



**U.S. Department of Justice**

*United States Attorney  
Eastern District of New York*

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**FOR IMMEDIATE RELEASE**

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**PRESS RELEASE**

**BRONX MAN SENTENCED TO 92 MONTHS FOR ATTEMPTING TO EXPORT  
CARBON FIBER TO IRAN**

Richard Phillips, a resident of the Bronx, New York, was sentenced to 92 months' imprisonment this afternoon for attempting to export high-technology commodities to Iran in violation of the International Emergency Economic Powers Act. The proceedings were held before United States District Court Judge Sandra L. Townes at the United States Courthouse in Brooklyn, New York.

The sentence was announced by Loretta E. Lynch, United States Attorney for the Eastern District of New York, James T. Hayes, Jr., Special Agent-in-Charge, U.S. Immigration and Customs Enforcement (ICE), Homeland Security Investigations (HSI), New York Field Office, and Ed Bradley, Special Agent-in-Charge of the Defense Criminal Investigative Service (DCIS), Northeast Field Office.

According to the pleadings and other court filings by the government, in October 2011, Phillips offered his services and expertise in exporting a spool of carbon fiber to Tehran, Iran, via the Philippines, in violation of the United States trade embargo against Iran. The two main applications of carbon fiber are in specialized technology, including aerospace and nuclear engineering, and in general engineering and transportation. In a recorded telephone conversation with an undercover agent, Phillips was warned that the export of the carbon fiber to Iran was illegal under the trade embargo.

After a series of calls, email exchanges and meetings with undercover agents of HSI and DCIS, Phillips took possession of a spool of carbon fiber, which was placed into a shipping container, and affixed a label to the container addressed to the Philippines, where it was to be forwarded to Iran. In a recorded conversation shortly before his arrest, Phillips stated, "by December I plan on having an office in the Philippines . . . . So - at that point in time the Fed's can't even say anything because I'm no longer in this country, you're selling it to an individual in the Philippines, and you don't give a f--k what they do with it."

“We stand committed to protecting our national security by vigorously enforcing our nation’s export control laws,” stated United States Attorney Lynch. “The sentence in this case should serve as a powerful deterrent to those who would violate the Iranian embargo and send sensitive technology and equipment abroad.” Ms. Lynch expressed her grateful appreciation to the Counter Espionage Section of the Department of Justice for its assistance.

“As alleged, Mr. Phillips was well aware that this carbon fiber is a restricted commodity and its exportation to Iran is prohibited by federal law,” said HSI Special Agent-in-Charge Hayes. “HSI will continue to work diligently to expose individuals and organizations who will carelessly allow sensitive technology to fall into the wrong hands and jeopardize America’s national security.”

“This investigation demonstrates the continued commitment of the Defense Criminal Investigative Service and fellow agencies in pro-actively identifying individuals and groups intent on acquiring and exporting U.S. military technology,” stated DCIS Special Agent-in-Charge Bradley. “It is imperative that those involved in attempting to illegally export U.S. technology be identified and held accountable for their actions.

The government’s case was prosecuted by Assistant United States Attorneys Seth DuCharme and Justin Lerer, with assistance from Counter Espionage Section Trial Attorney David Recker.

**The Defendant:**

RICHARD PHILLIPS

Age: 54

Residence: Bronx, New York