

THE UNITED STATES ATTORNEY'S OFFICE  
SOUTHERN DISTRICT *of* TEXAS

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Department of Justice

U.S. Attorney's Office

Southern District of Texas

FOR IMMEDIATE RELEASE

Wednesday, October 6, 2021

**Crane company agrees to pay more than \$4.5M to resolve lawsuit for non-compliance with Military Specifications**

HOUSTON – Crane Company has agreed to pay to the United States to resolve allegations it violated the False Claims Act (FCA) by failing to comply with Military Specification (Mil Spec) Mil-V 24624 for certain high performance butterfly valves and requirements for inclusion on the Qualified Products List (QPL) where the valves appeared. The valves were supplied for use in U.S. Navy ships.

"We are committed to ensuring that the military gets what it pays for," said Acting U.S. Attorney Jennifer B. Lowery for the Southern District of Texas "We will vigorously enforce the rules and regulations governing military purchasing contracts."

"Requirements like the Mil Spec and QPL play an important role in protecting the quality of the equipment received by the government, as well as the safety of military personnel," said Acting Assistant Attorney General Brian M. Boynton of the Justice Department's Civil Division. "Companies that knowingly fail to comply with these requirements will be held accountable."

"This settlement highlights the commitment of the Department of Defense Office of Inspector General, Defense Criminal Investigative Service (DCIS) and our law enforcement partners to protect the integrity of the DoD acquisition process," said Special Agent in Charge Michael Mentavlos of the DCIS Southwest Field Office. "DCIS will continue to thoroughly investigate allegations of fraud and product non-conformance and pursue all available remedies."

The settlement announced today resolves allegations that from May 2011 through September 2017, Crane supplied high performance butterfly valves to military ship builders that included Reinforced Teflon (RTFE) seats. From May 2011 to September 2015, Crane also supplied high performance butterfly valves that contained Monel bolting. The government contended that Crane sold the military Mil Spec valves with RFTE seats and Monel bolting that had not been approved for use by the Navy and failed to disclose these modifications to the valves in violation of the QPL Program, which governs the approval of products such as valves for use in military contracts.

The civil settlement includes the resolution of claims brought under the qui tam or whistleblower provisions of the FCA by Corla Jacobson, a former Crane employee. The FCA permits private parties to sue for false claims on behalf of the United States and to share in any recovery. Jacobson will receive \$855,728 of the FCA settlement.

The settlement was the result of a coordinated effort between the Civil Division's Commercial Litigation Branch (Fraud Section) and the U.S. Attorney's Office for the Southern District of Texas with investigative support from DCIS and U.S. Navy Criminal Investigation Division.

Senior Trial Counsel Alicia J. Bentley of the Civil Division and Assistant U.S. Attorney Andrew Bobb of the Southern District of Texas handle the matter.

Related court documents and information from the [civil lawsuit can be accessed on PACER](#).

*The claims resolved by the settlement are allegations only and there has been no determination of liability.*

**Topic(s):**  
False Claims Act

**Component(s):**  
[USAO - Texas, Southern](#)