UNITED STATES DISTRICT COURT		
For the Middle	District of	Florida, Ocala Division
DIRECTV, Inc., a California corporation,		
V. Pla	aintiff(s),	SUMMONS IN A CIVIL CASE
GENE DESOTELL,	CASE	5:03eu 303-X-106RT
TO: (v	۱ efendant(s).	TRUE COPY
TO: (Name and address of Defendant)  GENE DESOTELL		Date: <u>9/24/os</u> Time: <u>4:45 pg</u>
5520 W Pine Ridge Blvd Beverly Hills, Florida 34	1465	Served by:
YOU ARE HEREBY SUMMONED	and required to serve up	pon PLAINTIFF'S ATTORNEY (name and address)
THOMAS NEESHAM, ESQ.		
STUMP, STOREY, CALLAHAN & DIETRICH, P.A.  37 N. Orange Avenue, Ste. 200 (32801)		
37 N. Orange Avenue, Ste. 200 (32801) P.O. Box 3388		
Orlando, FL 32802-33	88	C4.
an answer to the complaint which is herewith ser summons upon you, exclusive of the day of service relief demanded in the complaint. You must also after service.  SHERYL L LOESCH	ice. If you fail to do so,	twenty (20) days after service of this judgment by default will be taken against you for the Clerk of this Court within a reasonable period of time

# UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF FLORIDA, OCALA DIVISION

DIRECTV, Inc., a California corporation,
Plaintiff,

V.

GENE DESOTELL,

Defendant.

Case No. 5:03CU 303-0C-106RT

COMPLAINT FOR COMPENSATORY, STATUTORY AND OTHER DAMAGES, AND FOR INJUNCTIVE RELIEF

Plaintiff, DIRECTV, Inc., through its attorneys, alleges as follows:

### **INTRODUCTION:**

# DIRECTV AND THE SATELLITE TELEVISION BROADCASTING BUSINESS

- 1. Plaintiff, DIRECTV, a California company, operates the United States' premier digital satellite entertainment service, delivering over 225 channels of digital entertainment and informational programming to homes and businesses equipped with specialized digital satellite system equipment. DIRECTV has invested more than \$1.25 billion to develop its direct broadcast satellite system.
- 2. DIRECTV delivers television programming to millions of subscribers in the United States. In order to receive and view DIRECTV's satellite signal, each subscriber must be equipped with digital satellite system hardware, which consists of a

satellite dish, an integrated receiver/decoder ("IRD") and an access card that is necessary to operate the IRD. Through this technology, DIRECTV offers programming including major cable networks, studio movies and special events offered on a pay-per-view basis, local network channels in select areas, and a variety of other sports and special interest programs and packages, some of which DIRECTV has the exclusive right to broadcast via satellite.

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- DIRECTV sells programming, most of which it purchases from program providers such as cable networks, motion picture distributors, sports leagues, event promoters, and other programming copyright holders. DIRECTV contracts and pays for the right to distribute the programming to its subscribers, and holds exclusive satellite distribution rights in certain of the programming. DIRECTV also creates its own original content programming, for which DIRECTV owns the copyright.
- based on the particular subscription package that DIRECTV subscribers purchase. DIRECTV encrypts its satellite transmissions and employs conditional access technology to prevent unauthorized access to its television programming by non-subscribers. The conditional access technology relies in part on "access cards" that are provided to consumers as components of the digital satellite system equipment and which, upon activation by DIRECTV, decrypt DIRECTV's programming and permit the consumer to access and view it. The software code contained in the access and projects DIRECTV's programming against unauthorized access.

Consumos Purchase Paccards 5. Each DIRECTV customer is required to obtain a DIRECTV access card and other system hardware (including a small satellite dish) and create an account with DIRECTV. Upon activation of the access card by DIRECTV, the customer can receive and view in a decrypted format (i.e., unscrambled) those channels to which the customer has substituted or otherwise made arrangement to purchase from DIRECTV.

6. Consumers who have purchased digital satellite system equipment can subscribe to various packages of DIRECTV programming, for which the subscriber pays a periodic fee, usually monthly. Subscribers can also order pay-per-view events and movies either by using an on-screen menu and a hand-held remote control device, or by calling DIRECTV and ordering the program over the telephone.

