TEXTRON PAYS U.S. $100,000 FOR IMPROPER TESTING OF LOCKNUTS

WASHINGTON, D.C. -- Textron Inc. will pay the United States $100,000 to settle allegations it failed to properly test locknuts it manufactured for military aircraft, the Department of Justice announced today.

Assistant Attorney General Frank Hunger said Textron disclosed the incident to the Inspector General of the Department of Defense in 1989 under DOD's Voluntary Disclosure Program and estimated the government suffered about $35,000 in damages. DOD verified Textron's information through its own investigation and audit.

Textron said its Cherry Division facility in Santa Ana, California, failed to properly perform stress embrittlement tests on certain flyweight nuts and that only samples of 12-point nuts were inspected by dye penetrant and/or magnetic particle methods although the contract required that all nuts be inspected by those methods. In some instances, inspection documents were fabricated to avoid detection.

The settlement amount is consistent with the provisions of the False Claims Act which permits a reduction of civil damages when the company reports the information to the government and cooperates during the resulting investigation, the Department said.

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