

Our Statement

Taiwanese American Aeronautics and Space Association

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Startling news from Taiwan reports that National Science Council Deputy Minister Dr. Shieh Ching-Jyr, as the chair of the Southern Taiwan Science Park Vibration Reduction project, was interrogated on May 23 for over 10 hours by the Tainan district prosecutor's office. Late into the night, he was detained on suspicions of corruption, embezzlement, and collusion associated with the project after the request for authorization was approved by the Tainan Department of Justice.

Dr. Shieh, our former Association President, is a scientist who loves Taiwan passionately, and who dedicated his life to the aeronautics and space field. To date, all three of Taiwan's satellites were successfully launched under his supervision and have remained operational. Due to Dr. Shieh's background and expert knowledge of construction, he was requested to lead and guide the process of finding a viable solution for the unique and unprecedented vibration reduction challenges that faced the Southern Taiwan Science Park project. We are deeply disturbed and distraught by this troubling turn of events in light of Dr. Shieh's extraordinary contributions to Taiwan's engineering successes. We are also bewildered and confused by the circumstances surrounding how this case has unfolded. As a result, the TAASA is making this statement, calling on Taiwan to give Dr. Shieh a fair and just trial, and to resolve this situation as quickly as possible.

1. Using separate-phase biddings is superior to single-phase bidding. The Science Park project posed an unprecedented engineering dilemma. It was also a large scale and high profile project that had perplexed Taiwan's high tech industry since 1998. Projects of this unique status in the United States typically are bid in separate phases: Firstly a public request for proposals is issued, after which 2 or 3 companies are selected for the second round, where extensive design details and test prototypes are submitted for review; lastly the best solution, and thus the winning bidder, is chosen from these reviews to implement the design. The NSC utilized a similar methodology for the bidding process on the Science Park project, which has since proven to be an engineering success, yet this process has become foremost in the charges against Dr. Shieh. We cannot tolerate this punishment after the successful resolution of an exceedingly challenging engineering problem.

2. High profit cannot be used as evidence of embezzlement. The prosecutor seems convinced that Hung Hua Engineering Company's higher price of NT\$ 8 billion compared to second place Yung Chun Company's NT\$ 1.8 billion, combined with a seemingly low vibration reduction insurance of NT\$4.3 billion, indicates artificial inflation of the construction costs, thereby suggesting suspicions of fraud via the bidding process overseer. As mentioned above, this engineering dilemma had no solution prior to this specific design and bidding process, and prior to completion no one could guarantee the success of this endeavor at all. Consequently, the costs were not a factor in deciding the winning bidder. The estimation of the value of intellectual property is at the crux of

the debate over whether Hung Hua's price tag was legitimate or not. The prosecutor and the media are determined to attribute charges of embezzlement simply because of the higher construction costs. Isn't this too much of a burden to bear for the NSC members and committees charged with resolving the most challenging and difficult of problems?

3. The prosecutor is holding on to a construction bid document signed by Hung Hua Company owner Hsu Hon-Chang as evidence that the NSC committee was responsible for leaking confidential information regarding the project. However, this project was not intended to be awarded to the lowest bidder; therefore the issue of a confidential lowest bid simply did not exist. Similar situations in the United States go as far as to extend an invitation to the public for submission of proposals, also as a means of determining the conditions of the bidding process, since frequently outside institutions may be more knowledgeable about the problem at hand than the official chairing committee. In these types of construction bids, the only confidential information exists in the proposals of the different bidders. Furthermore, had the document been confidential, would Hsu Hon-Chang's signature be on it?

4. Yung Chun's trench construction is an old-fashioned method of reducing vibration; numerous articles and reports indicate the ineffectiveness of this solution in response to the low frequency vibrations emitted by the high speed railway passing through the Southern Science Park. Although Hung Hua's composite method also included a trench construction, because it is able to convert point source vibrations to linear source vibrations, it is actually a highly innovative and brilliant solution. The high speed railway construction will soon be complete; if this vibration reduction solution were to fail, we cannot even begin to imagine the damaging consequences it will have for Taiwan.

5. The Southern Science Park vibration reduction project is a story of success; we are overjoyed that the NSC made the right decision at the time. The chairing committee members should be receiving applause and not accusations! We demand Dr. Shieh's immediate release on bail to await trial.