



U. S. Department of Justice

United States Attorney
Northern District of Illinois

Patrick J. Fitzgerald
United States Attorney

Federal Building
219 South Dearborn Street, Fifth Floor
Chicago, Illinois 60604
(312) 353-5300

FOR IMMEDIATE RELEASE
FRIDAY JUNE 26, 2009
www.usdoj.gov/usao/iln

PRESS CONTACTS:
AUSA Jessica Romero (312) 353-4137
Randall Samborn (312) 353-5318

FORMER TECHNICAL DIRECTOR OF WHEELING PAINT COMPANY INDICTED FOR ALLEGED THEFT OF TRADE SECRETS BEFORE JOINING COMPETITOR

CHICAGO — A former northwest suburban man who was arrested in March was indicted this week on federal charges for stealing trade secrets from his former employer, Valspar Corp., in Wheeling, federal law enforcement officials announced today. The defendant, **David Yen Lee**, was charged with five counts of theft of trade secrets in violation of the federal Economic Espionage Act in an indictment returned by a federal grand jury on Tuesday, announced Patrick J. Fitzgerald, United States Attorney for the Northern District of Illinois, and Robert D. Grant, Special Agent-in-Charge of the Chicago Office of the Federal Bureau of Investigation.

Lee, 52, formerly of Arlington Heights and now of Great Neck, N.Y., has been free on bond since shortly after he was arrested on March 26 after being charged in a criminal complaint. He is scheduled to be arraigned on July 7 before U.S. District Judge Robert Gettleman.

According to the indictment, Lee began working as a technical director for Valspar in 2006, and received instruction regarding the protection of proprietary information in connection with his employment and duties at Valspar and Huarun, Ltd., a Valspar subsidiary in China. Between September 2008 and February, 2009, Lee allegedly discussed, negotiated and accepted employment

with Nippon Paint, where he was to be working on April 1, 2009, in Shanghai, China, on developing paint products and technologies.

Between November 2008 and March 2009, Lee allegedly downloaded technical documents and materials, including trade secrets belonging to Valspar from Valspar's secure internal computer network, and removed numerous documents and other materials from Valspar's offices in Wheeling.

On March 9, 2009, Lee purchased a ticket to Shanghai for a flight scheduled to leave on March 27, and on March 16, he resigned his employment at Valspar, the indictment states. It alleges that Lee downloaded Valspar and Huarun data and trade secrets to two external thumb drives on various dates in March.

If convicted, each count of theft of trade secrets carries maximum penalty of 10 years in prison and a \$250,000 fine. The Court, however, would determine the appropriate sentence to be imposed under the advisory United States Sentencing Guidelines.

The government is being represented by Assistant United States Attorney Jessica Romero.

The public is reminded that a complaint contains only charges and is not evidence of guilt. The defendant is presumed innocent and is entitled to a fair trial at which the government has the burden of proving guilt beyond a reasonable doubt.

###