March 23, 2004 U.S. Department of Justice United States Attorney Central District of California Debra Yang

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Orange County Man Indicted on Wiretapping Charges for Installing Spy Hardware on Employer's Computer

A former employee at an Anaheim insurance company was indicted today on federal wiretapping charges for allegedly installing an electronic device on a company computer that recorded every keystroke made by a secretary to a company executive.

Larry Lee Ropp, 46, of Huntington Beach, was indicted by a federal grand jury in Los Angeles on a single count of endeavoring to intercept electronic communications, a violation of the federal wiretap statute. Ropp, who was employed by Bristol West Insurance Group/Coast National Insurance Company until he was terminated in September 2003, is scheduled to be arraigned on the indictment on April 5.

This is the first case in the nation in which a defendant has been charged with illegally using a hardware device known as a keystroke logger. The device is attached to a computer keyboard cable and it records all keys pressed on the keyboard. These devices are sometimes used by parents to monitor the computers used by their children, but in this case Ropp allegedly used the device to record the keystrokes pressed by other employees at Bristol.

According to the indictment and a criminal complaint previously filed in this case, Ropp installed a device called a "Key Katcher" on a computer connected to the Internet that was used by a secretary to the vice president of Bristol West. Bristol West learned of the device after Ropp was terminated and he called another Bristol West employee asking that she remove the device. During interviews with the Federal Bureau of Investigation, Ropp admitted using the Key Katcher, but claimed that he was a whistleblower working at the behest of the California Department of Insurance, a claim denied by representatives of the Department of Insurance.

An indictment contains allegations that a defendant has committed a crime. Every defendant is presumed innocent until and unless proven guilty.

Ropp, who was arrested in this case on February 25, is currently free on bond. The wiretapping charge in the indictment carries a maximum possible penalty of five years in federal prison.

This case was investigated by the Federal Bureau of Investigation.

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