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Stanford K. McCoy, Esq.

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Office of the U.S. Trade Representative

Washington, DC 20508

Re: **IIPA Written Submission Re: 2013 Special 301 Out-of-Cycle Review of Notorious Markets: Request for Public Comments, 78 Fed. Reg. 57924 (September 20, 2013), 78 Fed. Reg. 60367 (October 1, 2013) (Extending Deadline)**

Dear Mr. McCoy:

In response to the September 20, 2013 Federal Register notice referenced above, the International Intellectual Property Alliance (IIPA)<sup>1</sup> provides the Special 301 Subcommittee with the following written comments to provide examples of Internet and physical “notorious markets” – those “where counterfeit trademark or pirated copyright products are prevalent to such a degree that the market exemplifies the problem of marketplaces that deal in infringing goods and help sustain global piracy and counterfeiting.” We hope our filing will assist the Office of the United States Trade Representative (USTR) in “identifying potential Internet and physical notorious markets that exist outside the United States and that may be included in the 2013 Notorious Markets List.”

We commend USTR for publishing a notorious markets list as an “Out of Cycle Review” separately from the annual Special 301 Report. This list has successfully identified key online and physical marketplaces that are involved in intellectual property rights infringements, and has led to positive developments, including closures of some Internet websites whose businesses were built on illegal conduct; greater cooperation from some previously identified “notorious” and other suspect sites; and the facilitation of licensing agreements for legitimate distribution of creative materials. Particularly noteworthy in the past year are the welcome news that **Xunlei’s GouGou** pirate search engine shut down over piracy concerns (**Xunlei** cancelled a planned IPO

<sup>1</sup> The IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries in bilateral and multilateral efforts working to improve international protection and enforcement of copyrighted materials and open up foreign markets closed by piracy and other market access barriers. IIPA’s seven member associations represent over 3,200 U.S. companies producing and distributing materials protected by copyright laws throughout the world—all types of computer software, including business applications software, entertainment software (interactive games for videogame consoles, handheld devices, personal computers and the Internet), and educational software; theatrical films, television programs, DVDs and home video and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and fiction and non-fiction books, education instructional and assessment materials, and professional and scholarly journals, databases and software in all formats. Members of the IIPA include [Association of American Publishers](#), [BSA | The Software Alliance](#), [Entertainment Software Association](#), [Independent Film & Television Alliance](#), [Motion Picture Association of America](#), [National Music Publishers’ Association](#), and [Recording Industry Association of America](#).



in 2012 over piracy concerns), as well as **Isohunt**, which by virtue of a court settlement, agreed to shutter its services as of October 24, 2013.

This year, IIPA highlights the following illustrative list of notorious markets (described in greater detail below). Country references in the online section are based on the most current information available to IIPA.

2013 Notorious Markets (Online) <sup>2</sup>	Registrant Country <sup>3</sup>	Server Host Location <sup>4</sup>
vk.com (known as vKontakte)	Hidden	Saint Petersburg, Russia
piratebay.sx	Sweden	Bern, Switzerland
kickass.to	Hidden	Quebec, Canada
torrentz.eu	Hidden	Quebec, Canada <sup>7</sup>
extratorrent.cc	Seychelles	Mykolayiv, Ukraine
torrentz.cd (torrent.cd)	Hidden	Kharkiv, Ukraine
1337x.org	Hidden	Stockholm, Sweden
torrenthound.com (torrents.net)	Hidden	Stockholm, Sweden
uloz.to	Unknown	Prague, Czech Republic
torrentroom.com	New Zealand	Steinsel, Luxembourg
bittorrent.am	Czech Republic	San Francisco, U.S. <sup>4</sup>
torrentbit.net	Belize	Kharkiv, Ukraine
sumotorrent	Hidden	Ukraine
eztv.it	U.K.	London, U.K.
t411.me	Belgium	Bucharest, Romania
bitsnoop	Sweden	Hidden
arenabg.com	Hidden	Canada, Bulgaria
rutracker	Hidden	Russia
bt.rutor.org	Sweden	Stockholm, Sweden
todotorrents.com	Hidden	Madrid, Spain
tracker.openbittorrent.com	Hidden	Quebec, Canada
tracker.publicbt.com	Hidden	Rouvais, France <sup>8</sup>
qvod	China	Changsha, China
xunlei	China	Guangzhou, China

<sup>2</sup> IIPA draws its data on these sites from industry reporting, as well as Alexa, the web information company, [www.alexa.com](http://www.alexa.com), Domain Tools LLC, [whois.domaintools.com](http://whois.domaintools.com), and [www.centralops.net](http://www.centralops.net).

<sup>3</sup> Registrant (and registrar) data can be difficult to ascertain. In the best cases, publicly traded or legitimate for-profit companies provide transparent information. Many sites employ privacy services (which can be located anywhere in the world; Fundacion Private Whois, for example, located in Panama, serves rutracker, putlocker, 1337x.org, tracker.publicbt.com, and rapidgator.net, and other sites identified in this filing), masking all registrant data. It is not uncommon for others, including many highlighted in this filing, to provide false registrant (or registrar) information. Efforts are underway through ICANN to ensure the accuracy and availability of registrant (and registrar) data.

<sup>4</sup> Where the city of the server host location is mentioned, this is based on “IP location” information from the sites listed previously, and is believed to be current as of the date of this filing. Hosting country and city data is fluid and may change over time. Also, in some instances, the indication of a city in domain records, e.g., notations for “San Francisco, U.S.,” “London, England,” or “New York, U.S.” does not necessarily reflect the server location information; many sites listed are serviced through CloudFlare, a content delivery network, which may mask the location of the origin server.

<sup>5</sup> The registrant is believed located in New Zealand but is listed as “On behalf of tubeplus.me owner.”

<sup>6</sup> The registrant is listed as “AnonyousSpeech” in Tokyo, Japan.

<sup>7</sup> Based on publicly available information about individual associated with service, it is believed the registrant is from Finland. The registrar is located in Poland.

<sup>8</sup> The “IP location” of this site is with a firm called Ovh Systems which has been notoriously non-compliance with takedown requests according to industry.



