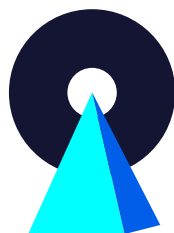


L'essentiel



Protecting sports-related content and creation: the effects of reinforced action

The establishment of Arcom has strengthened the number of available resources in the fight against piracy, enabling notably to update judicial measures required to block illegal cultural or sports-related services.

The joint action of rights holders, the judicial authority and Arcom has proven appropriate and successful, resulting in a 27% decrease in global illicit audience between 2021 and 2023.

However, piracy in the fields of culture and sports in particular seems to be evolving. While the decline in the use of streaming, direct downloading, and peer-to-peer piracy may be confirmed, there is however

a slight increase in live streaming. This can be explained in part by the development of new broadcasting methods such as IPTV (Internet Protocol Television) or the resort to social networks for sharing links that facilitate illegal access to live content.

In future, it appears necessary to rely on constructive collaboration between rights holders and the most ethical intermediaries, based on voluntary agreements, to escalate the fight against piracy.

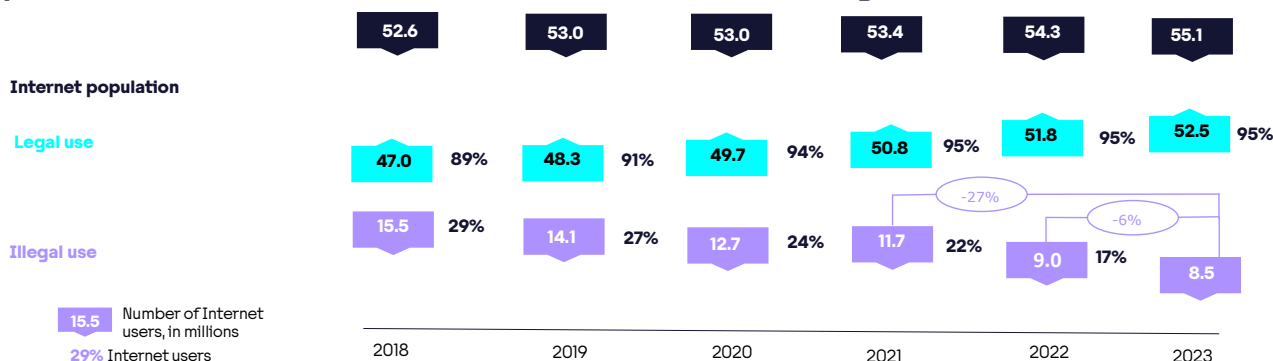
27% reduction in piracy between 2021 and 2023

In 2023, the illicit consumption of dematerialized cultural and sports-related content continued to decline, now affecting only 16% of the Internet population, i.e., approximately 8.5 million Internet users (compared to 11.7 million in 2021, -27%).

The effects of this dynamic can be observed particularly in the illegal access methods favoured by Internet

users, namely streaming and direct downloading, both of which have generally decreased over the past two years due to the impact of blocking measures aimed at preventing access to illegal services offering sports-related or cultural content.

Figure 1: Trends with regard to the number of Internet users, lawful and unlawful users, and penetration rates since 2018 (base: millions of Internet users aged 2 and over)



Source: Global Internet – Médiamétrie // NetRatings

Focus on listing legal offers

In 2023, Arcom **listed 525 sites and services deemed compliant with intellectual property rights**. During the same period, 60 new cultural services were listed, while 37 services were removed from the list.

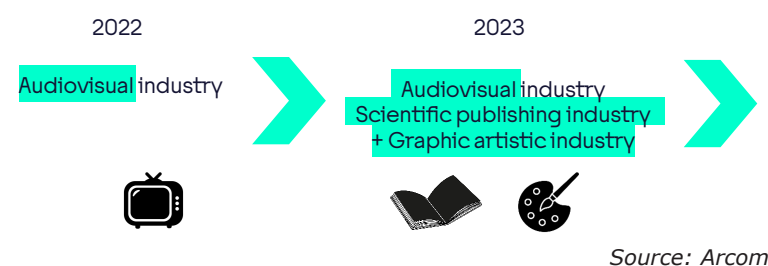
Digital book services dominate this list, accounting for 31% of the listed offers

The fight against mirror sites extended to several cultural industries

When approached by rights holders party to a court ruling based on Article L. 336-2 of the French Intellectual Property Code, Arcom may request any individual targeted by the court ruling to block or delist an online public communication service if it *"wholly or sub-stantially"* reproduces the content of a service mentioned in the ruling.

594 sites blocked since October 1st, 2022

Between October 1st, 2022, and December 31st, 2023, 110 cases were referred to Arcom, **resulting in the blocking of 594 domain names**. To date, applications have been received from rights holders in the audiovisual and film industries, the graphic and plastic arts industries, and the scientific publishing industry.



