

Online Piracy Global Perspective and Trends

Panama, April 2012

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IFPI

- IFPI (International Federation of the Phonographic Industry) represents the recording industry worldwide with some 1400 members in 66 countries and affiliated industry associations in 45 countries including Ukraine
- IFPI's international Secretariat is based in London and is linked to regional offices in Brussels, Hong Kong and Miami
- IFPI's mission:
 - Promote the value of recorded music
 - Safeguard the rights of record producers
 - Expand the commercial uses of recorded music



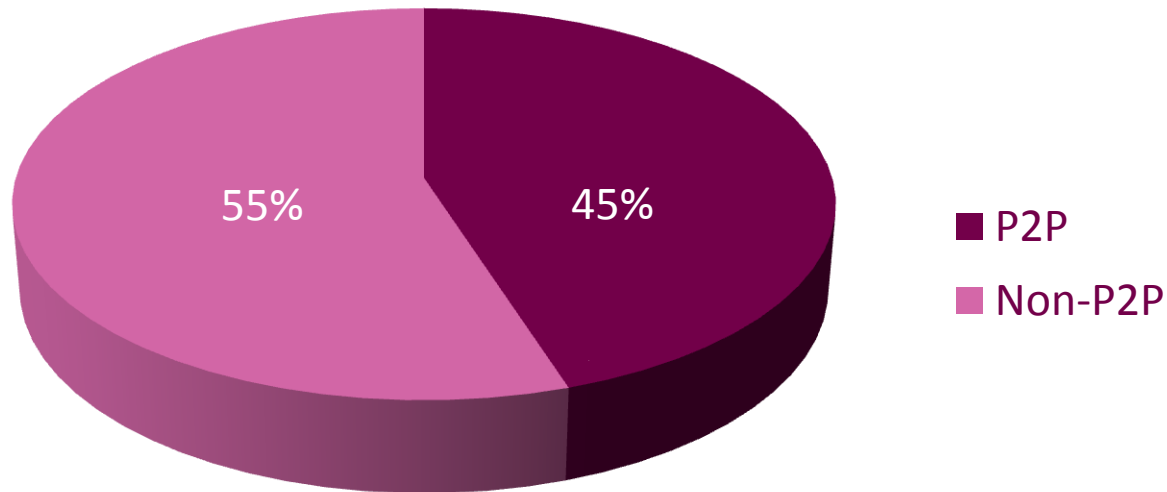
Overview

- Outline of the problem
- Current and future threats
- The industry's response



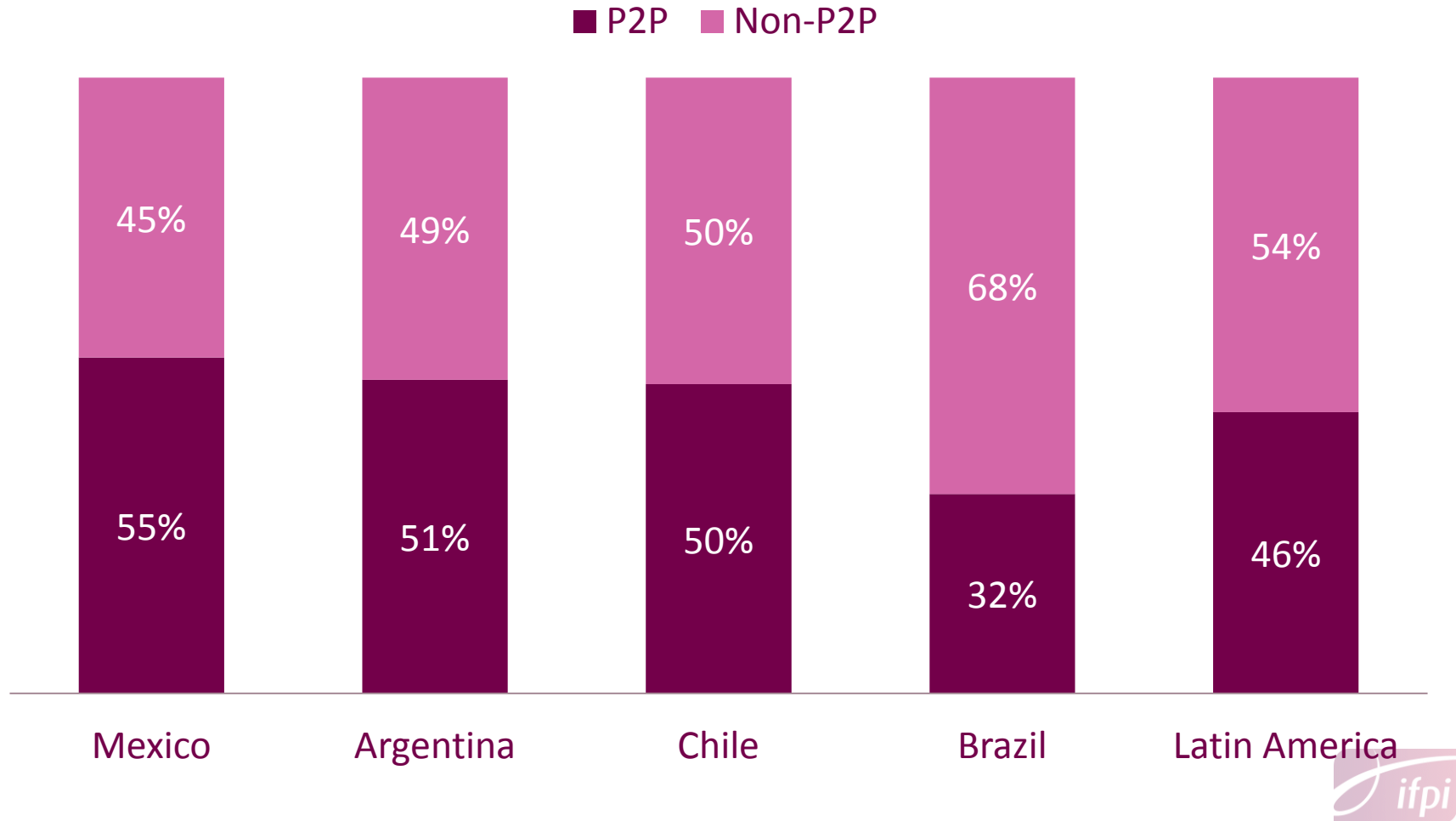
The Challenge

95% of music downloads worldwide unlicensed and illegal;
no revenue to artists or producers



