

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

In the Matter of:)
)
Juan Sevilla)
16123 Ardath Avenue)
Gardena, California 90249)
)
Respondent)
)
JS Engineering)
16123 Ardath Avenue)
Gardena, California 90249)
)
and)
)
Cientec, S.A. de C.V.)
Acatempan No. 2112)
Chapultepec Country, 44620)
Guadalajara, Jalisco)
Mexico)
)

Related Persons)

ORDER DENYING EXPORT PRIVILEGES

A. Denial of Export Privileges of Juan Sevilla

On December 5, 2006, in the U.S. District Court for the Northern District of Illinois, Juan Sevilla ("Sevilla") was found guilty on one count of violating the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). Specifically, the Court found that Sevilla knowingly and willfully attempted to engage in the unauthorized sale and export to Iran of a United Computer Inclusive Hydraulic Floor Model Testing Machine. The testing machine is classified as EAR99. These systems test metals or plastic materials for tensile strength and the export of these systems to Iran requires an individual validated license from the

Department of the Treasury, Office of Foreign Assets Control ("OFAC"). Failing to obtain the proper OFAC license for this item is also a violation of the Export Administration Regulations ("Regulations").¹ Sevilla was sentenced to probation for five years with a period of home confinement of six months. The judge also ordered 100 hours of community service, a \$100.00 special assessment and a \$10,000.00 fine.

Section 11(h) of the Export Administration Act of 1979, as amended (currently codified at 50 U.S.C. app. §§ 2401-2420 (2000)) (the "Act")² and Section 766.25 of the Regulations provide, in pertinent part, that "[t]he Director of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny export privileges of any person who has been convicted of a violation of . . . IEEPA," for a period not to exceed 10 years from the date of conviction. 15 C.F.R. §§ 766.25(a) and (d). In addition, Section 750.8 of the Regulations states that BIS's Office of Exporter Services may revoke any BIS licenses previously issued in which the person had an interest in at the time of his conviction.

I have received notice of Sevilla's conviction for violating the IEEPA, and have provided notice and an opportunity for Sevilla to make a written submission to the Bureau of Industry and Security as provided in Section 766.25 of the Regulations. I have received a written submission from Sevilla and, following consultations with the Office of Export Enforcement, including its

¹ The Regulations are currently codified at 15 C.F.R. Parts 730-774 (2007).

² 50 U.S.C. app. §§ 2401-2420. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 15, 2007 (72 Fed. Reg. 46137, Aug. 16, 2007), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § § 1701-1706 (2000)) ("IEEPA").

Director, have decided to deny Sevilla's export privileges under the Regulations for a period of five years from the date of Sevilla's conviction. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Sevilla had an interest at the time of his conviction.

B. Denial of Export Privileges of Related Persons

Pursuant to Sections 766.25(h) and 766.23 of the Regulations, the Director of BIS's Office of Exporter Services, in consultation with the Director of BIS's Office of Export Enforcement, may take action to name persons related to a Respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business in order to prevent evasion of a denial order. I gave notice to Cientec, S.A. de C.V. ("Cientec") and JS Engineering that their export privileges under the Regulations could be denied for up to 10 years due to their relationship with Sevilla and because BIS believes that naming them as persons related to Sevilla would be necessary to prevent evasion of a denial order imposed against Sevilla. Sevilla is the founder, owner and president of Cientec, S.A. Sevilla is also the owner of JS Engineering, an affiliate of Cientec based out of Sevilla's home in Gardenia, CA. JS Engineering and Cientec are related to Sevilla by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business. BIS believes that naming Cientec and JS Engineering as persons related to Sevilla is necessary to avoid evasion of the denial order against Sevilla because of the likelihood that Sevilla would continue to engage in trade through these companies.

After receiving and considering submissions from JS Engineering and Cientec, I have decided, following consultations with the Office of Export Enforcement, including its Director,

to name JS Engineering and Cientec as Related Persons to the Sevilla Denial Order, thereby denying their export privileges for five years from the date of Sevilla's conviction.

I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which the Related Persons had an interest at the time of Sevilla's conviction. The five-year denial period will end on December 5, 2011.

Accordingly, it is hereby

ORDERED

I. Until December 5, 2011, Juan Sevilla, 16123 Ardath Avenue, Gardena, California 90249, when acting for or on behalf of Sevilla, his representatives, assigns, agents or employees, ("the Denied Person") and the following persons related to the Denied Person as defined by Section 766.23 of the Regulations: JS Engineering, 16123 Ardath Avenue, Gardena, California 90249 and Cientec, S.A. de. C.V., Acatempan No. 2112, Chapultepec Country, 44620, Guadalajara, Jalisco, Mexico, and when acting for or on their behalf, their employees, agents or representatives, ("the Related Persons") (together, the Denied Person and the Related Persons are "Persons Subject To This Order") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document;

- B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or
 - C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.
- II. No person may, directly or indirectly, do any of the following:
- A. Export or reexport to or on behalf of the Persons Subject To This Order any item subject to the Regulations;
 - B. Take any action that facilitates the acquisition or attempted acquisition by the Persons Subject To This Order of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Persons Subject To This Order acquires or attempts to acquire such ownership, possession or control;
 - C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Persons Subject To This Order of any item subject to the Regulations that has been exported from the United States;

- D. Obtain from the Persons Subject To This Order in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or
- E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Persons Subject To This Order, or service any item, of whatever origin, that is owned, possessed or controlled by the Persons Subject To This Order if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

III. In addition to the Related Persons named above, after notice and opportunity for comment as provided in section 766.23 of the Regulations, any other person, firm, corporation, or business organization related to Sevilla by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of this Order if necessary to prevent evasion of the Order.

IV. This Order does not prohibit any export, reexport, or other transaction subject to the Regulations where the only items involved that are subject to the Regulations are the foreign-produced direct product of U.S.-origin technology.


V. This Order is effective immediately and shall remain in effect until December 5, 2011.

VI. In accordance with Part 756 of the Regulations, Sevilla may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.

VII. In accordance with Part 756 of the Regulations, the Related Persons may also file an appeal of this Order with the Under Secretary of Commerce for Industry and Security.

VIII. A copy of this Order shall be delivered to Sevilla and the Related Persons. This Order shall be published in the Federal Register.

Date: Jan 16 2008


Eileen M. Albanese
Director
Office of Exporter Services