LARGEST BURNER LAB IN US HISTORY

Atlanta Police Department Seizes 281 Burners From Warehouse

June 11, 2006

The RIAA Anti-Piracy Unit working in conjunction with the Atlanta Police Department's Narcotics Unit, on a joint investigation executed a search warrant at a suspected “Burner Lab” located in a warehouse complex. The target location became the subject of an investigation after RIAA investigators heard what they thought to be the “hum and “whiz” of hard drives and/or burners.

Utilizing the combination of confidential sources along with officers from the Atlanta Police Department witnessing a narcotic deal at the suspected location probable cause was developed for a search warrant. Inside the complex, a “Burner Lab” was located consisting of 281 high speed burners, four commercial grade copiers, two heavy duty paper cutters, 1400 DVDs and 400 CD-Rs.

There was also evidence that a substantial amount of raw product had previously been at the scene, however due to the increased amount of law enforcement in the general area it is believed that the finished product was being swiftly moved from that location to local distribution points.

In addition to this location being a “Burner Lab”, authorities also seized a total of eleven pounds of marijuana.

Two suspects were arrested on the scene and were charged under Georgia State Code.
Regional Activity

Nationwide Enforcement Activity
This is a highlight of some of the enforcement activity conducted by various law enforcement agencies across the country. During the month of June, multiple enforcement agencies from twelve different states conducted enforcement action to help reduce music piracy committed across the country.

Alabama
On June 2nd, 2006, an ABC agent in Selma seized 2,100 counterfeit CD-R’s and 25 DVD’s from a suspect on U.S. Highway 80 East. The suspect admitted knowing that the DVD’s and CD’s were counterfeit and stated that he was being supplied by his father in Atlanta, Georgia. He was conducting a temporary outside vending operation and was not arrested. It is anticipated that an agent will present this matter to the District Attorney in Dallas County, Alabama for probable grand jury action.

California
On June 4th, 2006, the LAPD Central Station recovered 4,087 abandoned CD’s. The enforcement action sweep occurred on May 24 but was reported late to the RIAA.

On June 6th, the LAPD Anti Piracy Unit used a search warrant to seize 8,139 CD-Rs and 9,149 DVD’s from a distribution storage facility in Los Angeles, there was one arrest.

On June 10th, 2006, the LAPD Rampart Station seized 12 burners, 2,886 CD-Rs and 2,667 DVDs from a search warrant at a residential burner lab. Two subjects were arrested.

On June 15th, 2006, a defendant was convicted in San Diego and sentenced to 180 days in the county jail concerning a February 2006 arrest, during which three burners, 310 CD-R’s and 298 DVD’s were seized following the arrest in a parking lot and consenting to a search at their residence which uncovered a burner lab.

On June 15th, 2006, the Oakland Police Department executed a search warrant on a business lab; seized were 12 burners, 1,442 CD-R’s, 2,536 DVD’s and raw materials with a search warrant. Four subjects were arrested.

On June 25th, 2006, 4,803 CD-R’s were surrendered by six vendors at a Swap Meet in Huntington Beach. C&D/voluntary surrenders followed training conducted by RIAA for 24 management and security personnel at the swap meet.

On June 27th, 2006, a defendant was convicted and sentenced to ninety days county jail and ordered to pay $1,500 restitution. Stemming from an arrest on May 14th, 2006 seizure of 1,400 CDs in L.A. County.

Florida
On June 14th, 2006, An investigator from the MPAA received a call from the Division of Alcoholic Beverage & Tobacco requesting assistance in a retail raid. The Miami Field Office assisted in the retail raid, that resulted in the arrest of one individual, and the seizure of 4,079 CD’s, 2,530 movie DVD’s and 4 Towers with 10 Burners.

On June 27th, 2006, the Miami-Dade Police Department, with assistance from the MPAA, seized 4,646 movie DVD-Rs from a retail store in Miami. One suspect was arrested.

