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Russian Man Pleads Guilty to Largest Ever U.S. Cyber Heist

By The Moscow Times

September 16, 2015



A Russian man pleaded guilty on Tuesday to involvement in what authorities called the largest computer hacking scheme ever prosecuted in the United States, compromising more than 160 million credit card numbers and causing more than $300 million of losses.

Vladimir Drinkman, 34, admitted to conspiring to illegally access computers and conspiring to commit wire fraud before Chief Judge Jerome Simandle of the federal district court in Camden, New Jersey, federal prosecutors said.

Drinkman was accused of working with four other defendants as far back as 2003 to install "sniffers" designed to comb through and steal data from computer networks of financial companies, payment processors and retailers. Prosecutors said the defendants then used an array of computers to store and ultimately sell data they collected.

Sixteen companies' networks were infiltrated, including those of Nasdaq OMX Group Inc, 7-Eleven, France's Carrefour SA, JC Penney Co, JetBlue Airways Corp, a Visa Inc licensee, and

Heartland Payment Systems Inc, prosecutors said.

Drinkman, of Moscow and Syktyvkar, Russia, faces up to 30 years in prison on the wire fraud conspiracy count when he is sentenced on Jan. 15, 2016.

He may get a lesser term reflecting his "recognition and affirmative acceptance of personal responsibility," according to his plea agreement. Nine other criminal charges were dismissed.

"Defendants like Vladimir Drinkman, who have the skills to break into our computer networks and the inclination to do so, pose a cutting edge threat to our economic wellbeing, our privacy and our national security," U.S. Attorney Paul Fishman in New Jersey said in a statement.

Florian Miedel, a lawyer for Drinkman, did not immediately respond to requests for comment.

The defendant has been in U.S. custody since his extradition from the Netherlands, where he was arrested in June 2012.

Another Russian man implicated in the scheme, Dmitry Smilianets, 32, is also in U.S. custody after pleading not guilty to all charges he faced in August 2013.

Still at large are Alexander Kalinin, 28, of St. Petersburg, Russia; Roman Kotov, 34, of Moscow; and Mikhail Rytikov, 28, of Odessa, Ukraine.

Drinkman and Kalinin were previously been charged as "Hacker 1" and "Hacker 2" in a 2009 indictment accusing Albert Gonzalez of Miami over his involvement in five corporate data breaches. Gonzalez is serving a 20-year federal prison term.

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