



# Department of Justice

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## **UNITED STATES INTERVENES IN WHISTLEBLOWER SUIT AGAINST SYMANTEC CORPORATION ALLEGING FALSE CLAIMS FOR COMPUTER SOFTWARE**

WASHINGTON – The United States has intervened in a lawsuit against Symantec Corporation, alleging that Symantec submitted false claims to the United States on a General Services Administration (GSA) software contract, the Justice Department announced today. Symantec is a Fortune 500 company located in Mountain View, California, and it sells a variety of computer security products.

“This lawsuit demonstrates the government’s commitment to ensuring that the companies it does business with act with integrity,” said Assistant Attorney General Stuart Delery for the Department of Justice’s Civil Division. “When the United States spends taxpayer dollars based on contractors’ representations about their business practices, we expect to be given complete and accurate information.”

In 2007, Symantec entered into a Multiple Award Schedule contract with GSA that allowed Symantec to sell software and related items directly to federal purchasers. The case alleges that Symantec knowingly provided the United States with inaccurate and incomplete information about the prices it was offering to its commercial customers during the negotiation and performance of the contract. GSA used Symantec’s disclosures about its commercial sales practices to negotiate the minimum discounts Symantec was required to provide government agencies that bought Symantec software. In addition, the contract required Symantec to update GSA when commercial discounts improved and extend the same improved discounts to government purchasers. The suit contends that Symantec misrepresented its true commercial sales practices, ultimately leading to government customers receiving discounts far inferior to those Symantec gave to its commercial non-government customers. The contract at issue was in place from 2007 to 2012 and involved hundreds of millions of dollars in sales.

“When doing business with the government, honesty and transparency are essential,” said U.S. Attorney Ronald C. Machen Jr. for the District of Columbia. “We are committed to ensuring that contractors who do business with the federal government provide honest services, prices and products. We will continue to work with relators and federal investigators to protect federal taxpayer money.”

“Contractors cannot provide GSA with inaccurate and incomplete pricing data,” said GSA Acting Inspector General Robert C. Erickson. “American taxpayers deserve a fair deal.”

The suit was filed under the *qui tam*, or whistleblower, provisions of the False Claims Act, which permit private parties to sue on behalf of the government for the submission of false claims for government funds and to receive a share of any recovery. The False Claims Act also permits the government to intervene in such lawsuits, as it has done in this case. The lawsuit is pending in the District of Columbia.

This matter was investigated by the Civil Division's Commercial Litigation Branch, the U.S. Attorney's Office for the District of Columbia and GSA's Office of Inspector General.

The case is captioned *United States ex rel. Morsell v. Symantec Corp.*, No. 12cv00800 (D.D.C.). The claims asserted against Symantec are allegations only; there has been no determination of liability.

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