. He had birds — lots of birds, and those birds created more birds, which he, in turn, was obligated to buy, then house, feed, water and medicate at considerable cost until he could sell them off to someone else. He appeared to miss the whole point of a Ponzi: He took the hidden, fungible fictions that give the scam its power and turned them into tangible liabilities.

There were 14 holding barns in Ontario alone. The largest ones held upward of 40,000 pigeons. The fact that Galbraith maintained those flocks instead of killing or releasing them — that he kept behaving as if the pigeons weren’t disposable props but products with genuine value — suggests either that he didn’t believe he was running a Ponzi or that he was just exceptionally bad at it. During the trial, one former employee remembered Galbraith unlocking his desk drawer one day, pulling out a ledger and telling him, “You realize we’re going to have to sell \$125 million worth of contracts in 2008 and 2009 to use up all the birds.”

#### 4. Reduced to ashes

“**My heart is** breaking as I write this letter,” Galbraith began. It was June 17, 2008. In a mailing to all breeders and barn operators, Galbraith explained that Pigeon King International was now “dead in the water.” It had been “reduced to ashes by FEAR” and by the “slandorous, underhanded smear campaign brought upon me by a handful of jealous protesters bent on destroying me. Some of you may feel better if you have someone to blame for what is happening,” he went on. “In that case, blame the FEAR MONGERS AND ESPECIALLY THEIR RING LEADER,” by whom he appeared to mean David Thornton.

When Christine Bults got the news, she sat on her kitchen floor and cried. For the last three years, Galbraith had picked up her young pigeons himself every month, buying them back at \$25 a head. He and Bults would chat while loading the crates onto his pickup or over a cup of coffee. Galbraith would write her a check for the pigeons on the spot, for \$4,000 or more, often without double-checking her count. Soon, Bults had enough money to give her oldest daughter a proper wedding; the family was living comfortably for the first time in 15 years.

Photo



An exposé in a small farming magazine led to a confrontation between its editor and a Pigeon King salesman. Credit Illustrations by Kristian Hammerstad

Still, as she watched Galbraith drive so many pigeons off her property every month, she wondered where they could be going. Initially, Galbraith told her he wanted 100 investors, but she saw him expand relentlessly beyond that target. The contracts and referral fees advertised in *The Pigeon Post* suggested he was desperate for cash. Months before the *Better Farming* story broke, Bults had become convinced that Pigeon King International was unsustainable, if not an outright scam. She just had a feeling that “something stupid is going to happen,” she told me, and no longer felt comfortable offering tours of her barn to prospective investors. But she didn’t want to make too much noise. Her attitude, she would confess regretfully at the trial, became “survival of the fittest.” She wanted to sell enough pigeons to Galbraith to pay down her loan and get out.

When Pigeon King crashed, the Bultses still owed about \$86,000. It took Christine a day, maybe two, to decide what to do next. Her first thought was to crate up her pigeons and have a truck-driver friend leave them on Galbraith’s lawn. Ron, her husband, nixed that idea. So instead, Christine began her own investigation, half-hoping to prove to herself that the company hadn’t been a scam. She phoned breeders, who connected her with other breeders, and she listened patiently to dozens of victims vent or weep. Galbraith was incommunicado, but Bults pieced together where he lived, in part from a woman who cleaned his house, and while Ron hollered, “Chris, get back in the vehicle,” she circled the property, going window to window, until she was sure Galbraith wasn’t there.

**Four days after** the collapse of Pigeon King International, Bults went to a meeting for investors in Stratford, Ontario, that Ken Wagler, one of the company’s salesmen, had called. Wagler, no relation to the Amish writer David Wagler, is 71 and travels to Zambia regularly to do missionary work digging wells. He not only worked for Pigeon King but also bought birds from Galbraith with a partner and lost \$125,000.

When Wagler got word the company was finished, Wagler was on his way to promote Pigeon King at an agricultural expo in Saskatchewan and had just checked in to a hotel near the Toronto airport. He considered Galbraith a friend and felt hurt that he hadn’t called him after the collapse. “Have you ever heard the saying, ‘There’s none so blind as he who will not see?’ ” Wagler asked me last fall. “Maybe I was guilty of that.”

