



Department of Justice

U.S. Attorney's Office
Southern District of Texas

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SAUDI CITIZEN FOUND GUILTY OF SELLING COUNTERFEIT CISCO COMPUTER PARTS TO THE MARINE CORPS IN IRAQ

(HOUSTON) - Ehab Ali Ashoor, 49, a Saudi citizen who resides in Sugarland, Texas, has been found guilty of trafficking in counterfeit Cisco goods after a three-day jury trial before United States District Judge David Hittner, United States Attorney Tim Johnson announced today. The case was re-tried this week after a hung jury last Friday.

Ashoor was convicted of purchasing counterfeit Cisco Gigabit Interface Converters (GBICs) from an online vendor in China in an attempt to satisfy a contract he had with the United States Marine Corps in Iraq to deliver genuine Cisco GBICs. Judge Hittner ordered Ashoor taken into custody pending sentencing on April 13, 2010, where he faces up to 10 years imprisonment and a \$250,000 fine.

During this week's re-trial, the United States presented evidence proving Ashoor, through his company CDS Federal Inc., was awarded a contract in June 2008 to supply 200 Cisco GBICs to the Marine Corps for use in their computer network at the Marine Base in Al Taqaddum, Iraq, located approximately 65 kilometers west of Fallujah. The language of the contract signed by Ashoor specifically stated the GBICs had to be genuine Cisco products and not an imitation brand that claimed the same specifications. It further cautioned that, "Not only is this a quality issue it is a possible security issue." Testimony at trial showed that the computer network for which the GBICs were intended is used by the Marine Corps to transmit troop movements, relay intelligence and maintain the security of the base at Al Taqaddum.

Despite the language of the contract and despite receiving a warning from an online vendor that GBICs being sold by Chinese online vendors were counterfeit, Ashoor nevertheless purchased 200 GBICs from a Hong Kong vendor off eBay for approximately \$25 each on July 21, 2008. Further, e-mails recovered by Immigration and Customs Enforcement (ICE) agents showed that Ashoor had to specify to the Hong Kong seller that he wanted the GBICs to be in Cisco packaging. The price Ashoor paid for the GBICs was less than 5% of the market price for genuine Cisco GBICs. Ashoor was to be paid \$595 per GBIC for a total contract price of \$119,000 while Ashoor paid only \$5,500 for the 200 counterfeit Cisco GBICs from China. Thus, Ashoor would have netted Ashoor a profit of more than \$113,000, or 2,000%, had Customs and Border Protection Inspectors in Chicago, Ill., not intercepted the counterfeit parts on July 28, 2008, before Ashoor could successfully deliver them to the Marine Corps in Iraq.

This case was investigated by ICE as well as agents with the Department of Defense -

Criminal Investigative Service. This case is being prosecuted by Assistant United States Attorneys Jason Varnado and Gregg Costa.

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