

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF New York

-----X  
China Labor Watch, Inc.

Plaintiff,

Index No.:

**VERIFIED COMPLAINT**

**PLAINTIFF HEREBY  
DEMANDS A JURY FOR  
ALL ISSUES TO BE  
TRIED**

-against-

Intertek Group PLC;  
Intertek Testing Services HK Ltd.

Defendant.

-----X

Plaintiff China Labor Watch, Inc., complaining of Defendant Intertek Group PLC, alleges, upon personal knowledge with respect to its own acts, and upon information and belief with respect to the acts of others, as follows:

**PARTIES**

***Plaintiff: China Labor Watch, Inc.***

1. The plaintiff China Labor Watch, Inc. (hereinafter “CLW” or “Plaintiff”) is a non-profit corporation duly organized and existing under and by virtue of the laws of the State of New York, with principal place of business in New York, New York.
2. Plaintiff has engaged in advocacy for labor rights in China since 2001. Plaintiff has received project grants from the United States National Endowment for Democracy and the International Labor Rights Fund. In addition, Plaintiff works

with various leading labor and human rights organizations and commercial organizations. Plaintiff has been frequently interviewed or quoted in leading media outlets including the *New York Times*, the *Wall Street Journal*, and CNN.

***Defendant:  
Intertek Group PLC;  
Intertek Testing Services HK Ltd.***

3. Intertek Group PLC (hereinafter, together with Intertek Hong Kong as defined below, “Intertek” or “Defendant”) is a public limited company organized in the United Kingdom. It engages in testing, inspection and certification of products and commodities. Defendant’s services cover the whole supply chain, including the sourcing of raw materials, product design, manufacturing processes, compliance certifications, and performance testing of the end product. Defendant’s clients include Target, Ikea, Gap Inc., McDonald’s Corporation, QVC, Samsung, Shell, Siemens, Sunoco, The Home Depot, and the International Council of Toy Industries (“ICTI”).
4. Intertek Testing Services HK Ltd. (“Intertek Hong Kong”) is a subsidiary that acts as an instrument and agent of Intertek Group PLC.
5. For purposes of this lawsuit, in particular, Defendant has expanded its menu of commercial services to include conducting audits of labor conditions at many supplier factories in China on behalf of corporate clients.
6. The labor audits conducted by Defendant are supposed to verify whether the supplier factories produce goods under labor conditions that are in due

compliance with applicable international labor standards, industry standards, national labor laws, and ethical codes of Defendant's clients.

7. The Defendant's clients generally will only place orders with a supplier factory if the labor audit results appear satisfactory.

### **THE JURISDICTION OF THIS COURT**

8. This Court has jurisdiction over this action under CPLR § 301 because Defendant operates offices, labs, and facilities in the following locations: New York, New York; Cortland, New York; and Albany, New York; and regularly solicits and transacts business within the State with a fair measure of permanence and continuity.
9. Furthermore, this Court has jurisdiction over the Defendant under CPLR § 302(1) because the Defendant contacted Qiang Li, the executive director of the Plaintiff, by phone and email while Qiang Li was in New York, New York. These communications, resulting in an agreement between Defendant and Plaintiff, constitute a transaction of business within the state under CPLR 302(1).
10. This Court has jurisdiction over the Defendant under CPLR § 302(2). The Defendant tortiously interfered with Plaintiff's business relationships by distributing in New York misleading and false information regarding Plaintiff.
11. This Court also has jurisdiction over the Defendant under CPLR § 302(3)(i). The Defendant (1) tortiously interfered with the business relationships between the Plaintiff and various parties; (2) committed defamation against Plaintiff; (3) committed libel against Plaintiff; and (4) breached various duties of care to

Plaintiff, all tortious acts without the state that caused injury to Plaintiff, a New York NGO and a person within the state. The Defendant regularly does and solicits business in New York, engages in a persistent course of conduct in New York, and derives substantial revenue from goods used or consumed in New York.

12. This Court also has jurisdiction over the Defendant under CPLR § 302(3)(ii). When Defendant, in order to gain good will from clients – particularly ICTI – that are located in New York or have New York as a major market, publishes materials that concern a New York organization and have many New York recipients, Defendant should reasonably expect its publication of these materials to have consequences in New York. Defendant derives substantial revenue from international commerce.

