



# Gilbert Basaldua

- Age 63 at time of sentencing
- Lived in Hilton Head Island, SC
- Employed by Hi Tek Professionals, Inc.
- Worked as a numerical control engineer for a company that designed, developed, and manufactured business jets



## CDSE

Center for Development  
of Security Excellence

# CASE STUDY

## Economic Espionage

### WHAT HAPPENED

In 2017, Gilbert Basaldua was recruited to work with his company's competitor to develop the structural design of a product. He agreed in exchange for a share of the company's profits. Basaldua invested approximately \$100,000 into the new company and became the company's Vice President of Manufacturing and Product Design. Basaldua did not notify his current employer of his relationship with its competitor.

Basaldua, along with three co-conspirators, developed a product and presented it to numerous domestic and international aircraft companies for investment and purchase but was unsuccessful because the product was not Federal Aviation Administration (FAA) approved. Basaldua and his co-conspirators decided to steal valuable proprietary aircraft wing designs and anti-icing test information from various aircraft manufacturers, to include the company where Basaldua was employed. The intended use of the stolen information was to accelerate the process of obtaining FAA certification for the purpose of gaining investors and receiving profits.

To shortcut the process of developing an original icing wind tunnel test plan, Basaldua and his co-conspirators agreed to steal proprietary aircraft wing schematics and anti-ice testing documents from other companies and to use those documents to develop an icing wind tunnel test plan for the product.

Basaldua used his authorized access to search his employer's systems for proprietary documents and engineering drawings related to anti-ice test plans, test models, engineering, and aircraft wing drawings. Basaldua downloaded documents and transferred those files to commercial email accounts and also printed documents to store at his residence. Basaldua pleaded guilty to criminal charges, and in October of 2022, was sentenced to 80 months in federal prison.

### INDICATORS

**Access Attributes:** Basaldua worked as a numerical control engineer contractor for an aircraft manufacturer and had access to the manufacturer's trade secrets.

**Technical Activity (Security Violations):** Basaldua searched networks, downloaded and printed documents, and emailed documents from a commercial email account to his personal email and co-conspirators' email accounts.

**Outside Activities:** Co-conspirator Joseph Pascua initially recruited Basaldua. Craig German and Juan Martinez were subsequently recruited. They attempted to bring in international companies as investors and receive profits for their product.

## IMPACT

“Basaldua and his co-conspirators betrayed the trust placed in them by their employers for outright greed,” said Keri Farley, Special Agent in Charge of the Federal Bureau of Investigation (FBI) Atlanta. “The FBI will continue to work with our partners to stop people who are out to illegally enrich themselves.”

The product developed by Basaldua, and his co-conspirators contained trade secrets and proprietary information that was shared with competitors. This created a loss of trade secrets, proprietary information, and future economic loss for Basaldua’s employer.

## ADDITIONAL INFO

- In September of 2021, Basaldua pleaded guilty to conspiracy to steal trade secrets and interstate transportation of stolen property at the United States District Court, Southern District of Georgia, Savannah Division. During the FBI investigation, it was discovered Basaldua, and his co-conspirators had received training and signed agreements on the protection of proprietary information and trade secrets prior to the illegal acts.
- Co-conspirator Juan Martinez, 53, of Yorba Linda, CA, was convicted of conspiracy to steal trade secrets and was subjected to a statutory penalty of up to 10 years, substantial financial penalties, and restitution, and up to 3 years of supervised release. Martinez is still awaiting a scheduled sentencing hearing.
- Co-conspirator Craig German, 60, of Kernersville, NC, is serving 70 months in a federal prison after pleading guilty to conspiracy to steal trade secrets, plus 20 months for perjury and false statements to a government agency by providing false information during court testimony.
- Co-conspirator Joseph Pascua, 61, of Escondido, CA, was found guilty of conspiracy to steal trade secrets in February of 2021, and the criminal conviction has been under appeal since August of 2023.

### Questions to consider:

- What could have been done to incorporate early detection of transferring proprietary electronic files to outside commercial email accounts within an organization?
- What problems may arise in selling stolen proprietary information of a U.S. company to international investors?

### Resources for further exploration:

- Job Aid: Insider Threat Potential Risk Indicators (PRI): <https://www.cdse.edu/Portals/124/Documents/jobaids/insider/INTJ0181-insider-threat-indicators-job-aid.pdf?ver= HedcDtQk9sSEZItNMLQzA==>
- Counterintelligence Awareness Toolkit: <https://www.cdse.edu/Training/Toolkits/Counterintelligence-Awareness-Toolkit>
- FBI Economic Espionage Awareness Campaign: <https://www.fbi.gov/news/stories/economic-espionage>

## Supporting Through Reporting!

Contact the appropriate POC to report any observed potential risk indicators:

Name: \_\_\_\_\_  
Title: Supervisor/Security Officer/ITP

Agency/Department: \_\_\_\_\_  
Senior Official/ITP Manager