

CLIENT ALERT

Failure to Mark Country of Origin Can Give Rise To Reverse False Claim

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In *United States ex rel. Customs Fraud Investigations LLC v. Victaulic Co.*, (Oct. 5, 2016), the Third Circuit held that a failure to mark country of origin can be actionable under the False Claims Act under the “reverse false claim” theory of liability if a company knowingly imports unmarked products in an effort to evade custom duties that are due the government. In a matter of first impression, the panel voted 2-1 to reverse the lower court’s dismissal and remanded for further proceedings in this *qui tam* case brought by former industry insiders against a distributor of pipe fittings.

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

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