

Russia firm fined in S. Korea over car copying

23 February 2011

A South Korean court Wednesday fined a Russian carmaker almost \$9,000 after one of its employees was jailed for stealing technology secrets from the local unit of General Motors.

GM Korea -- formerly GM Daewoo -- filed a petition in 2009 alleging TagAZ Korea had used the technology it had designed to be used in its Lancetti car.

It claimed TagAZ was using the information to build its own C100 sedan.

Last year a former GM Korea engineer identified only as Hwang received a 30-month jail term after being found guilty of stealing computer files containing the key information.

TagAZ Korea recruited Hwang, 44, in 2006 as head of its research centre. Five other TagAZ Korea employees received suspended jail sentences for their parts in the theft.

TagAZ Korea has denied its involvement in the case, but the court ruled that it had not fulfilled its obligation to prevent "illegal activities" by its staff.

And on Wednesday TagAZ was ordered to pay a fine of 10 million won (\$8,896) by the Seoul District Court.

GM Korea last month dropped the name of former associate Daewoo. GM owns a 70.1 percent stake in GM Korea, the manufacturing base for smaller vehicles for the Detroit-based [carmaker](#).

GM [Korea](#) turned profitable in 2010 after posting net losses for the previous two years. But its share of the Korean market was just around eight percent last year.

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