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# M&E Piracy: Use-cases and Business Models

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#### Piracy Use-cases and Business Models

- What is video piracy?
- Where piracy happens
- How piracy happens: piracy models
- What do we do about it?



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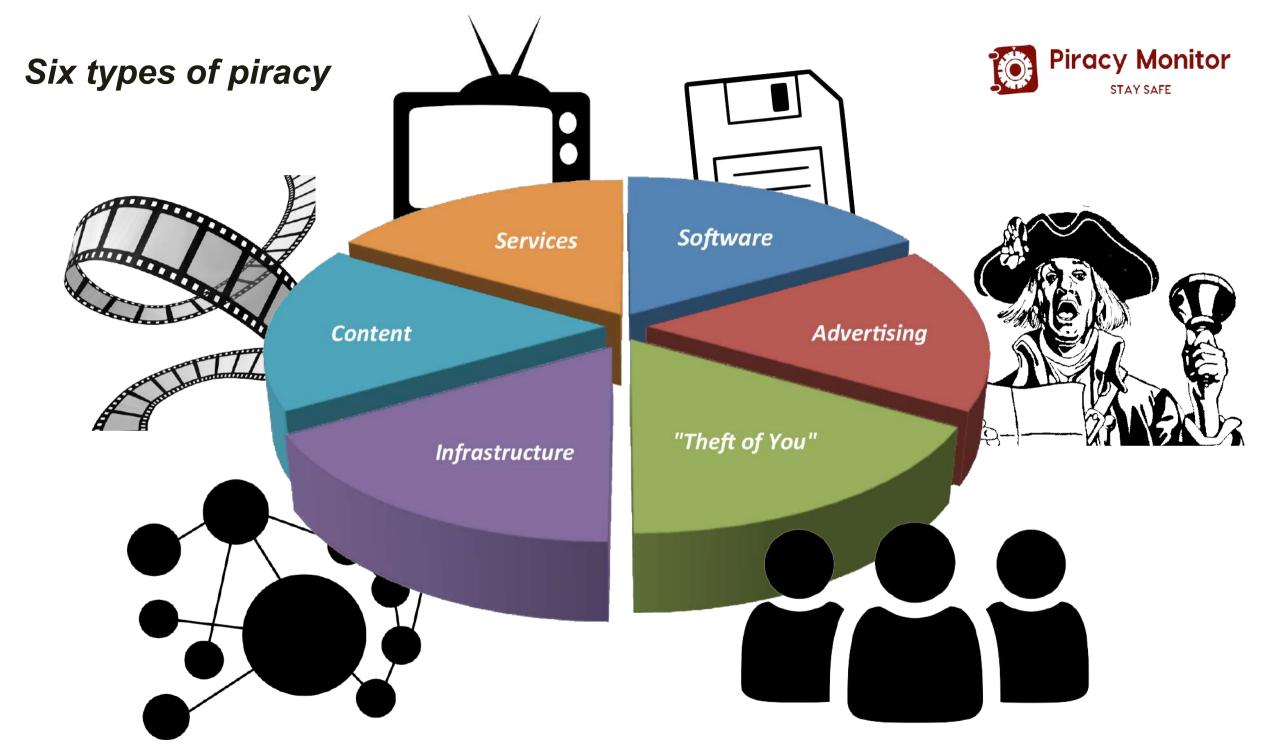
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# Demand = Piracy Demand = Piracy > < Fraud









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#### Video providers can only protect within managed distribution

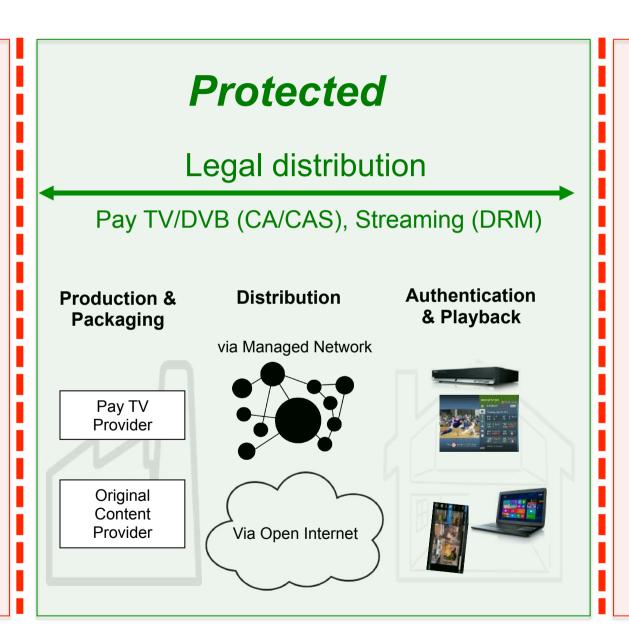


#### **NO** Protection

## **Before Distribution**

Vulnerable to theft:

- Live sports, events
- Original Programming
- Digital cinema
- Production copies



