

# Renault readies spying complaint

PARIS

## China denies it sought secrets on electric cars from French automaker

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The French carmaker Renault said Tuesday that it was preparing a criminal complaint alleging spying on its electric vehicle program that has brought the suspension of three of its employees for serious misconduct.

The announcement came as Beijing responded for the first time to allegations made by a French lawmaker that a Chinese entity had used Renault employees to carry out industrial espionage on the program. A Chinese official said the charges were "baseless."

Renault will formally initiate legal proceedings Wednesday, and "from that point, the matter will be in the hands of justice," it said in a statement.

Because of the sensitive nature of the case, the investigation will very likely be handled by the D.C.R.I., the French domestic intelligence organization.

Earlier Tuesday, Renault held disciplinary interviews with the three employees it suspended last week in connection with the affair. The hearings, held at Renault's headquarters near Paris, are part of a process that could lead to the dismissal of the men this week.

Thibault de Montbrial, a lawyer for one of the suspended employees, Matthieu Tenenbaum, a former deputy director of Renault's electric vehicle program, said company executives at the hearing told his client — who maintains his innocence — that they had acted based on information in an anonymous letter.

"It was stated on this letter that Mr. Tenenbaum might have committed some wrongdoing or bribery," Mr. Montbrial said. "So he asked, 'how much, what bank, who paid?' And they said 'no comment.' So for Mr. Tenen-



Matthieu Tenenbaum, left, a suspended Renault executive, with his lawyer, Thibault de Montbrial, after a disciplinary hearing Tuesday at company headquarters outside Paris.

baum, the nightmare goes on, he still doesn't know what he's actually accused of," Mr. de Montbrial said. "He is at the disposal of the French justice system now, he just wants it to be quick."

Xavier Thouvenin, a lawyer for another of the accused, Michel Balthazard, a member of the Renault management board, said company executives had spoken of bribes in the hearing, which his client "denies totally," but had provided no other details of the charges. "He's confused by this — he's definitely a victim in this," Mr. Thouvenin said of his client, who expects to receive a termination of employment letter this week.

Renault, along with Nissan Motor, its Japanese affiliate, is pushing toward mass production of a full range of electric vehicles. It is investing €4 billion, or \$5.2 billion, in the project, and hopes to become the pacesetter in the technology.

Earlier Tuesday, an official in Beijing denied any Chinese involvement in the case after the French daily newspaper *Le Figaro* reported that two of the suspended employees had received money

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from China Power Grid, an electricity distributor.

"We have noticed the relevant reports," Reuters cited the Chinese Foreign Ministry spokesman, Hong Lei, as saying at a regular news briefing in Beijing. "We think that some people saying that China is behind this case is totally baseless and irresponsible."

Bernard Carayon, a member of Parliament in President Nicolas Sarkozy's U.M.P. party, said Friday that French officials believed a Chinese intermediary had sought to obtain secrets from the three executives.

Renault is almost alone among the major automakers in not having a major joint venture in China, and the affair could complicate its efforts to expand in

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