

CLIENT ALERT

Satellite-Sensor FCA Suit Comes Crashing Down to Earth

August 9, 2017

On August 3, 2017 in *United States ex rel. Mateski v. Raytheon Co.*, a district judge in the Central District of California dismissed a \$1 billion False Claims Act (FCA) suit brought by a former Raytheon engineer who alleged that the company overbilled the government and failed to meet product specifications on a contract for satellite sensors. Although Relator had amended his complaint five times, the Fifth Amended Complaint still failed to identify a single specific false representation that Raytheon made to the government. Moreover, the complaint contained only one sentence addressing the materiality of Raytheon's alleged nonconformity with contract specifications. Citing the Supreme Court's decision in *United States ex rel. Escobar* on the implied certification theory of liability, the district court found that relator's barebones allegations of nonconforming deliveries failed to meet the FCA's demanding materiality standard and the heightened pleading requirements of 9(b) which were unlikely to be cured by granting further leave to amend. For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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