#### **NO** Protection

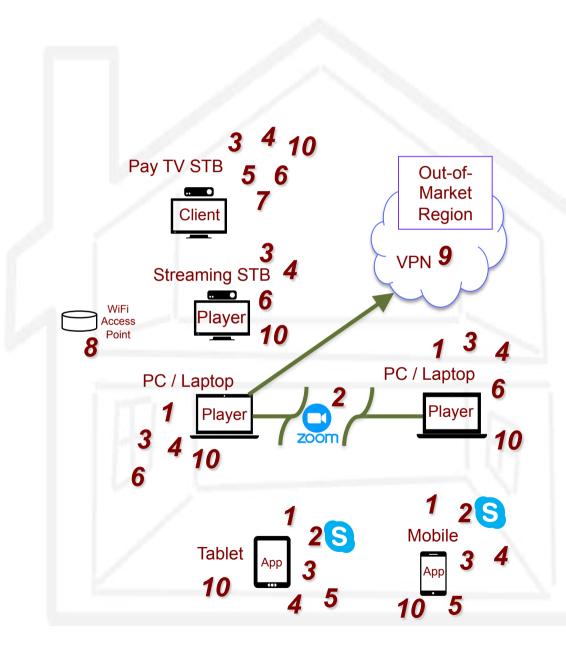
## Beyond the consumer

Vulnerable to theft:

- Live streamed events
- Series programming
- Cinematic releases
- Personal information
- Software integrity
- Device integrity

#### Where can it stolen? (excluding pre-release & physical media)





- 1) Screen recording during live broadcast
- 2) Capture from a screen-share session
- 3) Tampering with video player software
- 4) Breach to device's video pipeline
- 5) O/S breaches (e.g. Open Source Linux, Android)
- 6) Interception at a connection (HDMI, USB, etc)
- 7) Breach a watermark, collusion attack
- 8) Interception over Network ("Man in the Middle")
- 9) Access from out-of-market locations (VPN)
- 10) Network DVR playout (captured, restreamed)

#### Client-side close-up: Layered exposure



- Video session
- Video player
- Apps / Browser / Plug-ins
- Video Pipeline
- Memory, storage
- Chip-set
- Device OS
- Device Connections (HDMI, etc.)
- Local Network Connections (IP)





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#### "C2C" Use-case 1: Social watch parties

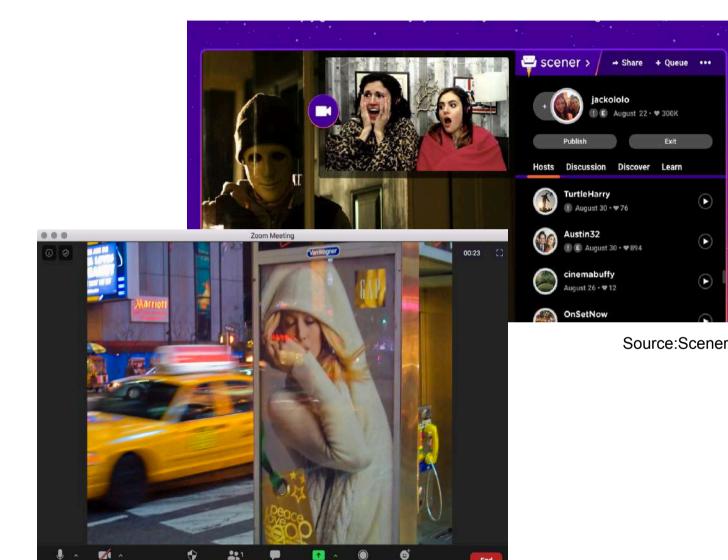


#### C<sub>2</sub>C

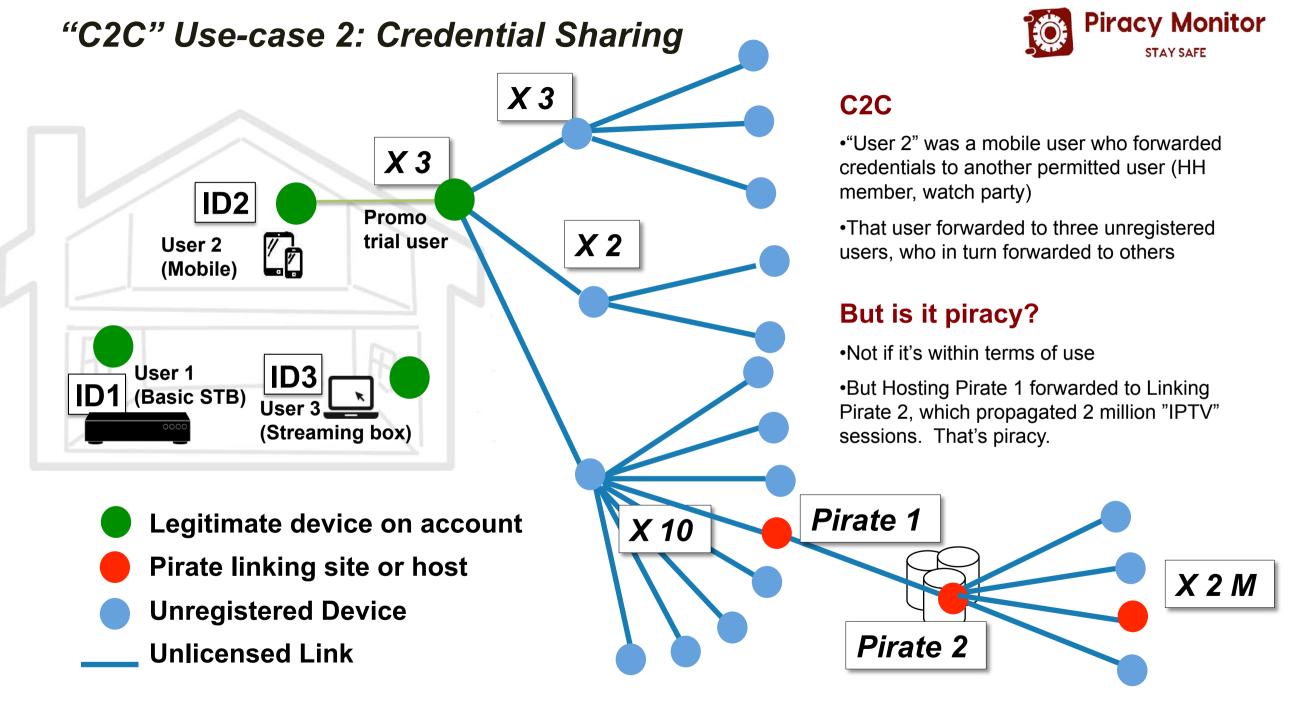
- Closed: Hulu Watch Party, Netflix Teleparty, Sling TV
- Open watch parties: Twitch, Zoom
- Private social groups, circles of friends

