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Congress of the United States  
House of Representatives  
Washington, DC 20515

March 25, 2011

Secretary Timothy Geithner  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Dear Secretary Geithner,

We urge the Committee on Foreign Investment in the United States (CFIUS) to exercise its authority provided in Section 721 of the Defense Production Act of 1950 (as amended) and request the President of the United States to use extreme caution in the China Aviation Industry General Aircraft Company's (CAIGA) acquisition of Cirrus Industries Incorporated.

We are gravely concerned this acquisition would compromise America's national security. As you may know, CAIGA is controlled by the Chinese state-owned Aviation Industry Corporation of China (AVIC). AVIC is one of China's state-run defense contractors and the designer of the J-20 stealth fighter prototype. In addition, AVIC is also involved in commercial and general aviation manufacturing. According to the U.S.-China Economic and Security Review Commission's (USCC) 2010 Report to Congress,

Given the close integration of China's commercial and military aviation sectors, advances in China's commercial aviation industry gained through interactions with western aviation manufacturers directly benefit China's defense aviation industry. As China's commercial aircraft manufacturing capabilities improve, new acquired technology and know-how, such as composite materials production, are directly transferred to the defense aviation sector.

On May 10, 2010, United States Department of Commerce Deputy Assistant Secretary for Manufacturing and Services, Mary Saunders underscored this point stating, "China intends to develop new capabilities through its commercial [aviation] programs, some of which could then be used to support its military programs."

In China's acquisition of Cirrus, there are three dual-use technologies involved that raise particular concern. Specifically, we are referring to the carbon composite materials fabrication platform, which may be controlled; the Williams International FJ33 turbofan engine; and the Full Authority Digital Equipment Control (FADEC) used to operate the FJ33 engine. In addition, there is one technology, the solid-fuel rocket powered ballistic recovery system that may be controlled by the Department of State under the United States Munitions List.

While the transfer of Cirrus's ballistic recovery system warrants review by the Committee and Cirrus's carbon composite materials fabrication platform could aid China's development of medium- and high-altitude, long-endurance Unmanned Aerial Vehicles (UAV), we believe China's attempt to gain access to a Williams International FJ33 engine and the corresponding FADEC presents a serious risk to American security due to their applicability for use in cruise missiles and UAVs. Currently, Cirrus's Vision SF50 jet is

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designed to use a FJ33 turbofan engine. The FJ33 is merely a scaled down version of the FJ44 engine which is a commercial version of Williams International's F107/F112 turbofan engines used in Tomahawk cruise missiles. Currently, FJ33 class engines are already being used in Bye Aerospace's Silent Sentinel Hybrid UAV.

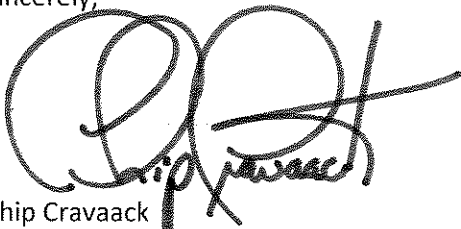
While China's military aviation industry has rapidly advanced in recent years, it remains hamstrung by its inability to produce an advanced turbofan engine. To wit, China's indigenous military turbofan engine, the WS-10A has largely been a failure to date. Accordingly, China has sought to acquire western turbofan engine technology for years. As stated in House Report 105-851 from the Select Committee on U.S. National Security and Military/Commercial Concerns with the People's Republic of China, "[In 1990] the PRC attempted to advance its cruise missile program by purchasing the Williams FJ44 civil jet engine...The FJ44 engine might have been immensely valuable to the PRC for technical exploitation and even direct cruise missile applications. 104[sic] But the PRC's effort to acquire FJ44 engines was rebuffed."

In addition to attempting to access Williams International engine technology through the proposed 2011 Cirrus acquisition, China is concurrently pursuing the purchase of Emivest Aerospace, maker of the SJ30 jet. The SJ30 jet is powered by twin Williams International FJ44 turbofan engines. Troublingly, the FJ44 is very similar to the Williams International F129 turbofan engine used in the Lockheed Martin Tier III Darkstar UAV that was developed for the Defense Advanced Research Project Agency (DARPA). Mr. Secretary, China is relentlessly pursuing the acquisition of dual-use technologies to benefit their commercial and military aviation industries, which in the case of AVIC is virtually the same. China's proposed acquisition of Cirrus is the next step in this process. Given the dual-use nature of the technologies involved in this takeover; China's history of reverse engineering; and the high risk of technology diversion, we call upon you and the other CFIUS Members to block CAIGA's purchase of Cirrus Industries Incorporated until such time that we can be assured that these dual-use technologies remain within the United States and under United States control.

Aside from the multiple national security concerns, there are hundreds of American families that would lose their livelihood, if this acquisition is allowed to proceed. Too many times, American workers have been told that their jobs would not be impacted by this type of acquisition. However, you only need to visit countless towns in the Midwest that contradict this promise. Further, I do not need to remind you that the United States is in the middle of a recession. Unemployment is hovering around 9% with little sign of improvement. American workers need to know that their government is not going to abandon them at this important time.

In the coming years, we urge you to remain vigilant against efforts by AVIC and other Chinese state-controlled defense companies (and their subsidiaries) to acquire sensitive, American dual-use technologies.

Sincerely,

A handwritten signature in black ink, appearing to read "Chip Cravaack". The signature is stylized with large loops and a long horizontal stroke extending to the right.

Chip Cravaack  
Member of Congress

cc: Congressman John Mica, Chairman of Transportation and Infrastructure Committee  
Congressman Peter King, Chairman of Homeland Security Committee  
Congressman Ralph Hall, Chairman of Science, Space and Technology Committee