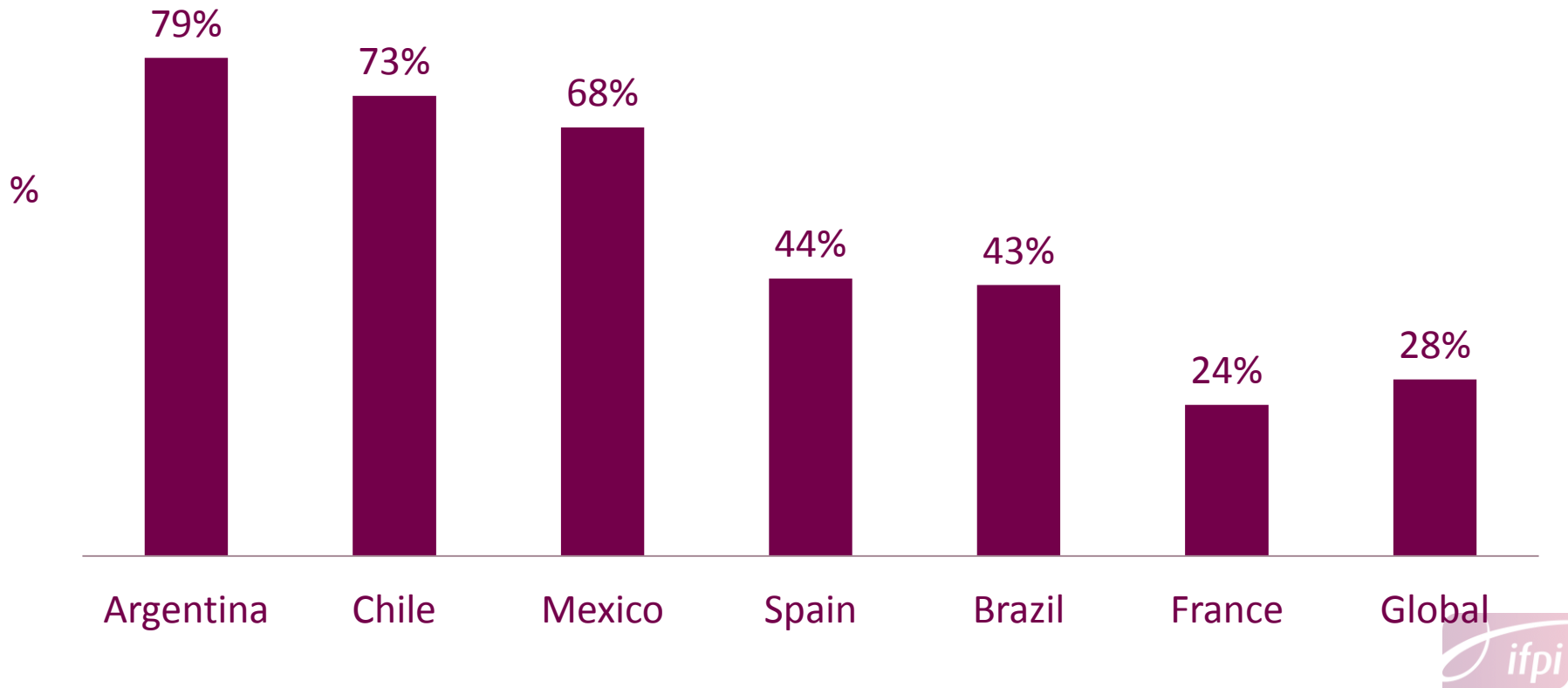
From the outside looking in

% of unlicensed users that access P2P and non-P2P services



From the outside looking in

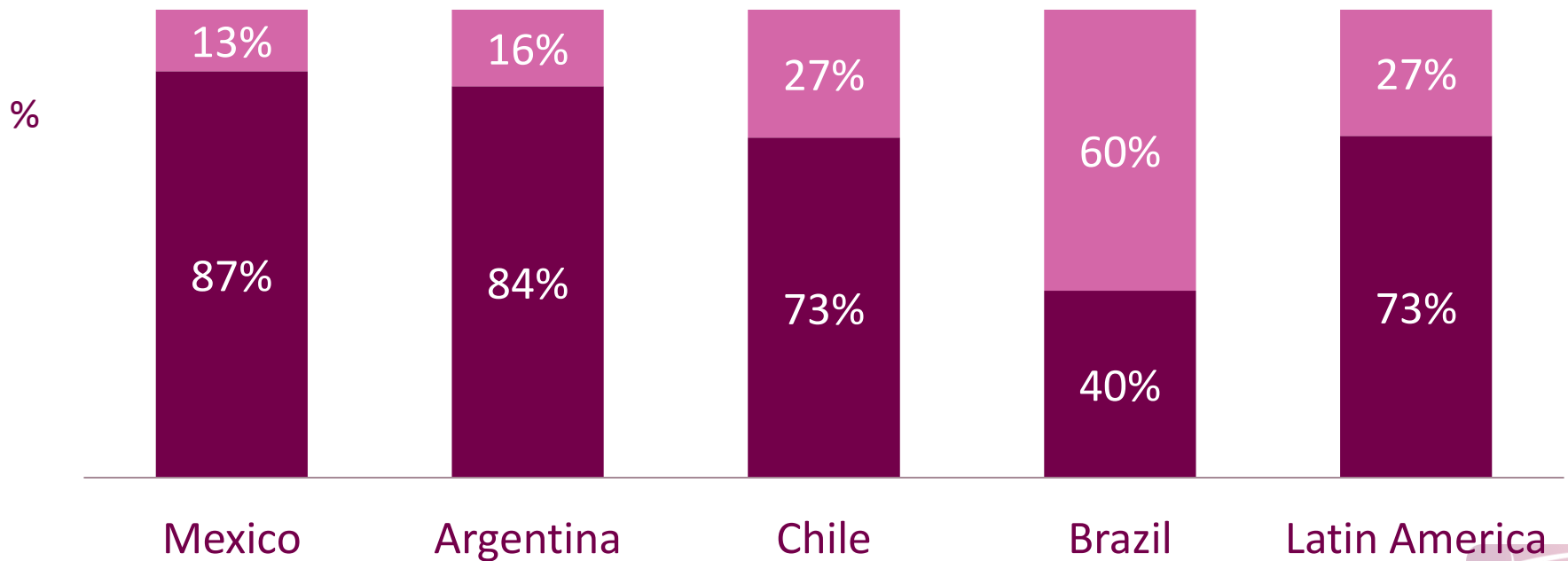
% on internet users accessing at least one unlicensed service (Feb 2012)



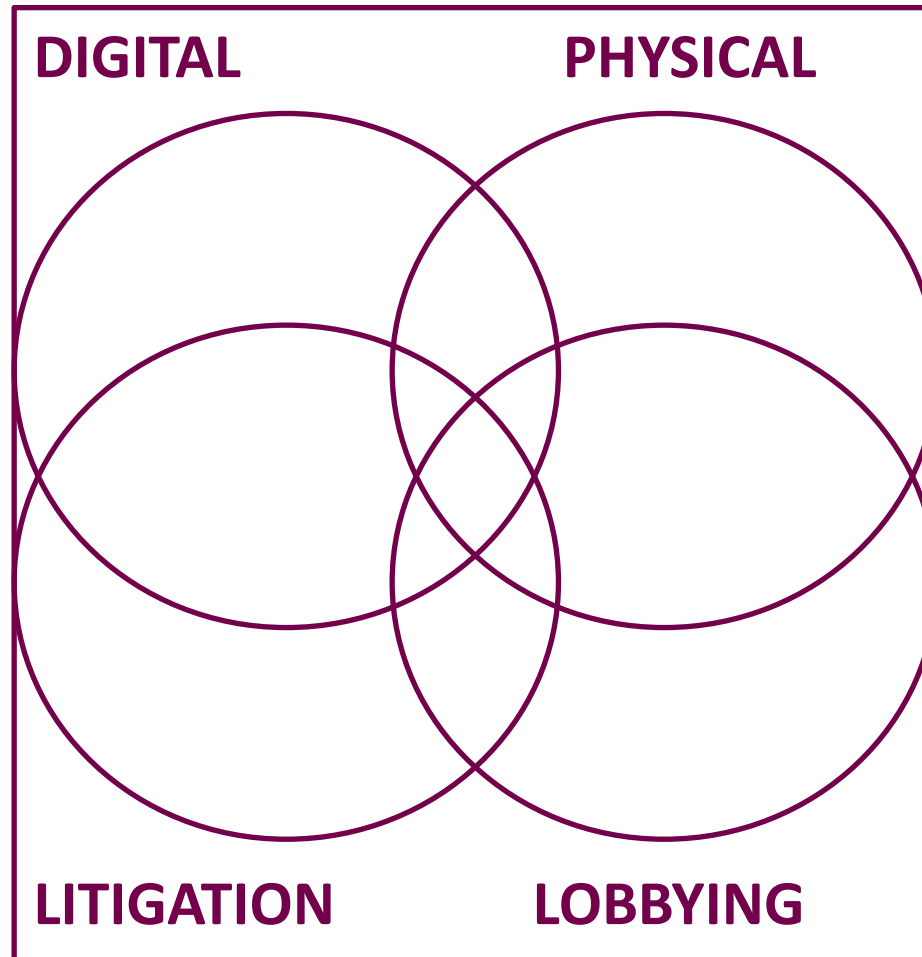
From the outside looking in

% of unlicensed users accessing BitTorrent and non-BitTorrent P2P services

■ Non-BitTorrent ■ BitTorrent



The Challenge



The threat, the challenge

- Peer to Peer (P2P)
 - Content held on end users' computers
 - Core Protocols:
 - BitTorrent
 - Gnutella
 - DirectConnect
 - eDonkey
 - Ares
 - Web sites, centralised hubs and trackers are core / fundamental parts of file distribution architecture
- Non Peer to Peer
 - Content held on central server resources
 - Structured infrastructures
 - Move to “The Cloud”
 - Move towards the “Business Criminal”



The threat, the challenge

- Non Peer to Peer (P2P)
 - Hacking / Phishing
 - Release Groups / Top Sites / Pre-release
 - Blogs / Forums / Cyberlockers / Link Aggregators
 - Direct Download Sites and Deep Lining Sites
 - Social Networking Sites
 - Streaming and UGC Sites
 - Newsgroups / USENET
 - Mobile Data Networks
 - Proxies / Commercial Virtual Private Networks



Hacking / Phishing

- Email accounts of management and artists targeted
- Bogus emails sent pretending to be from email/cyberlocker/social networking provider
- Using the password reset function to access account – most common security questions, place of birth or mother's maiden name
- Once compromised account monitored, locked out or emails forwarded to another account
- Trojan files can lead to RAT (remote access tool) software being installed – PC only



Mobile

- Illegal downloading and sharing of content across the mobile data network but also across wireless roaming
- Current generation mobile devices have similar Internet functionality as PCs; net based integration increases productivity
- Standard browsers facilitate download and streaming from 'traditional' sources
- Many 'specialist' PC applications ported to mobile environment; Apple and Android architectures in particular encourage 3rd party development



