



Department of Justice

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THREE SOLDIERS SENTENCED FOR STEALING COMPUTERS

Two Current Army Reserve Sergeants, One Former Army Reserve Sergeant Sold the Goods on Open Markets

ATLANTA, GA- EARL LAMONT SMITH, 38, of Douglasville, Georgia; HAROLD GRADY, 43, of West Moreland, Tennessee; and GREGORY MURRAY, 48, of Harrison, Tennessee, were sentenced today by United States District Judge Orinda D. Evans on charges of theft of government property, stealing thousands of government computers and selling them for their own profit.

United States Attorney Sally Quillian Yates said, “This case reminds us that even those we trust to protect us are capable of criminal conduct. These defendants were soldiers who abused the trust and betrayed the honor due members of our military services when they manipulated the system for their own private benefit.”

FBI Atlanta Division Acting Special Agent in Charge Ken Moore said, “The FBI is dismayed at the actions of these soldiers who were driven by greed to steal and then sell government equipment. The vast inventory of various equipment maintained by the military and other government entities must be protected from such thefts in order for the Government to carry out its mission and the resources that we dedicate to investigate these thefts takes us away from our other many and varied investigative responsibilities that we have at the FBI.”

“Today's sentencing demonstrates that when individuals, including members of the armed forces, choose to break the law and corrupt the system to line their own pockets, we will work relentlessly to bring those individuals to justice,” said Special Agent in Charge Derrick L. Jackson, Health and Human Services Office of Inspector General, (HHS-OIG) Atlanta Region. “From Medicare fraud to theft of government property, we will not tolerate crimes against federal programs.”

SMITH was sentenced to 1 year, 6 months in prison, to be followed by 3 years of supervised release, and was ordered to pay \$163,000 in restitution. GRADY was

sentenced to 6 months of home confinement, 3 years probation, ordered to perform 200 hours of community service, and was ordered to pay \$10,187 in restitution. MURRAY was sentenced to 2 months of home confinement, 2 years probation, ordered to perform 100 hours of community service, and was ordered to pay \$12,124 in restitution.

GRADY and SMITH pleaded guilty to the charges on January 7, 2010. MURRAY pleaded guilty to the charges on January 14, 2010.

According to United States Attorney Yates, the charges, and the evidence and documents presented in court: Between 2003 and 2007, the three defendants, who were stationed at Army Reserve centers in Tennessee, discovered that they could request surplus computers and other equipment through a federal program that makes this equipment available to other federal agencies that have a need for the equipment. This program requires, however, that the surplus equipment remain government property and the requesting agency must use it for official federal government purposes.

As part of the scheme, the soldiers all filed false paperwork stating that the computers and equipment they obtained would be used for Army purposes. In particular, SMITH filed phony letters on official Army letterhead and other documentation stating that the computers would be sent to soldiers in Iraq in support of "Operation Enduring Freedom." SMITH then sold the computers to various computer stores in Georgia and Tennessee. GRADY and MURRAY sold the stolen computers via private sales and through listings in newspapers, magazines, and on the internet auction service eBay.

During the six-year period, SMITH obtained computers and other equipment in this fashion from the Department of Health and Human Services, Centers for Disease Control ("CDC"); the U.S. Air Force; the National Aeronautics and Space Administration (NASA); the Department of Transportation; the Department of Veterans Affairs; and the U.S. Army. MURRAY and GRADY both obtained the equipment solely from the CDC.

This case was investigated by agents of the Federal Bureau of Investigation; the Department of Health and Human Services-Office of Inspector General; the U.S. Air Force Office of Special Investigations; the U.S. Army Criminal Investigative Division and Military Intelligence Division; the Defense Criminal Investigative Service; General Services Administration-Office of the Inspector General; the Department of Veterans Affairs-Office of Inspector General; the NASA Office of Inspector General; the Department of Transportation-Office of Inspector General; and the Treasury Inspector General for Tax Administration.

This case was prosecuted by Assistant United States Attorney John Horn.

For further information please contact Sally Quillian Yates, 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 www.usdoj.gov/usao/gan.