

Vetco International Ltd. / Vetco Gray Controls Limited

Case ID:

ST-375

Case Cluster :

Vetco International Ltd.

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Department of Justice

Jurisdiction of Foreign Public Official(s) :

Nigeria

Year of Settlement:

2007

Month/Day of Settlement (or Notes):

02/06

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\$):

\$8,000,000.00

Criminal Fine/Penalty (US\$) :

\$8,000,000

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

\$0

Monetary Sanctions Returned / Ordered Returned (Explanation):

\$0

UNCAC Articles(s) Implicated:

Art.16

Art.26

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2

Offenses - Alleged:

Conspiracy to Bribe Foreign Officials

Offenses - Settled:

Conspiracy to Bribe Foreign Officials

Public Procurement Contract / SOE Involved?:

No (Customs)

Summary:

According to the June 2011 United States Report to the OECD, "On January 5, 2007, three wholly-owned subsidiaries of Vetco International, Ltd., a global supplier of products and services for oil drilling production, were charged in the Southern District of Texas with conspiring to violate the FCPA and violating the anti-bribery provisions of the FCPA in connection with the corrupt payment of approximately \$2.1 million to Nigerian government officials. According to court documents, beginning in February 2001, Vetco International, and its predecessor and several related companies, began providing engineering and procurement services, as well as subsea construction equipment, for Nigeria's first deepwater oil drilling operation, known as the Bonga Project. From at least September 2002 to at least April 2005, in connection with their business in Nigeria, these subsidiaries made at least 378 corrupt payments through a major international freight forwarding and customs clearance company to employees of the Nigerian Customs Service, and these payments were intended to assist Vetco in avoiding paying customs duties. On the same date, Aibel Group, Ltd. (Aibel Group), another wholly owned subsidiary of Vetco International, entered into a deferred prosecution agreement regarding the same bribery scheme. Subsequently, on November 12, 2008, Aibel Group, a United Kingdom corporation, was charged in a two-count superseding information charging the company with a conspiracy to violate the FCPA and a substantive violation of the FCPA." (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, Vetco International Ltd. Case Summary at 110-111.)

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, Vetco International Ltd. Case Summary at 110-111, accessed at <http://www.oecd.org/dataoecd/18/8/42103833.pdf>. US v. Vetco Gray Controls, Inc., Vetco Gray UK Limited and Vetco Gray Controls Limited, Case No. 4:07-cr-00004 (S.D. Tex.), Information filed January 5, 2007, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/vetco-controls/02-06-07vetcogray-info.pdf>; Plea Agreement (as to Vetco Gray Controls Inc.), filed February 6, 2007, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/vetco-controls/02-06-07vetcogray-inc-plea.pdf>; Plea Agreement (as to Vetco Gray Controls Limited), filed February 6, 2007, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/vetco-controls/02-06-07vetcogray-plea.pdf>; Plea Agreement (as to Vetco Gray UK Ltd.); Judgment (as to Vetco Gray Controls, Inc.), filed February 6, 2007, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/vetco-controls/02-06-07vetcogray-judgment.pdf>; Judgment (as to Vetco Gray UK Limited) filed February 17, 2007, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/vetco-controls/02-17-07vetcogray-uk-judgement.pdf>; Judgment (as to Vetco Gray Controls Limited), filed February 6, 2007, accessed at <http://www.justice.gov/criminal/fraud/fcpa/cases/vetco-controls/02-06-07vetcogray-limited-judgment.pdf>