

BEHIND THE CYBERLOCKER DOOR:

A Report on How Shadowy Cyberlocker Businesses
Use Credit Card Companies to Make Millions

A NetNames Report for Digital Citizens Alliance



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NetNames

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ABOUT NETNAMES

NetNames^{NN}

Global leader in internet brand protection.

Piracy Analysis team based in Cambridge, UK.

Sizing the piracy universe

unduplicated visitors to video streaming link sites during a single month. In January 2013, this figure was 112.5m for all video streaming link sites which received more than 50,000 unique visitors during the month. Discounting those visitors who only use such sites to obtain non-infringing or pornographic content during the course of a month (see Section 8) results in a final figure of **infringing video streaming users of 112.0m.**

- **Cyberlockers, including analysis of both cyberlocker link sites frequently used to locate infringing content and cyberlocker hosting sites used to store the content ultimately downloaded by users, and analysis of the amount of bandwidth consumed by infringing cyberlocker use online.** The most suitable metric for analysing the size of the infringing video streaming universe was chosen to be **unduplicated visitors to cyberlocker host sites during a single month.** In January 2013, this figure was 228.8m for all cyberlocker sites which received more than 50,000 unique visitors during the month. Discounting those visitors who only use such sites to obtain non-infringing or pornographic content (see Section 8) results in a final figure of **infringing cyberlocker users of 210.6m.**

The report also briefly discusses activity on mobile devices such as smartphones and tablets. The main processes by which each ecosystem functions are briefly outlined at the start of each section.

• Almost every piracy-focused site
• Worldwide, **432.0m** unique i
• Three key regions - North A
make up a majority of the int
internet users and 95.1% of L

3.8% of the total
rs, residential and
sought infringing
regions. This figure
m November 2011
user population
t users).³
were recorded on web sites focused

ifichier.com

Features	Free	Prem
Download limit	Limited	Unlim
Download speed	Limited Best effort	Unlim
Download managers	✗	✓
Resume downloads	✗	✓
Direct download	✗	✓
Simultaneous downloads	✗	✓

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1 month - 3.99 €

SPECIAL DISCOUNT
1 YEAR - 9.99 €

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Premium**

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0.33 \$ / Day *

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Credit Card



100 % Anonymous & Secure

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Premium**

\$ 29.99
0.33 \$ / Day

Buy now

Credit Card



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\$ 53.99
0.30 \$ / Day

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**365 Days
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\$ 89.99
0.25 \$ / Day

Buy now

Credit Card



100 % Anonymous & Secure

**730 Days
Premium**

\$ 99.99
0.14 \$ / Day

Buy now

Credit Card



✓ Best Offer, Save Money

(2.99 USD)

loads

Download restriction:	a file every 180 minutes	none
Direct-/Hot Linking:	✗	✓
Downloads start instantly:	✗	✓

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A Report on How Shadowy Cyberlocker Businesses
Use Credit Card Companies to Make Millions

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digitalcitizens
alliance

NetNames^{NN}
One step ahead



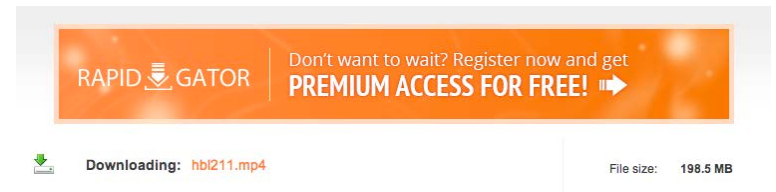
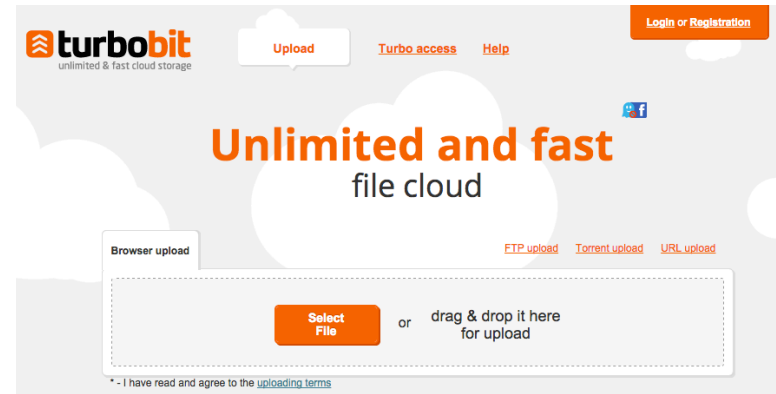
DEFINING CYBERLOCKERS

Cyberlockers offer centralized online hosting of user-uploaded content.