2013 Notorious Markets (Online) <sup>2</sup>	Registrant Country <sup>3</sup>	Server Host Location <sup>4</sup>
4shared.com	British Virgin Islands	British Virgin Islands
putlocker.com	Hidden	Manchester, U.K.
zippyshare	Hidden	Rouvais, France <sup>8</sup>
rapidgator.net	Hidden	Bryansk, Russia
turbobit	Hidden	Frankfurt, Germany
extabit	Hidden	Amsterdam, Netherlands
catshare	Hidden	Rouvais, France <sup>8</sup>
share-online.biz	Belize	Amsterdam, Netherlands
netload.in	Denmark	Frankfurt, Germany
uploaded.net	Switzerland	U.S., U.K., Netherlands
youwatch.org	Hidden	Stockholm, Sweden
nowvideo.ch	Seychelles	Zurich, Switzerland
xiami.com	China	Hangzhou, China
sina.com.cn	China	San Jose, U.S.
wenku.baidu.com	China	China
docin.com	China	China
ex.ua	Ukraine	Kiev, Ukraine
mp3.zing.vn	Vietnam	Vietnam
primewire.ag	Latvia	Stockholm, Sweden
filmesonlinegratis.net	Hidden	London, England <sup>4</sup>
free-tv-video-online.me	Belize	New York, U.S. <sup>4</sup>
megafilmeshd.net	Hidden	San Francisco, U.S. <sup>4</sup>
movie4k.to	Unknown	British Virgin Islands
seriesyonkis	Spain	Sevilla, Spain
solarmovie.so	Croatia	Quebec, Canada
telona.org	Hidden	Balotesti, Romania
yyests.com	China	Changsha, China
mp3skull.com	Hidden	Rochester, U.S.
watchfreemovies.ch	Ukraine	Bucharest, Romania
tubepius.me	Hidden <sup>5</sup>	Valencia, Spain
darkwarez.pl	Poland	Zurich, Switzerland
boerse.bz	Hidden	Balotesti, Romania
freshwap.me	Hidden	San Francisco, U.S. <sup>4</sup>
argentinawarez.com	Sweden	San Francisco, U.S. <sup>4</sup>
filestube	Poland	Szczecin, Poland
dpstream.net	Hidden	Balotesti, Romania
cuevana.tv	Hidden	Singapore
warez-bb.org	Sweden	Hong Kong
heroturko.org	Hidden	San Francisco, U.S. <sup>4</sup>
gfxtra.com	Turkey	San Francisco, U.S. <sup>4</sup>
forum.cgpersia.com	Hidden	Dronten, Netherlands
avaxhome.ws	Belarus	Belgium
usenext.com	Germany	Frankfurt, Germany
discuss.com.hk	Hong Kong	Hong Kong
chipspain.com	Spain	Madrid, Spain
todoconsolas.com	Spain	A Coruna, Spain
gigabytesistemas.com	Spain	Madrid, Spain
moltenwow.com	Hidden	Portland (OR), U.S.



2013 Notorious Markets (Online) <sup>2</sup>	Registrant Country <sup>3</sup>	Server Host Location <sup>4</sup>
dispersion-wow.com	Hidden	Bucharest, Romania
wowis.org	Hidden <sup>6</sup>	Vilnius, Lithuania
alibaba	China	U.S.
paipai	China	Zhengzhou, China
eachnet.com	China	Beijing, China
taobao	China	China

2013 Notorious Markets (Physical)	Country
<ul style="list-style-type: none"> <li>• La Salada and La Saladita (Buenos Aires, branches)</li> <li>• Tepito, Lomas Verdes, Salto del Agua, Bazar Pericoapa, Bazar del Entretenimiento y el Videojuego, Toreo Markets, and Plaza Maeve (Distrito Federal), Mercado San Juan de Dios (Guadalajara), La Fayuca (Guadalajara)</li> <li>• Galeria Pagé (São Paulo), Camelódromo Uruguaiana (Rio De Janeiro), Mercado Popular de Uruguaiana (Rio De Janeiro), Feira Dos Importados/Do Paraguay (Brasília) (Brazil)</li> <li>• Zona Franca de Iquique</li> <li>• San Andrecito</li> <li>• Unilago Zone (Bogotá, various locations)</li> <li>• Zona Libre de Colon</li> <li>• Tri-Border Region</li>   <li>• Buynow PC Mall Chain</li> <li>• Hua Qiang Bei Market</li> <li>• Quiapo, Binondo, Baclaran, Makati Cinema Square, Metrowalk, 168 Mall, Divisoria, Juan Luna Plaza, New Divisoria Mall (Metro Manila)</li> <li>• Petaling Street, Chinatown; Holiday Plaza (Kuala Lumpur; Johor Bahru)</li> <li>• Harco Glodok, Mangga Dua Mall, Ambassador Mall/ITC, Ratu Plaza (Jakarta)</li> <li>• 7 Kilometer Open Market and Barabashovo Open Market (Odessa and Kharkov)</li> <li>• Caribbean Gardens &amp; Markets (Victoria)</li> <li>• Greater Toronto Area</li> <li>• Hailong Electronics Shopping Mall (Zhongguancun - 中关村) (Beijing)</li> <li>• Jonesborough Market</li> <li>• Mayak Open Market and Petrovka Open Market</li> <li>• Panthip Plaza, Klong Thom, Saphan Lek, Baan Mor Shopping Area, Patpong and Silom Shopping Areas, Mah Boon Krong (MBK) Center, and Sukhumvit Road</li> <li>• Richie Street, Censor Plaza and Burma Bazaar (Chennai); Bara Bazaar (Kolkata); Chandini Chowk, Palika Bazaar and Sarojini Nagar Market (Delhi); Navyuk Market Ambedkar Road and Nehru Nagar Market (Ghaziabad); Kallapur Market and Laldarwajah (Ahmedabad); Jail Road and Rajwada (Indore); Manish Market, Lamington Road, Dadar Train Station, Andheri Station Market, Borivili Train Station and Thane Station Market (Mumbai)</li> </ul>	<ul style="list-style-type: none"> <li>• Argentina</li> <li>• Mexico</li>   <li>• Brazil</li>   <li>• Chile</li> <li>• Colombia</li> <li>• Colombia</li> <li>• Panama</li> <li>• Paraguay, Argentina, and Brazil</li> <li>• China</li> <li>• China</li> <li>• The Philippines</li>   <li>• Malaysia</li> <li>• Indonesia</li>   <li>• Ukraine</li>   <li>• Australia</li> <li>• Canada</li> <li>• China</li> <li>• Northern Ireland</li> <li>• Ukraine</li> <li>• Thailand</li>   <li>• India</li> </ul>



## I. INTEREST OF THE IIPA IN THE NOTORIOUS MARKETS LIST

Since 1984, IIPA and its association members, representing industries reliant on copyright – producers and distributors of software, movies, music, videogames, and books and journals for the world – have worked in partnership with the U.S. government to improve the ability of the copyright industries to do business in foreign markets. These efforts have resulted in significant improvements in copyright laws and enforcement around the world and in the lowering of market access barriers and other policies that hinder these industries' ability to compete on a level playing field in global markets. Even with these improvements comes a need to remain focused on enforcing against notorious markets – specific bad actors – where intellectual property rights are not respected and which merit further investigation for intellectual property rights infringements. IIPA considers the notorious markets list as critical to successfully heightening awareness of the extreme harm being caused by those whose business models are built upon providing access to infringing materials, and reemphasizes the continued importance of addressing physical piracy markets where pirates continue to operate with relative impunity.<sup>9</sup>

While IIPA notorious markets recommendations do not single out specific countries, IIPA identifies the country locations known of either the physical business operations, or, in the case of online notorious markets listed, of the registrant or server location to the extent known or suspected. Governments must continue to play a critical role in addressing such notorious market activity, and indeed, have international obligations requiring them to take effective action, including increasing cross-border cooperation.<sup>10</sup> In many instances, several countries may be involved in relation to a single notorious market. Thus, it is incumbent upon governments to consider ways to address such transnational activity. There is a growing list of examples of law enforcement authorities working together across national borders to address copyright piracy that involves cross-border activities, and the situation will be no different with respect to these notorious markets.

