

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES OF AMERICA) No.
)
) v.
) Violation: Title 18, United States
) Code, Sections 545 and 2
JUN YANG)
)

The UNITED STATES ATTORNEY charges:

At times material to this information:

1. The United States Department of Commerce was charged with regulating commerce in the United States, and as part of its responsibilities had the authority to impose duties on certain foreign imports. One type of duty the Department of Commerce imposed was known as an “antidumping duty.” Dumping occurred when foreign merchandise was sold in the United States at less than fair market value and when U.S. industries were injured. Antidumping duties were intended to ensure fair competition between United States companies and foreign industry, and to counter international price discrimination that caused injury to United States industries from “dumping.”

2. In December 2001, the Department of Commerce determined that Chinese-origin honey was being sold into the United States at less than fair market value. As a result, the United States government imposed default antidumping duties on Chinese-origin honey. From about January 2009 through the present, antidumping duties on Chinese honey were assessed against the entered net weight of the imported honey at \$2.63 per net kilogram.

3. The United States Department of Homeland Security, Bureau of Customs and Border Protection (CBP), was responsible for, among other things, the examination of merchandise entering the United States to ensure that it was admissible under and in compliance with United States laws, and the assessment and collection of taxes, fees, and duties on imported merchandise, including antidumping duties.

4. CBP entry forms 3461 (Entry/Immediate Delivery) and 7501 (Entry Summary) required importers to provide specific and truthful information relating to imported merchandise, including a description of the merchandise and the merchandise's harmonized tariff code, manufacturer, value, and country of origin. A customhouse broker or agent normally handled the process of entering goods into the United States on behalf of an importer, which included filing entry documents with CBP based on information provided by the importer.

5. Chinese-origin honey imported and entered into the United States through a third country, such as Malaysia or India, and mislabeled and declared as originating from that third country was illegally "transshipped." Chinese-origin honey imported and entered into the United States as originating from a country other than China, even if not transshipped, was considered an illegally misdeclared product. When CBP was misled about the Chinese origin of honey, it would not know to impose the required antidumping duties on the illegally transshipped or illegally misdeclared honey.

6. Honey Holding I, Ltd., d/b/a Honey Solutions, was a large industrial honey supplier and packer in the United States, with its principal place of business in Baytown, Texas.

7. National Honey, Inc., which did business as National Commodities Company, was a Houston, Texas-based commodities trading company that brokered the sale of a variety of aquacultural and agricultural products to United States customers, including honey to Honey Holding.

8. Defendant JUN YANG operated and controlled National Commodities and served as National Commodities' principal point of contact for brokering the sale of honey between overseas honey suppliers and United States customers.

9. On or about February 10, 2012, in the Northern District of Illinois, Eastern Division and elsewhere,

JUN YANG,

defendant herein, facilitated the sale of imported merchandise, namely, Chinese-origin honey with a declared value of \$92,800, knowing the same to have been imported and brought into the United States contrary to law, namely, as part of a fraudulent practice in violation of Title 18, United States Code, Section 542, by brokering the sale of two container loads of purported "100% Pure Indian Honey" to Honey Holding I, Ltd. for approximately \$102,400 as part of purchase order 823, knowing that the honey in the containers in fulfillment of the purchase order was falsely and fraudulently imported and brought into the United States as a product

of India in avoidance of U.S.-imposed antidumping duties, thereby causing losses to the United States of approximately \$97,625;

In violation of Title 18, United States Code, Sections 545 and 2.

UNITED STATES ATTORNEY