Scientist Being Sentenced In Utah For Trade Theft

Paul Foy, Associated Press

SALT LAKE CITY (AP) — A sentencing hearing for a scientist who has pleaded guilty in Utah's first industrial espionage case turned on testimony Thursday about the damage to a chemical company.

Prabhu Mohapatra faces up to five years in prison and a $250,000 fine on a charge of unlawful access to a protected database.

Federal investigators say the 42-year-old chemist emailed a secret drug recipe from a Utah company to a brother-in-law in India. They say the relative planned to undercut prices charged by Logan-based Frontier Scientific Inc. for a rare organic chemical with applications ranging from prescription drugs to solar cells and batteries.

Mohapatra pleaded guilty in May to the computer charge with prosecutors agreeing to drop more serious charges. The sentencing hearing opened Thursday with the first of a series of company officials taking the stand to testify about the discovery of the trade theft and how much it cost their company.

Mohapatra's lawyers were trying to dispute the harm done to the company to minimize his prison term.

Assistant U.S. Attorney Michael Kennedy said testimony was expected to continue into Friday.

The defendant's supervisor, Dustin Cefalo, testified Thursday that Mohapatra was seeking to promote himself in the company by taking over responsibilities for outsourcing production of key chemicals.

Cefalo said that was "my job." Nonetheless, based on his employee's recommendation, he agreed to open a business relationship with the man in India, apparently unaware the supplier was Mohapatra's brother-in-law.

Cefalo said he placed an order with the man for the first of two chemicals but wasn't impressed by lab results on its purity. Cefalo's testimony continued behind closed doors for hours longer Thursday. Court officials said the hearing would have to wait weeks longer until the judge is able to resume.

Cefalo is Frontier's director of applied technology who supervised chemists, including Mohapatra. He described him as an average but ambitious chemist who asked to be promoted by promising to boost sales by 30 percent.

Mohapatra wanted to take over a division that sells special chemical compounds and control outsourcing, making him an equal to his one-time boss. Cefalo indicated that he found his subordinate's request puzzling.

Mohapatra lost his job as company officials began tracking his movements on a computer. He worked for Frontier Scientific Inc. from 2009 to 2011. In his plea statement, he admitted only to accessing a database called "Labbook" and transmitting a recipe for a chemical compound to a person in India.

He said he retrieved the recipe for Meso-tetraphenylporphine, or TPP.

Frontier's chief executive, Tim Miller, has told The Associated Press that Frontier is the only company that can make large, pure quantities of the organic chemical.

Cefalo described it as a light-sensitive compound similar to chlorophyll, the green pigment in plants that turns sunlight into energy.

Days after losing his job on Oct. 26, 2011, the federal complaint says, Mohapatra sent an email pleading with his brother-in-law to drop plans for making chemicals from Frontier's recipe book.

"Please do not make any product currently present in Frontier Scientific's catalogue," wrote Mohapatra, according to court records. "I will lose my job and even could face jail time."

Mohapatra sat in court Thursday for proceedings but said nothing. He is free on bail.

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