# Chinese police probe kickbacks by Foxconn managers

The Associated Press

Hon Hai Precision, a leading maker of iPhones and other high-tech gadgets, has said it is working with Chinese police probing allegations that its employees solicited kickbacks from suppliers.

Hon Hai, also known as Foxconn Technology, said in a statement late Wednesday that it will "thoroughly investigate" the alleged kickback case and also review its procurement procedures to close any possible loopholes.

It said its operations in China had not been affected by the case.

Hon Hai produces iPhones and iPads for Apple and also assembles products for global firms including Microsoft Corp. and Hewlett-Packard Co.

Taiwan's "Next" weekly reported earlier this week that a Foxconn manager had been detained by police in the southern Chinese city of Shenzhen over bribery allegations.

The island's China Times newspaper quoted unidentified sources as saying Hon Hai is investigating a dozen other employees suspected of having taken bribes and that it has suspended its purchases from an equipment maker accused of offering bribes to the employees.

Hon Hai employs 1.2 million people in some 20 factories spread out across China.

The company has previously come under scrutiny for labor policies that allegedly led a dozen workers to commit suicide.

The latest allegation has raised questions about the electronics giant's internal management problems amid its rapid expansion to keep up with growing demand for its components.

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