

Investigating a potential FCPA violation

An electronics manufacturer was able to make better and more informed decisions about paying for officials' trips after an FCPA investigation.

Client's challenge

A leading electronics manufacturer was concerned that it might have potentially violated the Foreign Corrupt Practices Act (FCPA) by paying for trips for government and state employees. The trips were intended to be site visits to the manufacturer's facilities, but occasionally included side trips to tourist locations. The company asked PricewaterhouseCoopers (PwC) to investigate whether this could be construed as problematic under the FCPA.

PricewaterhouseCoopers' Advisory solution

PwC assembled a combined team of 25 people in the US and Asia to conduct a thorough investigation in a short time period. The team identified all the manufacturer's government or state customers and their related sales; analyzed all relevant contracts, and tested related travel to determine whether there were legitimate business reasons for the trips. PwC presented a deliverable with its findings and conclusions to both the manufacturer and its outside counsel.

Impact on client's business

The manufacturer and their legal advisors were able to use PwC's findings to determine whether to continue their practice of paying for trips and how to address the previous ones already made. The information obtained was used to allow the company and law firm to make much better informed decisions about implementing tighter controls and changing their processes based on PwC's recommendations.

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