

PRESS CUTTING

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Funds giant throws in the towel over executive's unfair firing

By Hamish Rutherford, City Correspondent

LEADING Edinburgh fund managers Martin Currie has conceded a charge of unfair dismissal against one of its former executives.

Lawyers for Dino Fuschillo – Martin Currie's former head of European Investment, who was sacked last October – now plan legal proceedings over the value of his shares in his former employer, which may be worth several million pounds.

Fuschillo, a 44-year-old Italian who specialises in investing in Continental European companies, was lured to the Edinburgh group from SC Asset Management, a London subsidiary of French bank Société Générale.

His appointment in 2002 was hailed as an example of the group's ability to attract high-profile staff from London, but he was dismissed last year after what Martin Currie said was "an irrevocable breakdown of trust and confidence between him and the company".

An internal appeal into his sacking was rejected in December and Fuschillo began legal proceedings over his dismissal and, separately, the value of his shareholding in Martin Currie, shortly afterwards.

An employment tribunal was due to hear the dismissal dispute in Edinburgh starting Monday, but yesterday Martin Currie said it was conceding the case.

Martin Currie, which manages around £10 billion in funds on behalf of its clients, said while it stood by its decision to terminate Mr Fuschillo's contract, it was conceding the case because its key witnesses, chief investment officer James Fairweather, will be in the United States pitching for business next week.

A spokesman for Martin Currie said it had attempted to postpone the hearing, but representatives for Mr Fuschillo had rejected this.

The company said it considered the matter closed, however Mr Fuschillo's lawyer, **Ronnie Fox** said his client was pursuing "a second, larger claim" relating to his shareholding, expected to begin in the Court of Session in Edinburgh soon.

While neither side would discuss the value of Mr Fuschillo's shareholding it is thought the former employee believes his investment is worth several million pounds.

Mr Fox welcomed Martin Currie's decision but said he had "difficulty in understanding their purported reasons" for pulling out..

"I'm surprised and disappointed that Martin Currie did not concede some time ago," Mr Fox said last night. "A lot of costs have been thrown away."

He said he would be pursuing legal costs relating to the dispute and called on Martin Currie to concede the case related to his client's stake in the company.

"We consider that it would be in the interests of all shareholders... if the second claim were also to be conceded without further delay."

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While the Employment Tribunal has no authority to rule over Mr Fuschillo's shareholding, at least part of the second dispute is understood to relate to the nature of his dismissal.

The maximum the employment tribunal can award Mr Fuschillo is £63,000.

An industry source said Fuschillo was seen as "eccentric" with an aggressive investment strategy, which may not have sat easily among the more conservative Scottish fund management community.

The company said a "generous" settlement had been offered to Fuschillo which was rejected.