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3 1/2-year sentence ordered in Iran missile part case

By CURT ANDERSON
AP Legal Affairs Writer

A Taiwanese businessman was sentenced Friday to 3 1/2 years in U.S. prison for violating the Iran trade embargo by arranging illegal shipments of parts that can be used for military or nuclear purposes, including in missiles and unmanned drones.

Yi-Lan "Kevin" Chen, 40, had faced up to 20 years on each of three charges, but U.S. District Judge Adalberto Jordan cited Chen's remorse, lack of prior criminal record and immediate admission of guilt as reasons for a lighter sentence.

"I don't believe any longer sentence is necessary to protect society from criminal conduct in the future," Jordan said.

Chen was arrested in February in Guam in the midst of a transaction to ship to Iran some 8,500 glass-to-metal seals and 120 military-grade connectors. Commerce Department investigators said he had arranged at least 30 banned shipments to Iran since 2007, falsely telling U.S.-based suppliers that the goods were destined for Hong Kong or Taiwan.

Chen's attorney, Robert Targ, said the scheme ran counter to Chen's otherwise exemplary life as a businessman.

"Opportunism and greed overwhelmed character and integrity, and Kevin allowed himself to be drawn into this scheme," Targ said.

Speaking through a Mandarin Chinese interpreter, Chen told the judge that "because of my ignorance, I violated U.S. law. I am very, very sorry."

But e-mails intercepted by U.S. investigators show Chen fully understood the U.S. embargo against Iran and went to great lengths to evade it. In one 2009 e-mail, Chen told a customer in Tehran, Iran, that "we cannot tell USA this connector is for you. So we have to tell a white lie to USA that this is for our factory in Hong Kong."

Assistant U.S. Attorney Jacqueline Arango said Chen's actions were "detrimental to U.S. foreign policy and national security."

Chen, who has already spent seven months in jail, will likely be deported to Taiwan after his release from prison.

Investigators based in South Florida learned about Chen after he tried to arrange for the export of 2,000 detonators through an unnamed California company. Eventually, an undercover federal agent posing as a Cincinnati-based supplier began communicating via e-mail with Chen.

The e-mails show Chen shipped two P200 Turbine engines and spare parts to Iran via Hong Kong in 2007, labeling them on an invoice as "a starter for a car and wheels." The engines can be used in model aircraft but also for military drones.

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