Links are generated for each piece of uploaded content

Cyberlockers encourage downloaders to sign up for enhanced 'premium' subscriptions

Sites are intentionally architected to support the massive distribution of this content on a worldwide and unrestricted scale



Download file:

 **Beyonce - Grown Woman HD 1080p.rar (135,24 Mb)**

Average download time: in free mode 32 minute(s) 58 second(s), **in Turbo mode 2 minute(s) 15 second(s)**

DEFINING CYBERLOCKERS

	CYBERLOCKERS	CLOUD STORAGE SERVICE
Online storage of user-uploaded content	Yes	Yes
Unrestricted and unlimited distribution	Yes	No
Rewards users for wide distribution	Yes	No
Bandwidth limits	No	Yes
Repeat infringer policies	No	Yes
Personal file synchronisation	No	Yes
Majority of content infringing	Yes	No

Who is the client?

Cyberlockers

The **downloader** who
views advertising
pays for a premium account

Cloud storage services

The **uploader** who
pays for storage space
pays for synchronisation

INFRINGEMENT

Direct download Cyberlockers

78.6% of files
infringing

Streaming Cyberlockers

83.7% of files
infringing

Percentages a conservative minimum

Did not examine pornography

Waterman study of Hotfile:

90.2% of *downloads* were infringing

THIRTY CYBERLOCKERS

Direct Download Cyberlockers

15 most popular sites worldwide
Host any type of file for download


Direct Download Cyberlockers
4Shared.com
Mega.co.nz
Uploaded.net
Zippyshare.com
Turbobit.net
BitShare.com
Letitbit.net
FreakShare.com
Rapidgator.net
Ryushare.com
Depositfiles.com
Uptobox.com
Filenuke.com
1Fichier.com
2Shared.com



Streaming Cyberlockers


15 most popular sites worldwide
Host video content for streaming

Streaming Cyberlockers
Putlocker.com
YouWatch.org
Streamcloud.eu
Sockshare.com
Movshare.net
Novamov.com
Played.to
Allmyvideos.net
Videoweed.es
Flashx.tv
Divxstage.eu
Gorillavid.in
Billionuploads.com
Thefile.me
Daclips.in

DIRECT DOWNLOAD CYBERLOCKERS





RAPID  GATOR
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RAPID  GATOR
Don't want to wait? Register now and get **PREMIUM ACCESS FOR FREE!** 

 **Downloading:**
The.Lego.Movie.2014.BDRip.720p.AAC.x264.t@bl3t.part1.rar

File size: **1000 MB**

Please hold, download will start in 36 seconds. Do not wish to wait? Please click here.
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Download type:	Free	Premium
Download speed:	Limited	Unlimited
Maximum parallel downloads:	<div style="background-color: #f4a460; padding: 5px; text-align: center;"> RAPID  GATOR Don't want to wait? Register now and get PREMIUM ACCESS FOR FREE!  </div>	
Download restriction:		
Direct/Hot Linking:		
Downloads start instantly:		Downloading: The.Lego.Movie.2014.BDRip.720p.AAC.x264.t@bl3t.part1.rar
Fast download even when servers are busy:	<div style="text-align: center;">  <div style="background-color: #f4a460; padding: 2px 10px; display: inline-block;">CLICK HERE TO DOWNLOAD</div> Copy to My Files </div>	
Support for resuming downloads:		
Support for download accelerators:		
Estimated Download time:		

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he.Lego.Movie.2014.BDRip.720p.AAC.x264.t@bl3t.part1.rar.ht

he.Lego.Movie.2014.BDRip.720p.AAC.x264.t@bl3t.part2.rar.ht

he.Lego.Movie.2014.BDRip.720p.AAC.x264.t@bl3t.part3.rar.ht

Select all

STREAMING CYBERLOCKERS

The image shows a screenshot of a video player interface on a website. The video player is titled "Maleficent 2014 RETAIL DVDRip XviD-EVO" and has a "Continue" button. The video content is an advertisement for Sprint, featuring a smartphone and the text "INSTANT \$99.99 SAVINGS", "Now FREE The LG G2", and "Switch to Sprint" with the Sprint logo. The website header includes "VodLocker" and navigation links like "News", "Register", "FAQ", "Contact", and "Add a movie".

