



Department of Justice

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REYNOLDSBURG RESTAURANT OWNER PLEADS GUILTY TO ARSON

COLUMBUS – Shu Zhi Cao, 53, of Lewis Center pleaded guilty in United States District Court here to one count of conspiracy to commit arson in furtherance of mail fraud for his role in the December, 2006 fire that destroyed the New Star Asian Cuisine Restaurant which he and his son owned.

William E. Hunt, Acting United States Attorney for the Southern District of Ohio, Christopher P. Sadowski, Special Agent in Charge, Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), interim Ohio State Fire Marshal Donald Cooper, and Chief Jerry Foltz of the Truro Township Fire Department announced the plea entered Friday, September 4 before United States District Court Judge Gregory L. Frost.

In a statement of facts presented in court, Cao admitted that the restaurant was struggling financially and in December, 2006, that other members of the conspiracy approached an employee, Richard Wu and one of Wu's friends, Anthony Wang, offering them \$2,500 each to burn the restaurant so Cao could collect the insurance money. On December 21, 2006, Wu and Wang entered the restaurant, spread gasoline around it, spray-painted racially charged epithets on the wall, and set the building on fire.

Shu Zhi Cao's son, Yi Cao, contacted the insurance company after the fire to file a claim. Shu Zhi Cao made false statements on the claim, which constituted mail fraud. ATF agents arrested Shu Zhi Cao on April 14, 2009. He was released on bond and will remain on bond until sentencing.

Wu also pleaded guilty to one count of conspiracy to commit arson in furtherance of mail fraud and is awaiting sentencing. Yi Cao and Wang fled during the investigation and are believed to be back in China.

Conspiracy to commit arson in furtherance of mail fraud is punishable by up to 20 years imprisonment. Judge Frost will set a date for sentencing.

Hunt commended the cooperative investigation by ATF agents and state fire marshal investigators, as well as Assistant U.S. Attorneys Michael Hunter and Don Pashayan, who are prosecuting the case.

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