

How You Were Identified

The fraud was perpetrated through credit card purchases and other financial transactions. In some instances, those purchasing records reflected the identity and contact information for individual consumer victims. Others individual consumer victims were identified because they made complaints to various law enforcement and consumer protection agencies. The victim software companies became aware of the fraudulent conduct because victim consumers contacted them for technical assistance and to complain that they were sold fraudulent, counterfeit software products by the defendants.

The Fraud

On November 18, 2008, defendants Christopher Walters and Matthew Purse were indicted by a federal Grand Jury for 19 counts of conspiracy, mail fraud, wire fraud, copyright infringement, and trafficking in counterfeit labels. The investigation was done by the Federal Bureau of Investigation and the United States Postal Inspection Service.

Beginning in late 2003, and continuing to at least early 2006, and as to defendant Christopher Walters, up to the present, the two charged defendants (Walters and Purse) sold counterfeit software on the Internet through eBay merchant accounts and other commercial Web sites they created and maintained. During the time period alleged in the Indictment, the defendants used Web sites called “softwarediner.com,” “thesoftwareyard.com,” “argyleequity.com,” “eagletronics.com,” and “tekdealer.com.” They also did business as “Maranello Trust,” “PAW Investments, LLC,” “Markus Hamilton, LLC,” “Paul Richardson, LLC,” and “Turrett, LLC.”

To perpetrate this fraud, defendants purchased legitimate copies of name-brand, copyrighted software products, then used software duplicating equipment to mass produce and falsely label hundreds of counterfeit versions of this software for sale to unsuspecting buyers on the Internet. Consumers were led to believe they were purchasing the legitimate software products from well known software companies, when instead they were buying fraudulent versions that could not be registered or activated.