

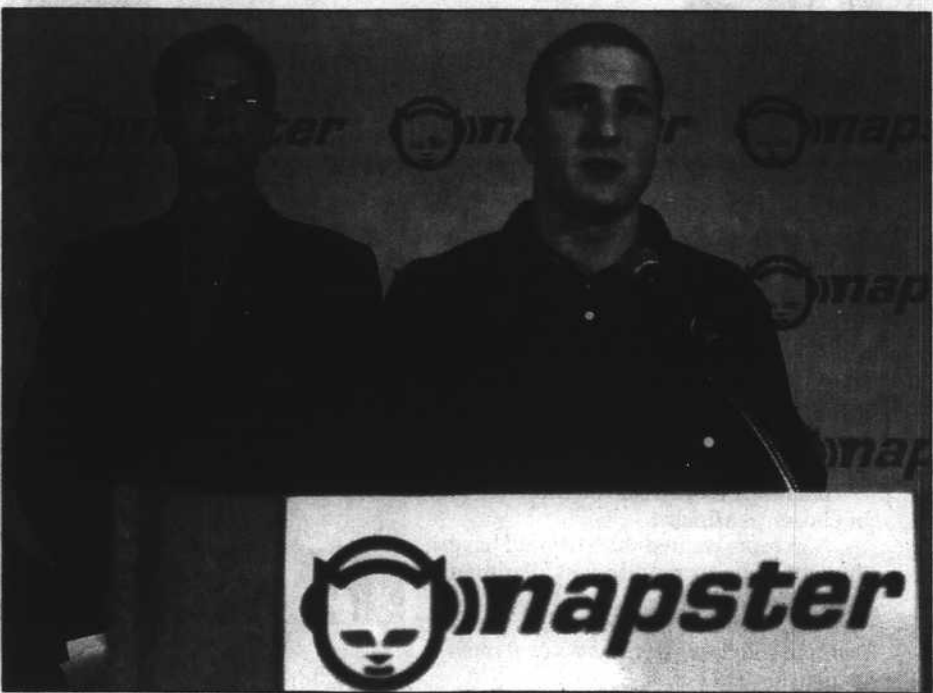
Napster's trading days may be numbered

The Internet music-swapping company has vowed to fight the federal court's copyright infringement ruling.

THE ASSOCIATED PRESS

SAN FRANCISCO — Napster Inc.'s free Internet file-swapping experiment was imperiled Monday by a federal court's decision that the company must halt what millions have come to enjoy: the unrestricted sharing of copyrighted recordings. Though Napster vowed to fight the ruling by the 9th U.S. Circuit Court of Appeals — and its latest bankroller Bertelsmann AG vowed continued support — the free-for-all of music sharing via the Redwood City company may only last a few more weeks. Favoring the music industry, the three-judge panel found that "Napster has knowledge, both actual and constructive, of direct infringement" of copyrights. The industry said nearly 90 percent of the music traded using Napster's servers as a clearinghouse was pirated. The panel sent the case back to U.S. District Judge Marilyn Hall Patel, asking her to fine-tune her July injunction ordering Napster to shut down. The panel said the recording industry "would likely prevail" in the suit, a landmark in the dawning, uncertain age of digital entertainment distribution. "It's time for Napster to stand down and build their business the old-fashioned way," Hillary Rosen, president and chief executive of the Recording Industry Association of

America, said during a press conference later in Washington. "They must get permission first." Napster CEO Hank Barry said the company would appeal to a larger panel of the Ninth Circuit and called on Napster users to lobby Congress. In a 58-page opinion, the appeals court judges directed the company to cut off users who trade copyrighted songs in the MP3 format that Napster has helped make the de facto standard for digital music. Napster has argued it is not to blame for its subscribers' use of copyrighted material, citing the Sony Betamax decision of 1984, in which the U.S. Supreme Court refused to hold VCR manufacturers and videotape retailers liable for people copying movies. But the appeals court said no such protection extended to Napster because the company clearly knew its users were swapping copyrighted songs. The appeals panel said Napster may be liable if it does not actively prohibit its users from swapping protected material. Rather than placing the entire burden on Napster, however, the court said the recording industry must warn Napster that copyrighted work was on the service before the company was found liable. The judges did not specify what kind of sanctions Napster might face. Copyright attorney Larry Iser said the order means the industry must provide a detailed accounting of what titles it wants Napster to remove from its search index, a move that is likely to doom Napster. Napster attorney David Boies, in an earlier filing with



