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FOR IMMEDIATE RELEASE**

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**TWO MEN CHARGED WITH CONSPIRACY TO EXPORT
MILITARY EQUIPMENT TO IRAN**

Baltimore, Maryland - Thomas M. DiBiagio, United States Attorney for the District of Maryland, Allan J. Doody, Special Agent in Charge, Baltimore Office of the Bureau of Immigration and Customs Enforcement (ICE) and Joseph McMillan, Special Agent in Charge, Mid-Atlantic Field Office of the Defense Criminal Investigative Service (DCIS), today announced the indictment of two individuals for conspiracy to violate the Arms Export Control Act and the Iranian Embargo.

On February 13, 2002, a federal grand jury in Baltimore returned an indictment against En-Wei Eric Chang, age 28, a naturalized United States citizen and resident of Taiwan and David Chu, a/k/a Chu Loung Hsiang, age 39, a resident of Taiwan. Chang and Chu are charged with conspiring to export U.S. Munitions List items to Iran from the United States, through Taiwan and other locations.

Federal agents arrested Chu in the U.S. Territory of Guam on February 22, 2003. Chu appeared before the federal district court in Guam and is scheduled to be moved to the federal district court in Maryland for prosecution. The other defendant, Chang, remains a fugitive in Taiwan.

The Arms Export Control Act prohibits the export of items on the U.S. Munitions List without obtaining the appropriate license from the U.S. State Department. The Iranian Embargo prohibits the export of goods, technology and services of any kind from the United States to Iran, either directly or through an intermediary country.

The probe began after federal agents received information from the Defense Security Service (DSS) that Chang had contacted a Maryland company in January, 2002 about purchasing satellite space images of Tehran, Iran for export to Iran. Agents launched an investigation using an undercover U.S. Customs Service business in Maryland.

According to the indictment, among the U.S. Munitions List items that the defendants

allegedly sought to purchase for export to Iran were: early warning radar equipment, satellite images of Tehran, state of the art night vision equipment and other military use technology. The indictment further alleges that Chang and Chu communicated with undercover U.S. Customs agents for several months via e-mail about the purchase of cavity-backed spiral antennas. On July 31, 2002, the indictment alleges that Chu wired \$6,400 to undercover agents as down payment for several cavity-backed spiral antennas. On January 13, 2003, Chu wired the remaining balance \$6,400 to undercover agents to complete payment for the antenna.

Cavity-backed spiral antennas, according to the manufacturer, are components that are typically mounted on military aircraft to provide pilots early warning that they have been detected by enemy radar or targeted by enemy fire. These antenna systems can also help military pilots locate enemy radar installations and pinpoint the location of enemy radio communications for jamming or attack.

According to the indictment, the defendants agreed to receive the antennas from undercover agents at a meeting in Guam. U.S. Customs agents assisted by Guam Police arrested Chu at Guam International Airport as he attempted to board a plane to Taiwan with the antennas.

If convicted the defendants could receive five years in federal prison and/or a fine of \$250,000.

An indictment is not a finding of guilt. An individual charged by indictment is presumed innocent unless and until proven guilty at some later criminal proceeding.

The indictment stems from a year long investigation by agents of the U.S. Customs Service (now known as ICE as a result of the March 1, 2003 Homeland Security reorganization) and the DCIS. This case is being prosecuted by Assistant U.S. Attorney James Warwick.