### **FACTS**

13. Plaintiff holds as its primary organizational interest the improvement of labor conditions in Chinese factories, for which purpose Plaintiff expends the great majority of its organizational resources.
14. Existing labor conditions in China cause great hardships. The urban migrant workers on whom Plaintiff focuses its efforts are coerced into working under unsafe, even life-threatening, factory conditions. Their employers withhold pay in order to prevent them from quitting their jobs, force workweeks of over 100 hours, and charge them to share bunk beds in unsanitary dormitories, among other abuses. The slightly higher income workers receive from working at these jobs

- rather than staying in the economically depressed countryside is not enough to bring them out of poverty. Rather, the low pay and lack of freedom maintain oppressive social conditions.
15. In response to consumer concerns about abuse of workers, brand-name companies producing in Chinese factories have created labor rights codes to which their supplier manufacturers are expected to conform. The brand-name companies hire firms such as Defendant to perform audits that verify compliance with these codes. Defendant is one of the largest companies in the world offering labor code auditing services.
  16. Plaintiff has been very concerned about the corruption of individual auditors that has infested labor audits conducted in China by various firms, including Defendant. For example, factory owners often bribe individual auditors in exchange for receiving an acceptable rating on an audit, even though the labor conditions at the particular factory are below relevant labor standards and the rights of workers are not protected. Acceptance of these bribes by Defendant's employees and other auditors perpetuates the abuses of workers described above.
  17. Commercial bribery is a criminal offense in China.
  18. The integrity of labor audits has been a major focus of the labor rights and corporate social responsibility community.
  19. Plaintiff has been engaged in monitoring, reporting, advocacy, and campaigning against auditor corruption. Plaintiff is one of the very few organizations that have successfully and publicly documented specific instances of audit fraud and bribe-taking.

20. Plaintiff's efforts substantially depend on its collaborators in China, especially Mr. Yuan Chaowen ("Yuan").
21. Any labor and human rights advocacy carries a very high degree of political sensitivity in China. The government will pay special attention to people who have connections with foreign labor or human rights organizations. Such people will be investigated and even persecuted by the government. Furthermore, local governments, which have some control over the police and justice system, abuse their police powers to protect local factory owners' local business interests. The factory owners themselves are widely believed to hire gangsters or use other means of violence and harm to retaliate against advocates who stand in the way of their interests.
22. For the reasons stated in the previous paragraph, all Plaintiff's collaborators, including Yuan, required that their identity be confidential as a condition of their cooperation with Plaintiff.
23. During the period from January 2009 to April 2009, Defendant contacted Plaintiff several times and asked Plaintiff to cooperate with it on audit integrity investigations. Plaintiff refused such cooperation out of concern for its investigative independence. However, Plaintiff indicated that it might introduce its collaborators to Defendant.
24. For the reasons stated in Paragraphs 21 and 22, Plaintiff specifically and repeatedly asked Defendant to protect the identity of Plaintiff's collaborators in China who might supply information with regard to corruption cases to Defendant on being introduced to Defendant.

25. Plaintiff specifically asked Defendant to protect the identity of Yuan.
26. Defendant agreed not to disclose Yuan's identity and Yuan's relationship with Plaintiff to any parties other than Yuan, Plaintiff, and Defendant.
27. In reliance upon Defendant's promise and agreement, Plaintiff introduced Yuan to Defendant.
28. In addition, Defendant entered into an agreement in writing not to disclose Yuan's identity to outside parties.
29. Defendant seems to consider Yuan to be Plaintiff's employee and agent.
30. The International Council of Toy Industries (ICTI) is a worldwide association of toy companies. Its members, including Mattel and Hasbro, account for approximately 85% of annual U.S. toy sales. Only factories passing the ICTI labor audit can obtain orders from its members.
31. ICTI employed Defendant to audit whether or not the labor conditions in toy factories in China conformed to the ICTI standard.
32. In or around December 2009, one of Defendant's auditors, Ms. Tang "Maria" Zhujun ("Tang"), conducted an audit at the Hang Fat factory in Dongguan City, China, which is part of the greater Shenzhen industrial area.
33. Tang had at least two and a half years of experience in labor auditing.
34. The Hang Fat factory passed the audit conducted by Tang.
35. There was extensive fraud in the Hang Fat factory's pay and hours records.
36. This fraud should have been easy to discover for an auditor with Tang's level of experience.

