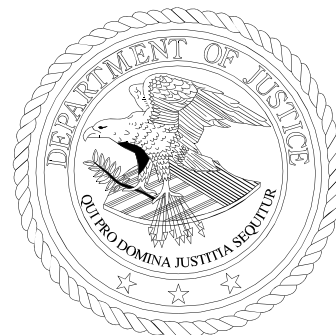


NEWS

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More Information? Call the Assistant U.S. Attorney or other contact listed below to see if more information is available.

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FOR IMMEDIATE RELEASE
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Owner of Export Company Pleads Guilty to Wire Fraud Conspiracy

(More)

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NEWARK – The former owner of an East Brunswick export company pleaded guilty today, admitting that he conspired with an employee of Vectron International to orchestrate a scheme in which his export business was used as a straw buyer to defraud Vectron International, U.S. Attorney Christopher J. Christie announced.

Zhijian Huang, 49, of Milltown, a/k/a “Steven Huang, entered a guilty plea today before U.S. District Judge Dickinson R. Debevoise. Huang admitted that with his knowledge, Zhen Zhang, 35, a Chinese national, used Huang’s company, North International (North), as a straw buyer to defraud Zhang’s employer, Vectron International (Vectron).

Huang admitted that Zhang used North to conceal from Vectron the fact that he was dealing directly with certain customers of Vectron, thereby obtaining higher sales revenue from those customers than he reported to Vectron, and improperly keeping a portion of Vectron’s profits for his own financial benefit.

Huang stated that North was a company specializing in the export of goods to the People’s Republic of China. Huang admitted that from as early as March 2000 until June 2003, Zhang directed sales, shipments, and returns through North as though North was actually purchasing Vectron’s products, when in fact North was not.

Huang admitted that he and Zhang falsified various records to make it appear to Vectron that North was the actual purchaser. In fact, the true purchaser was in China and paying a higher price than the false documents showed. At Zhang’s direction, Vectron shipped the products to North and North in turn forwarded them to the true customer in China.

Huang admitted that the customer in China paid North for the product and Huang then wired a portion of the proceeds to a bank account in Hong Kong in the name of “Li Chi Lam,” which Zhang controlled. Huang admitted he also kept a portion of the ill-gotten gains for himself.

Zhang, the mastermind of the scheme, entered a guilty plea before Judge Debevoise on March 24, 2006. At his plea hearing, Zhang admitted conduct including pushing sales through straw buyers and demanding bribe payments, as well as creating front companies and falsifying corporate records to hide the scheme to defraud Vectron of over \$1 million. Zhang is awaiting sentencing.

Zhang’s two co-conspirators, Shiyi Zhang, 43, (no relation to Zhen Zhang), and Zhuosen Tan, 32, entered guilty pleas before Judge Debevoise on Dec. 28, 2005, and Feb. 27, 2006, respectively, admitting their roles in the conspiracy. Zhang and his two co-defendants worked as sales representatives for Vectron International, a multi-national corporation based in Hudson, N.H. Zhang, Shiyi Zhang and Zhuosen Tan were based in the Chinese cities of Shanghai, Beijing and Shenzhen, respectively.

A news release concerning Zhang and his two co-defendants' guilty pleas can be found by following the appropriate links on the office website at: <http://www.usdoj.gov/usao/nj/>

Huang pleaded guilty to one count of conspiring to commit wire fraud, which carries a maximum penalty of 5 years in federal prison and fines of up to \$250,000. Judge Debevoise scheduled sentencing for June 11.

In determining an actual sentence, Judge Debevoise will consult the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Christie credited Special Agents of the FBI, under the direction of Acting Special Agent in Charge Pedro Ruiz; the Department of Homeland Security, Immigration and Customs Enforcement (ICE), under the direction of Special Agent in Charge Kyle Hutchins, and the Department of Commerce, under the direction of Special Agent in Charge Sidney M. Simon.

The Government is represented by Assistant U.S. Attorney R. Stephen Stigall of the U.S. Attorney's Office in Camden.

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Defense Counsel: K. Roger Plawker, Esq. Roseland