

**O WHAT A TANGLED MESS WE WEAVE ...**

The garment trade, known to the Jewish people as the schmutter trade, is one of the biggest industries in the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC), with publicly listed Giordano International Ltd (Code: 709, Main Board, The Stock Exchange of Hongkong Ltd), being among the most successful in this industry in the territory.

It is rare that one sees Giordano engaged in litigation, of any kind, so that, when Faithful United Ltd sued a wholly owned subsidiary of Giordano, Giordano Ltd, it raised some eyebrows, even though the Writ, filed in the High Court of the HKSAR, was only seeking about \$HK949,064.36.

The Plaintiff in High Court Action Number 2109 is Faithful United Ltd, which alleges that it is the Assignee of debts, owed to another HKSAR company, Wide Fortune Industrial Ltd, by Giordano Ltd.

Wide Fortune was/is being wound up by Citibank N.A. in respect of an alleged debt in the amount of \$HK7,379,392, the details of which are contained in another High Court Action, Number 1887 of 2002, according to the records of **TOLFIN** (**TARGET's** Online Financial Intelligence Report and Credit-Checking Service).

Citibank's Action was not only against Wide Fortune, but also against Landar Garment Factory, a Mr Barry Wong Chi Pang and a Mr Stanley Wong Chak Man.

Mr Barry Wong Chi Pang and Mr Stanley Wong Chak Man are thought to be the Principals of Landar and Wide Fortune.

Getting back to the Action against Giordano by Faithful United, it is alleged in the Statement of Claim, attached to the Writ of Summons, that a sum of money, equal to \$HK373,968, is owed by Giordano to Faithful United with regard to sales of goods, ordered by Giordano.

The goods were, allegedly, all delivered in the 2002 year and were all for 9,873 T-Shirts, sold and delivered to Giordano.

Faithful United claims that Giordano *'has refused or failed to pay the sum ... or any part thereof.'* (Paragraph 2 of the Statement of Claim)

Paragraph 5 of the Statement of Claim describes Wide Fortune as being an HKSAR-registered company, which, as with Faithful United, *'manufactures, supplies and sells garments.'*

Then, at Paragraph 6 of the Statement of Claim, it is alleged that, between April 2002 and May 2002, Wide Fortune entered into 17 contracts with Giordano *'to sell to the Defendant (Giordano) garment products at prices specified in the said 17 invoices aggregating HK\$5,476,004.00 ...'.*

Paragraphs 7 through 12, then, continue:

*'7. By an agreement made between the Plaintiff, Wide Fortune and a company called Vita (HK) Textile Company Limited dated 3<sup>rd</sup> April 2002 called a "Letter of Instruction of Payment", Wide Fortune and*

*the Plaintiff (Faithful United) agreed, inter alia, to instruct the Defendant to pay the amounts owing under the Invoices to the Plaintiff instead of to Wide Fortune as and when the said amounts become due and payable.*

*'8. By an assignment in writing dated 15 April 2002, Wide Fortune assigned the debts owing by the Defendant to Wide Fortune under the Invoices to the Plaintiff and all rights and interests therein absolutely.*

*'9. By a notice in writing dated 24 April 2002, the Plaintiff's solicitors gave notice to the Defendant's solicitors of the assignment.*

*'10. On 15 April 2002 the Plaintiff received the sum of HK\$1,017,248.00 from the Defendant in payment of the amounts due to the Plaintiff by the Defendant under invoice Nos. L02-02005, L02-02062, L02-02074 and L02-02076 of the Invoices, leaving a balance of HK\$4,458,756.00 owing at that time.*

*'11. As a result of litigation in HCMP (High Court Miscellaneous Proceedings) No. 1808 of 2002 the Plaintiff has reached a settlement with, inter alia, the Defendant in relation to the sum of HK\$3,883,659.68 of the amount owing under the Invoices leaving an outstanding balance of HK\$575,096.32.*

*'12. Despite written demands the Defendant has failed to pay to the Plaintiff the sum of HK\$575,096.32, or any part thereof, being the balance still outstanding under the Invoices.'*

The Winding-Up Petition against Wide Fortune, et al ... [CLICK TO ORDER FULL ARTICLE](#)

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