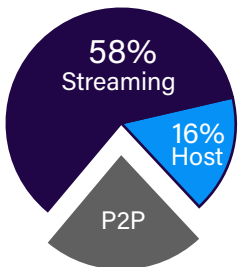


## WHAT TYPES OF PIRACY SITES AND APPS DO CANADIANS USE?

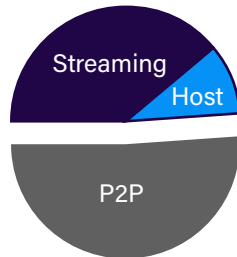
**74%** of Canadians' visits to sites used for online piracy are to non-peer-to-peer (P2P) sites, including **streaming sites and cyberlocker (host) sites**.

**26%** are to **P2P sites**.



2018

Data by SimilarWeb



2015

Custom Analysis of Alexa Data



non-P2P

Since 2015, non-P2P site share, driven by streaming sites, has **increased from 49% to 74%**, while P2P site share has **decreased from 51% to 26%**.



P2P

### The most popular online piracy sites in Canada:

**Streaming**

HDS.to  
Kissanime.ru  
Swatchseries.to

**Host**

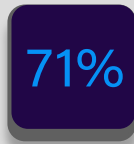
Openload.co  
Mega.nz  
MediaFire.com

**P2P**

ThePirateBay.org  
Rarbg.to  
1337x.to

Sandvine reports<sup>1</sup> provide estimates on use of emergent forms of piracy:

**10%** of Canadian households have at least one set-top box, computer, smartphone or tablet running Kodi software, a higher proportion than in the U.S. (6%).



of these households with devices running Kodi software have unofficial add-ons configured to access unlicensed content.

**8%** of Canadian households are using known subscription TV piracy services.

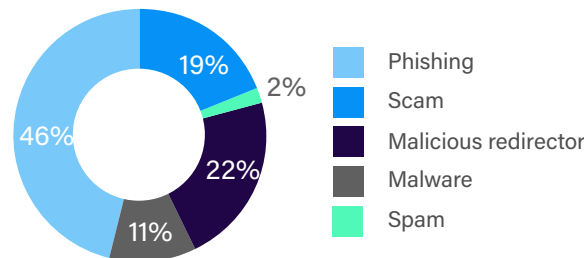
## WHAT ARE THE CONSUMER RISKS FROM PIRACY SITES?

According to a study by RiskIQ<sup>2</sup> for MPA-Canada:

**1 out of 4** content theft sites visited by Canadians expose consumers to **malicious content**.



**46%** of the malicious content on content theft sites visited by Canadians is **phishing**, where fake sites defraud users to log their user name and password information, often redirecting users to legitimate websites afterwards.



RiskIQ also found that Canadians are:

**30x** more likely to be exposed to malicious content on a content theft site than on a site in the general website population, and

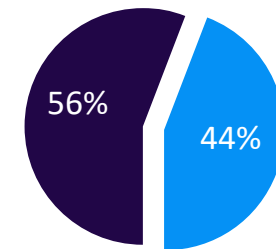


**none** of the user visits for **legal** online video sites resulted in exposure to malicious content.

**56%** of malware is delivered through

**"drive-by-downloads"** where users are exposed without having to click on anything or do anything to confirm the download. In user-initiated cases, users are lured with fake prompts that they click to allow the download.

Malware via drive-by downloads



Malware via user-initiated downloads

According to a study by Carnegie Mellon researchers<sup>3</sup>:

**2X** = **20%**  
time spent on piracy sites = more malware infections

In other words, the more users visited piracy sites, the more often their machines were infected with malware.

## HOW BIG IS THE ONLINE PIRACY PROBLEM IN CANADA?

**26%** of Canadians consumed pirated content in the past 3 months. Of the copyrighted content types measured in the study, movies and TV shows were most likely to be downloaded, streamed or accessed illegally.<sup>4</sup>

 **36%**  
of Canadian movie consumers consumed pirated movies.

 **34%**  
of Canadian TV show consumers consumed pirated TV shows.



**2.6B**  
visits to piracy sites by Canadians in 2018.

The International Intellectual Property Association (IIPA) reports<sup>5</sup> that:

Canada has seen an influx of sellers and resellers of infringing paid subscription Internet Protocol Television (IPTV) and Video-on-Demand (VOD) services. These services, which have become widely marketed and widely available<sup>6</sup>, steal legitimate signals through circumvention of technological protection measures (TPMs) and other means.

