



U.S. Must STAY STRONG on China

Tariffs are the only leverage President Xi respects

ANY U.S.-CHINA TRADE DEAL **MUST** INCLUDE:

- **Structural reform to eliminate illegal Chinese practices**
- **Intellectual property theft**
- **Forced technology transfer**
- **Cyber-hacking and cyber-theft**
- **Huge government subsidies to Chinese industry**
- **Concrete action to reduce massive US-China trade deficit**
- **Must go beyond agriculture/natural gas purchases**
- **Include increased US manufacturing exports to China**
- **Enforcement mechanisms to ensure China compliance**
- **Immediate re-imposition of tariffs if promises not kept**

**TODAY'S CHINA TARIFFS MUST NOT BE LIFTED
UNLESS ACCEPTABLE DEAL REACHED**

**TARIFFS ARE ALREADY BOOSTING
US PRODUCTION/EMPLOYMENT IN TARIFFED INDUSTRIES**





CHINA'S ECONOMIC AGGRESSION THREATENS

THE TECHNOLOGIES AND INTELLECTUAL PROPERTY OF THE UNITED STATES

TOP 10 CHINA IP THEFT

CPA recently published this list of outstanding cases of how Chinese IP theft violated American-developed technologies and processes, damaged American companies and led to lost jobs, revenue, and even life.



Wind Turbines
A Chinese company stole AMSC's wind turbine software technology, forcing the company to lay off 600 employees, most of them in Massachusetts. Serbian-born engineer Dejan Karabasevic was jailed for stealing software for the benefit of Chinese company Sinovel.



Dupont Brilliant White Titanium Dioxide Process
A Chinese-born businessman was convicted of hiring two Americans to steal secrets of this process for a Chinese company. The valuable process is used for brilliant white car paint and hundreds of other uses, even Oreo cookies. One of the two Americans charged as an accomplice committed suicide before the trial.



Bulk Acoustic Wave Technology
A group of six Chinese citizens including two professors were charged in 2015 with stealing important wireless technology from US chipmakers Avago Technologies and Skyworks Solutions.



TVA Nuclear Power
In 2017, Allen Ho was sentenced to two years in prison for providing confidential information on nuclear power plants to China's state-owned nuclear power company.



Motorola Wireless Technology
Motorola engineer Hanjuan Jin was stopped at O'Hare Airport with \$30,000 in cash and a bag full of confidential Motorola documents. She was about to board a plane for Beijing. She was secretly working for a company linked to Huawei. She was sentenced to four years in prison.



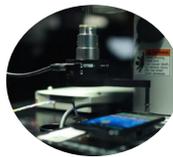
Clustered File Storage
In 2017, Chinese-born former IBM employee pleaded guilty to three counts of economic espionage involving the theft of a proprietary IBM clustered file storage system and trying to sell the software to third parties—including two undercover FBI agents.



Iowa Seed Corn
A Chinese brother and sister were caught stealing proprietary Monsanto seed corn technology. The brother, Mo Hailong, attended a dinner in Iowa in 2012 at which Chinese president Xi was welcomed by Iowa governor Branstad and other state officials. In 2015, Hailong was sentenced to three years.



Unit 61398
In May 2014, federal prosecutors charged five members of a division of the People's Liberation Army (PLA) of China known as Unit 61398 with cyberhacking their way into the confidential computer files of four US companies and one labor union.



Tappy the Robot
Huawei engineers took advantage of their collaboration with T-Mobile USA to violate T-Mobile codes of conduct and take photos of a proprietary piece of T-Mobile test equipment, a robot named Tappy. They even stole one of Tappy's fingertips to send back to Huawei labs. T-Mobile sued and won. The US government is now pursuing criminal charges against Huawei.



Green Dam-Solid Oak
US software developer Solid Oak Software charged China's Green Dam software with stealing its proprietary code and using it in China's "Great Firewall" software to block Chinese citizens from visiting prohibited websites.

China's IP theft costs US business an estimated \$200 billion a year. It's time to put a stop to this unprecedented campaign of illegal behavior that is undermining US business, American jobs and our international technology leadership.