37. Based on information from a reliable source, Yuan contacted Defendant and informed Defendant that Tang might have accepted a bribe during the audit at the Hang Fat factory in December 2009.
38. Defendant claimed that the bribery needed to be brought to the police, and according to Defendant, the police would require the witnesses to submit to interviews.
39. Due to the concerns explained in Paragraph 21, the direct source and Yuan declined to go as witnesses to police with Defendant.
40. However, Plaintiff reported this case to Defendant's client ICTI on March 4, 2010.
41. On March 16, 2010, acting upon Plaintiff's report, ICTI audited the Hang Fat Factory through a channel other than Defendant. Contrary to the audit result reported by Defendant's employee Tang, Hang Fat failed the audit. Furthermore, the owner of Hang Fat admitted to ICTI that the factory manipulated its labor-related records.
42. ICTI sent the audit result to Defendant after the audit.
43. Around May 2010, Defendant published a Compliance Newsletter (2010 No. 1 issue). An article appeared in this Newsletter under the title "***Case Sharing II: Intertek Calls for Concerted Effort Combating Commercial Bribery***" ("Article") (on page 07 of Newsletter No.1, attached as Exhibit A).
44. In this Article, Defendant presented from a particular angle the events in above Paragraphs 32-38.



45. The Article published Yuan's name and identified him as a representative of Plaintiff ("... Mr. Yuan [Ch]aowen from China Labor Watch ..."). The Article also identified Yuan as the information source in the case.
46. Through concealment of key facts, the Article portrayed Plaintiff as uncooperative and untrustworthy in the process of investigating the bribe-taking and fraudulent audit. This portrayal suggested to readers that Plaintiff was representative of negative forces in the public campaign to promote audit integrity.
47. Key facts omitted from the account in the Article include: (1) that Plaintiff had requested and Defendant had agreed to protect Yuan's identity; (2) that Hang Fat had indeed engaged in audit fraud, as had been confirmed by ICTI by the time of the Article's publication.
48. Around November 2010, Defendant published another Compliance Newsletter (2010 No. 2 issue). This Newsletter contained a follow-up (on the opposite page of page 09 of Newsletter No.2, attached as Exhibit B, "Follow-up Article") that reasserted the position taken in the Newsletter Issue No.1 Article.
49. The two Compliance Newsletters were published in both Chinese and English. They were available on Defendant's website, probably soon after publication until at least November 2011, in addition to any other distributions by Defendant. As of November 2011, an internet search of Plaintiff's name combined with terms such as "auditor" or "Intertek" still turned up these Newsletters within the first 25 results.

50. In June 2010, Yuan received anonymous phone calls in which personal threats were made against him.
51. The Shenzhen police looked for Yuan. As a result, Yuan became afraid and was forced to abandon his livelihood and personal life in Shenzhen. He returned to his hometown, Zigong, Sichuan. In Zigong, twice in 2010 and a third time in early 2011, Yuan was taken to the police station and interrogated about his association with Plaintiff. Yuan appears now to be on a government blacklist.
52. The possibility of government persecution and personal threats to Yuan continues. The personal threats may come from the owner of the Hang Fat factory or from other factory owners impacted by the CLW campaign against auditor corruption. These owners may attribute any investigation of corruption to Yuan's involvement. Yuan's departure from Shenzhen did not eliminate such dangers.
53. After the publication of the Article, Yuan lost substantially all of his contacts within labor audit circles. The contacts were afraid to continue providing Yuan with information after they saw how he lost his home in Shenzhen and his livelihood.
54. As a result, Plaintiff is deprived of the tips, evidence and other information Yuan formerly provided to it. Yuan may never be able to work with Plaintiff again.
55. After the publication of the Article, Plaintiff lost a substantial amount of collaboration from other contacts and collaborators in China who became fearful as a result of what happened to Yuan. Plaintiff expects to lose a substantial amount of collaboration from prospective contacts and collaborators for the same reason.

56. Plaintiff's ability to investigate, report, and campaign against auditor corruption was significantly impaired as a result of Defendant's exposure of Yuan's identity. As a result, workers at factories where labor conditions could be improved by Plaintiff's work did not and will not receive help.
57. Plaintiff also lost trust and good will within the labor rights and corporate social responsibility community and among the concerned public.

