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**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
WESTERN DIVISION**

EHOSTAR SATELLITE L.L.C.,
EHOSTAR TECHNOLOGIES
CORPORATION, and,
NAGRASTAR L.L.C.,

Plaintiffs,

v.

PANAREX, INC., WON TAK
KIM, DOES 1-9, and
GLOBAL TECHNOLOGIES,
INC.

Defendants.

Case No. 2:07-CV-05897-JZ-PLA

**ORDER GRANTING DISH
NETWORK'S MOTION FOR
SUMMARY JUDGMENT
AGAINST GLOBAL
TECHNOLOGIES, INC.; FINAL
JUDGMENT, and PERMANENT
INJUNCTION**

1 This matter comes before the Court on Plaintiffs DISH Network L.L.C. (f/k/a
2 EchoStar Satellite L.L.C.), EchoStar Technologies L.L.C. (f/k/a EchoStar
3 Technologies Corporation), and NagraStar LLC (collectively, “DISH Network” or
4 “Plaintiffs”) Motion for Summary Judgment (“Motion”) against Defendant Global
5 Technologies, Inc. (“Global Tech”) for violation of the Digital Millennium
6 Copyright Act, 17 U.S.C. § 1201(a)(2). Having reviewed the materials and
7 evidence submitted by DISH Network as well as the arguments by counsel for
8 DISH Network at a hearing on Plaintiffs’ Motion, and being fully advised, the
9 Court hereby makes the following **FINDINGS**:

10 1. Based on the arguments and sworn declaration testimony of counsel
11 for DISH Network which was presented at the hearing on the Motion, as well as
12 the Court’s review of Exhibits 1 through 23 attached to that sworn declaration, the
13 Court **FINDS** that Global Tech was properly and adequately served with notice of
14 DISH Network’s Motion and all concurrently filed evidence, applications and
15 materials, as well as this Court’s July 14, 2010 Minute Order setting a briefing
16 scheduling and hearing date for DISH Network’s Motion. Service was effectuated
17 on both Defendant Global Tech’s principal, H.K. Cha, and Global Tech’s Korean
18 counsel, Hojin Chang, by both Federal Express and email;

19 2. Based on the evidence supporting DISH Network’s Motion, including
20 the expert reports and declarations of Dr. Aviel Rubin of ISE and Nigel Jones of
21 RMB Consulting, sworn declarations of Confidential Informant Nos. 1, 2 and 3,
22 and the other documents and declarations filed concurrently with DISH Network’s
23 Motion, the Court **FINDS** that Global Tech violated section 1201(a)(2) of the
24 Digital Millennium Copyright Act (“DMCA”) through its trafficking in Pansat
25 receiver models 2700A, 9000HD and 9200HD within the state of California and
26 throughout the United States. Based on this same evidence, the Court **FINDS** that
27 these Pansat receivers, including components and parts thereof, were primarily
28 designed and manufactured by Global Tech to circumvent and facilitate the

1 circumvention of DISH Network’s conditional access system (“CAS” or “security
2 system”) which effectively controls access to the copyrighted works broadcast on
3 the DISH Network platform. These components and parts thereof include, *inter*
4 *alia*, unauthorized copies of the ROM and EEPROM used in DISH Network’s
5 security system, an unauthorized and unlicensed implementation of the
6 International Data Encryption Algorithm (“IDEA”) used in DISH Network’s
7 security system, and the use of an embedded U-15 integrated circuit chip as an
8 anti-cloning mechanism which ensured that software designed to allow these
9 receivers to circumvent DISH Network’s security system was running on a
10 legitimate Pansat receiver manufactured by Global Tech. The evidence further
11 establishes that the Pansat 9200HD receiver was designed by Global Tech to work
12 in conjunction with a device known as an 8PSK TFEC, which has no commercially
13 significant use other than to facilitate the circumvention of DISH Network’s
14 security system and allow unauthorized access to, and viewing of, DISH
15 Network’s High Definition programming;

16 3. Based on the evidence attached to DISH Network’s Motion, including
17 the expert reports and declarations of Dr. Aviel Rubin of ISE and Nigel Jones of
18 RMB Consulting, sworn declarations of Confidential Informant Nos. 1, 2 and 3,
19 and the other documents and declarations filed concurrently with DISH Network’s
20 Motion, the Court **FINDS** that Global Tech’s violations of section 1201(a)(2) of
21 the DMCA were done willfully and knowingly;

22 4. Based on the Admissions by Global Tech in their written discovery
23 responses attached to DISH Network’s Motion, the Court **FINDS** that Global Tech
24 trafficked in 250,504 Pansat 2700A, 9000HD and 9200HD receivers, collectively,
25 within the state of California and throughout the United States;

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1 Based on the **FINDINGS** above, the evidence attached to DISH Network's
2 Motion and the legal authorities cited in DISH Network's Motion and otherwise
3 provided by counsel in oral argument, the Court hereby **GRANTS** DISH
4 Network's Motion and **ORDERS** as follows:

