

From the Court:US - 3 years prison for illegal export of maritime raiding craft and engines to China

A 51 yers old Chinese citizen was sentenced three and a half years in prison for conspiring to submit false export information and to export maritime raiding craft and engines to China fraudulently. He agreed to the administrative forfeiture of USD 114,834, the amount caused to be wired to a U.S. manufacturer to purchase the raiding craft and engines.

The chairman of Shanghai Breeze Technology Co. Ltd., a company headquartered in Shanghai, China, intended to buy the engines in order to reverse-engineer them and supply his own version to the Chinese military. In 2018, he was interested in identifying a source of supply of U.S.-manufactured combat rubber raiding craft equipped with engines that could operate using gasoline, diesel fuel, or jet fuel. These vessels and multi-fuel engines are used by the U.S. military and can be operated after being launched from a submerged submarine or dropped into the ocean by an aircraft. No comparable engine is manufactured in China.

One of his U.S.-based employees attempted to order seven of the raiding craft equipped with these engines from a U.S. manufacturer. To induce the manufacturer to sell this equipment, he falsely represented that her customer was an entity in Hong Kong.

To facilitate the purchase of the raiding craft and engines, he arranged for wire transfers to a separate company in Hong Kong, which in turn paid the U.S. manufacturer. He also coordinated plans to send an employee to Hong Kong to receive the raiding craft and engines and transship them to mainland China. The plot failed.

Source: U.S. Department of Justice, Press Release 16 July 2021