#### **DIRECTV'S SECURITY SYSTEM**

- 7. All programming distributed by DIRECTV is delivered to one or both of DIRECTV's broadcast centers in Castle Rock, Colorado, and Los Angeles, California. At the broadcast centers, DIRECTV digitizes and compresses the programming, and encrypts the signal that is sent to its subscribers to prevent receipt of the programming without authorization. DIRECTV then transmits the encrypted signal to multiple satellites located in orbit approximately 22,300 miles above the earth.
- 8. The satellites relay the encrypted signal back to Earth, where it can be received by DIRECTV's subscribers equipped with digital satellite system dishes and IRDs. The satellite receiving dishes can be mounted on a rooftop, windowsill or deck railing at the subscriber's home or business. The signal is received by the dish and transmitted by wire to the IRD. The IRD (boxes that are approximately the size of a

VCR player) acts like a computer which processes the incoming signal using the credit card sized access card.

9. After a customer installs the dish, IRD, and access card at his or her home or business, the access card blocks access to DIRECTV programming until the customer purchases one or more programming packages from DIRECTV. When the customer subscribes to a package, DIRECTV electronically activates the subscriber's access card in accordance with that subscription. The access card then acts as a reprogrammable microprocessor and uses "smart card" technology to (a) control which DIRECTV 17 USC 12 53 programming the subscriber is permitted to view, and (b) capture and transmit to DIRECTV the subscriber's impulse pay-per-view information.

- 10. Because DIRECTV generates its revenues through sales of subscription packages, it must be able to condition access to programming on the purchase of legitimate subscriptions. Accordingly, DIRECTV devotes substantial resources to the continued development and improvement of its conditional access system.
- 11. DIRECTV's need to develop increasingly sophisticated security measures is driven by the actions of satellite television "pirates." Satellite pirates endeavor to circumvent DIRECTV's security measures to gain unlimited access to all DIRECTV programming, including pay-per-view events, without paying a fee. Because the access cards are the primary security mechanism relied on by DIRECTV, the modification of access cards using various hardware and software devices designed to disable the access cards' security is the primary focus of satellite piracy.
- As part of its ongoing effort to prevent piracy, DIRECTV periodically 12. updates its access cards to improve both functionality and security controls. DIRECTV's

most recent generation of access cards are commonly referred to as "P4" cards. Prior generations of access cards are commonly known as "H", "P2", "HU" or "P3" cards.

- 13. As part of its efforts to combat piracy. DIRECTV periodically develops and administers electronic countermeasures, which are commonly referred to in the satellite piracy community as "ECMs." ECMs involve sending a stream of data that targets access cards using known modified software code and disables those access cards.
- 14. In response to DIRECTV's ECMs, and in particular to a highly successful ECM known in the pirate community as "Black Sunday," satellite pirates have developed devices referred to as, among other things, bootloaders, dead processor boot boards, glitchers, HU loaders, emulators, and unloopers, that employ hardware and software in combination to restore pirate access cards' ability to illegally circumvent DIRECTV's encryption protection and view DIRECTV programming.
- 15. DIRECTV's ability to attract and retain subscriber revenues and goodwill, and distribution rights for copyrighted programming, is dependent upon maintaining and securing the integrity of its programming, technology and products, including the access cards and copyrighted programming, and in prohibiting unauthorized reception and use of its protected communications.

#### **PARTIES**

16. On or about November 2002, DIRECTV obtained records from the Royal Canadian Mounted Police ("RCMP") which were obtained by the RCMP from an individual named Reginald Scullion. Mr. Scullion's business records relate to his operation of companies named "Avantec" and "Vcipher Technologies" (hereinafter "Avantec/Vcipher"). Importantly, the business records turned over to DIRECTV

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Received Records evidence an ongoing illegitimate enterprise which focused on distributing electronic devices primarily designed for the surreptitious interception of satellite communications broadcast by DIRECTV. The records included orders, invoices, electronic communications, shipping documentation, product descriptions and customer lists related to the distribution of Pirate Access Devices.

CANADA!

