

**BEFORE THE OVERSIGHT AND INVESTIGATIONS SUBCOMMITTEE  
OF THE HOUSE ENERGY AND COMMERCE COMMITTEE**

My name is Kurt Eichenwald and I am a senior writer with the New York Times. My appearance today is somewhat unusual. As a matter of policy, the Times instructs its reporters to decline requests to testify in judicial and legislative settings, because it can serve to undermine our work if we are seen by the public as an extension of the government. In this instance, the Times accepted a subpoena from the committee on my behalf after the committee agreed that I would be asked to provide only published or publicly disclosed information. To the extent that the committee seeks information about reporting processes, I will have to respectfully decline to answer. Nor do I believe it is my place to offer policy suggestions. But, within that framework, I offer the following testimony, which may assist the committee in its exploration of this important issue.

On December 19, the Times published a front page article that was the culmination of my six month investigation into the world of webcam child pornography. The story laid bare a nightmarish Internet world that grew without attracting significant attention from law enforcement or child advocates. As a citizen, I was dumbfounded by what I found. As a father, I was terrified.

Like most people, I gave little thought during my life to the scourge of child pornography. But, I now know we are fighting a losing battle. The predators are sophisticated in the use of computers and talented in their manipulation of children. They count on our willingness to avert our eyes from the unpleasant to succeed in their pursuit of illegal images of minors. And we have been far too

willing to comply. That is part of why the child pornography business has exploded in the past decade, making it a multi-billion dollar industry.

Webcam pornography has emerged in just the last few years, but is already a significant part of this illicit industry. I have submitted copies of my articles which explain facets of this business, as well as the events that led to my discovery of Justin Berry, who served as my guide into this world, showing me the mechanisms used to seduce children into degrading and harmful behavior.

Let me stress: this is not a problem involving just Justin or a handful of bad kids. Hundreds of minors have been lost to the lure of performing in online pornography. I interviewed a number of them. They include children from every walk of life – wealthy and middle class, honor students and those struggling with their grades, children of divorce and with intact families. The only shared characteristic I found is a loneliness that these minors feel is alleviated by meeting people online – and in person – through their webcam business.

Entire infrastructures have emerged to sustain this business, including both witting and unwitting corporate participants. You have already heard how predators have turned the ingenuity of some online companies against our children. Wish lists with companies like Amazon.com and American Eagle Outfitters – a wonderful convenience for gift giving – have become mechanisms for seducing children. Online payment systems, such as paypal.com, have been used to facilitate transfers of cash. Communications programs from companies like AOL and Yahoo are used both for direct conversations between predators and children, and for the transmission of illegal video images. Many of these

programs and services can be obtained by children in minutes, without requiring accurate identification or proof of either age or parental consent.

But, in addition to the unsuspecting companies, there are businesses that know exactly what they are doing. In my reporting, I discovered credit card processors who provided support for webcam child pornography. I found web hosting companies that offered servers for the illegal businesses. I even found a company that provided streaming video to sites operated by minors, on condition that its president be allowed to watch the pornographic performances for free.

I also located scores of marketing sites, known as portals, which were used to direct potential customers to the webcam child pornography sites. These portals – many of which have temporarily shut down since publication of my article – underscore the scope and magnitude of this business. I have included as an exhibit to my remarks the internal listing maintained by a single portal of the almost 600 teenage webcam sites that it marketed. Perhaps most disturbing was that major American and international companies advertised on these portals. The advertisements appeared immediately above images used by boys and girls to market their pornographic sites. Apparently, these companies were attempting to win business both from customers and teenagers themselves, as they offered services to help efficiently run for-pay sites. The advertisers included Logitech and Creative Webcam, both webcam manufacturers, as well as Verotel, an international credit card processing company.

But the for-pay sites of adolescents are only one level of this illicit business. Untold thousands of other children have become unknowing

participants in the online pornography industry. These minors perform, not for money or gifts, but because they have been tricked into stripping and masturbating online for what they believe is a single viewer. Those performances are recorded and then posted on for-pay pornography sites, without the knowledge or consent of the minors. In my reporting, I found websites dedicated to offering webcam videos of hundreds of girls and boys who had been duped into such performances. One that boasted of being among the largest such sites in the world was shut down only after I called for a comment from its credit card processor, Verotel – the same company advertising its services on the portals.

There is a business infrastructure for this part of the industry as well. There are people who make their living trolling the internet for children with webcams, luring them into sexual performances and selling the resulting pornographic videos. To aid such people in disguising their true identities, there is software available that allows anyone to make a recorded video appear to be a live webcam transmission. The result is that a middle aged man can portray himself as a teenage boy or girl, complete with the video needed to convince any doubters. In my reporting, I discovered a group of predators who took bets among themselves about how many online approaches it would require to convince a girl with a webcam to take off her clothes, with the resulting recorded video shared among the bettors. By the time I located this group, they had played their game dozens of times; they never failed to convince the target to strip.

To aid in their hunt for adolescents, these adults again use legitimate businesses. Justin explained how predators used [spotlife.com](http://spotlife.com) to find him.

