February 26, 2003

U.S. Department of Justice
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Western District of Pennsylvania
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Former Employee of American Eagle Outfitters Indicted on Charges of Password Trafficking and Computer Damage

United States Attorney Mary Beth Buchanan announced today, February 26, 2003, that a resident of Greensburg, Pennsylvania, has been indicted by a federal grand jury in Pittsburgh on charges of Password Trafficking and Computer Damage. The two-count indictment named Kenneth Patterson, age 38, of 615 Cherry Street, Greensburg, Pennsylvania, 15601. According to the indictment presented to the court, Patterson, a former employee of American Eagle Outfitters, was charged with trafficking in passwords and similar information that would have permitted others to gain unauthorized access to the American Eagle Outfitters computer network, when Patterson posted and maintained at a Yahoo hacker group posting board the username and password combinations of certain legitimate American Eagle Outfitters users together with detailed instructions on how to hack into the wide area network of American Eagle Outfitters using those passwords. Patterson was also charged with a series of computer intrusions into the American Eagle Outfitters computer network from November 27, 2002 through December 1, 2002. These intrusions were attempts to deny computer services to American Eagle Outfitters stores in the United States and Canada during the beginning of the Christmas shopping season. These denial of service attempts were quickly identified by American Eagle personnel and corrective actions were implemented that limited their intended economic impact. Assistant United States Attorneys Paul E. Hull and Luke E. Dembosky, who presented the case to the grand jury, indicated that the law provides for a maximum total sentence of 11 years in prison, a fine of $350,000, or both. Under the Federal Sentencing Guidelines, the actual sentence imposed would be based upon the seriousness of the offenses and the prior criminal history, if any, of the defendant. Agents from the High Technology Crimes Task Force conducted the investigation leading to the indictment in this case together with the invaluable cooperation and assistance of American Eagle Outfitters' staff and employees. An indictment is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilt beyond a reasonable doubt.