Avantec/Vcipher specialized in the alteration and sale of pirated DIRECTV access cards and other equipment used to the alteration and sale of pirated DIRECTV's satellite signals, thus enabling users to watch pay per-view television channels without having to pay the broadcasters. Mr. Scullion was physically located at Chemin De La Mairie (Mountain Ranches Rd.), Rigaud, Canada, but due to the expansive reach of internet sales, Scullion was able to conduct business nationwide and across many countries. Avantec/Vcipher customers ordinarily placed orders through a website operated by Avantec/Vcipher known as vcipher.com. Avantec/Vcipher clients are residents of Canada and the United States, as well as citizens of Central and South America. Scullion himself has been involved actively in the theft of telecommunication services since 1988. He has been known for a number of years to Canadian and U.S. authorities for his illegal activities. The business records obtained evidence the purchases made by Defendants. Importantly, as the defendants are United States residents, defendants' acts of ordering and sending Pirate access. Devices to and from a Canadian accurate access to a send from a canadian accurate accurate access to a send from a canadian accurate accurate accurate accurate accurate accurate accurate accurate a

Pirate Access Devices to and from a Canadian source constitutes importation and the exportation of Pirate Access Devices, and such conduct violates federal statutory communications law (47 U.S.C. § 605(e)(4)).

Each record obtained confirmed the existence of a distribution source for the country-wide transmission of devices primarily designed for the unauthorized

interception of DIRECTV's Satellite Programming. More pertinently, the business records obtained pursuant to these events evidence each defendant's purchases of Pirate Access Devices. The devices or items were then shipped to customers via United States mail or commercial carrier. The devices in question were primarily of assistance in the unauthorized decryption of DIRECTV Satellite Programming. In reliance on those records and other information, and upon information and belief, DIRECTV brings this lawsuit against the defendants for their purchase, possession, modification, manufacture, importation, assembly, and/or use of Pirate Access Devices. Defendant's activities violate federal telecommunication and wiretapping laws and state statutory and common law. As a result of Defendants' decisions to obtain one or more Pirate Access Devices and the detrimental impact that such activities have on the company, DIRECTV brings this action seeking damages and injunctive relief against Defendant's continued possession and/or use of Pirate Access Devices.

- 17. Plaintiff, DIRECTV, Inc., is a corporation duly incorporated under the laws of the State of California with its principal place of business at 2230 East Imperial Highway, El Segundo, California. DIRECTV has significant interests in maintaining and securing the integrity of its satellite transmissions of television programming, and in prohibiting the unauthorized reception and use of the same.
- 18. Defendant is currently a resident of this District and/or was a resident of this District when this cause of action arose. DIRECTV alleges that Defendant has purchased and used illegally modified DIRECTV Access Cards and other devices ("Pirate Access Devices") that are designed to permit viewing of DIRECTV's television programming with authorization by or payment to DIRECTV.

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19. Defendant, GENE DESOTELL ("DESOTELL"), is a resident of Beverly Hills, FL. Upon information and belief, DESOTELL purchased from one Pirate Access Devices from one or more pirate device dealers as described below. DESOTELL placed each order by using interstate or foreign wire facilities, and received his orders via the United States Postal Service or commercial mail carriers. Specifically, purchases included the following transactions:

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- a. On or about February 24, DESOTELL purchased one New Access Card and one Reprogramming Test Card from Avantec. The order was shipped to DESOTELL's address in Deforest, WI.
- b. On or about February 6 DESOTELL purchased one Feared UPG.to Heard Clone Device from Avantec. The order was shipped to DESOTELL's address in Deforest, WI.
- one or more Pirate Access Devices, knowing or having reason to know that the design of such devices render them primarily useful for the purpose of surreptitious interception of DIRECTV's satellite transmissions of television programming, and knowing or having reason to know that such devices, or any components thereof, had been sent through the mail or transported in interstate or foreign commerce. Furthermore, Defendant used the Pirate Access Device(s) to intentionally intercept, endeavor to intercept, or procure others to intercept DIRECTV's electronic communications without authorization.
- 21. At all times material hereto, Defendant possessed the requisite digital system hardware ("DSS Hardware"), including satellite dish, integrated receiver/decoder ("IRD"), and/or programming, required to use the illegally modified DIRECTV access

card, through which Defendant actually and intentionally intercepted DIRECTV's encrypted satellite transmissions of television programming payment to DIRECTV in violation of 47 U.S.C. § 605 and 18 U.S.C. §§ 2510-2521.

