

Goodyear Tire & Rubber Company

Case ID:

ST-452

Case Cluster :

Goodyear Tire & Rubber Company

Jurisdiction of Settlement:

United States

Jurisdiction of Settlement / Enforcement Agency:

Securities and Exchange Commission

Jurisdiction of Foreign Public Official(s) :

Angola, Kenya

Year of Settlement:

2015

Month/Day of Settlement (or Notes):

2/24

Other Jurisdictions of Settlement:

Unknown

Settlement with Individual or Legal Person?:

Legal Person

Type of Settlement:

Civil

Legal Form of Settlement:

Cease and Desist Order

Monetary Sanctions (Types):

Disgorgement of Profits, Prejudgment Interest

Total Monetary Sanctions (US\$):

\$16,228,065

Civil Disgorgement of Profits (US\$) :

\$14,122,525

Civil Prejudgment Interest (US\$) :

\$2,105,540

Civil Fine / Penalty (US\$):

\$0

Other Civil Monetary Sanctions (US\$):

\$0

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

\$0

Monetary Sanctions Returned / Ordered Returned (Explanation):

NA

UNCAC Articles(s) Implicated:

Art.16

OECD Anti-Bribery Convention Articles Implicated:

Art. 1, Art. 2, Art. 8

Offenses - Alleged:

Falsification of Books and Records; Internal Controls Violations

Offenses - Settled:

No admission or denial of alleged offenses

Public Procurement Contract / SOE Involved?:

Yes

Summary:

According to the US Securities and Exchange Commission, Goodyear Tire & Rubber Company "failed to prevent or detect more than \$3.2 million in bribes during a four-year period due to inadequate FCPA compliance controls at its subsidiaries in sub-Saharan Africa. Bribes were generally paid in cash to employees of private companies or government-owned entities as well as other local authorities such as police or city council officials. The improper payments were falsely recorded as legitimate business expenses in the books and records of the subsidiaries, which were consolidated into Goodyear's books and records. [] The SEC's order finds that Goodyear's subsidiary in Kenya bribed employees of the Kenya Ports Authority, Armed Forces Canteen Organization, Nzoia Sugar Company, Kenyan Air Force, Ministry of Roads, Ministry of State for Defense, East African Portland Cement Co., and Telkom Kenya Ltd. Goodyear's subsidiary in Angola bribed employees of the Catoca Diamond Mine, which is owned by a consortium of mining interests including Angola's national mining company Endiama E.P. and Russian mining company ALROSA. Others bribed in Angola worked at UNICARGAS, Engevia Construction and Public Works, Electric Company of Luanda, National Service of Alfadega, and Sonangol." (Source: SEC Press Release, "SEC Charges Goodyear With FCPA Violations," February 24, 2015, at <https://www.sec.gov/news/pressrelease/2015-38.html>.)

Sources :

US Securities and Exchange Commission Administrative Proceeding File No. 3-16400, February 24, 2015 at <https://www.sec.gov/litigation/admin/2015/34-74356.pdf> SEC Press Release, "SEC Charges Goodyear With FCPA Violations," february 24, 2015, at <https://www.sec.gov/news/pressrelease/2015-38.html>.)