



Department of Justice

FOR FURTHER INFORMATION CONTACT

AUSA VICKIE E. LEDUC or

MARCIA MURPHY at 410-209-4885

July 14, 2011

FOR IMMEDIATE RELEASE

UPPER MARLBORO MAN PLEADS GUILTY TO COPYRIGHT INFRINGEMENT

Sold Copyrighted DVDs of Movies and Television Shows Valued at Over \$1 Million

Greenbelt, Maryland - Clarence Matthews, age 42, of Upper Marlboro, pleaded guilty today to criminal copyright infringement.

The guilty plea was announced by United States Attorney for the District of Maryland Rod J. Rosenstein and Special Agent in Charge Richard A. McFeely of the Federal Bureau of Investigation.

According to his plea agreement, beginning no later than August 2006, Matthews began advertising television shows and movies for sale on a website. On February 8, 2007, an undercover FBI agent emailed Matthews requesting to purchase two television series, "OZ" and "Da Ali G Show." The undercover agent sent payment to a post office box as instructed by Matthews. On February 26, 2007 the undercover agent received the DVDs that he ordered from Matthews. The DVDs were fraudulent copies of the copyrighted television shows.

On February 1, 2011, the undercover agent again emailed Matthews and asked what movies Matthews had available for sale. Matthews provided a list of over 1,100 movie titles, several of which were movies that were only playing in theaters at the time. The undercover agent ordered five copies each of 10 different movie titles, all of which were only playing in theaters and were not available for commercial purchase on DVD at that time. The agent sent payment to the same post office box as before. On March 8, 2011, Matthews sent the agent 57 copies of copyrighted DVDs - the titles ordered by the agent and seven copies of an additional title that Matthews provided for free. The movies appeared to have been taped with a video camera inside of a theater, while others contained sub-text stating that the particular release was for award nomination purpose only.

On March 28, 2011, law enforcement executed a search warrant at Matthew's residence and seized 44,705 counterfeit DVDs and 19 DVD burner towers.

Between August 2006 and March 2011, Matthews collected more than \$632,971 from the sale of copyrighted DVDs. The total retail value of all of the copyrighted DVDs that Matthews sold was between \$1 million and \$2.5 million.

Matthews faces a maximum sentence of five years in prison followed by three years of supervised release and a fine of \$250,000. U.S. District Judge Alexander Williams, Jr. scheduled his sentencing for October 19, 2011 at 9:30 a.m.

Today's guilty plea is an example of the type of efforts being undertaken by the Department of Justice Task Force on Intellectual Property (IP Task Force). Attorney General Eric Holder created the IP Task Force to combat the growing number of domestic and international intellectual property crimes, protect the health and safety of American consumers, and safeguard the nation's economic security against those who seek to profit illegally from American creativity, innovation and hard work. The IP Task Force seeks to strengthen intellectual property rights protection through heightened criminal and civil enforcement, greater coordination among federal, state and local law enforcement partners, and increased focus on international enforcement efforts, including reinforcing relationships with key foreign partners and U.S. industry leaders. To learn more about the IP Task Force, go to <http://www.justice.gov/dag/iptaskforce/>.

United States Attorney Rod J. Rosenstein thanked the FBI for its work in the investigation and praised Assistant U.S. Attorney Mara Zusman Greenberg, who is prosecuting the case.