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DOJ's most recent FCPA case sheds light on enforcement trends

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On July 17, 2026, Scoular, a Nebraska-based agricultural company, entered into a three-year deferred prosecution agreement (DPA) with DOJ to resolve a Foreign Corrupt Practices Act (FCPA) case. The case has all the hallmarks of a standard FCPA resolution and is also notable for its cartel nexus: DOJ emphasized that Scoular's bribes unknowingly benefitted a Mexican cartel – an administration enforcement priority.

The recently announced DPA accompanied a criminal information filed in the Western District of Texas charging the Scoular Company – a U.S. company – with one count of conspiracy to violate the anti-bribery provisions of the FCPA. According to DOJ, Scoular participated in a scheme directing customs brokers to bribe Mexican officials to facilitate agricultural shipments across the U.S.-Mexico border. The brokers allegedly paid more than $400,000 in bribes between 2013 and 2019 and invoiced the payments back to Scoular as reinspection fees. Unbeknownst to the company, a portion of those bribes benefitted a cartel operating at the border. Scoular, in turn, avoided more than $6.5 million in fees and costs. Its customs broker, Carlos Leopoldo Alvelais, pleaded guilty to conspiracy to violate the FCPA in October 2025. As part of its DPA, Scoular agreed to pay a nearly $10 million criminal penalty – reflecting a 25% reduction from the bottom of the Guidelines range – and more than $400,000 in forfeiture. The company did not receive voluntary self-disclosure credit but received credit for its cooperation and remedial efforts. It also committed to continued cooperation and strengthening its anti-corruption compliance program over the three-year term.

The resolution

FCPA enforcement under the Trump administration

DOJ has continued to enforce the FCPA – focusing on administration enforcement priorities – following President Trump's February 2025 executive order pausing FCPA investigations and the subsequent June 2025 DOJ guidelines outlining priority enforcement areas. The DOJ guidelines instructed prosecutors to prioritize cases involving conduct that harms identifiable U.S. and national security interests, including bribery connected to transnational criminal organizations (TCOs) or cartels, corruption affecting defense, intelligence and critical infrastructure, and cases involving clear evidence of intentional corruption.

Since that time, DOJ has brought five FCPA corporate enforcement actions and eight individual actions, several of which bear a connection to cartels and TCOs. The Scoular resolution makes clear that DOJ is not only looking to prioritize cases in which the company knowingly or intentionally benefits a cartel or TCO, but also cases in which a company does so unknowingly.

Notably, the U.S. Attorney for the Western District of Texas stated the following in connection with the resolution: "Nothing crosses into or out of Mexico without the approval and payment to Mexican drug cartels. American businesses that engage in any cross-border trade bear a significant amount of responsibility to do so without benefitting those cartels and without threatening our national security."

DPA terms

Under its DPA, Scoular will pay a $9,769,521 criminal penalty and $414,351 in forfeiture, for a total exceeding $10 million. The term of the agreement and its corresponding obligations run three years. Over that term, Scoular must continue cooperating with DOJ in any ongoing or future investigation, implement a compliance and ethics program designed to prevent and detect FCPA and other anti-corruption violations, and report periodically on its remediation and compliance measures.

Scoular earned no voluntary self-disclosure credit, because it did not voluntarily and timely report the conduct to the Criminal Division’s Fraud Section. It did earn cooperation credit for (i) conducting an internal investigation and making detailed factual presentations, (ii) identifying those involved, (iii) producing and organizing materials in response to voluntary document requests despite early deficiencies, and (iv) securing counsel for current employees. Its remediation was substantial too: Scoular eliminated its use of the customs brokers associated with reinspection fees in Mexico, restructured its compliance function under senior leadership oversight, and revised its Code of Conduct and related policies. Together, those measures resulted in a 25% reduction from the bottom of the applicable Guidelines range.

Key takeaways

The Scoular case did not involve large-scale bribes relative to other FCPA cases – only about $400,000 in bribes over six years relating to customs payments – and DOJ did not allege that high-level personnel within the company were involved in the scheme. The link between the bribe scheme and a Mexican cartel, an administration enforcement priority, was clearly an important factor in the prosecution, but the fact that the nexus was indirect and unknown to the company is instructive for companies.

DOJ’s clear messages are that it will continue to enforce the FCPA and that companies operating in Mexico should pay particularly careful attention to government touchpoints or other potential intersections with cartels and TCOs. Conduct with a nexus to cartels or TCOs creates risk not only under the FCPA but also the Antiterrorism Act, U.S. sanctions regimes, and material-support statutes. The U.S. Attorney’s statement regarding this resolution suggests that there is a strong presumption that cross-border trade with Mexico will at least incidentally involve or benefit Mexican cartels and that there is a clear expectation that U.S. companies take affirmative steps to address this risk.

As a general matter, companies operating in high-risk jurisdictions – especially those relying on third parties that interact with government officials at borders and ports – should keep investing in effective compliance programs and third-party oversight.

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