D.C.-Area Video Game Stores Targeted in Piracy Raid

By Ben Berkowitz

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LOS ANGELES -- Federal authorities raided three Washington, D.C.-area video game stores and arrested two people for modifying video game consoles to play pirated video games, a video game industry group said Wednesday.

The Entertainment Software Association said the Dec. 1 raids at three Pandora's Cube stores in Maryland and Virginia were a joint effort of the U.S. Department of Justice's computer crimes unit, the U.S. Attorney's Office for Maryland and the Bureau of Immigration and Customs Enforcement.

Authorities arrested two store employees on charges of conspiracy to commit copyright infringement and conspiracy to traffic in a device that circumvents technological protection measures, the ESA said.

"One of them is someone who has a more substantial role with the company," said Chunnie Wright, anti-piracy counsel to the ESA. She could not provide more details due to the ongoing nature of the criminal case.

A spokesman for the Justice Department declined to comment on what, if anything, was seized during the raids. He said the department has not released details yet on the monetary value of what was allegedly pirated.

Like other entertainment industries, the video game business has aggressively pursued the pirates that it says account for billions of dollars in lost revenue annually.

But because video games tend to have very large digital files, a large part of the industry's piracy problem stems from illegal hardware and illegal copying of game discs.

Pandora's Cube, Wright said, sold $500 "Super Xbox" consoles,
modified versions of Microsoft Corp.'s Xbox video game console, that had been modified to hold larger hard drives and play pirated games.

The modified consoles, some holding 15 or more games already copied to the hard drive, were on open display in the stores.

"They were burning games onto the hard drive and equipping the hard drive with copying software so that the average consumer could just go ahead and copy the software themselves," she said.

Pandora's Cube operates three stores, in Baltimore and College Park, Maryland, and Springfield, Virginia. Company officials were not immediately available to comment.

Besides industry efforts, some individual game companies have taken steps of late to stop piracy. Last month Nintendo Co. Ltd. won a court order barring the sale of devices running pirated copies of classic Nintendo video games.