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COMPANY PLEADS GUILTY AND IS FINED FOR
ILLEGALLY CAUSING GOODS TO BE EXPORTED TO CUBA

CONCORD, NEW HAMPSHIRE – United States Attorney Tom Colantuono reports that LogicaCMG, Inc. (“LogicaCMG”), pleaded guilty today in U.S. District Court in Concord to illegally causing goods to be exported to Cuba. After accepting the guilty plea, the court sentenced the corporation to pay a \$50,000 fine.

The export was caused by a predecessor corporation, CMG Telecommunications, Inc. (“CMG”). LogicaCMG succeeded to the business of CMG as part of a corporate acquisition, and has assumed liability for the actions of CMG. LogicaCMG cooperated fully with the federal investigation into the transaction.

Exporting or causing most goods to be exported to Cuba is a violation of federal law unless the export was licensed by the U.S. Department of Commerce, Bureau of Industry and Security. The Department of Commerce maintains a general policy of denial for most applications to export goods to Cuba.

Causing unlicensed goods to be exported to Cuba is a violation of the International Emergency Economic Powers Act. “This law was designed to protect our national security interests by imposing economic sanctions on foreign countries that pose an unusual and extraordinary threat to the United States. It must be vigorously enforced and, as this case demonstrates, when it is violated the United States Attorney’s Office will act decisively to prosecute the offenders,” said United States Attorney Tom Colantuono.

The violation to which LogicaCMG pleaded guilty today involved the unlicensed export in August, 2001, of a computer server used for enabling and processing text

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messaging over a wireless telecommunications network. The export was caused by LogicaCMG's corporate predecessor, CMG, which, in August, 2001, had offices in Nashua, New Hampshire. CMG's sister company was located in Brazil. In August, 2001, CMG management and other personnel employed in the Nashua, New Hampshire facility assisted CMG/Brazil in filling an order for the server to be shipped to a customer in Panama and thereafter to be shipped by the customer to an end user in Cuba and to be installed in Havana, Cuba. CMG obtained the required hardware, configured it and installed the operating system in its Nashua facility, and shipped the server to the customer in Panama knowing it would ultimately be delivered to Cuba.

LogicaCMG agreed to plead guilty to violating the International Emergency Economic Powers Act and to pay a \$50,000 fine, the maximum fine available under the Act. The company also entered into agreements with the U.S. Commerce Department and the U.S. Treasury Department to pay civil penalties associated with causing the server to be illegally exported to Cuba.

The U.S. Department of Commerce and the Department of Homeland Security, Immigration and Customs Enforcement ("ICE") investigated this case. Assistant Secretary of Commerce for Export Enforcement Darryl W. Jackson said, "The embargo imposed by the United States Government against Cuba is important and this case shows that we will vigorously pursue those who violate it."

Bruce M. Foucart, special agent-in-charge of ICE's Office of Investigations in Boston said, "What the public needs to know is that the export of U.S. technology is controlled for the safety and security of our country. ICE will continue to investigate those who attempt to compromise U.S. security or interests by violating export laws, sanctions or embargoes."

This case was prosecuted by Assistant United States Attorney Mark S. Zuckerman.