The IIPA notorious markets recommendations address many forms of online and physical piracy, but do not identify or capture all challenges the copyright industries face today. For example, the unauthorized use of software – organizational end-user piracy of software – is the principal and most damaging form of piracy to the software industry. In 2011, the software piracy rate worldwide stood at 42%, while the commercial value of unlicensed software stood at \$63.4 billion. Similarly, market access barriers and other discriminatory or preferential policies deny copyright owners fair and equitable opportunities to participate in commerce in copyright materials.<sup>11</sup> As another example, one of the greatest concerns to the motion picture industry

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<sup>9</sup> The IIPA notorious markets recommendations are mostly well known markets. In many cases, the notorious markets identified are the subject of ongoing investigations by law enforcement or court adjudications. We also note that in identifying “notorious markets,” IIPA and its members focus on the bad behavior of individuals and enterprises dedicated to promoting piracy, and do not intend to single out any specific technology or type of service used by the infringers (since these technologies can be used for both legitimate and illegitimate purposes).

<sup>10</sup> The case against the notorious market MegaUpload and related websites is an example in which cross border cooperation among the U.S., New Zealand, and other authorities was critical in shutting down those sites which allegedly amassed huge profits from facilitating massive copyright infringement.

<sup>11</sup> We do not here recount the kinds of piracy or market access barriers IIPA members face across the globe, but refer the Subcommittee to our many public filings, including our 2013 Special 301 Submission. See International Intellectual Property Alliance, *IIPA Written Submission Regarding 2013 Special 301 Review: Identification of Countries Under Section 182 of the*



involves illegal recordings of movies from theaters, especially immediately after a title's theatrical exhibition window opens. An unauthorized recording may include a video capture, an audio capture, or both. Approximately 90% of newly released movies that are pirated can be traced to thieves who use a digital recording device in a movie theater to steal the audiovisual work (whether image or sound or both) from the theater screen. The increase in the severity of this problem in recent years tracks the development of camcorder technology that makes detection difficult and copies nearly perfect. All it takes is one camcorder copy to trigger the mass reproduction and distribution of millions of illegal Internet downloads and bootlegs in global street markets just hours after a film's theatrical release and well before it becomes available for legal home entertainment rental or purchase from legitimate suppliers.

Addressing IP theft successfully through processes such as USTR's "notorious markets" out-of-cycle review inures to the benefit of the U.S. copyright industries and the U.S. economy as a whole. The latest indicators show that the copyright industries make up a large percentage of value added to GDP; create more and better-paying jobs; and contribute substantially to U.S. foreign sales and exports, outpacing many industry sectors.<sup>12</sup> The degree to which this capability is sustained depends in large part upon the extent to which piracy and market access barriers can be reduced. Notorious markets – egregious examples of open and blatant piracy – play a disproportionate role in harming the copyright industries, and thus, have a disproportionately negative impact on the U.S. economy and on U.S. employment.

Finally, we refer the Subcommittee to the filings of members of the IIPA – the Association of American Publishers, BSA | The Software Alliance, the Entertainment Software Association, the Motion Picture Association of America, and the Recording Industry Association of America, which contain additional examples of notorious markets. The IIPA filing, together with those associations' filings, results in an even more complete list of notorious markets.

## II. IIPA RECOMMENDATIONS FOR ONLINE AND PHYSICAL PIRACY “NOTORIOUS MARKETS”

### *Internet Piracy Notorious Markets*

- **vk.com** (known as vKontakte) (Russia) is a Russian social networking site that features search functionality specifically designed and operated to enable members to upload music

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*Trade Act of 1974: Request for Public Comment and Announcement of Public Hearing Request to Testify at 2013 Special 301 Hearing (7 Fed. Reg. 77178, Dec. 31, 2012)*, available at <http://www.iipa.com/pdf/2013SPEC301COVERLETTER.pdf>.

<sup>12</sup> The *Copyright Industries in the U.S. Economy: The 2011 Report*, prepared by Stephen Siwek of Economists Incorporated, details the economic impact and contributions of U.S. copyright industries to U.S. Gross Domestic Product (GDP), employment, and trade. The “core” copyright-based industries in the U.S. – those industries whose primary purpose is to create, produce, distribute or exhibit copyright materials, and which include computer software, videogames, books, newspapers, periodicals and journals, motion pictures, recorded music, and radio and television broadcasting – continued to be major contributors to the U.S. economy, accounting for an estimated \$931.8 billion or 6.36% of the U.S. GDP in 2010. These industries provided nearly 5.1 million U.S. jobs, or 4.75% of the entire private sector labor force in 2010, and pay on average over \$78,000, 27% higher than the overall workforce average. Estimated 2010 foreign sales and exports of key sectors of the core copyright industries amounted to \$134 billion, a significant increase over previous years, and more than foreign sales of other major U.S. industry sectors such as aircraft, automobiles, agricultural products, food, and pharmaceuticals. See Steven E. Siwek, *Copyright Industries in the U.S. Economy: The 2011 Report*, November 2, 2011. The entire report as well as summaries can be accessed at [http://www.iipa.com/copyright\\_us\\_economy.html](http://www.iipa.com/copyright_us_economy.html). An updated copyright industries report is in progress.



and video files, hundreds of thousands of which contain unlicensed copyright works; users then search for and stream such files without permission or license on their computers and mobile devices.<sup>13</sup>

- **ThePirateBay.sx** (Sweden, Switzerland);<sup>14</sup> **Kickass.to** (Canada);<sup>15</sup> **Torrentz.eu** (Canada);<sup>16</sup> **Extratorrent.cc** (Seychelles, Ukraine);<sup>17</sup> **Torrentz.cd** (Ukraine);<sup>18</sup> **1337x.org** (Sweden);<sup>19</sup> **TorrentHound.com** (Sweden);<sup>20</sup> **Uloz.to** (Czech Republic); **TorrentRoom.com** (New Zealand, Luxembourg);<sup>21</sup> **BitTorrent.am** (Czech Republic); **TorrentBit.net** (Belize, Ukraine); **SumoTorrent.com** (Ukraine); **Eztv.it** (United Kingdom);<sup>22</sup> **T411.me** (Belgium, Romania);<sup>23</sup> **BitSnoop** (Sweden);<sup>24</sup> and **Arenabg.com** (Bulgaria);<sup>25</sup> are examples of sites that

<sup>13</sup> vKontakte is the 20th most visited website in the world, according to Alexa. It is the 2nd most visited site in Russia and the 3rd most visited site in Ukraine. The site was found civilly liable for copyright infringement in early 2012, but this has had no impact on the way vk.com conducts business. No affirmative efforts are taken by the site operators to prevent copyright infringement. According to public filings, London-listed Russian internet company, Mail.ru, holds 39.99% ownership share in the company. In 2013, it was reported that United Capital Partners, US\$3.5 billion fund owned by Ilya Shcherbovich bought a 48 per cent stake. The remaining share is reported to be owned by Pavel Durov, a founder of the site.

<sup>14</sup> ThePirateBay.sx remains ranked as one of the most accessed sites in the world. Alexa ranks the site 76th in the world and the 13th most accessed in Sweden. The site also ranks 33rd most accessed site in Canada and Australia, and the 37th most accessed site in Saudi Arabia. The site ranks extremely high in Spain (52), Brazil (52), Mexico (55), India (58), and the United States (75). ISPs have been cooperative in disabling access to the site upon request in certain countries. However, the operators of the site have practiced evasive tactics to ensure the site remains open for its illegitimate business. ThePirateBay.sx promoted its tenth year as an index website by releasing the PirateBrowser, a self-contained portable web browser with preset bookmarks to BitTorrent websites hosted on the TOR network.

