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Former Hospital Researcher Sentenced to 30 Months for Trade Secrets Theft

Li Chen, a former researcher at a hospital in Akron, Ohio, was sentenced Feb. 1 to 30 months in prison after pleading guilty this summer to “conspiring to steal scientific trade secrets and conspiring to commit wire fraud concerning the research, identification and treatment of a range of pediatric medical conditions.” According to the Department of Justice (DOJ), “Chen admitted in her guilty plea in July 2020 to stealing scientific trade secrets related to exosomes and exosome isolation from Nationwide Children’s Hospital’s Research Institute for her own personal financial gain.” She and Yu Zhou, her husband and “co-conspirator,” both worked at the institute but in different labs for 10 years ending in 2018 and 2017, respectively. Chen and Zhou “founded a Chinese company to monetize the technique Zhou developed, using intellectual property that belonged to NCH,” and received more than \$800,000, according to a DOJ presentation on foreign influences in research.

According to Chen’s plea announcement, she “agreed to forfeit approximately \$1.4 million, 500,000 shares of common stock of Avalon GloboCare Corp. and 400 shares of common stock of GenExosome Technologies Inc.” Chen and Zhou were arrested in July 2019 in California. Zhou, who pleaded guilty in December, has not yet been sentenced. In announcing Zhou’s plea agreement in December, DOJ said the two “conspired to steal and then monetize one of the trade secrets by creating and selling exosome ‘isolation kits.’” They also were accused of receiving “benefits from the Chinese government, including the State Administration of Foreign Expert Affairs and the National Natural Science Foundation of China.”

[Link to announcement of Chen’s sentencing](#)

[Link to announcement of Chen’s plea agreement](#)

[Link to announcement of Zhou’s plea agreement](#)

[Link to DOJ presentation](#)

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