

CLIENT ALERT

Victory for Lockheed Martin in Qui Tam Jury Trial -- Led by Crowell & Moring Team

Mar.31.2014

After a six-day trial in Los Angeles, a jury unanimously found in favor of Lockheed Martin Corporation, represented by Crowell & Moring, in a *qui tam* suit under the civil False Claims Act in which the plaintiff alleged fraudulent underbidding on a contract for the development of a system to standardize and automate the eastern and western ranges used for launching rockets from Vandenberg Air Force Base and Cape Canaveral. The plaintiff claimed single damages of approximately \$450 million (subject to trebling under the Act), representing the difference between Lockheed Martin's original cost estimate and the final contract value of \$883 million paid under the cost-reimbursement contract; however, the jury found: (a) the cost estimates for the original contract and those submitted in support of Air Force directed changes were not false statements (a finding based in part on the testimony of key Air Force personnel), and (b) the termination of plaintiff's employment with Lockheed Martin was not a retaliatory discharge.

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

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