

BREIN *info*

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In 2002 approx 28.5 million
illegal CDs and DVDs in circulation

Damage piracy- and illegal consumer trade **157** million euro

An estimated 1 out of every 5 optical discs sold in the Netherlands is illegal (for music even 1 out of 3 and interactive software 1 out of 2). Approximately 60% of these are CD-r and DVD-r copies of music, film and interactive software product burned by consumers and given away or traded with their peers. Professional piracy was responsible for the sale of more than 10 million illegal discs with an illegal turnover of 58 million euro. The total estimated damage from piracy in 2002 was 157 million euro for 28.5 million illegal discs. In 2001 the piracy was still valued at 98.5 million euro for 17.75 million discs. An increase of 55% in units sold and 60% in damage!

The increase is due to the "rip-and-burn" culture among consumers. Even the turnover of professional pirates has been reduced by it. Tim Kuik, director of BREIN, says: "Consumers can download and burn copies as much as they like. And these copies are given away or traded in huge numbers. We think that last year alone we're definitely talking about 15 to 20 million discs. This has an effect not only on the sale of legal discs, but also on the illegal trade. For the entertainment industry, the damage from downloading, copying and giving away is ever increasing. And the CD and DVD pirates also seem to be hit". For the legal industry a solution for the "rip-and-burn" mentality can be found in technological protection.

The distribution of "hacks" that circumvent such protection measures needs to be stopped by legal means. "It's essential that such circumvention can be tackled by criminal enforcement as well" says Kuik. In the present proposal to amend the copyright law, circumvention of protection and the distribution of such "hacks" are made unlawful under civil law, but they are not made punishable under criminal law. ▶

BREIN ADS UP IT'S FIRST 5 YEARS

BREIN was founded in April 1998. That was the formalising of a cooperation between right holders in the entertainment industry which had been in existence for almost 30 years. A bird's eye view of the past 5 years shows the following achievements: 12,564 investigations into CD/DVD and internet piracy; 9,630 illegal sites closed down; 579 arrests of CD/DVD pirates by the ODBS (BumaStemra) which has been transferred to the FIOD-ECD since 2003; 7 criminal CD/DVD organisations dismantled and 8 raids on CD/DVD plants at home and abroad. In total 10,866,012 discs; 393 computers; 403 CD/DVD burners and 2 professional CD presses were confiscated.



► VERVOLG PAGINA 1

"We need the threat of criminal proceedings as a deterrent", Kuik insists.

The proposal of law also wanted to allow consumers to ask others to make copies for them and to give away such copies to family and friends. Kuik: "It's important that the law continues to prohibit copying on demand. Copying by yourself for your own use is allowed, but must not be extended to making copies for family and friends. Certainly not in this internet era. Also professional CD-r and DVD-r pirates would be able to hide behind such wide exceptions to the copyright law". Kuik thinks the law must set standards. "The exchange of burned copies and internet files between consumers causes significant damage. This is illegal sales-replacing behaviour on the part of the consumer". For the very same reasons the law must also continue prohibit the making of copies from illegal sources, according to BREIN.

Organised CD and DVD Crime

BREIN again focused considerable attention in 2002 on CD-r/DVD-r piracy and organised CD/DVD crime. With organised piracy it is about the so-called compilation CDs and DVDs: monthly releases with the most popular music, films, games and software. This serious crime branch of piracy last year was reduced further,

but is fighting back by making its illegal product more attractive. Kuik: "You find not only mp3 DVDs with 40 complete albums on a single disc, but also different pirate labels with double layer DVDs with several films alongside the usual games, software and music. Mpeg2 is used more and more instead of Divx to compress these films, so that the discs can go straight into the DVD-player. On top of that, since the end of 2002 we're seeing more counterfeit DVDs of films. That is a DVD that for all appearances looks like the real thing but with a film that often has not yet been released in the cinema, let alone on DVD".

The fight against organised piracy is certainly not over yet although BREIN estimates that organised crime was dealt a hard blow again in 2002. In 2001 the trade in illegally pressed CDs and DVDs was 1.5 million units. Last year that amount was reduced further to about 900,000 units. Kuik: "This is certainly not just the result of downloading and home-copying, but also due to successful criminal law enforcement. Again a number of people have been put behind bars and there have been various raids on CD and DVD factories both here in Netherlands and abroad. Hats off to the public prosecution and the criminal anti-piracy team which is now with the FIOD-ECD". The number of active pirate labels under which organised crime releases its product on the market has remained more or less the same and a number of labels have been withdrawn or changed. Kuik: "There are indications that several organised groups of



perpetrators take care of each other's illegal business when suspects are caught and convicted. It's a question of constant vigilance. Only four years ago organised crime was still pushing out 7 million copies per year".

