

**Testimony of John Roush,
Senior Vice President and President of Environmental Health of PerkinElmer, Inc.
Before the House Committee on Energy and Commerce, Subcommittee on Oversight and
Investigations
June 4, 2009**

Good morning Subcommittee Chairman Stupak, Ranking Member Walden and other Members of the Committee. Thank you for the opportunity to participate in today's hearing on the commercial sale of certain sensitive technologies.

My name is John Roush, and I am a senior vice president of PerkinElmer, Inc. ("PerkinElmer") and president of the Company's Environmental Health business.

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PerkinElmer has a sixty-year history of innovation in life sciences, analytical instrumentation and optoelectronics. This history originates from the combination of a company founded by three MIT professors, who joined to study the mechanisms and applications of high-speed photographic and stroboscopic techniques, and The Perkin-Elmer Company, which was then an optics design and consulting business. Today PerkinElmer is a global leader focused on improving the health and safety of people and the environment. PerkinElmer is headquartered in Waltham, Massachusetts, and has about 8,500 employees serving customers in more than 150 countries, with significant U.S. operations in Massachusetts, Pennsylvania, Ohio, California, Connecticut and Illinois. In 2008, we reported revenue of approximately \$2 billion, and we are proud to be a component of the S&P 500 Index.

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Our understanding is that today's hearing will review U.S. government safeguards in place to prevent the unauthorized diversion of sensitive products. As you know, the Department of Commerce and the Department of State are responsible for export control regulations within their respective jurisdictions. PerkinElmer takes these requirements very seriously. As part of its commitment, PerkinElmer has implemented an "Export Management System ("EMS") Manual," which provides effective guidance and procedures to ensure that we are complying with all applicable U.S. export control laws. Our EMS and supporting Standard Operating Procedures (SOPs) establish a robust internal compliance capability to prevent the transfer of sensitive or controlled products to unauthorized destinations, persons or entities, including those named on any of the restricted party lists, or to improper end-uses, including activities related to weapons of mass destruction and proliferation. Additionally, our compliance processes

incorporate the “Know Your Customer” and “Red Flag Indicators” guidelines issued by the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”), and we have dedicated export compliance personnel who are regularly trained on U.S. export control requirements and who play an integral role in our processing of orders for these kinds of products and technologies.

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PerkinElmer’s export compliance program works effectively. Of particular interest to this Committee, PerkinElmer also has a proven track record of cooperating with government agencies in export compliance matters. In 2003, for instance, PerkinElmer alerted representatives of BIS’s Office of Export Enforcement (“OEE”) of a request to purchase 200 triggered spark gaps for shipment abroad. PerkinElmer followed its established internal screening procedures and identified certain “red flags.” Specifically, the proposed sale lacked appropriate export documentation, and the number of items in the order was inconsistent with its stated medical purpose. In this case, PerkinElmer worked closely with OEE, and other federal agencies, to facilitate the sale of these items (which had been disabled prior to shipment) and to track their ultimate destination, which was Pakistan. The individual who had attempted to arrange this transaction was ultimately convicted of violating U.S. export control laws and received a three-year prison sentence. We are proud that the U.S. authorities commended PerkinElmer for its role in the investigation.

We understand that the Committee may have questions about triggered spark gaps. For those of you who do not know, triggered spark gaps are a family of versatile high voltage switches that consist of three electrodes in a hermetically sealed, pressurized ceramic envelope that have important medical uses. For example, we make spark gaps for medical lithotripter applications, including the fragmentation and disintegration of kidney stones. Typical purchasers of this spark gap include medical device manufacturers and companies that service hospital equipment. We understand that a single sample triggered spark gap was purchased from PerkinElmer by a domestic front company established by the GAO, and we handled this transaction using our established screening process for purchases of this product by a domestic customer.

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PerkinElmer is fully committed to compliance with all applicable U.S. laws. We commend the Committee and other interested stakeholders for your interest in considering possible ways to enhance U.S. government safeguards for domestic sales of certain sensitive products. We stand ready to support the Committee’s efforts to prevent certain sensitive products from being diverted for unlawful purposes or end-users, but hope that such reforms will not disrupt the ability of domestic buyers to purchase and deploy those products for critical

medical needs. We look forward to working with the Committee and other interested stakeholders to ensure that any such proposals are effective and can be implemented in a reasonable manner to the extent that they require the support of businesses such as ours. Thank you for the opportunity to make this statement, and I will be happy to take any questions you might have.