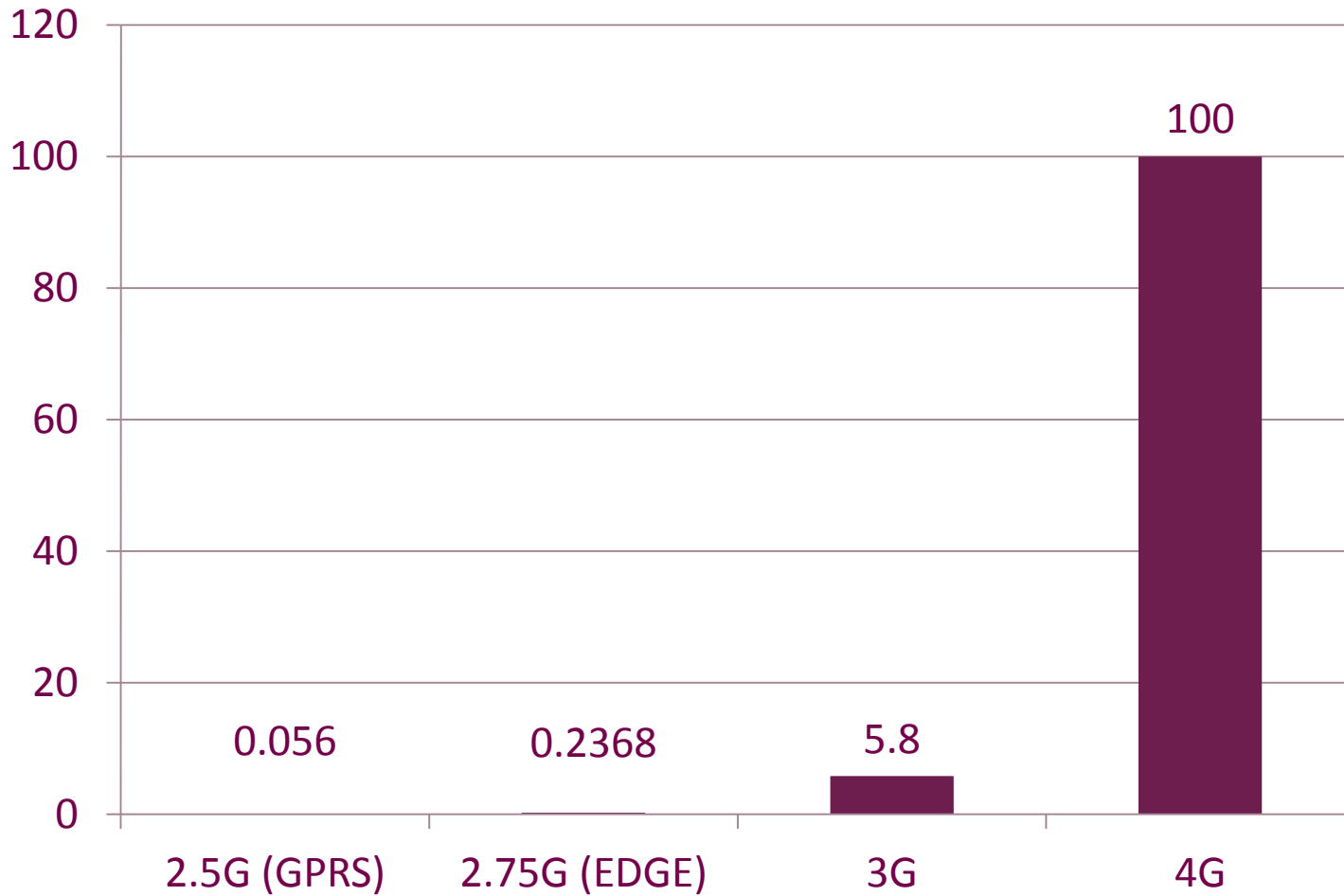
Mobile

- Gartner: By 2025 the number of mobile connections worldwide will reach 50 billion
- Gartner: 100% per year growth on mobile devices
- Morgan Stanley: By 2015 more people will connect to the Internet via mobile devices than via desktop PCs
- All you can download monthly plans fuelling problem although TelCos starting to see bandwidth saturation
- ‘Challenges’ in matching IP address to subscriber

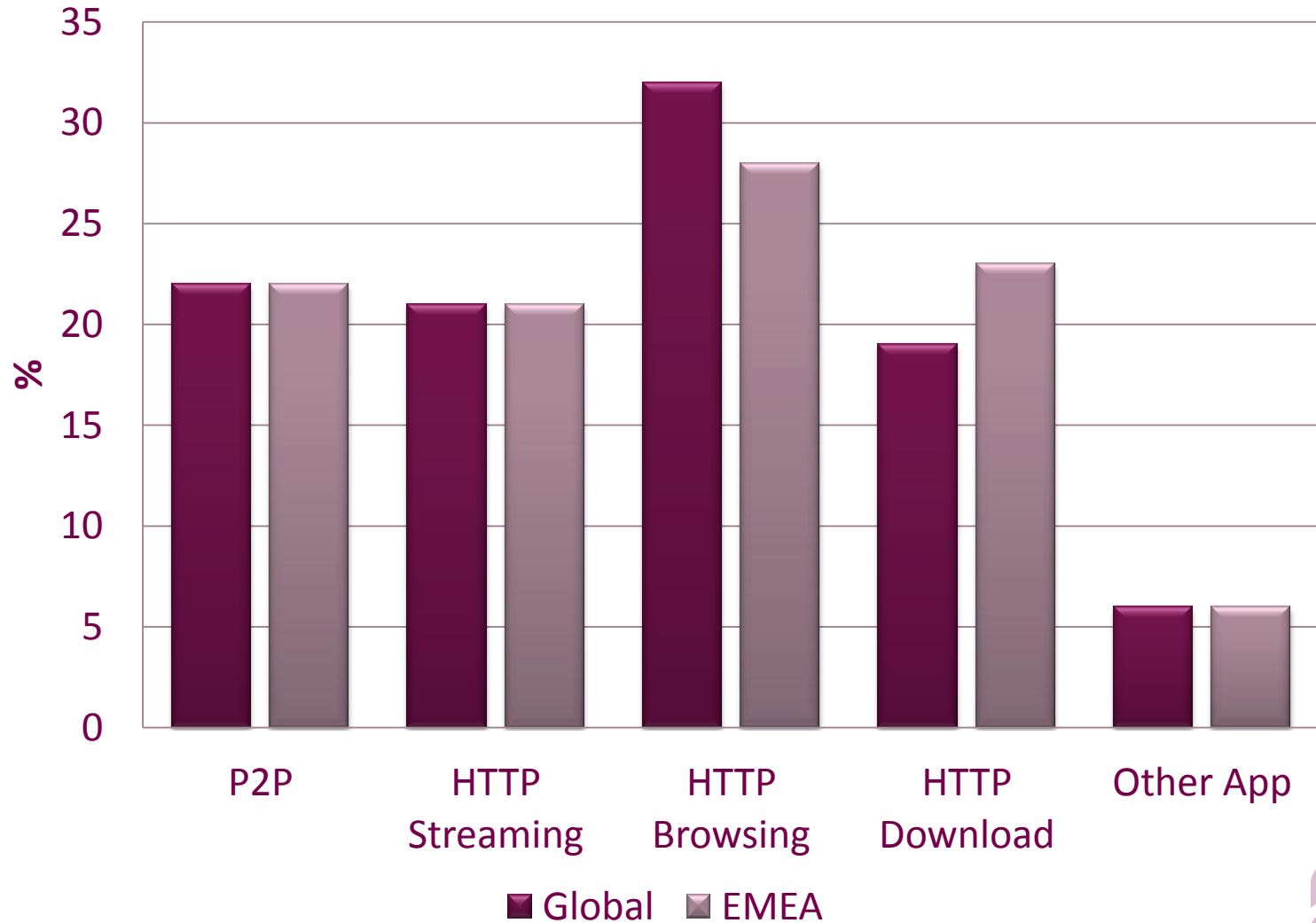


Mobile

Potential Connection Speed (Mbps)



Mobile



Mobile

- Crawling of Apple App Store and Google MarketPlace
- Focus on quick take down agreements with app stores; Apple, Google, Microsoft, Nokia (IFPI Finland) and Palm
- Close liaison between RIAA, IFPI and National Groups
- Possible expansion of payment provider programme to target 'rogue' – typically Android – app developers
- Given browser focus of user activity, ensure content source impacted via notice and takedown programme



Cloud

- Wikipedia: Cloud computing describes computation, software, data access, and storage services that do not require end-user knowledge of the physical location and configuration of the system that delivers the services;
- Provides cheap, dynamic and expandable computing power
- New level of service providers i.e. cloud providers added to the equation with regards to securing evidence, potential litigation and notice and take down
- More commonly the term Cloud is used to described centrally located, Internet based resource i.e. Processing, storage, redundancy



Cloud



fileserve

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Just choose a file, click the "Upload" button and share the download link to your friends.



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HULKSHARE BLOG

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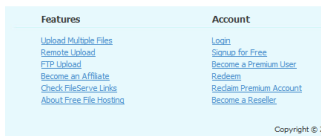
Welcome to HulkShare

Simple file hosting service for musical artists who upload and share their multimedia over the web.