Napster founder Shawn Fanning, right, attends a press conference Monday held at the Hyatt Hotel in San Francisco as Napster attorney Jonathan Schiller stands behind him. The 9th U.S. Circuit Court of Appeals ruled that Napster must stop trading copyrighted material, which could close Napster's service.

the appeals court, said it was technologically impossible for the company to abide by such an order, however. Napster can stay in business until Patel retools her injunction. No hearing date has been set. Even after the panel's decision, thou-

sands of Napster users were still trading music files on just one of the company's more than 100 servers. The five largest record labels — Sony, Warner, BMG, EMI and Universal — sued as soon as Napster took off, saying it could rob them of billions of dollars in profits.

Bush: Military funds should get increase

THE ASSOCIATED PRESS

FORT STEWART, Ga. — President Bush, in his first trip with all the trappings of commander in chief, told U.S. soldiers Monday that "America is not serving you well" and promised morale-boosting pay increases, better housing and health care. "I'm proud to lead you," Bush told hundreds of soldiers and their families. "And I'm committed to serve you." It was a day filled with firsts for the new president: his first major trip as president, his first flight aboard the Boeing 747 Air Force One and the first official playing of "Hail to the Chief." It was the first of four presidential trips this week designed to promote Bush's national security policies. Bush reviewed the troops with Defense Secretary Donald Rumsfeld — the president's steps keeping time with a military hymn, battle flags dipping as he passed each unit. The president later visited cramped quarters and ate lunch with the troops. He announced a \$310 billion proposed Pentagon budget for 2002, up \$14 billion from the current figure. White House spokesman Ari Fleischer said \$5.7 billion of the new money will improve the quality of life for troops; the rest will help other projects keep pace with inflation. Going to the troops: Pay increases, with \$1.4 billion given to the Pentagon to decide how to divide it. The increases would come atop the 4.6 percent across-the-board pay hike in the current budget. Health benefits, with \$3.9 billion set aside to eliminate most deductions and fund a mail-in pharmacy. \$400 million to improve military housing.

Terrorism Act raises protests

The possible targets of the British legislation argue that it might not be limited to international violence.

THE ASSOCIATED PRESS

LONDON — Anti-terrorist legislation that comes into force next week in Britain is hailed by the government as a powerful weapon against international violence. But opponents say the law will stifle dissent, whether on the Internet or in slogans on a T-shirt. The Terrorism Act empowers Britain to outlaw groups that commit violence abroad and to crack down on supporters who channel funds and recruits to terrorist organizations. Potential targets are already reacting sharply. "It's goodbye to the peace talks" if Britain bans the Tamil Tigers, London-based spokesman Anton Balasingham was quoted as saying in a Tamil-language newspaper published in Sri Lanka. Closer to home, an animal rights activist complained that activists who release beagles raised for experiments will have fewer rights than murderers. Governments have pressed the British to outlaw such organizations as the Tamil Tigers, Hamas and the Kurdistan Workers' Party. The Home Office won't say which groups will be banned. It plans to issue a list after the Terrorism Act takes effect Feb. 19. Existing counter-terrorist legislation applies to Northern Ireland — largely rushed into effect in 1974 after Irish Republican Army pub bombs killed 19 people in Birmingham.

