

Chronology of Offenses

committed by

Lianyungang Supreme Hovercraft
aka **Shanghai Supreme Hovercraft**
aka **China Hovercraft Ltd.**
<http://hovercraft.cc/>

against

Pacific Hovercraft NZ Ltd.

1997 - 2006

<i>Date</i>	<i>Action</i>
July 1997	Pacific Hovercraft New Zealand Limited (PHNZ), a hovercraft design and manufacturing company, was founded in Waipara, New Zealand by Stephen Preest and Nigel Golding.
1997-2006	PHNZ established distributors in New Zealand, Australia, USA, South Korea and Canada, and developed, manufactured and sold a range of light and heavy hovercraft to clients worldwide, including the <i>Slider</i> .

2007:

<i>Date</i>	<i>Action</i>
Early 2007	After securing a number of orders from Malaysia and India for heavy hovercraft while experiencing a shortage of capital, unstable NZ dollar value, and a high cost of labor, PHNZ sought to create a joint venture with a suitable business partner to establish an overseas manufacturing facility to satisfy these orders.

PHNZ Director Stephen Preest was introduced in Auckland to 'Terry' Yang (Guang Ming Yang) by Sammy Wong, the husband of New Zealand Ethnic Affairs Minister, Pansy Wong. Terry Yang was represented as the President of the NZCBA (New Zealand China Business Association), as well as owner/shareholder in the following New Zealand firms: SNT Investments Ltd., New Zealand China Zhejiang Chamber of Commerce Ltd., New Zealand Pure and Natural Ltd., NZ Sheep Genetics & Agri-HiTech Ltd., a motel in Rotorua and a wine company label from Hawkes Bay.

2008:

<i>Date</i>	<i>Action</i>
Apr. 2008	<p>Terry Yang and Sammy Wong formed Lianyungang Supreme Hovercraft, with whom PHNZ signed a contract that specified the terms of a joint venture between the two companies. Signatories included PHNZ Director Stephen Preest; Terry Yang of Lianyungang Supreme Hovercraft; New Zealand Cabinet Minister Patsy Wong; and her husband Sammy Wong, who is stated as a co-director of Lianyungang Supreme Hovercraft.</p> <p>Among other terms, the contract specified that Lianyungang Supreme Hovercraft would pay PHNZ royalties for every hovercraft manufacture in China, would pay the salaries of PHNZ employees who moved to China to set up manufacturing facilities, and that Lianyungang Supreme Hovercraft would purchase Pacific Hovercraft NZ Ltd. for a specified price.</p>
Early 2008	<p>PHNZ engineers moved to China, trained the employees of Lianyungang Supreme Hovercraft and aided in the manufacture of the first twelve hovercraft.</p>

2009:

<i>Date</i>	<i>Action</i>
Sept. 2009	<p>Lianyungang Supreme Hovercraft failed to fulfill an order for five hovercraft placed by a customer in South Korea. PHNZ was obliged to provide the hovercraft based upon the promises of Lianyungang Supreme Hovercraft's Terry Yang, which required setting up manufacturing facilities in South Korea.</p>
Dec. 2009	<p>PHNZ served Lianyungang Supreme Hovercraft with a legal document claiming breach of contract and demanding financial restitution.</p>

2010:

