

[Securities Regulation Daily Wrap Up, FRAUD AND MANIPULATION— Comscore Inc. and former CEO charged with accounting and disclosure fraud, \(Sept. 25, 2019\)](#)

Securities Regulation Daily Wrap Up

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Financial accounting and disclosure fraud is at the heart of SEC's charges.

Global information and media analytics firm, Comscore, Inc., and its former CEO have been charged with engaging in a fraudulent scheme to overstate revenue by approximately \$50 million and making false and misleading statements about key performance metrics (*In the Matter of Serge Matta*, [Release No. 33-10693](#), September 24, 2019).

The SEC's order found that from February 2014 through February 2016, Comscore's CEO "entered into non-monetary transactions for the purpose of improperly increasing its reported revenue." The SEC's order also found that the CEO made "false and misleading public disclosures regarding the company's customer base and its flagship product."

"As the SEC orders find, Comscore and its former CEO manipulated the accounting for non-monetary and other transactions in an effort to chase revenue targets and deceive investors about the performance of Comscore's business," [said](#) Melissa R. Hodgman, associate director in the SEC's Enforcement Division. "We will continue to hold issuers and executives accountable for such serious breaches of their fundamental duty to make accurate disclosures to the investing public while giving appropriate credit for a company's prompt remedial acts and cooperation."

Without admitting or denying the findings, Comscore and the CEO agreed to cease-and-desist from future violations and to pay penalties of \$5 million and \$700,000, respectively. The CEO also agreed to reimburse Comscore \$2.1 million representing profits from the sale of Comscore stock and incentive-based compensation and to the entry of an order barring him from serving as an officer or director of a public company for 10 years.

The release is [No. 33-10693](#).

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