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August 26, 2024 https://bis.doc.gov

BUREAU OF INDUSTRY AND SECURITY

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BIS Imposes Penalty on Pennsylvania Company Streamlight, Inc. to Resolve Alleged Violations of the Antiboycott Regulations

WASHINGTON, D.C. - Today, the Department of Commerce's Bureau of Industry and Security (BIS) imposed a civil penalty of \$44,750 against Streamlight, Inc. (Streamlight), a global manufacturer of portable lighting products located in Eagleville, Pennsylvania, to resolve three alleged violations of the antiboycott provisions of the Export Administration Regulations (EAR). Streamlight voluntarily self-disclosed the conduct to BIS, cooperated with the investigation by BIS's Office of Antiboycott Compliance (OAC), and implemented remedial measures after discovering the conduct at issue, all of which resulted in a significant reduction in penalty.

"Companies that do business with boycotting countries must be vigilant to ensure they detect prohibited boycott requests, report them to us, and decline to agree to them," said Assistant Secretary for Export Enforcement Matthew S. Axelrod. "When, as here, a freight forwarder asks you to certify that 'no labor, capital, parts or raw materials of Israeli origin have been used in the printing, publishing or manufacture of these goods,' the right response is to decline and to report the request – otherwise, there will be consequences."

Case Background:

As part of the settlement with BIS, Streamlight admitted to the conduct set forth in the Proposed Charging Letter, which alleged that Streamlight violated the antiboycott provisions of the EAR by furnishing information about its business relationships with boycotted countries or blacklisted persons and failing to report the receipt of a request to engage in a restrictive trade practice or foreign boycott against a country friendly to the United States. Specifically, Streamlight participated in a trade show in Bahrain in 2019. In connection with the shipment of goods for display at the trade show, the company furnished to its freight forwarder/logistics provider a commercial invoice/packing list certifying that the goods were not of Israeli origin and not manufactured by a company on the "Israeli Boycott Blacklist."

Furnishing such information is prohibited by Section 760.2(d) of the EAR. In addition, the company failed to report to BIS the receipt of the request to furnish this information, as required by Section 760.5 of the EAR.

The Order, Settlement Agreement, and Proposed Charging Letter are available here.

Additional Information:

These BIS actions were taken under the authority of the Anti-Boycott Act of 2018, a subpart of the Export Control Reform Act of 2018, and its implementing regulations, the EAR. The antiboycott provisions set forth in Part 760 of the EAR discourage, and in certain circumstances prohibit, U.S. persons from taking certain actions in furtherance or support of a boycott maintained by a foreign country against a country friendly to the United States (an unsanctioned foreign boycott).

In addition, U.S. persons must report to OAC their receipt of certain boycott-related requests, whether or not they intend to comply with them. Reports may be filed electronically or by mail on form BIS-621P for single transactions or on form BIS-6051P for multiple transactions involving boycott requests received in the same calendar quarter. U.S. persons located in the United States must postmark or electronically date stamp their reports by the last day of the month following the calendar quarter in which the underlying request was received. For U.S. persons located outside the United States, the postmark or date stamp deadline is the last day of the second month following the calendar quarter in which the request was received. Forms for both electronic transmission and mail submission may be accessed from the forms request page.

BIS maintains a boycott Requester List on the OAC webpage with the objective of helping U.S. persons comply with the reporting requirements of the antiboycott regulations set forth in Part 760 of the EAR. Each entity on the Requester List has been recently reported to BIS on a boycott request report form, as required by Section 760.5 of the EAR, as having made a boycott-related request in connection with a transaction in the interstate or foreign commerce of the United States. U.S. persons are encouraged to diligently review transaction documents from all sources, but especially transaction documents with or involving these listed parties – given that they have been identified by others as a source of boycott-related requests – to identify possible boycott-related language and to determine whether U.S. person recipients have a reporting requirement to BIS pursuant to Part 760 of the EAR.

Pursuant to Section 764.8 of the EAR, a party may submit a voluntary self-disclosure if it believes that it may have violated Part 760 or Part 762 of the EAR (recordkeeping requirements relating to Part 760). More information on voluntary self-disclosures can be found online.

BIS has enhanced its antiboycott enforcement efforts to prevent U.S. companies from being used to support unsanctioned foreign boycotts, most notably the Arab League Boycott of Israel. In October 2022, BIS raised its penalties and instituted a requirement that companies entering into settlement agreements for antiboycott violations admit to a statement of facts outlining their conduct. In July 2023, BIS announced a renewed focus on foreign subsidiaries of U.S. companies and noted that it would explore additional ways to deter foreign parties from issuing or making boycott requests. BIS also modified the boycott reporting form to require submitters to indicate the identity of the requesting party.

For additional information regarding the application of the antiboycott provisions of the EAR, please contact OAC through the OAC Advice Line at (202) 482-2381 or through the online portal.