Professional CD-R and DVD-R piracy

So not only the legal entertainment industry, but also the organised CD and DVD crime suffers from the unbridled downloading, copying and "rip-and-burn" culture among consumers. Nowadays, a consumer can download illegal product from the Internet himself and can make his own compilation CDs. That is why the demand for compilation albums from organised criminal groups has decreased. The illegally pressed CDs and DVDs that the organised crime groups are releasing on the market are in their turn being copied on a large scale by CD-r and DVD-r pirates, who themselves are facing a drop in demand. Many CD-r pirates are

Scale of Piracy in 2002

	Illegal Units	Compared to 2001	% illegal of total market	Ratio illegal: legal	Damage in euros	Compared to 2001
Music	13.400.000	+85%	30%	1:3	73.000.000	+80%
Interactive Software	9.700.000	+35%	60%	1:2	54.000.000	+40%
Film	5.300.000	+55%	15%	1:7	29.700.000	+65%
Total	28.400.000	+55%	20%	1:5	156.700.000	+60%

BREIN fights against piracy of music, film and interactive software. Piracy in these sectors varies, as the preceding schedule makes clear. The number of illegal discs in circulation has increased in all sectors since last year. For music this is almost double: from 7.25 to 13.4 million (+85%). Interactive went from 7.1 to 9.7 million (+35%) and film (video) went from 3.4 to 5.3 million (+55%).

Approximately 60% of the illegal trade concerns consumers copying downloads or discs and giving these away or swapping them. Also the professional piracy has recoiled to around 10 million discs with a turnover of 58 million euro. Approximately 90% of professional piracy is CD-r and DVD-r piracy by individual perpetrators who burn copies on demand. 10% relates to organised CD and DVD crime..

Professional piracy also decreased through criminal law enforcement by the public prosecution service, the anti-piracy team (formerly the ODBS) now transferred to the FIOD-ECD (fiscal and economic crime unit) and the interception of illegal product by customs. And, last but not least, the civil enforcement against online and offline piracy by BREIN.



namely also dealers for pressed CDs and DVDs supplied by organised pirates. An increasing trend is that these home-pirates are only selling CD-r or DVD-r copies of the illegal labels. In this way they are less exposed to being found with illegal stock, but also make more profit per copy sold. In other words, the pirate is being pirated by his colleagues. There is no honor among thieves.

The sales of illegal CD-r copies itself also dropped as a result of the "rip-and-burn" culture among consumers. BREIN estimates that in 2002 roughly 9.6 million copies were sold compared to 16.25 million copies the year before. Kuik: "We think the cause of this drop, alongside civil and criminal enforcement, is the increase in the number of consumers who themselves have a CD or DVD-burner at their disposal". Where in 2001, 30% of households had a burner or had access to one, this percentage increased to 40% in 2002. And on top of that an ever increasing proportion of the Dutch population has access to the Internet with the result that people can download the illegal content of the Internet themselves.

"The sale of illegal CD-r copies appears to be slowing down due to this. After all, a consumer can do it himself or have a friend do it for him. That's cheaper than the pirate on the corner", says Kuik. BREIN is also seeing this in the number of CD-r pirates active on the Internet. "Thanks to rigorous enforcement, there are less and less websites where pirates dare to risk offering their illegally copied discs; but also the more hidden offer of illegal copies on auction sites is decreasing. The individual CD-r pirates seem to be returning to a more local activity".

Growth in DVD piracy

BREIN is however detecting growth in the number of illegally copied DVD-r's. It is increasingly so that the average CD-r pirate has one or more DVD-burners at his disposal. Often they are used to make copies of feature films or compilations of mp3-files (music). BREIN expects that this year there will be further increase in DVD-r piracy by individual perpetrators or small gangs. In addition BREIN is expecting an increase in the trade in illegally pressed DVDs by organised crime with a clandestine distribution network. Alongside DVDs with a collection of albums in mp3 format, and compilations of games and software together with films in mpeg2 or DivX format, BREIN expects that, also in the Netherlands, more films will also appear illegally in high quality on DVD.



BREIN/ODBS Enforcement Activity 2002

BREIN and ODBS carried out 6449 investigations last year into online and offline piracy of music, film and interactive software.

