

German Company Tripped-Up by False Claims Pays \$9.1 Million to Settle

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Following on the heels of [yesterday's story](#) of Verizon's FCA settlement comes today's story about the German security firm, **Securitas GmbH Werkschutz** (Securitas). The U.S. Department of Justice [announced](#) on April 5, 2011, that Securitas agreed to pay the US Government €6,529,042 (US \$9.1 million) to resolve allegations that it billed the U.S. Army for hours not actually worked guarding Army installations in Germany.

According to the DOJ press release, Securitas had filed claims against the Army in the U.S. Court of Federal Claims, "seeking additional compensation under one of the contracts at issue." The press release valued the Securitas claims at \$5.7 million and referenced the case *Securitas GmbH Werkschutz v. United States*, Nos. 07-255/6/7C (Fed. Cl.). As part of its defense, the U.S. filed counterclaims alleging fraud under the False Claims Act, "other anti-fraud provisions, and common law."

Apparently, the U.S. counterclaims scared Securitas. In addition to paying to settle the fraud charges, Securitas also agreed to dismiss its claims against the Army, according to the press release.

The lesson here is that companies filing suit against the U.S. Government need to make sure that their own house is in order before proceeding.