



U.S. Department of Justice

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For Immediate Release:  
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Event: Sentenced

Defendant: Anne Lockwood et al

FORMER METALDYNE EMPLOYEES SENTENCED TO PRISON IN  
TO CONSPIRACY TO STEAL CONFIDENTIAL BUSINESS INFORMATION  
TO BENEFIT CHINESE COMPETITOR

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Three former employees of Metaldyne Corporation were sentenced to prison terms in federal court today in connection with a conspiracy to steal confidential information from the company, according to Acting United States Attorney Terrence Berg.

The sentences were imposed by United States District Judge Denise Page Hood and were as follows:

Anne Lockwood, 56, formerly a Vice President for Sales at Metaldyne, 30 months in prison followed by two years supervised release, and \$100 special assessment.

Fuping Liu, 45, a former metallurgist for Metaldyne, 9 months in prison followed by two years supervised release. Liu currently resides in Flushing, New York. Liu worked out of Metaldyne's Shanghai, China, office until April 2004.

Michael Haehnel, 53, formerly a senior engineer at Metaldyne, to 18 months' probation including 6 months' incarceration followed by 6 months' house arrest under a daily curfew from 8:00 p.m. to 8:00 a.m. Haehnel is the husband of co-defendant Anne Lockwood and they reside in Rockwood, Michigan.

Lockwood and Liu both pleaded guilty on September 15, 2008 to the main count of the Indictment, conspiracy to steal confidential and proprietary information belonging to Metaldyne, and using the stolen information in order to assist a Chinese competitor, the Chongqing Huafu Industry Company, ("Huafu") of Chongqing, China to compete against Metaldyne in the field of powdered metal parts. Haehnel pleaded guilty to a misdemeanor offense charging him with unlawfully accessing stored electronic records.

According to the information presented at the time of the plea, beginning in May of 2004, Lockwood and Liu developed a business plan to help Huafu compete against Metaldyne in the production of powdered metal products. Lockwood obtained both electronic and paper copies of confidential and proprietary information pertaining to Metaldyne's internal costs and its manufacturing processes, and then provided some of that information to Huafu, in China, to assist it in competing against Metaldyne. Fuping Liu admitted to receiving some of these documents from Lockwood and also agreeing to the plan that involved Lockwood's providing some of this information to Huafu.

Acting United States Attorney Terrence Berg, who prosecuted the case, said, "Today's sentence should be a warning that if you steal a company's confidential information, whether to gain a competitive edge or to benefit a foreign corporation, you will end up in federal prison. I commend the Federal Bureau of Investigation for their excellent investigative work that lead to today's sentences."

Andrew G. Arena, Special Agent in Charge, Federal Bureau of Investigation (FBI), Detroit, Michigan said, "Theft of intellectual property affects United States competitiveness and economic viability. Every year American businesses lose money from infringement of trade

secrets, copyrights, trademarks, and patents. Intellectual property right cases are a priority of the FBI's Cyber Crime Program. Individuals who steal industry secrets for personal gain will be brought to justice."

This case was prosecuted by Acting U.S. Attorney Terrence Berg and Assistant U.S. Attorney Cynthia Oberg.