IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA

DISH NETWORK L.L.C., ECHOSTAR TECHNOLOGIES L.L.C., and NAGRASTAR LLC,	)	
Plaintiffs,	)	
v.	)	1:16-CV-331
CLYDE NORWOOD,	)	
Defendant.	)	

FINAL JUDGMENT AND PERMANENT INJUNCTION

I. NATURE OF THE CASE

1. The plaintiffs brought this action against the defendant Clyde Norwood for unlawfully circumventing the DISH Network security system and receiving copyrighted, subscription-based DISH Network satellite television programming without authorization and without payment to DISH Network. The defendant accomplished this in part by subscribing to a pirate television service known as NFusion Private Server ("NFPS"). The NFPS pirate television service allowed the defendant to illegally decrypt DISH Network's satellite signal and view copyrighted satellite television programming without authorization from DISH Network. (Doc. 1).

2. The defendant was properly served with a copy of the summons and complaint but failed to file an answer, responsive pleading, or otherwise defend the lawsuit within the time allowed. DISH Network submitted evidence that the defendant is not an infant, not an incompetent person, and not on active duty in the military or otherwise exempted under the Servicemembers' Civil Relief Act.

3. As a result of the defendant's failure to answer the plaintiffs' Complaint or otherwise appear in this action at all, the Court accepts as true the following well-pleaded allegations in the plaintiffs' original Complaint:

a. DISH Network is a multi-channel video provider that delivers video, audio, and data services via a direct broadcast satellite system to approximately 14 million subscribers. DISH Network uses high-powered satellites to broadcast, among other things, movies, sports and general entertainment services to consumers who have been authorized to receive such services after payment of a subscription fee, or in the case of a pay-per-view movie or event, the purchase price. (Doc. 1, ¶¶ 9-10).

b. DISH Network contracts for and purchases the distribution rights for most of the programming broadcast on the DISH Network platform from providers such as network affiliates, pay and specialty broadcasters, cable networks, motion picture distributors, sports leagues, and other holders of programming rights. The works broadcast on the DISH Network platform are copyrighted. DISH Network has the authority of the copyright holders to protect these works from unauthorized reception and viewing. (*Id.* ¶¶ 11-12.)

c. DISH Network programming is digitized, compressed, and scrambled prior to being transmitted to multiple satellites located in geo-synchronous orbit above Earth. The satellites then relay the encrypted signal back down to Earth where it can be received by DISH Network subscribers that have the necessary equipment. (*Id.* ¶ 13.)

d. The EchoStar Technologies receiver processes an incoming DISH Network satellite signal by locating an encrypted part of the transmission known as the entitlement control message and forwards that message to the smart card. Provided that the subscriber is tuned to a channel he is authorized to watch, the smart card uses its decryption keys to unlock the message, uncovering a control word. The control word is then transmitted back to the receiver in order to decrypt the DISH Network satellite signal. Each receiver and smart card is assigned a unique serial number which is used by DISH Network when activating the equipment and to ensure the equipment only decrypts programming that the customer is authorized to receive as part of his subscription package and pay-per-view purchases. (*Id.* ¶¶ 17-18.)

e. NFPS is a pirate internet key sharing ("IKS") television service that provided end-users computer software and decryption codes needed to descramble DISH Network television programming without authority and without payment of a subscription fee to DISH Network. (*Id.* ¶ 25.)

f. The defendant violated federal laws by utilizing the NFPS pirate IKS television service and server to obtain DISH Network's descrambling control words to receive and descramble illegally DISH Network copyrighted television programming. (*Id.* ¶ 27.)

4. The plaintiffs submitted evidence that the defendant connected to the NFPS IKS server resulting in his interception of the plaintiffs' satellite signals of copyrighted satellite television programming without authorization from the plaintiffs. Pursuant to 18

U.S.C. § 2520 of the Electronic Communications Privacy Act ("ECPA"), the plaintiffs are entitled to statutory damages of $10,000 for the defendant's interception of the plaintiffs' satellite signal. The plaintiffs seek $10,000 in their Motion for Default Judgment and Request for Statutory Damages and Permanent Injunction. (Doc. 11).

II. FINAL JUDGMENT & PERMANENT INJUNCTION

Upon default of the defendant and having reviewed the evidence and arguments in this matter, the Court hereby **ORDERS** and **ADJUDGES** as follows:

(1) The motion for default judgment and permanent injunction, (Doc. 11), is **GRANTED**.

(2) The defendant and anyone acting in active concert or participation with or at the direction or control of the defendant is hereby **PERMANENTLY ENJOINED** from:

1) intercepting the plaintiffs' satellite television transmissions without the plaintiffs' authorization through any means including Internet Key Sharing (also known as Control Word Sharing);

2) assisting others in intercepting the plaintiffs' satellite television transmissions without the plaintiffs' authorization through any means including Internet Key Sharing (also known as Control Word Sharing); and

3) testing, analyzing, reverse engineering, manipulating or otherwise extracting codes or other technological information or data from the plaintiffs' satellite television receivers, access cards, data stream or any other part or component of the plaintiffs' security system or other

technology used to gain access to DISH Network programming including through the use of Internet Key Sharing (also known as Control Word Sharing).

(3) This Permanent Injunction takes effect immediately.

(4) The Court awards the plaintiffs DISH Network L.L.C., EchoStar Technologies L.L.C. and NagraStar LLC statutory damages in the amount of $10,000 as to the defendant on the plaintiffs' claim under 18 U.S.C. §§ 2511(1)(a) and 2520.

(5) The Court retains jurisdiction over this action for the purposes of enforcing this Final Judgment and Permanent Injunction.

(6) This is a final judgment. Any and all relief not expressly granted herein is denied.

(7) The plaintiffs' counsel shall insure service of this Judgment on the defendant and shall file proof of same on the docket.

It is so **ORDERED**.

This the 12th day of July, 2016.

UNITED STATES DISTRICT JUDGE