Private investigations

BREIN carried out 6055 private investigations on the Internet: 354 into trade in illegal discs (in particular CD-r and DVD-r piracy) and 5701 into the offer of illegal digital files. In total, 4656 illegal sites and 286 illegal online dealers were closed down by BREIN and 52 illegal online dealersites were reported to the ODBS for criminal action. BREIN also carried out private controls at markets, fairs and in shops, which led to 28 criminal actions.

Criminal investigations

The ODBS carried out 394 criminal investigations: 3 in conjunction with other law enforcement authorities (including the FIOD-ECD) into organised crime, 57 into CD-r and DVD-r piracy, 28 into illegal trade on markets and fairs, 8 into illegal trade in shops and 303 in conjunction with Customs into import and transit of illegal discs. In addition, there were 125 cases of Customs seizing illegal discs from travellers' luggage during checks at the airport after risk flights.

The ODBS criminal investigations resulted in 94 official reports for prosecution and the arrest of 118 suspects. Most of the import and transit cases were resolved by voluntary surrender and destruction of the illegal discs. The goods seized during criminal action included 130,000 illegal discs (mainly source copies for CD-r/DVD-r piracy), 89 computers, 83 CD burners, 13 DVD burners and 5 copy boxes (multi-burners), as well as 1 monoliner (professional CD press). Additionally approximately 10 million illegal blank CDs were seized in a joint action of Philips with the Dutch Customs. The ODBS also worked with IFPI and Spanish police in a criminal action against a factory in Spain where approximately a quarter of a million illegal CDs were seized.

Civil cases

BREIN handled 118 civil cases, 79 of which were finalized through anti-piracy declarations, injunctions, damage claims and settlements. BREIN closed down the international filmstreaming site Film88 within 36 hours after its opening and seized 16 servers under the Dutch service provider. BREIN also obtained an injunction against the modification of PlayStation game computers which was judged an illegal circumvention of technological protection.

Awareness

Education and training is an essential part of the activities of BREIN. In 2002 BREIN and the ODBS gave 43 presentations at home and abroad to law enforcement authorities, government officials and anti-piracy organisations about the public-private enforcement program against Intellectual Property Fraud in the Netherlands. The creation of public awareness of the piracy problem is of paramount importance for the cooperation between public and private organisations.

Legislation

BREIN participates in the debate on the law proposal for implementation of the EU copyright directive and represents the rightholders in the talks on a voluntary Notice & Take Down procedure for abuse on the internet which is taking place under the auspices of the Ministry of Justice.

In 2002 BREIN made new individual agreements with service providers about action against the offer of illegal files on the internet. In addition existing arrangements were reviewed and revised with mutual consent.



FIOD-ECD takes over task of ODBS

On 1 January 2003 the Special Investigation Authority BumaStemra (ODBS) has been transferred to the fiscal and economic crime authority FIOD-ECD, where it is continuing its work as Anti-Piracy Team (TOP). Until that moment the ODBS performed the criminal investigation of piracy of music, film and interactive software. The FIOD-ECD already had the same task with respect to business software piracy and trademark product counterfeiting. The transfer of the ODBS to the FIOD-ECD has been agreed in a covenant between the Ministries of Justice and of Finance, music copyright society BumaStemra and the BREIN foundation. Thus the criminal investigation of all Intellectual Property Fraud has been brought together in one public enforcement agency. The public and private parties involved in this reorganisation aim to improve the efficiency and effectiveness of the anti-piracy enforcement.

The enforcement policy implemented by BREIN and the ODBS will be continued and BREIN will participate in the annual enforcement arrangements on Intellectual Property (IP) fraud between the FIOD-ECD and the public prosecution service, which is directing all special investigation authorities through a special unit (Functioneel Parket) led by a national prosecutor for IP fraud.

In the meantime the transfer is completed. The enforcement officers have become accustomed

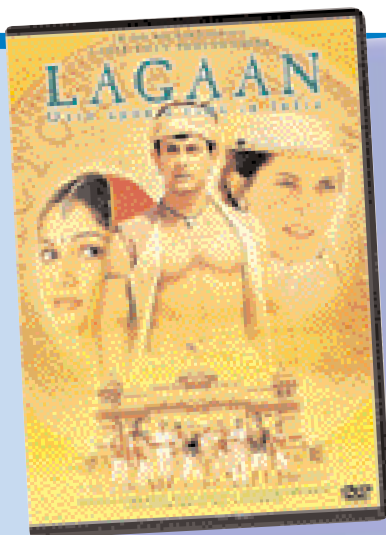
to their new employer and environment. Peter Braam, teamleader of the Anti-Piracy Team TOP: "We certainly have not lost anything in the process. The support facilities of the FIOD-ECD have many advantages.

