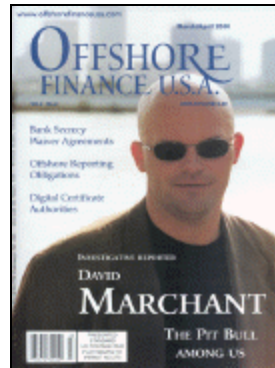


**"The offshore pit bull,  
David Marchant, tries to bite our ass  
-- runs to press with diaper in mouth."**



## **David Marchant**

**publisher of Offshore Alert newsletter**

**David Marchant seems to want to be a journalist (?) in the tradition of the British tabloid writers -- collect a handful of shit, throw it against a wall, and see what sticks.**

**With THAT much enthusiasm, facts sometimes get lost.**

**To be fair to David, his "journalistic mandate" is laudable: expose offshore corruption and fraud.**

**But the reality is that there isn't that much happening in offshore scamming. Certainly not 12 issues per year worth. So what's the man to do? Grab anything to justify his \$893CAD newsletter price. His readers pay \$74.38 per month to read that some "island officials voted themselves a raise"! Some 110 idiots and institutions have swallowed his bait.**

**The problem with David arises from his using fraudulent misrepresentation and baiting to get stuff into his newsletters. In our case he purported to be an investor Henry Sigmund -- using a nondescript hotmail.com account (which he has since**

closed).

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### Summary:

**David Marchant got thrown out Bermuda. He was thrown out of an internet news group. He poses as a *deus ex machina* of the offshore business, shaves his head to "look mean", lies on telephone, exaggerates in his stories, engages in fraudulent misrepresentation, engages in fraudulent baiting, assumes different identities to get stories -- any stories.**

**In my opinion, he is just a sorry soul with 110 newsletter subscribers and over \$180,000 USD legal costs in libel suits. Holes up rent free in somebody else's office.**

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**What's crazy about Marchant is that he seems to think that irresponsible journalism resulting in libel suits is a "badge of honor".**

When David Marchant boasts of having had to spend US \$180,000 in legal fees to defend his libelous reporting, Marchant's error is this: Libel suits are NOT a badge of honor in journalism; **they are a disgraceful mark of shoddy research and reporting.** They are the publicity stunts of **National Enquirer** not the stuff that Pulitzer Prize winners celebrate.

There is no doubt in my mind that this kind of reporting does tremendous disservice to the Caribbean communities, legitimate international tax planning, the public institutions of the nations, to his 110 readers, and perhaps most unfairly, to Marchant himself.

While Marchant's mandate of exposing offshore fraud is laudable, but it is not a defensible track record if out of

1,000 stories, seven or eight hit the mark. No major league material here. Great ball players bat consistently. The truly great moments of the journalistic game are not in the bunt-and-runs.

With respect to Offshore Alert, the question one would have to ask: Do I want to pay \$900 Canadian to read the limping postulations of a Pinocchio whose libelous statements frequently end up in the courts?

Further, I read with astonishment Marchant's pinnacles of intelligence and maturity reflected in his comments such as : " If I were a gambling man, I would put money on Bob (David ALWAYS confuses me with somebody else) being a scummy type of individual who thinks it's ok to rip off old ladies and steal their life savings. Well done Bob. What a guy!" Again, I rest my case, this is the driving force behind the journalistic stuff of his newsletters.

**To be fair to David, his "journalistic mandate" is laudable: expose offshore corruption and fraud.**

**But the reality is that there isn't that much happening in offshore scamming. Certainly not 12 issues per year worth. So what's the man to do? Grab anything to justify his \$893CAD newsletter price. His readers pay \$74. 38 per month to read that some "island officials voted themselves a raise"! Some 110 idiots and institutions have swallowed his bait.**

**He stooped as low as to fraudulently misrepresent himself as some person known as "Henry Sigmund" and, through emails, offered to buy into the company with 50G US. Twice he tried to lure us into selling him stock. [click here](#)**

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**As amusing and entertaining as his self-aggrandizing "revelations", "allegations" and "shit throwing" is, it really is a disservice to the offshore community, to the Caribbean nations,**

**and most of all, the subscribers who pay pretty good money to read this stuff.**

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**And since in the internet publishing, there are NO controls whatsoever, it is up to each writer/publisher to adhere to a modicum of journalistic integrity. Alas, David Marchant isn't one to be held back by contradictory facts.**

