

NEWS RELEASE



OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF CALIFORNIA San Diego, California

***United States Attorney
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For Immediate Release

NEWS RELEASE SUMMARY - May 26, 2009

United States Attorney Karen P. Hewitt announced that Steven Stoyanoff was arraigned today in federal court in San Diego on a 22-count indictment related to the sale of counterfeit Microsoft software. Stoyanoff was charged in a sealed indictment handed up by a federal grand jury sitting in San Diego on May 19, 2009 with one count of conspiracy, seven counts of sale of merchandise imported contrary to law, seven counts of trafficking in counterfeit goods, and seven counts of mail fraud. The indictment was unsealed upon Stoyanoff's initial appearance today before United States Magistrate Judge Cathy Ann Bencivengo, where he entered not guilty pleas.

According to the indictment, Stoyanoff and his co-defendant, Michael Swedlow, of Northfield, Illinois, sold \$500,000 of counterfeit Microsoft software during the period from July 2005 to March 2009. The indictment alleges that the defendants wired money to China for counterfeit Microsoft software, including Microsoft Windows XP and Microsoft Office 2003. It is further alleged that the defendants then sold the counterfeit software over the Internet, using the company names "Wireless Now Computers" and "Whitebox Computers," and mailed the software to customers throughout the United States, falsely

representing that the software was genuine.

Magistrate Judge Bencivengo set bond for Stoyanoff in the amount of \$75,000, and he was ordered to appear before U.S. District Court Judge Thomas Whelan on June 1, 2009, at 2:00 p.m. for a hearing date on all motions.

Michael Swedlow was arrested and made his initial appearance in Illinois on May 21, 2009, and has been ordered to appear in federal court in San Diego on June 3, 2009 at 9:00 a.m.

The case was investigated by postal inspectors of the U.S. Postal Inspection Service and special agents of Immigration and Customs Enforcement.

DEFENDANTS

Criminal Case No. 09-CR-1936-W

Steven Stoyanoff
Michael Swedlow

SUMMARY OF CHARGES

Count 1	Conspiracy, in violation of Title 18, United States Code, Section 371 Maximum Penalties: 5 years in custody and/or \$250,000 fine
Counts 2 - 8	Sale of Merchandise Imported Contrary to Law, in violation of Title 18, United States Code, Section 545 Maximum Penalties: 20 years in custody and/or \$250,000 fine
Counts 9 - 15	Trafficking in Counterfeit Goods, in violation of Title 18, United States Code, Section 2320 Maximum Penalties: 10 years in custody and/or \$2 million fine
Counts 16 - 22	Mail Fraud, in violation of Title 18, United States Code, Section 1341 Maximum Penalties: 20 years in custody and/or \$250,000 fine
	Forfeiture, in violation of Title 18, United States Code, Section 982

INVESTIGATIVE AGENCIES

U.S. Postal Inspection Service
Department of Homeland Security, Immigration and Customs Enforcement

An indictment is not evidence that the defendants committed the crimes charged. They, like all defendants, are presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.