

**Recording Industry Association of America
Nationwide Anti-Piracy Enforcement Bulletin**

A Monthly Newsletter – Informing, Communicating, and Educating – September 2005



The Recording Industry Association of America (RIAA) is the trade group that represents the U.S. recording industry. Its mission is to foster a business and legal climate that supports and promotes our members' creative and financial vitality. Its members are the record companies that comprise the most vibrant national music industry in the world. RIAA members create, manufacture and/or distribute approximately 90% of all legitimate sound recordings produced and sold in the United States.

The Anti-Piracy Department of the RIAA investigates the illegal production and distribution of sound recordings, which costs the music industry hundreds of millions of dollars a year domestically.

Consumers, retailers, and replicators can report suspected music piracy to the RIAA by calling a toll-free hotline, 1-800-BAD-BEAT, or sending e-mail to badbeat@riaa.com or cdeward@riaa.com.

REPORT MUSIC PIRACY

When reporting incidents of music piracy, please include the following information whenever possible:

- The location with street address and/or name of business
- Day and time the illegal recordings are being sold
- The genre and the amount of illegal recordings available
- The price of each item

WHAT IS SOUND RECORDING PIRACY?

"Piracy" generally refers to the illegal duplication and distribution of sound recordings. There are four specific categories of music piracy:

Counterfeit Recordings are unauthorized recordings of the prerecorded sound as well as the unauthorized duplication of original artwork, label, trademark and packaging.

Pirate Recordings are the unauthorized duplication of only the sound of legitimate recordings, as opposed to all the packaging, i.e. the original art, label, title, sequencing, combination of titles etc. This includes mixed tapes and compilation CDs featuring one or more artists. They are sometimes referred to as DJ or dance mixes.

Bootleg Recordings (underground recordings) are the unauthorized recordings of live concerts, or musical broadcasts on radio or television. They are sometimes referred to as imports.

Online Piracy is the unauthorized reproduction, distribution and/or performance of a copyrighted sound recording in a

PIRACY HURTS EVERYONE

Many do not understand the significant negative impact of music piracy. Though it would appear piracy only affects record companies, this impression is a mere fallacy.

Consumers lose because the shortcut savings enjoyed by pirates drive up the costs of legitimate product for everyone. Plus, good luck returning a pirated tape or CD when the quality is inferior or the product is defective, as it often is.

Retailers and distributors lose sales to pirates because they can't compete with the low prices charged for the cheaply produced illegal copies. Pirates such as street vendors can take away as much as 40% of a legitimate retailer's sales, often forcing them out of business.

Artists, musicians, songwriters and other creative talent don't get the royalties and fees they've earned. The majority of artists depend on these fees to make a living. This can lessen the incentive to create music.

Record companies rely on income from the successful recordings to cover the costs of developing new artists and subsidize less profitable types of music. It is solely the profitable recordings that pirates copy.

Governments use the tax revenues generated from legitimate record sales to help pay for many public services such as education and health care.

For additional copies of the Enforcement Bulletin, or to add members to the mailing list, please contact Aj Jones at 202-775-0101 or ajjones@riaa.com

Nationwide Enforcement Activity

This is a highlight of some of the enforcement activity being conducted by various law enforcement agencies across the country. During the month of September, multiple enforcement agencies from twenty different states conducted enforcement action to help reduce music piracy committed across the country.

Arizona

On September 1, 2005, two suspects were arrested on felony charges by the Mesa Police Department, following a search warrant at a CD burner lab. Over 1,000 piratical CD-Rs and 25 counterfeit movie DVDs were seized as well as three CD-R burners, one computer, one printer and raw materials used for the manufacturing of illegal recordings.

California

During the month of September, law enforcement officials assisted by RIAA investigators, confiscated 99,639 counterfeit and piratical CDs and CD-Rs. The suggested retail value of these seizures would well exceed \$1 million USD. Also seized were 18,392 counterfeit movie DVDs, 40 CD-R burners and various raw materials used in the production of the contraband. In total, 39 suspects were arrested and charged, with five defendants convicted and ordered to pay varying amounts in the form of fines and/or restitution. All of the defendants were incarcerated with the lowest sentence lasting 16 days to one offender receiving a full year behind bars.