Georgia
On June 28th, 2006, RIAA investigators assisted the Atlanta Police Department Narcotics Unit in a plain view seizure of 17,150 pirated urban CD-R’s, and 7,740 pirated DVD’s at a retail store located on Simpson Road in the City of Fulton County. The suspect was arrested and told officials that he was getting his product from NYC.
Regional Activity

On June 16th, 2006, the State of Georgia found the suspect guilty of two felony counts of true name and address violations. The defendant will serve 60 days active, four years probation, and has to pay restitution in the amount of $3,999.16 to the RIAA and MPAA. The suspect was arrested pursuant to a traffic stop in which officers discovered several pirated CD-Rs in his vehicle, and then conducted a subsequent search of his residence where more illegal sound recordings were discovered. A total of 198 pirated CD-Rs were seized that day.

On June 19th, 2006, a search warrant was executed on a burner lab in Chicago. Police assisted by RIAA and MPAA investigators seized 100 counterfeit and piratical CD-Rs, 250 counterfeit movie DVD-Rs, 50 CD/DVD burners, 500 masters, several thousand pieces of artwork, a copier and two computers from the location. RIAA and MPAA investigators have been investigating this location for approximately two months. No arrests were made at time of search warrant.

On June 20th, 2006, RIAA/MPAA investigators and Chicago Police Department (11th District) executed a search warrant at an apartment in Chicago. It served as a distribution location for illegal CD’s and DVD’s. The location was part of a months long joint investigation by RIAA and MPAA investigators. Investigators made several undercover buys at the location and informed police of the illegal activity. Seized from the apartment were 931 counterfeit/pirate CD-R’s and 1,427 counterfeit movie DVD-R’s. One individual was arrested and charged; another arrest is pending.

Maryland

On June 23rd, 2006, RIAA investigators and Baltimore City Police (Western District Flex Unit) executed a search warrant at a local retail store that was also serving as a distribution location of counterfeit music and movies. Investigators and police seized 1,212 counterfeit/pirate CD-R’s, 24 counterfeit music DVD-R’s, and 248 counterfeit movies DVD-R’s. Four individuals were arrested and charged. One of the individuals was also found with a small amount of heroin.

Baltimore City Police (Northeastern District), assisted by RIAA investigators, executed a search warrant on a local retail store. Police and investigators seized 1,495 counterfeit/pirate CD-R’s, 963 counterfeit movies DVD-R’s, two CD/DVD burners, a computer and a Lexmark printer/scanner/copier. The owner of the business was arrested and charged.

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.

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

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 networked environment.

New Jersey

On June 12th, 2006, RIAA investigators responded to the Camden (NJ) License & Inspections agency after officers called and reported that they had confiscated 1,296 counterfeit/pirate CD-Rs from street vendors on State & Harrison. No arrests were made at time of seizure.

On June 23rd, 2006, a defendant pleaded guilty (to charges for the sale of illegal CD-R's) in Camden County Superior Court. The defendant was sentenced to two years in state prison and ordered to pay $3,958.00 restitution to the RIAA.

New York

On June 7th, 2006, RIAA investigators assisted the NYPD's Midtown South Pct. with an enforcement action on 37th St. This action resulted in two arrests and the seizure of 12,600 CDRs, 2,300 music DVD-R's and 19,705 MPAA DVD-R's.

On June 8th, 2006, RIAA investigators assisted the NYPD's 1st Pct. to execute a search warrant on Canal St. This action resulted in one arrest and the seizure of 13,000 CD-R's, 310 music DVD-R's and 3,613 MPAA DVDRs.

On June 8th, 2006, RIAA investigators assisted the NYPDs Midtown South Pct. in enforcement actions of a distributor at 30th Street, NYC, resulting in one arrest and the seizure of 5,400 pirate CD-R's.

On June 13th, 2006, the NYPD OCID, assisted by the RIAA investigators, executed a search warrant at a burner lab, on Sherman Ave., New York, NY. Resulting in one arrest, the seizure of one tower totaling 8 DVD/CD burners, one box raw materials containing blank CDR's and inserts, 1,179 pirate CDR's, 500 pirate music DVDR's and 48 MPAA/DVDR's.

On June 14th, 2006, RIAA investigators assisted the NYPD's OCID Unit in executing a search warrant at Brook Ave. Bx. N. Y. This action resulted in one arrest and the seizure of 1,200 CD-Rs, 700 Music DVD-R's, 7,408 MPAA DVD-Rs and ten boxes of raw materials.

