

# Olympus loses case against pre-scandal whistleblower

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Former Japanese optical giant Olympus president Michael Woodford speaks during a press conference in Tokyo in April 2012. Olympus has lost a court battle against an employee who blew the whistle on a dubious hire in a ruling that will further blemish the company's reputation in the wake of a major loss cover-up scandal.

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In a decision dated Thursday and published Friday evening, Japan's Supreme Court ordered the major camera and [medical equipment](#) maker to pay Masahuru Hamada 2.2 million yen (\$27,500) in damages for

treating him unfairly.

The top court was upholding a lower [court decision](#) which also ordered Olympus to give him back the job he held before he was unfavourably transferred three times after his whistle-blowing action in 2007.

The 51-year-old Hamada had demanded 10 million yen in damages from the company.

The ruling will cause further [embarrassment](#) for Olympus in the wake of a scandal that saw former chief executive Michael Woodford dismissed last October for questioning \$1.7 billion worth of losses that the firm moved off its balance sheet.

Woodford sued the company for unfair dismissal but the case was settled out of court.

In June 2007, Hamada informed the company's internal whistle-blowing hotline that his boss was hiring an engineer from a major trading partner.

Hamada explained that the engineer knew industrial secrets of the company he was being hired from and the recruitment would impair the partner's confidence in Olympus.

But the company's 'compliance office' informed his boss and the personnel department about his action.

Hamada, then working in the sales department, was subsequently assigned against his will to three different jobs with which he was not familiar. He was also forced to study manuals for new recruits.

The compliance office was established after the government passed a law to protect whistleblowers in 2004.

"I feel very grateful. it was worthwhile that I fought for a long time," Hamada told reporters late Friday, according to [public broadcaster](#) NHK. "I hope the company will tell the truth to the employees about this case."

Olympus said in a statement to the media: "It is regrettable that our company's appeal was not accepted. We will consider our course of action by taking this ruling seriously."

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