MORRISTOWN, N.J. — Louis Berger today announced its international operation, Louis Berger International, has agreed to a three-year deferred prosecution agreement and $17.1 million fine with the U.S. Department of Justice for self-reported improper business activities principally conducted overseas by former managers between 1998 and 2010. All of the managers associated with these improper business activities were separated from the company following the early findings of Louis Berger’s internal investigations.

“The DOJ has acknowledged the extensive global reforms undertaken at Louis Berger since 2010,” said Nicholas J. Masucci, Louis Berger chairman. “2010 was a pivotal year in our company’s history. It marked a clear departure from the past as we assumed new management, new processes and comprehensive system reforms that are the core of our global operations today. Today’s settlement is the critical final milestone in our reform, as it was important for us to take responsibility for the historic actions of former managers and close the chapter on the company’s pre-2010 era.”

Prior to Louis Berger’s 2010 settlement with the U.S. Department of Justice for improper billing on U.S. government overhead accounts, the company undertook a thorough review of past practices of former managers, including improper overseas business activities. The company self-discovered and self-reported potential Foreign Corrupt Practices Act infractions to the U.S. government starting in 2010 and has been working with the government to resolve these issues since that time. In total, the company self-identified and self-reported findings of misconduct in Vietnam, Indonesia, India and Kuwait between 1998 and 2010 totaling $3.9 million in bribes.

Since 2010, Louis Berger has undergone a massive $25+ million reform effort that resulted in new internal controls, new policies and procedures, and comprehensive systems investments, including a new global accounting system.

The company has actively supported the government in its investigation of the culpable individuals and their activities. In addition to separating these former managers from the company, the firm also has added new managers to key positions, including chief financial officer and controller, and regional management teams.
throughout Asia and the Middle East. Additionally, the company implemented a new corporate operational model to ensure greater centralized oversight and control of overseas business activities. Moreover, the company has reformed its ownership structure by implementing an Employee Stock Ownership Program.

The company established an independent compliance and ethics department under the oversight of an independent audit committee, introduced a global helpline through which employees can report potentially non-compliant activities, and implemented a global code of business conduct. Investments also have funded annual worldwide compliance, ethics and anti-corruption training for all employees.

Under the terms of the deferred prosecution agreement, the company will work with a government-appointed monitor to test and report on its internal processes and controls as well as its compliance and ethics policies and training for three years.

“Transparency and accountability are the hallmarks of a sustainable business, and we are a much more efficient, responsible and transparent company today than we were five years ago,” said Masucci. “We will continue to monitor and improve our existing compliance system while delivering quality work to our clients with a level of integrity they expect.”

Louis Berger is the corporate brand for parent company Berger Group Holdings, Inc. and all of its legal subsidiaries. Louis Berger International is the subsidiary responsible for the corporation's non-U.S. government work overseas.

About Louis Berger

Louis Berger is a $1 billion global professional services corporation that helps infrastructure and development clients solve their most complex challenges. We are a trusted partner to national, state and local government agencies; multilateral institutions; and commercial industry clients worldwide. By focusing on client needs to deliver quality, safe, financially-successful projects with integrity, we are committed to deliver on our promise to provide Solutions for a better world.

Louis Berger operates on every habitable continent. We have a long-standing presence in more than 50 nations, represented by the multidisciplinary expertise of nearly 6,000 engineers, economists, scientists, managers and planners.

Fact Sheet

Louis Berger’s $25M+ global restructuring and reform investments since 2010