Porn trolling mastermind Paul Hansmeier gets 14 years in prison

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A federal judge in Minneapolis has sentenced Paul Hansmeier to 14 years in prison for an elaborate fraud scheme that involved uploading pornographic videos to file-sharing networks and then threatening to sue people who downloaded them.

“It is almost incalculable how much your abuse of trust has harmed the administration of justice,” said Judge Joan Ericksen at a Friday sentencing hearing.

We’ve been covering the antics of Hansmeier and his business partner John Steele for many years. Way back in 2012, we started reporting on a law firm called Prenda Law that was filing lawsuits against people for sharing pornographic films online. Prenda wasn’t the only law firm filing these kinds of lawsuits, but Prenda came up with a novel way of ginning up more business: uploading the films itself, including some that were produced by Prenda associates.

A key part of the firm's strategy was to seek settlements of a few thousand dollars. The demanded sums were small enough that it cost less to settle the lawsuits than fight them. Prosecutors say that the men made more than $6 million from copyright settlements between 2010 and 2013.

Over time, judges became increasingly skeptical of Prenda's tactics. In one case, a judge threw out one Prenda-related lawsuit after it became clear that no one in the courtroom could explain exactly who the supposed plaintiff—an entity called Sunlust pictures—actually was. She described the lawsuit as an "attempted fraud on the Court."

As judges around the country dug into Prenda-related cases, they found more and more examples of apparent fraud. In another case, Steele and Hansmeier were accused of forging the name Alan Cooper, a man who served as a caretaker for one of Steele's properties. Cooper said he hadn't been consulted before being listed as the CEO of two Prenda-linked shell companies.

As the extent of the alleged fraud became apparent, judges began referring the pair to federal prosecutors. In 2016, the two men were arrested and charged with federal fraud, perjury, and money laundering.

The Minneapolis Star Tribune summarized the prosecutors' case: "When challenged by judges around the country, Hansmeier blamed other lawyers who were hired to file lawsuits on his behalf, lied to the courts about his own involvement, and ordered the destruction of evidence."

"The way he abused the court to line his pockets is outrageous," said federal prosecutor Benjamin Langner. "And when he got caught, his conduct got worse."

Steele pled guilty in 2017 and cooperated with the authorities. Hansmeier initially fought the charges but then accepted a plea deal last August.

The judge ordered Hansmeier to repay victims $1.5 million in restitution.

The Star Tribune says Hansmeier had little to say during the proceedings. “I’m looking forward at long last to put this whole mess behind me,” he said.

Hansmeier’s plea deal reserved the right to appeal an earlier ruling to the appeals courts, so his case isn’t quite over yet. The court is scheduled to sentence Steele next month. He is expected to get a lighter sentence thanks to his cooperation with the authorities.

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