#### But is it piracy?

- Not if everyone adheres to terms of use
- Not if the content is yours



Source: Piracy Monitor



#### Piracy Model 1: Hosting sites and cyber-lockers

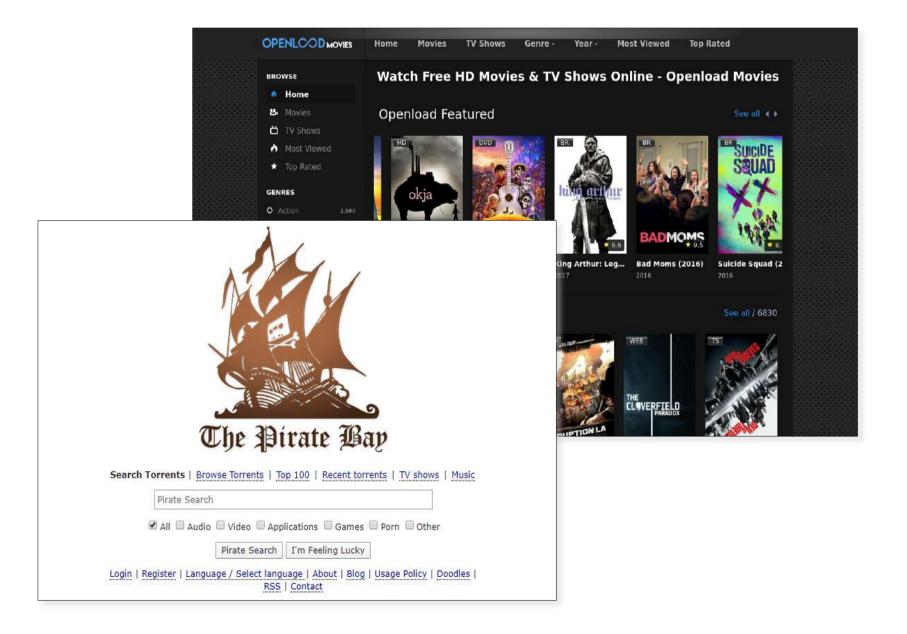


**C2C:** Sharing sites where consumers upload videos for others to download

**B2C:** Hosting sites that feed consumers via torrents (Pirate Bay).

Private social groups as video clubs

But is it piracy: Yes, if the content is not licensed for this form of distribution



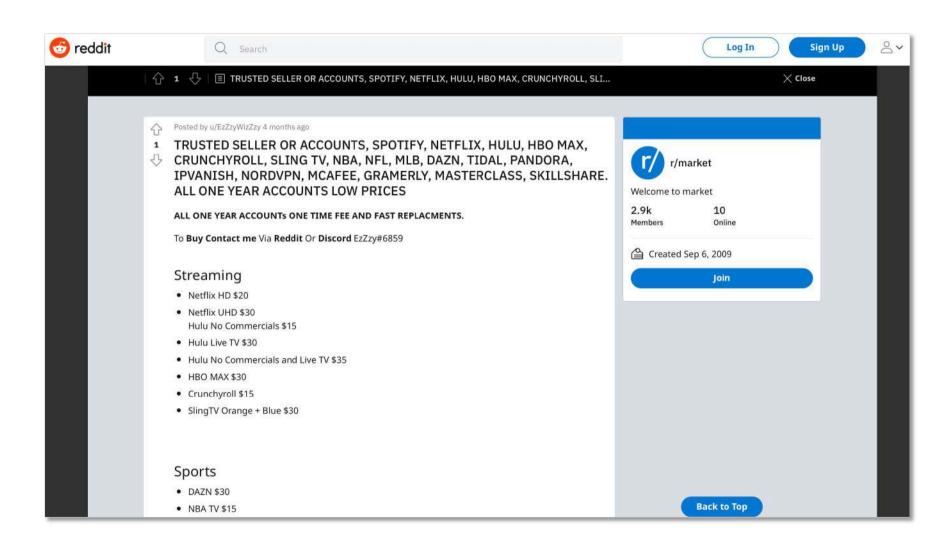
#### Piracy Model 2: SVOD credential resellers



**B2C:** Sharing sites where consumers buy account access (harvested credentials)

**B2B:** Entities that buy and mine databases for working credentials, then sell them in bundles to B2C resellers.

**Is it piracy**: Yes, if the seller doesn't have distribution rights



#### Piracy model 3.1: Software and Devices

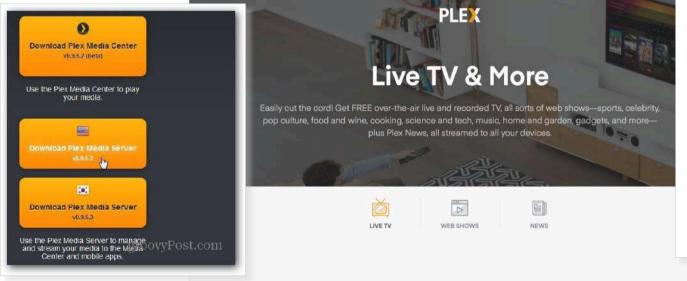


#### **Legitimate Software / Pirate Apps**

**B2C**: Browser extensions, Media centers (Plex/Kodi),

Mobile/streaming apps

Yes it's piracy: If it distributes unlicensed content



**Cut the Cord** 

With a compatible tuner and antenna, you don't have to sacrifice any of the local, over-the-air (OTA) programming when you cut the cord—you can get them for free.



