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**Fiber Laser Expert Charged with Economic Espionage, Theft of Trade Secrets,
and Unlawful Exports**

BUFFALO, NY – A New York man was arraigned today after a federal grand jury in Rochester returned an indictment charging him with economic espionage, theft of trade secrets and violating the International Emergency Economic Powers Act (IEEPA).

According to court documents, Ji Wang, 59, was assigned to work on a fiber laser research and development project initiated by the Defense Advanced Research Projects Agency (DARPA). The \$16 million applied research project resulted in a 1000-fold increase in power for the fiber lasers. The DARPA project also resulted in a large accumulation of non-public, technical and scientific information regarding the methods and processes used to produce the fiber lasers. This information was protected as a trade secret and was controlled for export by the United States government.

As alleged, on July 1, 2016, without authorization or permission, Wang downloaded and copied non-public and restricted DARPA project files onto a personal device. He did this because he intended to use the files as a reference for a fiber laser business that he hoped to establish with another person, which they referred to as QuantumWave.

At the time of the download, Wang and another person were in the midst of negotiations with various municipal and other governmental entities in the People's Republic of China to establish their own fiber laser business. On several occasions between 2015 and 2017, Wang traveled to China to further his negotiations, and during these trips he illegally exported technical data regarding fiber laser manufacturing, in violation of IEEPA. Wang sought millions of dollars of capital from Chinese investors and proposed to contribute his expertise and knowledge in the venture.

After negotiations with the Chinese entities failed, Wang held discussions with a U.S. person to provide venture capital funding to establish their proposed QuantumWave business. During the course of these negotiations, Wang disclosed information revealing that the fiber laser technology he proposed to develop in his QuantumWave business was the same as the fiber laser technology developed during the DARPA project.

Wang is charged with economic espionage, theft of trade secrets and violating the International Emergency Economic Powers Act (IEEPA). The defendant made his initial court appearance on July 7 before U.S. Magistrate Judge Mark W. Pederson of the U.S. District Court for the Western District of New York. If convicted, he faces a maximum penalty of 20 years in prison and a fine of up to

\$5,000,000. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Acting Assistant Attorney General Mark Lesko of the Justice Department's National Security Division and U.S. Attorney James P. Kennedy, Jr. of the U.S. Attorney's Office for the Western District of New York made the announcement.

The FBI and Department of Commerce, Office of Export Enforcement are investigating the case.

Trial Attorney Thea D. R. Kendler of the Justice Department's Counterintelligence and Export Control Section and Assistant U.S. Attorney John Field of the Western District of New York are prosecuting the case.

An indictment is merely an allegation and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

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