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Department Of Justice
Southern District of New York
United States Attorney
Herbert Hadad, Megan Gaffney
Public Information Office
(212) 637-2600

Ex-Official Of Local Computer Consulting Firm Pleads Guilty To Computer Attack Charge

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced that NEAL COTTON, a former network administrator of a Manhattan-based computer network consulting firm called Cyber City, Incorporated, pled guilty today in Manhattan federal district court to felony computer intrusion charges stemming from COTTON's electronic attack on Cyber City's computer system in April 2003. COTTON's attack on Cyber City destroyed portions of its computer hardware and deprived its customers of their computer data.

According to the Criminal complaint filed previously in the case, Cyber City, a local computer network consulting firm, provides a variety of computer network and database services to businesses located in Manhattan, Los Angeles, Atlanta and London. These services include computer network design, purchasing of computer hardware and software, network installation and maintenance, website production, and computer data backup and technical support. COTTON was a Cyber City field technician between 1999 and 2003. In that capacity, COTTON was provided with various passwords and user codes that gave him access to Cyber City's computer network, both from inside Cyber City's offices, and via remote connection over the Internet.

According to the Complaint, on April 2, 2003, an executive of Cyber City informed COTTON he would be fired from the company. On April 3, 2003, COTTON told a Cyber City coworker that he was displeased because Cyber City had failed to pay him several hundred dollars in exchange for some computer equipment COTTON had returned to Cyber City.

According to the Complaint, later that night, Cyber City experienced a computer intrusion attack on its network that wiped out files and data of several of Cyber City's most important client companies, rendering customers' computer networks useless, some for days, and caused some customers to lose data permanently. As the complaint states, at around the time the attack on Cyber City was perpetrated, COTTON's co-worker observed COTTON sitting at a computer a the co-worker's home, and later COTTON admitted to the co-worker that COTTON had attacked Cyber City's computers.

According to the complaint, although Cyber City was able to restore its system and service to its customers with some effort, including retaining outside data recovery services, some data was permanently lost.

At COTTON's guilty plea today before United States District Judge DENNY CHIN to a one-count felony information, COTTON admitted that he had committed the computer attack with the intent to damage Cyber City's computer systems.

According to the Complaint, Cyber City's losses resulting from the computer attack, including time, effort and out-of-pocket expenses required to repair the system, restore customer data, and repair customer relations, exceeded $100,000.

COTTON faces a maximum sentence of 10 years in prison, and a $250,000 fine or twice the gross gain or gross loss from the offenses.

COTTON, 28, lives in Astoria, Queens.

Mr. KELLEY praised the efforts of the Federal Bureau of Investigation in this case.

Assistant United States Attorney DAVID SIEGAL is in charge of the prosecution.

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