



# Department of Justice

United States Attorney David E. Nahmias  
Northern District of Georgia

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## **FORMER HOME DEPOT "PRODUCT MERCHANT" PLEADS GUILTY**

### ***Defendant Took Over \$1.4 Million in Bribes***

ATLANTA – Ronald Douglass Matheny II, 42, of Chattanooga, Tenn., pleaded guilty today before United States District Judge Richard W. Story to one count of conspiracy to commit mail fraud and wire fraud and one count of conspiracy to commit money laundering in relation to a scheme to defraud his former employer, Home Depot.

United States Attorney David E. Nahmias said, "This defendant abused the trust and authority given to him by his employer and lined his own pockets at the company's expense. For this fraud against his employer, he will now face a federal prison sentence."

"Consumers pay the ultimate price when corporate executives take kickbacks and try to thwart the competitive process," said Christine A. Varney, Assistant Attorney General in charge of the Department's Antitrust Division. "The Antitrust Division is committed to bringing to justice those who engage in kickbacks and other anticompetitive schemes."

IRS Special Agent In Charge Reginael D. McDaniel said: "It is vital for the strength of our economy for our large corporations to be free of individuals who succumb to greed and corruption. IRS Criminal Investigation is committed to actively pursuing corporate fraud at any level."

According to United States Attorney Nahmias and information presented in court: Matheny was employed by Home Depot from May 1987 until July 2007. From May 2002 through April 2005, Matheny held the position of Product Merchant in Home Depot's Flooring Department and was responsible for overseeing the location of flooring merchandise in all of Home Depot's retail stores and for locating outside firms to facilitate the display of flooring products within those stores. Matheny and several unnamed co-conspirators arranged for Home Depot to purchase items for resale in Home Depot's retail stores on less than the most advantageous terms to Home Depot, and to have the co-conspirators supply services on less than the most advantageous terms to Home Depot. In return, Matheny's co-conspirators paid him approximately \$1,471,467.64. Matheny is no longer employed by Home Depot.

Matheny could receive a maximum sentence of 20 years in prison on the conspiracy to commit mail and wire fraud, and a maximum sentence of 10 years in prison on the conspiracy to commit money laundering. Matheny also could be fined up to \$250,000 on each count. In

determining the actual sentence, the Court will consider the United States Sentencing Guidelines, which are not binding but provide appropriate sentencing ranges for most offenders.

Matheny is scheduled to be sentenced on Aug. 3, 2009, at 2:30 P.M., before United States District Judge Richard W. Story.

Anyone with information on corporate kickbacks and fraud is asked to call the FBI at 404-679-9000.

This case is being investigated by the Internal Revenue Service-Criminal Investigation and the FBI.

This case is being prosecuted by John R. Fitzpatrick and Barbara W. Cash, Trial Attorneys for the U.S. Department of Justice Antitrust Division, Atlanta Field Office, and Assistant United States Attorneys Russell Phillips and Sally Molloy.

For further information please contact David E. Nahmias (pronounced NAH-me-us), United States Attorney or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the Home Page for the U.S. Attorney's Office for the Northern District of Georgia is [www.usdoj.gov/usao/gan](http://www.usdoj.gov/usao/gan).

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