

Chinese National Pleads Guilty to Trade Secret Theft from Ohio Children's Hospital

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Li Chen, a Chinese national and former researcher employed by National Children's Hospital's Research Institute in Ohio, pled guilty to conspiring to steal trade secrets on July 30, 2020. Chen was charged along with her husband, Yu Zhou, who worked in a different lab at the Research Institute.

According to the stipulated facts, Chen and Zhou worked together to steal at least five trade secrets related to exosome isolation and the treatment of pediatric medical conditions. See Plea Agreement at 10, *United States v. Chen (2)*, No. 2:19-cr-163 (S.D. Ohio. Apr. 16, 2020), ECF No. 95. The couple shared the Research Institute's proprietary exosome research with several outside entities, including two companies they formed in China. The couple received grants and other compensation from the Chinese government related to the research. *Id.* at 11–12.

Chen's case is one among many criminal prosecutions against Chinese nationals for the theft of U.S. owned trade secrets. Since 2018, when the Department of Justice [announced its China Initiative](#), the FBI has opened over [1000 investigations](#) into alleged trade secret theft by Chinese actors.

TIP: The investigation and prosecution of the theft of American intellectual property by Chinese actors continues to be a top priority for the Department of Justice. Compliance and Legal departments may consider a targeted assessment of the risk that coordinated trade secret theft poses to their company, and the risk mitigation strategies in place to prevent and detect such theft.

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