



Department of Justice

FOR IMMEDIATE RELEASE
WEDNESDAY, JULY 18, 2007
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Northrop Grumman to Pay \$8 Million to Resolve Allegations of Improperly Testing Equipment Used by U.S. Military

WASHINGTON - Northrop Grumman will pay the United States \$8 million to resolve allegations that it did not properly test certain tubes used by the U.S. military in night vision goggles and sniper scopes, the Justice Department announced today. These night vision instruments are an important tool for both soldiers and Marines fighting in Afghanistan and Iraq.

The investigation originated when Northrop Grumman disclosed this matter under the Department of Defense Inspector General's Voluntary Disclosure Program. The disclosure and subsequent government investigation uncovered lax management reviews of testing requirements by Northrop and Northrop's predecessor Litton Industries Inc., at its Tempe, Ariz., facility from January 2000 - June 2002. The affected military programs found no safety impact caused by these deficient testing protocols.

"Today's settlement is a reminder to defense contractors that there are no contractual short-cuts on testing equipment necessary for our troops," said Peter D. Keisler, Assistant Attorney General for the Justice Department's Civil Division. "It is also a reminder that companies should participate in the Voluntary Disclosure Program so that wrongdoing is promptly brought to the government's attention."

The litigation and settlement of the case were conducted by the Justice Department's Civil Division and the U.S. Attorney's Office for the District of Arizona. The case was investigated by the Defense Criminal Investigative Service of the Defense Inspector General's Office, the Army's Criminal Investigative Command-Major Procurement Fraud Unit, and the Defense Contract Audit Agency.

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