

January 31<sup>st</sup>, 2020

Mr. Daniel Lee  
Assistant U.S. Trade Representative for Innovation and Intellectual Property (Acting)  
Office of the United States Trade Representative  
600 17th St., NW  
Washington, DC 20508

**Submission by LaLiga for the 2020 Special 301 Review  
(Docket No. USTR-2019-0023)**

Dear Mr. Lee,

La Liga Nacional de Fútbol Profesional (hereinafter “LaLiga”) appreciates the opportunity to assist the Office of the United States Trade Representative (“USTR”) in identifying countries that deny adequate and effective protection of intellectual property (“IP”) rights, pursuant to USTR’s 2020 Special 301 Review. In this submission, we ask that USTR maintain Saudi Arabia’s place on the Priority Watch List.

LaLiga, in accordance with Article 2.2 of the Spanish Royal Decree-Law 5/2015, of April 30th, on urgent measures in relation to the commercialization of the rights of exploitation of audiovisual contents of professional football competitions, is the actual rights holder with the faculty to market the exploitation rights of the audiovisual content regarding the Spanish Football First and Second Division, and producers of such audiovisual content, in accordance with Article 7.1 of the referenced Royal Decree. LaLiga exclusively licenses rights to beIN Media Group LLC (“beIN”) on a territorial basis for the Middle East and North Africa (“MENA”) region, including Saudi Arabia.

Beginning in August 2017, a Saudi-based broadcast pirate operating under the name “beoutQ” engaged in the unauthorized distribution, streaming, and broadcasting of media content licensed to beIN and others – including sporting events licensed by LaLiga – on an unprecedented scale. The piracy began with streaming on beoutQ’s website of pirated sports content and expanded to include the widespread sale of beoutQ set-top boxes and annual subscriptions in retail stores in Saudi Arabia and other MENA

countries. These beoutQ set-top boxes received satellite broadcasts of pirated content, including LaLiga content, via Saudi-based Arabsat satellites,<sup>1</sup> and, as explained below, continue providing access to Internet Protocol Television applications (“IPTV apps”) offering thousands of pirated movies, TV shows, and TV channels from the United States, Europe, and across the globe.<sup>2</sup>

In part as a result of this piracy, USTR placed Saudi Arabia on the Priority Watch List, explaining in the 2019 Special 301 Report that “[r]ampant satellite and online piracy is a rising concern in Saudi Arabia”, and highlighting “ongoing concerns regarding IP enforcement” in Saudi Arabia.<sup>3</sup> Although beoutQ ceased broadcasting in mid-August 2019 (though rumors continue to circulate about its possible return), piracy continues to run rampant in Saudi Arabia. IPTV apps providing access to vast swaths of pirated content<sup>4</sup> continue to be available on the up to three million beoutQ set-top boxes reportedly in circulation in Saudi Arabia and the region,<sup>5</sup> among other IPTV boxes in the Saudi market.

For example, an independent report commissioned by LaLiga and several other rights holders revealed that one such IPTV app, EVDTV, is itself based out of Saudi Arabia.<sup>6</sup> According to that report, contact details for the pirate service are publicly

<sup>1</sup> Arabsat is an intergovernmental satellite operator headquartered in Riyadh and 36.6% owned by Saudi Arabia. Technical analysis has revealed that the beoutQ pirate channels were transmitted via Arabsat satellite frequencies to the MENA region, and can also be received in parts of Europe, including the south of France. See *Report on the protection and enforcement of intellectual property rights in third countries*, EUROPEAN COMMISSION (Jan. 8, 2020), p. 42, available at [https://trade.ec.europa.eu/doclib/docs/2020/january/tradoc\\_158561.pdf](https://trade.ec.europa.eu/doclib/docs/2020/january/tradoc_158561.pdf); *beoutQ Investigation Prepared by MarkMonitor*, LEGASERIAA.IT (April 2019), available at <http://www.legaseriea.it/assets/legaseriea/pdf/stopiracy/en/MarkMonitor%20beoutQ%20Report%20April%202019.pdf>.

<sup>2</sup> See Submission by beIN Media Group, LLC and Miramax, LLC for the 2019 Special 301 Review, available at <https://www.regulations.gov/document?D=USTR-2018-0037-0052>.

