

Schnitzer Steel Industries, Inc. / SSI International Far East Ltd.

Case ID:

ST-316

Case Cluster :

Schnitzer Steel Industries, Inc.

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

China, South Korea

Year of Settlement:

2006

Month/Day of Settlement (or Notes):

10/16

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Criminal

Legal Form of Settlement:

Guilty Plea

Monetary Sanctions (Types):

Criminal Fine

Total Monetary Sanctions (US\$):

\$7,500,000.00

Criminal Fine/Penalty (US\$) :

\$7,500,000

Monetary Sanctions Returned / Ordered Returned (US\$):

\$0

UNCAC Articles(s) Implicated:

Art.16

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 8

Offenses - Alleged:

Conspiracy to Bribe Foreign Officials, Conspiracy to Falsify Books and Records, Conspiracy to Commit Wire Fraud, Bribery of Foreign Officials, Falsification of Books and Records, Wire Fraud, Aiding and Abetting Schnitzer Steel Industries' Falsification of Books and Records

Offenses - Settled:

Conspiracy to Bribe Foreign Officials, Conspiracy to Falsify Books and Records, Conspiracy to Commit Wire Fraud, Bribery of Foreign Officials, Falsification of Books and Records, Wire Fraud, Aiding and Abetting Schnitzer Steel Industries' Falsification of Books and Records

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to United States Report to the OECD, "On October 10, 2006, SSI International Far East Ltd. (SSI Korea), a wholly-owned subsidiary of Schnitzer Steel Industries Inc. (SSI), was charged with conspiracy, bribery in violation of the FCPA, wire fraud, and aiding and abetting the making of false entries in SSI's books and records. These charges stemmed from a decade-long scheme to bribe foreign officials in China and South Korea in order to obtain and retain business for SSI Korea and its Oregon-based parent company. In June 2007, Si Chan Wooh, a former senior executive officer of SSI, was charged by both the DOJ and SEC in connection with his role in the bribery scheme." (Source: US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Schnitzer Steel Industries Inc. Case Summary at 88-90, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>.) According to court documents, on October 14, 2011, the Department dropped its charges against Wooh. (Sources: US v. Si Chan Wooh, Case No. 3:07-cr-244 (D. Or.), Government's Unopposed Motion to Dismiss Information, filed October 14, 2011; Court Docket Entry indicating Order to Dismiss signed October 17, 2011.)

Sources :

US Report to the Organisation for Economic Co-operation and Development, "Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions," Information as of May 31, 2011, Schnitzer Steel Industries Inc. Case Summary at 88-90, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. SSI International Far East Ltd., Case No. 06-cr-398-KI (D. Or.), Information filed October 10, 2006, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/ssi-intl/10-10-06ssi-information.pdf>; Plea Agreement filed October 10, 2006, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/ssi-intl/10-10-06ssi-fareast-plea.pdf>; Judgment dated October 17, 2006, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/ssi-intl/10-17-06ssi-fareast-judg.pdf>. US v. Si Chan Wooh, Case No. 3:07-cr-244 (D. Or.), Government's Unopposed Motion to Dismiss Information, filed October 14, 2011; Court Docket Entry indicating Order to Dismiss signed October 17, 2011 (Both accessed via Pacer.)