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8
9 UNITED STATES DISTRICT COURT
10 CENTRAL DISTRICT OF CALIFORNIA
11 WESTERN DIVISION
12

13 PARAMOUNT PICTURES
CORPORATION; UNIVERSAL CITY
14 STUDIOS PRODUCTIONS LLLP;
UNIVERSAL CONTENT
15 PRODUCTIONS LLC; UNIVERSAL
TELEVISION LLC; WARNER BROS.
16 ENTERTAINMENT INC.,
COLUMBIA PICTURES
17 INDUSTRIES, INC.; DISNEY
ENTERPRISES, INC.; NETFLIX
18 STUDIOS, LLC; NETFLIX US, LLC;
and NETFLIX WORLDWIDE
19 ENTERTAINMENT, LLC,

20 Plaintiffs,

21 vs.

22 DOES 1-10 d/b/a PRIMEWIRE,
23 Defendants.
24
25
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27
28

Case No. 2:21-cv-09317-MCS-SK

**DECLARATION OF JAN VAN
VOORN IN SUPPORT OF
PLAINTIFFS' MOTION FOR
DEFAULT JUDGMENT
INCORPORATING DAMAGES**

Judge: Hon. Mark C. Scarsi
Date: November 14, 2022
Time: 9:00 a.m.
Courtroom: 7C

Filed concurrently with
(1) Plaintiffs' Notice of Motion and
Motion for Default Judgment
Incorporating Damages;
(2) Declaration of Shannon Aminirad;
and
(3) [Proposed] Final Default Judgment

1 **DECLARATION OF JAN VAN VOORN**

2 I, Jan van Voorn, declare as follows:

3 1. I am Executive Vice President and Chief, Global Content Protection
4 (“GCP”) Enforcement and Operations, at the Motion Picture Association, Inc.
5 (“MPA”), where I have worked since 2013. I previously submitted declarations in
6 this action dated December 3, 2021, February 17, 2022, March 11, 2022, July 19,
7 2022, and August 8, 2022.¹ Except as otherwise noted, the contents of this
8 declaration are based on facts within my personal knowledge or facts provided to
9 me by members of the GCP team working at my direction. If called as a witness in
10 this action, I could and would testify competently to the contents of this declaration.

11 2. I submit this declaration to provide the Court with (a) additional
12 information regarding the efforts Plaintiffs have undertaken to uncover Defendants’
13 identities and to obtain evidence regarding the extent to which they have profited
14 from their infringing conduct, as well as the steps Defendants have taken to frustrate
15 Plaintiffs’ ability to discover such information; (b) the harm that Defendants’
16 infringing conduct has caused to Plaintiffs; and (c) an estimate, based on the best
17 evidence available to Plaintiffs, of the profits Defendants have realized from
18 operating the PrimeWire Websites and infringing Plaintiffs’ Copyrighted Works.

19 ***Plaintiffs’ Further Efforts To Identify Defendants And The Extent To Which***
20 ***They Have Profited From Their Infringing Conduct***

21 3. My December 3, 2021 declaration outlined the efforts that GCP, on
22 behalf of Plaintiffs, had undertaken to date to identify Defendants, the individuals
23 and entities responsible for the PrimeWire Websites. As I described in that
24 declaration, Defendants have used various aliases and proxies to hide, not only their
25 true identities, but the physical location where they reside and work.
26

27 ¹ I understand that my February 17 declaration was filed February 18, 2022, and my
28 March 11 declaration was filed March 12, 2022.

1 4. I understand that by Order dated April 20, 2022, the Court granted
2 Plaintiffs leave to conduct certain third-party discovery. With the information my
3 team could gather publicly regarding the U.S.-based ad brokers associated with the
4 PrimeWire sites over time, Plaintiffs served third-party subpoenas on Amobee, Inc.;
5 Exponential Interactive, Inc.; Oracle Corporation; Yahoo Ad Tech LLC; AdSupply,
6 Inc.; Aragon Advertising, LLC; Insticator, Inc.; Outbrain Inc.; Amazon.com, Inc.;
7 and Google LLC. The results of that investigation tell only a small part of the
8 complete story with respect to Defendants’ revenue, but confirm the lengths to
9 which they went to hide that information.

