Software & Information Industry Association
www.siia.net
SIIA

For Immediate Release

SIIA Contact: John Crosby, 202-289-7442, jcrosby@siia.net
PR Contact: Beth Dozier, Rational 360, 202-429-1833, bethdozier@rational360.com

SIIA Announces Arrest of Los Angeles-Based Craigslist Software Pirates

SIIA Worked with LAPD to Stop Two Individuals Accused of Pirating & Selling Tens of Thousands of Dollars in Counterfeit Software

WASHINGTON, DC (May 26, 2010) – The Software & Information Industry Association (SIIA), the principal trade association for the software and digital content industries, today announced that its efforts led to the arrest of two California residents who allegedly manufactured and sold pirated software using Craigslist. Duong Tran, 29, and Huy Nguyen, 27, (also known as Kevin Tran and Sam Lou) were arrested May 25 by the Los Angeles Police Department.

The LAPD, working in conjunction with the SIIA and other software companies, undertook a nine-month investigation into the sellers' activity. Tran and Nguyen allegedly manufactured and distributed thousands of counterfeit Adobe, Rosetta Stone, Autodesk, Solidworks, and other software products.

"Tran and Nguyen probably thought Craigslist was an easy way to sell their illegal software, but now they're in jail and facing huge financial penalties," said Keith Kupferschmid, Senior Vice President for Intellectual Property Policy & Enforcement for SIIA. "As part of the industry's most aggressive anti-piracy program, SIIA is actively working to stop software pirates operating on Craigslist and other online marketplaces. These arrests should serve as a warning to anyone distributing software on Craigslist – the next person you sell to could be a police officer or one of our investigators."

As part of the arrest, the LAPD seized illegal software valued at more than $30,000 and hardware valued at more than $6,000. According to investigators, the pirates had three PayPal accounts. The scheme collected more than $40,000 through PayPal alone, at an average cost of $30 to $40 dollars per program, in addition to any cash transactions.

Kupferschmid continued, "As an open and unregulated marketplace, Craigslist is fertile ground for software pirates looking to make quick money. Craigslist has become an avenue for software pirates to corroborate their scheme. Consumers need to be aware that much of the software being sold on Craigslist is illegal, and they are likely getting ripped off with unsupported and possibly non-working products. They are also contributing to a problem that has the potential to raise software costs, cut into new product development and lead to job losses."

Tran and Nguyen operated out of an apartment near Chinatown in Los Angeles, where they had a very organized piracy lab and categorized thousands of software titles for easy distribution. In addition, Tran and Nguyen marketed their counterfeit software with frequent customer coupons and specially designed CD sleeves.

Tran and Nguyen downloaded thousands of software programs from Demonoid.com, a website and BitTorrent tracker. They then created cracked serial keys and burned the software onto Memorex recordable CDs. Through Craigslist, the pirates would then distribute a burned CD in a case, the cracked key, along with very detailed installation instructions.

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.siia.net.

About SIIA Anti-Piracy

The Software & Information Industry Association's Anti-Piracy Division conducts a comprehensive, industry-wide campaign to fight software and content piracy. The proactive campaign is premised on the notion that one must balance enforcement with education in order to be effective.

###