



07 February 2019

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 Sky Limited (“Sky”) for the 2019 Special 301 Review

Dear Mr. Lee,

(Docket No. USTR–2018–0037)

The Sky Group is Europe’s leading pay TV provider operating a multi-platform, premium-branded entertainment business that offers premier content to in excess of 23 million retail customers. Since October 2018 Sky has been under the ownership of Comcast Corporation. We appreciate the opportunity to provide these comments 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 2019 Special 301 Review.

The purpose of this letter is to confirm Sky’s full support for the submission of beIN Media Group (“beIN”) that the Kingdom of Saudi Arabia (“Saudi Arabia”) should be identified as a Priority Foreign Country as a result of the very real threats posed to European broadcasters and rights owners by the relatively new, but rapidly growing, source of audio-visual piracy, namely the beoutQ service.

At its launch in August 2017 the beoutQ service, which is a wholly parasitic rebranding of the Qatar based beIN pay-TV platform and channels, was largely restricted in its spread to the Saudi Arabia. Since then, however, the service has rapidly grown and we understand that beoutQ set-top-boxes are now sold across the MENA region and the beoutQ channels are now also available in Europe. The content available on the beoutQ branded channels, which recently appears to be stolen not just from BeIN but from other legitimate broadcasters and content owners, includes live sporting events which European broadcasters have acquired rights to.

In addition, the BeoutQ devices provide direct access to applications offering unauthorized access to many thousands of premium television channels, including channels owned by Sky Group companies across Europe, and carrying content in which Sky has invested billions of Euros.



Sky UK Limited, Grant Way, Isleworth, Middlesex TW7 5QD

Call 0333 100 0333 Fax 0333 100 0444 Visit sky.com

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We understand that the Saudi Government has fostered a domestic environment that offers a “safe haven” for piracy.¹ As a result, copyright infringement has increased in Saudi Arabia and indeed spread to other countries in the Middle East and North Africa (“MENA”) region, as well as to Europe.

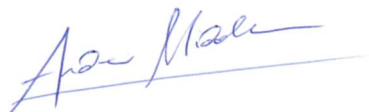
What began with Internet streaming of pirated sports content licensed to beIN soon expanded to include the widespread sale of set-top boxes in retail stores in Saudi Arabia and other MENA countries, providing access to all types of pirated media content extending far beyond sports. These set-top boxes receive satellite broadcasts of pirated content and provide access to Internet Protocol Television (“IPTV”) applications offering thousands of pirated movies, TV shows, and TV channels from the United States, Europe, and across the globe. Among such pirated content is that created by and licensed to Sky.

Sky takes all forms of audio-visual piracy extremely seriously and invests substantial effort and money in protecting its content. The problem of audio-visual piracy is not new but the speed of proliferation of the illegal beoutQ service is particularly alarming, as is the evidence suggesting that the Riyadh based satellite operator, ArabSat, whose main shareholder is the Saudi Arabian government, provides satellite services to enable beoutQ’s distribution.

While Sky is not US-headquartered, we work closely with US producers and US content creators, and consider broadcast piracy to be an issue of paramount importance that warrants action by the United States and other governments.

Should USTR have any questions or require any further information regarding this submission, we remain at your disposal.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Andrew Middleton", written over a horizontal line.

Andrew Middleton
Group Director, Piracy & Content Protection

¹ In its 2018 Special 301 Report, USTR emphasized that “governments should avoid creating a domestic environment that offers a safe haven for piracy online.” 2018 Special 301 Report, Office of the United States Trade Representative (April 3, 2018), p. 25.