



# Department of Justice

## United States Attorney's Office Central District of California

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### **FORMER BOEING ENGINEER SENTENCED TO NEARLY 16 YEARS IN PRISON FOR STEALING AEROSPACE SECRETS FOR CHINA**

*SANTA ANA, California* – An aerospace engineer was sentenced today to 188 months in federal prison for his conviction on charges of economic espionage and acting as an agent of the People's Republic of China for more than three decades while employed by Rockwell and Boeing, from which he stole restricted technology and trade secrets, including information related to the Space Shuttle program and Delta IV rocket.

Dongfan “Greg” Chung, 73, of Orange, California, who was employed by Rockwell International from 1973 until its defense and space unit was acquired by Boeing in 1996, was sentenced by United States District Judge Cormac J. Carney.

At today’s sentencing hearing, Judge Carney said that he could not “put a price tag” on national security, and that with the long sentence for Chung he wanted to send a signal to China to “stop sending your spies here.”

Following a three-week bench trial last year, Judge Carney found Chung guilty of conspiracy to commit economic espionage, six counts of economic espionage to benefit a foreign country, one count of acting as an agent of the People's Republic of China and one count of making false statements to the FBI.

Chung, a native of China who is a naturalized United States citizen, held a “secret” security clearance when he worked at Rockwell and Boeing on the Space Shuttle program. He retired from the company in 2002, but the next year he returned to Boeing as a contractor, a position he held until September 2006. During the trial, the government proved that Chung stole Boeing trade secrets relating to the Space Shuttle and the Delta IV rocket, materials he acquired for the benefit of the PRC.

“Mr. Chung betrayed his adopted country and endangered our national security,” said Acting United States Attorney George S. Cardona. “This case demonstrates our resolve to protect the

secrets that help protect the United States, as well as the important technological advancements developed by scientists working for companies that provide crucial support to our national security programs.”

Steven M. Martinez, the Assistant Director in Charge of the FBI in Los Angeles, stated: “The FBI and our partners in the intelligence community are committed to stopping those intent on stealing American technology, whether they are motivated by money or allegiance to their native country, as in the case of Mr. Chung. The lengthy sentence imposed on Mr. Chung should send a strong message to others contemplating theft of U.S. secrets, that such criminal activity is a serious affront to the nation's stability and will be prosecuted accordingly.”

The case against Chung resulted from an investigation into another engineer who worked in the United States and obtained sensitive military information for the PRC. That engineer, Chi Mak, and several of his family members were convicted of providing defense articles to the PRC. In 2008, Judge Carney sentenced Chi Mak to more than 24 years in prison (see: <http://www.usdoj.gov/usao/cac/pressroom/pr2008/032.html>).

According to the evidence presented during Chung’s trial, individuals in the Chinese aviation industry began sending Chung “tasking” letters as early as 1979. Over the years, the letters directed Chung to collect specific technological information, including data related to the Space Shuttle and various military and civilian aircraft. Chung responded in one undated letter that “I would like to make an effort to contribute to the Four Modernizations of China.” In various letters to his handlers in the PRC, Chung referenced engineering manuals he had collected and sent to the PRC, including 24 manuals relating to the B-1 Bomber.

Between 1985 and 2003, Chung made multiple trips to the PRC to deliver lectures on technology involving the Space Shuttle and other programs. During those trips he met with PRC government officials, including agents affiliated with the People’s Liberation Army. Chung and PRC officials exchanged letters that discussed Chung’s travel to China and recommended methods for passing information, including suggestions that Chung use Chi Mak and his wife Rebecca to transmit information. A May 2, 1987 letter from Gu Weihao, an official in the Ministry of Aviation and China Aviation Industry Corporation, discussed the possibility of inviting Chung’s wife, who is an artist, to visit an art institute so that Chung could use her trip as an excuse to travel to the PRC. This same letter suggested that passing information to the PRC through Chi Mak would be “faster and safer” and concluded with the statement: “It is your honor and China’s fortune that you are able to realize your wish of dedicating yourself to the service of your country.”

On September 11, 2006, FBI and NASA agents searched Chung’s house and found more than 250,000 pages of documents from Boeing, Rockwell and other defense contractors inside the house and in a crawl space underneath the house. Among the documents found in the crawl space were scores of binders containing decades’ worth of stress analysis reports, test results and design information for the Space Shuttle.

The investigation in this case was conducted jointly by the Federal Bureau of Investigation and NASA Counterintelligence.