Several hundred farmers attended the meeting in Stratford. Wagler joined a committee tasked with finding another market for everyone’s pigeons and, after connecting with a processed-food

entrepreneur, the group began meeting monthly at Wagler's church. The entrepreneur worked up gourmet recipes for the committee to taste — smoked pigeon breast, pigeon soup — and the meetings became makeshift dinner parties. "He'd bring dessert and everything," Wagler remembered. The dishes were delicious, but it turned out the pigeons yielded so little meat that even if the farmers charged \$30 for what Wagler called these "glorified TV dinners for two," they still had little hope of turning a profit.

Around North America, it was dawning on Pigeon King breeders that their birds were worthless — too small for squab, not refined enough to be taken seriously by any racer. ("I saw these birds, and they made no sense to me," a longtime supplier to pigeon hobbyists told me. "What he had was a bunch of junk — crossbreeds and just nothing.") In his letter, Galbraith told investors they were free to do what they pleased with the pigeons, even to open their barn doors and set them free. Officials in Ontario realized they had a potential avian refugee crisis on their hands. Farmers in the province had been left holding an estimated 400,000 pigeons — birds they suddenly had no incentive to keep. There was concern the pigeons could swarm into downtown Toronto like a plague.

The province's agricultural ministry was inundated with calls. It gave out advice about [euthanasia](#) and resources for proper disposal. Then in July, the agency began clearing out some of the largest barns itself. Crews gassed 175,000 pigeons in five weeks, working 16-hour days, six days a week. An internal assessment noted that, in retrospect, it would have been wise to have grief counselors on hand; many breeders had grown attached to their pigeons.

Christine Bults served on the same committee with Wagler and hung on to her birds as long as she could. "Finally," she told me, "one day, I came home and said, 'Today's the day.'" Like many investors, the Bultses kept their pigeons in an old barn that couldn't be sealed off for gassing, so when the sun went down and the pigeons became docile, Christine, Ron and their five children trapped them in feedbags and drowned them in a trough. (Other farmers I spoke to wrung their pigeons' necks by hand — even the day-old babies, one woman confessed.) Bults told me, "I cried the whole time." There were about 3,000 birds in her barn. The work took two and a half hours.

Galbraith, meanwhile, had retreated to Sacred Dove Ranch, the planned site of his future processing plant. Years earlier, he built a home and guest cottage there and hired two caretakers, Debbie Zabek and Del Mountain. Now, Zabek told me, Galbraith "kind of went into seclusion." He was living in the basement of the main house; all the lights upstairs were off, the shades drawn. "He might

have been falling apart,” she said. In an interview with a Canadian news show that November, Galbraith was unrepentant. When asked what his ruined investors were supposed to do now, he blared: “Same thing as me! Try to put their life back together!”

Pigeon King International declared bankruptcy with less than \$50,000 in assets. Eventually, Galbraith would declare personal bankruptcy, too. In the end, the Pigeon King was left to clean up the same mess as his subjects. Zabek recalled looking out the window one day and watching Galbraith remove bulging garbage bags from Sacred Dove’s pigeon barn, load them onto the back of a four-wheeler and drive off. Zabek figured he was snapping the birds’ necks and dumping them in the bush.

It was hard to watch. Lies and misdirection aside, Galbraith always seemed to sincerely love the birds. In the past, Zabek would sometimes see him release a group of pigeons, then stand in the cold with his head up, watching them circle. “To each his own, I guess,” she said.

## 5. Catharsis

**The Crown attorney**, or prosecutor, in the Pigeon King International case was Lynn Robinson, a frenetic and charmingly pugnacious woman known for her ruthless cross-examinations. (“She breaks them,” a colleague told me. “Puts them over her knee and breaks them.”) Robinson had spent her 22-year career prosecuting sexual-assault and child-abuse cases. But she suffered from rheumatoid arthritis and was laid low for almost a year by a severe flare-up. In the spring of 2009, as a way to ease Robinson back into work, her supervisors handed her boxes of documents about Pigeon King International and asked her to determine whether the government could bring a case. “They said, ‘What do you know about fraud?’” Robinson remembered. “I said, ‘Nothing.’ They said, ‘Here you go.’”

