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For Immediate Release
November 23, 1999

Defendant Sentenced for First Criminal Copyright Conviction Under the "No Electronic Theft" (NET) Act for Unlawful Distribution of Software on the Internet

EUGENE, OREGON -- The Justice Department, the United States Attorney for the District of Oregon, Kristine Olson, and the Special Agent in Charge of the FBI, Portland, Oregon Division, David W. Szady, announced that Jeffrey Gerard Levy was sentenced today by United States District Judge Michael R. Hogan for his involvement in criminal infringement of copyrights, in violation of 18 U.S.C. § 2319(c)(1) and 17 U.S.C. § 506(a)(2). Judge Hogan sentenced Levy to a two year period of probation with conditions. The probationary sentence was imposed because a sentence for criminal infringement of a copyright under the United States Sentencing Guidelines is based largely upon the retail value of pirated software which was distributed. Although the retail value of pirated software posted on Levy's web site was conservatively estimated at approximately $70,000, a determination of the value of software distributed was unable to be made. Levy agreed that the quantity of distributed software exceeded $5,000, but a determination beyond that was unable to be made.

Levy is the first person convicted under the No Electronic Theft ("NET") Act, enacted in 1997 to punish Internet copyright piracy. The NET Act makes it illegal to reproduce or distribute copyrighted works, such as software programs and musical recordings, even if the defendant acts without a commercial purpose or for private financial gain. If the defendant reproduces or distributes 10 or more copyrighted works that have a total value of more than $2,500, he or she can be charged with a felony, and faces a sentence of up to 3 years imprisonment and a fine of up to $250,000. A defendant who reproduces or distributes one or more copies of copyrighted works with a value of more than $1,000 can be charged with a misdemeanor, and face up to one year in prison and a fine of up to $100,000.

Levy, a 22 year-old senior at the University of Oregon, pled guilty to criminal infringement of a copyright on August 20, 1999. At the time of the plea, Mr. Levy admitted that in January 1999, he illegally posted computer software programs, musical recordings, entertainment software programs, and digitally-recorded movies on his Internet web site, allowing the general public to download and copy these copyrighted products

United States Attorney Kristine Olson applauded the cooperative efforts of the FBI, the Oregon State Police, the University of Oregon, the Software Information Industry Association, the

Business Software Alliance, the Motion Picture Association, the Interactive Digital Software Association, and the Recording Industry Association of America for their assistance during the investigation. For further information, contact Chris Watney, U.S. Department of Justice Office of Public Affairs, (202) 514-2007.

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