

Aussie entrepreneur David Collard hit with more NYC lawsuits

Scale Facilitation founder David Collard has been embroiled in three new cases in New York's courts, as his empire teeters on the brink of collapse.



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Founder of Australian company Scale Facilitation, David Collard. Picture: Abby Holden

A cash-strapped Australian entrepreneur has been hit with a series of new lawsuits over unpaid bills – including more than \$1.1m he allegedly owes on his credit card.

[Scale Facilitation](#) founder David Collard is embroiled in three new cases in New York's courts, as his start-up empire teeters on the brink of collapse with millions of dollars owed to staff and contractors.

It follows revelations that the company is being investigated over whether almost 100 allegedly fraudulent business activity statements were filed

to [dishonestly obtain \\$76m \(\\$A120m\) from the tax office](#), and further alleged attempts to swindle another \$52m (\$A82m).



Founder of Australian company Scale Facilitation, David Collard, has been hit with a series of new lawsuits over unpaid bills. Picture: Abby Holden

Law enforcement agencies in Australia and New York are also probing complaints from staff who say they have not been paid for months, causing significant financial hardship.

An American staff member has now sued Scale, claiming he has not been paid any of his \$US105,000 (A\$166,000) salary since June 20.

In his complaint, the employee alleged that only his first pay cheque after starting on March 20 arrived on time, and that the company “wilfully disregarded and purposefully evaded” requirements to keep proper payroll records and timesheets.



David Collard exploring Geelong by chopper. Picture: Supplied

Another lawsuit was filed against [Mr Collard](#) and one of his business entities by Everest Business Funding, which offers fast financial assistance for companies.

According to court documents, Everest struck a deal with Mr Collard to inject \$US70,000 (A\$110,000) into his business in exchange for the rights to future receivables totalling \$US98,000 (A\$155,000). In the agreement, signed in April, the annual sales of Mr Collard's 3C USA LLC entity were listed at \$US68m (A\$107m).

Everest alleged he breached the contract by only returning \$US33,075 (A\$52,369).

Mr Collard and 3C USA LLC were also sued by American Express over an unpaid bill on his platinum business credit card of \$US746,336.46 (A\$1.18m), in a case first reported by the Open Politics blog.

The credit card giant alleged he had not paid off his spending since a \$US99,999.99 (A\$158,339) payment on May 30.



David Collard had to move out of his \$US23.5m apartment overlooking Central Park last month: Picture: Supplied



A bedroom inside David Collard's NY apartment overlooking Central Park, which he had to move out of last month: Picture: Supplied

It was also revealed last weekend that Scale was facing a new lawsuit over its alleged failure to pay hundreds of thousands of dollars for a sublease for office space on the 88th floor of New York's World Trade Center building.

Mr Collard had to move out of his \$US23.5m (A\$37.2m) apartment on New York's Billionaires' Row last month after yet another lawsuit alleged he had fallen behind on his \$US75,000 (A\$118k) monthly rent and owed his landlord \$US379,691 (A\$601k).

Scale has denied wrongdoing in the tax fraud investigation, while Mr Collard and his company have declined requests to comment on the various lawsuits against them.

<https://www.heraldsun.com.au/business/companies/aussie-entrepreneur-david-collard-hit-with-more-nyc-lawsuits/news-story/bce53ae6758dd22f2271e8bef1374312>