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#### Piracy model 3.2: Software and Devices



Sort by: Featured V

JAILBREAK

Fire

Stick TV Alexa

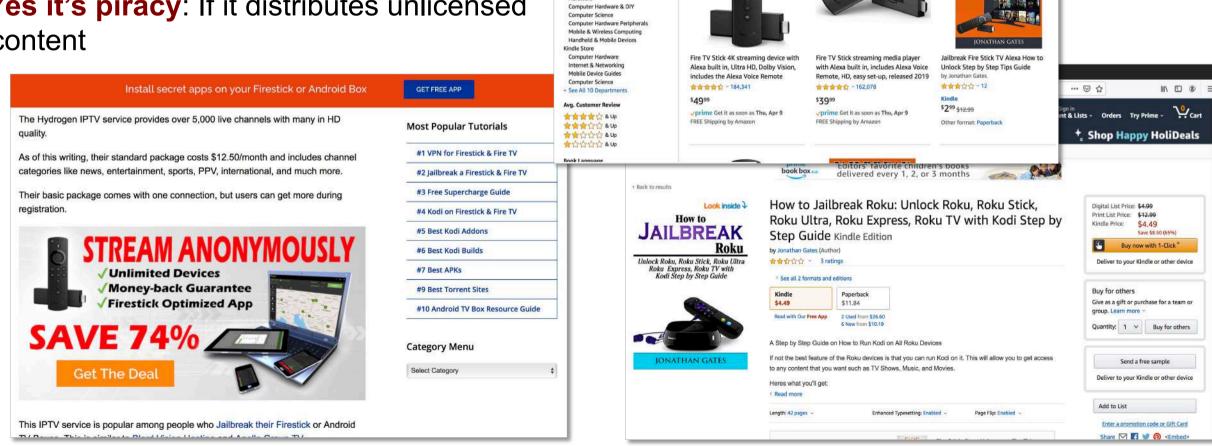
EN Hello, Sign in Returns

Account & Lists - & Orders Try Prime -

#### **Legitimate Devices / Pirate Apps**

**B2C**: Retail streaming devices, jailbroken and opened to pirate ecosystems

Yes it's piracy: If it distributes unlicensed content



amazon

□ √prime

1-48 of 89 results for "fire tv jailbreak"

All customers get FREE Shipping on orders

Free Shipping by Amazon

over \$25 shipped by Amazon

Computers & Technology Internet & Networking Computer

All - fire tv jailbreak

Best Sellers Customer Service New Releases Find a Gift Whole Foods Registry Gift Cards Se

Price and other details may vary based on size and color

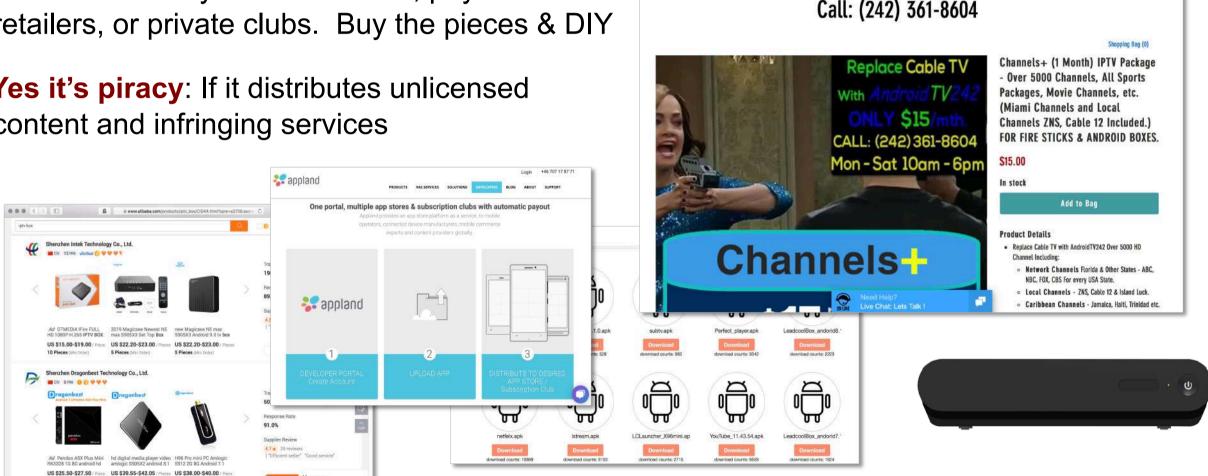
#### Piracy model 3.3: Software and Devices



**Illicit Streaming Devices (ISDs)** 

B2C, B2B2C: Custom-made pre-configured devices. Sold by online retailers, physical retailers, or private clubs. Buy the pieces & DIY

