Indiana man sentenced for selling $700k in counterfeit software on eBay

by Bend_Weekly_News_Sources

WASHINGTON - An Indiana man has been sentenced to 27 months in prison for selling more than $700,000 worth of counterfeit computer software on the eBay Internet auction site, Assistant Attorney General Alice S. Fisher of the U.S. Justice Department's Criminal Division and Susan W. Brooks, U.S. Attorney for the Southern District of Indiana, announced today.

Courtney Smith, 36, of Anderson, Ind., was sentenced today by U.S. District Judge Sarah Barker of the Southern District of Indiana for selling counterfeit computer software over the Internet in violation of criminal copyright infringement laws. At today's guilty plea and sentencing, Smith admitted that he purchased counterfeit Rockwell Automation computer software through the eBay Internet auction site and then duplicated and resold the copyright protected software to other eBay users. Between March 6 and May 26, 2004, Smith sold counterfeit copies of Rockwell Automation software in 32 or more separate eBay auctions, receiving $4,149.97. The actual retail value of this software was in excess of $700,000.

"Mr. Smith exploited eBay to sell hundreds of thousands of dollars worth of counterfeit software at drastically reduced prices, thereby illegally profiting on the back of the copyright holder," said Assistant Attorney General Fisher. "The Department of Justice is committed to prosecuting individuals who exploit legitimate online auction sites to sell pirated software and commit other acts of fraud."

The case arose from a Department of Justice initiative to combat online auction piracy. FBI agents executed a search warrant at Smith's residence in Anderson on Dec. 15, 2004, seizing numerous computers, CDs and other devices used to manufacture the counterfeit software and sell it on eBay. Smith admitted to the investigators that he knew it was illegal to sell copyrighted software and that he not only manufactured and sold the counterfeit software on eBay, but also made his own Rockwell Automation Software labels to affix to the counterfeit software.

Rockwell Automation, Inc., is a global provider of automation, power, control and information solutions. Rockwell Automation, among other things, produces specialized factory management software. This software allows for the establishment of control and visualization disciplines when dealing with factory production lines and machinery. The majority of the software applications sold on eBay had an individual retail price ranging from approximately $900 to $11,325. Rockwell Automation owns the registered copyrights to all Rockwell/Allen Bradley software and the copyright on the product's packaging.

Smith has forfeited the computers and other equipment used in the offense and will make restitution to Rockwell Automation in the amount of $5,200.45. Judge Barker also ordered Smith to pay a $2,000 fine and serve two years of supervised release upon completion of his term of incarceration.

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