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### Ericsson agrees to pay more than \$1 billion to settle FCPA case

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A subsidiary of Telefonaktiebolaget LM Ericsson, Ericsson Egypt Ltd., pleaded guilty on December 6 to a one-count criminal information charging it with conspiracy to violate the anti-bribery provisions of the Foreign Corrupt Practices Act (FCPA).<sup>[1]</sup> According to a United States Department of Justice (DOJ) press release,<sup>[2]</sup> Ericsson had been paying bribes and cooking books in at least five countries for more than 15 years. The company paid millions to agents in Djibouti, China, Vietnam, Indonesia, and Kuwait.

Ericsson could have avoided such a stiff fine, but, according to the DOJ, the company failed to voluntarily report violations of the FCPA, did not disclose all that it knew, and was lax on the offending employees.

“Today, Swedish telecom giant Ericsson has admitted to a years-long campaign of corruption in five countries to solidify its grip on telecommunications business,” said U.S. Attorney Geoffrey S. Berman of the Southern District of New York. “Through slush funds, bribes, gifts, and graft, Ericsson conducted telecom business with the guiding principle that ‘money talks.’ Today’s guilty plea and surrender of over a billion dollars in combined penalties should communicate clearly to all corporate actors that doing business this way will not be tolerated.”

<sup>1</sup> 15 U.S.C. §§ 78dd-1, et seq.

<sup>2</sup> U.S. Department of Justice, “Ericsson Agrees to Pay Over \$1 Billion to Resolve FCPA Case,” news release, December 6, 2019, <http://bit.ly/35vyJvK>.

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