Young Sam [@samright@ther](#)
Hulkshare offers fun free promotion for my music and for other artists. I support the hulkshare movement! #razzy4rk

DJ Lazy K [@djk](#)
As a DJ and producer for Lazy K Productions, we use HulkShare to both promote our artist's music and to send beats and samples to other producers across the globe.

Sign-up now and start making money! Sign-up



hotfile

News Upload Premium

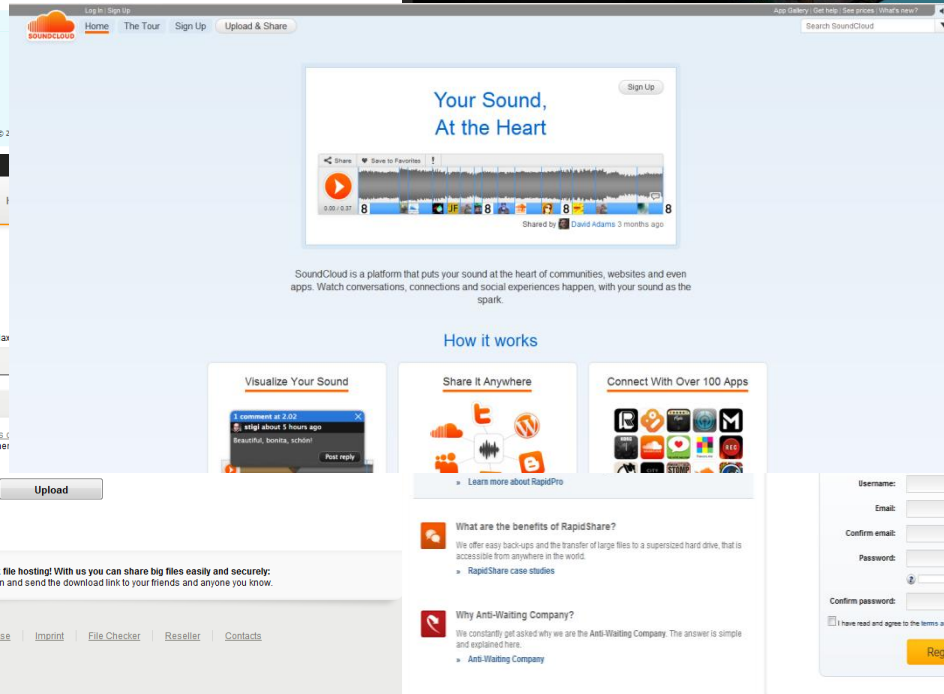
Features

- Upload Multiple Files
- Remote Upload
- FTP Upload
- Become an Affiliate
- Check FileServe Links
- About Free File Hosting

Account

- Login
- Signup for Free
- Become a Premium User
- Reclaim
- Reclaim Premium Account
- Become a Reseller

Copyright © 2011



Log In Sign Up

Home The Tour Sign Up Upload & Share

Your Sound, At the Heart

Sign Up

8

Shared by [David Adams](#) 3 months ago

SoundCloud is a platform that puts your sound at the heart of communities, websites and even apps. Watch conversations, connections and social experiences happen, with your sound as the spark.

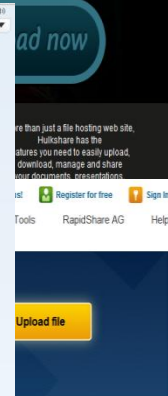
How it works

- Visualize Your Sound
- Share It Anywhere
- Connect With Over 100 Apps

What are the benefits of RapidShare?

Why Anti-Waiting Company?

Username: Email: Confirm email: Password: Confirm password: Register now



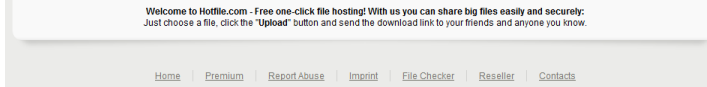
ad now

More than just a file hosting web site, Hulkshare has the features you need to easily upload, download, manage and share your documents, websites, photos, music, etc.

Register for free Sign In

Tools RapidShare AG Help

Upload file

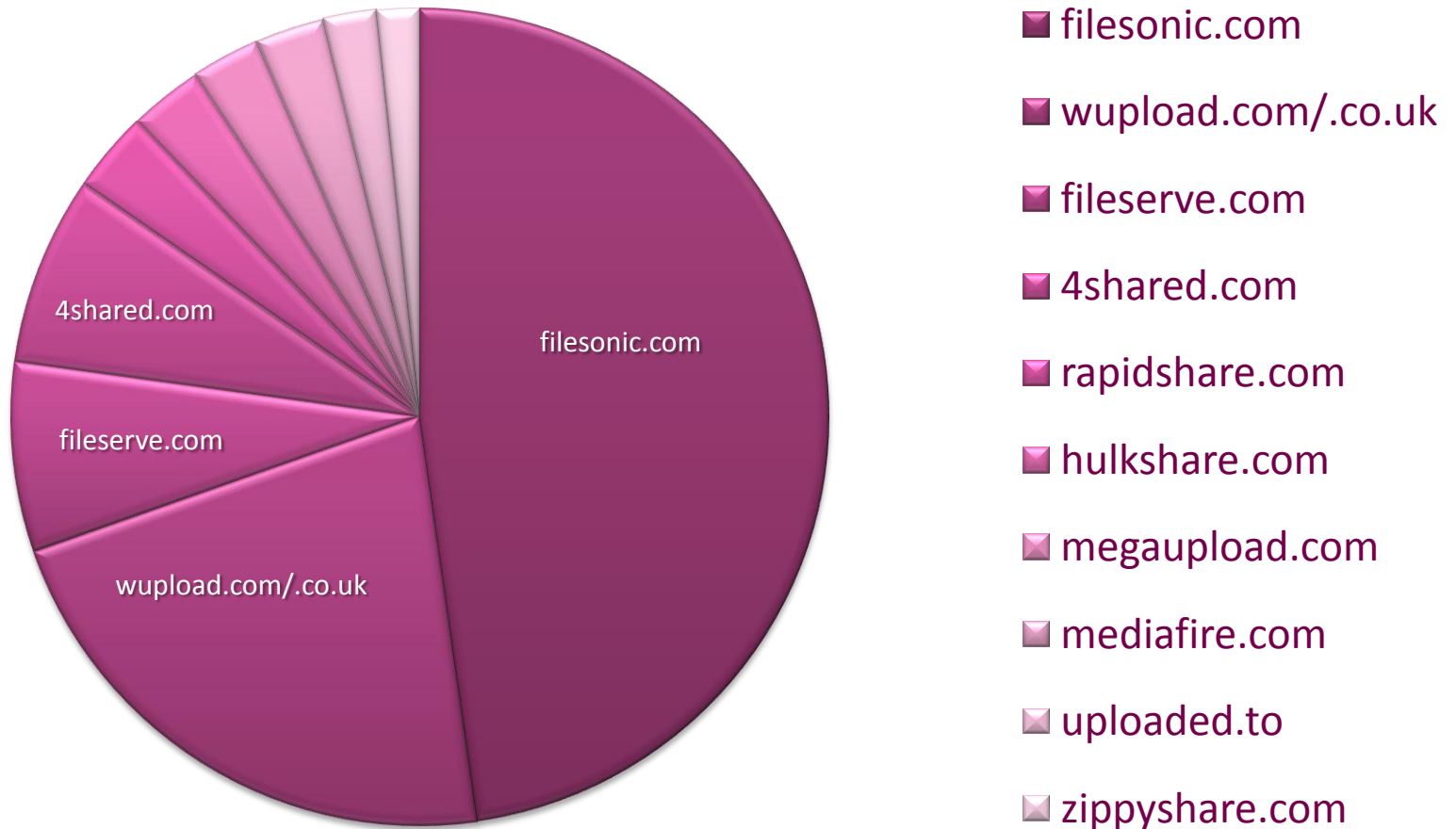


Welcome to Hotfile.com - Free one-click file hosting! With us you can share big files easily and securely. Just choose a file, click the "Upload" button and send the download link to your friends and anyone you know.

Home Premium Report Abuse Imprint File Checker Reseller Contacts



Locker Landscape – Pre Megaupload 2011 Totals (Top 10)



236 lockers were tracked in 2011, the top 10 lockers accounted for 75% of infringing URLs found

Stats source: IFPI's Internet Anti-Piracy System



Cloud

- High volume notice and take down; automated reporting and takedown
- Online services that distribute or facilitate access to content:
 - preferably, proactively filter for infringing content
 - if not, operate an effective and efficient notice and take down system
 - Otherwise; shut down

- **Licensing v Anti-Piracy**

Strictly Privileged and Confidential



The Business Criminal

- Designs a business model around piracy
- Designs, hosts and structures in such away to maximise 'up' time; this includes manipulation/anonymization of Domain Name Service and Whois records and exploitation of weak laws and/or legal loopholes
- Maximise revenue with secondary hosting and advertising deals in addition to any direct i.e. paid for downloads or contributions revenue



The Business Criminal

- It used to be about the kudos of being the first to obtain and leak content
- Growing trend around ‘leaking for profit’; either monetary or reputation
- As release protection procedures have been improved and content reviewed digitally the source i.e. Artists, labels, management, producers is being targeted
- Risk for targets goes beyond loss of un-released content



Russian / Ukrainian download sites

- Websites distributing unlicensed sound recordings via download for payment
- 50 + such sites identified
- Music albums sold for as little as Euro 0.64 cents
- Have the appearance/interface of being legal
- **Allofmp3** – at its height – second only in popularity to iTunes
- UK/US facing, in English and tailored to the UK/US market





In Excess of 50 Russian/ Ukrainian Download Sites

E-mail
Password
[Forgot your password?](#)

3fiesta.com

by artist
A B C D E F G H I J K L M N O P Q R S T U V W X Y Z

Download manager

Premium Membership

Soundtracks

Top Billboard

Search

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10 CENTS.

