

SIIA Anti-Piracy Division News

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SIIA Shuts Down Software Pirates, Landing Six-Figure Settlements

Cases Serve Notice to Unauthorized OEM, Educational “Resellers”

Washington, D.C. (April 20, 2011) The Software & Information Industry Association (SIIA), the principal trade association for the software and digital content industries, today announced that it has settled two copyright infringement lawsuits after defendants selling OEM and academic software, respectively, each agreed to pay six figure sums. These new settlements followed the Ninth Circuit’s ruling in the closely watched case of *Vernor v. Autodesk*, in which the U.S. Court of Appeals for the Ninth Circuit affirmed the longstanding rule that software distributed by the publisher under license – such as typical OEM, academic, or region-specific software – is not subject to the first sale doctrine. Thus, third party “resellers” have no right to “sell” such software absent an agreement with the copyright owner.

On behalf of SIIA member Adobe Systems Inc., SIIA investigated and filed lawsuits against Matt Lockwood of Denver, CO, and David Polanco of Danville, CA, for selling various Adobe software without authorization and outside the terms of the products’ applicable licenses. Lockwood and Polanco sold the software via the websites discountmountainsoftware.com and ztechsoftware.com, respectively.

“The defendants in these cases ignored common sense and copyright laws by peddling software they didn’t have rights to sell,” said Scott Bain, Chief Litigation Counsel and Director of Internet Anti-Piracy for SIIA. “As the Vernor decision confirmed, and Lockwood and Polanco have learned, there are no shades of grey when it comes to software piracy. It’s just as illegal to sell so-called ‘grey market’ software without the copyright owner’s authorization as it is to sell counterfeit software.”

“These results show that the Internet does not give infringers a pass for their violation of Adobe’s valuable rights,” said Andy Coombs, an attorney who represented SIIA in these cases. “We hope these settlements will discourage others from thinking they can ‘get rich quick’ by attempting to resell OEM or academic software.”

During the last three years, SIIA has filed more than 100 lawsuits in the U.S. against illegal eBay sellers as well as sellers on other websites dealing in counterfeit, OEM, academic, region-specific and other illegal software and publications. Defendants have paid millions of dollars in damages, and, in some cases, criminal charges were pursued and defendants sentenced to jail time.

Sources in the U.S. and in Europe can contact SIIA about a company, Web site or online auction seller’s suspicious business practices in three ways:

- E-mail: piracy@siiia.net
- Telephone: +1-800-388-7478
- Online: www.siiia.net/piracy/report

For more information about the SIIA Internet Anti-Piracy Division, or to read SIIA’s software buying guides, visit the [Software Anti-Piracy Information page](#).

About SIIA

The Software & Information Industry Association (SIIA) is the principal trade association for the software and digital content industry. SIIA provides global services in government relations, business development, corporate education and intellectual property protection to more than 500 leading software and information companies. For further information, visit: www.sii.net. Its **Anti-Piracy Division** conducts a comprehensive, industry-wide campaign to fight software and content piracy. The pro-active campaign is premised on the notion that one must balance enforcement with education in order to be effective. The **SIIA Internet and Auction Litigation Program** aims to educate online buyers and sellers regarding the risks and harm of buying and selling illegal software. Among other things, sellers can be prosecuted, and buyers can be burdened with viruses, faulty products, and/or no technical support. In addition to the Internet and auction piracy lawsuits, SIIA also seeks to protect legitimate sellers and unsuspecting buyers by publishing software buying guides for auction sites.

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