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FOR IMMEDIATE RELEASE

March 30, 2007

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CENTRAL VALLEY COUPLE PLEAD GUILTY TO CONSPIRACY AND CRIMINAL COPYRIGHT VIOLATIONS FOR DISTRIBUTING COUNTERFEITED MOVIES AND MUSIC

Defendants Operated Massive Distribution Centers in Stockton and San Jose

SACRAMENTO - United States Attorney McGregor W. Scott, Sacramento County Sheriff John McGuinness, and Special Agent-in-Charge Jean Mitchell, United States Secret Service, announced today that JESUS HUERTA, 49, of Stockton, California, pleaded guilty to Conspiracy to Commit Criminal Copyright Infringement and Criminal Copyright Infringement. ROSA ISELA HUERTA, 40, also of Stockton, pleaded guilty to Conspiracy to Commit Criminal Copyright Infringement. The charges stem from the defendants participation in the large-scale, illegal distribution of copyrighted movies DVDs and music CDs from locations in Stockton and San Jose.

This case is the product of an extensive/joint investigation by the Sacramento Valley High Tech Crimes Task Force, which is comprised of more than thirty federal, state, and local law enforcement agencies, including the United States Secret Service, and the Federal Bureau of Investigation. The Department of Homeland Security, Immigration and Customs Enforcement, the Motion Picture Association of America ("MPAA"), and the Recording Industry Association of America ("RIAA") also assisted with the case.

The prosecutions of JESUS HUERTA and ROSA HUERTA were coordinated with the United States Attorney's Office for the Northern District of California and the Rapid Enforcement Allied Computer Task Force ("REACT"), which prosecuted multiple defendants involved in replicating copyrighted moves and music in the San Francisco Bay Area and distributing them throughout California.

According to Assistant United States Attorney Robin R. Taylor, who is prosecuting the case, the defendants admitted in court that from approximately September 2005, through on or about October 5, 2005, they unlawfully distributed counterfeit movies and music from a storefront located in Stockton, California where more than 50,000 counterfeit units were seized by law enforcement. The defendants also admitted to distributing counterfeit movies and music from a second location in San Jose, California.

The defendants, without authorization, sold DVDs of movies such as *Deuce Bigalow European Gigalo*, *Hustle & Flow*, *The Island*, *Underclassman*, *Transporter 2*, *The Wedding Crashers*, *Four Brothers*, *The Skeleton Key*, *The 40 Year Old Virgin*, *The Man*, and *War of the Worlds*, which were only playing in theaters, and not yet released to DVD format. Most movies were sold for approximately \$2 per unit. According to the MPAA and the RIAA, illegal duplication causes losses to copyright and trademark owners, which impedes the owners' ability to create and promote new movies and music.

The defendants charged in the Bay Area included YAOBIN ZHAI, 33, of Fremont, the co-owner of Magic Media and BDG Publishing in Hayward; YE TENG WEN, aka Michael Wen, 29, of Union City and HAO HO, aka Kevin He, 30, of Union City, the co-owners of Media Art Technology in Hayward and Union City. Each of these defendants has pleaded guilty to criminal copyright infringement and related charges.

Judgement and sentencing in this matter is set for June 15, 2007. The defendants face a maximum penalty under federal law of 5 years in prison, a fine of \$250,000. In addition, the defendants' infringing items and counterfeiting equipment are subject to criminal forfeiture and destruction, pursuant to 17 U.S.C. § 506(b) and 509(a) and 18 U.S.C. § 2320(b). However, the actual sentences will be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. 3553.

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