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[Sigh No More](#)

Unheilig
[Freiheit](#)

Westlife
[Gravity](#)

Add funds

** It's safe to pay with us. All transactions are processed via [SSL](#).

Select payment method:



Proceed

Compilations Genres

Monster [CD 1]

Type: Album
Year: 2009
Duration: 34:10
Size: 64,11 Mb
Tracks: 263
Price: €0.64 (discount 20%)

Do you want to download this release?
Pay by your phone!

Details...

Download album as ZIP archive

Album Price
Euro 0.64

- Kick-Ass
2010, Action
- Cop Out
2010, Crime
- The Twilight Saga: New Moon
2009, Drama
- Its Complicated
2009, Comedy
- Up
2009, Family
- MacGruber
2010, Comedy

DOWNLOAD HIGH-QUALITY MOVIES HERE - >>



Bad Romance (single)
2009, Single/EP

Gaga Mash Up

Tracklist

	Title / Artist	Duration	Bitrate	Size (Mb)	Price	Download
1	Bad Romance Lady Gaga	04:55	263	9,22	€0.10	
2	Alejandro Lady Gaga	04:34	252	8,23	€0.10	
3	Monster Lady Gaga	04:10	255	7,58	€0.10	
4	Speechless Lady Gaga	04:30	270	8,71	€0.10	
5	Dance In The Dark	04:15	245	7,45	€0.10	

Russian / Ukrainian download sites

A partnership approach has been fundamental to our success to date



(Economic Crime Unit)



CTIA
Monitise
PaySafeCard
PhonePayPlus



IFPI Members



The Law



The wider benefits that the program provides

- Law enforcement have secured evidence that the illegal sites are annually stealing hundreds of millions of dollars hence the program is therefore of the utmost importance to the global recording industry
- Creating opportunities for further linked LE investigations such as money laundering and tax evasion
- It removes a revenue stream from organised crime which would undoubtedly be reinvesting the funds into other serious crime
- It creates skill exchange opportunities between the public and private sector



Next steps

- Engage other payment providers
- Evaluate criminal profit / loss to industry
- Recover proceeds of crime
- Together with the City of London Police engage with Interpol to scope out the next international steps:
 - Launch the initiative in other countries
 - International asset confiscation coordination
 - Engaging with the international financial services sector to secure their cooperation in the partnership approach



Advertising

- Disruption of revenue streams
- Structured notice and take down programme targeting Google's AdSense and DoubleClick advertising networks
- Out reach to IASH and IAB to implement comprehensive infringing block list
- Direct contact with advertisers flagging issue of illegal / infringing site usage



The threat, the challenge

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/ /

Free mp3 album download

	Topics	Replies	Author	Views	Last Post
ⓑ	Announcement: NEW FORUM RULE: BUMPING	0	webmaster	13515	Thu Dec 17, 2009 6:52 am webmaster
ⓑ	Announcement: Forum Rules - Updated	0	webmaster	79661	Fri Dec 01, 2006 5:27 am webmaster
ⓑ	Sticky: Music for joy collection (lossless) [D Goto page: 1 ... 155, 156, 157]	2346	Statux	69204	Sat Nov 05, 2011 9:05 pm Statux
ⓑ	Sticky: Quality Music Collection with linked Index (Lossless) [D Goto page: 1 ... 43, 44, 45]	671	Speedyclick	186717	Sat Nov 05, 2011 5:11 am Speedyclick
ⓑ	Sticky: My collection (Blues,Jazz,Americana,Country) mp3 & FLAC [D Goto page: 1 ... 69, 70, 71]	1059	exy	577963	Fri Nov 04, 2011 6:52 pm miskapiska
ⓑ	Sticky: A-Z Music [D Goto page: 1 ... 205, 206, 207]	3098	Amon	427970	Fri Nov 04, 2011 4:49 pm (Amon)
ⓑ	Sticky: My MP3 Collection (Smooth Jazz) [D Goto page: 1 ... 35, 36, 37]	548	selmer	61717	Fri Nov 04, 2011 7:05 am carugo
ⓑ	Sticky: The Blues Corner (Everybody Welcome) [D Goto page: 1 ... 22, 23, 24]	356	kamane	173972	Fri Nov 04, 2011 4:58 am kamane
ⓑ	Sticky: Alternative & Indie thread [D Goto page: 1 ... 35, 36, 37]	554	exy	393061	Fri Nov 04, 2011 4:39 am miskapiska
ⓑ	Sticky: My MP3 Collection (Nu Jazz, Downtempo, Lounge, Easy Listen) [D Goto page: 1 ... 10, 11, 12]	174	selmer	39382	Thu Nov 03, 2011 10:45 pm selmer
ⓑ	Sticky: H.Rock.AOR.Glam CDs-All post here [D Goto page: 1 ... 809, 810, 811]	12152	pavel07	3458419	Wed Nov 02, 2011 12:07 am PointBlank
ⓑ	Sticky: The Bootleg Korner	14	wolfsbane	3557	Fri Oct 28, 2011 7:46 am wolfsbane
ⓑ	Sticky: Best Music Videos Collection By KAMRAN (Multi-links) [D Goto page: 1 ... 49, 50, 51]	750	kamrandahir	32487	Wed Oct 26, 2011 9:01 am GenzoWakayabashi



The threat, the challenge

TARINGA!
INTELIGENCIA COLECTIVA

Identificarme

GRATIS!

REGISTRATE YA!

Buscar...

Inicio Posts Comunidades Música Juegos ^{NEW} TOPs

Global

Inicio Novatos Destacados

+1 38k

Recientes

Seleccionar categoría

- Ayuda, Tutoriales e Información sobre Tar...
- "Un sorteo benévolo" para España
- Enfermero sumariado por abusar de adolescente en...
- un día como hoy nacia Roy Orbison
- Tartrazina, Ciclamato y Aspartamo, los venenos d...
- Malvinas: 130 países instan al Reino Unido a ne...
- El bálsamo de la Champions
- Niño saudí de 4 años mató a su padre por una...
- YPF: el cambio de discurso K, al borde de la aut...
- Ver pornografía desactiva parte del cerebro de ...
- Lanata: Voy a dejar de fumar cuando dejen de rob...
- Robertos Detected!
- Repsol podría multar a inversores de YPF
- Un gran tema de Lhasa De Sela

Estadísticas

187.000 usuarios online 17.608.891 miembros
13.823.096 posts 88.586.354 comentarios

Taringa! en vivo

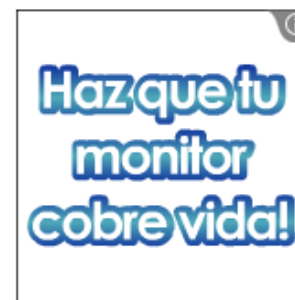
Juegos populares



Más juegos

Comentarios recientes

- hpc4rlos El alucinante monte roraima,una bel...
- BlackBerry Robertos Detected!
- Furii_Piter Robertos Detected!
- jose51lomas Feliz Cumpleaños Mario
- nan0star River Campeon Libertadores 1998
- Maleyx [Blues] Robert Johnson - Terraplane...