10 5. GCP’s further investigation revealed that Defendants have continued to
11 follow their long-established practice of frequently changing their ad brokers (within
12 and outside the U.S.). The number of ad brokers that Defendants used makes it
13 difficult to identify any single significant source of income. In addition, most of the
14 ad brokers that GCP had identified and whom Plaintiffs served with subpoenas were
15 in fact intermediaries between supply-side advertising platforms (which serve
16 advertisers) and demand-side advertising platforms (which serve website owners)
17 and therefore had no specific relationship with Defendants at all. As intermediaries,
18 they did not make any payments to individual website operators like Defendants,
19 instead serving to connect larger groups of advertisers to websites, with the
20 payments flowing through different channels and not directly traceable to
21 PrimeWire. In some cases, there had been minimal contact with the ad brokers
22 Plaintiffs served, but Defendants used inconsistent identifying information to their
23 ad brokers. For example, someone identified only by the first name “Tyler”
24 communicated with one ad broker, whereas someone identified only by the name
25 “Andy Andy” registered for an account with another ad broker. Apparently by
26 Defendants’ design, none of these ad brokers were able to provide a comprehensive
27 assessment of the revenues that were associated with their services to the PrimeWire
28 Websites.

1 6. Plaintiffs were able to discover a small piece of evidence that they
2 chased down further: Through their subpoena to ad broker Insticator Inc., Plaintiffs
3 obtained a single document confirming an August 17, 2015 payment from Insticator
4 to an entity called Oksara L.P. According to the document, Insticator transferred
5 \$10,376.61 to a bank account at Versobank AS in Tallinn, Estonia.

6 7. After receiving this document, GCP investigators attempted to identify
7 who might be behind Oksara L.P. Oksara L.P. appears to be a shell entity that is no
8 longer in operation. Public records show Oksara L.P. was formed in 2013 and
9 dissolved in 2018. B2B Consultants Ltd. and BTD Enterprises Ltd. were listed as
10 the two partners of the Oksara L.P. limited partnership. A Latvian national named
11 Alise Ilsley completed the partnership paperwork. We have been unable to locate
12 any additional information regarding which entities or individuals are behind Oksara
13 L.P. A true and correct copy of the limited partnership registration for Oksara L.P.
14 is attached hereto as **Exhibit 1**. A true and correct copy of the dissolution filing is
15 attached hereto as **Exhibit 2**.

16 8. The address listed for Oksara L.P. on the wire transfer confirmation, 1
17 Straits Parade, is next to a Kentucky Fried Chicken restaurant in a suburban
18 neighborhood of Bristol in England. That English address is associated with a
19 company formation service called B2B Solutions or Arrant Consult. News reports
20 have connected this address and B2B Solutions/Arrant Consult with international
21 money laundering schemes. According to those reports, Latvian national
22 middlemen used this address to set up bank accounts in Baltic States on behalf of
23 clients located in eastern Europe. Attached hereto as **Exhibits 3 through 5** are
24 news reports concerning the companies registered at 1 Straits Parade, Bristol, BS16
25 2LA.

26 9. These reports have specifically connected Ms. Ilsley and B2B Solutions
27 to entities involved in money laundering schemes. In one case, criminals used shell
28 companies registered with a business address of 1 Straits Parade to drain \$1 billion

1 from three of Moldova’s banks in 2014. Ms. Ilsley was named as the director of an
2 entity used in this scheme. In another corruption scandal, Ukrainian prosecutors
3 linked Ms. Ilsley’s name and B2B Consultants Ltd. (one of the partners of Oksara
4 L.P.) to entities used to launder \$70 million in public funds.

