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Pirated Microsoft
Software
Microsoft

11 Convicted in \$2 Billion Microsoft Piracy Case

With sentences ranging from 1.5 to 6.5 years

A Chinese Court has convicted 11 people involved in what Microsoft referred to as the world's largest software counterfeiting syndicate. According to estimates from the Redmond company, the syndicate, based in the southern China province of Guangdong, counterfeited and distributed Microsoft software worth in excess of \$2 billion. Accusations of violating national copyright laws and participating in the counterfeiting ring managed to nab the 11 people arrested in July 2007 prison convictions from 1.5 to 6.5 years. Microsoft applauded the sentences delivered by the Futian People's Court in Shenzhen, China, for the 11 considered the ringleaders of the pirated software syndicate.

"Microsoft greatly appreciates the work of China's PSB and the FBI in taking strong enforcement action against this global software counterfeiting syndicate," David Finn, associate general counsel for Worldwide Anti-Piracy and Anti-Counterfeiting at Microsoft, revealed.

"Unfortunately, software counterfeiting is a global, illegal business without borders. Criminals may be on the other side of the globe and may not even speak the same language, but they prey upon customers and partners all over the world. This case is a testament to the importance of Microsoft's commitment to close collaboration with government bodies and local law enforcement agencies around the world to bring these criminals to justice, wherever they may be."

The Guangdong-based syndicate indeed operated internationally, with its pirated products distributed across thirty six countries and five continents worldwide. Microsoft informed that the pirated materials offered involved fake versions of 19 of its most popular software localized in no less than 11 languages. The company described all counterfeit products as high-quality, an aspect that explains why so many customers were duped into buying pirated software that they considered to be genuine. The 11 ringleaders were arrested following a collaboration between China's Public Security Bureau (PSB) and the FBI.

"Software piracy negatively impacts local economic growth, stifling innovation, taking business opportunity away from legitimate resale channels, and putting consumers and partners at risk. Enforcement of intellectual property rights is critical to fostering an environment of innovation and fair competition," Fengming Liu, vice president of Microsoft Greater China Region, added. "Over the years, Microsoft has been working closely with the Chinese government to promote intellectual property rights. Thanks to the actions of the Chinese government, we have seen a significant improvement in the environment for intellectual property rights in China. Moving forward, we will continue to work with the relevant authorities in China to ensure that counterfeit software does not undermine the development of China's knowledge economy."