We can delegate various investigative tasks to specialised units with the FIOD-ECD which improves our efficiency and our capacity".

The cooperation between BREIN and the FIOD-ECD is proceeding according to plan and leaves little to be desired for either party. Braam: "Apart from a few practical issues our efficient cooperation has remained unchanged. So we will do everything possible to keep on this course".



Spot the difference: the first counterfeit album seized in the Netherlands together with the original version. A present from BumaStemra and BREIN to FIOD-ECD.



Indian Music- and Filmrepertory

It is widely known that India is home to the production of many films and even more music. Who has not heard of Bollywood, the heart of the Indian

entertainment industry? Of course all Bollywood music and film productions appear on CD and DVD. Unfortunately there is an extraordinary amount of piracy in this repertory. Not just in India but especially in Pakistan, a true pirates' nest, and in the Netherlands too.

After the United Kingdom, the Netherlands is one of the most important markets for Indian music and film in Europe. Illegally pressed CDs and DVDs mostly originate from Pakistan and are in high demand in specialist shops and ethnic markets. In cooperation with Customs there is an active policy to impede the import of this illegal product.

This has resulted in a significant decrease in the illegal supply over the past few years. Nevertheless the pirates keep trying. At the airport recently a courier was arrested who had taped a couple of dozen DVDs to his body. And even more recently pirates tried to import into the Netherlands via Belgium.

In addition to control on import and transit also shops and markets which copy and sell pirate product are checked and raided regularly. Since the beginning of the cooperation between the Indian Music Industry (IMI) and BREIN/ODBS well over 60 shopkeepers and market vendors have been booked. Many try to argue the copyright situation on Indian product is unclear. To no avail, however.

Also in 2003 BREIN will continue the fight against distribution of illegal Indian repertory. Talks are held currently with the Indian entertainment industry to expand the enforcement activities for Indian films as well as music.



PENALTIES for pirates

The Hague

On 6 February an important hearing took place in the appeal court of The Hague. The two main suspects behind several illegal compilation CDs and DVDs, amongst which CrazyBytes, Twilight and Moviebox, had appealed their conviction from a year ago. This case turned around the kidnapping, torture and extortion of two other suspects because they had been selling illegal CDs and DVDs outside of the organisation.

The court in first instance had issued unconditional prison sentences of 4.5 years. The appeal court not only confirmed the conviction but raised the sentences to 5 years. Together with a third suspect, who had been cleared of the violent crimes, the two currently are also in criminal court on accusation of leading a criminal organisation which professionally produced and distributed illegal CDs and DVDs for several years.

The prosecutor has announced to claim back proceeds of crime in that case. Further hearings are to take place after the summer.

In the same case three IT students of the University of Twente were before the criminal court last April for aiding and abetting this criminal gang. Via the fast university internet connections on campus the three constantly downloaded the latest music, films, games en software for use on the illegal compilation CDs and DVDs that were pressed and distributed monthly.

In addition to the supply of content the three also made the menu software for the illegal discs. The defense attorney argued that since the content was freely available on the internet anybody could have done it. The prosecution pointed out that also in regular retail shops the goods are on the shelves ready to grab but that it is still theft when you walk out without payment. She claimed a sentence of 240 community service, 5000 euro fine, a conditional prison sentence of 6 months with a probationary period of 2 years and the reimbursement of proceeds of crime of 14,000, 15,000 and 19,000 euro respectively.

Also three other accomplices, amongst which a teacher in sociology, were in criminal court in April and heard claims varying between 9 and 14 months unconditional imprisonment as well as fines of 5000 and 7500 euro. Claims for reimbursement of proceeds of crime are to follow. The court will wait with its verdict until the case against the main suspect has been heard.



Breda

In June 2002 BREIN investigated a suspected pirate who was thought to sell his home made music copies to the local pubs and colleagues at work. BREIN reported its findings to the ODBS which searched the residence of the suspect in Breda and discovered a copy studio. The man began his piracy because of regular requests for a copy out of his very large private collection of music recordings. What began as a hobby quickly became a very profitable local business. The maximum penalty on professional piracy is 4 years imprisonment and 45,000 euro fine. The criminal court found the suspect guilty of professional piracy between 1999 and 2002 and convicted him to a fine of 6000 euro and 120 euro community service.

