Couple Convicted Of Stealing GM Trade Secrets

Ed White, Associated Press

DETROIT (AP) — A former General Motors engineer with access to the automaker's hybrid technology was convicted Friday along with her husband of stealing trade secrets for possible use in China.

Shanshan Du won a transfer within GM in 2003 to be closer to the technology and then copied documents until she accepted a severance offer and left the company in 2005, prosecutors said.

Du, 54, and Yu Qin, 51, were found guilty Friday by a federal jury in Detroit after a trial that lasted weeks. Qin also was convicted of wire fraud and attempting to obstruct justice by shredding documents. They shook each other's hand after the verdict but declined to comment, as did their attorneys.

Du faces up to 10 years in prison, while her husband faces up to 30. No sentencing date has been set.

Prosecutors told jurors that GM trade secrets were found on at least seven computers owned by the Oakland County couple. The government doesn't believe the information ever made it to China, although Qin had set up his own company, Millennium Technology International, and claimed to have made contact with GM competitors overseas.

Defense lawyers acknowledged that GM information was in the couple's possession, but they downplayed the commercial significance.

In her closing argument, Assistant U.S. Attorney Cathleen Corken said Du was the "linchpin" in the scheme because of her job at the automaker.

"It can't happen without her," the prosecutor said Thursday.

Corken noted that the agents kept an eye on the couple after searching their home in 2006 and watched Qin dump shredded documents in a grocery store Dumpster.

"Is that the conduct of innocent people?" she asked.

Corken said the technology was worth at least $40 million, the price that other automakers paid GM to get it.

Du and Qin, both U.S. citizens, had been under scrutiny for years after GM accused them of theft. They were charged in 2006 with destroying documents sought by investigators, but that case was dropped while investigators pursued a broader probe that led to an indictment in 2010.

It's not the first trade secrets prosecution in the Detroit auto industry. In 2011, an engineer who stole information from Ford Motor Co. was sentenced to nearly six years in prison.

Xiang Dong Yu, also known as Mike Yu, admitted copying thousands of documents with details on engine transmission systems and electrical power supply before leaving Ford to work for a Chinese competitor in 2008.

"We are committed to protecting Michigan's technology, and we hope that this prosecution will send a message that stealing proprietary information from an employer or competitor is a serious crime," U.S. Attorney Barbara McQuade said.

Source URL (retrieved on *08/28/2014 - 10:56pm*):
http://www.impomag.com/news/2012/12/couple-convicted-stealing-gm-trade-secrets?qt-most_popular=0&qt-recent_content=0&qt-digital_editions=0