<sup>3</sup> See *2019 Special 301 Report*, OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE (April 2019), pp. 6, 22, 57 available at [https://ustr.gov/sites/default/files/2019\\_Special\\_301\\_Report.pdf](https://ustr.gov/sites/default/files/2019_Special_301_Report.pdf).

<sup>4</sup> See *IPTV Piracy on BeoutQ STBs*, NAGRA KUDELSKI (Nov. 25, 2018), available at <https://beoutq.tv/wp-content/uploads/2019/01/IPTV-piracy-on-beoutQ-STB.pdf>.

<sup>5</sup> Anthony Harwood, ‘Piracy will see Premier League rights values drop off a cliff’, warns beIN Sports CEO, SportsPro Media, <http://www.sportspromedia.com/news/premier-league-tv-rights-value-pirate-steams-bein-sports-beoutq>; see also Rebecca Hawes, *beIN slams persistent piracy menace*, DIGITAL TV EUROPE (Nov. 8, 2019), <https://www.digitaltveurope.com/2019/11/08/bein-slams-persistent-beoutq-piracy-menace/> (reporting that beoutQ continues to “distribut[e] premium channels illegally via the IPTV function of its boxes,” and it remains possible that beoutQ could resume under a different name).

<sup>6</sup> See *beoutQ Investigation Prepared by MarkMonitor*, LEGASERIAA.IT (April 2019), pp. 11, 23-24 <http://www.legaseriea.it/assets/legaseriea/pdf/stopiracy/en/MarkMonitor%20beoutQ%20Report%20April%202019.pdf>.

available on the app’s website, universeiptvs.com, which provides, *inter alia*, a phone number and location in Saudi Arabia.<sup>7</sup> The report further noted the availability of the EVDTV app on the beoutQ app store as well as the Google Play store for Android devices.<sup>8</sup> EVDTV provides access to over 3,900 live channels,<sup>9</sup> including 271 US channels in the USA and USA Ultra HD sections.<sup>10</sup> Among these channels are “Eleven Sports LA LIGA TV FHD”, “La Liga 4K [Eng]”, and “Bein La Liga SD”, through which LaLiga content can be watched.<sup>11</sup>

beIN, which owns exclusive rights to broadcast key sporting events in the region, is prohibited from operating in Saudi Arabia, such that pirate entities, including services other than beoutQ, continue to be the principal means through which individuals in Saudi Arabia access sports programming. In this context, LiveHD7.com, another Saudi-owned pirate operation, has become increasingly popular in Saudi Arabia. LiveHD7 is a pirate service that publishes live streaming links on various online services, including websites, social media platforms, WhatsApp groups, and Telegram groups. These links are specific to the event streamed and typically become defunct after the event.<sup>12</sup> According to Alexa, LiveHD7 ranks as the 411th most trafficked website in Saudi Arabia, with 46.1% of the site’s visitors located in Saudi Arabia.<sup>13</sup>

Despite repeated complaints by beIN and other rights holders, Saudi Arabia has never brought criminal action against beoutQ, or its Saudi facilitators and supporters.<sup>14</sup> Notably, the current off-line status of beoutQ satellite broadcasting is not the result of any Saudi criminal enforcement action. Among other deficiencies in its copyright regime, Saudi Arabia suffers from a structural deficiency that remains in place today. In particular, as the European Commission explained this month when it added Saudi Arabia to its own list of countries with deficient IP protection:

<sup>7</sup> See *id.* at pp. 11, 23-24.

<sup>8</sup> *Id.* at pp. 11, 23-24.

<sup>9</sup> *Id.* at p. 10 (“EVDTV currently offers 3952 live TV channels”).

<sup>10</sup> *IPTV Piracy on BeoutQ STBs*, NAGRA KUDELSKI (Nov. 25, 2018), pp. 24-25, 49-80, available at <https://beoutq.tv/wp-content/uploads/2019/01/IPTV-piracy-on-beoutQ-STB.pdf>.

<sup>11</sup> See *IPTV Piracy on BeoutQ STBs*, NAGRA KUDELSKI (Nov. 25, 2018), Appendix I, pp. 60, 76, available at <https://beoutq.tv/wp-content/uploads/2019/01/IPTV-piracy-on-beoutQ-STB.pdf>.

