

Deere Faces Corruption Probe

By [Lena Smirnova](#)

August 11, 2011



The equipment manufacturer, with 100 years of history in Russia, plans to double sales to \$50 billion by 2018.

Deere & Co., the world's largest farm equipment maker, is under investigation for possible violations of the U.S. Foreign Corrupt Practices Act in its dealings with Russian officials.

Company representatives said the Securities and Exchange Commission requested documents related to Russia to investigate a possible violation of the law, which prohibits American enterprises from bribing foreign officials.

The company received the request on July 25 and is fully cooperating, Andrei Rogov, deputy general director of Deere's Russian office, told The Moscow Times.

The commission also requested Deere & Co. to forward the documents on their deals with countries near Russia, but Rogov declined to name the specific countries.

The commission has described its request as a non-public fact-finding inquiry that is needed

to determine whether Deere has violated any federal securities laws. The inquiry and document request do not mean that the commission has concluded that the company has broken the law, Rogov said.

Russia is one of the countries where Deere plans to expand operations as part of a goal to almost double sales to \$50 billion by 2018, chief executive Samuel Allen said in February of this year.

Deere & Co., which started selling its products in Russia 100 years ago, has plants in Domodedovo and Orenburg, offices in St. Petersburg and Moscow and several sales and service locations around the country, the company said in a statement last year.

This is the latest inquiry into possible violations of the foreign bribery law. Last April, the U.S. Justice Department fined Mercedes-Benz Russia \$27.26 million for conspiring to violate as well as violating the corruption act. The company's clients included officials from the Interior Ministry, Moscow government and several municipalities.

The Investigative Committee of the General Prosecutor's Office opened its own investigation into the case in November 2010, but results have not yet been published.

Siemens and Hewlett-Packard have also faced investigations into their operations in Russia in recent years. Siemens paid a \$1.6 billion settlement after admitting to bribing officials overseas. The Hewlett-Packard probe is ongoing.

Original url: <https://www.themoscowtimes.com/2011/08/11/deere-faces-corruption-probe-a8850>