

Civil and Criminal Penalties

Summary: You could owe as much as \$150,000 for each song or music download, and maybe end up in prison.

Unauthorized distribution of copyrighted materials, such as movies or music to which you do not own the copyrights and do not have permission to distribute, is against the law (Title 17 United States Code, Section 501 et seq.). The civil liability is either up to \$30,000 per incident or actual damages plus any profit you received from the copyright infringement. (In most cases, the plaintiff—the copyright holder—asks the court for the maximum statutory damages, as they are usually greater than the actual damages.) If the infringement is deemed to be willful, statutory damages are up to \$150,000 per incident.

An incident is a single instance of a movie or song track being downloaded. Therefore a full album of 15 songs represents 15 incidents for each time the album is downloaded. That works out to potentially \$450,000 per album for an inadvertent infringement, or \$2.25 million for willful infringement. If the infringement is deemed to be willful with intent to profit (you are in the counterfeit DVD business, for example), you may also be charged with a criminal offense and subject to up to ten years in Federal prison.