

Out-of-Cycle Review of Notorious Markets

February 28, 2011

Global piracy and counterfeiting continue to thrive due in part to marketplaces that deal in infringing goods. The Notorious Markets List identifies selected markets, including those on the Internet, which exemplify the problem of marketplaces dealing in infringing goods and helping to sustain global piracy and counterfeiting. These are marketplaces that have been the subject of enforcement action or that may merit further investigation for possible intellectual property rights infringements.

The Notorious Markets List, previously included in the annual Special 301 Report, will now be published separately. This reflects an effort to further expose these markets, and is in response to the Intellectual Property Enforcement Coordinator's 2010 Joint Strategic Plan on Intellectual Property Enforcement. This document is the result of an Out-of-Cycle Review of Notorious Markets and follows a separate, dedicated request for comments from interested stakeholders which was initiated on October 1, 2010.

The Notorious Markets List does not purport to reflect findings of legal violations, nor does it reflect the United States Government's analysis of the general climate of protection and enforcement of intellectual property rights in the countries concerned. That broader analysis of IPR protection and enforcement is contained in the annual Special 301 report, published at the end of April every year.

The list below recognizes markets in which pirated or counterfeit goods are reportedly available, but is by no means an exhaustive listing of all notorious markets around the world. Rather, the list highlights with concern some of the most prominent examples of notorious markets in each of the categories referenced below. The United States urges the responsible authorities to intensify efforts to combat piracy and counterfeiting in these and similar markets, and to use the information contained in the Notorious Markets List to pursue legal action where appropriate.

Pay-per-download

These sites exemplify the problem of online sales of pirated music on a pay-per-download basis.

Allofmp3 clones: While the Russia-based allofmp3 (formerly the world's largest server-based pirate music website) was shut down in 2007, nearly identical sites have taken its place.

Linking

These are online services engaged in "deep linking" to allegedly infringing materials, often stored on third-party hosting sites.

Baidu: Baidu recently ranked as the number one most visited site in China, and among the top ten in the world.

B2B and B2C

Business-to-business (B2B) and business-to-consumer (B2C) websites have been cited by industry as offering a wide range of infringing products (such as cigarettes, clothing, manufactured goods, pharmaceutical products and sporting goods) to consumers and businesses while maintaining intellectual property policies that are inconsistent with industry norms.

Taobao: While recognizing that Taobao is making significant efforts to address the availability of infringing goods through its website, it still has a long way to go in order to resolve those problems. Taobao recently ranked in the 15 most visited sites in the world, and in the five most visited sites in China.

BitTorrent indexing

BitTorrent indexing sites can be used for the high speed location and downloading of allegedly infringing materials from other users. The sites identified below illustrate the extent to which some BitTorrent indexing sites have become notorious hubs for infringing activities, even though such sites may also be used for lawful purposes.

ThePirateBay: ThePirateBay recently ranked among the top 100 websites in both global and U.S. traffic, and has been the target of a notable criminal prosecution in Sweden.

IsoHunt: Canada-based IsoHunt, which has been subject of civil litigation in both Canada and the U.S., recently ranked among the top 300 websites in global traffic and among the top 600 in U.S. traffic.

Btjunkie: This site is among the largest and most popular aggregators of public and non-public “torrents,” which find and initiate the downloading process for a particular file.

Kickasstorrents: Another popular indexing site, notable for its commercial look and feel.

torrentz.com: This site is a major aggregator of torrents from other BitTorrent sites.

BitTorrent trackers

BitTorrent tracker sites can also be used for the transfer of allegedly infringing material by directing users to those peers sharing the infringing content. The sites listed below exemplify how some BitTorrent tracking sites have become notorious for infringing activities, even though such sites may also be used for lawful purposes.

Rutracker: Russia-based Rutracker recently ranked among that country’s 15 most visited sites, and among the 300 most visited sites in the world.

Demonoid: Ukraine-hosted Demonoid recently ranked among the top 600 websites in global traffic and the top 300 in U.S. traffic.

Publicbt: This site is one of the most popular BitTorrent trackers with over 30 million users worldwide.

openbittorrent: This site ranks among the most widely used BitTorrent trackers in the world.

zamunda: Bulgarian-based zamunda is currently the target of a noteworthy criminal prosecution.

