

Christopher Stagg Discusses U.S. Company's Alleged Violations of U.S. Export Controls in Global Investigations Review

"U.S. Fines Company for Arms Control Violations in Nine Countries"

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Christopher Stagg discussed the \$840,000 settlement Torrey Pines Logic, Inc. made with the U.S. State Department for allegedly violating U.S. export controls under the International Traffic in Arms Regulations (ITAR). The California-based communications equipment company allegedly made unauthorized exports under the ITAR to nine countries such as Russia, China, and Lebanon between 2014 and 2021. The Directorate of Defense Trade Controls (DDTC) required the company to pay half of the amount to the government in fines, while the other half may be suspended to be spent on improving the company's compliance efforts. This consent agreement is the second in a row to concern a company allegedly exporting items without ITAR authorization while the DDTC was reviewing whether it had jurisdiction over the particular transactions. It's "not the best optics," Stagg said, as it can irk DDTC if it strongly believes the item under review is clearly ITAR-controlled.