Yes it's piracy: If it distributes unlicensed content and infringing services



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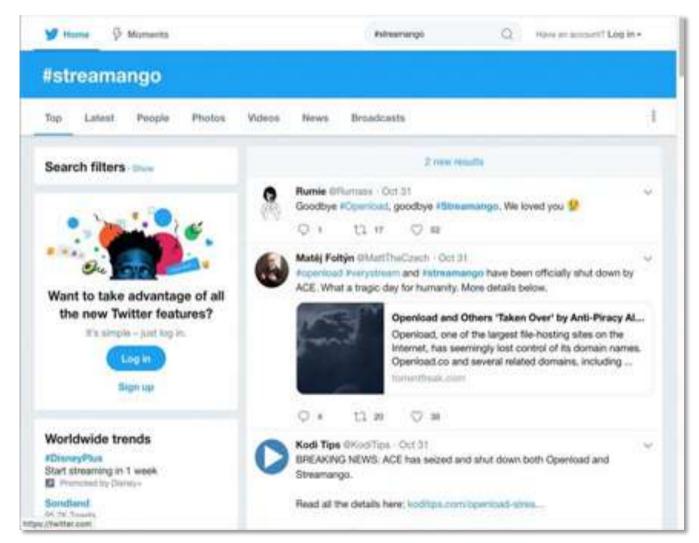
#### Piracy Model 4: Wholesale pirates



**B2B**: Hosting sites that feed content to illegal streaming and linking sites

#### Yes it's piracy

Streamango operated more than 1,000 servers in Romania, France and Germany and "generated more traffic than... Hulu, HBO Go, Sky, and the Web sites for CBS News and NBC News."



Source:Twitter

#### Piracy Model 5: Build an "IPTV service"



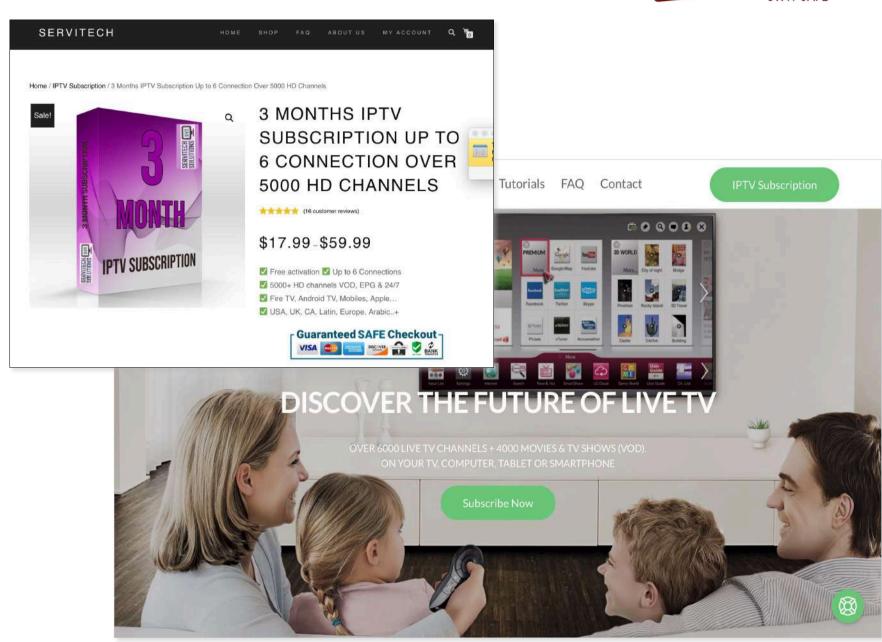
### Pay TV's and OTT's biggest competition

**B2C**: Consumer pays subscription; PPV, xVOD are add-ons

Access via Web/PC, Mobile, Streaming CPE, ISD

**B2B**: Portal provider acts as a link-aggregator, or links directly to hosted content

Is it piracy?: Yes, services distributing unlicensed content are pirates



#### Piracy Model 5.1: ... Choose a service platform

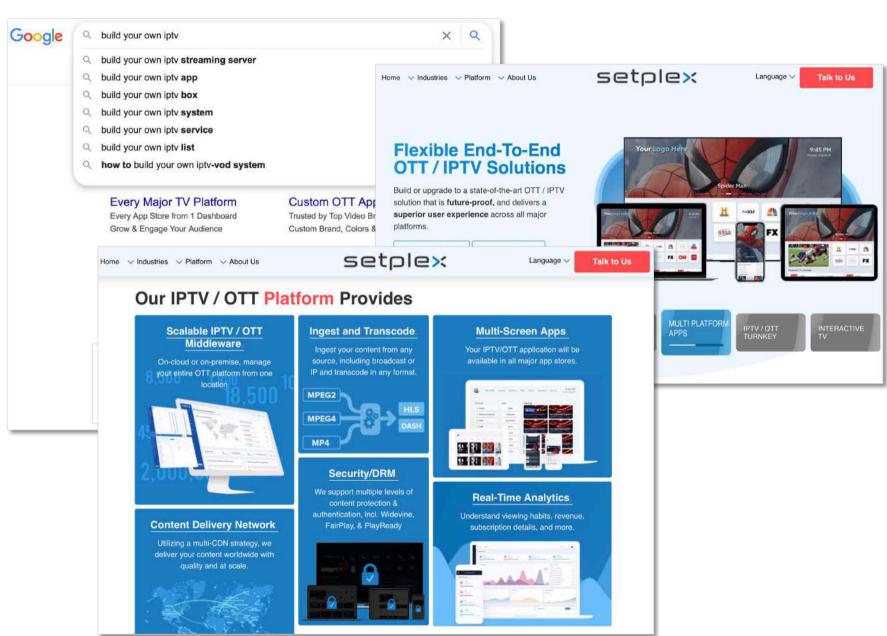


**B2C**: Consumer-facing aggregators deliver via Web, apps, mobile

B2B: Entities that sell the software, services and content to enable these consumer-facing aggregators

