

August 6, 2012

Bon-Joon Koo  
Chief Executive Officer  
LG Electronics  
20 Yeouido-Dong, Yeongdeungpo-Gu  
Seoul, South Korea 150-721

**Re: LG and Iran**

Dear Mr. Koo:

United Against Nuclear Iran (“UANI”) is writing to express its concern about the ongoing business of LG Electronics (“LG”) in Iran. As part of our “Tech and Telecom Campaign,” UANI is asking technology companies to clarify the nature and extent of their existing contracts and long-term business goals in Iran. Ultimately, UANI believes that the only responsible course of action for corporations like LG is to end all business activities in Iran.

The reasons for our concerns regarding LG’s business activities in Iran are manifold. Iran has established itself as a clear threat to international peace and security. For years, Iran has been pursuing an illegal nuclear weapons program in defiance of international law. In addition to its nuclear activities, Iran remains the world’s leading state sponsor of terrorism and has sponsored notorious terrorist groups like Hamas, Hezbollah and al-Qaeda.

While Iran’s nuclear and terrorist activities should serve as sufficient justification for a corporation to pull out of Iran, the regime’s serious human rights abuses and neglect of basic freedoms should also be of concern to LG, given the extent of LG’s business activities in Iran. For example, in 2007, LG reportedly partnered with an Iranian company to produce one million phones per year. LG has also partnered with Iran’s Maadiran Group to produce five models of telephone handsets under license from LG Electronics. (*Associated Press*, “[LG begins making mobile phones in Iran](#),” 3/13/2007)

Of particular concern to UANI is LG’s sale of surveillance equipment in Iran. UANI is concerned that such advanced equipment can be used by the regime for surveillance and internal security purposes against the Iranian people. For example, LG surveillance equipment, including the LT903N(P) Speed Dome Camera, is clearly advertised for sale on the website of IRANCCTV. (*IRANCCTV Website*, “[PTZ Speed Dome Camera](#),” Accessed: 8/6/2012) IRANCCTV is a regime entity that operates under the auspices of Iran’s Ministry of Culture, which has been described by *Reporters Without Borders* as “a censorship agency” and “all-out mechanism of control and repression” that violently interrogates journalists and activists in Iran. (*Reporters Without Borders*, “[While pointing finger at Bahrain, Iran uses culture ministry to](#)

[interrogate journalists](#),” 5/24/2012) Additionally, UANI is concerned by LG’s partnership with Fariran, an Iranian security firm. According to its website, Fariran has over fifty retailers in Iran, “and was founded with the purpose of importing, distributing and installing LG CCTV security systems in Iran.” (*Fariran Website*, “[About Us](#),” Accessed 8/6/2012)

LG’s extensive business and provision of security products to the foregoing entities is unacceptable in light of the Iranian regime’s history of misusing security and surveillance technology to facilitate its brutal and oppressive practices against the Iranian people (*Bloomberg*, “[Iranian Police Seizing Dissidents Get Aid of Western Companies](#),” 10/30/2011) and safeguard its illicit nuclear program. (*The New York Times*, “[Obama Order Sped Up Wave of Cyberattacks Against Iran](#),” 6/1/2012)

LG should also be aware of legislation that could directly impact LG’s ability to continue to procure U.S. government contracts. As you know, LG has become a leader in the U.S. electronics market and since 2000, has had at least 119 contracts with the U.S. government, totaling \$9,190,190 dollars. (*USASpending.gov*, “[Lg Electronics Deutschland Gmb](#)”) *The Comprehensive Iran Sanctions Accountability and Divestment Act of 2010* (“CISADA”) and the soon to be enacted *Iran Threat Reduction and Syria Human Rights Act*, require the U.S. to ban the “procurement of goods or services with a person that exports sensitive technology” to Iran. This language on its face precludes U.S. government contracting with any company like LG that enables the regime’s monitoring of Iranian citizens.