Robinson and her investigators started tracing the whole maze of sensational subplots. They discovered a couple of chilling instances when Galbraith’s affable farmer persona fell away and a more ruthless Pigeon King could be glimpsed beneath it. One involved a company bookkeeper, Darryl Diefenbacher, a chartered accountant, who didn’t piece together that Pigeon King was a Ponzi scheme until he’d been working in the office for four months. He would later testify that when he confronted Galbraith, in the summer of 2007, Galbraith told him coldly, “This is a very awkward discussion we’re having.” Diefenbacher responded: “No, Arlan. This is nothing like the one you’re going to have with the F.B.I.”

William Top, Pigeon King's first U.S. salesman, forced his own cinematic confrontation with Galbraith in early 2006. Top explained to me how his doubts about the company were cemented through a series of coincidences, including a chance encounter with a crowd of fanatical pigeon fanciers in a Pennsylvania Waffle House. (Top compared the old men to Shriners: "Buttons and vests and funny hats.") They'd never heard of Galbraith, which seemed impossible to Top, given how small the pigeon-breeding world is. Eventually, Top went to Galbraith's office demanding answers. When the Pigeon King explained that he was, as Top put it, "strictly in the business of selling breeders," with no outside customers for his birds, Top admonished him for running a scam. Galbraith bowed his head. "And then when he raised his head," Top would tell the jury, there was "a different look on his face. It was a different Arlan." Galbraith threatened to ruin Top's reputation, and that of his family, if he exposed Pigeon King. Top quit on the spot. He told me he subsequently called many farmers and other employees to warn them, but everyone was making good money; many didn't want to upset the arrangement. "People loathed me," Top said. "I've had my life threatened."

The story Lynn Robinson saw unspooling was elaborate and unwieldy. And because there was no money to recover for the victims, her job was to find an efficient way to send Galbraith to jail, without paying to fly in dozens of witnesses or getting bogged down in a 20-month trial. Her office decided to let all of the company's employees off the hook. She would narrow the scope of the case to the 917 farmers who had signed with Galbraith since 2005 and prosecute the Pigeon King for fraud.

Galbraith was charged in December 2010, two and half years after he sold his last pigeon. Then came three years of postponed court appearances and other delays, with Galbraith periodically slowing the procedural machinery by firing his lawyer or filing odd motions.

The long lag disillusioned many farmers. It felt as if the peculiarities of the fraud — and the fact that, as Christine Bults put it, Galbraith was a farmer moving pigeons between barns in rural areas, not a banker moving numbers around a spreadsheet on Wall Street — gave authorities permission not to take his victims seriously. It had taken the police seven months from the time Pigeon King imploded to open an investigation and another year to complete it. By comparison, seven months after Bernard Madoff's scam fell apart, Madoff was already in prison, serving 150 years.

**Once the trial** began, in November 2013, the case against Galbraith coalesced quickly, as Robinson and her co-counsel piled up his inconsistent statements about the market for his birds. But they had

to prove only that he took investors' money through "deceit, falsehood or other fraudulent means." The more intriguing, if legally irrelevant, question — what Galbraith actually thought he'd been doing — never became any less mystifying.

Witnesses portrayed the Pigeon King as a commandeering and eccentric businessman — he didn't let employees sign checks or open the mail — but often in ways that didn't seem crooked or even calculating, just weird. Each month, for example, Galbraith would pay off his salesmen's credit cards in full (upward of \$40,000 in gas and travel expenses), then cut up the cards and issue new ones. And though there were reasons that opening a squab-processing plant at a remote site like Sacred Dove Ranch seemed foolish, Galbraith made a plausible case, during his cross-examination of the engineer he hired to draw up the plans, that he was serious about constructing it anyway.