<sup>15</sup> The prior domain of this site, kat.ph, was seized by the IPO of the Philippines. Kickass.to has the meta-description “Search and download new TV shows & TV series, movies, mp3, music and PC/PS2/PSP/Wii/Xbox games absolutely for free.” The site is ranked by Alexa as the 117th most accessed site in the world, ranking 23rd in the Philippines, 26th in Pakistan, 33rd in South Africa, and 42nd in the Netherlands. The site also ranks high in India (51), Australia (53), and Canada (71). The site is notorious for low compliance with takedown notices; the entertainment software industry reports only 7% compliance in 2013.

<sup>16</sup> Canada-based Torrentz.eu is ranked 158th most accessed site in the world according to Alexa. It is one of the most accessed sites in South Asia, including 41st in India and 45th in Pakistan, but also has broad geographic reach, ranking 59th in the Netherlands and 99th in Australia. The site is also highly ranked in Canada (122), Italy (123), and the U.K. (165).

<sup>17</sup> ExtraTorrent.cc claims it is “The World’s Largest BitTorrent System,” and clams on its Facebook page, “The Largest Collections of Movies, Music and Software and Other Torrents Online.” The predecessor site, ExtraTorrent.com, has been the subject of enforcement actions in some jurisdictions, so the site operators changed domains just recently. The site’s users have apparently easily re-routed themselves to the new site since ExtraTorrent.cc remains ranked very high in India, Pakistan, Malaysia, Australia, and the U.K. The predecessor site claimed to offer more than 13 million files with sharing optimized through over 43 million seeder and more than 60 million leechers. Website features included sections highlighting “the most pirated movies,” and “first cams,” which are camcordings of motion pictures currently available only through theatrical distribution.

<sup>18</sup> Torrentz.cd is highly ranked in South Asia, and is another example of a torrent indexing site targeting pirate software and with servers apparently located in Ukraine. Torrent.cd appears to be affiliated and is also ranked relatively high.

<sup>19</sup> 1337x.org remains a very popular site. The site is noted in this filing for a significant drop in compliance with takedown notices in 2012 and 2013. The entertainment software industry reports compliance at less than 10%.

<sup>20</sup> TorrentHound.com and apparently affiliated Torrents.net rank relatively high in South Asia, the U.K., and Italy. TorrentHound boasts “4,000 new torrents” each day, while Torrents.net implores users to “Download verified free public torrents, Download movies, games, tv-shows, music, software, anime other torrents.” A third site, Torrentfunk, appears affiliated (with servers in California), and advertises itself as a “fast download search engine,” promising users: “You can find the latest TV shows, Movies, Games, Software and Anime with the most verified torrents right here. Come download them for free now.” The entertainment software industry reports only 2% of all files identified in notices to the site were taken down in 2013.

<sup>21</sup> TorrentRoom.com is particularly popular in South Africa and parts of Europe.

<sup>22</sup> Eztv.it ranks extremely high in Australia (165), Sweden (194), South Africa (198), and the Philippines (229), and also ranks very high in Canada.

<sup>23</sup> T411.me ranks extraordinarily high in France (67th most accessed site), and ranks high in countries in North and West Africa, as well as Switzerland and Canada.

<sup>24</sup> While access to BitSnoop has been limited in some jurisdictions, BitSnoop remains ranked extremely high in South Korea (199).

employ or facilitate the use of the BitTorrent file sharing protocol to enable pirated content – including very large files – to be quickly located and downloaded.<sup>26</sup>

- **Rutracker.org** (Russia);<sup>27</sup> **Bt.rutor.org** (Sweden); **Todotorrents.com** (Spain); **Tracker.openbittorrent.com** (Canada); and **Tracker.publicbt.com** (France); are examples of BitTorrent trackers, which are servers that facilitate transfers between peers using the BitTorrent protocol. BitTorrent trackers direct traffic among BitTorrent users, each simultaneously tracking millions of torrents and connecting tens of millions of BitTorrent users with one another. They are used to facilitate the illegal uploading and downloading of millions of unauthorized copies of files.
- **Qvod** (China)<sup>28</sup> is a P2P protocol software used by Chinese rogue linking sites to distribute infringing copies of copyright materials. **Xunlei.com** (China),<sup>29</sup> while noted above for the closure of the GouGou search engine, unfortunately reemerges as a notorious market candidate due to its proprietary, high speed P2P file sharing system that distributes unauthorized copies of motion picture and television content.
- **4Shared.com** (British Virgin Islands);<sup>30</sup> **Putlocker.com** (United Kingdom);<sup>31</sup> **ZippyShare.com** (France);<sup>32</sup> **Rapidgator.net** (Russia);<sup>33</sup> **TurboBit.net** (Germany);<sup>34</sup>

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<sup>25</sup> Arenabg.com remains very popular in Bulgaria as the 29th most accessed site in that country despite previous enforcement efforts.

<sup>26</sup> It should be noted here that piracy websites have been in the process of migrating to so-called “magnet linking” which has been adopted for the stated purpose of reducing bandwidth and making them even less vulnerable to enforcement. Notwithstanding this change in their infrastructure, the nature and purpose of their operations remains largely the same.

<sup>27</sup> Rutracker is one of the most accessed sites in the world, ranking 243rd. It is one of the top 25 sites accessed in Russia, Ukraine, Belarus, Kazakhstan, and Uzbekistan, and ranks high in Lithuania (66), Azerbaijan (174), and even Thailand. The site’s meta-description is in Russian (Крупнейший русскоязычный битторрент трекер. Скачать бесплатно фильмы, музыку, книги, программы) meaning “The largest Russian-language BitTorrent tracker. Download free movies, music, books, software.”

<sup>28</sup> QVOD, or “Kuaibo.com,” is actually a P2P protocol and application widely used by Chinese rogue linking sites to distribute infringing copies of copyright materials including movies and television shows. The site thus serves a similar function to cyberlockers. QVOD is a downloadable application and there is no need to return to the site, so Alexa rankings do not reflect the popularity of this rogue market’s services. Many rights holders and licensees in China have identified QVOD and the websites utilizing its network as a primary threat to the stability of legitimate digital distribution in China.

<sup>29</sup> Xunlei’s system incorporates the website’s own desktop download manager with file formats unique to the system. Recently, Xunlei’s public service, Kankan, transitioned in format and now streams some authorized motion picture content. However, it also offers a “VIP Offline” service which distributes infringing content for a monthly fee. With this service, infringing content is downloaded by Xunlei from the external source and is stored to its servers for unauthorized on demand viewing.

<sup>30</sup> 4shared is ranked as the 150th most visited site in the world according to Alexa. The site ranks 23rd in Indonesia, 26th in Saudi Arabia, and 33rd in Brazil, to give an indication of its geographic scope, but also ranks high in Egypt (51), Thailand (57), Pakistan (88), Iran (95), and India (123). The meta-description for the site is “Online file sharing and storage - 15 GB free web space. Easy registration. File upload progressor. Multiple file transfer. Fast download.” The meta-tags include “photo image music mp3 video sharing.”

<sup>31</sup> Putlocker.com is now the 314th most visited site in the world according to Alexa. High rankings include Egypt (116), Pakistan (138), Indonesia (168), Mexico (200), Italy (235), Canada (239), Germany (250), and the U.K. (252), showing the site’s extensive geographic reach. Following the takedown of MegaUpload, Putlocker ceased paying uploaders for each viewing of uploads, but users continued to be required to pay \$44.99 a year for premium accounts that enable them to download copies of content or stream it ad-free. Alexa.com has identified about 17,000 websites linking to Putlocker, suggesting that Putlocker is one of the most popular sources of content for linking sites.

