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Southern District of New York*

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MANHATTAN U.S. ATTORNEY CHARGES TEXAS MAN
WITH ILLEGALLY STREAMING LIVE SPORTING
EVENTS AND OTHER TELEVISION PROGRAMMING
OVER THE INTERNET

PREET BHARARA, the United States Attorney for the Southern District of New York, and JAMES T. HAYES, JR., the Special Agent-in-Charge of the New York Office of Homeland Security Investigations ("HSI"), announced the arrest today of BRIAN McCARTHY for criminal copyright infringement. McCARTHY illegally streamed live, copyrighted sporting event telecasts, Pay-Per-View events, and other television programming through Channelsurfing.net, a website he operated. Through advertising revenue he obtained for the website, McCARTHY made well over \$90,000, in proceeds from the crime. The arrest follows the February 1, 2011, seizure of that website's domain name, pursuant to a seizure warrant issued by U.S. Magistrate Judge FRANK MAAS in the Southern District of New York.

Manhattan U.S. Attorney PREET BHARARA said: "Brian McCarthy allegedly hid behind the anonymity of the Internet to make a quick buck through what is little more than high-tech thievery. This arrest should make clear that this Office, working with its partners at ICE-HSI, will vigorously protect valuable intellectual property rights not only through domain name seizures, but also where appropriate through arrests."

HSI Special Agent-in-Charge JAMES T. HAYES said: "Today's arrest is another step forward in the ongoing investigation by New York HSI Agents into copyright infringement and theft of intellectual property rights. We will continue to investigate illegal streaming of programming on the Internet in

an effort to preserve legitimate and creative business interests and deter others from engaging in on-line piracy."

According to the Complaint unsealed today in Manhattan Federal Court, and the Seizure Affidavit through which the "Channelsurfing.net" domain name was seized:

Until it was seized by law enforcement on February 1, 2011, Channelsurfing.net provided access to illegal, pirated telecasts of sporting events of the National Football League ("NFL"), the National Basketball Association ("NBA"), the National Hockey League ("NHL"), World Wrestling Entertainment ("WWE"), and the Ultimate Fighting Championship ("UFC") -- all of which hold the copyrights to the televised broadcasts of their respective sporting events. Channelsurfing.net was a linking site, and visitors to the website would simply click on one of a number of links to begin the process of downloading or streaming to their own computer an illegal broadcast of pirated sporting and Pay-Per-View events. In connection with the investigation, law enforcement downloaded portions of live copyrighted telecasts of various sporting events. The website also contained links to various live television channels.

BRIAN McCARTHY, who registered the Channelsurfing.net domain name in December 2005, operated the website until the time of its seizure out of his home in Texas. In so doing, he received profits in excess of \$90,000, from online merchants who paid him, through Internet advertising brokers to advertise on that site. At the time it was seized, Channelsurfing.net was one of the most popular of the websites that streamed illegal content.

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McCARTHY, 32, of Deer Park, Texas, is charged with one count of criminal infringement of a copyright. If convicted, he faces a maximum of five years in prison.

Mr. BHARARA praised the work of ICE-HSI. He added that the investigation is continuing.

This case is being handled by the Office's Complex Frauds Unit. Assistant U.S. Attorney CHRISTOPHER D. FREY is in charge of this prosecution.

The charge contained in the Complaint is merely an accusation, and the defendant is presumed innocent unless and until proven guilty.

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