

Department of Justice

Acting United States Attorney Sally Quillian Yates Northern District of Georgia

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FORMER SENIOR MANAGER PLEADS GUILTY TO STEALING THE HOME DEPOT'S TRADE SECRETS

ATLANTA, GA - GUILLERMO MARTINEZ, 47, of , Cumming, Georgia, pleaded guilty today in federal district court to a Criminal Information that charged him with stealing trade secrets from his former employer, The Home Depot.

FBI Atlanta Special Agent in Charge Greg Jones said, "Intellectual propertyrelated cases are serious criminal cases with high dollar stakes. The FBI understands the corporate concerns and the potential damages caused by such thefts and considers itself well suited to investigate and enforce these laws."

According to Acting United States Attorney Yates and the information in court: MARTINEZ was employed at The Home Depot's headquarters as a Senior Manager, Product Engineering, and was responsible for assisting the company's vendors in preparing to sell products to the company. As a Senior Manager, MARTINEZ had access to the Home Depot's confidential information and other trade secrets, including pricing and profitability spread sheets and documents relating to product line reviews.

The evidence showed that beginning in January 2008, MARTINEZ was assigned to assist a potential local vendor of The Home Depot. The vendor was subsequently invited by The Home Depot to participate in a product line review. A product line review involves potential vendors making presentations of their products, their packaging and their marketing ideas. It also involves the submission of the potential vendors' prices. The Home Depot makes its buying decisions for a particular product line based on the product line review presentations of its various vendors.

From around May 2008 and continuing until around July 2008, MARTINEZ began supervising the local vendor's presentation to The Home Depot as if he were a high-level employee of the vendor. In an effort to have the vendor gain an advantage over its competitors during the product line review, MARTINEZ provided the vendor with trade secrets belonging to the Company. Specifically MARTINEZ gave out confidential and proprietary pricing information, including the price that the Company was paying the vendor's competitors for the products that the vendor wanted to sell to the Company.

MARTINEZ provided a document titled "Wire Devices: RFP Summary," which was marked at the bottom as "Proprietary & Confidential to The Home Depot," and which contained a summary of the vendor's line review of competitor's price quotes. MARTINEZ also provided a binder containing the line review presentation submitted to the Company by a competitor of the vendor. In addition, during this same time, MARTINEZ was negotiating an employment agreement with the vendor.

The Home Depot fully cooperated in the investigation of this case.

Sentencing is scheduled for February 3, 2010, at 10 a.m, before United States District Judge Willis B. Hunt, Jr.

This case is being investigated by Special Agents of the Federal Bureau of Investigation.

Assistant United States Attorney Glenn D. Baker is prosecuting the case.

For further information please contact Sally Q. Yates, Acting 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 HomePage for the U.S. Attorney's Office for the Northern District of Georgia is <u>www.usdoj.gov/usao/gan</u>.