On June 23rd, 2006, the NYPD 52 Pct., with assistance by RIAA investigators, executed a search warrant at a burner lab, in the Bronx, NY. That resulted with two arrests and the seizure of one tower totaling ten Burners, 2,100 pirate CD-R's, 700 latin pirate CD-R's, raw materials, one heat gun and one shrink wrap machine.

On June 24th, 2006, the New York State Police SIU-Long Island, along with RIAA investigators executed a search warrant at a burner lab located in Uniondale, NY resulting in one arrest and the seizure of 28 burners, 1,327 pirated CD-R's, 5,000 pieces of raw material, two printers, one CPU and a 1990 Nissan Sentra.

North Carolina

On June 6th, 2006, RIAA Investigator's and agents from the North Carolina Secretary of State's Office raided a burner lab in Durham. The RIAA received information several months ago concerning the illegal manufacturing and distribution of unauthorized sound recordings. Upon conducting an investigation into the location and making several undercover "buys", the owner was approached and gave consent to have his residence searched. Agents seized 18 burners, 4,431 CD-R's, and 709 masters. The owner was charged.

On June 8th, 2006 Durham Police responded to an armed robbery call involving items stolen from a van.
Upon their arrival, an officer noticed several boxes of what appeared to be counterfeit sound recordings in the van's cargo area. These items were in plain view and were subsequently seized as evidence. A total of 1,206 CD-R's and 582 DVD-R's were confiscated. The officer arrested the complainant for filing a false report in regards of the armed robbery complaint.

**Pennsylvania**

RIAA investigators assisted Pennsylvania State Police (Reading Vice/Narcotics) with a search warrant on a storefront in Reading. Police and RIAA investigator's confiscated 10,018 counterfeit CD-Rs, 1,420 counterfeit movie DVD-Rs, and 21 CD/DVD burners from the location. The owner of the location was arrested and charged with felonies.

**Tennessee**

On June 15th, 2006, the Knoxville Police Department executed a search warrant at a business. Upon entering the business officers seized 413 counterfeit CD-R's, 211 illicit DVD's, two handguns, one CD player and counterfeit clothing. The owner will be indicted pursuant to Tennessee law. This is the second search warrant served on the business in less than five months. In February officers seized over 1,300 CD-R's from the same location as well as MPAA product.

**Texas**

On June 3rd, 2006, RIAA investigators assisted Harlingen PD and ICE with raids and seizures at Harlingen Flea Market. Officers seized 5,630 piratical CD-R's, 3,933 counterfeit movie DVD's and arrested eleven vendors for violation of Texas Actual Name and Address statute. The arrests created media attention and three television stations provided media coverage including Univision.

On June 4th, 2006, an investigative consultant was contacted by the owner of a restaurant, after previously serving a voluntary surrender. The owner notified the IC that there was a street vendor on W. Davis, at the parking lot of La Palsanita Taqueria (Dallas). Upon observing the IC the vendor abandoned 2,573 CD-R pirates. IC issued the parking lot owner a C &D letter.

On June 9th, 2006, training was provided to three Austin Police Detectives.

On June 17th, 2006, RIAA investigators assisted the Houston Police Department with raids at a flea market. Officers made 4 arrests and seized 622 CD-R pirates and 8,319 DVD/MPAA. The suspects will be processed for Unlawful Labeling, TX Business Commerce Code 35.94.

On June 24th, 2006, RIAA Investigators assisted the Dallas police department with a bust by operation by a street vendor located on Village Fair Dr. in Dallas, Texas. Officers seized a total of 928 CD-R's pirates and 3,291 DVD/MPAA as well as identifying five suspects who were directly linked to the sale of pirated movies and/or music. No arrests were made but suspects will be charged with violating Texas Actual name and address statute.

On June 26th, 2006, Travis County Grand Jury indicted five defendants from the El Gran Mercado Flea Market in Austin, Texas on Nov 2005. Warrants have been issued for their arrest and detectives will coordinate a "round up" and attempt additional seizures.

**Dominican Republic**

On June 6th, 2006, the RIAA assisted law enforcement in the seizure of 4,212 CD-R's from various street vendors in Santo Domingo.

On June 15th, 2006, the RIAA assisted various law enforcement agencies in a large-scale operation in Santo Domingo in which a total of 20,010 music CD-R's were seized from various distributors. Five individuals were arrested.

**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
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