Maybe Pigeon King had been a scam from the start, or maybe it had devolved into one at some unknown point, as sales to farmers swelled and Galbraith lost control. It was tempting to reread his Pigeon Post columns for some veiled confession. The essence of Pigeon Religion, he wrote in January 2007, was this: "United people are builders of the positive. Negative people divide and knock down a good thing." Really, he was describing the psychological architecture of a Ponzi scheme, a community fused precariously by optimism and trust.

Robinson expected Galbraith to stitch together a convoluted counternarrative that she'd have the pleasure of shredding. ("Be careful," a veteran lawyer warned her. "The only defense to a big fraud is a bigger fraud.") But it never happened. Galbraith declined to take the stand and called only one witness. He didn't even make an opening statement. His story emerged piecemeal from assertions that he slipped into the proceedings. They expanded on his earlier rebuttals to Thornton and Better Farming: The pigeons that farmers were left holding when Pigeon King collapsed, he explained, were only "breeding stock" — an intermediary step on the path to Hinterland Squabs. Galbraith even brought a visual aid to illustrate his sophisticated "up-breeding" program, but never figured out how to introduce it as evidence. He tried to unveil it repeatedly during one cross-examination, but the judge, Justice G.E. Taylor, kept disallowing it, because the witness had never seen the document. "Your honor, I'm not allowed to show him this genetic formula?" Galbraith finally asked the judge glumly. Then he gave up.

In general, his clumsiness as an attorney so disrupted the flow of the trial that Justice Taylor, and even Robinson, repeatedly stepped in to assist him. The jury was occasionally excused so Galbraith could be



given longer tutorials. Still, Galbraith kept floating bizarre hypotheticals while cross-examining witnesses and lacing his questions with insults and accusations. Because there were often no legitimate questions to answer, witnesses frequently took the opportunity to tell Galbraith off. At one point, Dale Leifso, the Ontario farmer, erupted at him: “I’ve got places I gotta be, I’ve got a thousand things to do at home, and I’m sitting here in a courtroom answering these stupid questions!” The defense Galbraith was mounting, in other words, seemed just as rudderless as his company. And that, however unwittingly, may have been the best evidence he offered in his favor.

Christine Bults was the first breeder called by the prosecution, and she seized every opportunity to dress Galbraith down. But as Galbraith’s cross-examination wore on, something extraordinary happened: The Pigeon King’s own wounded feelings became just as conspicuous as hers. The catharsis was happening on both sides. Knowing him so well, Galbraith asked Bults, didn’t she understand he was too “paralyzed with depression” to call farmers once his company fell apart?

“I was depressed, too!” Bults said shakily. “Was I not?”

Photo



After the company went under, crews gassed some 175,000 pigeons in five weeks.  
CreditIllustrations by Kristian Hammerstad

He told her — again, ostensibly in the form of a question — how shocked and disappointed he was that, after years of what he considered friendship, she would turn against him.

“Seriously?” Bults shot back. “What a dumb question, Arlan! I didn’t turn against you. You walked away from us!”

It wasn’t a cross-examination anymore; it was an unrestrained showdown between two estranged friends. Soon, Galbraith was lashing out. “Do you realize,” he asked, “you’re a prime example of a two-faced, fair-weather friend, ready to stab me in the back when things don’t go your way?” But Bults interrupted him, which meant that after some refereeing from the judge, Galbraith was asked to repeat the question. He did, verbatim.

“Are you done?” Bults asked this time, goading him.

“Yes,” he said.

It was her moment, and she tried to rise to it, pushing the final words out slow and hard. “And you didn’t stab me in the back,” she said, “my fair-weather friend?”

## **6. A lack of insight**

**It took the** jury two days to find Arlan Galbraith guilty. He appeared for sentencing in March 2014 looking deadened and unshaven. His leg was shackled to the floor, and his suit — the only suit he owned — was now several sizes too big; he’d lost about 40 pounds in custody since the trial.

