



U.S. Department of Justice

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NEWS RELEASE

**CHIEF OFFICER OF ENGINEERING FIRM SENTENCED FOR ATTEMPTED
ILLEGAL SHIPMENT TO IRAN**

The United States Attorney's Office for the Middle District of Pennsylvania announced that today in Harrisburg, United States District Court Judge Yvette Kane sentenced Hetran Inc. and its Chief Executive Officer, Helmut Oertmann for their involvement in a conspiracy to evade export reporting requirements and with attempting to smuggle to Iran a lathe machine in violation of U.S. export regulations. Oertmann received a sentence of 12 months probation. Hetran, an engineering and manufacturing plant in Orwigsburg, Schuylkill County, Pennsylvania, was also sentenced by Judge Kane, who adopted the penalty imposed by the U.S. Department of Commerce of \$337,500 cash and \$500,000, which was suspended. The fine made both Oertmann and Hetran jointly liable for payment.

According to U.S. Attorney Peter Smith, Hetran manufactured a horizontal lathe, also described as a bar peeling machine ("peeler"), valued at more than \$800,000 and weighing in excess of 50,000 pounds. The machine is used in the production of high grade steel or "bright steel", a product used, among other things, in the manufacture of automobile and aircraft parts.

In June 2009, Hetran was contacted by representatives of FIMCO, an Iranian company with offices in Iran and the United Arab Emirates, and Crescent International, an affiliated company based in Dubai. FIMCO wanted to purchase the peeler. During negotiations, it became apparent that the peeler was intended

for shipment to Iran. American companies are prohibited from shipping "dual use" items (such as the peeler) to Iran without first obtaining a license from the U.S. government. Aware that it was unlikely that such a license would be granted, Hetran, Helmut Oertmann and other co-conspirators agreed to falsely state on the shipping documents that the end-user of the peeler was Crescent International in Dubai.

On June 17, 2012, Hetran caused the peeling machine to be shipped to Dubai, fraudulently listing Crescent International as the end-user, knowing that the shipment was ultimately being sent to Iran in violation of federal law.

U.S. authorities halted the shipment and prevented the machine from being delivered to Iran. Oertmann, Hetran, three Iranians and two Iranian corporations were indicted by a federal grand jury in Harrisburg in December 2012. Oertmann and Hetran pled guilty earlier this year.

The case was investigated by the Office of Export Enforcement of the U.S. Department of Commerce. The case was prosecuted by Assistant U.S. Attorney Christy Fawcett and Senior Litigation Counsel Gordon Zubrod and was overseen by the National Security Division of the U.S. Department of Justice.
