



***United States Attorney
District of New Jersey***

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CONTACT: Rebekah Carmichael
Office of Public Affairs
(973) 645-2888

**DUTCH CITIZEN ARRESTED, CHARGED WITH
CONSPIRACY TO EXPORT GOODS TO IRAN**

NEWARK, N.J. – Federal agents arrested a former manager of a Netherlands-based freight forwarding company Saturday evening, August 6, 2011, for allegedly conspiring with others to export goods – including aircraft parts, peroxide, and other materials – to Iran, New Jersey U.S. Attorney Paul J. Fishman announced.

Ulrich Davis, 50, of The Netherlands, is charged in a criminal Complaint with one count of conspiracy to violate the International Emergency Economic Powers Act and the Iranian Transactions Regulations. Davis was arrested at Newark Liberty International Airport as he was attempting to depart for The Netherlands by special agents of the U.S. Department of Commerce Bureau of Industry and Security and the U.S. Department of Homeland Security’s Immigration and Customs Enforcement, Homeland Security Investigations.

The defendant appeared this morning before U.S. Magistrate Judge Patty Shwartz in Newark federal court and was detained.

“According to the Complaint, Ulrich Davis sent prohibited shipments to Iran, intentionally hiding the nature of sensitive materials to be provided to the Iranian military,” said U.S. Attorney Fishman. “The violation of export laws designed to keep American munitions out of the wrong hands is more than shady business practice; it is a threat to national security.”

“This investigation demonstrates our ongoing commitment to pursue individuals, including those in the freight forwarder community, who knowingly violate U.S. export control laws no matter where in the world they set up their illicit operations,” said Eric Hirschhorn, Under Secretary for Industry and Security.

According to the criminal Complaint unsealed today:

Davis was the Sales and Business Development Manager for a company described in the Complaint as “the Netherlands freight-forwarding company” in 2007 and 2008. The Netherlands freight-forwarding company was affiliated with a New York-based freight-forwarding company.

Davis and the Netherlands company caused several shipments to be made to Iran without the necessary authorization from the United States government and in violation of the law.

In May 2007, the Netherlands freight-forwarding company caused attitude direction indicators for aircraft to be sent from the United States to Iran. Davis directed the transport company to disguise the nature of the shipment by removing the invoices and list of items from the box.

Also in May 2007, Davis' company forwarded a fuel control unit for use on a Boeing 747 aircraft to Iran. In September 2007, the Netherlands freight forwarder shipped C-130 aircraft parts to Iran; Davis was listed as the employee responsible for the shipment.

In 2007 and 2008, Davis also procured various materials from a New Jersey company – including adhesive primer, peroxide, and aerosols – that were sent to Iran in multiple shipments between August 2007 and January 2008. The shipments were made by the New York-based freight forwarding company, via another country. At least one of the shipper's export declarations filed by the New York freight forwarder falsely identified The Netherlands as the ultimate destination. Davis had instructed an employee of the New York freight forwarder to falsely list The Netherlands as the country of ultimate destination for the exports. The address in The Netherlands was a post office box.

In a January 2008 email regarding the shipments, Davis noted that, "99% of these goods were destined to be send to Teheran [sic]/Iran, which was and still is a very difficult destination due to political reasons."

If convicted of the charge, Davis faces a maximum potential penalty of 20 years in prison and a \$1 million fine.

U.S. Attorney Fishman credited special agents of the Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, Boston Field Office, under the direction of Special Agent in Charge John McKenna, and New York Field Office, under the direction of Special Agent in Charge Sidney Simon, for the investigation leading to the arrest and charge. He also thanked HSI, Boston Field Office, under the direction of Special Agent in Charge Bruce Foucart, and Newark Field Office, under the direction of Acting Special Agent in Charge Andrew M. McLees; and Defense Criminal Investigative Service, New Haven Resident Office, under the direction of Resident Agent in Charge Kathryn Feeney, for their assistance.

The government is represented by Assistant U.S. Attorney Joyce Malliet of the U.S. Attorney's Office National Security Unit in Newark and Trial Attorneys Jonathan Poling and Elizabeth Cannon of the Counterespionage Section of the Justice Department's National Security Division.

The charge and allegations contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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