### **CAUSES OF ACTION**

#### **FIRST CAUSE OF ACTION**

##### **(TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIP)**

58. Plaintiff repeats and re-alleges each and every allegation of Paragraphs 1 through 57 as fully set forth herein.
59. Plaintiff has existing and prospective advantageous business relationships that help it accomplish its mission to improve labor conditions in China, including but not limited to: (1) its business relationships with Yuan and other collaborators, many residing in China; (2) its business relationships with various foundations, grant-making organizations, and other funding organizations or donors that provide or may provide financial support to Plaintiff's operations; (3) its business relationships with other organizations with concerns or interests regarding labor conditions in China; and (4) its business relationships with media that report on labor conditions in China.
60. Defendant's publication of the Article has interfered with those relationships.
61. Defendant's interference was wrongful in that (1) it published, either negligently or intentionally, materially false information regarding Plaintiff; (2) it committed

defamation against Plaintiff as described below in the Cause of Action “Defamation”; (3) it committed libel against Plaintiff as described below in the Cause of Action “Libel”; (4) it committed the negligence described below in the Cause of Action “Negligence I”; (5) it committed the negligence described below in the Cause of Action “Negligence II”; (6) it breached the agreement as described below in the Cause of Action “Breach of Agreement”; (7) it breached a certain written agreement in which it agreed not to disclose Yuan’s identity to outside parties; (8) its exposure of Yuan’s personal identity amounted to extreme and unfair economic pressure on Yuan and other existing and prospective CLW collaborators.

62. Defendant may have acted with malice or with the sole purpose of harming Plaintiff.
63. Plaintiff’s business relationships were injured by Defendant’s publication of the Article, which (1) caused harm to Yuan and (2) damaged the trust, confidence, and good will Plaintiff has enjoyed in these relationships.
64. Defendant’s acts causally produced these injuries to Plaintiff.
65. As a result of the above, Plaintiff has suffered (and continues to suffer) damages, including injury to its operation, its reputation, its relationship with Yuan and other collaborators, its advocacy effectiveness and impact, and its capacity and resources, and other damages.
66. By reason of the foregoing, Plaintiff demands an award of damages in an amount to be determined at trial.

## SECOND CAUSE OF ACTION

### (BREACH OF CONTRACT)

67. Plaintiff repeats and re-alleges each and every allegation of Paragraphs 1 through 57 as fully set forth herein.
68. Plaintiff and Defendants formed an agreement that: (1) Plaintiff would introduce Yuan to Defendant and (2) Defendant would not disclose Yuan's identity and his relationship with Plaintiff to any parties other than Yuan, Plaintiff, and Defendant.
69. Plaintiff has fully performed its contract obligations by having introduced Yuan to Defendant.
70. Defendant breached its agreement with Plaintiff by publishing Yuan's identity and his relationship with Plaintiff in the Article.
71. As a direct and proximate result of Defendant's breach of the contract, Plaintiff has suffered damages to its operations and business, plus other damages.
72. By reason of the foregoing, Plaintiff demands an award of damages in an amount to be determined at trial.

## THIRD CAUSE OF ACTION

### (LIBEL)

73. Plaintiff repeats and re-alleges each and every allegation of paragraphs 1 through 57 as fully set forth herein.
74. Defendant published misleading and even false statements concerning Plaintiff. The dominant message of the Article to readers is that Plaintiff did not cooperate, was untrustworthy, and acted with questionable ethics throughout the bribery investigation. This message is partly communicated via omissions of key facts.

Inclusion of the omitted facts would materially change a reasonable reader's opinion of Plaintiff. The omissions make the description in the Article and its subsequent reiteration in the Follow-up Article misleading and **not truthful reflections of Plaintiff's conduct**.

75. Defendant omitted the following information either knowingly or with deliberate disregard for truth:
- a. At the time of publication of the Article, Defendant knew that ICTI's audit had confirmed Yuan's report of extensive fraud at Hang Fat. Further, Defendant should have known of the existence of fraud even before ICTI's audit.
  - b. Defendant had agreed to Plaintiff's repeated requests not to reveal Yuan's identity.
  - c. Defendant knew or should have known that Plaintiff and Yuan requested confidentiality out of fear that Yuan would be persecuted.
  - d. Defendant knew or should have known that Yuan and Plaintiff refused to be witnesses to the police not because Yuan and Plaintiff were contributing to corruption, but out of fear for Yuan's safety.
  - e. Tang Zhujun's abrupt resignation in April 2010 and subsequent attempt at legal action against Defendant indicate that Defendant very likely believed Yuan's report that Tang had taken a bribe. Tang is apparently one of the nine "Employees Self-constituted Resigned Due to Integrity Issues" that Defendant noted in Compliance Newsletter No. 2. In May 2010, Tang was again investigated for taking a different bribe at the J & R Brothers factory

in Dongguan. Defendant may be attempting to conceal this fact from readers by identifying her in the articles about the Hang Fat case as “Tang Zhujun” and in the J & R article as “Maria Tang.”