Florida

On September 1, 2005, a Jacksonville man plead guilty and was sentenced to five years probation with a special condition to serve two days in the Duval County Jail. The defendant was also ordered to pay court costs of \$338 and restitution in the amount of \$15,000. The defendant was arrested in July of 2005 at the Norwood Flea Market in Jacksonville. Seized from his

possession at the time of his arrest were 5,125 counterfeit CD-Rs and \$915 in cash.

On September 10, 2005, RIAA investigators assisted members of the Tampa Police Department in the execution of three search warrants at the Magic Mall Flea Market in Tampa. This enforcement action resulted in the arrest of two suspects, a pending warrant for another individual and the seizure of 3,025 piratical CD-Rs, three CD-R burners, drugs and drug paraphernalia.

Georgia

On September 1, 2005, the Atlanta Police Department assisted by the RIAA, arrested three suspects and seized 8,450 counterfeit CD-Rs and 4,824 counterfeit DVDs from a retail store on Delowe Street.

Illinois

On September 1, 2005, after receiving information from an individual arrested with illegal CDs, Chicago police, assisted by RIAA investigators, executed a search warrant on a home of an alleged distributor. Once inside the home, officers and investigators observed numerous illegal CDs and DVDs in the kitchen and other rooms inside the home. Two suspects were arrested and charged. A final count of the evidence revealed 1,282 counterfeit and piratical CD-Rs and 726 counterfeit movie DVD-Rs.

On September 10, 2005, Chicago police officers were summoned to Soldier Field for the Rolling Stones concert where security personnel discovered two individuals entering the stadium

with bulges under their coats. The suspects were searched and officers observed a tape recorder and blank tapes. The suspects stated that they were going to tape the concert for their own listening pleasure, at which point they were taken into custody and charged accordingly. A Nagra IV-S analog recorder with two reels of audiotape and a white elastic back brace with two reels of audiotape were confiscated.

Kentucky

On September 27, 2005, the Lexington Police Department executed a search warrant at a retail business and upon entering the officers seized 693 counterfeit CD-Rs and 684 counterfeit movie DVDs. The owner on the business was arrested and charged under Kentucky State Code.

Maryland

On September 22, 2005, RIAA investigators and members of the Baltimore City Police Western District Drug Unit executed a search and seizure warrant at a retail store located on Reisterstown Road, in reference to the sale and distribution of counterfeit CDs and DVDs. A total of 5,734 counterfeit CDs and 1,583 counterfeit movie DVDs were seized. The store owner and one employee were arrested and charged.

Also on this date, RIAA investigators and members of the Baltimore City Police Organized Crime Division executed a search and seizure warrant at a clothing store located on North Eutaw Street, also in reference to the sale and distribution of counterfeit CDs. A total of 5,995 counterfeit CD-Rs and 1,740 counterfeit movie DVDs were seized from the second location and two suspects on the premises were arrested and charged accordingly.

On September 23, 2005, while working a traffic initiative in the 1700 block of North Bentalou Street, a Baltimore City police officer noticed a strong odor of Marijuana from the window of a vehicle. Upon further investigation, the driver of

the vehicle stated that he had "weed under the seat." A search of the vehicle also revealed 511 counterfeit and piratical CD-Rs and 419 counterfeit movie DVDs. Both the driver and passenger were arrested and charged. An RIAA investigator reported to the station to inventory the evidence.

Michigan

During the month of September, the Detroit Police Department assisted by RIAA investigators, seized 719 counterfeit CD-Rs, 48 counterfeit movie DVDs and arrested five vendors following multiple enforcement actions throughout the city.

New Jersey

On September 29, 2005, as part of a Bronx UC Operation, RIAA investigators assisted the Bergen County New Jerseys Prosecutors Office in the execution of a search warrant at a burner lab located on Green Valley Road in Paramus. Seized as a result were 35 CD-R burners, 3,425 counterfeit and piratical CD-Rs, 561 counterfeit movie DVDs, 100 counterfeit cassettes, 6,000 insert labels, two computers, one printer and various raw materials. In addition, the suspect (who was arrested and charged) had a significant amount of propaganda material related to terrorism which is now being investigated by the Joint Terrorist Task Force.