REVENUE SOURCES: PREMIUM ACCOUNTS



Downloading: Despicable.Me.2.2013.1080p.BrRip.x264-YIFY.rar

File size: 1.45 GB

[Copy to My Files](#)

This file can be downloaded by premium only

Choose download type	SLOW SPEED DOWNLOAD	HIGH SPEED DOWNLOAD
Download type:	Free	Premium
Download speed:	Limited	Unlimited
Maximum parallel downloads:	1	Unlimited
Download restriction:	1 file per 120 minutes	NO
Direct/Hot Linking:	✗	✓
Downloads start instantly:	✗	✓
Fast download even when servers are busy:	✗	✓
Support for resuming downloads:	✗	✓
Support for download accelerators:	✗	✓
Estimated Download time:	2 hours 48 minutes 38	38 seconds

13/15 Direct Download
Cyberlockers offered
premium accounts

Average cost:
\$10.57 per month

12/15 Streaming
Cyberlockers offered
premium accounts

Average cost:
\$8.25 per month

REVENUE SOURCES: ADVERTISING

Features
Download limit
Download speed
Download man
Resume downlo
Direct downloa
Simultaneous d

Cheshire Constabulary
BE SAFE, FEEL SAFE

PCEU
Police Central e-crime Unit

Serious Organised Crime Agency
METROPOLITAN BRITISH POLICE

IP: 86.26.15.54

Country: Great Britain
ID: 86H65F825104R

ATTENTION!
Your browser has been blocked up for safety reasons listed below.
All the actions performed on this PC are fixed.
All your files are encrypted.

You are accused of viewing/storage and/or dissemination of banned pornography (child pornography/zoophilia/rape etc). You have violated World Declaration on non-proliferation of child pornography. You are accused of committing the crime envisaged by Article 161 of the Kingdom of Great Britain criminal law.

Article 161 of the Kingdom of Great Britain criminal law provides for the punishment of deprivation of liberty for terms from 5 to 11 years.

Also, you are suspected of violation of "Copyright and Related rights Law" (downloading of pirated music, video, warez) and of use and/or dissemination of copyrighted content. Thus, you are suspected of violation of Article 148 of the Kingdom of Great Britain criminal law.

Article 148 of the Kingdom of Great Britain criminal law provides for the punishment of deprivation of liberty for terms from 3 to 7 years or 150 to 550 basic amounts fine.

Remaining time: **23:59:34**

Voucher NO/PIN Value

Type your code 100

1 2 3 4 5 6 7 8 9 0 Clear

Pay Ukash **Pay PaySafeCard**

Where can I get Ukash?

You could buy Ukash in many places, for example: shops, stalls, stand-alone terminals, on-line or through E-Wallet (electronic cash), from ePay, PayPoint and PayZone outlets.

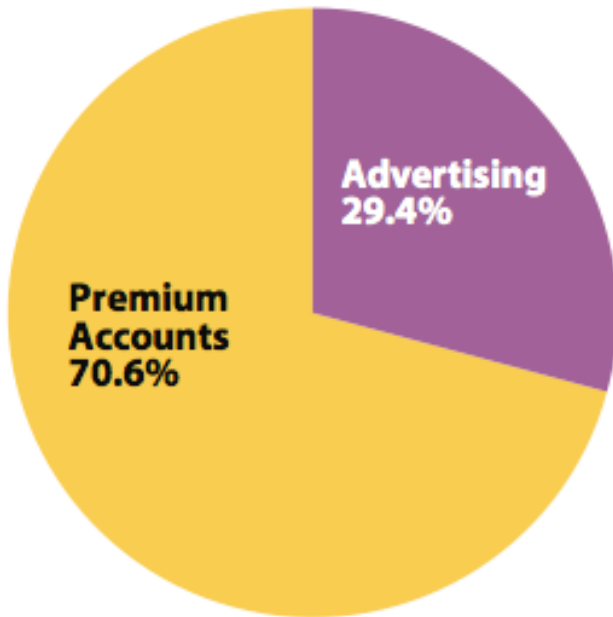
OVERALL REVENUE

Direct Download Cyberlockers

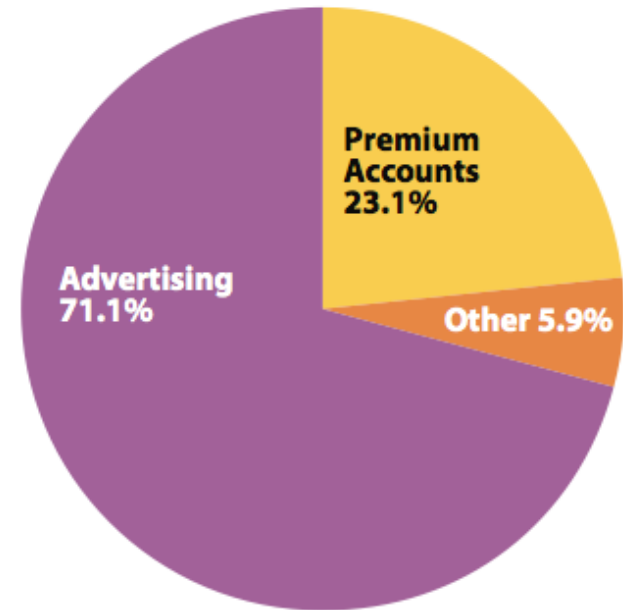
Average monthly revenue: $(\$350,000 - (\text{Total } \$350,000 \text{ monthly visitors} * 0.035576) - (\text{Cost of one month premium} * \text{total unique monthly visitors}) * 0.35612) / 2 = \text{Monthly premium revenue}$
 Average annual revenue: \$4.2m
 Highest annual revenue: \$17.6m