The challenge

- Thousands of potential distribution points, the majority of which need some form of monitoring; significant risk of information 'overload'
- Different protocol/channel, different technology; rapidly changing operational environment
- The best approach?
 - Take down
 - Disruption
 - Investigation
 - Lobbying
 - Litigation



The response

- Dedicated Anti-Piracy staff
 - Primary focus on online but core physical skills retained
 - Central London operation with National Group coverage in 35 countries
 - 24/7 coverage
 - Structured covert investigations resource
 - Law Enforcement liaison and training programme
- Co-ordination of global pre-release and high volume site/content take down programme
 - Direct company liaison
 - Leak notification
 - Comprehensive reporting
- Automated system / application development
- Litigation & lobbying support



The response

- Over 15 million infringing URLs removed in 2011
 - Structured and highly automated notice and takedown programme
 - Targeted programme to impact site operation and reputation
 - Visibly disrupt the supply chain and visibility of infringing content
- Strategic litigation / Strategic action
 - The PirateBay
 - Demonoid
 - LimeWire
- Payment / Ad providers
 - Agreements with VISA ,MasterCard, PayPal, CTIA, Monitise, PaySafeCard and PhonePayPlus
 - Expanding scope to other providers and beyond www
 - Strategic agreements with other industry partners



The response

- Online services that distribute or facilitate access to content:
 - Preferably, proactively filter for infringing content
 - If not, operate an effective and efficient notice and take down system
 - Otherwise, shut down
- Internet Service Providers:
 - Should not provide internet access to infringing sites / services or unidentified customers
 - Block access to infringing sites / services located outside the local jurisdiction
 - Implement a system of graduated response for infringing P2P users including warnings to an effective deterrent sanction

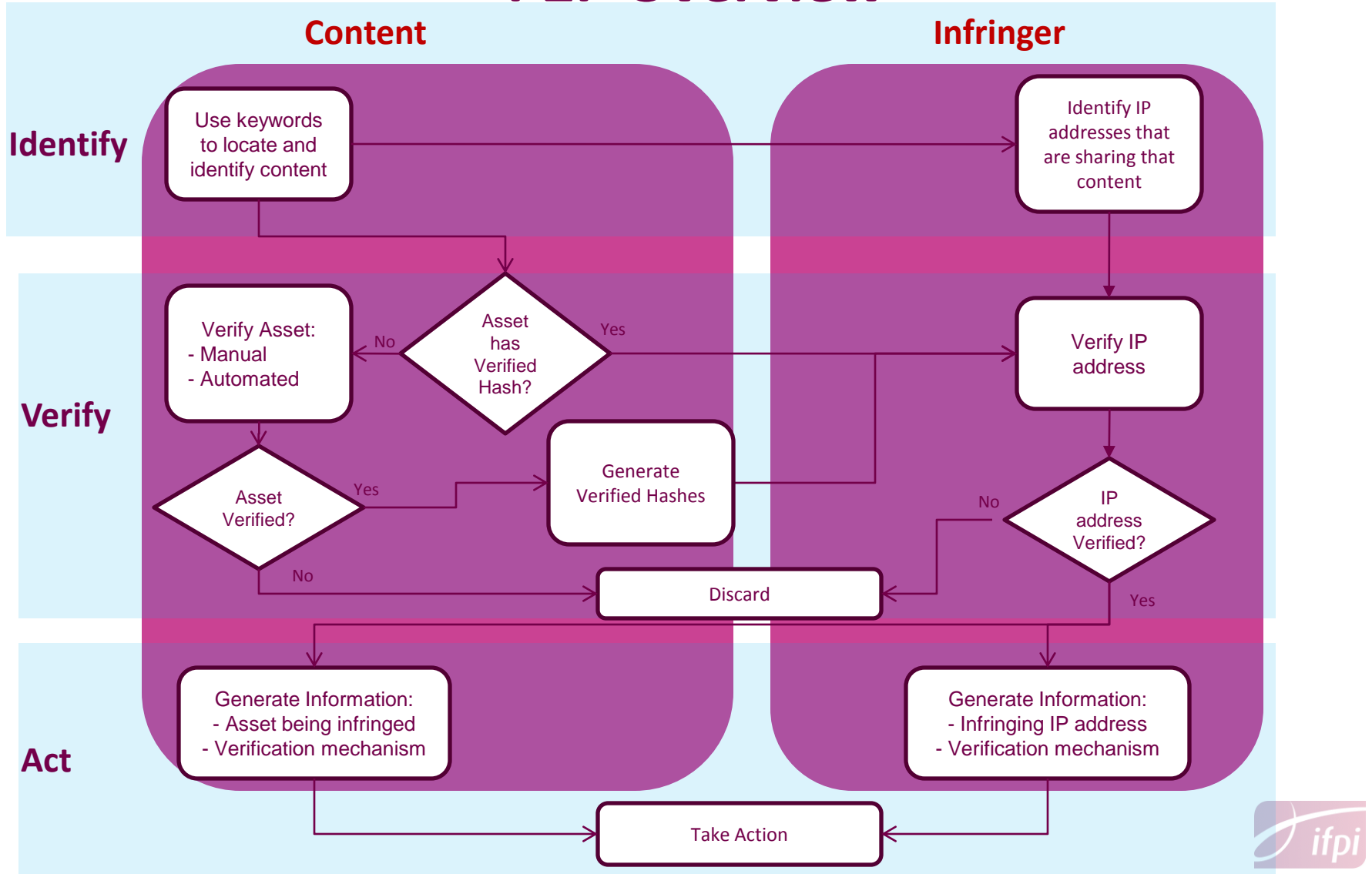


End User Evidence - Overview

- Evidence provider has its own P2P client software, which essentially works the same way as the regular clients
- The software connects to other P2P users and communicates with them using a standard file-sharing protocol i.e. works / interacts just like a human would
- Evidence provider simply automates the process of collecting information which is publicly available on the file-sharing networks
- Content verified by 3rd party fingerprint process



P2P Overview



End User Evidence

- Court standard evidence provided for each case
- Full verification available given start to end packet trace process
- Automated process mirrors end use experience and process
- Summary provided to ISP, full evidence packs available via secure download