76. In the Article, Defendant falsely stated that Plaintiff had agreed to obtain the Hang Fat factory’s cooperation in the bribery investigation. Defendant also portrayed Plaintiff as untrustworthy and disingenuously complained that Plaintiff was at fault for the frustration of the bribery investigation:

“Intertek...reported the case to the local police based on the trust to CLW. However, CLW did not obtain the factory’s cooperation as agreed, so the judicial process had to be stagnated....Combating and preventing bribery in the Inspection and Auditing industry MUST be done by all parties.”

77. In the Follow-up Article, Defendant, either knowingly or with deliberate disregard for truth, misleadingly analogized Plaintiff’s reluctance to endanger Yuan with the Hang Fat factory’s refusal to incriminate itself. Defendant also misleadingly indicated that Plaintiff himself had improperly attempted to extract money from Defendant. Defendant further indicated that Plaintiff’s having left Defendant “isolated” had “contributed to the corruption in the industry.” It also disingenuously implied that Plaintiff had not “fully cooperate[d] with authorities” and had failed to “be prepared to follow through on any integrity issues and allegations,” despite Defendant’s knowledge from the beginning that Plaintiff would not engage in any cooperation that could endanger Yuan by requiring that his identity be revealed:

“The factory involved turned out to be reluctant to cooperate with the police. Then CLW also withdrew their action to assist with the investigation, even addressed formal letter requiring for compensation by Intertek....In such isolated position during

fighting against corruption, the great effort of Intertek led to nothing; it actually did not achieve the desired effect of combating corruption, but somehow contributed to the corruption in the industry, which made it more prevalent and serious....Intertek strongly calls on all clients, suppliers, factories and related [organizations]....[to] fully cooperate with authorities for investigation....[and] be prepared to follow through on any integrity issues and allegations.”

78. The Article and the Follow-up Article directly bear on Plaintiff’s business as a labor rights advocate and on its campaign against auditor corruption in particular.
79. The misleading and false message and statements concerning Plaintiff in the Article and the Follow-up Article as described in Paragraphs 75 through 77 are derogatory and libelous. They tend to expose Plaintiff to public aversion and disgrace, they induce a negative public opinion of Plaintiff, and they deprive Plaintiff of productive relationships in society, including the good will of donors and the esteem of the media and other organizations with interests in and concerns about labor conditions in China.
80. The adverse impact on Plaintiff’s business dealings and relationships as a labor and human rights advocacy organization could reasonably have been expected as the result of publishing the Article and the Follow-up Article.
81. The Article and the Follow-up Article impugn the basic integrity and creditworthiness of Plaintiff.
82. As a result of the libelous statements and message described above, Plaintiff has suffered (and continues to suffer) damages, including injury to its name, reputation, and operations and financial interests.
83. By reason of the foregoing, Plaintiff demands an award of damages in an amount to be determined at trial.



#### FOURTH CAUSE OF ACTION

##### (DEFAMATION)

84. Plaintiff repeats and re-alleges each and every allegation of paragraphs 1 through 57 as fully set forth herein.
85. Defendant published statements concerning Plaintiff that were misleading and even false, as described in Paragraphs 75 through 77.
86. The dominant message of the Article to readers is that Plaintiff did not cooperate, was untrustworthy, and acted with questionable ethics throughout the bribery investigation. This message is partly based on omissions of key facts. Inclusion of the omitted facts would materially change a reasonable reader's opinion of Plaintiff. The omissions make the description in the Article and its subsequent reiteration in the Follow-up Article **misleading and not truthful reflections of Plaintiff's conduct.**
87. The statements and message concerning Plaintiff as described in Paragraphs 75 through 77 are misleading, false, and defamatory.
88. The Article and the Follow-up Article were published without privilege or authorization.
89. The Article and the Follow-up Article were delivered or published to a large number of third-party recipients.
90. Defendant either maliciously or negligently published the Article and the Follow-up Article.

91. The Article and the Follow-up Article impugn the basic integrity and creditworthiness of Plaintiff.
92. The Article and the Follow-up Article injure Plaintiff in its business as a labor rights advocate in general and in its campaign against auditor corruption in particular, thus constituting defamation *per se*.
93. As a result of the defamatory statements and message described above, Plaintiff has suffered (and continues to suffer) damages, including injury to its name, reputation, and operations and financial interests.
94. By reason of the foregoing, Plaintiff demands an award of damages in an amount to be determined at trial.