Numerous listings of children – including sites such as myspace.com and buddypic.com – are now the favored sites, the virtual Sears catalogue for pedophiles. Using these sites in combination, predators can search for children by age, location and sex. They can obtain enormous amounts of identifying data, including whether a child operates a webcam. I have witnessed conversations among child predators online, where they discuss the latest minor located from these sites. Often, predators share information obtained from the minor – both from site postings and from direct conversations. Even social networking sites that boast of being “safe” engage in reckless behavior, requiring personal data from minors before allowing access to their sites – reinforcing the children’s false view that providing such information is harmless.

When I explained how predators used these systems to producers for Oprah Winfrey, they asked me for a demonstration. We limited my search to minors within 20 miles of my location – meaning, if I was a pedophile, I could personally meet these minors within the hour. The producers timed me. It took only one minute and thirty seconds before I was in direct contact with a 16 year old girl. By that time, I knew her name, address, school, plans for the evening and other identifying information, including her younger sisters’ names and ages. We repeated the test, searching for a boy with a webcam within the same distance. I was in contact with a 14 year old in two and a half minutes. In both instances, I told these minors what I was doing, and advised them not to speak with strangers online. Both replied, contrary to the obvious, that they never did.

From what I have witnessed, it is difficult to protect a child once he or she has accepted the predators as allies. They assist children – with strategy and money – in outwitting their parents, so that the shows can go on. And these predators are insidious. They advise the minors to claim they are over 18, suggesting that otherwise, the children might get in trouble. Then, when the predators are caught, they claim they were deceived by the child's often laughable claim to being an adult – even with children not yet in puberty.

Of course, as you see in Justin's story, there is the possibility that a child performing online will be molested. After my story, a university professor emailed me to complain that statistically, few viewers of child pornography become molesters. His argument, applied to this circumstance, is ludicrous. These are not instances where pedophiles are obtaining images of children they cannot identify. Here, a single child is being set upon by hundreds of predators, all in direct, daily contact. The entreaties to meet begin quickly. Numerous minors told me of predators pleading for meetings; more than a few agreed to go.

I have found oftentimes that adults react to these facts with incredulity. They cannot comprehend how a child could be so easily lured into pornography, or speak so readily to a stranger. The answer comes from an understanding of the environment where the minors find themselves. They are not being approached by a predator in the park. Rather, they are in their own homes, feeling safe. They feel comfortable on the internet, in ways we may not recognize. Internet communication has all of the elements of true social interaction, but remains shallow. So it is both socially fulfilling, and emotionally

non-threatening. There is no one else there, just a small, silent device nearby. There is a level of unreality about it, a simple lack of comprehension.

There also appear to be few protections. You have heard that the predators often laugh at federal law enforcement. They believe arrest is rare, and prosecution followed by jail time even rarer. I was dumbfounded by the willingness of online pedophiles to identify themselves, to publicly discuss their crimes. But what became obvious, as I disclosed in my article, is that our federal law enforcement effort to combat this threat appears to be hobbled by fractured responsibilities, bureaucratic mindsets, and a simple inability to respond.

In interviews with law enforcement personnel around the country, I repeatedly heard of frustrations about CEOs serving as an impediment to the aggressive pursuit of criminal cases. For example, one prominent law enforcement official told me that CEOs often makes arguments against bringing cases in child pornography cases that would embarrass a defense lawyer.

I saw the reasons for this aggravation in Justin's case. From the time that the government was notified of Justin's information to the point where the children in direct danger were saved, more than 50 days passed. Efforts by Justin's lawyer to push the government into action were met with silence. Requested subpoenas were not issued for weeks, delays were imposed because bureaucratic approvals were being sought from people on vacation. Important data offered to the government by Justin has, even at this late date, not been collected and has only been reviewed by me. As for the material that the government did collect, weeks past before a forensic computer specialist could

examine it – about average for the Justice Department. Some people identified as perpetrators literally could not get themselves arrested if they tried: As I reported in the Times, one of these potential defendants, Justin’s father, who at the time lives in Mexico, attempted through his lawyer to turn himself in at American consulate in Mexico City. I personally witnessed a conversation where Justin was informed that CEOS had held that this potential defendant could not be prosecuted because, even though he was playing a role in broadcasting child pornography into the United States, he did so from across the border.

The problems spread throughout the government. For example, agents with Immigration and Customs Enforcement (ICE) had for months been investigating a child rapist who had separately been identified to CEOS by Justin as one of his molesters; indeed, Justin possessed video evidence of the crime. These ICE agents at the time were unknowingly searching for Justin, whom they knew solely as a boy from Bakersfield who they suspected had been abused by this serial molester. Those agents heard four months after Justin’s meeting with CEOS that the boy they were searching for was already a federal witness. But that information was not passed to them by CEOS; instead, they learned it from me, a newspaper reporter, in the course of an interview.

Justin Berry stepped forward at a time the government did not know he existed. He is, to experts’ knowledge, the first such teenage witness to ever turn over this kind of vast evidence to the government. Given the way his case was handled – including the meager results -- it is hard to imagine other teenagers wrapped up in this world will risk their freedom or safety to follow in his footsteps.

Each year, each week, each day, predators are becoming more sophisticated with computers, facilitating the growth and evolution of online child pornography. My reporting has shown me, we are woefully behind. Thank you.