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Former Owner Of Defense Contracting Businesses Sentenced To 57 Months In Prison For Illegally Exporting Military Blueprints To India Without A License

TRENTON, N.J. – The former owner of two New Jersey defense contracting businesses was sentenced today to 57 months in prison for conspiring to send sensitive military technical data to India, U.S. Attorney Paul J. Fishman and Assistant Attorney General for National Security John P. Carlin announced.

Hannah Robert, 50, of North Brunswick, New Jersey, previously pleaded guilty before U.S. District Judge Anne E. Thompson to Count Six of a superseding indictment, which charged her with conspiracy to violate the Arms Export Control Act by exporting to India military technical drawings without prior approval of the U.S. Department of State. Judge Thompson imposed the sentence today in Trenton federal court.

“Hannah Robert conspired to send to another country thousands of technical drawings of defense hardware items and sensitive military data,” U.S. Attorney Fishman said. “She was also charged with manufacturing substandard parts that were not up to spec, in violation of the contracts she signed with the Department of Defense. Enforcement of the Arms Export Control Act is critical to the defense of our country.”

“Hannah Robert circumvented the U.S. government and provided export-controlled technical data related to various types of military technology to an individual in India,” said Assistant Attorney General Carlin. “We will vigorously prosecute and bring to justice those who abuse their access to sensitive defense information and violate the Arms Export Control Act.”

According to documents filed in this case and statements made in court:

In June 2010, Robert was the founder, owner, and president of One Source USA LLC, a company located at her then-residence in Mount Laurel, New Jersey, that contracted with the U.S. Department of Defense (DoD) to supply defense hardware items and spare parts. In September 2012, Robert opened another defense company, Caldwell Components Inc., based at the same address. Along with a resident of India identified only as “P.R.,” Robert owned and operated a third company located in India that manufactured defense hardware items and spare parts.

From June 2010 to December 2012, Robert conspired to export to India defense technical drawings without obtaining the necessary licenses from the U.S. Department of State. The exported technical drawings include parts used in the torpedo systems for nuclear submarines, in military attack helicopters, and in F-15 fighter aircraft.

In addition to United States’ sales, Robert and P.R. sold defense hardware items to foreign customers. Robert transmitted export-controlled technical data to P.R. in India so that Robert and P.R. could submit bids to foreign actors, including those in the United Arab Emirates (UAE), to supply them or their foreign customers with defense hardware items and spare parts. Neither Robert nor P.R. obtained approval from the U.S. Department of State for this conduct.

On Aug. 23, 2012, P.R. e-mailed Robert requesting the technical drawing for a particular military item. P.R.’s e-mail forwarded Robert an e-mail from an individual purporting to be “an official contractor of the UAE Ministry of Defence,” and who listed a business address in Abu Dhabi, UAE. The UAE e-mail requested quotations for a bid for the “blanket assembly” for the CH-47F Chinook military helicopter and listed the “End User” for the hardware item as the UAE Armed Forces. Later that same day, Robert replied to P.R.’s e-mail, attaching, among

other things, the electronic file for an export-controlled technical drawing titled "Installation and Assy Acoustic Blankets, STA 120 CH-47F," to be used in the Chinook attack helicopter.

In October 2010 Robert transmitted the military drawings for these parts to India by posting the technical data to the password-protected website of a Camden County, New Jersey, church where she was a volunteer web administrator. This was done without the knowledge of the church staff. Robert e-mailed P.R. the username and password to the church website so that P.R. could download the files from India. Through the course of the scheme, Robert uploaded thousands of technical drawings to the church website for P.R. to download in India.

On June 25, 2012, P.R. e-mailed Robert, stating: "Please send me the church web site username and password." The e-mail was in reference to both an invoice to and a quote for a trans-shipper known to Robert as a broker of defense hardware items for an end user in Pakistan. This individual used a UAE address for shipping purposes. Later that day, Robert replied to this e-mail, providing a new username and password for the church website so that P.R. could download the particular defense drawings.

On Oct. 5, 2012, Robert e-mailed P.R. with the subject line "Important." The e-mail referenced the Pakistan trans-shipper, a separate potential sale to individuals in Indonesia, and the church website: "Please quote [the Pakistan trans-shipper] and Indonesia items today[.] [Dr]awings I cannot do now as if the size exceeds then problem, I should be watching what I upload, will do over the weekend[.] Ask me if you need any drawing Talk to you tomorrow"

There were also quality issues with the parts that Robert provided to the DoD. After the DoD in October 2012 disclosed that certain parts used in the wings of the F-15 fighter aircraft, supplied by one of One Source USA's United States customers, failed, Robert and P.R. provided the principal of their customer with false and misleading material certifications and inspection reports for the parts. These documents, to be transmitted to the DoD, listed only One Source USA's New Jersey address and not the address of the actual manufacturer in India, One Source India. As a result of the failed wing pins, the DoD grounded approximately 47 F-15 fighter aircraft for inspection and repair, at a cost estimated to exceed \$150,000.

Until November 2012, Robert was an employee of a separate defense contractor in Burlington County, New Jersey, where she worked as a system analyst and had access to thousands of drawings marked with export-control warnings and information on this defense contractor's bids on DoD contracts. Robert misrepresented to her employer the nature and extent of her involvement with One Source USA in order to conceal her criminal conduct.

In addition to the prison term, Judge Thompson ordered Robert to serve three years of supervised release and pay \$181,015.27 in restitution.

The Arms Export Control Act prohibits the export of defense articles and defense services without first obtaining a license from the U.S. Department of State and is one of the principal export control laws in the United States.

U.S. Attorney Fishman credited special agents of the U.S. Department of Defense, Defense Criminal Investigative Service Northeast Field Office, under the leadership of Special Agent in Charge Craig W. Rupert; and special agents of the Department of Homeland Security, Homeland Security Investigations, Counter Proliferation Investigations, under the supervision of Special Agent in Charge Terence S. Opiola, with the investigation leading to today's sentencing.

The government is represented by Assistant U.S. Attorney Fabiana Pierre-Louis of the U.S. Attorney's Office Criminal Division in Trenton, and L. Judson Welle of the U.S. Attorney's Office National Security Unit, with assistance from the National Security Division's Counterespionage Section.

Defense counsel: David E. Schafer Esq., Lawrenceville, New Jersey

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