

United States Senate

WASHINGTON, DC 20510

January 24, 2024

Janet Yellen
Secretary
U.S. Treasury Department
1500 Pennsylvania Avenue NW
Washington, DC 20220

Dear Secretary Yellen:

I write to you in your capacity as Chair of the Committee on Foreign Investment in the United States (CFIUS) to express my serious concern about the sale of Vista Outdoor's Sporting Products business to Czechoslovak Group (CSG), a business with a long record of wrongdoing and well-documented connections to American adversaries. The transaction poses apparent risks to our national security. I urge you to initiate a full security review of the transaction and use every authority to mitigate the risks it poses.

The transaction would make CSG one of the world's largest manufacturers of firearms and ammo.¹ It would transfer major American shooting brands, including Remington, Federal, CCI, Speer, Alliant Powder, Estate Cartridge, and Hevi-Shot, to the Czech conglomerate.² Four American firearm and ammunition manufacturing facilities would be owned and operated by a foreign entity.³ While CSG has been buying up smaller gun manufacturers throughout Europe in recent years, the \$1.9 billion sale would be its biggest acquisition to-date.

The dangers posed by the sale are not due to the transaction's size or the consolidation of market power, however. CSG has a long and troubling record that should raise national security concerns, especially alleged ties to the inner circle of Russian President Vladimir Putin. It has been publicly reported that CSG sponsored an exhibition in Moscow to help Russian authorities secure European military technologies and has engaged with prominent Russian organizations linked to Putin's regime.⁴ It has also recently been sued in Delaware State court for its alleged

¹ Press Release, "The Czechoslovak Group enters into definitive agreement to acquire Vista Outdoor's sporting products business for \$1.91 billion," [CSG](#) (October 16, 2023).

² "Our Brands," [Vista Outdoor](#) (accessed December 13, 2023).

³ "About Vista Outdoor," [Vista Outdoor](#) (accessed December 13, 2023).

⁴ Robert O'Brien, "Why does US economically help nations that want to harm the West?" [Fox News](#) (November 3, 2023).

ties to Russian interests.⁵ In addition, experts and journalists have repeatedly sounded the alarm on CSG's reckless arm sales and industrial espionage, including accusations of industrial espionage against the Slovakian military⁶ and violations of the arms embargo to Azerbaijan.⁷

Nearly six years ago, Congress passed the Foreign Investment Risk Review Modernization Act (FIRRMA) to make sure that foreign companies do not gain undue influence over sectors in the United States with national security importance. This proposed sale is the exact kind of transaction that Congress had in mind when passing FIRRMA. Without question, ammunition manufacturing is a strategic sector that warrants a far higher level of scrutiny under FIRRMA.

We cannot afford for America's supply of weapons to fall into the wrong hands. The CFIUS process is a critical tool to keep the American people safe from enemies who seek to exploit our domestic vulnerabilities. Until it can be proven that this transaction will not jeopardize our national security, I respectfully urge you to deny the sale of Vista Outdoor's Sporting Products business to the Czechoslovak Group.

Thank you for your efforts to safeguard American national security.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD Vance', with a stylized flourish at the end.

JD VANCE
United States Senator

⁵ Press Release, "CSG concedes Tatra case and loses Count I of CSG case to SARN," [SARN Energy LLC](#) (January 11, 2022).

⁶ Ibid.

⁷ Zdravko Ljubas, "Czech Weapons end up in Azerbaijan Despite Embargo," [OCCRP](#) (September 18, 2019).