

## New UK bribery case – SFO press ahead with anti-corruption enforcement with printing case

**Date :** February 23, 2015

The Serious Fraud Office is continuing its campaign against UK companies who are engaging in bribery overseas.

The SFO has had some significant successes in recent months. We reported [here](#) on the £23 million biofuel bribery case that resulted in 28 years of jail sentences in December.

On 13<sup>th</sup> February 2015 another UK bribery case concluded. It concerned two senior officers of a UK printing firm called Smith & Ouzman Ltd who had been bribing African officials. The payments of £395,074 were made to officials in order to secure contracts in Kenya and Mauritania.

The men were charged under the Prevention of Corruption Act 1906 (in some respects the predecessor legislation to the Bribery Act 2010) as their offending took place before the Bribery Act 2010 came into force. The Chairman of the company, Christopher John Smith, was sentenced to 18 months suspended for 2 years for the offence of corruptly agreeing to make payments. He was also put under a curfew and ordered to complete 250 hours of unpaid community work. The judge took into account the fact that he was 72 and in ill health when passing sentence. The Sales and Marketing Director of the firm, Nicholas Charles Smith, was sentenced to three years immediate custody also for corruptly agreeing to make payments. The judge also said that he had taken into account his family circumstances when setting the sentence. Both men have been disqualified from acting as company directors for six years. The company itself was also convicted and will be sentenced at a later date. The defendants are also subject to a confiscation order.

In passing sentence HHJ Higgins commented:

*"Your behaviour was cynical, deplorable and deeply antisocial, suggesting moral turpitude."*

The Director of the SFO, David Green CB QC said *"the case marks the first convictions against a corporate for foreign bribery, following a contested trial. The convictions recognise the corrosive impact of such conduct on growth and the integrity of business contracts in the Developing World."*

The SFO has shown a strong commitment to going after UK companies large and small for breaching the bribery laws. The case also repeats the trend we highlighted in December of more cross-border co-operation in bribery matters. Here the SFO worked with authorities in Kenya, Ghana and Switzerland during the investigation.

The company issued a statement after the hearing speaking of the lessons it had learnt:

*"The company fully accepts accountability for the actions of its directors and we apologise unreservedly. .... New directors will be appointed in due course. The company co-operated fully with the SFO throughout its lengthy investigation. ... During this period we have learned many lessons and as a result have developed industry leading, anti-bribery and corruption management processes. With the help of our dedicated and loyal staff we now wish to continue the task of delivering a quality product and outstanding service to our customers."*

Clearly there are lessons to be learned for others from this case. As Smith & Ouzman found out to their cost companies need to act to make sure that they are not involved in conduct of this sort. This will include the need to train staff and put policies in place to prevent any breaches of the bribery laws.

Cordery provide training and prepare policies for companies on complying with the UK bribery laws. There are more details [here](#).

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