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ASHTON-TATE CHARGES TWO COMPANIES WITH SOFTWARE PIRACY TORRANCE, Calif., April 16, 1986 -- Ashton-Tate today announced it has filed copyright infringement lawsuits in Los Angeles federal court against two companies alleging they have pirated Ashton-Tate software. One of the two recently was the target of a raid by agents of the Federal Bureau of Investigation.

The first suit charges Volt Delta Resources, a New Yorkbased company that installs computerized directory assistance equipment, with reproducing and disseminating for use by its employees copies of Ashton-Tate's dBASE II and dBASE III.

The second suit, which followed in part from an FBI undercover operation, charges Horn Computer International of El Monte, Calif., with allegedly copying dBASE III and Framework onto 20 megabyte hard disks that later were sold as add-on products to consumers.

Ashton-Tate's suit against Volt Delta Resources alleges copyright and trademark infringement and unfair competition. The charges are based on an extensive investigation that uncovered an alleged company policy at Volt Delta Resources of copying the dBASE programs for company use rather than purchasing them.

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U.S. District Judge J. Spencer Letts granted Ashton-Tate's request for "expedited discovery" in the case, allowing Ashton-Tate's lawyers to demand from Volt Delta Resources certain documents and other evidence without having to wait the usual six-week period. Judge Letts also ordered the early deposition of two Volt Delta Resources employees.

The civil action suit against Horn Computer International followed a raid by FBI agents on April 2, which culminated a twomonth undercover investigation. Armed with a search warrant, agents seized computer equipment and business records from the computer retailer.

The evidence will be presented to a federal grand jury, which is expected to hand down felony indictments against the proprietors of Horn Computer International for criminal copyright infringement.

Ashton-Tate associate counsel Geoffrey Berkin brought the problem to the FBI's attention after being contacted by a consumer who had responded to an advertisement in <u>Byte</u> Magazine. The ad, which offered inexpensive IBM Personal Computer "clones" for sale, listed a 20 megabyte hard disk with "tons of software" for \$649.

Subsequent investigation revealed that Horn Computer International was selling the hard disks with approximately 10 megabytes of popular software pre-installed, including dBASE III and Framework. Documentation was not supplied with the programs.

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"Evidence gathered in the criminal investigation will be available to us in our civil suit," said Berkin, who indicated that Ashton-Tate expects to file similar lawsuits in coming weeks. "There is a disturbing trend on the part of some computer dealers to give away pirated software as a premium with hardware purchases. We understand this practice is becoming rampant in New York City.

"This is our third successful collaboration with the FBI," said Berkin, who handles domestic piracy matters for Ashton-Tate. Last fall, Ashton-Tate worked with FBI agents in two other software piracy investigations. The subjects presently are considering pleading guilty to multiple counts of criminal copyright infringement.

Ashton-Tate reported record revenues of \$121.6 million and record net income of \$16.6 million for fiscal 1986, ended January 31, 1986, an increase of 48 percent and 122 percent, respectively, from the previous year.

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