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BIS Imposes Penalty Against Integra Technologies, Inc. for Unlicensed Shipments of Common High Priority List Items to Russia

WASHINGTON, D.C. — Today, as part of a settlement agreement, the Department of Commerce’s Bureau of Industry and Security (BIS) imposed a civil penalty of \$3,300,000 against Integra Technologies, Inc. (“Integra”), a radio frequency and microwave power solutions engineering and manufacturing company headquartered in El Segundo, California. The penalty relates to Integra’s shipments to Russia of transistors and related products, which can be used for avionics or radar systems. Integra made a significant number of shipments to Russia, several of which occurred after such products had been designated by the United States, the European Union, Japan, and the United Kingdom as Common High Priority List (CHPL) items. The CHPL items are items that Russia specifically seeks to procure for its defense industrial base to support weapons programs used in its full-scale invasion of Ukraine.

Integra sold approximately \$6.67 million of transistors and related products, including CHPL items, to Russian end users between February 2023 and October 2023. All of these sales occurred without the requisite license or other authorization from BIS. Integra voluntarily disclosed the conduct to BIS and cooperated with the investigation by BIS’s Office of Export Enforcement. This voluntary self-disclosure (VSD) resulted in a significant reduction of the penalty. BIS also agreed to suspend \$1.5 million of the penalty due to Integra’s limited ability to pay.

“Since Putin’s full-scale invasion of Ukraine, we have been crystal clear about the need for corporate vigilance related to exports of Common High Priority List items,” said **Assistant Secretary for Export Enforcement Matthew S. Axelrod**. “Today’s penalty, which BIS mitigated pursuant to a VSD, should send a strong signal to other CHPL exporters of the consequences that will flow from violations of controls on these critical items.”

“After Russia’s further invasion of Ukraine, the United States imposed extensive new export controls for Russia. As these controls continued to evolve, it was critical for any U.S. company that made the decision to continue to export to Russia to closely track and implement updates to the controls. Integra failed to do so. Significantly, though, Integra’s disclosure and extensive cooperation throughout the investigation resulted in a significant reduction in the monetary penalty, which is the main incentive of our VSD policies,” said **Office of Export Enforcement Director John Sonderman**.

As part of the settlement agreement, Integra admitted to the conduct set forth in a Proposed Charging Letter, which alleged 94 violations of the Export Administration Regulations (EAR). Specifically, on 94 occasions between February 2023 and October 2023, Integra sold and exported transistors and related products via two third-party distributors to eight different Russian end users, without any license or authorization from BIS. The transistors that Integra exported were added to the CHPL in July 2023.

At the time of the violations, Integra was aware that it was shipping transistors and related products to Russian end users. However, because Integra's export compliance program lacked procedures requiring regular review of revisions to the EAR, Integra failed to recognize that, as of February 2023, such items required a license for export to Russia. Integra did not realize its error until October 2023, after which Integra promptly stopped all shipments intended for Russian end users and filed a voluntary self-disclosure with BIS. Integra stated that, at the time of the relevant shipments, it believed the specific EAR99 products it sent to Russian end users were technologically suitable only for civil end use, rather than military end use.

The full order, settlement agreement, and Proposed Charging Letter are available online [here](#). This case was investigated by OEE's Los Angeles Field Office.

Additional Information:

BIS actions are taken under the authority of the Export Control Reform Act of 2018 (50 U.S.C. §§ 4801-4852) and its implementing regulations, the EAR. BIS controls exports of dual-use commodities, technology, and software for reasons of national security, missile technology, nuclear non-proliferation, chemical and biological non-proliferation, crime control, and regional stability. Criminal and administrative sanctions can be imposed for violations of the EAR. Under the Export Control Reform Act of 2018, among possible administrative sanctions, administrative monetary penalties can reach up to \$364,992 per violation or twice the value of the transaction, whichever is greater. For more information, please visit <https://www.bis.gov/enforcement>.

Report suspected export control violations through the BIS online [tip portal](#). You can also call the Enforcement Hotline at 1-800-424-2980 or email EELead@bis.doc.gov.

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