



U.S. Department of Justice

Loretta E. Lynch
United States Attorney
Eastern District of New York

271 Cadman Plaza East
Brooklyn, New York 11201

FOR IMMEDIATE RELEASE

August 19, 2013

Contact:

Robert Nardoza
United States Attorney's Office
(718) 254-6323

PRESS RELEASE

**CHINESE NATIONAL PLEADS GUILTY TO ATTEMPTING TO ILLEGALLY
EXPORT AEROSPACE-GRADE CARBON FIBER TO CHINA**

Defendant Sought Massive Quantities of High-Tech Material For Use By Chinese Military

Today, at the federal courthouse in Brooklyn, New York, Ming Suan Zhang, a citizen of the People's Republic of China, pled guilty to violating the International Emergency Economic Powers Act by attempting to export massive quantities of aerospace-grade carbon fiber from the United States to China. According to court filings, Zhang was arrested after trying to acquire a sample of the specialized carbon fiber, a high-tech material used frequently in the military, defense and aerospace industries, which is closely regulated by the United States Department of Commerce to combat nuclear proliferation and terrorism.

The guilty plea was announced by Loretta E. Lynch, United States Attorney for the Eastern District of New York; James T. Hayes, Jr., Special Agent-in-Charge, U.S. Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI), New York; and Sidney Simon, Special Agent-in-Charge, U.S. Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, New York Field Office. The plea took place before United States District Judge Nicholas G. Garaufis.

"Zhang crossed the ocean to obtain massive quantities of restricted American technology for the stated purpose of assisting the Chinese military. He was actively working to circumvent laws that protect our national security by preventing specialized technologies from falling into the wrong hands," stated U.S. Attorney Lynch. "We will use every tool at our disposal to protect our nation against those who would seek to export valuable defense technology from the United States." Ms. Lynch expressed her grateful appreciation to the DOC and HSI, which worked closely together to investigate the case and bring the defendant to justice, and noted that the government's investigation is ongoing.

According to court documents and statements in court today, Zhang came to the attention of federal authorities last year after two Taiwanese accomplices attempted to locate large quantities of the specialized carbon fiber via remote Internet contacts. Zhang told an undercover law enforcement agent that he had an urgent need for the carbon fiber in connection with the scheduled test flight of a Chinese fighter plane. Zhang then arranged a meeting in the United States with an undercover agent to take possession of a carbon fiber sample, which was to be shipped to China and analyzed to verify its authenticity. Zhang was placed under arrest after he arrived for the meeting. The scheme was aimed at obtaining thousands of pounds of the high-grade fiber.

The regulation of carbon fiber falls under the jurisdiction of the Department of Commerce, which reviews and controls the export of certain goods and technology from the United States to foreign countries. In particular, the Commerce Department has placed restrictions on the export of goods and technology that it has determined could make a significant contribution to the military potential or nuclear proliferation of other nations, or that could be detrimental to the foreign policy or national security of the United States.

Carbon fiber composites of the type allegedly pursued by Zhang and his accomplices are ideally suited to applications where strength, stiffness, lower weight, and outstanding fatigue characteristics are critical requirements. These composites also can be used in applications where high temperature, chemical inertness and high damping are important. The two main applications of carbon fiber are in specialized technology, particularly in the fields of aerospace and nuclear engineering, and in general engineering and transportation. In addition, certain carbon fiber-based composites, such as the material sought by the defendant, are used in military aircraft.

At sentencing on November 15, 2013, Zhang faces up to 20 years in prison and a fine of up to \$1,000,000.

The government's case is being prosecuted by Assistant United States Attorneys Seth DuCharme and David Sarratt, with assistance from Trial Attorney David Recker of the Department of Justice Counterespionage Section. Assistance was also provided by Trial Attorney Dan E. Stigall of the Department of Justice Office of International Affairs.

The Defendant:

MING SUAN ZHANG

Age: 41