



Department of Justice

FOR IMMEDIATE RELEASE
TUESDAY, OCTOBER 30, 2007
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TDD (202) 514-1888

HEXCEL CORP. PAYS \$15 MILLION TO THE U.S. IN CONNECTION WITH THE SALE OF DEFECTIVE ZYLON BULLET-PROOF VESTS

WASHINGTON – Hexcel Corporation of Stamford, Conn., has agreed to pay the United States \$15 million to resolve allegations it violated the False Claims Act in connection with its role in the manufacture and sale of defective Zylon bullet-proof vests to federal, state, local and tribal law enforcement agencies, the Justice Department announced today. As part of the agreement with the government, the manufacturer has pledged their cooperation in the government’s on-going investigation of other participants involved in the fraudulent conduct.

The United States alleges that Hexcel wove Zylon fiber supplied by Toyobo Corporation into ballistic fabric used in bullet-proof vests sold by Second Chance Body Armor; DHB Inc. and its subsidiaries, Point Blank Body Armor and Protective Apparel Corp. of America; Armor Holdings and its subsidiaries, American Body Armor and Safariland; and Gator Hawk Armor. These vests were purchased by the United States directly and by various state, local and tribal law enforcement agencies, who were reimbursed with federal funds.

The United States alleged that Hexcel knew the Zylon manufactured by Toyobo was defective and degraded quickly when exposed to heat, light, and humidity. Additionally, the government alleged the company knew Toyobo provided Hexcel with “Red Thread” Zylon, which was weaker than standard Zylon.

“These defective vests were worn by federal officers, who side by side with the Department of Justice, enforce the laws of this nation, and by state, local and tribal officers, who are on the streets every day, contributing to a safer America,” said Peter

D. Keisler, Assistant Attorney General for the Civil Division and Acting Attorney General. “We will never tolerate fraud that places our first responders at risk.”

In July 2005, the Justice Department filed a complaint against Second Chance Body Armor and the Toyobo Company, seeking to recover damages relating to the sale of defective Zylon bulletproof vests to the United States. In June of this year, the government filed a lawsuit against Toyobo Co. Ltd. of Japan and its American subsidiary, Toyobo America Inc., for their roles in the manufacture and sale of defective Zylon bullet-proof vests to U.S., state, local and tribal law enforcement agencies.

Today’s settlement with Hexcel was the result of an ongoing investigation by the Justice Department’s Civil Division, the U.S. Attorney’s Office for the District of Columbia, the FBI, the General Services Administration Office of the Inspector General, the Defense Criminal Investigative Service, the Army Criminal Investigative Division, the U.S. Agency for International Development Office of Inspector General, the Air Force Office of Special Investigations, and the Department of Energy Office of Inspector General.

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