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22. Defendant's actions violate the Federal Communications Act of 1934, as amended, 47 U.S.C. § 605; and the Electronic Communications Privacy Act ("Federal Wiretap Laws"), 18 U.S.C. §§ 2510-2521. DIRECTV brings this action to restrain these illegal activities against it.

## SUBJECT MATTER JURISDICTION

- 23. This action arises under the Federal Communications Act of 1934, as amended, 47 U.S.C. § 605; and the Electronic Communications Privacy Act ("Federal Wiretap Laws"), 18 U.S.C. §§ 2510-2521.
- 24. This Court has original federal question jurisdiction and supplemental jurisdiction pursuant to 28 U.S.C. §§ 1331; the Communications Act of 1934, as amended, 47 U.S.C. § 605(e)(3)(a), and the Wiretap Act, 18 U.S.C. § 2520(a).

#### **VENUE**

25. Venue is proper in this District under 28 U.S.C. § 1391(a) because the Defendant is subject to personal jurisdiction in this District by virtue of Defendant's residence in the District. Additionally, venue is proper in this District under 28 U.S.C. § 1391(b) because a substantial portion of the events giving use to the claim occurred in District. > Flori & A

I Retired to Florida in 2002. The Card they refer to was purchased in 1997. A 1997 Access card will not work in 2002 or later. Nothing like this occurred, in 2002 or later.

## COUNT I UNAUTHORIZED RECEPTION OF SATELLITE SIGNALS IN VIOLATION 47 U.S.C. § 605(a)

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- 26. Plaintiff DIRECTV repeats and realleges the allegations in Paragraphs 1 through 25 as if set forth fully herein.
- 27. Defendant has received and/or assisted others in receiving DIRECTV's satellite transmissions of television programming without authorization, in violation of 47 U.S.C. § 605(a).
- 28. Defendant's violations have injured and will continue to injure DIRECTV by depriving DIRECTV of subscription and pay-per-view revenues and other valuable consideration, compromising DIRECTV's security and accounting systems, infringing DIRECTV's trade secrets and proprietary information, and interfering with DIRECTV's contractual and prospective business relations.
- 29. Defendant knew or should have known that receiving and/or assisting third persons in receiving DIRECTV's satellite transmissions of television programming without authorization by or payment to DIRECTV was and is illegal and prohibited. Such violations have caused and will continue to cause DIRECTV irreparable harm, and DIRECTV has no adequate remedy at law to redress any such continued violations. Unless restrained by this Court, Defendant will continue to violate 47 U.S.C. § 605(a).

# IMPORTATION OF PIRATE ACCESS DEVICES IN VIOLATION OF 47 U.S.C. §605(e)(4)

30. Plaintiff DIRECTV repeats and realleges the allegations in Paragraphs 1 through 25 as if set forth fully herein.

31. Defendants have imported Pirate Access Devices into the United States, knowing or having reason to know that the design of such devices render them primarily of assistance in the unauthorized decryption of DIRECTV's satellite transmissions of television programming or are intended to assist other persons in the unauthorized reception of DIRECTV's satellite transmission of television programming, in violation of 47 U.S.C. § 605(e)(4).

32. Defendants David Fox, Steve Hunter William Johnson, Keith O'Brien, Mark Palmer, Lenny Ponte, and Ken Stogsdill each modified, manufactured, assembled, distributed and/or sold Pirate Access Devices knowing or having reason to know that such Pirate Access Devices were designed primarily for assistance in the unauthorized decryption of DIRECTV satellite transmission of television programming, in violation of 47 U.S.C. § 605 (e)(4).

33. Defendants' violations have injured and will continue to injure DIRECTV by depriving DIRECTV of subscription and pay-per-view revenues and other valuable consideration, compromising DIRECTV's security and accounting systems, infringing DIRECTV's trade secrets and proprietary information, and interfering with DIRECTV's contractual and prospective business relations.