<i>Date</i>	<i>Action</i>
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- February 2010 PHNZ serves Lianyungang Supreme Hovercraft with a legal document cancelling the contract and all agreements between the two companies. The document also demanded the return of all PHNZ molds and equipment and demanded a seven-figure sum of funds owed to PHNZ.
- PHNZ published a complaint against Lianyungang Supreme Hovercraft on the DirtyDebtors.co.nz website.
- September 2010 PHNZ learned that Lianyungang Supreme Hovercraft had manufactured and sold three additional *Slider* hovercraft even though the company no longer had license to build Slider craft. The total number of unlicensed hovercraft manufactured was 15, which increased the total of royalty payments owed to PHNZ.
- PHNZ completed the September 2009 order in South Korea that was unfulfilled by Lianyungang Supreme Hovercraft, Ltd. and then billed the company for the additional costs incurred by PHNZ having to establish manufacturing facilities in South Korea.
- 27 Sept. 2010 PHNZ filed a claim against Lianyungang Supreme Hovercraft at the Donghai Labour Office claiming unpaid salaries and lack of a China Employment Contract. Under Chinese law, the penalty for such an employment contract offense is a fine of 100% of the total salary paid.
- 14 Oct. 2010 Lianyungang Supreme Hovercraft and Terry Yang exhibited at the 2010 Yacht and Boat Show in Gyeongsangnam-Do, South Korea, in a pavilion adjacent to PHNZ's Agent for Korea. The company brochures displayed in the Lianyungang Supreme Hovercraft booth were unauthorized derivative plagiarisms of the copyrighted PHNZ brochure, featuring PHNZ staff and hovercraft. When confronted and photographed by PHNZ, Mr. Yang offered no intelligible response and quickly dismantled his booth and returned to China.
- 11 Nov. 2010 *New Zealand Herald* published [I was foolish to embroil wife in hovercraft deal, says Wong](#), in which Sammy Wong admitted he was wrong to involve his wife Pansy Wong, a New Zealand Cabinet minister, when he brokered the ill-fated deal between Pacific Hovercraft NZ and Lianyungang Supreme Hovercraft, which resulted in international legal actions and the resignation of Mrs. Wong.
- 11 Dec. 2010 New Zealand Ethnic Affairs Minister [Pansy Wong was forced to resign](#) due to witnessing a contract between Pacific Hovercraft NZ and Lianyungang Supreme Hovercraft, as well as due to her husband Sammy Wong's abuse of her government travel perks in conducting business for Lianyungang Supreme Hovercraft.
- 22 Dec. 2010 PHNZ received a threatening letter from Terry Yang demanding that the complaint filed by PHNZ against

Lianyungang Supreme Hovercraft *aka* Shanghai Supreme Hovercraft *aka* China Hovercraft Ltd. be removed from DirtyDebtors.co.nz.

2011:

<i>Date</i>	<i>Action</i>
2011	In 2011, Lianyungang Supreme Hovercraft becomes Shanghai Supreme Hovercraft and then once again changes its name to China Hovercraft Ltd.
8 Feb. 2011	3 News, New Zealand, aired the documentary Hovercraft designer speaks out about Wong connection , interviewing PHNZ Director Stephen Preest about his company's failed venture with Terry Yang and China Hovercraft Ltd.
15 Apr. 2011	At the Shanghai International Boat Show in China, PHNZ Director Stephen Preest protested at the booth of Lianyungang Supreme / China Hovercraft Ltd. by standing at the booth holding a poster detailing the company's history with PHNZ. Preest was attacked by China Hovercraft Ltd. employees; a physical altercation ensued that required police intervention and medical attention.
16 Apr. 2011	When he discovered that Lianyungang Supreme / China Hovercraft Ltd. was playing a PHNZ video in their booth at the Shanghai International Boat Show, Preest confiscated their DVD player and turned it over to Boat Show organizers, accusing Lianyungang Supreme / China Hovercraft Ltd. of intellectual property infringement. Preest asked that both Lianyungang Supreme / China Hovercraft Ltd. and Hi Tech International S.r.l. (also an exhibitor at the Show) - who is accused of producing hovercraft counterfeited from Neoteric Hovercraft, Inc. – be banned from the Show.
23 Apr. 2011	Stephen Preest sent a letter to organizers of the Shanghai International Boat Show protesting the Show's acceptance of two separate companies as exhibitors - Shanghai Feileng Hovercraft (now China Hovercraft Ltd.) and Hi Tech International S.r.l. of Italy - who are both accused of espionage and counterfeiting of the patented hovercraft designs of, respectively, Pacific Hovercraft NZ Ltd. and Neoteric Hovercraft, Inc.
Apr. – Sept. 2011	PHNZ continued to seek restitution from Lianyungang Supreme Hovercraft <i>aka</i> Shanghai Supreme Hovercraft <i>aka</i> China Hovercraft Ltd. As of September, 2011, the matter has not been resolved. China Hovercraft Ltd. founders Terry Yang (Guang Ming Yang) and Sammy Wong still produce and actively market PHNZ-owned hovercraft design and have trademarked the PHNZ <i>Slider</i> trademark in China.