BREIN thinks this fine bears no relation to the damage which this pirate caused to the right holders and the local economy. Therefore BREIN will follow-up the case with a civil claim for damages. BREIN also demands that the pirate signs an anti-piracy declaration with an agreed fine for future infringements. In case the pirate refuses BREIN will file for an injunction with a penalty sum against future infringements, in order to dissuade a return to the profitable but illegal business of selling copies of his collection of records.

www.auteursrecht.nl

Copying a cd for a colleague, that's okay isn't it?

An answer to this and many other questions you can find on the website www.auteursrecht.nl

Why is it so important that copyright and neighboring rights are being protected? Copyright allows authors -those are not only writers, but also painters, poets, composers and photographers for example - to exploit everything they make, or let others exploit it, so that they can earn money with their work. In addition to this financial possibility of copyright, this right also allows the maker, the author, to keep control over his creation. In many cases other people will have to ask him permission if they want to use his work. Neighboring rights are just like copyright - they're neighbors after all- and protect the work of performing artists (such as musicians and actors), record companies and broadcasters. Neighboring rights really are regulating the same thing as copyright, which is that the performers, record companies and broadcasters can earn money with their work. That way they can keep investing in new products and talent.

BREIN Website renewed

The totally new BREIN website came online recently.

On www.anti-piracy.nl you find information about BREIN, relevant newsarticles and background material.

Also this BREINinfo magazine and prior editions can be downloaded as PDF file.

Of course you can also use the website to report piracy to contact@anti-piracy.nl



Notice and Takedown Procedures

With respect to the offer of illegal digital files of music, film and interactive software BREIN is actively searching the internet for infringements and receives notices from the public and right holders. BREIN checks all this information on rights and facts before issuing a BREIN notice to service providers (SPs). BREIN has made arrangements with most SPs about follow-up to its notices. BREIN's notices are reliable and BREIN indemnifies SPs against claims from its clients. In practice BREIN functions as the national notice and take down centre for online piracy of music, film and interactive software.

In practice this means that notices from BREIN to an SP lead to an immediate report from the SP to the content provider -of in most cases links to illegal files- who responds in more than 95% of the cases with removal of the illegal content within 48 hours. Even so, the cooperation often is erratic due to high turnover of personnel in abuse departments at SPs. And still there are some small SPs that in spite of jurisprudence and legislation insist there is nothing illegal about linking to illegal files...

Of course content providers of infringing material are especially interested to place their link site with this kind of SP. In addition they place their files abroad with those SPs that take a long time removing the illegal files they host. There is a lively exchange of information amongst illegal content providers, not only about such SPs but also about the URLs of illegal files. Increasingly content providers use software to cloak the URLs of their files so that they cannot be used by other internet pirates and of course to frustrate anti-piracy operations.

Most linksites get their income from banners (up to US\$ 5 per 1000 views) and pop-ups (up to US\$ 30 per 1000 views) of advertisers on their site. They want to keep their site up by switching SP as soon as they receive a notice and by replacing removed illegal files so that they keep their links working. Most often this is about very recent popular music, films, games and other software, even before these have been released legally at all. Of course the interest of consumers diminishes once the product is older or less popular. So BREIN is looking for swift response to its notices. It is clear that online piracy cannot be curtailed significantly without the cooperation of SPs.



Stolen Beatles tapes found after 30 years

In January during an investigation by British Police and the anti-piracy team of the FIOD-ECD, unique tapes of an historical Beatles recording were seized. The tapes, known as the 'Get Back Sessions', were recorded in 1969 in London. The tapes disappeared during the move of the studio to Abbey Road. Since then the recording has only appeared on illegal bootleg CDs in Europe and America.

The action was carried out simultaneously in the Netherlands and England. 500 original 'reel-to-reel tapes' of the Beatles were seized and three suspects arrested on suspicion of receipt of stolen goods.

The raid was preceded by an investigation of more than a year by the IFPI (International Federation of the Phonographic Industry) and affiliated national programmes, including BREIN, into large scale trade in illegal bootleg-CDs. The investigation identified a number of Dutch suspects and the Buma/Stemra anti-piracy team were brought in. After the transfer of this criminal investigation team to the FIOD-ECD at the beginning of the year, they FIOD-ECD coordinated the successful criminal enforcement action with the English police.

IFPI, BREIN and other affiliated national programmes supplied their expertise and assistance. Public-private cooperation is essential for the protection of Intellectual Property Rights. The situation in the Netherlands with a special law enforcement anti-piracy team for IP -now with the FIOD-ECD- which works closely with the private sector under BREIN, is seen internationally as an example of effective cooperation and efficient enforcement. Also international cooperation between the various private organisations and police services is essential given the cross-border nature of organised piracy. As is demonstrated again by this particular case of important cultural value.



