

Chinese Wind Farm Company Convicted of Trade Secret Theft

JANUARY 29, 2018

On January 24, a jury convicted Sinovel Wind Group Co. Ltd. of various crimes related to its theft of trade secrets. Sinovel, a China-based manufacturer and exporter of wind turbines, conspired to obtain trade secrets pertaining to wind turbine production, which trade secrets belonged to AMSC, a company focused on developing software to control turbines. The two companies had partnered to use AMSC software to run Sinovel turbines, aiming to launch wind farms throughout the United States, but instead of paying AMSC under the partnership agreement, Sinovel secretly downloaded AMSC source code and used it on Sinovel-commissioned turbines. These acts “nearly destroyed” AMSC, which lost over \$1 billion in shareholder equity and nearly 700 jobs as a result of the theft.

The U.S. Attorney’s Office, which prosecuted the case, reacted to the verdict: “Today’s verdict sends a strong and clear message that the theft of ideas and ingenuity is not a business dispute; it’s a crime and will be prosecuted as such.”

TIP: The verdict signals the U.S. government’s increasing interest in criminally prosecuting people, and companies, for taking the trade secrets of their competitors.

1 Min Read

Author

[Steven Grimes](#)

Related Locations

Chicago

Related Topics

Trade Secret

Related Capabilities

Privacy & Data Security

Trade Secrets, Non Competes & Restrictive Covenants

Related Professionals



Steven Grimes

This entry has been created for information and planning purposes. It is not intended to be, nor should it be substituted for, legal advice, which turns on specific facts.