Galbraith had finally hired a lawyer, but there wasn’t much he could do at this point. He merely noted that his client was a senior citizen with no criminal history, whose life had taken a tragic turn after his wife’s accident. The prosecution was asking for nine to 12 years, which Galbraith’s lawyer called a “crushing sentence” for a man who, as these last months showed, clearly wouldn’t fare well in prison. “He’s certainly a diminished man,” he said.

The judge was not sympathetic. Galbraith, he said, appeared to have a “lack of insight into his serious criminal conduct” and absolutely no sympathy for his victims. The judge had read through statements that farmers filed with the police, outlining their stories. They were devastating. Farmers with too much pride to file for bankruptcy wrote vulnerably about their deep feelings of shame and regret. “Every day I feel that I have let my children down,” one said. Another explained, “All the hours that my husband spent away from our babies when they were little — all for nothing.”

Marriages suffered. “We are still together,” one man wrote, “but we do not talk about the pigeon deal at all.” Victims’ children were

ridiculed at school. There were anxiety attacks, depression, suicidal thoughts, heart attacks, teeth falling out from stress. “Cancer has come back into my life after a 30-plus-year absence,” one woman wrote. Worst of all, the experience broke some fundamental decency in many people. “We have learned not to trust,” one couple confessed. “This is against our very nature.”

Photo



Galbraith acted as his own attorney, confounding witnesses with his rambling cross-examinations. CreditIllustrations by Kristian Hammerstad

The judge sentenced Galbraith to seven years and three and a half months. The Pigeon King said nothing at the hearing. He is now in a prison in northern Ontario and, last year, quietly dropped his appeal. Christine Bults told me she was grateful to prosecutors for putting Galbraith away, but it was hard to appreciate his sentence as justice when she was still paying \$1,000 a month on her loan. Then she thought about it and added that, as a taxpayer, “It’s costing me money again to have him sit in jail.”

Bults attended the entire four-week trial and told me that, during a lunch recess one day, she came back from having a cigarette and found Galbraith sitting on a bench in an empty hallway of the courthouse with his head down. Bults sat on the bench right across from him. She stared at him, hard. “I never moved,” she told me. “I just stayed there.”

She was trying to force Galbraith to look at her, to acknowledge her. At one point, the Pigeon King finally lifted up his head. For a split second, Bults caught his eye. Then he looked away.

Jon Mooallem is a contributing writer for the magazine. He is the author of "Wild Ones" and "American Hippopotamus." Illustrations by Kristian Hammerstad.

## RECENT COMMENTS

**zzinzel**

Texas [19 hours ago](#)

Great Story here, too bad it is focused only on storytelling and only secondarily with the facts.

So after much research, I will give you the facts that were bizarrely left out of this piece.

1) Lest there be no doubt, these people were duped into 'investing' because they were led to believe that they would be raising valuable pigeons for either racing, or meat(squab). There is no indication anywhere that PigeonKing EVER sold a single pigeon for racing, or meat.

The pigeons weren't even worth the \$25, \$50, or whatever they were paid. If the pigeons were actually valuable, the investors would have been better off selling them off themselves rather than getting only a small amount for them.

2) Actual facts and figures were a little hard to come by and they changed over time, and also deal-by-deal. The woman at the center her Ms Bults had a contract that paid her \$25 for every bird she sold back, some got more (\$50)

The next step in the process was to take these birds and sell them as a male & female breeding pair to ANOTHER investor, at a super inflated price

3) EXAMPLE: 250 Breeding Pairs sold for \$132,000 (\$528/pair). Promise to buy offspring for 10 years @ \$50/pigeon (most contracts either 5 or 10 years, sometimes different buyback amounts)

Each pair produces ave annual income= \$250-500

This investor lost \$300k (shelter, feed, time)

4) Sale for 'squab' impossible. Squabs killed/processed @ 28days. PKI Pigeons 16-20 weeks

[HTTP://BETTERFARMING.COM/ONLINE-NEWS/PKI-SUMMARY-762](http://BETTERFARMING.COM/ONLINE-NEWS/PKI-SUMMARY-762)

### **PKI bookkeeper Joan Carter's "Final letter"**

June 26, 2008

Dear Breeders:

It is with an EXTREMELY heavy heart that I write this letter to you.