Streaming Cyberlockers

Average monthly revenue: \$184,000
 Average annual revenue: \$2.2m
 Highest annual revenue: \$8.4m



Revenue Sources:
Direct Download Cyberlockers



Revenue Sources:
Streaming Cyberlockers

COSTS

Hosting and internet infrastructure

Processing fees

Employee salaries and payments

Overhead costs and legal costs

Affiliate or reward schemes

Tier 1	Tier 2	Tier 3	Tier 4
Reward: \$40 USD *	Reward: \$30 USD *	Reward: \$20 USD *	Reward: \$10 USD *
Countries: Liechtenstein Austria Switzerland United Kingdom France Australia Netherlands Germany Sweden New Zealand Belgium Canada	Countries: Cyprus Luxembourg Italy Bulgaria Denmark Norway Finland Poland Ireland	Countries: Romania Slovakia Israel Russian Federation Portugal Dominican Republic Slovenia Czech Republic Ukraine Croatia Greece	Countries: All others
Signup now			

How does it work?

- Sign up and get your own unique partner ID which you can append to our URL.
- We will track all purchases made by the visitors you referred to MEGA.
- You earn 20% of all revenue generated through your partner ID.
- Recurring subscriptions will count as recurring referrals.

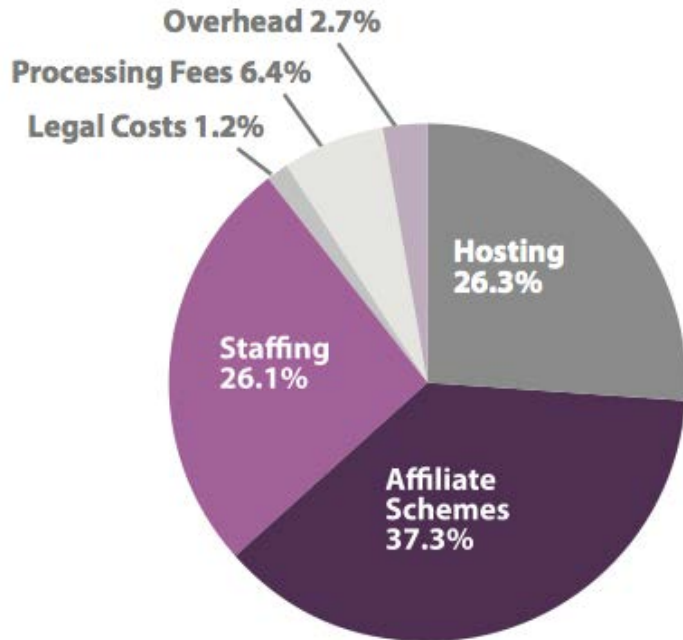
COSTS

Direct Download Cyberlockers

Average monthly costs: \$128,000

Average annual costs: \$1.9m

Highest annual costs: \$4.7m



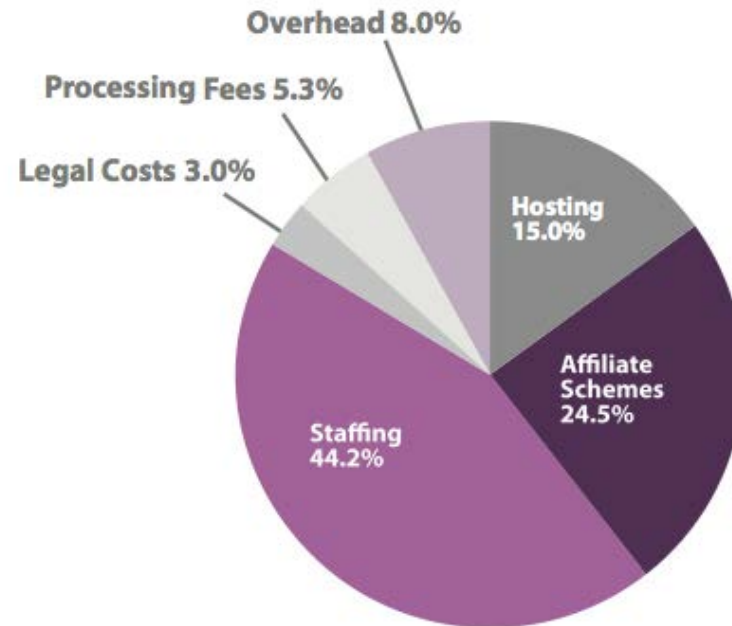
**Cost Sources:
Direct Download Cyberlockers**