Unlike the United States, Britain does not maintain a list of foreign organizations banned from operating on its soil. "London has, let's face it, been a base for groups exploiting the freedoms of this country," said Paul Wilkinson, director of the Center for the Study of Terrorism and Political Violence at St. Andrew's University. Under the new law, Neil Durkin of Amnesty International said, "the British government may come under intense pressure to 'silence' dissidents based in the U.K." Sri Lanka has called on Britain to outlaw the Tamil Tigers. Egypt has asked it to ban the Islamic Group, responsible for the 1997 attack in Luxor that killed 58 foreign tourists. Sheik Omar Bakri Mohammed, London-based leader of the militant Al-Muhajiroun, said the legislation would poison the relationship between British Muslims and the government. "I will support the new law if it is really against terrorist activity," Bakri Mohammed said. His group encourages young Muslim men to join armed struggles abroad. "But why is raising funds for Israel legal and raising funds for Muslims in Kashmir or Palestine illegal? The people who are going to be affected, besides the Irish, are the Muslims." Amnesty International said the law, which passed with all-party support, cast too wide a net. It broadened the definition of terrorism to include religious or ideologically motivated violence and acts, such as disruption of power or computer systems. It also forbids fund-raising for a

"I will support the new law if it is really against terrorist activity."

Sheik Omar Bakri Mohammed London-based leader of Al-Muhajiroun

banned group, possessing information "which is likely to be useful to terrorists," posting weapons-making instructions on the Internet, wearing a T-shirt promoting a banned group or speaking at a terrorist meeting. A suspected terrorist may be arrested without a warrant and detained for up to a week without charge. Amnesty International said the law may contravene the European Convention on Human Rights. The definition of terrorism was "vaguely worded and could be extended to include supporters of, for example, animal liberation or anti-nuclear campaigns and others," Amnesty said. Animal liberation militants — some of whom have resorted to bombing — fear the government will use the new law to crack down on their protests. Home Secretary Jack Straw, Britain's top law-enforcement official, has called protesters who attack staff at animal research laboratories "frankly evil." "The government is taking on American hysteria because it's taking on the American definition of terrorism," said Animal Liberation Front representative Robin Webb. "It's a sledgehammer to crack the proverbial nut."

Report claims China torture common

THE ASSOCIATED PRESS

BEIJING — To force a young woman to admit to prostitution, Chinese police officers stuffed a sock in her mouth and sexually assaulted her. In an east China labor camp, a prisoner died after beatings ordered by a guard. These cases were among dozens Amnesty International cited in a report Monday that said torture and ill-treatment of prisoners and detainees "is widespread and systemic" in China. The London-based rights group said the government was not doing enough to combat the problem. Those perpetrating abuses include not only police and prison officers, but also those outside the criminal justice system: business security guards who tortured and killed complaining customers, tax collectors, family planners,

neighborhood watch groups and even park attendants who beat a man with an electric baton for walking on the grass, Amnesty said. In southern China, birth control officials tortured 30-year-old farmer Zhou Jianxiong to death in 1998, beating and burning him and ripping off his genitals, to extract the whereabouts of his wife, whom they suspected of having an unauthorized pregnancy, Amnesty said. China's government said it opposed torture and was working to curb it. China's state-run media has, in recent years, been allowed a somewhat freer hand to report on police and official abuses of people not accused of political crimes, helping in some cases to bring perpetrators to justice. The labor camp official in east China who ordered colleagues to beat Chen Chungui to punish his escape attempt was sentenced to 10 years in jail in 1998 for causing his death, Amnesty cited a newspaper as saying. But it said Chinese laws against torture contain loopholes, abuses were rarely punished and torture to extract confessions "remains commonplace." State media also almost never reports allegations of abuse in political cases. "Torture in China remains a major human rights concern. The range of officials resorting to it is expanding, as is the circle of victims," Amnesty said in a separate statement. "The government has acknowledged for many years that torture is a serious problem but has done