#### Yes it enables piracy:

if the video provider is not licensed to distribute the programming



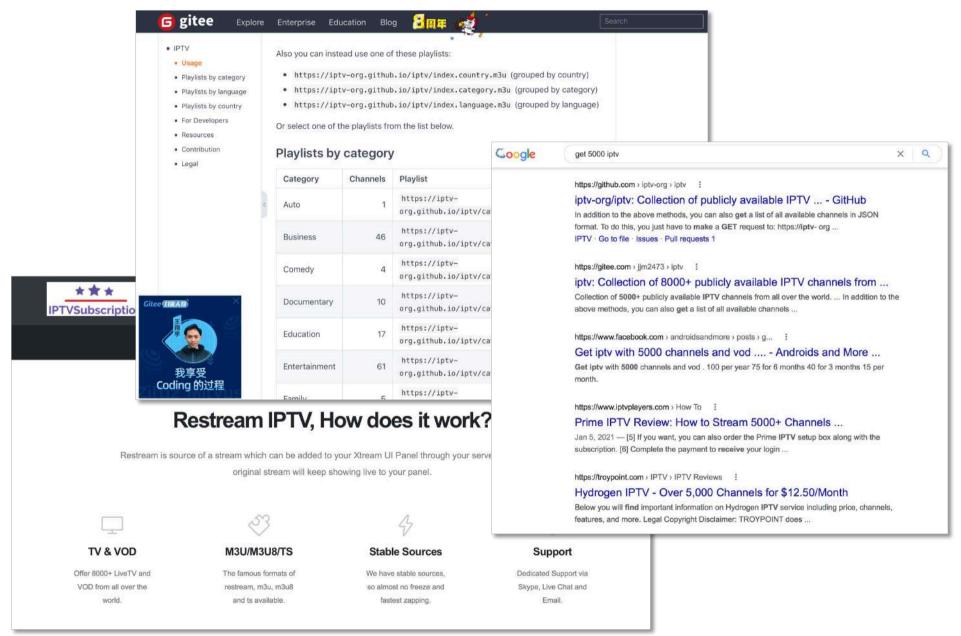
#### Piracy Model 5.2: ... Find bundled programming



**B2C**: (Not applicable)

**B2B**: Entities sell series programming, live broadcast, movies and other content as bundles

Yes it's piracy: if the provider has no direct relationship with the legitimate rights-owner / rightsholder



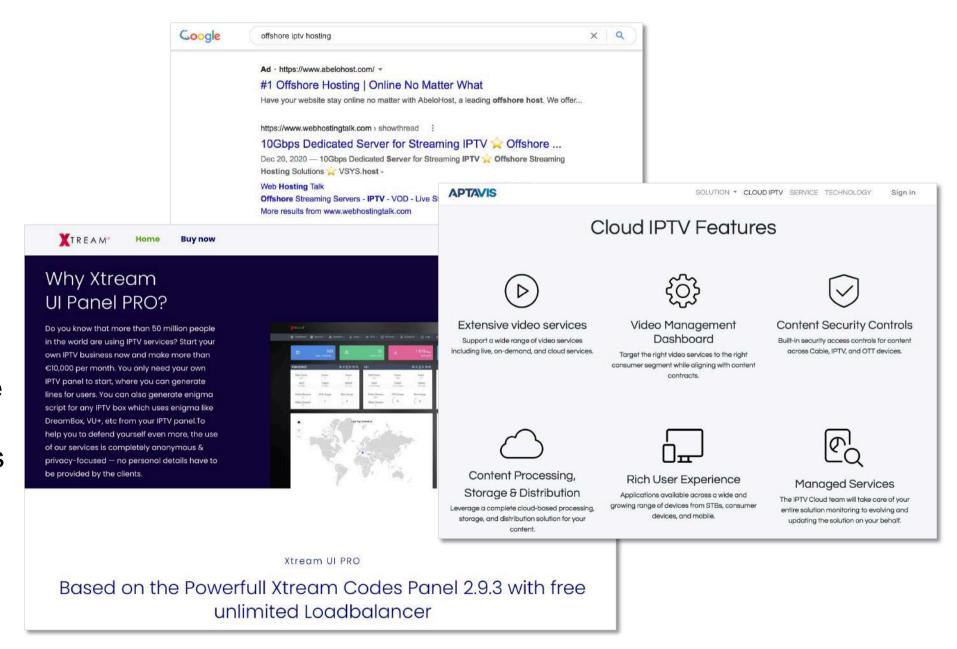
#### Piracy Model 5.3: ... Choose a back-end in the cloud



**B2C**: (Not applicable)

B2B: Entities that sell Hosting services, backed with service level agreements, technical support, knowledgebase, and professional services

Enables piracy: If the platform is enabling a service that distributes unlicensed content, it could receive takedown orders