Piracy in the universities

DJ Ed

One of BREIN's internet experts found the website of a certain DJ Ed. The site offered downloads of home made mixes of popular music without the permission of the right holders. Further investigation showed that the site was hosted on the network of the University Zeeland. BREIN contacted the manager of the network who responded immediately and closed down the uploads. The high quality site was operated by DJ Ed, a member of the university staff, who had been making the most of his employer's internet facilities. He has been reprimanded. The university agreed to do everything possible to prevent illegal use of its network and to take immediate action on BREIN notices of infringement.

Die Another Day

On the same day as the official cinema premiere of the Bond movie "Die Another Day" a video screening was scheduled at the Fontys University by the student association of the faculty for Management, Economy and Law. BREIN reported the initiative to the anti-piracy team of the FIOD-ECD which prevented the screening and confiscated the illegal disc. The film had been downloaded from the internet, compressed and burned on a CD-r. BREIN contacted the head of the faculty. All student bodies have been informed and warned that such activities will not be tolerated.


FTP Server

A little while later BREIN received another report about Fontys University. This time the infringement took place on a server of the student association of the IT faculty. Investigation by BREIN confirmed that the server contained a large amount of music, film and software for distribution amongst students. Contact with the network manager and the Board of the University resulted in the closing down of the server. The Board has adapted the regulations for the use of the university network facilities in order to dissuade future infringements.

Education and Enforcement

Recently the IFPI started a worldwide campaign to decrease the abuse of the networks of educational institutions. More than 8000 such institutions have been approached. In the framework of this campaign NVPI and BumaStemra have provided all Dutch universities access to an information folder via www.nvpi.nl. In this folder the universities are advised on the facts around abuse of copyright work and the civil liability and criminal prosecution which may be caused by such infringements. In addition helpful hints are offered to network managers on how to curtail the exchange of illegal files and the use of peer-to-peer services.

Last year BREIN made cooperation arrangements with a number of Dutch universities where large scale infringements took place.

Such cooperation is essential because the superfast networks of the universities is an ideal environment for the exchange of illegal files. In practice these arrangements work well: BREIN searches and detects; checks facts and rights, and; reports the infringement to the network managers who subsequently take the required action. 



IFPI dismantles largest 'bootleg ring' of Europa

In November last year two hangars were searched in Luxemburg in an action instigated by the IFPI (International Federation of the Phonographic Industry). The search resulted in the largest seizure of illegal CDs ever made in Europe.

Approximately 1 million CDs were discovered with a street value of at least 10 million euro. The action was carried out by the Luxemburg police in cooperation with experts of the IFPI. Also the expertise of members of the Dutch ODBS staff was

called in. They assisted in the identification of the seized product.

The largest part of the confiscated discs are illegal recordings of live performances (social bootlegs) of international artists like The Beatles, Bruce Springsteen, Guns N' Roses, Pink Floyd, REM, Rolling Stones en U2. Luxemburg police arrested the suspected owner/producer of the illegal CDs, a Dutch national who is resident in Luxemburg and has been prosecuted twice previously for bootlegging. Him awaits criminal prosecution as well as a significant damage claim.

JOURNAL

Some remarkable actions from the last few months **2002/2003**

July

- **Rotterdam.** BREIN received a tip that illegal music CD's were probably being sold at the regular music fair at the Blaak in Rotterdam. The ODBS visited the market and at one stall found only 10-20 illegal CD's. On closer inspection two boxes of illegal CD's were also found in the tent behind. In total 207 illegally pressed compilation discs were seized, mainly R&B and Bubbling repertory.

August

- **Roosendaal.** The ODBS, on the basis of a report from BREIN, carried out a criminal action in the residence of the <http://shrike.flappie.nl> website owner. The product offered for sale on this site was illegally copied CD-r's containing music, film and business/entertainment/education software. The ODBS found a computer and burner in the apartment and a relatively small number of illegal discs. The suspect explained this by confessing that he sold on a lot of illegal product that he bought from another pirate called 'VMU'. Shortly before, VMU had been booked by the ODBS, and as a result he had fewer titles available.



So illegal trade was on a back burner. The suspect was booked and his illegal discs, computer and CD burner were seized.

