

CLIENT ALERT

Another GSA Schedule Antikickback/FCA Settlement

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The Justice Department announced on May 25, 2010, a settlement with EMC for \$87.5 million related to allegations that the company had fraudulently induced GSA to enter into a Schedule contract by misrepresenting the company's commercial pricing practices and that the company had engaged in an illegal kickback scheme whereby it paid consulting companies fees each time those companies recommended that government agencies purchase an EMC product. As discussed more in depth in our [blog](#), this settlement, which contains some unique terms, is one of several to come out of the group of False Claims Act cases filed by two relators in 2004 against IT companies alleging that "referral fees," "influencer fees," and similar arrangements with system integrators and "alliance partners" violated the Anti-Kickback Act and resulted in false claims.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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