#### Piracy Model 5.4: ... Use a contractor or learn online

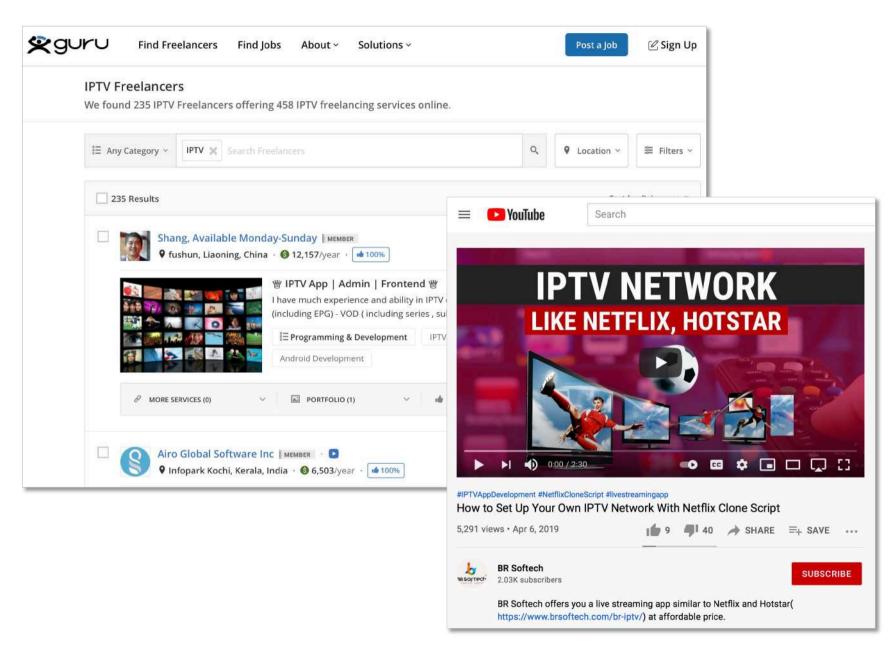


**B2C**: (Not applicable)

**B2B**: Professional services for hire, to build the platform, build the apps, do the backend integration

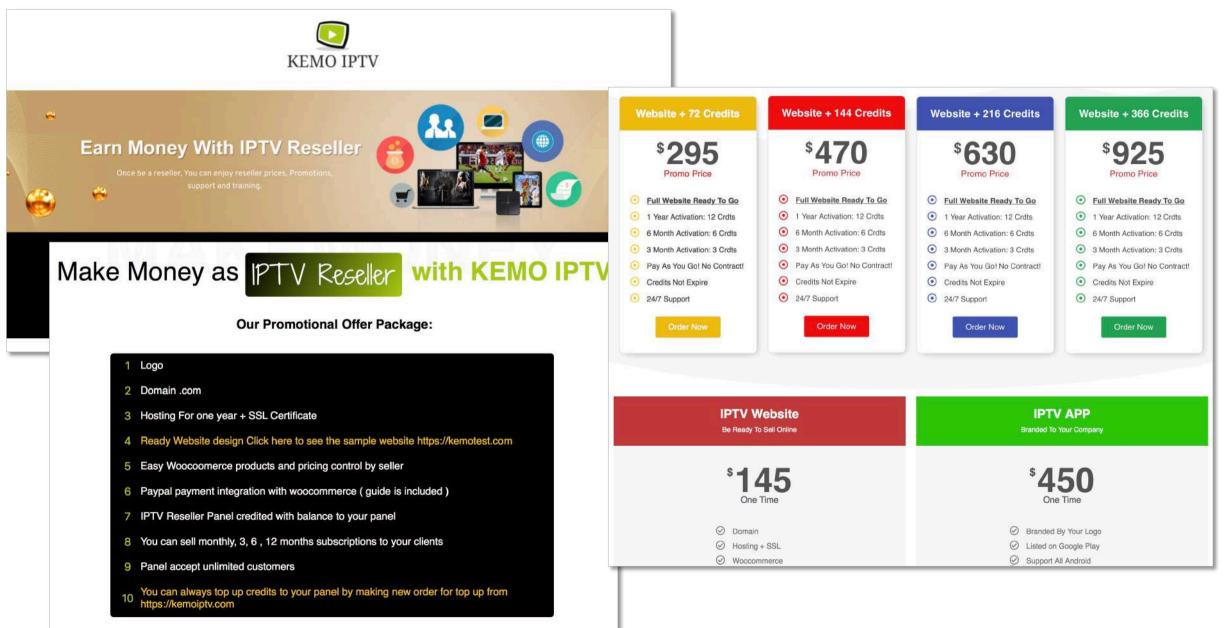
Lots of instructions available online

Yes it can enable piracy



#### Piracy Model 6: Or... Use a turnkey solution





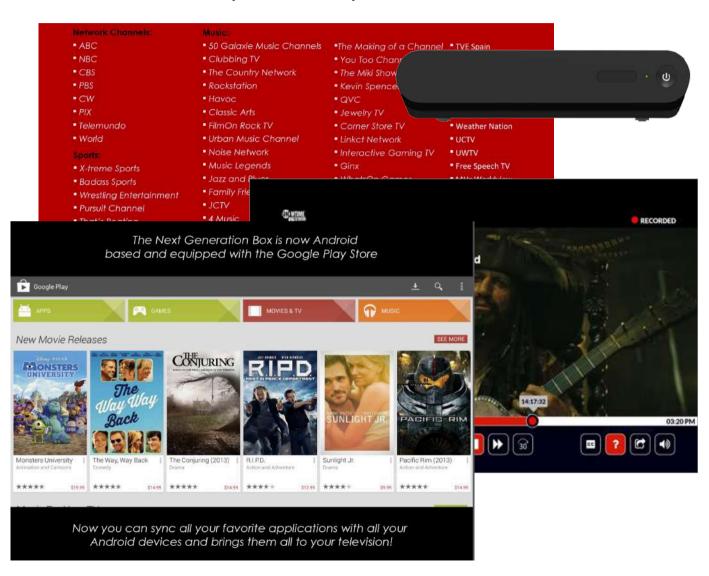
#### Piracy model 7: "Full service" Reseller