I still cannot believe what has happened I'm sure many of you will be thinking that "She must have seen it coming" or "She must be pretty stupid if she didn't see it coming". If only it were that simple.

I realize it would give you another person to be angry at. And by all means you have every right to be angry because as terribly sad as I am, I too am angry. I just hope this letter might help you to understand who you should be angry at.

The easy conclusion that everyone will immediately jump to, will be that "t was a scheme after all and Arlan Galbraith is a crook and therefore by extension as his bookkeeper so must I be". That is just not so! I will defend till the end of time what I have said to many of you in person and on the phone. **Arlan Galbraith is a man of vision who had a very unique and brilliant plan that he was going along and executing brilliantly until the jealous fear mongers of the world decided to make him a target.** I have every faith that had the David Waglers and the David Thorntons of the world found someone else to spew their poison on, that PKI would be going strong today and for many generations into the future. It is a very sad world we live in that will beat a man down for daring to have a dream and a vision. **Arlan's dream was to help the STRUGGLING North American family farmer and his vision was to make pigeon a very healthy alternative to chicken.** Some of you will say I must be just an emotional woman who couldn't see the reality of the situation even though I saw the numbers everyday. Yes I saw the numbers but I always believed we would get past all the negativity and that "right" would prevail. So if you want to be angry at me for trying to the very last hour to beat the fear mongers, you have a right to that anger, and if you must call me names then call me naïve for wanting the world that we live in to be better than it is. Most of you know the very high price I am paying for my naiveté. My sister and her husband (who were equal partners with my brother on the second contract) have lost their retirement fund, my brother will be years digging himself out of the debt he went into to put up and fill his second barn besides not having paid off the first flock. Then there is my son and his young family who have lost their dream of being able to raise their children (they just found out another one is on the way) on a farm. So I have lost much more than a job I loved. As much as I dread having to start all over in the working world at my age I wish that was the only consequence of my involvement with Arlan Galbraith.

I want you to know that despite all the extreme hardships this has brought upon my family I do not really regret knowing Arlan Galbraith. I feel I am richer in many ways for having known such a man. I worry greatly what this will do to this good man as he has lost everything and I can't imagine having to start over again at his age.

So as each of you struggle to deal with whatever hardships this bankruptcy brings into your lives and deal with all the "I told you so's you will have to listen to I hope you will try to remember

and believe that none of this was done maliciously or with bad intent, by Arlan, myself or anyone else associated with this company. Whether you choose to believe it or not this was not ever a “scheme” (Ponzi, Pyramid or otherwise) and Arlan is not a crook, you have only to look at the plans for the processing plant to know that there was indeed a grander plan that we were only just getting a glimpse of. Also I want you to remember there are a lot of farm families out there who have benefited from their involvement with the pigeon business, a lot of people have been helped and it breaks my heart when I think of how many more could have been helped had Arlan been left alone.

In closing I just want to say that I will cherish many of the memories of the friendships I made and the wonderful people I met in my year and a half working for “The Pigeon King”. I am truly sorry for any part I played in the hardships some of you will now face!

Sincerely

Joan Carter

### PKI summary

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Pigeons of the correct sort dress out at 500g each sell for \$17 U.S. Take 4 weeks to raise and consume 3Kg of feed. Breeding pairs sell for in excess of \$125 U.S.

There is a market and it is possible to make money. It seems insane that this scheme was organized the way it was.

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I have seen these "Get rich quick" schemes from my earliest days with **Night-crawler Earthworm farms**. The LLamas and the Alpacas seem to be the practical same. So before you go judging these "victims" (as some of them surely are) think about the time you were up too late, watching the infomercials and dreaming of buying some land and raising Alpacas with your retirement savings.

### **MarthaC**

Boston [19 hours ago](#)

Money for nothin' and chicks for free.

The Whistleblower: [http://www.crimebustersnow.ca/html/pigeon\\_king.html](http://www.crimebustersnow.ca/html/pigeon_king.html)