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SOFTWARE PIRATE GUILTY OF COPYRIGHT INFRINGEMENT UNDER NET ACT

CHICAGO – A federal jury here returned a guilty verdict in the nation's first trial under the 1997 No Electronic Theft (NET) Act involving a computer software piracy conspiracy, Scott R. Lassar, United States Attorney for the Northern District of Illinois, announced today. Following a week-long trial, jurors deliberated only 30 minutes late on Friday, May 11, before finding **Christian Morley**, 28, of Salem, Mass., guilty of conspiracy to infringe software copyrights.

Morley was indicted last year along with 16 other defendants from across the United States and Europe for conspiring to infringe the copyright of more than 5,000 computer software programs that were available through a hidden Internet site that was located at a university in Quebec, Canada. Twelve of the defendants, including an Aurora, Ill., man, allegedly were members or leaders of an international organization of software pirates known as "Pirates with Attitudes," an underground group that disseminated stolen copies of software, including programs that were not yet commercially available. The remaining five defendants were employees of Intel Corp., four of whom allegedly supplied computer hardware to the piracy organization in exchange for obtaining access for themselves and other Intel employees to the group's pirated software, which had a retail value in excess of $1 million. The investigation first became public with the Feb. 3, 2000, arrest of the lead defendant Robin Rothberg, of North Chelmsford, Mass., who was identified as a "council" member, or leader, of PWA. A list of the defendants and their status is attached.

Of the 17 defendants, Rothberg and 12 others pleaded guilty to copyright conspiracy, two remain fugitives, one is still pending and is being evaluated for mental competency, and the last one -- Morley -- was convicted at trial. The 14 guilty defendants are expected to be sentenced at the end of the summer but no specific dates have been set. Conspiracy to infringe a copyright carries a maximum penalty of five years in prison and a $250,000 fine, or, as an alternative, the Court may impose a fine totaling twice the gross gain to any defendant or twice the gross loss to any victim, whichever is greater. Restitution is mandatory. U.S. District Judge Matthew Kennelly will determine the appropriate sentence to be imposed under the United States Sentencing Guidelines.

"The trial demonstrated law enforcement's commitment to prosecute software piracy cases and

the FBI's ability to successfully investigate sophisticated online activity," said Assistant U.S. Attorney James Conway, who represented the government along with Assistant U.S. Attorney Lisa K. Griffin. The case was investigated by the Chicago Field Division of the Federal Bureau of Investigation. The Justice Department's Computer Crime and Intellectual Property Section provided assistance, as did the Business Software Alliance and the Software and Information Industry Association.

The investigation was conducted as part of the Justice Department's nationwide Intellectual Property Initiative, announced in July 1999. The conspiracy and copyright infringement charges in this case were brought under the No Electronic Theft Act, known as the NET Act, which was enacted in 1997 to facilitate prosecutions of Internet copyright piracy. The NET Act makes it illegal to reproduce or distribute such copyrighted works as software programs, even if the defendant acts without a commercial purpose or for private financial gain.

United States v. Rothberg, et al., 00 CR 85

Members of Pirates with Attitudes who pleaded guilty:
Robin Rothberg, also known as "Marlenus," (9/11/67) 33, of North Chelmsford, Mass.
Diane Dionne, aka "Akasha," (4/11/61) 40, of West Palm Beach, Fla.
Steven Ahnen, aka "Code3," (4/13/58) 43, of Sarasota, Fla.,
Jason Slater, aka "Technic," (4/28/70) 31, of Walnut Creek, Ca.
Todd Veillette, aka "Gizmo," (11/21/59) 41, of Oakdale, Conn.
Thomas Oliver, aka "Rambone," (7/14/65) 35, of Aurora, Il.
Mark Stone, aka "Stoned," (3/24/66) 35, of Cypress, Ca.
Jason Phillips, aka "Crov8," (11/9/70) 30, of Plano, Tex.

Member of Pirates with Attitudes who was found guilty at trial:
Christian Morley, aka "Mercy" (4/13/73) 28, of Salem, Mass.

Alleged Members of Pirates with Attitudes who are fugitives:
Mark Veerboken, aka "Shiffie," of Belgium
Kaj Bjorlin, aka "Darklord," of Sweeden

Alleged Member of Pirates with Attitudes whose case is pending:
Justin Robbins, aka "Warlock," (2/10/76), 25, of Charlotte, N. C.

Intel employees who pleaded guilty:
Brian Riley, (1/31/70) 31, of Olympia, Wash.
Tyrone Augustine, (5/13/71) 30, of Cambridge, Mass.
Brian Boyanovsky, aka "Boynger," (6/26/75) 25, of Beaverton, Ore.
John Geissberger, (5/15/62) 39, of Columbia, S. C.
Gene Tacy, (11/13/74), 26, of Olympia, Wash.