An initial assessment of this mechanism, covering its first six months of operation and published in spring 2023, showed promising results: in May 2023, 38% of Internet users found to have engaged in illegal audiovisual activities had their sites blocked in the previous six months. Of these, 46% had abandoned their search, and 7% had turned to legal offers.

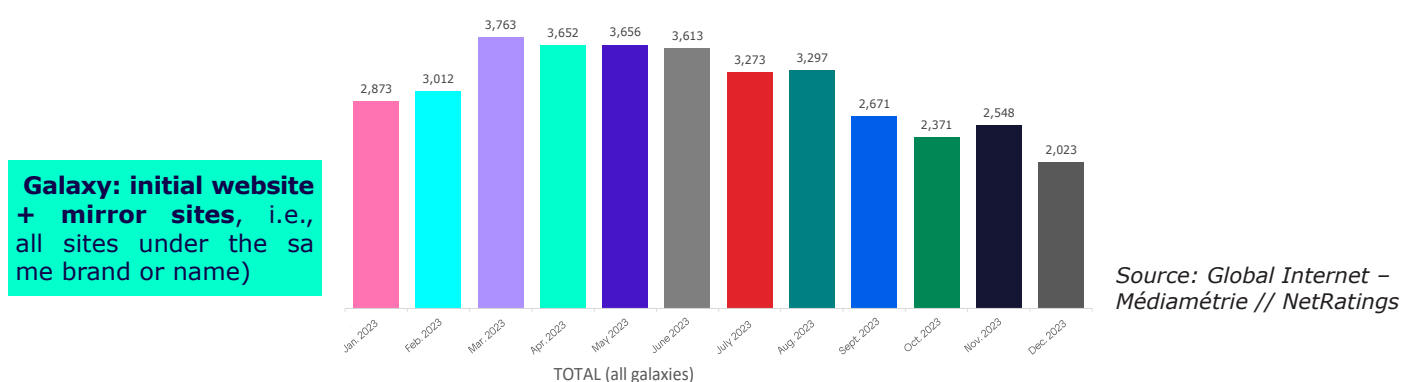
30% drop in audience rates for illegal services by 2023

More broadly, if we consider the effects at the level of "galaxies" (a galaxy being defined by the initial service and its mirror services, i.e., all services under the same brand or name), the drop in audience rates can be estimated at 30% between January and December 2023.

Confirming the trend observed in 2022, the impact of blocking measures has been significant for many streaming and direct download services, which experienced a significant reduction in audience rates in 2023, notably since July 2023, possibly due to legal actions taken by rights holders against the hosting service Uptobox, resulting in its closure at the end of September 2023, following its inclusion on the list of infringing services published by Arcom. The impact is more nuanced for certain services with a high level of replication, such as Wawacity, Zone-Annuaire, and Zone-Telechargement.

Figure 2: Trends with regard to audience rates in 2023 for blocked websites and their associated mirror sites (base: thousands of Internet users aged 2 and over)

30% drop in audience rates for galaxies between January and December 2023



Galaxy: initial website + mirror sites, i.e., all sites under the same brand or name)

The fight against the illegal broadcasting of sports events and competitions has been significantly bolstered

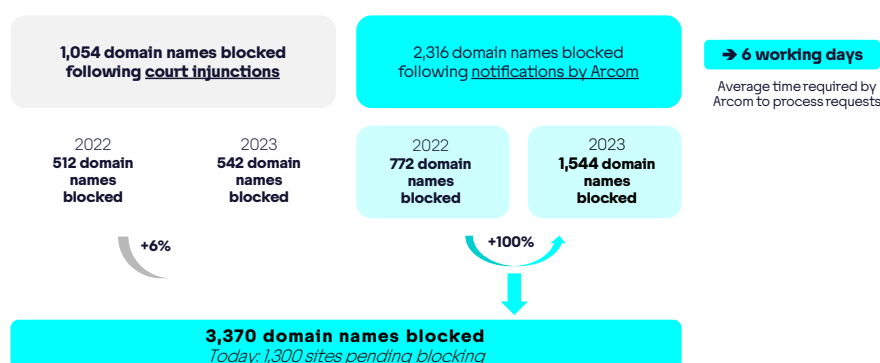
Since January 1st, 2022, French law introduced Articles L. 333-10 and L. 333-11 into the French Sports Code as part of a mechanism for rights holders of sports-related content (sports federations and organisers of sporting events, professional sports leagues, broadcasters, etc.) to prevent access from within French territory to services that unlawfully broadcast sports competitions or events, or whose main purpose or one of its main purposes is such broadcasting.

While court rulings primarily concern requests to block Internet Service Providers (ISPs), since December 2023, two court rulings have also expressly targeted search engine operators, with the dereferencing measures now complementing such blocking.

Between January 1st, 2023, and December 31st, 2023, this scheme enabled four rights holders of sports-related content (two audiovisual program publishers and two sports leagues) to protect **11 sports competitions and events**.

