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Domain Name Thief Finally Sentenced

Last week history was made when the first individual was sentenced, following being found guilty of domain theft. Although there have been examples of domain names being stolen in the past (the most famous being sex.com) this is the first time someone has actually been arrested, prosecuted and later sentenced for the crime.

Daniel Goncalves was arrested back in 2009 for the supposed theft of p2p.com after a campaign that lasted over two years, in the hope to bring him to justice. It was heard that he hacked into one of the victim's email accounts, and used information he found there to retrieve login details for the domain, and then transferred the domain to a Go Daddy account of his own.

Prior to the theft, the rightful owners of the domain were Marc Ostrofsky and attorney Albert Angel with wife Lesli Angel who had brokered a deal and purchased the domain for \$160,000 from a company based in Wisconsin. Ostrofsky is a well-known domain investor and sold Business.com for a whopping \$7.5 million back in 1999.

Goncalves was a 25 year old, New Jersey computer technician who was working at a law firm at the time of his arrest, and after internally transferring the domain to his own Go Daddy account he went on to falsify PayPal transactions to cover his tracks, ensuring it looked as if had purchased the domain for \$1,500 from the Angels. During this period he changed the owner contact to "Daniel Louvado", a falsified name consisting of his own first name and his Fiancée's surname.

To further complicate matters, Goncalves then listed the domain for sale on EBay where it was purchased by NBA basketball player Mark Madsen. Madsen claimed that he knew nothing of the domain's back story throughout the investigation, and has stated he was nothing more than a "good faith" investor who had been investing in domains for quite some time.

When the Angels quickly realised what had happened they took their case to both prosecutors in New Jersey and Florida, and the case was carried by the Florida office since the Angels were Florida residents. The New Jersey office then put their case on hold and three months after agreeing to take the case the Florida prosecutors took the decision to drop it, citing "lack of evidence". Not to be deterred however, the victims filed a civil action in November 2007 and gathered all evidence themselves using the Freedom of Information Act.

Following their thorough investigation the civil suit was later modified to include further defendants, including Goncalves' brother and wife, on grounds of conspiracy, and GoDaddy themselves, on grounds of negligence and contributory Trademark Infringement. Months after dropping the original case, the New Jersey prosecutors reopened the case and the victims

travelled to NJ to present the mountains of evidence that they had accumulated. In light of the new evidence, in May of 2009, Goncalves was finally arrested at his home and his computers were seized.

The final verdict was published last week, and Goncalves pleaded guilty to all charges and was sentenced for theft and fraud. According to the WHOis p2p.com is now back with its rightful owner, representing a successful struggle lasting almost five years in order to recover the domain!

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