



***United States Attorney
Southern District of New York***

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**FORMER PEPSICO EXECUTIVE ARRAIGNED IN WHITE PLAINS
FEDERAL COURT ON EMBEZZLEMENT CHARGES**

PREET BHARARA, the United States Attorney for the Southern District of New York, and RONALD J. VERROCHIO, the Inspector-in-Charge of the New York Office of the United States Postal Inspection Service ("USPIS"), announced that JOSEPH A. JULIANO voluntarily surrendered today and was arraigned in White Plains federal court on a two-count Indictment charging him with embezzling more than \$600,000 from his former employer, Pepsi Cola North America ("PepsiCo").

According to the Indictment:

JULIANO, whose last position at PepsiCo was Vice President, Entertainment Channel, was authorized to use PepsiCo funds to purchase travel, entertainment, meals, and lodging -- for example, airplane tickets and tickets to sporting events -- as long as the purchases were made in connection with his efforts to entertain PepsiCo customers. For eight years, from approximately January 1996 through November 2004, JULIANO and two co-conspirators arranged for purported businesses in Pittsburgh, Pennsylvania -- operating under the names MDM Services, MDM Financial Services, MDM Creative Services and Game Day Sports -- to send to JULIANO's office at PepsiCo phoney invoices for tickets to major sporting events, that had supposedly been booked for JULIANO and others. After PepsiCo issued checks to MDM Services, MDM Financial Services, MDM Creative Services or Game Day Sports for these fraudulent invoices, JULIANO, and others on his behalf, received his share of the payments. As a result of this conspiracy, JULIANO and his co-conspirators allegedly stole more than \$600,000.

Following his arraignment before United States Magistrate Judge GEORGE A. YANTHIS, JULIANO, 59, of Woodmere, New York, was released on a \$250,000 personal recognizance bond co-signed by two financially responsible persons. If convicted, JULIANO faces a maximum term of 20 years in prison for each of the two counts. He also faces a fine of up to \$250,000 or twice the gross gain or loss resulting from the crimes on each count, an order of restitution in the amount of \$641,450 and forfeiture of ill-gotten gains.

Mr. BHARARA praised the work of the USPIS. He added that the investigation is continuing.

Assistant United States Attorney MARGERY B. FEINZIG is in charge of the criminal prosecution.

The charges contained in the Indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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