New York

On September 1, 2005, the Organized Crimes Investigations Division of the New York Police Department executed a search warrant on West 31 Street in New York City. This investigation led to the arrest of one suspect and the seizure of 1,900 counterfeit CD-Rs, 4,000 piratical CD-Rs and 5,600 counterfeit movie DVDs.

On this same date, the 5th Precinct of the New York Police Department executed a search

warrant on Crosby Street resulting in the arrest of three individuals and the seizure of 1,200 piratical CD-Rs, 200 counterfeit CD-Rs, 200 counterfeit music DVDs and 8,600 counterfeit video DVDs.

On September 6, 2005, the New York Police Department's Midtown South Precinct, assisted by the RIAA, conducted enforcement action at a CD-R burner lab located on 6th Ave in New York City. Seized as a result was a tower containing 10 CD-R burners.

The following day, the NYPD Midtown South Precinct, assisted by the RIAA raided a distributor located on Broadway and arrested one suspect. Seized from this location were a total of 6,200 piratical CD-Rs, 800 counterfeit CD-Rs and 6,462 counterfeit movie DVDs.

On September 9, 2005, the 13th Precinct of the New York Police Department executed a search warrant in New York City resulting in the seizure of 27,600 counterfeit CD-Rs and 14,000 counterfeit movie DVDs. No arrests were made.

On September 15, 2005, the Bronx Task Force along with RIAA investigators, executed a search warrant at a CD burner lab located in the Bronx. Following the warrant, two suspects were arrested and 200 counterfeit CD-Rs, 3,800 piratical CD-Rs, 80 CD-R burners, one printer, one computer and 676 counterfeit movie DVDs were seized.

On this same date, the 1st Precinct of the New York Police Department with the assistance of the RIAA, executed a search warrant at a distribution location on Church Street. Seized from this location were 1,800 counterfeit CD-Rs, 8,000 pirate CD-Rs, and 8,900 counterfeit movie DVDs.

On September 23, 2005, the New York Police Department Asian Gang Squad, assisted by RIAA and MPAA investigators, executed a search warrant on 120 Street in College Point. A total of three suspects were arrested and 4,500 counterfeit CD-Rs, 7,000 counterfeit music

DVDs, 11 towers consisting of 92 CD-R burners, 26,300 counterfeit movie DVDs and 9,600 pieces of various raw materials were confiscated.

On September 27, 2005, the 33rd Precinct of the NYPD, with the assistance of the RIAA executed a search warrant on West 175th Street in Upper Manhattan. Following the warrant on this manufacturing location, two suspects were arrested and 2,200 piratical and counterfeit CD-Rs, 650 counterfeit music DVDs, 250 counterfeit movie DVDs and three towers consisting of 22 CD-R burners were seized.

On September 28, 2005, the 40th Precinct of the New York Police Department, in conjunction with the NYPD Civil Enforcement Unit, led multiple enforcement actions at distributor locations on Southern Boulevard in the Bronx. The enforcement actions did not lead to any arrest, however, 30,400 counterfeit / piratical CD-Rs and 13,700 counterfeit movie DVDs were seized.

Also on this date, the Syracuse Police Department with assistance from RIAA investigators, executed a search warrant at a retail location on Salina Street in Syracuse resulting in the arrest of one suspect and the seizure of 18,918 piratical CD-Rs and 440 counterfeit movie DVDs.

On September 30, 2005, the New York Police Department Mid Town South Precinct, assisted by RIAA investigators, executed multiple search warrants on West 35th Street. Seized from the enforcement actions were 4,080 piratical CD-Rs, 16,886 counterfeit CD-Rs and 13,460 counterfeit movie DVDs.

Nevada

On September 9, 2005, the Las Vegas SWIFT Federal Task Force seized 2,935 piratical CDs via a search warrant from a distributor who was arrested and charged accordingly.

North Carolina

On September 5, 2005, state agents with the North Carolina Secretary of State's Office arrested one suspect, who was found selling unauthorized sound recordings at the Annual North Carolina A&T vs. North Carolina Central University Football Game. Seized from his possession were 1,973 counterfeit CD-Rs and 368 counterfeit movie DVDs.

