



The United States Department of Justice

FOR IMMEDIATE RELEASE

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IRANIAN BUSINESSMAN PLEADS GUILTY TO CONSPIRACY TO VIOLATE U.S. SANCTIONS BY EXPORTING CARBON FIBER FROM THE UNITED STATES TO IRAN

WASHINGTON – Behzad Pourghannad pleaded guilty today to participating in a conspiracy to export carbon fiber from the United States to Iran between 2008 and 2013.

“Pourghannad was in Iran while he worked to obtain carbon fiber from the United States contrary to U.S. law,” said Assistant Attorney General John C. Demers for National Security. “He may have believed he was out of U.S. law enforcement’s reach, but thanks in part to assistance from the German government, which extradited him, this case is now another example of the Department’s ability to hold Iran’s illicit procurement agents accountable, regardless of where they work.”

Manhattan U.S. Attorney Geoffrey S. Berman said: “Behzad Pourghannad has now admitted that he conspired to circumvent repeatedly U.S. export controls on carbon fiber, a substance with numerous military and aerospace applications. Together with the FBI, the Commerce Department, and all of our law enforcement partners, we will continue to protect our national security.”

According to the allegations contained in the Indictment and statements made at Pourghannad’s guilty plea:

Between 2008 and July 2013, Pourghannad and his two codefendants, Ali Reza Shokri and Farzin Faridmanesh lived and worked in Iran. During that period, they worked together to obtain carbon fiber from the United States and surreptitiously export it to Iran via third countries. In particular, Shokri worked

to procure many tons of carbon fiber from the United States; Pourghannad agreed to serve as the financial guarantor for large carbon fiber transactions; and Faridmanesh agreed to serve as the trans-shipper. Carbon fiber has a wide variety of uses, including in missiles, aerospace engineering, and gas centrifuges that enrich uranium.

In or about late 2007 and early 2008, Shokri and a Turkey-based co-conspirator (CC-2) successfully arranged for the illegal export and transshipment of carbon fiber from the United States to an Iranian company associated with Shokri (Iranian Company-1). Specifically, CC-2 contacted a United States supplier of carbon fiber, who in turn enlisted a third individual (Individual-1) for assistance with the transaction. Through Individual-1, CC-2 purchased carbon fiber from the United States supplier and arranged for the shipment of the carbon fiber from the United States, through Europe and Dubai, United Arab Emirates, to Iranian Company-1, operated by Shokri, in Iran.

In or about May 2009, Pourghannad and Shokri attempted to arrange another illegal purchase and transshipment of carbon fiber from the United States to Iran. Specifically, Individual-1 returned a signed contract to Pourghannad for Shokri's purchase of a large quantity of carbon fiber. Individual-1 then purchased the carbon fiber from a United States supplier and arranged for the carbon fiber to be exported from the United States to a third country (Country-1), en route to Iran. Country-1 authorities, however, interdicted the carbon fiber shipment before it could be trans-shipped to Iran.

In or about 2013, Pourghannad, Shokri, and Faridmanesh again attempted to illegally procure and export carbon fiber from the United States to Iran. In the 2013 transaction, Shokri and Pourghannad negotiated with Individual-1 for the purchase and trans-shipment to Iran of more than five tons of carbon fiber. Faridmanesh and Pourghannad further agreed with Individual-1 that the carbon fiber would be trans-shipped from the United States to Iran through Tbilisi, Georgia, with Faridmanesh to serve as the trans-shipper. Faridmanesh specifically instructed Individual-1 to change the shipping labels on the carbon fiber to reference "acrylic" or "polyester," rather than "carbon fiber." Pourghannad provided Individual-1 with the bank guarantee that was to serve as surety for a portion of the carbon fiber. In or about June 2013, Individual-1 informed Pourghannad, Shokri, and Faridmanesh that the carbon fiber would soon be shipped from New York, New York, and that Individual-1 would replace the carbon fiber labels with shipping labels referencing "acrylic" to evade U.S. export controls.

No one involved in these transactions obtained permission from the U.S. Department of Treasury, Office of Foreign Assets Control, to export the carbon fiber from the United States.

Pourghannad, 65, who is an Iranian citizen, pled guilty to one count of conspiracy to violate the International Emergency Economic Powers Act, which carries a

maximum sentence of 20 years in prison. He will be sentenced by Judge Briccetti on Dec. 13, 2019.

Shokri and Faridmanesh remain at liberty.

Assistant Attorney General Demers and U.S. Attorney Berman praised the outstanding investigative work of the FBI and the U.S. Department of Commerce, and thanked the U.S. Department of Justice's National Security Division and Office of International Affairs, the U.S. Marshals Service, Homeland Security Investigations, and Immigration and Customs Enforcement for their assistance.

This case is being handled by the Office's Terrorism and International Narcotics Unit, with assistance from the Counterintelligence and Export Control Section of the National Security Division. Assistant United States Attorney Gillian Grossman is in charge of the prosecution.

The charges contained in the Indictment are merely accusations, and Shokri and Faridmanesh are presumed innocent unless and until proven guilty.

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