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**CHINESE NATIONAL SENTENCED TO 15 MONTHS IN PRISON IN SCHEME TO
FRAUDULENTLY OBTAIN TECHNOLOGY PRODUCTS FROM U.S. COMPANIES**

*Sought to Fabricate an Infrared Detector for Night Vision,
Missile Detection and other Military Applications*

Greenbelt, Maryland – U.S. District Judge Roger W. Titus sentenced Zhenchun Huang, a/k/a Ted Huang, age 51, a Chinese national and naturalized U.S. citizen, formerly residing in Clarksville, Maryland, today to 15 months in prison, followed by three years of supervised release, for false personation of a federal employee and obstruction of justice, in connection with a scheme to fraudulently obtain technology products from U.S. companies for export to China.

The sentence was announced by United States Attorney for the District of Maryland Rod J. Rosenstein; Special Agent in Charge Stephen E. Vogt of the Federal Bureau of Investigation; Special Agent in Charge William Winter of U.S. Immigration and Customs Enforcement's (ICE) Homeland Security Investigations (HSI); and Rick Shimon, Special Agent in Charge, U. S. Department of Commerce's Bureau of Industry and Security Office of Export Enforcement.

According to his plea agreement, Huang worked as a contract scientist at the National Aeronautics and Space Administration's (NASA) Goddard Space Flight Center in Greenbelt from February 1995 to June 2001. Thereafter, he consulted on a limited basis until October 2003 to provide as-needed assistance on a specific Goddard project.

In April 2001, Huang incorporated Allray in Maryland for the stated purpose of forming joint ventures with Chinese governmental and private entities to research, develop and distribute telecommunication and information technology products. Though Allray's principal place of business was listed as Huang's place of residence, its base of operations was located in China.

During the latter part of 2003 and into early 2004, in an effort to obtain technological components for use by Allray, Huang falsely represented to three U.S. companies that he was employed by NASA and was working on a joint project between NASA and Allray. No such joint project existed. The components which Huang sought included cadmium zinc telluride (CZT) and mercury cadmium telluride (MCT) wafers, considered dual-use technology subject to U.S. export controls. These products were unrelated to Huang's former work at NASA.

In order to make it appear as though NASA was involved in procuring these products, Huang

directed that purchased items be shipped to an associate employed at Goddard; used a Goddard email account to communicate with the companies and subsequently redirect emails to his personal email account; faxed (or had faxed) a purchase order from a number associated with Goddard; and presented his former business card to companies that identified him as a contract employee of NASA/Goddard.

In late October 2003, as a result of his false representations, Huang obtained five CZT wafers from Company 1 and four silicon wafers from Company 2. Huang directed his associate working at Goddard to ship two of the CZT wafers to Company 2 so it could apply a specific growth process to add a layer of MCT to the wafers. Huang also directed his associate to buy 10 additional CZT wafers for \$10,620 from Company 3.

Company 3 subsequently determined that Allray was a Chinese company headed by Huang, and that the shipping/billing address provided for the purchase was a residential address. Accordingly, Company 3 did not sell the CZT wafers, and the MCT wafers were never manufactured. If successful, the MCT growth process requested by Huang would have fabricated a type of infrared detector suitable for military applications, such as night vision and missile detection, that would have been controlled for export to China. The 10 CZT wafers sought from Company 3 were similarly controlled for export.

In the fall of 2005, Huang entered into an agreement with company X, which was co-founded by his associate, to build a prototype ultraviolet non-line-of-sight communications system for Allray. From December 2005 to April 2006 and in connection with its agreement with Huang, company X purchased 34 ultraviolet light emitting diodes (UV/LEDs) from Company 6, at a total cost of \$3,556. The technical specifications of the purchased UV/LEDs, and the manner in which they were to be used, suggested an application more consistent with a covert communications device. In early May 2006, the associate demonstrated to Huang a prototype of the device being built for Allray. At that time, Huang was given two of the diodes obtained from Company 6.

On May 8, 2006, U.S. Customs officials at O'Hare International Airport in Chicago inspected Huang and his luggage just prior to his outbound flight to China. Two of the UV/LEDs purchased from Company 6 were found in Huang's luggage. Huang made false statements regarding who had given him the diodes, what they were worth, what company had manufactured them, and how they would be used in China. He also provided false information regarding the technical specifications of the diodes.

Huang subsequently directed his wife not speak to, or ask, anyone about what had happened at the airport; to say she did not know anything if questioned; to throw away the box that had originally contained the UV/LEDs found in his luggage; and to clean out their residence. In response, his wife threw away the UV/LED box and certain Allray documents in their home. She deleted all Allray-related files from their home computer, but saved certain Allray files on a thumb drive. The government recovered some of the documents, including identifying and financial information for Allray's investors in the United States, Allray's IPO plan, a 2006 PowerPoint presentation charting Allray's accomplishments in China, and an article on a short-range, non-line-of-sight ultraviolet communication device.

Upon learning of the government's investigation of the scheme, Huang fled to China and was a fugitive until his arrest in London in December, 2013. Feng Yan, age 46, formerly of Ellicott City, Maryland, was also charged by indictment for his alleged participation in the scheme and is currently a fugitive.

United States Attorney Rod J. Rosenstein praised the FBI, HSI Baltimore and Department of Commerce for their work in the investigation. Mr. Rosenstein thanked Assistant U.S. Attorney Christine Manuelian, who is prosecuting the case.