

FOR IMMEDIATE RELEASE

**U.S. Government Joins Case
Brought By U.K. Whistleblower against British Retailer for
Customs Fraud**

Constantine Cannon whistleblower's suit accuses luxury retailer, Pure Collection Ltd., of purposefully evading U.S. customs fees on American customers' orders.

Washington, D.C. (September 7, 2017) — Constantine Cannon LLP is pleased to announce that the U.S. Government has intervened in its client's whistleblower case against Pure Collection Ltd., a Harrogate, England-based e-retailer of luxury cashmere and apparel. The Government also brought claims against Pure's current acting CEO, Samantha Harrison. The whistleblower lawsuit, among one of the first whistleblower cases brought in the U.S. by a U.K. citizen that the Government has joined, alleges that Pure Collection fraudulently evaded the payment of duties to U.S. Customs and Border Protection (CBP), giving itself an unfair advantage among U.S. and foreign retailers, while allegedly saving millions of dollars and boosting its own profits.

The complaint, brought by British whistleblower Andrew Patrick of Harrogate, England, alleges that beginning in at least 2010, Pure Collection purposefully avoided paying U.S. customs duties on retail orders worth more than \$200 that it shipped to U.S. customers. To attract more U.S.-based customers, Pure Collection advertised on its website "we do our utmost to prevent customs fees," and even reimbursed customers for any customs fees they incurred in the instances where Pure's evasion efforts failed.

Pure Collection did this by engaging in a practice referred to internally as "splitting." During this time, CBP rules exempted commercial goods imported into the U.S. from customs duties if the total order value did not exceed \$200, later raising the limit to \$800. To appear in compliance with its shipments and avoid customs fees, Pure systematically divided U.S. orders into multiple packages for shipping.

The whistleblower, U.K. citizen Andrew Patrick, worked for Pure Collection from 2010 to 2014, first as a sales representative in its U.K. call center and then in its U.K. packaging department. Mr. Patrick was trained to systematically split customers' large orders to successfully avoid paying U.S. customs fees, saving the company millions of dollars, according to the whistleblower suit.

Mr. Patrick originally brought his allegations to the CBP's attention in 2014 and provided documents to the U.S. Embassy. He later filed a whistleblower submission with the U.S. Internal Revenue Service in 2015. After these three attempts to alert U.S. authorities were unsuccessful, Mr. Patrick approached Richard Pike, a solicitor-advocate and partner in Constantine Cannon's London office, who specializes in advising whistleblowers under the American whistleblower programs. After retaining Constantine Cannon, Mr. Patrick filed his whistleblower suit in 2016 in federal court in Maine.

Mr. Patrick is represented by Constantine Cannon attorneys [Molly Knobler](#), [Timothy McCormack](#), and [Mary Inman](#), as well as Maine lawyer [Dan Murphy](#) of Bernstein Shur.

"Pure arrogantly decided it didn't need to play by the same rules as other retailers, and placed its own interests in profits and access to the U.S. market above the laws of the U.S. government." said Knobler, an associate in Constantine Cannon's Washington, D.C. office. "The government's intervention in Mr. Patrick's case sends a clear message that this behavior will not be tolerated."

"If this case is successful, Mr. Patrick will be among one of the first British whistleblowers to expose a U.K. company for evading U.S. import duties and receive a financial reward under the whistleblower provisions of the False Claims Act," said Inman, a partner in Constantine Cannon's London office whose practice focuses on representing U.K. and E.U. whistleblowers under the American whistleblower programs "As global business expands, European whistleblowers like Mr. Patrick play an increasingly vital role in alerting the U.S. Government to fraud schemes that cross international borders."

The case was brought under the federal False Claims Act, which promotes collaboration among corporate insiders and the government to fight fraud on U.S. taxpayers. The FCA, known as Lincoln's Law, was originally enacted during Abraham Lincoln's presidency to put a stop to purposefully inflated prices and delivery of knowingly inferior products by contractors during the Civil War. This important tool is used to combat government fraud, and incentivize individuals with knowledge of fraud to step-forward and includes legal protections against retaliation for whistleblowers

The law encourages whistleblowers of any nationality to expose companies that are defrauding the U.S. Government by allowing a private party from any country to file a civil lawsuit on the government's behalf and providing for a reward of 15 to 25 percent of the government's civil recovery if the government joins, or intervenes in, the case, as the government has done here. If this case is

successful, Mr. Patrick will receive between 15 and 25 percent of the government's recovery.

The case is captioned: United States of America ex rel. Andrew Patrick v. Pure Collection Ltd. et al., Case No. 2:16-cv-00230-GZS, United States District Court for the District of Maine.

About Constantine Cannon's Whistleblower Practice:

Constantine Cannon's team of dedicated whistleblower lawyers has extensive experience representing whistleblowers in federal and state courts and before the Securities & Exchange Commission, the Internal Revenue Service, the Commodity Futures Trading Commission, and the Department of Transportation. It has brought those matters under the False Claims Act as well as other federal and state whistleblower laws. With a total of 21 attorneys, who bring more than 100 years of collective experience in whistleblower cases, working full time representing whistleblower clients, Constantine Cannon is one of the largest and most expert whistleblower law firms in the United States. Additionally, the firm's London office allows for the unique ability to serve whistleblower clients in Europe and Asia. To learn more about Constantine Cannon's whistleblower practice, click [here](#).

About Constantine Cannon LLP

Constantine Cannon, with offices in New York, Washington, D.C., San Francisco and London, has deep expertise in practice areas that include antitrust and complex commercial litigation, whistleblower representation, government relations, securities and e-discovery. The firm's antitrust practice is among the largest and most well recognized in the nation. Constantine Cannon's experience spans across multiple industries including healthcare, banking, electronic payments, insurance, high tech, telecommunications, the Internet and government contracting. To learn more about the firm generally, click [here](#).

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