<sup>32</sup> ZippyShare.com has risen quickly to become the 366th most accessed site in the world. The site boasts extremely high access rates in Indonesia (133), Pakistan (168), Mexico (209), India (266), Brazil (312), as well as Spain, Germany, and the U.K.

<sup>33</sup> Rapidgator.net retains a global Alexa ranking of 450. In August 2013, the site was responsible for hosting more than 542,000 infringing game-related files available for download. The site continues to offer monetary rewards for uploaders, encouraging uploaders to distribute popular content such as unauthorized copies of movies and television programs as widely as possible. Premium subscription plans are available, allowing users to avoid throttled download speeds and data-download limits.



**Extabit.com** (Netherlands),<sup>35</sup> **Catshare.net** (France);<sup>36</sup> **Share-online.biz** (Belize, Netherlands);<sup>37</sup> **Netload.in** (Denmark, Germany);<sup>38</sup> **Uploaded.net** (Switzerland, U.S., United Kingdom, Netherlands);<sup>39</sup> **YouWatch.org** (Sweden); **NowVideo.ch** (Seychelles, Switzerland);<sup>40</sup> and **Xiami** (China),<sup>41</sup> are examples of “one-click hosting sites,” sometimes referred to as cyberlockers, which provide access to large libraries of infringing files for download (hence they are also considered download hubs).

- **Sina.com.cn** (China);<sup>42</sup> **Wenku.baidu.com** (China);<sup>43</sup> and **Docin** (China);<sup>44</sup> are open online platforms where users can upload and share documents. These services employ “digital coin” systems, whereby coins earned through uploading documents may be used to “purchase” documents for download. All services have ineffective notice and takedown processes for reporting infringements.
- **Ex.ua** (Ukraine);<sup>45</sup> **Mp3.zing.vn** (Vietnam);<sup>46</sup> **Primewire.ag** (formerly 1channel.ch) (Latvia, Sweden);<sup>47</sup> **Filmesonlinegratis.net** (Hidden);<sup>48</sup> **Free-tv-video-online.me** (Hidden);<sup>49</sup>

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<sup>34</sup> TurboBit.net is among the most accessed sites in Turkey, Ukraine, Egypt, Mexico, France, and Spain.

<sup>35</sup> Extabit, which advertises itself as a “file hosting - exchange service” but provides premium accounts for faster downloading, remains popular in Pakistan, Indonesia, Mexico, India, and Spain. In the summer of 2013, payment provider PayPal stopped handling payments for the company.

<sup>36</sup> Catshare.net hosted more than 42,000 links to infringing game content in August 2013. The site operator has refused to act against almost 90% of the links identified in takedown notices by the game industry.

<sup>37</sup> Share-online.biz was responsible in August 2013 for hosting over 15,000 infringing game-related files available for download by third parties. Attempts to contact the site operators have reportedly gone unanswered.

<sup>38</sup> Netload.in operates in 10 different languages. The site earns revenues by threatening to throttle download speeds and purge files every 30 days for users who do not purchase the \$64.99 annual premium membership.

<sup>39</sup> Uploaded.net has a current global Alexa ranking of 223 and is ranked high in Germany (102), Spain (112), Brazil (125), Mexico (132), and France (141). The site is a download hub that incentivizes users to upload large files, such as those associated with television episodes and motion pictures, by paying rewards based on the file size, as well as a percentage of premium account sales referred by the user. Download speeds are throttled for users who do not purchase the \$95.99 annual premium membership. The site continues to offer infringing content with file names clearly associated with illicit filesharing and illicit release groups. The website operates through multiple redundant domains that include Uploaded.to and Ul.to, and appears to have a multinational presence.

<sup>40</sup> NowVideo.ch is the 89th most accessed site in Italy.

<sup>41</sup> Xiami remains very popular in China, Taiwan, and Hong Kong.

<sup>42</sup> Sina.com.cn is one of the most accessed sites in the world, being the 4th most visited site in China, and ranking extremely high in Korea (10), Hong Kong (13), Japan (33), Taiwan (44), and the U.S. (360). Sina.com.cn categorizes hosted documents, mostly infringing, according to content (e.g., “educational materials,” “computer science,” “law,” etc.). The process for receiving infringement notices is complicated and Sina.com.cn has been entirely non-responsive to notices sent.

<sup>43</sup> Wenku.baidu.com is an affiliate of Baidu.com, which is the most accessed website in China and Korea, and the 5th most accessed site in the world, ranking extremely high in Hong Kong (6), Venezuela (10), Japan (12), Taiwan (18), and the U.S. (139). Wenku.baidu.com is host to many unauthorized publications, including consumer books, textbooks and journal articles, all available for download. While the site appears to operate an online complaint center, the system is complicated as right holders are required to send hard copies of notices. Though publishers have attempted to work within the online reporting system, the infringing links notified are not taken down. Wenku.baidu.com typically takes 7 to 19 days to respond to a takedown notice.

<sup>44</sup> Docin hosts hundreds of infringing publications, allowing users, after signing in, to review or read online or download documents in a variety of formats. Docin’s online reporting system is largely ineffective, although it does allow for email notifications of infringement. Responses to rights holder notices have been inconsistent. It typically takes Docin 6 days to respond to a notice, which given the volume of infringing material available on the site renders the process largely ineffective.

<sup>45</sup> Ex.ua remains the 16th most accessed site in Ukraine.

<sup>46</sup> Mp3.zing.vn, an affiliate site of zing.vn, remains an extremely damaging site in Vietnam for infringing music. Zing.vn ranks as the 5th most visited site in Vietnam, but is also popular in South Korea (635) and Singapore (525), giving it a strong global ranking according to Alexa.

<sup>47</sup> Primewire.ag is one of the most visited websites in the world to locate links to illicit copies of first run motion picture and television content.



**Megafilmeshd.net** (Hidden);<sup>50</sup> **Movie4k.to** (British Virgin Islands, Romania);<sup>51</sup>  
**Seriesyonkis.com** (Spain);<sup>52</sup> **Solarmovie.so** (Croatia, Canada, Latvia);<sup>53</sup> **Telona.org**  
(Romania);<sup>54</sup> **Yyets.com** (China);<sup>55</sup> and **Mp3skull.com** (Russia, U.S.);<sup>56</sup>  
**Watchfreemovies.ch** (Ukraine, Romania);<sup>57</sup> **Tubeplus.me** (Spain);<sup>58</sup> **Darkwarez.pl** (Poland,  
Switzerland);<sup>59</sup> **Boerse.bz** (Romania);<sup>60</sup> **Freshwap.me** (Hidden);<sup>61</sup> **Argentinawarez.com**  
(Sweden);<sup>62</sup> **Filestube** (Poland);<sup>63</sup> **DpStream.net** (Romania);<sup>64</sup> and **Cuevana.tv**  
(Singapore);<sup>65</sup> are linking sites that aggregate, organize and index links to infringing files,  
mostly stored on other sites (so-called deep-linking). Linking sites typically organize illegal

<sup>48</sup> Filmesonlinegratis.net has an Alexa ranking of 94 in Brazil. This popular streaming and linking site has been active since May 2009 and is dedicated to the distribution of national and international television series' and films. Industry reports indicate the server is currently hosted in Romania.

