

Department of Justice

United States Attorney Melinda Haag Northern District of California

FOR IMMEDIATE RELEASE August 25, 2015

SILICON VALLEY EMPLOYEE ARRESTED FOR THEFT OF TRADE SECRETS

Employee Alleged To Have Illegally Downloaded Proprietary Information Related To The Multiplayer Mobile Game, Game Of War: Fire Age

SAN FRANCISCO – Jing Zeng appeared in United States District Court today after being arrested by the Federal Bureau of Investigation (FBI) on a criminal complaint alleging theft of trade secrets, announced United States Attorney Melinda Haag and FBI Special Agent in Charge David J. Johnson.

According to the affidavit in support of the criminal complaint, Zeng, 42, of San Ramon, Calif., is alleged to have downloaded over one hundred files containing propriety, non-public information from a confidential Machine Zone, Inc. database after he learned that his employment was to be terminated. Machine Zone, Inc., makes the on-line video game *Game of War: Fire Age*. The affidavit also sets forth evidence that after Zeng downloaded this information onto his company laptop, he transferred it to an external device, wiped and reformatted the laptop, and then returned the laptop to the company. The complaint alleges there is probable cause to believe Zeng's acts amount to a theft of trade secrets in violation of 18 U.S.C. § 1832(a)(2).

Zeng was arrested at San Francisco International Airport on August 20, 2015, as he prepared to board a flight for China. He made his initial appearance on August 21 in federal court in San Francisco and has been detained pending determination of bail. The complaint was unsealed today at Zeng's bail hearing before Magistrate Judge Joseph C. Spero in San Francisco. Zeng was released on a \$100,000 secured bond and placed on electronic monitoring.

A criminal complaint only alleges probable cause that a defendant committed a crime, and all defendants are presumed innocent until proven guilty beyond a reasonable doubt. If

convicted violating 18 U.S.C. § 1832(a)(2), Zeng faces a maximum sentence of 10 years in prison, and a fine of \$250,000, plus restitution if appropriate. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

The case is being prosecuted by the Special Prosecutions and National Security Unit of the U.S. Attorney's Office, and is being investigated by the Federal Bureau of Investigation, Palo Alto.

Further Information:

Case #: 3-15-71060

A copy of this press release will be placed on the U.S. Attorney's Office's website at www.usdoj.gov/usao/can.

Electronic court filings and further procedural and docket information are available at https://ecf.cand.uscourts.gov/cgi-bin/login.pl.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at www.cand.uscourts.gov.

All press inquiries to the U.S. Attorney's Office should be directed to Abraham Simmons at (415) 436-7264 or by e-mail at <u>Abraham.Simmons@usdoj.gov</u>.