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Former Best Buy employee brings whistleblower retaliation lawsuit

By Amanda Becker

(Reuters) - A former Best Buy Co Inc district manager has accused the electronics retailer of firing him after he told the U.S. government he had faced retaliation for blowing the whistle on what he called misappropriation of funds by a supervisor.

Garry Embry on Thursday sued Best Buy in a New York federal court. He alleged that his firing was retaliation for bringing a whistleblower claim, which is prohibited under the 2002 Sarbanes-Oxley corporate governance law.

"Rather than reward Mr. Embry for his honorable actions, Best Buy retaliated against him by terminating his employment," Embry's attorney Douglas Wigdor of Thompson Wigdor told Reuters.

"This lawsuit seeks to hold Best Buy accountable for its actions and send a message to other employers that you must treat whistleblowers fairly under the law," he added.

A company spokesman denied Embry's allegations.

"We do not believe that Mr. Embry's claims have merit, and we look forward to the opportunity to have our side of the case heard," Best Buy spokesman Jeff Shelman said.

Embry started working for Best Buy in August 2005. In March 2010, he began managing a specially created district of poor-performing stores. In that role, he began noticing that his supervisor Monica Hubbard and others in her inner circle "lived far beyond their means" by being reimbursed for improper expenses, according to the lawsuit.

Embry had "numerous discussions" with district managers and directors about Hubbard's conduct and questioned her about the expenditures himself, the lawsuit said.

In July 2011, he sent an anonymous letter to Best Buy's board, chief executive and two former chief executives. Embry met with a company investigator in August or September 2011. By the end of that year Hubbard had left the company.

In May 2012, Embry told an employee relations specialist that he was being retaliated against for being an internal whistleblower. He informed Best Buy managers he had retained legal counsel in July, according to the lawsuit.

'FINAL WARNING STATUS'

In October 2012, Embry was told he had three options: accept a demotion, resign or remain in his position, but on "final warning status," according to the complaint. In November, he filed a whistleblower retaliation complaint with the U.S. Occupational Safety and Health Administration.

Embry alleges he continued to experience retaliatory conduct, including being held to a higher standard than his peers, until he was fired in March 2013.

The lawsuit alleges that Best Buy culture intimidates potential whistleblowers. The company's code of conduct warns employees against making reports that could be "malicious, obscene, threatening or intimidating" or that "could potentially defame someone," creating a chilling effect, the complaint stated.

Embry also reported that three former colleagues have told him they were terminated after cooperating with the investigation of Hubbard, the lawsuit said.

"These actions by Best Buy and its management are both symptomatic of and abetted by an organizational culture that disregards the Company's obligation to encourage employees to report potential legal violations without fear," the lawsuit stated.

The case is Garry Embry v. Best Buy Co Inc, et al, U.S. District Court for the Southern District of New York, No. 13-8814.

For Embry: Douglas Wigdor and Lawrence Pearson of Thompson Wigdor.

For Best Buy: Sarah Bouchard of Morgan Lewis & Bockius.

---- **Index References** ----

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