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'ITINERANT LONER' WAS MASTERMIND BEHIND GLOBAL CRIMINAL MARKETPLACE

A British passport holder is facing jail for masterminding one of the most pernicious online criminal websites in the world. It is estimated that the site, DarkMarket, enabled criminals to collaborate on deals which caused losses worth tens of millions of pounds. So far around 60 arrests linked to DarkMarket have been made worldwide.

Renukanth Subramaniam, 33, who used the online nickname 'JiLsi', pleaded guilty to conspiracy to defraud at Blackfriars Crown Court and has been remanded in custody for sentencing. SOCA contended that he set up DarkMarket in November 2005. The forum provided a sophisticated, invitation-only service for criminals to buy and sell compromised credit card information and anything else they needed to commit financial crime.

Facing charges alongside Subramaniam was John McHugh, 66, known online as 'devilman'. McHugh reviewed new members for DarkMarket and also pleaded guilty to conspiracy to defraud.

The virtual nature of DarkMarket meant that members would rarely, if ever, meet in person or know each other's real identity. After years of working together, the first time Subramaniam and McHugh met face to face was in the Blackfriars dock in the summer of 2009.

The case against them was brought after an international investigation, involving SOCA, the FBI and the United States Secret Service, resulted in DarkMarket being closed down in October 2008. The site had been infiltrated by undercover officers

and by the time it closed down one of them, an FBI agent using the online nickname MastrSplyntr, had become the most powerful individual in the forum.

Key to the case against Subramaniam and McHugh was proving the link between the individuals and the virtual personas of JiLsi and Devilman. Subramaniam was under surveillance by SOCA and covert footage shows him accessing the DarkMarket site under the name of JiLsi at the Java Bean internet café in Wembley, which he used as the base for his activity. He was also filmed outside the café exchanging credit card lists for cash. When McHugh's Doncaster home was searched a counterfeit credit card factory was uncovered with details of 2,000 cards and a whole suite of images and logos.

Sharon Lemon, Deputy Director of SOCA, said:

“Subramaniam was a loner with a modest lifestyle. He owned three houses but was largely itinerant, moving around between the homes of friends and family members and never staying in one place for long.

“The key to investigations of this sort is finding the evidence to connect the online persona with a living breathing person. Subramaniam went to great trouble to hide his activity. He seems to have thought that carrying data around on memory sticks and using internet cafes would somehow protect him from scrutiny. He was wrong.

“A financial investigation is underway into the money these men made from their crimes. It's hard to put a figure on the sums involved now, but we believe that Subramaniam suffered a personal loss of £100,000 in one go linked to deals on a single lost memory stick. SOCA is determined to recover what it can from them. Things don't end with a conviction.”

Sites like DarkMarket are closely guarded and inaccessible to most web users. They protect themselves by operating on an exclusive membership basis, and by invitation only. Darkmarket's success depended on its reputation for being a safe, profitable and professionally-run forum, and to protect this there were strict rules: no drugs, guns or counterfeit currency, all of which would have risked unwanted attention. It offered an arbitration service for resolving disputes between members and an escrow service to ensure criminals did not double cross one another over deals. It also provided training in fraud techniques, including online bank account takeovers and money laundering. There was a business-like hierarchy, with an elite core in the

management positions. Further down the hierarchy, reviewers would assess potential new members for suitability. At the bottom end of the ladder, new members would have to prove their criminal credentials and ability before they were accepted as full members.

In October 2006 DarkMarket membership exceeded 2,000 online identities. Individual members would commonly use several different identities to protect themselves in case one lost its credibility and undermined their ability to trade with other criminals.

Notes to Editors

Renukanth Subramaniam. Born on 26/09/1976 in Colombo, Sri Lanka. Entered the UK on 05/04/93. During the investigation he had no fixed address but frequented friends and family's premises. His employment history includes working for Pizza Hut and a dispatch company.

John Michael Francis McHugh. Born on 24/07/1943. A retired man who lives with his common law wife in Doncaster.

For more information contact the SOCA press office on 0870 268 8100