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## **TAIWANESE COUPLE SENTENCED TO PRISON FOR ILLEGALLY TRADING PROTECTED BLACK CORAL**

WASHINGTON—Two Taiwanese nationals were sentenced to prison today in federal court in the U.S. Virgin Islands for conspiracy to ship internationally protected black coral into the United States in violation of federal wildlife statutes, the U.S. Department of Justice announced.

Ivan Chu of Taipei, Taiwan, was sentenced to serve 30 months in prison and pay a \$12,500 fine. Gloria Chu also of Taipei was sentenced to serve 20 months in prison and pay a \$12,500 fine. The court also prohibited the Chus from shipping any coral and other wildlife products to the United States for a three-year period following their release from prison. These sentences are the longest prison sentences for illegal trade in coral to date.

Both Chus pleaded guilty on March 11, 2010, to nine counts including conspiracy, false statements, and violations of both the Endangered Species Act and the Lacey Act.

The Lacey Act makes it a felony to falsely label wildlife that is intended for international commerce. The Endangered Species Act is the U.S. domestic law that implements the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Each of the species of black coral is listed in Appendix II of CITES and is subject to strict trade regulations.

Black coral is one of the several types of precious corals that can be polished to a high sheen, worked into artistic sculptures and used in inlaid jewelry. The Chus admitted to running a business named Peng Chia Enterprise Co. Ltd., that supplied materials including black coral to customers outside of Taiwan for jewelry design and manufacture. At times prior to 2007, the Chus were issued CITES export permits by the Taiwanese government in order to ship black coral overseas. Since 2007, however, they have been unable to obtain permits because they are unable to produce a legitimate certificate of origin.

Both Chus admitted that in order to supply a company based in the Virgin Islands with black coral, they would falsely label shipments in order to conceal the coral from U.S. Customs and Border Protection officers. The conspiracy included travel to a warehouse in mainland China to choose coral from a Chinese supplier and the use of an

intermediary to ship the black coral from Hong Kong to a company in St. Thomas. The scheme took place for at least two years prior to the customs seizure of an August 2009 shipment destined for the company.

On Aug. 19, 2009, Peng Chia sent a shipment comprised of 10 boxes of black coral that were labeled “plastic of craft work.” A U.S. Customs’ Contraband Enforcement Team flagged the shipment as suspicious and contacted U.S. Fish and Wildlife (USFWS) from San Juan, Puerto Rico. As a result, USFWS, National Oceanic and Atmospheric Administration and Immigration and Customs Enforcement opened a joint investigation, “Operation Black Gold,” that led to the arrest of the Chus in January 2010. Analysis by the U.S. Fish and Wildlife Service’s National Forensics Laboratory in Ashland, Ore., revealed that shipment from the Chus contained internationally protected black coral. The Chus have admitted that from 2007 to 2009, they sent more than \$194,000 worth of black coral to the company in St. Thomas.

“Trafficking in protected species like black coral violates international and domestic laws and threatens the existence of that important resource. Today’s prison sentences indicate the severity of the crimes and should deter others from participating in illegal wildlife trafficking,” said Ignacia S. Moreno, Assistant Attorney General for the Justice Department’s Environment and Natural Resources Division.

“This case demonstrates that there will be consequences to those who illegally exploit our marine environment, and that such behavior will not be tolerated,” said Ronald W. Sharpe, U.S. Attorney for the District of the U.S. Virgin Islands. “The United States Attorney’s Office will prosecute those who commit environmental crimes as vigorously as it prosecutes violent offenders.”

“This should send a strong and clear message to those individuals foreign and domestic, who deliberately break our environmental laws, that their conduct will not be tolerated. Those who illegally plunder nature’s resources in favor of profits will be brought to justice,” said James Gale, Special Agent in Charge of the Fish and Wildlife Services’s Southeast Region. “The cooperative efforts show the commitment of all agencies involved to protect coral and the natural resources against the illegal international trade, we are all stewards.”

The case was investigated by agents of the USFWS and the National Oceanic and Atmospheric Administration. The case is being prosecuted by the Justice Department’s Environmental Crimes Section and the U.S. Attorney’s Office for the District of the Virgin Islands.

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