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**"Pen is mightier than fraud" —David Marchant**

**"A fraudulent pen is the nastiest of them all" —John Hillok**

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**David Marchant took extreme liberties with his story on ecombahamas.com alleging fraud, sale of unlicensed securities. None of which is true.**

**All of which was told to David Marchant. But if you know David, he doesn't want to hear facts that can ruin his stories.**

**He ran the story regardless and upset me and my family. I am after responsible journalism. I have no particular axe to grind with David. In fact we are rather amicable in our emails under the circumstances.**

**What I want David Marchant to understand that journalism, regardless of the scope of the distribution, carries a certain responsibility. Responsibility about doing due diligence about the facts, researching properly, and understanding that since there is no accountability on internet journalism, one has to**

**impose the standard himself.**

**David Marchant's enthusiasm for a story on ecombahamas got most of the facts wrong but I'll respond to a few of the most amusing errors:**

**Headline:** Sale of unregistered stock in Bahamas IBC comes to a halt in the July issue of Offshore Alert.

**FACT:** The self-aggrandizing headline is a product of David Marchant's flatulent mind, since one cannot really bring to a halt anything that isn't even begun (as I told Marchant on telephone, told him to get back to us in a month, even offered to buy some advertising space in his publication).

- **NO sale has ever taken place (yet).**
- **NO money has been collected from any one (yet).**
- **NOBODY in the world has bought ecombahamas.com Ltd. shares.**
- **NO offer to sell was made to anybody in the world.**

**This I told David Marchant on the telephone.**

**FACT:** When David Marchant (would not give his last name) called my wife at home he introduced himself as "a magazine journalist covering the Caribbean scene" (turns out he is neither a magazine journalist, nor does he publish, write or work for magazine -- he's got a newsletter with 110 subscribers).

**FACT:** The **EMPHASIS** of ecombahamas.com is on cyber objects, not adult material as David Marchant chose to allude -- there are 23 references to "cyber objects" and one reference to "adult entertainment". **YET** this smegma-brained pit bull writes "*emphasis is on adult entertainment*".

**FACT:** There is no "unknown web designer". All work (and errors) are my responsibility. As any web designer knows, long gone are the days when you hop into your car and go to client to show print proofs. It's all now done on the web, through PDF documents, and emails. Web designers often post unfinished work on the web for the client feedback.

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**NOW, FOLKS, READ THE FULL STORY:**

29 June 2000

From the G4/500 of John Hillok Kumpunen:

There we were, two high-school buddies, two internet geeks who could spend 16 hours in front of a computer screen and blink only 4 times... we thought -- hey wouldn't it be great if you could sell cyber objects from a jurisdiction that imposes no tax? Cool. Let's do it , man.

So ecomBAHAMAS.com was born! We thought the idea was so good we also started ecomWEBHOSTING.com and ecomWHOLESALE.com. All sites geared for internet merchants and e-commerce. Great -- we're going to make millions and millions until we have to tell them to stop sending us money. Fast track to money, stock offering, IPO, grand holidays for our wives, and all the candy the kids would care to eat. **Yeehaa-dot-com!!!**

Good plan. Drafted a quick web site. It sucked. Then another, and another. Thinking and pondering the strategy and at the same time siphoning info on offshore mentality and merchant privileges and banking and credit-card processing and all the little details that are doubly hard when working with offshore institutions. Not so easy.

Then we met a guy who had made \$7 million on an offshore betting site. \$7 million! PhotoShop pixels began to look like glittering gold again. There's gotta be money out in them thar hills. And on we went.

But while rumping through cyberland, collecting bits and bytes, we somehow attracted the attention of the **offshore pit bull**. David ("pit bull") Marchant is a newsletter publisher whose Grand Calling in life is exposing offshore frauds! All kinds of frauds. From banking scams to insurance to godonlyknows. He's an ex-limey "journalist " who got kicked out of Bermuda for being too nosy. Pinocchio nosy, I think.

He's now in the cultural hotbed of literary wits of Miami (no, I'm serious, Dave Barry hails from Miami) peddling his offshore expose newsletters. For a mere \$600US (\$900 Canadian) you get to read one of his 2 newsletters for a year. *Offshore Alert* and *Bermuda Something*. \$600US. Don't want to spend that much? How about for only \$200 you can [read the headlines](#).

