



Ernesto Saldivar

- Civilian contractor at General Dynamics
- Age 30 at the time of the Arrest
- Theft of Government Property



CDSE

Center for Development
of Security Excellence

CASE STUDY

Espionage

WHAT HAPPENED

Ernesto Saldivar was a civilian contractor at General Dynamics National Steel and Shipbuilding Company (NASSCO). He was part of the shipyard's modernization efforts.

From November 2022 to August 2023, Saldivar stole hundreds of military hard drives and laptops from declassified areas on ships undergoing maintenance. Saldivar then sold the stolen items on eBay. Two of the hard drives he stole contained classified military communications. The affected ships included the USS Pinckney, USS Curtis Wilbur, and USS Spruance. The value of the stolen computer equipment, including 2 laptops, 2 programmer units, 4 DC-DC converters, 18 power converters, and 302 hard drives, totaled \$596,997.53.

During a court-authorized search of Saldivar's home on August 25, 2023, Naval Criminal Investigative Service (NCIS) agents recovered 120 of the missing hard drives, a Panasonic Toughbook laptop from the USS Pinckney with software from Integrated Voice Communications System (IVCS), several DC-DC converters traceable to the USS Pinckney, a BPM Microsystems 1410 taken from the Curtis Wilbur, and a BPM Microsystems 1710 Universal Device Programmer matching the serial number of an inventoried loss, all stored haphazardly in a shed on Saldivar's property.

During the investigation of the missing hard drives, the U.S. Army Criminal Investigation Laboratory conducted a forensic analysis on fingerprints left inside the empty hard drive trays. These interior areas of the hard drive trays could only be touched after a hard drive was removed. The prints belonged to Saldivar.

Saldivar was sentenced to 18 months in prison for stealing almost \$600,000 worth of computer equipment from several U.S. Navy ships. He admitted in his plea agreement that the total value of the stolen items was \$596,997.53, almost all of which he was ordered to pay the U.S. Government in restitution. The defendant was also ordered to pay the \$2,584.98 he incurred in payments from eBay sales of the stolen items back to the U.S. Navy.

INDICATORS

Access Attributes – Ernesto had privileged access to U.S. naval bases, facilities, and equipment, including the ships USS Pinckney, USS Curtis Wilbur, and USS Spruance.

Professional Lifecycle and Performance – Ernesto was hired as a welder by General Dynamics and did not have any professional reason to handle sensitive or electronic equipment.

Online Considerations – Ernesto listed the equipment on eBay and stored it in his home.

IMPACT

- “Mr. Saldivar’s criminal actions to steal nearly \$600,000 worth of computer equipment from multiple U.S. Navy ships betrayed the Navy’s warfighters, posed a threat to our national security, and wasted valuable taxpayer money,” said Special Agent in Charge Nicholas Carter of the NCIS. NCIS and our partners remain committed to protecting the Department of the Navy’s assets.”
- “Stealing from the military doesn’t just hurt the taxpayer, it puts our national security at risk,” said U.S. Attorney Tara McGrath. “Our armed forces rely heavily on contract employees and service members must be able to trust the civilians standing by their side.”

ADDITIONAL

- Prosecutors urged the court to impose a custodial sentence, noting that the three U.S. Navy destroyers that Saldivar stole from are critical to the national defense of the United States.
- At sentencing, U.S. District Judge John A. Houston repeatedly admonished Saldivar for committing a “grave breach of national security,” and noted the danger Saldivar’s criminal behavior posed to military personnel and national defense. The judge declined to impose the defense’s recommended sentence of probation, stating that “if you steal from the United States Navy, you go to jail. You don’t get a walk.”
- Saldivar was charged with Theft of Government Property – Title 18, U.S.C., Section 641. The charge has a maximum penalty of 10 years in prison and a fine of up to \$250,000.
- Saldivar was ordered to pay restitution in the amount of \$554,588.65 to the U.S. Navy through the Clerk, U.S. District Court. He was ordered to pay the restitution during his supervised release at the rate of \$1,500 per month.

Questions to consider:

- Saldivar removed multiple systems from the ships he worked on. What steps might he have used to hide his actions and how can security personnel minimize these practices?
- How can security personnel and employers identify potential risk indicators of an insider threat?

Resources for further exploration:

- [Job Aid – Insider Threat Indicators](#)
- [Job Aid – Insider Threat Reporting Procedures](#)
- [eLearning Course – Preserving Investigative and Operational Viability in Insider Threat](#)

Supporting Through Reporting!

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

Name: _____ Agency/Department: _____
Title: Supervisor/Security Officer/ITP Senior Official/ITP Manager