This represents a significant increase in the number of blocking requests (from 950 in 2022 to 2,167 in 2023, an increase of 128%), **leading to double the number of blocking requests sent to ISPs** (from 772 in 2022 to 1,544 in 2023). These blocking measures mainly affect live streaming sites and around 100 IPTV services. Nevertheless, the average processing time remains as efficient as it was in 2022, thanks to excellent collaboration with rights holders and ongoing improvements to internal processes.

Figure 3: Illegal sports-related domain names blocked in 2022 and 2023



Source: Arcom

Constructive cooperation between rights holders of sports-related content and ISPs

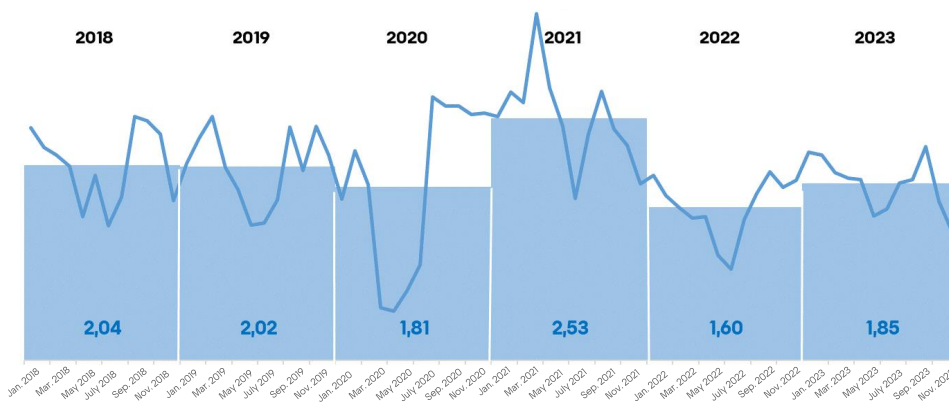
The agreement reached on January 18th, 2023, between the French Association for the Protection of Sports Programs (*Association pour la Protection des Programmes Sportifs*, or APPS) and the French Federation of Telecommunications Companies (*Fédération Française des Télécoms*, or FFTélécoms, composed of Orange, Bouygues Télécom, and SFR), which was joined by the Iliad Group, has significantly accelerated the processing and execution by ISPs of blocking measures requested by rights holders.

Reduction in illegal live streaming between 2021 and 2023

Since January 2022, these measures have had a positive effect on Internet users' behavior: the rate of illegal live streaming remains unchanged since 2021, when it decreased by 26%.

However, in 2023, a slight increase in live streaming audience rates can be observed, almost exclusively corresponding to live broadcasts of sports competitions. This is due to the dynamism of the piracy ecosystem, which offers new solutions to illicit Internet users, such as the misuse of legal tools for illegal purposes (modification of DNS parameters, use of virtual private networks (VPNs)) or the provision of turnkey offers similar to packages of paid services (notably, IPTV boxes and applications).

Figure 4: Trends with regard to audience rates for illegal live streaming, in millions of monthly Internet users (Internet users aged 2 and over)



Source: Global Internet – Médiamétrie // NetRatings

According to Arcom’s sports program barometer, **more than a quarter of users (27%) of illegal live streaming have personally encountered website blocking by Arcom**, and 47% of Internet users who

have witnessed such blocking state that they have abandoned their practices or subscribed to a legal offer.

Focus on Arcom's contributions to the European Commission Recommendation of May 4th 2023, on combating online piracy of sports and other live events

Arcom actively contributes to the work carried out by the European Commission and the European Union Intellectual Property Office (EUIPO) as part of the Commission Recommendation of May 4th, 2023. In February 2023, the Authority presented the results obtained under these provisions by responding to the European Commission’s call for contributions.

The Authority also actively participates in the specialised network of administrative authorities set up by this Commission Recommendation and run by the EUIPO Observatory, in order to regularly exchange information on the measures applied, difficulties encountered, and best practices.

Stepping up the fight against piracy thanks to the involvement of other players

Other players and stakeholders must be encouraged to voluntarily commit to the fight against piracy, by concluding agreements with rights holders, for example.

As part of the “Follow the Money” approach, online advertising and payment operators can become more involved in helping to drain resources from illegal services.

Collaborate with VPN and DNS providers to reinforce blocking measures.

Used to secure Internet connections and browsers, 35% of French Internet users now use a VPN or alternative DNS (29% for VPN and 20% for alternative DNS).

Because of the possibilities they offer for circumventing legal measures to protect online content, **VPNs and DNS settings are more widely used by Internet users who engage in illegal practices: more than one in**

two (57%) use a VPN, and 46% have already changed their DNS settings.

Involving VPN and alternative DNS providers in law enforcement alongside ISPs may also make blocking measures more effective and empower the fight against piracy.

European Digital Services Act (DSA) opens up new perspectives for strengthening the commitment of hosting providers and platforms to effectively combat online intellectual property infringements. It notably allows for the establishment of trusted flaggers specialized in this issue of intellectual property defense and a preventive and proactive approach by very large platforms and search engines.

For further reading: www.arcom.fr

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