

U.S. arrests 2 for stealing chip secrets

Federal agents Friday arrested two Bay Area men who allegedly used stolen trade secrets to start their own Silicon Valley semiconductor company.

The U.S. Attorney's office said Lan Li of Palo Alto and Yuefei Ge of San Jose were released on bond following their initial appearance before a federal magistrate on five counts of theft of trade secrets and conspiracy to steal trade secrets.

The pair allegedly pinched secret information from their employers -- NetLogics Microsystems and Taiwan Semiconductor Manufacturing Corp. -- and used it to establish their own company, SICO Microsystems.

The trade secrets in question were related to chip design and development. SICO allegedly was formed to develop and market products derived from the data.

Taiwan Semiconductor and NetLogics cooperated with the FBI in the investigation, the U.S. Attorney's office said in a news release.

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