- **Amsterdam.** The ODBS, on the basis of another report from BREIN, made a criminal action in the residence of a trader of illegal music CD's and multimedia compilations. This pirate regularly advertised under the name 'mp3world' on Internet auction sites. In the course of the investigation the ODBS found about 600 mp3-CD's containing hundreds of music tracks. In addition, a relatively small number of software compilations from the illegal label 'Twilight' were found. Two computers with CD burners were used for the copying. Discs and equipment was seized and the pirate was booked.

September

- **Drachten.** Since mid June 2002 the websites www.music-delivery.com and www.albumsarchive.net offered music albums in MP3 format against payment. After the selection of an album a plug-in appeared with a 0900 pre-pay number. The user could then choose from 7 amounts, from 2.25 euro for 2 music albums to 45 euro for 200. The albums were burned onto a CD-r in MP3 format and sent by mail to the customer. BREIN uncovered these activities and informed the ODBS, who carried out a criminal action against the owner of the websites. This appeared to be an old acquaintance, who was a suspect in the investigation into the www.newalbums.org website in late 2001. On www.newalbums.org the download of complete albums was offered against payment. In the course of a search at the residence of the site owner, the ODBS found 700 burned CD's containing in total approximately 5800 complete music albums. The CD's, computer, CD burner, and relevant documentation were seized. The site owner was booked.

October

- **Venlo.** The ODBS conducted a criminal action at a residence in Venlo. A copying studio was discovered consisting of no less than 5 computers with DVD burners, 2300 copied playstation games (DVD), 220 copied film DVDs and hundreds of blank CD's. Further investigation uncovered a second copying location: a computer and burner were found and about 1600 illegally copied CD-ROMs containing games, business and software product. Two arrests were made and the masters and hardware seized. One of the suspects confessed to earnings of 70,000 euro from illegal trade since 1999. Both suspects face criminal prosecution and a damage claim from BREIN.
- **Amsterdam.** As has been seen before, pirates are often active in other forms of organised crime. During a large scale international investigation into the production and export of XTC pills, the police uncovered a large number of discs of predominantly South-American repertoire. The expertise of the ODBS was called in. They found a copying studio in a residence, and confirmed that the discs were pirate discs. 3 PC's with CD burners and a large number of illegally copied inlays were found, together with more than 1000 music CD's used as masters. The South American owner of the copying studio, who is resident in the Netherlands, was taken into custody, and the discs and equipment seized. The investigation into the criminal organisation continues. To date, 6 arrests have been made in the Netherlands, and 9 in America.

November

➤ **Zwolle / Eindhoven.** On the basis of a BREIN report concerning the website <http://cbsc.4-all.org>, offering illegal CDs and DVDs, the ODBS conducted a criminal action in three residences in Zwolle, Daarle and Hellendoorn. From the investigations it appeared that the illegal product was bought by a third suspect. It appeared later that this person also sold to private individuals via the website <http://cdrsoft.ishot.nl>. Approximately 500 illegal discs were found in his residence in Eindhoven, consisting of many PlayStation games, CD-roms with games, business and educational software. In addition illegal software compilations, 270 blank CD-r's, 3 computers with CD/DVD burners and a web-server were confiscated. One of the suspects had been arrested previously on similar charges, which is likely to result in a heavier conviction as well as a higher damage claim.

➤ **Heerhugowaard.** BREIN detected a pirate who used auction sites on the internet to offer illegal copies of films and software. Previously this pirate had used his own website to do the same, but after a warning from BREIN he decided to keep a lower profile. The ODBS was informed and searched the residence of the pirate in the town of Heerhugowaard. A computer with 4 burners and 1700 illegal source copies were retrieved: 1100 films, 500 software compilations and 100 music CDs. All discs and equipment as well as 200 blank CD-r's were seized and the suspect was booked.



January

➤ **Vlissingen.** The FIOD-ECD seized 1200 source copies of films, music, computer games and other interactive software. The CDs and DVDs were used to make CD-r copies on demand. The residences of three suspects were searched on the basis of a file from BREIN. One of the suspects advertised his illegal copies via a website. About 1000 source copies and illegal CDs and DVDs were seized from this pirate, known as "Darkshiva". BREIN had started its investigation on the basis of information of its Belgian sister organisation BAF. The two other suspects operated on a smaller scale and also were active as CD-r pirates. All suspects were arrested and all discs and equipment has been seized.

February

➤ **Rotterdam.** Information from BREIN led the FIOD-ECD to the trail of a suspected pirate. This resulted in the seizure in Rotterdam of 1500 illegal DVD copies of recent motion pictures which were used as masters for DVD-r copies, as well as a stock of such DVD-r copies. The search in the residence of the 41 year-old male suspect delivered illegal DVDs of recent cinema releases such as "Gangs of New York" and "8mile". The suspect used several computers and DVD-burners to make the illegal copies. In addition to selling copies of films the man also distributed illegal copies of games.