5 1. Defendant Global Tech is liable for 250,504 violations of § 1201(a)(2)
6 of the DMCA based on the number of Pansat satellite receiver models 2700A,
7 9000HD, and 9200HD manufactured and imported by Global Tech into the United
8 States, collectively, from 2005-2008. Global Tech acted willfully and Plaintiffs
9 are awarded \$2,500 per violation for a total of six hundred twenty-six million two
10 hundred sixty thousand dollars (\$626,260,000.00) in statutory damages from
11 Defendant Global Tech for the 250,504 violations of § 1201(a)(2) of the DMCA.
12 This statutory damage award is both appropriate and reasonable based on Global
13 Tech's willful violations of the DMCA, and is conservative for several reasons
14 including that it only represents a portion of the total number of Pansat receivers
15 trafficked in by Global Tech, does not include damages for the number of 8PSK
16 TFEC devices trafficked in by Global Tech, and does not include damages for the
17 total number of downloads of the piracy software files designed to work with
18 Pansat receivers which distributed by Global Tech or others acting on its behalf;

19 2. Pursuant to 17 U.S.C. § 1203(b)(2) and (b)(6), any Pansat 2700A, 9000HD
20 or 9200HD receivers located within the United States in Global Tech's (or anyone
21 acting on behalf of Global Tech who receive notice of this Order) custody or
22 control may be impounded and destroyed;

23 3. Pursuant to 17 U.S.C. § 1203(b)(1), Defendant Global Tech, and anyone
24 acting in concert with, or at the direction or control of Global Tech, and anyone
25 receiving notice of this Order, is hereby **PERMANENTLY ENJOINED** from
26 engaging in the following conduct:

- 27 (a) offering to the public, providing, or otherwise trafficking in any
28 Pansat receiver model 2700A, 9000HD, and 9200HD;

1 (b) offering to the public, providing, or otherwise trafficking in any
2 satellite television receiver or set-top-box, software, firmware, or
3 any other technology, product, device, component, or part thereof,
4 through any means that:

5 (i) is primarily designed or produced for the purpose of
6 circumventing Plaintiffs' security system, including the
7 encryption and access control protection contained in the
8 software on DISH Network Access Cards, or any other
9 technological measure adopted by Plaintiffs that controls access
10 to copyrighted programming on the DISH Network platform;

11 (ii) has only a limited commercially significant purpose or use other
12 than to circumvent Plaintiffs' security system, including the
13 encryption and access control protection contained in the
14 software on DISH Network Access Cards, or any other
15 technological measure adopted by Plaintiffs that controls access
16 to copyrighted programming on the DISH Network platform;

17 (iii) is marketed by Global Tech and/or others acting in concert with
18 Global Tech for use in circumventing Plaintiffs' security system,
19 including the encryption and access control protection contained
20 in the software on DISH Network Access Cards, or any other
21 technological measure adopted by Plaintiffs that controls access
22 to copyrighted programming on the DISH Network platform;

23 (c) assembling, modifying, selling, importing to and/or distributing
24 within the United States or to customers located in the United States,
25 directly or indirectly, any satellite receivers, including without
26 limitation, Pansat models 2700A, 9000HD, and 9200HD, set-top-
27 boxes, software, firmware, or any other technology, product, device,
28 component, or part thereof, knowing or having reason to know that

1 such technology, product, device, component, or part thereof is
2 primarily of assistance in the unauthorized decryption of direct-to-
3 home satellite services through any means including any Internet
4 websites;

5 (d) receiving DISH Network’s electronic communications without
6 DISH Network’s authorization through any means;

7 (e) assisting others in receiving DISH Network’s electronic
8 communications without DISH Network’s authorization through any
9 means including Internet websites; and

10 (f) testing, analyzing, reverse engineering, manipulating or otherwise
11 extracting codes or other technological information or data from
12 Plaintiffs’ satellite receivers, access cards, data stream or any other
13 part or component of DISH Network’s security system or other
14 technology used to gain access to DISH Network programming;

15 4. Pursuant to 17 U.S.C. § 1203(b)(4)-(5), Plaintiffs are entitled to their
16 reasonable attorney’s fees and costs, however, Plaintiffs have elected not to pursue
17 that relief and waive further briefing on the amount of attorney’s fees or costs;

18 5. Based on the Court’s Order granting DISH Network’s Motion,
19 Plaintiffs consent to voluntary dismissal, with prejudice, of their remaining claims
20 in the Second Amended Complaint (Counts I, III and IV-VII). Accordingly, each
21 of those remaining claims is dismissed with prejudice;

22 6. The Court retains jurisdiction over this matter to enforce this Final
23 Judgment and Permanent Injunction;

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7. This is a FINAL JUDGMENT, all relief not expressly provided for herein is DENIED. Each party is to bear their own costs and fees;

The Court further **ORDERS** that the claims asserted by Defendant Panarex, Inc. against Global Tech, and the claims asserted by Global Tech against Defendant Panarex, Inc., are hereby **DISMISSED** for want of prosecution.

So ORDERED AND SIGNED this 5th day of November, 2010.

s/Jack Zouhary
Hon. Judge Jack Zouhary
United States District Court Judge