Other web services

Other internet-based services, such as social media sites or cyberlockers, are widely used for lawful purposes. However, some may facilitate unauthorized access to allegedly infringing materials.

vKontakte: The site, which permits users to provide access to allegedly infringing materials, recently ranked among the five most visited sites in Russia and among the 40 most visited sites in the world.

Live sports telecast piracy

Live sports telecast piracy affects amateur and professional sports leagues by making these protected telecasts and broadcasts freely available on the Internet.

TV Ants: This peer-to-peer service, which reportedly operates from China, exemplifies this problem.

Smartphone software

A number of websites are making Smartphone software applications available to the public without compensating rights holders.

91.com: This site is reportedly responsible for more than half of all downloaded applications in China.

Physical Markets (in alphabetical order)

Bahia Market (Guayaquil, Ecuador)

This expansive market of at least 1,000 vendors sells large quantities of illicit goods, many of which are either counterfeit products or goods stolen from the Guayaquil port.

China Small Commodities Market (Yiwu, China)

The China Small Commodities Market in Yiwu reportedly sells mostly consumer goods. Industry has cited the market as a center for wholesaling of infringing goods, making this market the origin of many counterfeit goods available internationally.

Ciudad del Este (Paraguay)

In Ciudad del Este, Paraguay, the city's economy is based in part on the trafficking of counterfeit and infringed goods, with a particular emphasis on electronic goods. This activity spills over into the entire Tri-Border Region of Paraguay, Argentina and Brazil, creating a hotbed of piracy and counterfeiting.

Harco Glodok (Jakarta, Indonesia)

This market is one of many in Indonesia known for counterfeit and pirated goods, and is particularly notorious for pirated optical discs.

La Salada (Buenos Aires, Argentina)

La Salada is the largest of many well-established markets in Buenos Aires that have been cited as being heavily involved in the sale of counterfeit goods.

Ladies Market (Mongkok, Hong Kong)

This well-known tourist shopping area is one of several markets in Hong Kong that have been targeted for anti-counterfeiting enforcement by Hong Kong Customs.

Luowu Market (Shenzhen, China)

Shenzhen and Guangzhou provinces are reportedly home to dozens of markets offering counterfeit or pirated goods. The display of signs prohibiting the sale of such goods has not served as an effective deterrent, as exemplified by the Luowu market.

Nehru Place (New Delhi, India)

Nehru place is reportedly one of the many markets in major cities throughout India that are known for dealing in large volumes of pirated software, optical media and counterfeit goods.

PC Malls (China)

Industry reports that personal computer malls throughout China, such as **Hailong PC Mall** in Beijing and **Yangpu Yigao Digital Square** in Shanghai, sell computers with illegal operating system software and other unlawfully pre-installed software.

Petrivka Market (Kyiv, Ukraine)

This open air market reportedly houses as many as 300 stands that sell pirated goods, including music, films, games and software.

Quiapo (Manila, Philippines)

Quiapo is just one example of several locations and neighborhoods, especially in metropolitan Manila, known to deal in counterfeit and pirated goods such as clothing, shoes, watches and handbags.

Red Zones (Thailand)

Thai authorities have designated the **Panthip Plaza, Klong Thom, Saphan Lek** and **Baan Mor** shopping areas, among others, as targets for enforcement against piracy and counterfeiting.

San Andresitos (Colombia)

These marketplaces of varying sizes scattered throughout Colombia are notorious for unauthorized reproduction of music, video games and movies.

Savelovskiy Market (Moscow, Russia)

It is reported that pirated goods are widely and openly available at this electronics market in Moscow.

Silk Market (Beijing, China)

Industry has cited Beijing's Silk Street Market as a particularly prominent example of the counterfeiting of consumer and industrial products that is endemic in many retail and wholesale markets throughout China.

Tepito (Mexico City)

Tepito is reportedly the main warehousing and distribution center for pirated and counterfeit products sold at numerous informal markets throughout Mexico.

Urdu Bazaars (Pakistan)

The Urdu Bazaars in Karachi and Lahore reportedly remain the main sources of pirated books in the country, though book piracy is widespread and extends beyond such bazaars.