

MEDIA MENTION

Roderick Thomas Weighs in on Lockheed Victory in False Claims Act Whistleblower Suit

Law360

April 2, 2014

Roderick L. Thomas, chair of Wiley Rein's White Collar Defense & Government Investigations Practice, was quoted in a *Law360* article published April 1 about a government contractor's recent victory against a whistleblower lawsuit involving allegations of underbidding.

Lockheed Martin Corp. defeated a \$400 million False Claims Act suit in which the company was accused of fraudulent underbids for contracts. The article notes that while the case is a win for Lockheed, it should serve as a warning to other government contractors that false bid estimates could be the basis for liability under the False Claims Act.

"Lockheed understandably made the case that estimates are just that —estimates," Mr. Thomas said. "It's not unusual for government contracts to have cost overruns or unanticipated costs. The Ninth Circuit has now said that even in such circumstances, contractors could be liable under the False Claims Act."

"It is an expansion of liability," Mr. Thomas added. "Contractors need to make sure that every element of their proposal is accurate and that they have a firm basis for any estimates included as part of a proposal. ... If a company has support for its good-faith estimates, it seems to me that that shouldn't be the basis for liability."

Related Professionals

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