Then he's got this web site discussion board where all the merry men of Sherwood Forest can discuss who's scamming whom at this time. Darn, it's not very, very, very popular -- since November 1999 some 60 messages have been posted (many by David Marchant himself and most without a reply from anyone in the Entire Universe -- that's why he seems to be hanging around Gold Haven chat room -- to his credit, there at least he seems to use his own name, not Henry sigmund).

It's all fun until you download a sample issue. As an example of the **depth of**

**investigative journalism** you get for \$600...

His expose on **The Oxford Club** (with 50,000 members) is rehashed from another source: (Barron's -- hey, what do you want for a \$600 newsletter -- original stuff?): ...*Barron's magazine recently published an article on The Oxford Club, which is run by Baltimore-based Agora Inc. Writer Michael Antoli wrote that investors do not realize that "what they've really signed up for is basically a semimonthly financial newsletter with a rather lousy investment record". He reported that The Oxford Club steers its investors to a variety of favoured stock brokers, including International Assets Holdings, whose dubious past we have reported about recently, including frequently getting into disputes with clients. He also reported that The Oxford Club is a spin-off from the Royal Society of Liechtenstein, which was closed down by regulators in the late 1980s over a mining stock scandal and its misleading name.*

- *The way I look at it, The Oxford Club membership is a lot cheaper than \$600 Pit Bull newsletter with rehashed content -- OC newsletter in fact is pretty good.*
- *Suggesting that OC has a "rather lousy investment record" could be said of 60% of the mutual fund managers who failed to meet even S&P returns.*
- *And I ask, what have the 110 subscribers of David Marchant's newsletters signed up for???? For \$600 you could get have gotten FORTUNE, Barrons, Forbes, The Economist, INC, and a assortment of other business magazines, and **actually be fairly confident that what you read is reasonably accurate**, scrutinized by armies of editors and lawyers. No such confidence with Offshore Alert (that's my impression) -- throw shit and see what sticks !!! **No accountability.***

*Back to the story...*

A couple of days ago, my wife **at home** gets a call from a man who introduced himself as a "magazine journalist who covering the offshore scene". He wants to do a story on ecomBAHAMAS.com!!! Oh fantastic, I figure. A good article in international press can be worth \$100 a word in advertising. He introduced himself as David (he would not reveal his last name) and left his Miami number to call.

The next day or so I get an e-mail from "Henry Sigmund" (aka David Marchant) using a nondescript hotmail account **offering to plunk down \$125,000 (check the e-mail here)** to ecomBAHAMAS.com Ltd.

The subject line was an enticing "investment" and a big fat promise of **"I have \$125,000 available" to invest in your company.**

Then a few days later, in a second e-mail, the same Henry Sigmund (aka David Marchant) **wants to get instructions how to wire us \$50,000 -- he wants in!**

But, you Tarzan, me stupid. It was none other than the great investigative journalist David Marchant fraudulently attempting to enter into a contract using a fraudulent identity as "Henry Sigmund" trying to entice us into his "investigative journalist trap". The Robin Hood of offshore fraud got lost in the Sherwood forest and in ethics.

One would think that for a newsletter peddler specializing in offshore scams, honesty would be sacrosanct. I would guard my credibility with utmost care. But ...

- **Guess the poor chap needs something original for his newsletter to justify his \$600 bill.**
- **The scam investigator apparently has no qualms about being fraudulent his own identity.**
- **No problems in getting into a series of entrapment emails.**
- **One of the bigger scams in the internet business seems to be these newsletter and ezine publishers -- it seems any dick can do it with a desktop computer.**
- **And David is shooting himself in the wallet by having little regard for ethical, businesslike conduct.**

**Since in the internet publishing there are NO controls whatsoever, it is up to each writer/publisher to adhere to a modicum of journalistic integrity. Alas, David Marchant isn't one to be held back by contradictory facts.**

David Marchant needs to understand that journalism, regardless of the scope of the distribution (110 subscribers), carries a certain degree of responsibility. Responsibility about doing due diligence about the facts, researching properly, and understanding that since there is virtually no accountability on internet journalism, one has to impose the standard himself.

I now strongly suspect that David Marchant is intellectually way too far from his sandbox with this offshore stuff.

**Is this guy so vain as to shave his head to look mean? Oh dear.**

**[CLICK HERE: More on David Marchant's libelous writing, David Marchant crossword puzzle, and other trivia on the pit bull.](#)**

**[CLICK HERE: Updates on Marchant's lack of journalistic skills](#)**