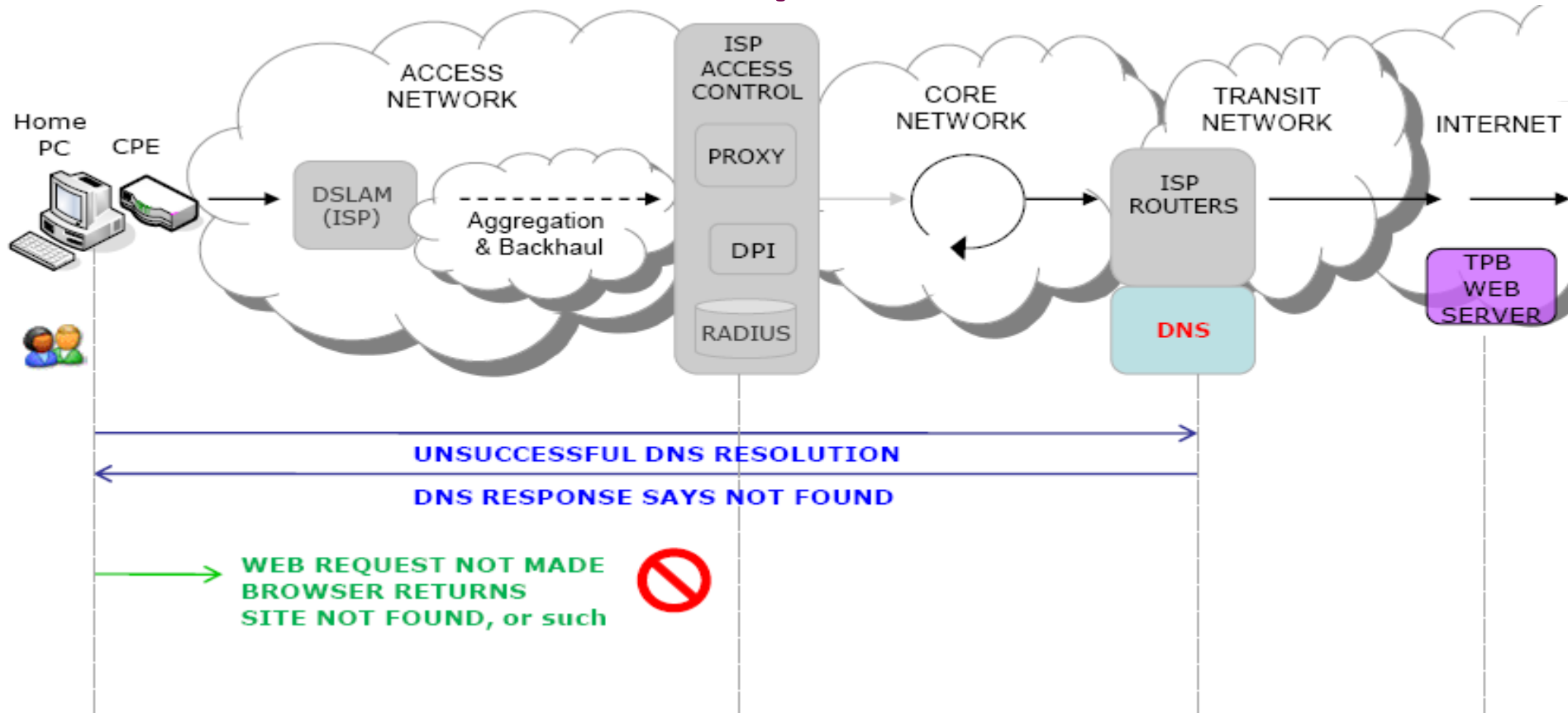


Blocking - Overview

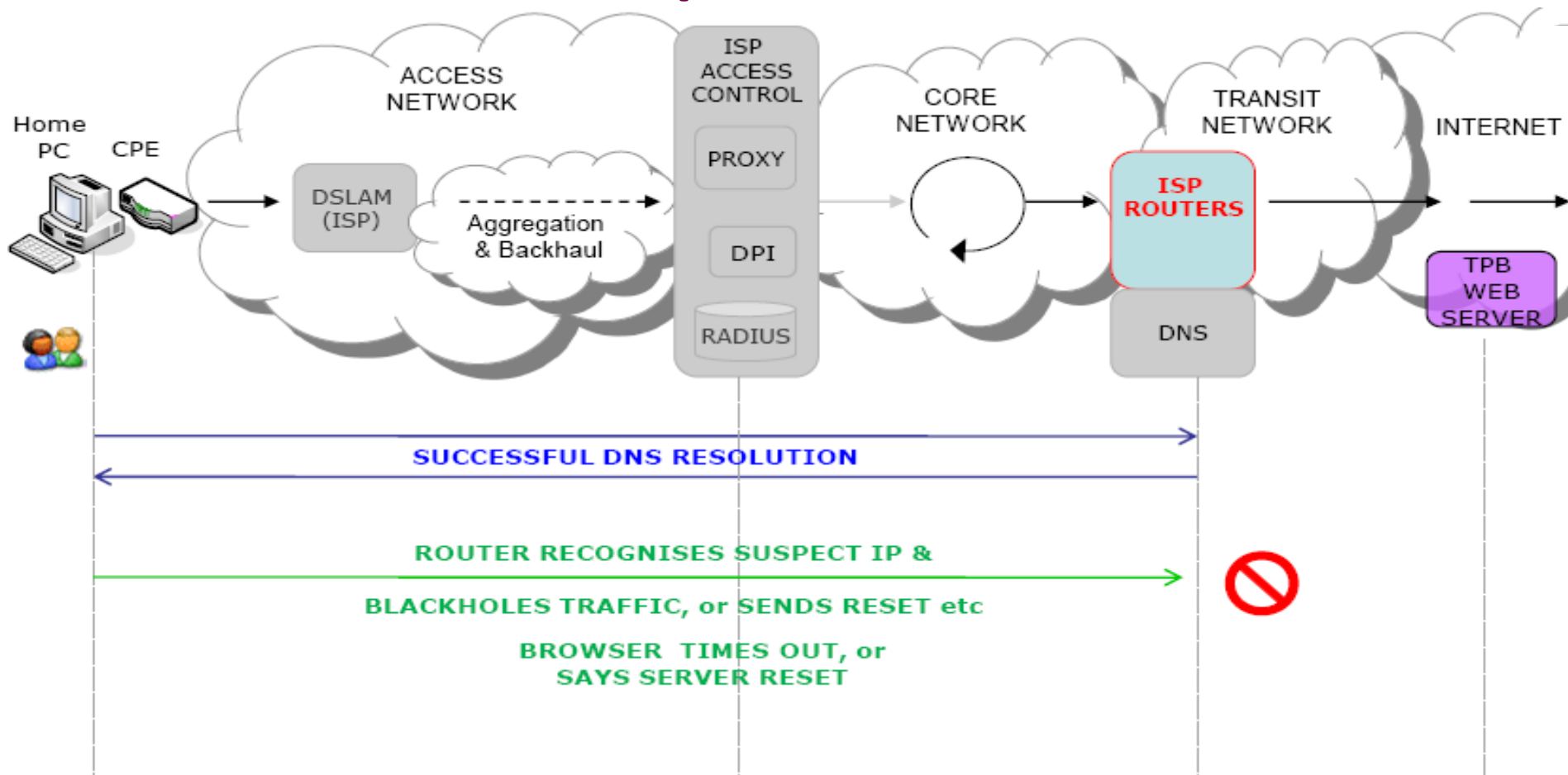
- A variety of technical measures can be used by an ISP seeking to block access to websites. All of these methods use the kind of network technologies that are typically already in place at a large ISP and in some form of configuration for the purpose of network protection, network management and/or security
- The main technical options for consideration as mechanisms to allow blocking are the use of access control lists (ACLs)/IP address, domain name service (DNS), deep packet inspection (DPI) and/or proxies
- The effectiveness of such a “block” will depend on the determination of the ISP subscriber and the content/website provider to maintain access to each other and to use circumvention techniques to bypass blocking techniques. There is evidence to suggest that there is limited (between 3% and 5%) adoption of these circumvention techniques although subscribers with more technical knowledge could look to circumvent ISP controls using virtual private networks (VPN) or anonymous proxies
- Combinations of blocking methods have been proven to work in a commercial environment i.e. British Telecom’s CleanFeed and recent court approved site blocking orders