little about it." Amnesty published the report less than two weeks before International Olympic Committee inspectors were to visit Beijing to assess its bid for the 2008 Olympic Games. Concerns over rights abuses contributed to Beijing's narrow loss in 1993 to Sydney for the 2000 Games. The banned Falun Gong spiritual movement said its followers have been widely targeted for abuse and torture in the government's relentless 18-month crackdown on the group. Falun Gong said 143 practitioners have died. A Hong Kong-based rights group said it has tallied at least 112 deaths. Amnesty said the government's denials that followers have been abused are unconvincing. There are few signs that allegations of wrongdoing have been thoroughly investigated, the groups said, which "may be interpreted as official acquiescence in torture and ill-treatment when it is undertaken during national priority campaigns." Widespread allegations of torture have also been reported in China's efforts to suppress separatist activity in Tibet and Xinjiang, regions with ethnic minorities that chafe under Chinese rule. Amnesty said Zulikar Memet, an ethnic Uighur in Xinjiang tried on separatism charges, was executed last June even after he showed the court missing fingernails extracted by torturers who he said forced his confession.

World/Nation

California Federal appeals court denies Unabomber chance at trial

SAN FRANCISCO — A federal appeals court denied Unabomber Theodore Kaczynski's bid for a trial Monday, saying he was not coerced into pleading guilty to three fatal bombings. Kaczynski, who entered his plea in January 1998 for a mail-bombing spree that killed three people and injured 23, had told the 9th U.S. Circuit Court of Appeals he felt pressured to plead guilty as a way to avoid being portrayed as mentally ill by his defense attorneys. Kaczynski had claimed a federal judge violated his rights by allowing his lawyers to use his mental condition as a defense and denying his request to represent himself. Kaczynski had wanted a trial even if it meant getting the death penalty, but was given a life sentence in exchange for his plea.

New York Clinton drops office deal, opts for cheaper space in Harlem

NEWYORK — After drawing fire for plans to spend \$800,000 a year to lease office space in midtown Manhattan, former President Clinton has abandoned the deal and is considering cheaper office space in Harlem, a spokeswoman said Monday. "He wanted to go to a place where he could be a good neighbor and be welcomed by the neighborhood as well," Julia Payne, a spokeswoman for Clinton's Washington transition office, said Monday. Payne said Clinton was looking at about 8,000 square feet on West 125th Street, the main thoroughfare of the neighborhood in upper Manhattan. Neither Clinton's office nor the building owner would comment on what the space might cost the former president. A proposed deal for office space on West 57th Street in Carnegie Towers, which would have cost about \$800,000, drew fire for its high cost. Like other ex-presidents, Clinton's post-White House office is paid for by taxpayers. Last week, Clinton volunteered that his philanthropic foundation would cover \$300,000 of the rent.

West Bank Palestinian gunmen threaten more violence after shootings

DHEISHEH REFUGEE CAMP, West Bank — Palestinian gunmen on Monday threatened to step up violence to wreck Israeli Prime Minister-elect Ariel Sharon's promises of security. Israeli soldiers killed two Palestinians in what witnesses called unprovoked shootings. In the Gaza Strip, Palestinians and Israeli troops fought a gun battle that wounded eight Palestinians and left dozens of others overcome by smoke bombs used by Israeli soldiers. Sharon has not yet taken office — he is still trying to form a coalition — but his advisers warned that once he was in power, Israel would retaliate more harshly than it has under his predecessor, Ehud Barak. Coalition negotiations between Sharon's Likud faction and Barak's Labor Party resumed Monday. The two sides agreed a joint government would only seek an interim accord, not a final peace deal.

New York Prince, New Power Generation to find new home on Internet

NEWYORK — Prince is offering fans access to his creative world — for a price. This week, the rock star is launching a new Web site, www.NPGMusicClub.com. Visitors can register to join the club, which will offer new music each month from his group, the New Power Generation, plus other perks. Those interested will have to pay \$7.77 a month. Fans willing to shell out \$100 a year can get VIP access to after-concert parties, a special edition of the album "Rave Un2 the Joy Fantastic" and more music. It's about the only way to get new Prince music these days. The reclusive singer has no record contract.

Weather

TODAY
Foggy
high 36, low 21
TOMORROW
Snow showers
high 25, low 27