<sup>49</sup> Free-tv-video-online.me is one of the most visited websites in the world to locate links to illicit copies of first run motion picture and television content. The website's current Alexa ranking is 612. The site is evading domain seizure by registering with a .me domain, and is moving to different hosting providers continuously. Industry reports the site's server host is currently Canada.

<sup>50</sup> Megafilmeshd.net is a popular streaming linking site that currently offers about 5,000 links to both national and international content including films, television series', and concerts. The site offers updated illegal content in Portuguese, driving its Alexa ranking of 107 in Brazil. Industry reports the site is currently hosted in the Netherlands.

<sup>51</sup> Movie4k.to, formerly Movie2k.to, is a popular streaming and linking site. Users submit links of first run motion picture and television content through this website with tags designating the picture and sound quality. Last year, the operator posted a lengthy statement on the website in response to the shutdown of several infringing websites associated with Kino.to in Germany, claiming copyright laws are outdated. Industry indicates the server has been hosted in Romania with a proxy server out of Europe; other research indicates a link to servers in the British Virgin Islands.

<sup>52</sup> SeriesYonkis now stands as the 58th most visited site in Spain (up from 93rd in 2012) and remains strong generally in Spanish-speaking countries, including the Dominican Republic (122), Argentina (155), Venezuela (173), Peru (180), as well as Chile, Mexico, and Colombia. It is a dedicated linking/streaming site for infringing first-run movies and television content and advertises itself as such.

<sup>53</sup> Solarmovie.so continues to rise in popularity as a source for links to first run motion picture and television streaming content. The website has been reported as hosted in multiple countries including Canada and Latvia.

<sup>54</sup> Telona.org caters its content to Portuguese speakers in Brazil and Portugal. The site is ranked 683rd in Brazil and high in Portugal for access to illegal (often camcorded) first run motion pictures. The content may be video cammed in one country, and then will have the Portuguese audio captured from a local theatre or will add subtitles.

<sup>55</sup> Yyets.com is a download and streaming portal popular in China, boasting an Alexa ranking in China of 421. Although many types of content are available, Yyets specializes in providing unauthorized Chinese subtitles for foreign movies and TV shows, many of which are created by volunteers in the Yyets community.

<sup>56</sup> Mp3skull has shot up in popularity in 2012-2013, now ranking in the top 100 most accessed sites in Pakistan (83) and Indonesia (97), while maintaining high rankings in Nigeria (127), South Africa (214), India (254), and Malaysia (304). The website subtitle "mp3skull.com - free Mp3 Download," reveals the purpose of the site to infringe music copyrights.

<sup>57</sup> Formerly Ichannel.com and before that, Letmewatchthis.com, this site, which boasts in its meta description "LetMeWatchThis Movies. Watch movies online on LetMeWatchThis - the biggest library of free full movies. Stream content fast and easy. Free Movies Online on LetMeWatchThis," remains popular in regionally diverse countries such as the U.K., Pakistan, Canada, and Malaysia.

<sup>58</sup> Tubeplus.me advertises itself by enticing users to "Watch all the latest tv shows and blockbuster movies for free as well as a huge archive of past cinema and your favorite series only on tubeplus the world's biggest video streaming website." The site is popular in the U.K., the Netherlands, and Australia, but also ranks highly in Pakistan, Canada, the U.S., and Mexico.

<sup>59</sup> Darkwarez.pl generates a tremendous amount of traffic by featuring a high volume of links to a wide variety of infringing content. In August 2013, over 143,000 new links to infringing videogames were detected. The harm being caused by the site to game right holders has increased substantially since 2012.

<sup>60</sup> Despite its server location in Romania, Boerse.bz is in German, and provides tens of thousands of links to infringing games.

<sup>61</sup> The operators of Freshwap.me are believed to participate in uploading of infringing content and posting links to it. Along with affiliated sites Heroturko.me, Downtr.co, Downloading.ws and Allulook4.com, tens of thousands of links to pirated games have been posted.

<sup>62</sup> Argentinawarez.com is a Spanish language site boasting over eight million users and reportedly providing access to a large variety of infringing files.

<sup>63</sup> Filestube is ranked 631st most accessed site in the world, and ranks even higher in Italy, the U.K., India, Mexico, and Germany.

<sup>64</sup> DpStream.net is very popular in France (89th most accessed site), Belgium (273), Switzerland, and North Africa.

<sup>65</sup> Cuevana.tv is particularly popular in Spanish-speaking countries including Mexico (175), Argentina (139), and Central and South America, and maintains relative popularity in Spain.



copies by title or genre. Depending on the website, users are commonly presented with the option to either stream the content in a video-on-demand format or download a permanent copy to their computer.

- **Warez-bb.org** (Sweden, Hong Kong);<sup>66</sup> **Heroturko.org** (Hidden); **Gfxtra.com** (Turkey); **Forum.cgpersia.com** (Netherlands); **Avaxhome.ws** (Belarus, Belgium); **Usenext.com** (Germany);<sup>67</sup> and **Discuss.com.hk** (Hong Kong);<sup>68</sup> are examples of “bulletin boards,” blogs, forums, or newsgroups used for posting links to pirate copyright materials available through BitTorrent protocols or via direct download. Software is particularly hard hit by these sites, although in the case of Usenext.com, the pirate content of choice is high-quality Blu-ray rips of major motion pictures.
- **Chipspain.com** (Spain);<sup>69</sup> **Todoconsolas.com** (Spain);<sup>70</sup> and **Gigabytesistemas.com** (Spain);<sup>71</sup> are examples of notorious markets that continue to sell hardware devices, such as “mod chips” or “game copiers,” that bypass technological protection measures (TPMs) in game consoles or handheld devices. Such devices and technologies enable the use or copying of unauthorized game software. Sites that sell software used to defeat TPMs (“soft mods”) are also a growing concern. Device or soft mod sites may distribute directly to end users or may furnish raw materials to circumvention services, i.e., online sites or store fronts that install such devices for end users.
- **Molten-wow.com** (registrant hidden, U.S. server);<sup>72</sup> **Dispersion-wow.com** (Romania);<sup>73</sup> and **Wowis.org** (Lithuania);<sup>74</sup> are examples of unauthorized, third-party, “private” game servers in which users are diverted to play free multi-player games, robbing the legitimate game publishers of revenues from their online games. Establishing and maintaining these unauthorized game servers often involves multiple acts of copyright infringement (copying the game server software and copyrighted materials) as well as the circumvention of TPMs (since the legitimate game architecture contains TPMs to prevent people from using unauthorized servers or to prevent diversion of users to such unauthorized servers).

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<sup>66</sup> Warez-bb.org maintains popularity as self-proclaimed “World’s Best Bulletin Board” and maintains high rankings in regionally diverse countries as Malaysia, Pakistan, Belgium, the U.K., and Australia, among others. The site provides links to significant amounts of infringing content, including 700 new links to infringing videogame files daily. The site also allows for the distribution of hacked or cracked software codes and programs.

<sup>67</sup> Usenext.com provides a free trial period to users and then subscription plans start as low as US\$11 per month for a 12 month subscription and go up based on the quantity of content downloaded.

<sup>68</sup> Discuss.com.hk and its sister site Uwants.com are two of Hong Kong’s most popular sites, coming in at 15th and 25th, respectively. Massive numbers of infringing music file links have been detected on these sites.