Furthermore, Executive Order 13606 of April 22, 2012 permits the Treasury Department to restrict financial transactions and block property in the U.S. of any entity that has provided technology “likely to be used to facilitate... monitoring or tracking... that could assist in or enable serious human rights abuses by or on behalf of the Government of Iran or the Government of Syria.” Again, the provision of the foregoing services arguably “enable[s] serious human rights abuses” by the Government of Iran. Should LG be sanctioned under any of the provisions described above, the company would face not only the potential for economic harm, but possibly irreparable reputational harm.

Put bluntly, LG’s provision of technology and equipment to Iran is facilitating the regime’s campaign of oppression against its own citizens and as a U.S. federal contractor, LG is profiting from the U.S. government while at the same time undermining the strategic interest of the U.S. vis-à-vis Iran. LG’s ongoing activities with Iranian regime entities are exposing LG, its stakeholders and partners to increasing reputational risk. Such risks have compelled other technology companies, including AdaptiveMobile and Ericsson, to end or significantly curtail their Iran business. It is time for LG to follow the lead of these responsible global corporations and end its business activities with the Iranian regime.

The Iranian regime is imperiling the long-term stability of the region, the security of the international community and its own citizens as well as the entire nuclear nonproliferation regime. It is incumbent on all of us, governments, private citizens and corporations alike, to take concrete steps to oppose this ongoing and dangerous threat.

Please let us hear from you by August 13, 2012 regarding LG's existing and future business plans in Iran.

Very truly yours,



Ambassador Mark Wallace

- cc: The Honorable Joseph I. Lieberman  
Chairman, United States Senate Committee on Homeland Security &  
Governmental Affairs
- The Honorable Susan M. Collins  
Ranking Member, United States Senate Committee on Homeland Security &  
Governmental Affairs
- The Honorable John Kerry  
Chairman, United States Senate Committee on Foreign Relations
- The Honorable Richard Lugar  
Ranking Member, United States Senate Committee on Foreign Relations
- The Honorable Mark Kirk  
United States Senate
- The Honorable Jon Tester  
United States Senate
- The Honorable Robert Menendez  
United States Senate
- The Honorable Peter T. King  
Chairman, United States House Committee on Homeland Security
- The Honorable Bennie Thompson  
Ranking Member, United States House Committee on Homeland Security
- The Honorable Ileana Ros-Lehtinen  
Chairman, United States House Committee on Foreign Affairs
- The Honorable Howard Berman  
Ranking Member, United States House Committee on Foreign Affairs

The Honorable Howard P. McKeon  
Chairman, United States House Armed Services Committee

The Honorable Henry Waxman  
Ranking Member, United States House Committee on Energy and Commerce

The Honorable Adam Smith  
Ranking Member, United States House Armed Services Committee

The Honorable Steve Israel  
United States House of Representatives

The Honorable Bill Owens  
United States House of Representatives

The Honorable Ed Perlmutter  
United States House of Representatives

The Honorable Adam Schiff  
United States House of Representatives

The Honorable Betty Sutton  
United States House of Representatives

The Honorable Bob Turner  
United States House of Representatives

The Honorable Ted Deutch  
United States House of Representatives

The Honorable Nita Lowey  
United States House of Representatives

The Honorable Gary Ackerman  
United States House of Representatives

The Honorable Carolyn Maloney  
United States House of Representatives

The Honorable Rob Andrews  
United States House of Representatives

The Honorable Steve Chabot  
United States House of Representatives

The Honorable Gerry Connolly  
United States House of Representatives

The Honorable Henry Cueller  
United States House of Representatives

The Honorable Susan Davis  
United States House of Representatives

The Honorable Tim Griffin  
United States House of Representatives

The Honorable Jim Himes  
United States House of Representatives

The Honorable Kathy Hochul  
United States House of Representatives

The Honorable Rush Holt  
United States House of Representatives

The Honorable Jerry Nadler  
United States House of Representatives

The Honorable Leon E. Panetta  
Secretary of Defense, United States Department of Defense

The Honorable Daniel M. Tangherlini  
Administrator, General Services Administration

The Honorable David S. Cohen  
Under Secretary for Terrorism and Financial Intelligence, United States  
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Executive Vice President and CEO / North America

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