



*United States Attorney
Southern District of New York*

**FOR IMMEDIATE RELEASE
SEPTEMBER 16, 2008**

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**FORMER CHIEF FINANCIAL OFFICER OF TOMMY HILFIGER
HANDBAG DESIGN COMPANY PLEADS GUILTY
TO \$19 MILLION FRAUD**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that MARTIN S. BODNER ("BODNER"), the former Chief Financial Officer of Tommy Hilfiger Handbags and Small Leather Goods Inc. ("THHB"), pled guilty today before United States District Judge P. KEVIN CASTEL to mail fraud and wire fraud charges. The charges arose out of BODNER's theft, between about the middle of 2000 and the end of December 2007, of over \$19,090,000 from his employer. According to the Information and other documents filed in Manhattan federal court, as well as statements made during BODNER's guilty plea proceeding:

BODNER began working at THHB in Manhattan in March 2000, eventually becoming the company's Chief Financial Officer. Beginning in about the middle of that year, BODNER began stealing money from his employer by: (1) secretly increasing the amount of money that he was to be paid in salary and bonus; (2) arranging to be reimbursed by THHB for phony expenses he purportedly had incurred in the course of his employment; (3) adding one of his sons, who did not work for THHB during the years 2004 and 2005, to the company's payroll and arranging for his son to be paid approximately \$225,500 during those years; (4) causing hundreds of checks to be issued to various payees for the purpose of paying off BODNER's personal credit card bills, purchasing a luxury automobile for himself, paying for insurance for a home, apartments, and automobiles owned by BODNER, and paying for decorating services.

BODNER, age 60, resides in Manhattan. He faces a maximum sentence of 40 years in prison on the mail and wire fraud charges, and in connection with his agreement to plead guilty, has agreed to forfeit a home in Sands Point, New York, a Manhattan apartment, three cars, and various other property.

BODNER is scheduled to be sentenced by United States District Judge P. KEVIN CASTEL on November 5, 2008.

Mr. GARCIA praised the investigative work of the Federal Bureau of Investigation in this case.

The case is being handled by the Major Crimes Unit of the United States Attorney's Office. Assistant United States Attorney DANIEL W. LEVY is in charge of this prosecution.

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