34. Defendants knew or should have known that importing Pirate Access Devices into the United States was and is prohibited. Such violations have caused and will continue to cause DIRECTV irreparable harm, and DIRECTV has no adequate remedy at law to redress any such continued violations. Unless restrained by this Court, defendants will continue to violate 47 U.S.C. § 605 (e)(4).

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# COUNT III POSSESSION OF PIRATE ACCESS DEVICES IN VIOLATION OF 18 U.S.C. 2512(1)(b)

- 35. Plaintiff DIRECTV repeats and realleges the allegations in Paragraphs 1 through 25 as if set forth fully herein.
- 36. Civil causes of action for violation(s) of 18 U.S.C. § 2512 are expressly authorized by 18 U.S.C. § 2520.
- Pirate Access Devices, knowing or having reason to know that the design of such devices render them primarily useful for the purpose of surreptitious interception of DIRECTV's satellite transmissions of television programming, and that such devices, or any components thereof, have been or will be sent through the mail or transported in interstate or foreign commerce, in violation of 18 U.S.C. § 2512(1)(b).
- 38. Defendant actually and intentionally intercepted DIRECTV's encrypted satellite transmissions of television programming without authorization or payment to DIRECTV in violation of 18 U.S.C. § 2512(1)(b).
- 39. Defendant's violations have injured and will continue to injure DIRECTV by depriving DIRECTV of subscription and pay-per-view revenues and other valuable consideration, compromising DIRECTV's security and accounting systems, infringing DIRECTV's trade secrets and proprietary information, and interfering with DIRECTV's contractual and prospective business relations.
- 40. Defendant knew or should have known that manufacture, assembly, distribution, sale and/or possession of Pirate Access Devices was and is illegal and prohibited. Such violations have caused and will continue to cause DIRECTV

irreparable harm, and DIRECTV has no adequate remedy at law to redress any such continued violations. Unless restrained by this Court, Defendant will continue to violate 18 U.S.C. § 2512(1)(b).

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#### PRAYER FOR RELIEF

WHEREFORE, Plaintiff DIRECTV requests that this Court grant the following relief:

- (1) Find the Defendant's conduct in purchasing, possessing and using Pirate Access Devices violates 47 U.S.C. § 605(a) and (e)(4), 18 U.S.C. §§ 2511(1)(a) and 2512(1)(b), and further find that Defendant's violations were willful, malicious or for a tortious or illegal purpose;
- (2) In accordance with 47 U.S.C. § 605(e)(3)(B)(i) and 18 U.S.C. § 2520(b)(1) enjoin and restrain Defendant, and persons controlled directly and indirectly by Defendant, from importing, possessing, or using Pirate Access Devices, and further order Defendant to surrender all Pirate Access Devices;
- (3) In the event of a default, an award of statutory damages of \$10,000 for each Pirate Access Device purchased and used in violation of 47 U.S.C. § 605(a), and a further award of DIRECTV's reasonable attorneys' fees and costs in the amount of \$850;
- (4) In the event of trial, an award of either (a) statutory damages in accordance with 47 U.S.C. § 605(e)(3)(C)(i)(II) and 18 U.S.C. § 2520(c)(2) or (b) compensatory and punitive damages in accordance with 605(e)(3)(C)(i)(I), and 18 U.S.C. § 2520(c)(2); and DIRECTV's reasonable attorneys' fees and costs in accordance with 47 U.S.C. § 605(e)(3)(B)(iii) and 18 U.S.C. § 2520(b)(3).
  - (5) For such additional relief as the Court deems just and equitable.

Dated: <u>July 31</u>, 2003.

Thomas Neesham, Esquire
Florida Bar No. 0597198
STUMP, STOREY, CALLAHAN
& DIETRICH, P.A.
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(407) 425-2571 Fax (407) 650-2967
Attorneys for Plaintiff DIRECTV, Inc.

They intentionally left out the theft of my programming. they SAid nothing of the Class Action or that I had been A member & this had been settled. They left it out So they could get Acourt to provide A Summery Judgemet Awarding then tens of thousands of my Pollars. Except for the purchase of An Access Card, they made the Whole thing up. There was never anything to support such claims AS, Except for the one purchase & 3 repairs, None of the rest never happened. Copyright hows Allowed them to do this. They pulled the wool over the eyes Of the court of Justice system and tried to start yet A 3rd time from me.