

Antitrust Law Blog

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[Extradited Foreign Executive Jailed for Obstructing DOJ Antitrust Investigation](#)

On March 23, 2010, for the first time in the history of the Antitrust Division of the United States Department of Justice (DOJ), a foreign defendant, Mr. Ian Norris, a U.K. citizen and the retired CEO of the Morgan Crucible Company plc, was extradited from the United Kingdom to the United States to face charges that he obstructed DOJ's criminal investigation of a cartel among carbon manufacturers. Mr. Norris' extradition has been viewed as a key event in criminal cartel enforcement and evidence of DOJ's resolve to extradite foreign national defendants who try to evade DOJ's jurisdiction. Almost nine months later, on December 10, 2010, Mr. Norris was sentenced to serve 18 months in prison and to pay a \$25,000 criminal fine by Judge Eduardo Robreno in U.S. District Court in Philadelphia.

In a press release, DOJ described how Mr. Norris orchestrated an elaborate conspiracy with his subordinates to obstruct the grand jury's investigation by creating a false script that employees of both Morgan Crucible and its competitor were to follow when questioned during the investigation. DOJ added that the conspiracy also included the formation of a document destruction task force to collect and destroy or conceal documents from the grand jury.

As a result of DOJ's investigation into anticompetitive conduct in the carbon products industry, it has collected more than \$11 million in criminal fines, and four executives and two companies have pleaded guilty or have been convicted. The Morgan Crucible Company plc, based in England, pleaded guilty in 2002 to two counts of obstruction of justice and paid the statutory maximum fine of \$1 million for those offenses. Additionally, a former subsidiary of the company, Morganite Inc., based in Dunn, N.C., pleaded guilty in 2002 to fixing prices of carbon brushes and other carbon products and paid the then statutory maximum fine of \$10 million for that illegal conduct.

Three of Mr. Norris's subordinates previously pleaded guilty to obstruction charges and served jail time. A former chairman of the industrial and traction division of Morgan Crucible, pleaded guilty in 2003 to witness tampering. A former pricing coordinator at Morganite Electrical Carbon Ltd. in the U.K. pleaded guilty in 2003 to corruptly persuading another individual to destroy or conceal documents in connection with the investigation. And a former global president and a member of the board of directors of Morgan Advanced Materials and Technology Inc. (MAMAT), headquartered in Greenville, S.C., pleaded guilty in 2003 to aiding and abetting document destruction in connection with the investigation. Morganite Electrical Carbon Ltd. and MAMAT are subsidiaries of Morgan Crucible.

In response to the sentencing of Mr. Norris, the Assistant Attorney General in charge of DOJ's Antitrust Division, Christine Varney, stated:

The Antitrust Division uncovered and prosecuted an elaborate scheme to obstruct justice. The defendant, the CEO of a major international, publicly traded company, enlisted and led his subordinates in a sophisticated conspiracy that was designed to undermine and obstruct the Antitrust Division's grand jury investigation. Today's sentence sends a clear message that those

who subvert the integrity of our justice system will face serious consequences.

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