

The United States Attorney's Office

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CD And DVD Counterfeiter And Supplier Sentenced To Prison

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FBI-Led Operation Shut Down Regional Hub for Music and Movie Piracy

ATLANTA, GA - Two co-defendants have been sentenced this week on federal charges relating to copyright and counterfeiting violations of CDs and DVDs. CHARLES NDHLOVU, 34, of Fairburn, Georgia, was sentenced by United States District Judge William S. Duffey, Jr. to federal prison on charges of copyright infringement and trafficking in counterfeit labels for CDs and DVDs. His raw materials supplier, SCOTT AHN, 42, of Lawrenceville, Georgia, was also sentenced on a charge of conspiracy to violate federal copyright laws.

United States Attorney Sally Quillian Yates said, "These defendants mass-produced hundreds of thousands of counterfeit music CDs and DVD movies in a pirating operation that appeared to be the largest of its kind in the southeastern United States. Their victims included consumers, who were not getting genuine products, as well as the thousands of Americans who earn their livelihoods from the legitimate creation of their art."

"These sentences send an important message that criminal counterfeiting will not be tolerated," said Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division. "The sale of counterfeit goods and the theft of intellectual property harm businesses, consumers, and artists alike. We will continue to investigate and prosecute individuals who seek to profit illegally by stealing the works of others, including those who knowingly support the criminal activity."

Brian D. Lamkin, Special Agent in Charge, FBI Atlanta Field Office, said, "The wholesale theft of intellectual property and copyrighted material as was seen in this case simply cannot be tolerated. The FBI is well positioned to investigate such criminal enterprises which attempt to profit off of the creativity and hard work of others and will continue to work with its various law enforcement partners to bring such individuals to justice."

"The theft of intellectual property undermines our economy and deprives our creative artists of the full value of their work," said Brock D. Nicholson, special agent in charge of ICE Homeland Security

Investigations for Georgia and the Carolinas. "Protecting legitimate business interests is a priority for HSI and our law enforcement partners. We are dedicated to protecting the jobs, the income and the tax revenue that disappear when criminals and criminal organizations traffic in stolen content for their own profit."

NDHLOVU was sentenced to 4 years, 3 months in prison to be followed by 3 years of supervised release. NDHLOVU was convicted on July 28, 2011, of two charges of copyright infringement and one charge of trafficking in counterfeit labels. A federal jury convicted him after a 4-day-long trial.

Although AHN was convicted of supplying only the raw materials and technology, such as blank CDs and burners, he was sentenced to 1 year, 7 months in prison to be followed by 3 years of supervised release, and ordered to pay restitution in the amount of \$25,000 to the Recording Industry Association of America, and \$15,000 to the Motion Picture Association of America. AHN pleaded guilty to one count of conspiracy to violate copyright laws on January 14, 2010, testified against several of his 12 co-defendants in two criminal trials and gave other cooperation.

According to United States Attorney Yates, the charges and other information presented in court: NDHLOVU mass-produced infringing copies of copyrighted CDs and DVDs, purchased corresponding counterfeit labels and packaging, and assembled the final product that he ultimately sold wholesale. Evidence at trial also showed that NDHLOVU reproduced thousands of CDs and DVDs per week for distribution. AHN assisted in supplying NDHLOVU with blank DVDs and CDs knowing that his large customer base was mainly reproducing popular movie and music titles, a violation of federal copyright laws.

NDHLOVU and AHN were among 13 charged by a federal grand jury on May 19, 2009, in an indictment alleging various copyright, trademark and counterfeit goods offenses. In February 2011, four of their co-conspirators were sentenced for their involvement in the piracy ring. MAMADOU SADIO BARRY, 40, was sentenced to 60 months in prison; MOUSSA BARADJI, 29, was sentenced to 50 months in prison; SEDIKEY SANKANO, 42, was sentenced to 2 years in prison; and WON AHN, 69, was placed on probation for one year. BARRY, BARADJI and SANKANO also were ordered to serve three years of supervised release following their prison terms. BARRY and BARADJI were ordered to pay \$70,894 in restitution and SANKANO was ordered to pay \$3,867 in restitution. On June 21, 2011, IBRAHIM DIALLO was sentenced to 3 years, 2 months in prison to be followed three years of supervised release, and was ordered to pay \$2,479 in restitution. SANKANO, WON AHN and DIALLO pleaded guilty. BARRY and BARADJI were convicted at trial in October 2010. The court found that these defendants were responsible for distributing illegal copies of products that, if legitimate, would have been valued at over \$3.7 million.

This case is part of efforts being undertaken by the Department of Justice Task Force on Intellectual Property (IP Task Force) to stop the theft of intellectual property. 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 www.justice.gov/dag/iptaskforce.

This case was investigated by Federal Bureau of Investigation and the ICE Homeland Security Investigations, together with officers of the Atlanta Police Department Organized Crime Unit, Fulton County Sheriff's Office, College Park Police Department, and East Point Police Department. Assistance was provided by representatives of victim rightsholders, the Recording Industry Association of America and the Motion Picture Association of America.

The case was prosecuted by Assistant United States Attorney Brian Pearce and Senior Counsel John H. Zacharia of the Justice Department's Criminal Division's Computer Crime and Intellectual Property Section.

For further information please contact Sally Q. Yates, United States Attorney, or Charysse L. Alexander, Executive Assistant United States Attorney, through Patrick Crosby, Public Affairs Officer, U.S. Attorney's Office, at (404) 581-6016. The Internet address for the HomePage for the U.S. Attorney's Office for the Northern District of Georgia is www.justice.gov/usao/gan.