Commerce Fines Northrop Grumman $400,000 For Illegal Exports of Navigation Equipment

WASHINGTON – The Commerce Department’s Bureau of Industry and Security (BIS) announced today that Northrop Grumman Corporation (Northrop) of Los Angeles, Calif., has agreed to pay a $400,000 civil penalty to settle allegations that it committed 131 violations of the Export Administration Regulations, both in its own capacity and as successor to Litton Industries, Inc. (Litton), which Northrop acquired in April 2001.

“This settlement is a reminder that comprehensive export control compliance is vital and obligatory. The Bureau of Industry and Security will continue to work with industry to increase awareness of the importance of comprehensive export control due diligence in corporate transactions, particularly in the post-9/11 environment,” said Mario Mancuso, Under Secretary of Commerce for Industry and Security.

The allegations primarily involved unlicensed exports of specially designed components for navigation equipment and module manufacturing data that were to destinations in the Philippines, Singapore, Malaysia, Italy, and the United Kingdom between January 1998 and September 2002.

Northrop voluntarily self-disclosed the violations and cooperated fully in the investigation. BIS considers voluntary self-disclosures to be a significant mitigating factor when negotiating settlements of administrative cases.

Under Secretary Mancuso praised the Office of Export Enforcement's Washington Field Office for its work on this case.

BIS controls exports and re-exports of dual-use commodities, technology and software for reasons of national security, missile technology, nuclear non-proliferation, chemical and biological non-proliferation, crime control and regional stability. Criminal civil and administrative sanctions can be imposed for violations of the Export Administration Regulations. For more information, please visit www.bis.doc.gov.

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