➤ **Amsterdam.** The same week the FIOD-ECD carried out an investigation into CD-r piracy in Amsterdam. A suspect downloaded music from the internet and compiled music CDs which he sold to his colleagues in a municipal service. The man was arrested, his CDs, equipment and administration were seized.

March

➤ **Roosendaal.** The FIOD-ECD initiated an investigation into a group of perpetrators which were believed to copy and distribute illegal CDs and DVDs. The regional police picked up the trail of the group in an investigation into the sale of stolen computers. The research revealed that the group consisted of a number of family members which neatly had divided their jobs. One copied the artwork, another the CDs and DVDs, and a third did sales and distribution. In total 3 PCs, 2 DVD-burners and over 300 illegal discs were seized. Stiff penalties are expected for the family due to the organised nature of the piracy.

➤ **Oirsbeek.** Pursuant to a file from BREIN the FIOD-ECD searched the residence of a suspect in the town of Oirsbeek in the province of Limburg. The FIOD-ECD discovered a PC with burner and 603 illegal discs which served as master to make pirate copies. The pirate had earned 20,000 euro with his copying activities over the past few months. All discs and equipment were seized and the pirate was booked.

December

➤ **Stramproy.** The police in the province of Limburg searched the residence for illegal trade in fireworks. The search also delivered a large amount of CDs and DVDs. The police called in the ODBS to determine the legality of these discs. The ODBS discovered 800 illegal discs, 200 blank CD-r's, a PC and a copy box (multi burner). The suspect also sold illegal software and music compilation labels, such as Twilight, Mp3Collection and MTV. Several issues of these labels were recovered. The suspect was arrested and the discs as well as equipment was confiscated.



WANTED!

The trade in illegal compilation albums (music CDs, CD-ROMs and DVDs) is something of a moving target. At the moment there are significantly fewer label names in circulation than in previous years. In addition, the number of copies pressed per monthly issue is lower than it used to be. BREIN tracks developments, amongst other means by tracking the internet discussions in pirate forums. A listing of the illegal labels that appear regularly on the Dutch market at present, is shown in the left-hand column. The right-hand column lists irregular releases and older label names of which copies are still found regularly.

MUSIC-CD'S AND -DVD'S

- Hit eXplosion
- Maxi Music
- MP3 Collection DVD
- MP3 Attack DVD
- CrazyBytes MP3 HQ DVD
- MTV (the best in music)
- Serious Hits
- Sound4you DVD
- The 4 Box
- Top of the Pops cd
- Top of the Pops DVD
- Wanadoo Top 40
- Yorin
- Braun MTV
- 3FM
- 538 Top Hits
- Airplay
- Clubtracks, Club House, Streetsound
- Mega Hits
- Mega Top 50, Mega Top 100
- Megacharts
- Rabo Top 40
- Sirius
- The Music Factory
- Veronica



GAMEZ AND VAREZ CD-ROMS/DVD'S

- Crazybytes cd-rom
- Crazybytes DVD / Moviebox DVD
- Onyx cd-rom
- Onyx DVD
- Twilight cd-rom
- Twilight DVD
- Akira
- Bits and Bytes
- Blade
- From Holland With Love
- Legacy
- Maxx
- Megapack
- Neo
- Tazmania
- Syndicate



HOT NEWS

Large scale Dutch pirate busted in Belgium

On the basis of Dutch FIOD-ECD, BREIN and IFPI information Belgian police dismantled the second largest pirate CD-r copy studio ever, seizing 160 CD-burners and arresting four Dutch nationals. Belgian authorities acted on a Dutch request for arrest and extradition of Theo van H. for suspected piracy in the Netherlands and a complaint filed by IFPI about possible pirate acts in Belgium. Dutch courts convicted Theo van H. twice previously for large scale piracy with prison sentences of 1 and 1.5 years respectively. In the last case van H. used a professional monoliner (CD-press) producing 50.000 copies of his pirate "Megachart" label every month. In the current case van H. is suspected to have continued his production and distribution of illegal compilation albums in the Netherlands, eventually moving his production to Belgium and changing it from pressed discs to burned discs, renaming his illegal music chart compilations as "Top of The Pops". The Belgian Police estimates the current production at 30.000 discs per month. Van H. has been turned over to the Dutch authorities and is kept in custody pending further criminal investigation by FIOD-ECD. ❌