<sup>69</sup> Chipspain.com contains a multilingual platform (including global shipping) to sell a variety of circumvention devices for all major game consoles.

<sup>70</sup> Todoconsolas.com makes available circumvention devices and game copiers to consumers around the world.

<sup>71</sup> Gigabytesistemas.com sells game copiers and mod chips which it also ships globally. The site also offers modification services for consoles.

<sup>72</sup> Molten-wow.com receives its financing from donations from its over 20,000 users and provides free access to play World of Warcraft without having to pay for the monthly subscription fee established by Blizzard Entertainment.

<sup>73</sup> Dispersion-wow.com provides access to more than 65,000 “members” to play Blizzard’s World of Warcraft without paying. The site also offers an unauthorized shop where users can purchase in-game items.

<sup>74</sup> Wowis.org, while having its servers located in Lithuania, is an Italian-language pirate server offering 28,000 users unauthorized access to play World of Warcraft.



- **Alibaba.com** (China, U.S.); **Paipai.com** (China); **Eachnet.com** (China); and **Taobao** (China);<sup>75</sup> are examples of B2B or B2C websites. While much of the activity on the B2B sites is legitimate, there are also cases in which sellers and distributors offer counterfeit software products in bulk and high volume. For-profit buyers purchase the counterfeit products and redistribute them through online marketplaces and other websites. Taobao is an example of an extremely popular B2C/auction site. While Taobao had previously been a notorious market, it was removed from that list last year. IIPA appreciates the site owners' proactive approach to working with some right holders to address piracy (and counterfeiting) activities undertaken by third parties on the site. Taobao has entered into several MOUs with right holders. The Motion Picture Association of America reports exemplary cooperation from Taobao. IIPA also appreciates that Taobao has sought to implement an English-language version of its online reporting portal that would be open to all right holders. However, for example, BSA | The Software Alliance continues to express some concerns over listings for pirated software appearing on the site.<sup>76</sup>

### *Physical Piracy Notorious Markets*

- **La Salada** and **La Saladita** (Buenos Aires, Argentina; branches in other cities) are well known as networks of fairs, comprising approximately 20,000 stores hosted just outside of Buenos Aires. They are referred to as South America's biggest mall and biggest black markets, providing access to infringing software, CDs, and DVDs.<sup>77</sup> The market also has a website for e-commerce sales. The success of La Salada prompted the rise of new markets using the same model, known as La Saladita, and located in several neighborhoods of Buenos Aires. Raids occur periodically but apparently have little effect on the availability of pirate merchandise.
- **Tepito**, **Lomas Verdes**, **Salto del Agua**, **Bazar Pericoapa**, **Bazar del Entretenimiento y el Videojuego**, **Toreo Markets**, and **Plaza Maeve** (Distrito Federal), **Mercado San Juan de Dios** (Guadalajara), **La Fayuca** (Guadalajara) (Mexico) are examples of the widespread and well-entrenched street piracy in Mexico. These informal markets sell pirated and counterfeit goods connected to or purchased from organized crime syndicates.
  - **Tepito** continues to be the center of distribution for pirate copyright materials. It is the site of active trafficking of all kinds of copyright content. The market is known for pirated games, modified consoles and game circumvention devices, such as game copiers. Tepito is an especially harmful market as it is also the location of several burn labs which manufacture counterfeit video games and serve as a distribution center for other markets in the area.

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<sup>75</sup> Taobao is an extremely popular auction site originating out of China, ranking as the 13th most accessed website in the world. It is the 3rd most visited website in China, and ranks extraordinarily high in Korea (7), Hong Kong (7), Venezuela (22), Japan (24), Taiwan (32), and Russia (134).

<sup>76</sup> BSA reports that the sale of unauthorized software and keys remain extremely popular and ubiquitous on the website. BSA further notes that in 2013 alone BSA has identified nearly 28,000 infringing and unauthorized sales of its members' products on the Taobao platform for which BSA has been unable to submit takedown requests due in part to procedural hurdles. BSA remains in discussions with Taobao with the aim to achieve more effective notice and takedown procedures and other practices for its members.

<sup>77</sup> La Salada revenues equaled US\$15 billion in 2009, more than the US\$8.5 billion earned by the country's regular shopping centers combined, according to the government statistic agency INDEC.



- **Bazar Pericoapa** is a middle class flea market selling both genuine and pirate/counterfeit goods. Since raiding occurs mainly at night, vendors have learned to move their illegal products out of the market by the end of the day. More recently, the market has become a popular source of downloaded games, modified consoles, and game circumvention devices, such as game copiers.
- **Bazar del Entretenimiento y el Videojuego** is located in a popular shopping area in downtown Mexico City. The sale of pirate and counterfeit goods is still pervasive, and it is suspected, due to the market's proximity to Tepito, that store owners from Tepito own some booths in this market or are responsible for the distribution of items sold. CD/DVD burning towers have been seized in prior raids indicating it is a source of production.
- **Plaza Meave** is a multi-story building in downtown Mexico City which contains numerous shops and outlets that offer for sale pirate and counterfeit goods, including pirate games. Booth owners no longer store their products onsite to avoid seizure during night raids.
- More than one third of **Mercado San Juan de Dios'** approximately 3,000 vendors offer pirate products, including pirate game software in their electronics sections. Despite some pressure from past enforcement actions, piracy has not decreased, in part due to failure to follow through with criminal prosecutions.
- **La Fayuca** is an alternative to Mercado San Juan de Dios for obtaining pirate and counterfeit products (a July 2012 raid resulted in seizures of over 128,000 pirate copies of videogames).
  
- **Galeria Pagé** (São Paulo), **Camelódromo Uruguaiana** (Rio De Janeiro), **Mercado Popular de Uruguaiana** (Rio De Janeiro), **Feira Dos Importados/Do Paraguay** (Brasília) (Brazil): These markets in some of Brazil's largest cities remain particularly notorious for piracy, including game piracy and console modifications.
  - **Galeria Pagé** is a multi-story shopping complex located in the center of São Paulo, housing over 170 vendors that sell a variety of products. Many shops specialize in electronic products and counterfeit merchandise including pirate videogames, game circumvention devices, and modified consoles.
  - **Camelódromo Uruguaiana** is a large flea market complex stretching out over several blocks in the middle of downtown Rio de Janeiro, with both open and covered sections, featuring over 2,000 stores offering all kinds of goods and merchandise, including clothes, food, and electronics. On any given day, but particularly on weekends, there are dozens of vendors of pirated games, modified consoles, and game copiers. Recent efforts to bring the "Piracy Free City" campaign in Rio de Janeiro have resulted in many raids but no lasting impact on the availability of pirate goods.
  - **Mercado Popular de Uruguaiana** is the largest and most famous shopping market in Rio, set on four street blocks and containing more than 1,500 kiosks, many of which sell counterfeit optical discs.
  - **Feira Dos Importados/Do Paraguay** is a large open flea market covering four main city blocks in the middle of the capital city of Brasilia, featuring more than 2,000 booths and kiosks offering a variety of products but with a heavy concentration on electronics. Pirate games have been sold there for many years. The recent creation of a very active Task Force in Brasilia, combining forces of the Special IP Unit, SEOPS (Secretary of



Public Order), Customs, and the Federal Highway Patrol, is showing promising results, but more needs to be done to clean up this market.

