

Attorney pursues resolution before filing

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Honolulu attorney Marvin Dang runs what is believed to be the largest debt-collection law firm in the state, filing more than half of the 21,000 collection lawsuits in Hawaii's district courts in fiscal year 2010.



Marvin Dang

Dang's firm represents Hawaii financial institutions, banks, credit unions and loan companies and also major credit card issuers, such as Capitol One, American Express and Citibank.

His firm, which has a staff of about 50, including five lawyers, filed about 11,000 cases in fiscal year 2010 and 6,000 in fiscal year 2009, most of them for credit card cases, Dang said.

Dang, a state representative from 1982 to 1984, said the reason lenders and institutions turn to him is that his firm tries to resolve the cases before filing a suit, which would add a filing fee and other fees to the amount sought.

His staff will send letters to delinquent credit card customers and make phone calls to see whether they can resolve the debt, Dang said.

“It's not the mentality of some of the other law firms, where they get the case and they sue. Our approach is to try to work things out before we sue,” he said.

Dang suggests that the number of lawsuits is a function of the economy rather than his clients becoming more aggressive in recovering on debts or the availability of credit cards.

“I don't get a sense that they're more willing to have cases go to suit,” he said.

“If anything, the clients are getting a little bit more flexible in terms of what they're willing to settle for,” he said.

Dang said financial institutions and credit card companies have been more restrictive in offering credit in recent years, similar to the scrutiny for potential mortgage borrowers.

“I don't think it's necessarily a function that there's been wide availability of credit cards because things have really tightened up over the past few years,” he said.

He suggests that if anyone is notified about a debt or is sued, they should talk to the creditor, the bank, the lender or the lawyer.

“There's always a good possibility that something can be worked out positively,” he said.

Even if the offer from the debtor seems too low, his firm notifies the client and “sometimes they accept it,” Dang said.

“You'd be surprised at the number of cases in which we were able to work things out,” he said.

He said his firm resolved thousands of credit card as well as delinquent loan cases without going to court.