

US firm's Chinese subsidiaries to pay \$14.5M to resolve case

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Chinese subsidiaries of a Massachusetts software company have agreed to pay more than \$14.5 million to resolve the federal government's allegations that they illegally provided recreational travel to Chinese government officials.

Federal prosecutors allege the Shanghai and Hong Kong divisions of Needham-based PTC Inc. violated the Foreign Corrupt Practices Act.

Admissions made in resolution documents show the companies, through local business partners, arranged and paid for employees of Chinese state-owned enterprises to travel to the United States. The travel was supposedly for training in Massachusetts but in reality was for recreational travel to areas around the U.S.

Prosecutors say the cost of the trips was routinely hidden within the price of PTC China's software sales.

A phone message left with PTC on Tuesday was not immediately returned.

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