

THE UNITED STATES ATTORNEY'S OFFICE
NORTHERN DISTRICT *of* CALIFORNIA

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U.S. Attorney's Office

Northern District of California

FOR IMMEDIATE RELEASE

Wednesday, March 12, 2014

United States Settles False Claims Act Allegations Against Importer

SAN FRANCISCO – Bizlink Technology, Inc. (BTI), an importer of computer cable assemblies located in Fremont, California, has paid \$1.2 million to settle allegations that it violated the civil False Claims Act by underpaying customs duties owed on goods imported from China, announced United States Attorney Melinda Haag and Brian J. Humphrey, U.S. Customs and Border Protection Director of Field Operations, San Francisco.

The United States alleges that, from 2006 through 2008, BTI underpaid customs duties on goods that BTI imported into the United States from Bizlink International Electronics Co., Ltd., a factory in Shenzhen, China. BTI allegedly obtained two sets of invoices for each shipment from the Chinese factory: one true invoice that BTI paid, and a second invoice falsely stating a lower cost. The false invoices were allegedly used to calculate the customs duties that BTI paid on the imported goods, resulting in substantial underpayments.

“This office remains committed to fighting fraud against the federal Treasury in whatever form it appears. When a company fails to pay the customs duties it owes, it takes from the federal government, and unfairly burdens honest individuals and companies who pay their fair share.” U.S. Attorney Haag said.

“Customs and Border Protection enforces U.S trade laws that protect our nation’s economy and the safety of our citizens. Customs Duty helps control the flow of legitimate foreign manufactured goods entering the country. Attempting to circumnavigate those requirements by fraud carries serious repercussions,” said Brian J. Humphrey, CBP’s Director of Field Operations in San Francisco.

The settlement resolves a whistleblower lawsuit filed in the United States District Court for the Northern

District of California. A manager who formerly worked at BTI filed the case pursuant to the qui tam provisions of the False Claims Act. Under those provisions, private citizens, known as “relators,” may file lawsuits on behalf of the United States and receive a portion of the proceeds of a settlement or judgment. The relator will receive \$252,000 as his share of the government’s recovery from BTI.

Assistant U.S. Attorney Sara Winslow handled the matter on behalf of the U.S. Attorney’s Office for the Northern District of California, with assistance from Financial Fraud Investigator Michael Zehr and Legal Assistant Kathy Terry. The matter was investigated by the DHS Offices of Inspector General and Homeland Security Investigations.

([Bizlink unsealing order](#))

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