#### A video pirate using retail (B2C) and wholesale (B2B2C) business models

#### **Business models employed:**

- ISD: Android TV streaming box Buy or rent
- Streaming: Live TV, On-demand channels, Web and email on TV for low monthly fee.
- Pay TV: A service bundle with 70 TV channels, 7-day catch-up and 50 hours of cloud DVR at a base price, with premium upgrades
- An All-in-One bundle: add high-speed Internet and home telephone services
- Wholesale: Streaming retailers. In some cases, the resellers don't know they're selling fraudulent offerings
- Advertising: Some are known to sell linear
   TV ad slots and have outbound sales forces



#### Piracy model 8: Advertising fraud

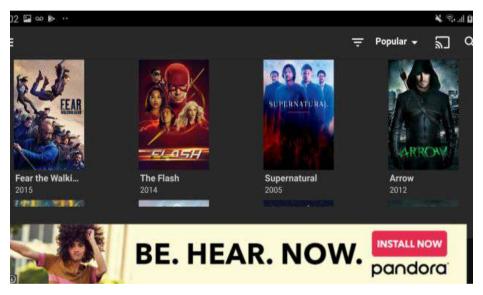


#### **B2B2C**: Fraudulent sites and apps running legitimate ads

- Tea TV
  - Pirated streams of major movie releases and premium TV shows.
  - Ads come from ad inventories intended for programmatic placement.
- Business model
  - Free to consumer; funded by payments from advertisers.

**Yes it's piracy**: The advertising is presented in fraudulent apps without the advertiser's knowledge

But do advertisers look the other way?



Source: CNBC

Source: Google Play app store



#### Piracy model 9: Consumer Cyberattacks



- Databases bought via clandestine online markets
- Used in automated brute force attacks to penetrate pay TV and OTT streaming accounts
- Unlocked accounts are resold or used for other purposes ...



Image source: The Hollywood Reporter

#### Piracy (fraud) model 10: Theft of You



#### Phishing...

- "Please re-set your password"
  - End user opens mail, accesses account, re-sets password
  - Pirate captures access details, can access other PII, financial accounts
  - Pirate can resell the account, steal content, steal bandwidth and services...

#### Ongoing access…

- "A Software Update is Now Available"
  - Resembles legitimate app with legitimate advertising but is fraud in disguise
  - Installs malware and triggers a ransom attack
  - Uses CPE cycles for bitcoin-mining
  - The pirate site splits the profits with the malware author



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#### Progress in the fight



#### Europe & UK

- Collaborations between law enforcement (Europol, Interpol, national, local police), anti-piracy advocates, media companies, sports leagues and others; resulting in seizures, fines and more.
- Piracy is flat or declining in some European countries

#### Asia/Pacific

- Collaborations between AVIA, its members, and regulators to enact site-blocking regulations in Indonesia, Malaysia, Singapore, Philippines have resulted in up to 50% reduction of pirate distribution between 2019-2020.
- In contrast with Vietnam, which rose 50% 2019 > 2020

#### United States

- Piracy is now a felony under US law, punishable by up to 10 years in prison (18 USC §2319C)
- US Copyright Office 2020 recommendations to update DMCA (Section 512 of Section 17 recommends ISPs establish repeat infringers policies, and require ISPs to expose infringers)
- Use of legal complaints to motivate pirate sites and their network providers to stop infringing (IBCAP)

#### Fighting piracy: technical elements



#### Enforcing service parameters

 # of Users/Account, # of Devices/Account, Offer management, In-home / Out-of-home ...

#### Traditional Pay TV Security

CAS, DRM, Key Mgmt, Secure player, HRoT, Secure stream mapping, virtual addressing ... External audit

#### Usage Monitoring & Analytics

Auth. requests, Account access requests, License requests, Location, Watching for anomalies ...

#### Content Identification

Watermarking (Content modification), Fingerprint extraction > Monitoring > Evidence-building ...

Network Test & Source Verif.

Unexpected stream origins, AI/ML in the network, DPI, Detecting your content on pirate networks ...

#### Service Administration

Applying countermeasures: On-screen Msgs., QoS Degradation, Session termination, Blocking ...

#### Fighting piracy: Ecosystem engagement



#### Marketing

#### Online partners

Media Industry

Anti-piracy organizations

Law Enforcement

Governmental

**Financial** 

Consumer Education

- By video providers: Advanced business rules, Offers that incent infringers to become subscribers...
- Takedowns: Search engines, CDNs & cloud providers, "UGC" OTT providers, Social media ...
- M&E Industry Assns (MESA/CDSA), Sports leagues,
   Media companies, Ad networks, Technical orgs.
- AAPA (EU), FACT (UK), FAPAV (Italy), Rights Alliance (Denmark), Hadopi (France), MPA/ACE ...
- Local, national and regional police, Interpol, Europol and peer organizations outside the EU and UK
- Policymakers, Agencies that oversee Intellectual property and Copyright, Trade, Telecoms, Media ...
- Traditional and online financial networks, Banks and financial institutions. Understand fraud ...
- Understanding the threats, Consequences of piracy,
   Consequences of inaction, "Digital Citizen" ...







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