Streaming Cyberlockers

Average monthly costs: \$23,000

Average annual costs: \$275,000

Highest annual costs: \$774,000



**Cost Sources:
Streaming Cyberlockers**

PROFIT

Direct Download Cyberlockers

Average monthly revenue: \$350,000

Average monthly costs: \$128,000

Monthly profit: \$222,000

Average annual revenue: \$1.9m

Highest annual costs: \$1.9m

Annual profit: \$2.67m

Profit across all fifteen sites: \$40.0m

Rate of profit: 63.4%

Streaming Cyberlockers

Average monthly revenue: \$184,000

Average monthly costs: \$23,000

Monthly profit: \$161,000

Average annual revenue: \$2.2m

Highest annual costs: \$0.3m

Annual profit: \$1.9m

Profit across all fifteen sites: \$29.0m

Rate of profit: 87.6%

Revenue across all thirty sites: \$96.2m

Profit across all thirty sites: \$69.0m

ADVERTISING NETWORKS

Travel guides from Amazon.

UK short breaks from Amazon Local.



Explore Now  Privacy



WORLD OF WARCRAFT

PLAY FREE



PropellerAds media

Check it out!

We pay 120% of what you currently earn!

Ride_Along_2014_KORSUB_HDrip_XvID_AC3 OpelHD  2

Continue ▶



How **Andrex** do you feel?

Andrex Rollover to see our latest videos

00:00 00:01

Secure SSL version


English

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Unlimited	
Unlimited	
	✓
	✓
	✓


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THE SUMMER SPECTACULAR SALES EVENT



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Now playing at a dealer near you.

Go Further

sky BET

FREE BET CLUB

£30 FREE MATCHED BET

PLUS

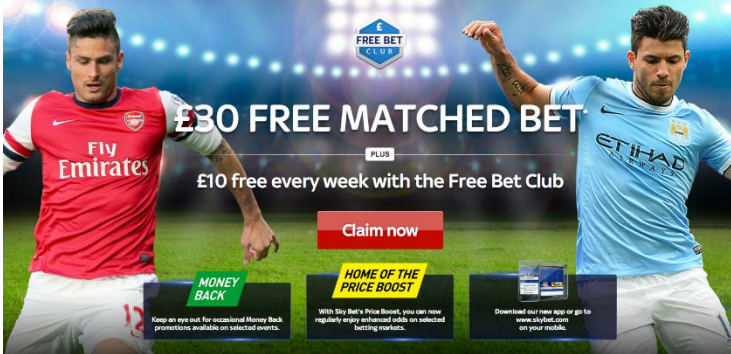
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a year

Zip Code

GET A QUOTE

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Cadillac

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\$329 PER MONTH 36 MONTHS **\$3,479** DUE AT SIGNING AFTER ALL OFFERS*

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SHOP LOCALLY >>

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CREDIT CARD COMPANIES

Premium

How would you like to pay for your desired product?

Selected product: 1 month Premium-Membership



**30 Days
Premium**

\$ 9.99

0.33 \$ / Day *

Buy now

Credit Card



100 % Anonymous & Secure

**90 Days
Premium**

\$ 29.99

0.33 \$ / Day

Buy now

Credit Card



100 % Anonymous & Secure

**180 Days
Premium**

\$ 53.99

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Buy now

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100 % Anonymous & Secure

**730 Days
Premium**

\$ 99.99

0.14 \$ / Day

Buy now

Credit Card



✓ Best Offer, Save Money

25 sites sold premium accounts

24 accepted VISA or MasterCard

Only one accepted PayPal

SUMMARY

MAIN POINTS

Careful and conservative methodology

Fifteen direct download cyberlockers / fifteen streaming cyberlockers

Overwhelming bulk of the content hosted is infringing

\$96.2m annual revenue across thirty cyberlockers

\$69.0m profit – 71.7 percent

VISA and MasterCard widely accepted

Reward or affiliate schemes remain popular

All but one cyberlocker profited from advertising

Advertising centralised around one network