<sup>12</sup> Examples of such links include: [www.kad72.com](http://www.kad72.com); [www.amr654.live](http://www.amr654.live); [www.hna325.life](http://www.hna325.life); and [www.reya9.site](http://www.reya9.site). Such links appear to contain malware.

<sup>13</sup> See Alexa site info for LiveHD7, <https://www.alexa.com/siteinfo/livehd7.com> (last visited Jan. 20, 2019).

<sup>14</sup> See Submission by beIN Media Group, LLC and Miramax, LLC for the 2019 Special 301 Review, pp. 14-15, available at <https://www.regulations.gov/document?D=USTR-2018-0037-0052>.

As regards **criminal enforcement**, stakeholders report that the Ministry of Culture and Information has a discretionary right to authorise or deny access to the Copyright Committee, which is the sole entity responsible for copyright infringements in Saudi Arabia, and also to approve or disapprove the decisions of the Copyright Committee, which does not seem to be compatible with the TRIPS Agreement. These rules make the availability of criminal judicial procedures and sanctions conditional on political or subjective considerations.<sup>15</sup>

With respect to civil enforcement of copyright infringement, rights holders have been blocked from initiating copyright infringement cases against beoutQ and its facilitators in Saudi Arabia. As explained in a July 2019 press release issued by LaLiga, FIFA, the AFC, UEFA, the Bundesliga, the Premier League, and Lega Serie A, after 15 months of attempting to initiate a copyright infringement case, we “reached the conclusion, regrettably, that it is now not possible to retain legal counsel in KSA which is willing or able to act on our behalf in filing a copyright complaint against beoutQ” such that we “feel we have now exhausted all reasonable options for pursuing a formal copyright claim in KSA.”<sup>16</sup>

After several years of widely-publicized rampant Saudi-based piracy – including piracy promoted by the Saudi government, itself<sup>17</sup> – and a total lack of enforcement on the part of Saudi authorities, we are concerned that there may have been a cultural shift in Saudi Arabia such that piracy is now generally accepted as an appropriate and, indeed, natural means of watching sports and other media content. Barring aggressive enforcement efforts by the Saudi government against copyright piracy, and the making available of civil actions against all instances of copyright piracy, the situation will only deteriorate over time. The lesson from the past 2 1/2 years in Saudi Arabia is that piracy

<sup>15</sup> See *Report on the protection and enforcement of intellectual property rights in third countries*, EUROPEAN COMMISSION (Jan. 8, 2020), p. 42, available at [https://trade.ec.europa.eu/doclib/docs/2020/january/tradoc\\_158561.pdf](https://trade.ec.europa.eu/doclib/docs/2020/january/tradoc_158561.pdf).

<sup>16</sup> *Joint statement by FIFA, the AFC, UEFA, the Bundesliga, LaLiga, the Premier League and Lega Serie A regarding the activities of beoutQ in Saudi Arabia*, UEFA.COM (July 31, 2019), <https://www.uefa.com/insideuefa/mediaservices/mediareleases/newsid=2617482.html>.

<sup>17</sup> Alaa Shahine, *Saudis Dismiss Piracy Claim as Soccer Rights' Spat Escalates*, BLOOMBERG (June 21, 2018; updated June 22, 2018), <https://www.bloomberg.com/news/articles/2018-06-22/saudis-dismiss-tv-piracy-claim-as-soccer-rights-spat-escalates>.

can be lucrative for the pirate, yield cost saving for the consumer, and all at no risk of penalty. This is unacceptable.

In conclusion, Saudi Arabia continues to deny adequate and effective protection of IP rights, as (i) Saudi Arabia remains a center of piracy, impacting rights holders from around the world, including, *inter alia*, the United States and European Union; (ii) the Saudi government persists in its failure to take action against beoutQ and other pirates, whether criminal or otherwise, that would deter the continuing growth of Saudi-based piracy; and (iii) beIN and rights holders remain unable to seek civil remedies against piracy. As a result, the economic damage to IP rights, and in particular international sports rights, continues to grow each day.

In view of this longstanding situation, LaLiga respectfully requests that USTR maintain Saudi Arabia's position on the Priority Watch List.

Yours sincerely,



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