

Husband Joins Wife in Pleading Guilty to Stealing Trade Secrets from Children's Hospital

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Yu Zhou, a Chinese National, recently admitted to conspiring with his wife to steal cutting-edge research from the Ohio children's hospital that employed the couple. His wife, Li Chen, pled guilty to the same charges earlier this year, agreeing to a term of imprisonment between 2-7 years and the forfeiture of \$1.4 million, among other things. The details of Zhou's plea agreement have yet to be finalized.

Both Zhou and Chen worked for National Children's Hospital Research Institute for ten years, where their research centered on exosome isolation. Exosomes, or tiny vesicles carrying genetic material passed from one cell to another, are of increasing interest in the identification and treatment of a broad range of medical conditions, including pediatric diseases. According to the statement of facts submitted with Chen's plea, Zhou had developed a novel method of exosome isolation from just one drop of blood—an important accomplishment in treating prenatal babies from whom large samples cannot be drawn.

Both for personal gain and to aid the Chinese government, Zhou and Chen independently developed isolation kits to monetize this novel method and formed a Chinese company to sell them. The couple also admits to receiving benefits from several PRC institutions, such as the State Administration of Foreign Expert Affairs and the National Natural Science Foundation of China.

This case is yet another example of theft of trade secrets by Chinese actors, which has become a top priority for the Department of Justice under its [China Initiative](#).

TIP: Developers of medical research and technology should be especially cognizant of the risk posed by trade secret theft, and aware of the U.S. government's willingness to assist.

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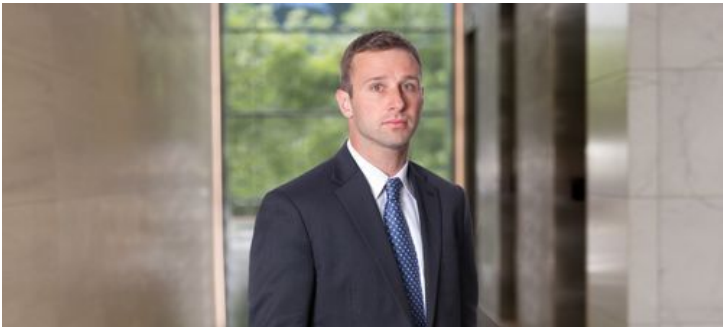
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