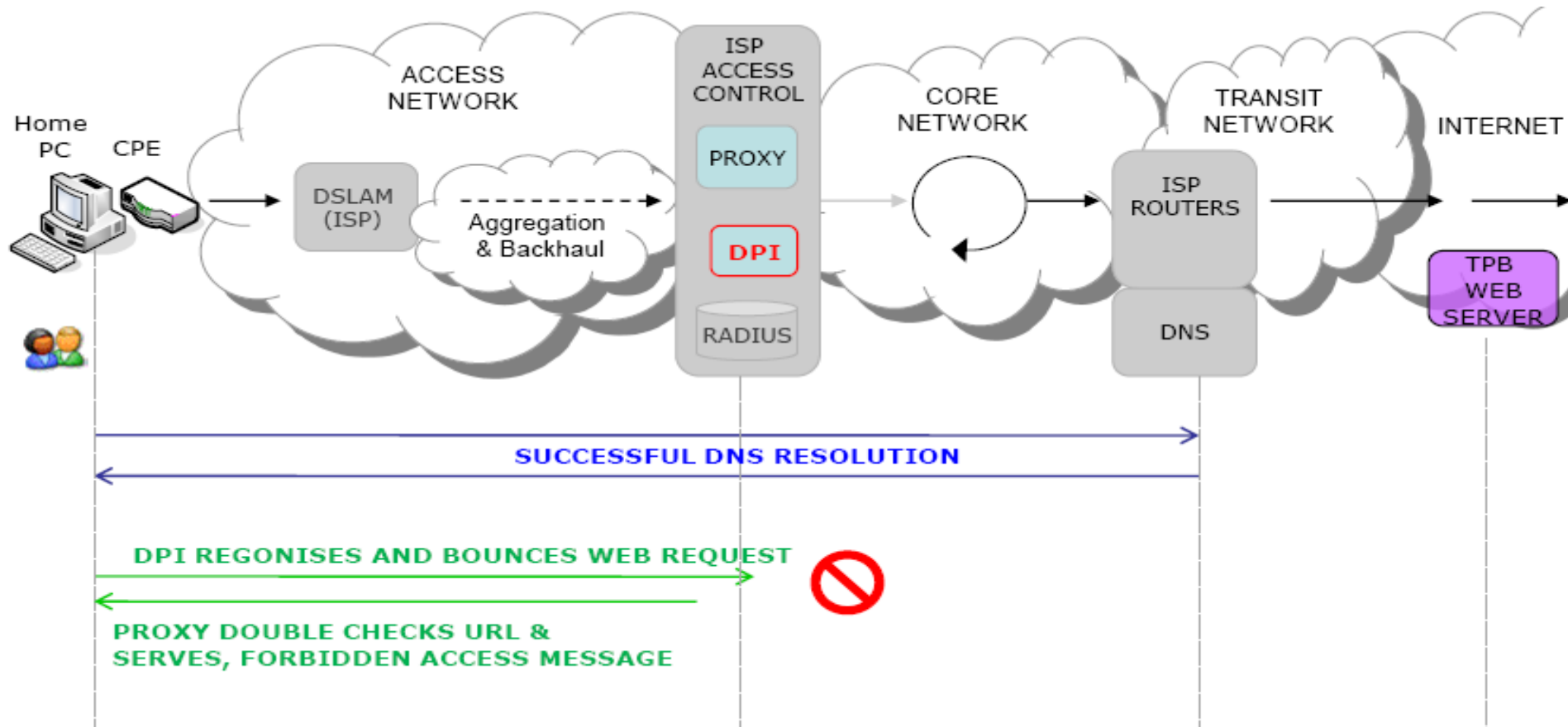
Technical Options – DNS



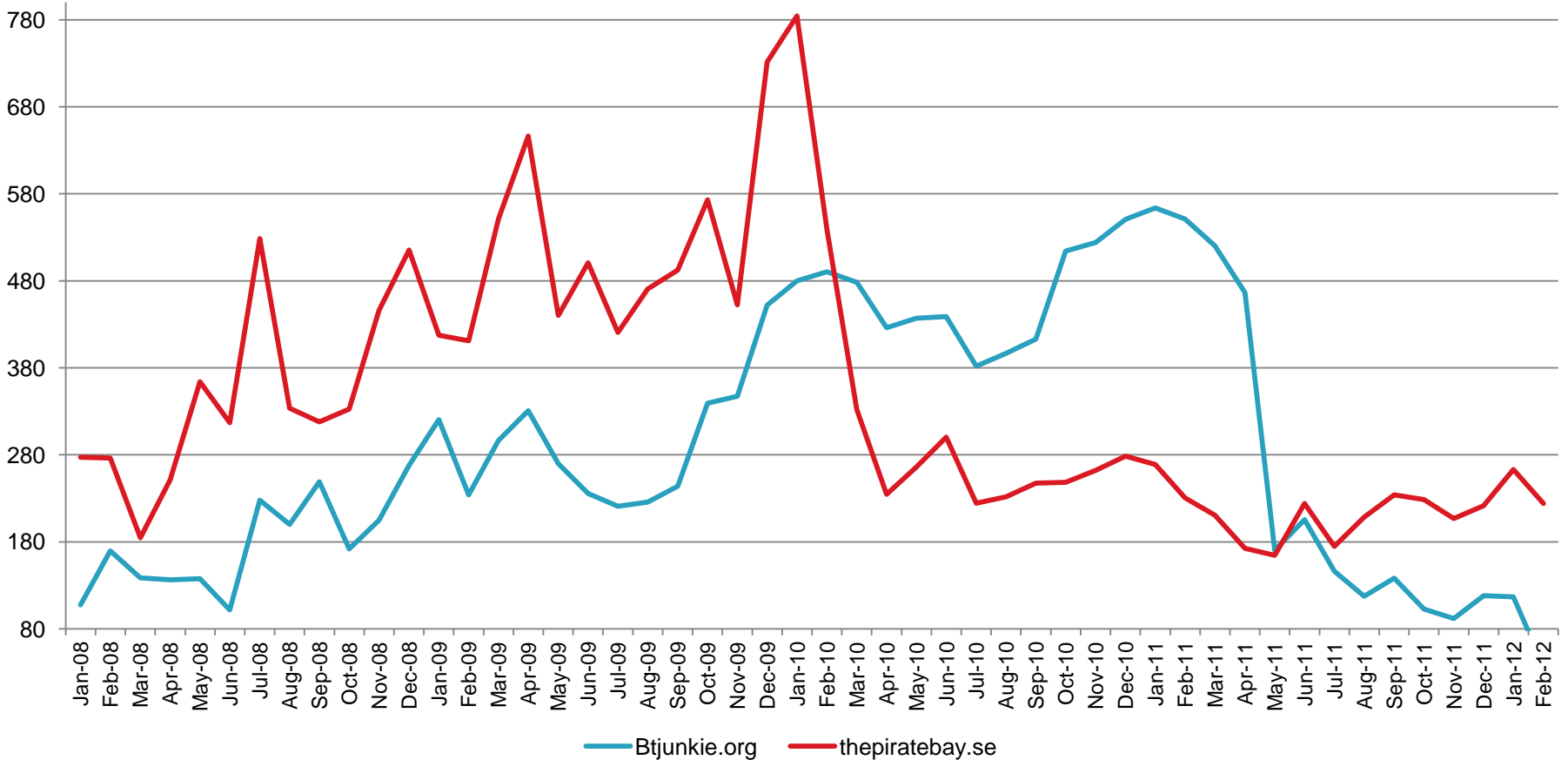
Technical Options – IP / Router



Technical Options - DPI



The PirateBay & BTJunkie Usage - Italy



Blocking – Court Actions

Implemented	Country	Blocking type
May 2011	Austria	IP and DNS
September 2011	Belgium	IP and DNS
Oct 06/May 10/Feb 12	Denmark	Not specified/DNS/Not specified
January 2012	Finland	IP and DNS
February 2012	India	IP, DNS and URL DPI
July 2009	Ireland	IP and DNS
November 2011	Israel	Not specified
Dec 09/Jul 11	Italy	IP and DNS (for both cases)
January 2012	Netherlands	IP and DNS
October 2011	UK	IP and URL DPI



Blocking - Conclusion

- In the majority of cases the technical infrastructure required to facilitate website blocking already exists within major ISPs
- Rulings have show that Courts accept that site blocking has a fundamental role to play in the protection of copyright on the Internet
- Legislative momentum continuing to build with rulings pending/discussions in progress in Austria, Belgium, Germany and the Netherlands
- Effectively deployed ISP blocking methods have been proven to have a significant impact on the behaviour of the vast majority of website users who are typically neither technically aware or inclined to seek out circumventions



The response

- Working together - Law Enforcement
 - Facilitate knowledge exchange, liaison, training and relationship building
 - Ongoing case referral and intelligence management programme
 - Case generation / liaison is the best form of training
- Working together - Judges, Legal Bodies
 - Rapidly changing legal and operational environment
 - Opportunities to provide training built around 'real world' experiences and challenges rather than focusing on theory
- Working together - Partners
 - Education
 - Shared knowledge, shared resources
 - Help facilitate a greater impact on illegal activities

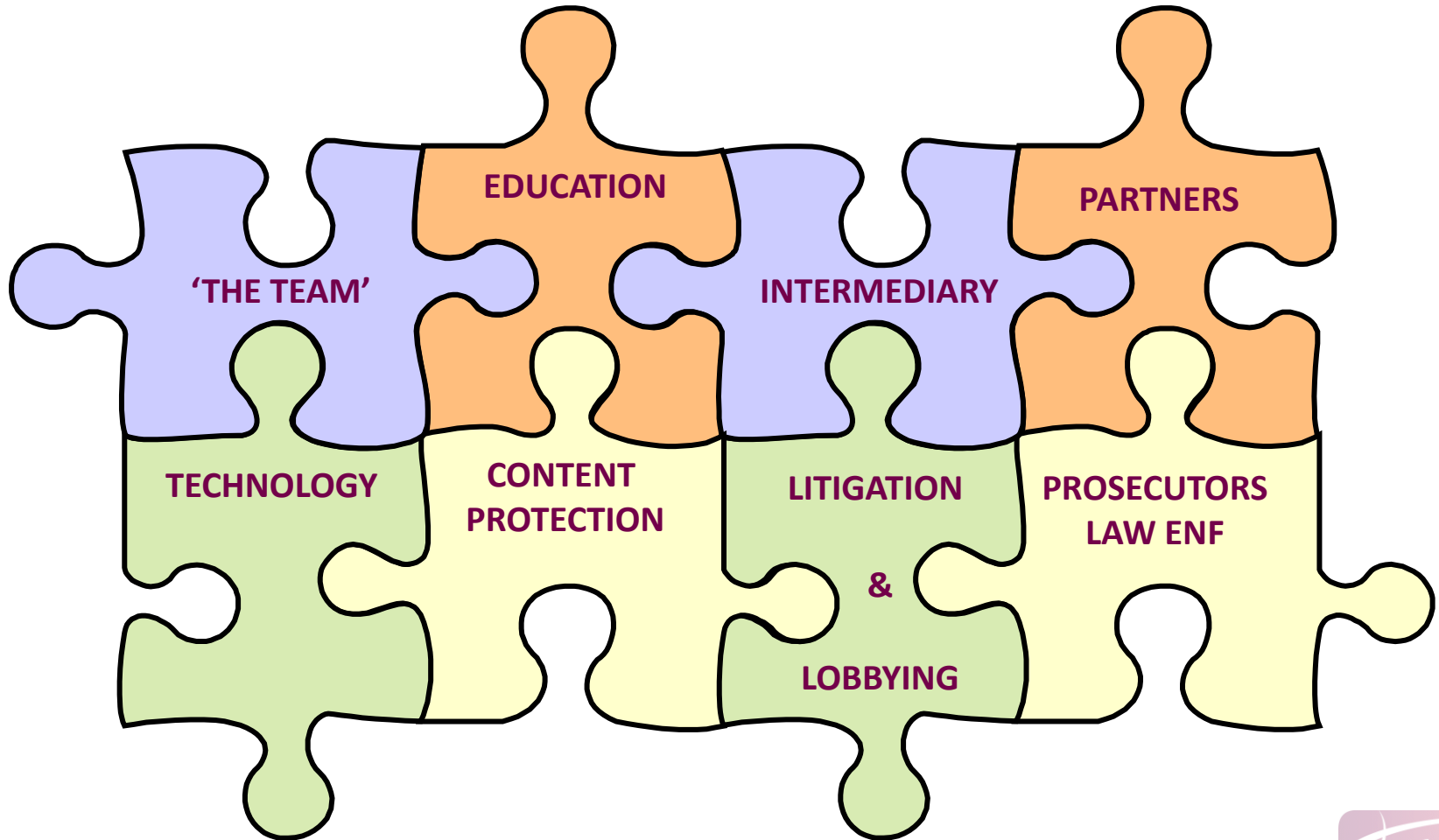


Summary

- Technical challenges will grow with online population; technical enforcement solutions must be developed to meet the challenge
- Skill sets across all areas of investigation, analysis and prosecution need to be maintained and developed accordingly
- Co-operation, partnerships and information exchange are fundamental to ongoing success
- Amendments to relevant laws need to plan for the future
- Consider ‘quick, curve ball’ solutions to impact more complex operations as complement to long term investigations



Summary



Thank You

Mo Ali

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