#### FIFTH CAUSE OF ACTION

##### (NEGLIGENCE I)

95. Plaintiff repeats and re-alleges each and every allegation of paragraphs 1 through 57 as fully set forth herein.
96. Defendant has a general duty of care towards Plaintiff, as it is reasonably foreseeable that publicly identifying a person who collaborates with Plaintiff – an organization promoting labor rights in a country where such activity is politically sensitive and severely restricted – would cause harm to Plaintiff’s advocacy work and to Plaintiff’s obligations to its collaborator.
97. As a leading multinational firm that specializes in assisting clients in compliance, Defendant holds itself out to have a high level of proficiency in local political and

- legal affairs. Defendant had had more than one year of business dealings with Plaintiff.
98. Defendant was on notice of the risk that it might violate this general duty of care as Plaintiff repeatedly requested that the identities of its collaborators, including Yuan, be kept confidential.
  99. Defendant breached this duty by publishing the Article.
  100. As a result of the above, Plaintiff has suffered (and continues to suffer) damages, including injury to its operation, its reputation, its relationship with Yuan and other collaborators, its effectiveness and impact as an advocate, and its capacity and resources, and other damages.
  101. Defendant's breach of duty was the direct, but-for, and proximate cause of the above damages.
  102. By reason of the foregoing, Plaintiff demands an award of damages in an amount to be determined at trial.

#### SIXTH CAUSE OF ACTION

##### (NEGLIGENCE II)

103. Plaintiff repeats and re-alleges each and every allegation of paragraphs 1 through 57 as fully set forth herein.
104. Defendant has a general duty of care towards Plaintiff, as it is reasonably foreseeable that publicly identifying Plaintiff's collaborator in connection with commercial bribery investigations would expose the collaborator to retaliation, causing harm to Plaintiff's advocacy work and to Plaintiff's obligations to its collaborator.

105. Defendant was on notice of the risk that it might violate this general duty of care as Plaintiff repeatedly requested that the identities of its collaborators, including Yuan, be kept confidential.
106. Defendant breached this duty by publishing the Article.
107. As a result of the above, Plaintiff has suffered (and continues to suffer) damages, including injury to its operation, its reputation, its relationship with Yuan and other collaborators, its effectiveness and impact as an advocate, and its capacity and resources, and other damages.
108. Defendant's breach of duty was the direct, but-for, and proximate cause of the above damages.
109. By reason of the foregoing, Plaintiff demands an award of damages in an amount to be determined at trial.

### **INJURY AND DAMAGES**

110. By reason of Defendant's actions, Plaintiff has suffered compensable damages, including but not limited to: (1) reduction in Plaintiff's likelihood of receiving operational funding from foundations, grant-making organizations, and other funding organizations; (2) impairment of the effectiveness of Plaintiff's public advocacy; (3) the compensation due from Plaintiff to Yuan for the personal harm that resulted from Yuan's persecution, for Yuan's endangerment and exposure to life-threatening retaliation, for Yuan's financial and life losses related to not being able to continue working in the factory investigations and labor advocacy that Yuan values and that are of life significance to Yuan, and for the costs to Yuan

incurred by his forced departure from Shenzhen due to the fear of persecution and retaliation; (4) substantial reduction in Plaintiff's ability to continue an effective campaign against auditor corruption that would enhance Plaintiff's influence and prestige; (5) Plaintiff's loss of future assistance from Yuan and other collaborators who reduced or terminated their collaboration with Plaintiff on account of this incident, other than any damages within the scope of preceding items; (6) missed improvements in labor conditions in the factories which could have been impacted by Plaintiff's campaign against auditor corruption; (7) missed improvements in labor conditions in the factories which could have been impacted by Plaintiff's general public advocacy.

### **CONCLUSION**

111. As a result of all of the above, plaintiff has suffered and will continue to suffer damages in a total amount that exceeds the jurisdictional limitations of all other courts which would otherwise have had jurisdiction.

WHEREFORE, the plaintiff China Labor Watch, Inc., demands judgment against the defendant on each cause of action for damages as demanded above and as determined by the Court, and other relief and/or damages as the Court may deem just and proper, together with the costs of this action, including all attorney's fees.

Date: November 8, 2011

New York, New York

---

Bo Lee, Esq.

Attorney for Plaintiff China Labor Watch, Inc.  
147 West 35th Street, #406  
New York, NY 10001  
Phone: (212) 244-4049