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DA KATZ ANNOUNCES TAKEDOWN OF MAJOR NETWORK CABLE THEFT OPERATION

*Defendant Arrested for Allegedly Making and Distributing Forged Modem Devices Filled with Malware
200 Fraudulent Devices Seized from Defendant's Home in Whitestone*

Queens District Attorney Melinda Katz announced that Kong Gao has been charged with fraudulent making of an electronic access device and criminal possession of forgery devices in connection to a large-scale theft of network cable streaming and Wi-Fi services in Flushing and Whitestone. Gao is accused of manufacturing approximately 200 fraudulent modem devices embedded with malware that mimics legitimate cable and streaming services, such as Spectrum which is operated by Charter Communications.

Queens District Attorney Katz said: “The defendant is accused of stealing network cable services for his own personal gain. By design, the devices he allegedly manufactured house malware that compromise security and cause substantial business losses which can then result in higher costs for law-abiding residents. My office will continue to ensure the safety and security against such fraudulent schemes.”

Jane Rhodes, Senior Vice President, Corporate Physical Security at Spectrum said: “Buying and using cloned modems might seem harmless, but it's not a victimless crime. These devices can compromise network reliability, security, and impact service quality for others. We encourage all customers to use authorized equipment to ensure the best performance and security. We thank our law enforcement partners at the Queens District Attorney for their ongoing support in addressing this issue.”

Gao, 35, of 154th Street in Whitestone was arraigned Friday on a criminal complaint charging him with fraudulent making of an electronic access device in the second degree and criminal possession of forgery devices. He faces a potential maximum sentence of seven years in prison if convicted of the top count.

Queens Criminal Court Judge Marty Lentz ordered the defendant to return to court January 16, 2025.

DA Katz said that according to the charges, in April 2024, Charter Communications launched an external investigation into the widespread theft of streaming and Wi-Fi services concentrated in the Flushing area. Approximately 6,000 unique accounts were identified to have been cloned from Spectrum and used in an unauthorized manner.

In August 2024, company officials learned of multiple advertisements offering Wi-Fi internet services and installation of modems written in Chinese within the vicinity of Main Street in Flushing. Following additional intelligence gathering and undercover buys through the employment of a private investigative firm, Charter officials linked the sale of fraudulent devices to Gao. After attempting to disrupt the service to the unauthorized

devices, Charter observed that the defendant would meet with his clients and swap out the old devices for new ones with the same type of malware that provided illegal access. Charter then referred the case to the District Attorney's office for further investigation and enforcement.

On November 14, members of the Queens District Attorney's Detectives Bureau executed a court-authorized search warrant at the defendant's residence in Whitestone.

The search revealed 200 modems for potential sale, soldering irons and other tools to create forged access devices as well as the malware program required to infiltrate Charter's services. The lost service revenue associated with this scheme is estimated to exceed \$1 million.

The investigation was conducted by members of Charter Communications as well as Detective Iftexhar Khan of the District Attorney's Detectives Bureau, Cybercrime and Cryptocurrency Unit, under the Supervision of Detective Sergeant Linda DenDekker, Lt. William Abatangelo, and under the overall supervision of Chief Investigator Robert LaPollo.

Assistant District Attorney Catherine Jahn, Supervisor in the District Attorney's Major Economic Crimes Bureau is prosecuting the case under the supervision of Assistant District Attorneys Mary Lowenburg, Bureau Chief, Catherine Kane, Senior Deputy Bureau Chief, Jonathan Scharf, Deputy Bureau Chief, and under the overall supervision of Executive Assistant District Attorney for Investigations Gerard A. Brave.

Criminal complaints and indictments are accusations. A defendant is presumed innocent until proven guilty.

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