

Making good on Justice Department pronouncements to crack down on intellectual property theft, the DOJ secured historic convictions against two men <u>charged in January 2014</u> with operating a popular Android piracy website called Appbucket.net.

According to federal prosecutors, the defendants engaged in a scheme to illegally distribute more than one million copies of copyrighted mobile apps through the Appbucket online marketplace without permission from the apps' developers. These apps had a total retail value of more than \$700,000. Both men pleaded guilty to one count of conspiracy to commit criminal copyright infringement. They face up to five years in prison and will be sentenced this summer. The case marks the first convictions secured by the DOJ against those who illegally distribute counterfeit mobile apps, said acting Assistant Attorney General David O'Neil in the DOJ's press release. O'Neil added that the convictions underscore the DOJ's determination to "prosecute those who

undermine the innovations of others in new technologies." Mobile apps continue to be big business, pulling in some estimated <u>\$30 million in revenue per day</u> from sales of the top 200 grossing apps. Mobile app pirates have plagued the app markets for years; some sources have estimated that piracy rates for <u>certain apps are as high as</u> <u>80%</u>. In decrying the prevalence of such copyright infringement, U.S. Attorney Sally Quillian Yates stated simply, "Theft is theft...whether the property taken is intellectual or tangible." Quillian Yates made clear that the DOJ will continue to prosecute those who steal copyrighted material, a sentiment echoed by Acting Assistant Attorney General O'Neil, who reaffirmed that the "Criminal Division has made fighting intellectual property crime a top priority." With several more cases currently pending against others engaged in the illegal distribution of mobile apps, mobile app pirates appear likely to face dangerous waters ahead.

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