Avon Fined for Bribing Chinese Officials With Gucci Bags

Beauty goods company Avon has been fined $135 million by the SEC for bribing Chinese officials with luxury goods – everything from Gucci bags to Tiffany pens, reports CNN Money.

“The SEC alleged that Avon’s subsidiary in China doled out $8 million in bribes – cash, gifts, entertainment, and travel – to Chinese officials in charge of new regulations to sell directly to consumers,” the report says. “The watchdog also said the company falsely recorded the bribes as employee business expenses or vendor payments.

“The luxury bribes, which included Louis Vuitton goods and box tickets to the China Open, helped Avon win one of the first direct-selling business licenses in China in March 2006, according to a SEC statement.”

Read the story.