Canadians are also increasingly involved in the illegal theft of telecommunication signals that ultimately feed and provide content to these IPTV and VOD services.

## WHAT'S THE ECONOMIC HARM FROM PIRACY?

**\$160B** is the estimated commercial value of digital piracy of film worldwide in 2015. The displacement of legitimate economic activity by counterfeiting and piracy has a negative effect on economic growth.<sup>7</sup>



**14-15%** is the estimated increase in U.S./Canada box office if piracy could be eliminated from the theatrical window. The promotional effect of piracy is far outweighed by the cannibalization effect.<sup>8</sup>

### Sources

<sup>1</sup>Sandvine, *Video Piracy in Canada*, April 2018.

<sup>2</sup>RiskIQ, *2018 Study of the Presence of Malicious Content at Content Theft Sites Visited by Canadian Consumers*, April 2019.

<sup>3</sup>Rahul Telang, *Does Online Piracy Make Computers Insecure? Evidence from Panel Data*, March 2018.

<sup>4</sup>Government of Canada, *Study of Online Consumption of Copyrighted Content: Attitudes Toward and Prevalence of Copyrighted Infringement in Canada*, May 2018.

<sup>5</sup>IIPA, *2019 Special 301 Report on Copyright Protection and Enforcement*, February 2019.

<sup>6</sup>Sandvine, *Video Piracy in Canada*, April 2018.

<sup>7</sup>Frontier Economics, *The Economic Impact of Counterfeiting and Piracy*, February 2017.

<sup>8</sup>Montgomery, Ma, Smith, *The Dual Impact of Movie Piracy on Box-office Revenue: Cannibalization and Promotion*, February 2016.

### Methodology

**Visits to sites:** This custom analysis uses SimilarWeb data to report across a group of sites often used for online piracy by category. It measures access to sites, but does not indicate what type of content was accessed (e.g. movies, TV, games, software, etc.).

SimilarWeb data used in this report represents visits to websites by Canadian desktop and mobile users from January 2018 - December 2018. SimilarWeb is a market intelligence company that uses a combination of panel, crawler, ISP and other data for its data estimations.

See: <https://www.similarweb.com/ourdata> and <https://www.similarweb.com/blog/wp-content/uploads/2016/08/SW-vs-Direct-Measurement.pdf> for more information.

For the purpose of this analysis, sites used for online piracy were included:

- Sites with over 10,000 copyright removal requests according to the Google Transparency Report as of December 2018.
- Including sites with any TV and/or movie content
- Excluding sites with only adult, music, games, anime, UGC and eBook content
- Sites from <https://www.operationcreative.uk>
- Sites blocked in various countries or shut down, which have TV and/or movie content: 3,868 sites were included, based on SimilarWeb data. MPA placed the sites into custom analysis categories including streaming sites (2,383), P2P sites (1,228) and cyberlocker/host sites (257).

**Malicious Content Analysis:** MPA-Canada commissioned RiskIQ to analyze the prevalence and nature of malicious content on sites that facilitate copyright infringement (content theft sites) visited by Canadian consumers. RiskIQ analyzed the rate of malicious content exposures across a sample of content theft sites against a control group representing the general web site population. RiskIQ defines malicious content as software designed with a possible malicious intent to gain unauthorized access, collect private data, or inflict intentional damage (malware), as well as phishing, spam, scams and malicious redirectors.

When measuring exposure to malicious content, RiskIQ detected both “exact matches” (cases of malicious content already in a known database) and “high probability “reputational matches” (based on matching various characteristics that make them likely to be malware). Key findings here are for exact matches only.

[www.mpa-canada.org/research\\_docs/riskiq-study-2018/](http://www.mpa-canada.org/research_docs/riskiq-study-2018/)