On September 19, 2005, RIAA investigators and the North Carolina Secretary of State's Office seized 12 CD-R burners from a manufacturing facility located in Lumberton. Other items seized include 3,000 counterfeit CD-Rs, 550 counterfeit movie DVDs and 1,100 jewel cases. No arrests were made.

On September 22, 2005, the Durham Police Department conducted a raid at a barbershop located on Fayetteville Street. The officers proceeded to seize nine CD/DVD-R burners, 1,032 piratical CD-Rs and 456 counterfeit movie DVDs. The owner of the barbershop was charged with several felony violations.

Ohio

During the month of September, officers with the Cleveland Police Department conducted multiple enforcement actions against several street vendors and retail operations found to be engaged in the sale of counterfeit CD-Rs. As a result of these actions, five suspects were arrested and 1,407 counterfeit CD-Rs and 658 counterfeit movie DVDs were seized.

Oklahoma

On September 13, 2005, the Oklahoma City Police Department executed a search warrant at a music retail store located on NW 23rd Street. Officers seized 163 blank CD-Rs, 75 piratical CD-Rs, 169 blank DVD-Rs, 76 counterfeit movie DVDs and 3 CD-R burners from the business. The two suspects on the premises were

arrested and will be charged with violating the Oklahoma Actual Name Statute.

Pennsylvania

On September 1, 2005, while executing a search warrant at a retail store for narcotics, the Philadelphia Police Department Narcotic Strike Force discovered a large quantity of illegal CDs and DVDs in a rear storage room. In addition to narcotics, 2,571 counterfeit and piratical CD-Rs, 90 counterfeit music DVD-Rs and 3,956 counterfeit movie DVD-Rs were seized and two suspects were arrested and charged.

On September 14, 2005, following several days of surveillance, RIAA investigators informed the police of the possible illegal activity of a known Philadelphia manufacturer/distributor who is currently on probation for a previous conviction concerning music piracy. Officers from the Southwest Detective Division and East Detective Division obtained a search warrant and executed search warrants at a retail location and the suspects home. Confiscated from the residence were 6,000 counterfeit and piratical CD-Rs, 63 counterfeit music DVD-Rs, 56 CD-R burners and 12,000 counterfeit movie DVD-Rs. The offender was arrested and charged with felony violations.

On September, 9, 2005, after responding to a report that someone was selling illegal CDs/DVDs at a home on Midway Avenue, the Upper Darby Police Department observed a male in the rear of a residence in an open garage sorting a large number of DVDs in plain view. An MPAA representative was notified and confirmed that the DVDs were counterfeit, first run movies not available on DVD yet. A search warrant was obtained and executed at the home and RIAA investigators responded to the residence and observed illegal CDs throughout the home as well. A total of 737 counterfeit and piratical CD-Rs, 2,307 counterfeit movie DVD-Rs, 18 CD-R burners and approximately 7,000 paper inserts were confiscated from the

home. The suspect was arrested and charged accordingly.

Rhode Island

On September 18, 2005, the Rhode Island State Police assisted by RIAA and MPAA investigators, executed multiple search warrants at the Valley Street Flea Market located in Providence. As a result, two suspects were arrested and charged. A total of 4,385 piratical CD-Rs, 200 counterfeit CD-Rs, and 4,664 counterfeit movie DVDs were seized.

On September 21, 2005, the Rhode Island State Police executed a search warrant at a store that was a front for a CD burner lab located on Admiral Street in Providence. The resulting enforcement led to the arrest of one suspect and the seizure of five towers consisting of 37 CD-R burners, 3,200 counterfeit movie DVD-Rs, 2,800 blank DVD-Rs, 700 inserts, 3,500 plastic wraps and 18 spindles.

South Carolina

On September 6, 2005 the York County Sheriff's Office seized 47 counterfeit CD-Rs at the Pineville Flea Market. Charges are pending against the vendor.

Texas

On September 28, 2005, one suspect was arrested at Burd's Flea Market in Cleburne for selling pirated CD-Rs. A total of 1,160 piratical CD-Rs were seized and the offender was charged with violating the Texas' True Name Address Statute.

Also on this date, ICE and the Hidalgo County Sheriff's Office, assisted by RIAA and MPAA investigators, seized 6,200 piratical CD-Rs and 129 counterfeit music DVDs from three vendors at Valverde Flea Market in Donna. Additionally, 1,700 counterfeit movie DVDs were seized from

four vendors at this market. Charges are currently pending against several of the suspects.

