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BELLEVUE MAN SENTENCED TO PRISON OVER COUNTERFEIT HONEY IMPORTS
Imported Falsely Labeled Chinese Honey - Some Contaminated with Antibiotic

CHUNG PO LIU, 70, of Bellevue, Washington, was sentenced today in U.S. District Court in Seattle to one year and a day in prison, and six months of home detention as part of a year of supervised release, and \$400,000 in restitution for counterfeit honey imports. CHUNG PO LIU was charged in May 2009, following a federal investigation of honey imports to the U.S. The Seattle investigation revealed that LIU submitted false paperwork claiming that the honey had been produced in Thailand or the Philippines and thereby avoided high import fees on Chinese honey. One of the shipments included honey tainted with an antibiotic banned in U.S. food. LIU pleaded guilty August 26, 2010, to a felony: the entry of goods by means of false statements. LIU also pleaded guilty to a misdemeanor: the introduction of adulterated food into interstate commerce. Today U.S. District Judge James L. Robart sentenced LIU to a prison term noting that “there is an economic and a personal cost to committing this crime.”

According to records filed in the case, LIU, through his companies Rainier Cascade and Evergreen Produce, purchased honey from China which was then shipped to the Philippines and Thailand where it was re-labeled to make it appear it was a product from these countries. When the honey arrived in the United States, LIU declared to Customs officials that the honey was the product of either the Philippines or Thailand. Because of communications LIU had received from employees of the Chinese honey supplier, LIU was in a position to know that the honey originated in China rather than the Philippines or Thailand. Because of his false declarations about the true origins of the honey, LIU avoided \$2.9 million in tariffs on the Chinese honey. In the plea agreement LIU admits that between 2005 and 2008 he imported 22 shipments that were Chinese honey that was re-labeled to hide the country of origin. LIU made approximately \$200,000 in gross profit on the honey. Under the terms of the plea agreement, LIU must forfeit twice his gross profit – \$400,000 – to the U.S. LIU is also forfeiting four honey shipments seized from LIU’s facilities or at the Port of Seattle.

In the plea agreement, LIU also admits that a shipment of Chinese honey that arrived at the Port of Seattle in 2008, was contaminated with the antibiotic Ciprofloxacin. Ciprofloxacin is an unsafe food additive and caused the honey to be adulterated.

“In an attempt to avoid paying millions of dollars in anti-dumping import duties, the defendant not only misled the federal government, he knowingly deceived the American public by allowing shipments of tainted Chinese honey, which contained banned substances, to enter our nation’s food supply,” said Leigh Winchell, special agent in charge of Homeland Security Investigations (HSI) in Seattle. “Today’s prison sentence is a fitting end to an investigation that required dedicated investigative work in Seattle and the collaboration of several countries half-way around the world. HSI will continue its efforts to deter this type of illegal activity in the future.”