- **Zona Franca de Iquique** (Iquique, Chile) is a center of border trade in Chile, including imports from Asia (China, Hong Kong, and Taiwan reportedly make up 60% of imports into the market), and has become a transshipment point to Argentina, Brazil, Paraguay, Peru, and Bolivia. Its strategic location allows it to be the entrance and exit to products that make trade between the Mercosur, Asia, and Latin America. Trade unfortunately includes illegal importation and smuggling of pirate goods. Blank optical discs are also shipped and transshipped through this point to be burned with pirate content and service South America.
- **San Andrecito** (Colombia, various locations) are shopping centers/markets in various locations in Colombia where contraband is known to be sold. Pirated and counterfeit software has been detected in these markets. Pirate intellectual property, including software, music, and motion pictures are all readily available in these markets and Colombians treat them like mainstream shopping centers despite the fact that vendors are offering illegal products.
- **Unilago Zone** (Bogotá, Colombia). Numerous shops located near the Unilago Technology Center offer pirate and counterfeit computer hardware and software. The illegal shops are interspersed among legitimate resellers, creating an atmosphere that undoubtedly confuses consumers.
- **Zona Libre de Colon** (Panama), located on the Caribbean coast of Panama in the province of Colon, is the continent's largest and world's second largest trade zone, including sales and transshipments of all kinds. The main imports are from Hong Kong, Japan and the United States to countries in South America, Central America, and the Caribbean. Unfortunately, counterfeit and pirate goods as well as pirate optical discs make their way from Asia into the Americas through this trade zone.
- **Tri-Border Region including Ciudad del Este** (Paraguay, Argentina, Brazil) remains a focus of street piracy of copyright content. Most of the product found in this area is manufactured in Asia, notably China. Street vendors are found storing the majority of material in warehouses but only displaying small amounts.
- **Buynow (百脑汇) PC Mall** (China, various locations) is a very large personal computer mall chain in China, operating 22 stores across the country. Buynow PC Malls lease space to sellers of electronics equipment, software, games and accessories and many vendors offer pirated operating systems and other software. Vendors will install the pirate software directly onto their customers' hard disks. Buynow PC Mall also exists as an e-commerce site but it is unclear the extent to which the vendors leasing physical space also make use of this e-commerce platform.
- **HuaQiangBei (华强北) Market** (Shenzhen, China) is a concentrated shopping area in Shenzhen, which contains streets lined by large markets (buildings) each specializing in



commercial electronics, consumer electronics, or fashion. The markets remain the central point from which counterfeit software is distributed to other regions in China and elsewhere. Several criminal counterfeit software cases in China have involved counterfeit distributors operating out of these markets. The Chinese government has performed several sweeps in this market during periodic ‘special enforcement campaigns’, but the situation has not improved in any meaningful way.

- **Quiapo, Binondo, Baclaran, Makati Cinema Square, Metrowalk, 168 Mall, Divisoria, Juan Luna Plaza, and New Divisoria Mall** (Metro Manila, the Philippines) continue to contain retail pirate trade. While Manila’s Quiapo district was removed from USTR’s notorious markets list in 2012, unfortunately, recent raids (including a major raid in August 2013) revealed hundreds of thousands of pirate discs, including pirate and counterfeit software.
- **Petaling Street, Chinatown** (Kuala Lumpur, Malaysia) and **Holiday Plaza** (Johor Bahru, Malaysia)<sup>78</sup> are examples of numerous Malaysian markets (including night markets) reportedly offering for sale a substantial number of pirate copyright products.
- **Harco Glodok, Mangga Dua Mall, Ambassador Mall/ITC, and Ratu Plaza** (Jakarta, Indonesia) remain active markets in Indonesia for counterfeit copyright goods of all types, including pirate software, games, music, and movies. Many outlets also offer the service of installing pirated material onto computers provided by customers. Enforcement officials remain reluctant to conduct enforcement actions.
- **7 Kilometer Open Market** (Odessa) and **Barabashovo Open Market** (Kharkov) (Ukraine). These Ukrainian markets contain an array of counterfeit products in their more than 40,000 kiosks. Russian-replicated counterfeit movies continue to be sold.
- **Caribbean Gardens & Markets** (Victoria, Australia). Caribbean Gardens and Markets is Australia’s largest underground market operating every Wednesday and Sunday. There are between ten and twenty individual market sellers offering pirate DVDs, together with other sellers offering burned DVDs of recently released titles. The total number of sellers has increased recently due to a lack of enforcement, and police have shown no interest in enforcing the issue despite right holder requests.
- **Greater Toronto Area** (Canada). Despite enforcement including seizures of over one million pirated DVDs from flea markets since 2012, the markets remain a problematic area in 2013. Peel Region flea markets, which are marred by the presence of organized crime, remain the most active.
- **Hailong Electronics Shopping Mall (Zhongguancun - 中关村)** (Beijing, China). Hailong is one of the largest markets in Beijing hosting shops with bundled sales of hard drives loaded with counterfeit movies. Hard drives can be wiped and reloaded with new movies at a very low cost.

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<sup>78</sup> Holiday Plaza in Johor Bahru is a three-story shopping mall located directly across the strait from Singapore.



- **Jonesborough Market** (Northern Ireland). Infamous within the UK and Ireland, this market sits in an isolated area on the border of Northern Ireland and Ireland and is monitored by illegal traders who deploy counter-surveillance measures. Despite enforcement activity in 2012 and 2013, it remains a problematic market and illegal traders often escape across the porous border during raids. Operators of this market have historically strong ties to paramilitary groups and sell an array of counterfeit products, including pirated optical discs.
- **Mayak Open Market** (Donetsk) and **Petrovka Open Market** (Kiev) (Ukraine). While counterfeit products appear to be diminishing following police raids, counterfeit movies are still burned on demand at Mayak's 40 kiosks and Petrovka's 20 kiosks.
- **"Red Zones,"** including **Panthip Plaza, Klong Thom, Saphan Lek, Baan Mor Shopping Area, Patpong and Silom Shopping Areas, Mah Boon Krong (MBK) Center, Sukhumvit Road** (Thailand). These locations in Thailand are notorious for openly selling pirated and counterfeit goods, with the government even designating the areas as "red zones," which are markets targeted for increased raids due to their high piracy and counterfeiting rates, and "yellow zones," which are targets to be aware of for possible piracy activities. Many vendors openly sell pirate and counterfeit goods (as well as engage in other crimes such as the sale of child pornography). The Royal Thai Government has promised on repeated occasions that the Red Zones would be shuttered, and despite some activity by landlords to address their tenants' illegal activities, the markets remain open for business.
- **Richie Street, Censor Plaza and Burma Bazaar** (Chennai); **Bara Bazaar** (Kolkata); **Chandini Chowk, Palika Bazaar and Sarojini Nagar Market** (Delhi); **Navyuk Market Ambedkar Road and Nehru Nagar Market** (Ghaziabad); **Kallapur Market and Laldarwajah** (Ahmedabad); **Jail Road and Rajwada** (Indore); **Manish Market, Lamington Road, Dadar Train Station, Andheri Station Market, Borivili Train Station and Thane Station Market** (Mumbai) (India). These Indian markets with clusters of street vendors attract significant pedestrian traffic and are known for their high volume of pirated DVDs and other counterfeit products.

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IIPA appreciates this opportunity to provide input to the Special 301 Subcommittee in this Out-of-Cycle Review regarding notorious markets for copyright piracy.

Respectfully submitted,

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