On September 29, 2005, members of the Dallas Police Department, assisted by the RIAA, executed a search warrant at a shop on Morrell Drive and arrested the owner for the manufacture of pirate CD-Rs and DVD-Rs. Officers seized 1,746 piratical CD-Rs, 390 DVD-R movies and two towers containing 10 CD-R burners.

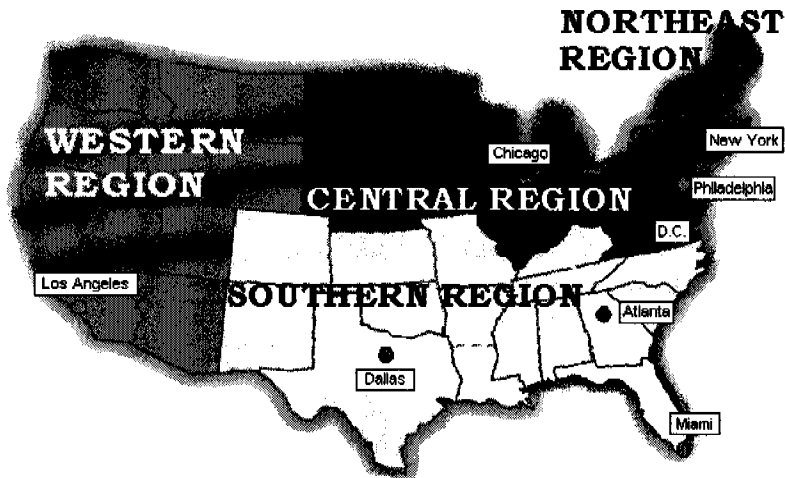
Virginia

During the month of September, officers with the Norfolk and Newport News Police Departments, arrested three offenders from retail locations and a festival for the sale of counterfeit CD-Rs. Seized from the suspects were a total of 1,424 counterfeit CD-Rs and 238 counterfeit movie DVDs. an individual for selling illegal CDs and DVDs at the Latino Festival. Police seized 835 counterfeit/pirate CD-Rs and 138 counterfeit movie DVD-Rs.

Washington

On September 23, 2005, 40 piratical CD-Rs and 228 counterfeit movie DVDs were seized by the King County Sheriff's Department from a retail store. Also confiscated were two CD-R burners and raw materials with one suspect taken into custody and charged.

RIAA ANTI-PIRACY CONTACTS



Northeast Region

Robert Barchiesi, Director of Investigations

phone: 212-533-5869

fax: 212-533-5746

Connecticut, Maine, Massachusetts, New Hampshire, New Jersey (North of Trenton), New York, Rhode Island, Vermont

Central Region

Frank Walters, Director of Investigations

phone: 610-521-8566

fax: 610-521-8567

Delaware, Maryland, New Jersey (Trenton and South), Ohio, Pennsylvania, Virginia, West Virginia, District of Columbia

Chicago Field Office

J. Martin Walsh, Supervisor of Investigations

phone: 708-460-2200

fax: 708-460-2277

Illinois, Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, South Dakota, Wisconsin

Western Region

Charles Lawhorn, Director of Investigations/ Senior Vice President, Anti-Piracy Legal Affairs

phone: 714-236-0830

fax: 714-236-0930

Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, Wyoming,
Guam

Southern Region

John Langley, Director of Investigations

phone: 678-402-2000

Fax: 678-402-2006

Alabama, Florida, Georgia, Louisiana, Kentucky, Mississippi, North Carolina, South Carolina,
Tennessee

Miami Field Office

Rafael Fernandez, Vice President, Latin Music

phone: 305-444-3114

fax: 305-444-3127

Puerto Rico, Dominican Republic

Also in Miami Field Office:

Wanda Rosado

Dallas Field Office

Guy Connelly, Supervisor of Investigations

phone: 817-473-1341

fax: 817-473-0325

Arkansas, Colorado, Kansas, Missouri, New Mexico, Oklahoma, Texas

Washington D.C. Headquarters

Michael George, Director of Investigative Services

phone: 202-775-0101

fax: 202-223-8322