5 10. PrimeWire is not the first piracy site to have been discovered to be
6 associated with the 1 Straits Parade street address or with B2B Solutions. In 2016,
7 FBI agents learned that a company registered to this address had used a bank
8 account in Estonia as part of a Russian-linked scheme to collect advertising revenue
9 for a website operating under the name “KickassTorrents.” KickassTorrents has
10 been one of the world’s most popular illegal peer-to-peer file sharing sites, with as
11 many as 60 million monthly visitors. FBI agents seized the domains for
12 KickassTorrents and arrested KickassTorrents’ alleged founder, who was
13 subsequently released on bail and remains a fugitive. According to the FBI, the
14 bank account associated with KickassTorrents received €28,411,357 in deposits in a
15 seven-month period. The FBI estimated that KickassTorrents made approximately
16 \$16.9 million in annual advertising revenue and was worth approximately \$54.5
17 million. The Department of Justice accused KickassTorrents’ founder of being
18 responsible for the loss of more than \$1 billion in revenue from the U.S.
19 entertainment industry. A true and correct copy of the criminal complaint in the
20 KickassTorrents case is attached hereto as **Exhibit 6**. A news article from Business
21 Insider describing the criminal case is attached hereto as **Exhibit 7**.

22 11. GCP has not been able to confirm any additional links between the
23 PrimeWire Defendants and the criminal activity associated with the 1 Straits Parade
24 street address, B2B Solutions, or Ms. Ilsley. However, the available information
25 indicates that a number of sophisticated illegal operations have used B2B Solutions
26 to create shell companies to hide their operations. All of this is consistent with
27 Defendants using sophisticated measures to hide their identities and information
28 regarding the extent to which they have profited from their infringing conduct.

1 Combined with the wire transfer, the evidence appears to confirm that Defendants
2 have utilized the services of a business known to facilitate money laundering
3 through which to funnel their revenues from PrimeWire’s operations.

4 12. I understand that Plaintiffs also obtained records from Google
5 identifying two cell phone numbers associated with the Google Ad account for
6 primewire.ag.

7 13. GCP investigators confirmed that these phone numbers are registered to
8 Rogers Wireless Inc., a Canadian wireless telephone company. However, GCP
9 investigators were unable to obtain any additional identifying information for the
10 individuals associated with these numbers. GCP investigators found that the phone
11 numbers at issue were issued by Ztar Mobile, which sells pay-as-you-go mobile
12 plans at convenience stores and gas stations. Ztar Mobile does not typically collect
13 information for customers who purchase its plans.

14 ***Defendants Caused Massive Harm To Plaintiffs By Intentionally Facilitating The***
15 ***Unauthorized Streaming Of More Than 10,000 Of Plaintiffs’ Works***

16 14. Defendants’ infringing activities have caused substantial harm to
17 Plaintiffs. As explained in my December 3, 2021 declaration, the set of 138
18 representative titles that my team specifically documented are the tip of the iceberg
19 of Plaintiffs’ Copyrighted Works that were infringed through the PrimeWire
20 Websites. On just the three PrimeWire Websites that were listed in Plaintiffs’
21 Complaint, Defendants offered links to on-demand streaming of thousands of
22 Plaintiffs’ Copyrighted Works. Attached to my February 17, 2022 declaration were
23 screenshots of more than 10,000 movie and television show titles returned as search
24 results by searching for the shorthand names of the Plaintiffs-Studios (i.e., “Disney”
25 or “Paramount”). (As discussed below, other PrimeWire sites, including
26 primewire.tf, remain active and operational, and profiles for many of Plaintiffs’
27 Copyrighted Works continue to appear on primewire.tf.) The 138 representative
28 works therefore represent approximately 1% of Plaintiffs’ works whose

1 infringement Defendants have intentionally facilitated.

2 15. By actively concealing their identities and information regarding their
3 internal operations, Defendants have interfered with Plaintiffs' ability to discover
4 the precise number of infringements that Defendants have intentionally facilitated.
5 It is clear, however, that the scale of these infringements has been massive. In
6 October 2021, PrimeWire had 20 million monthly visitors from the United States.
7 While we do not know the total number of visitors who used Defendants' service to
8 obtain infringing streams of Plaintiffs' Copyrighted Works, the number is clearly
9 quite large. As described in my prior declarations, Defendants provided links to
10 infringing streams of Copyrighted Works that were and are extraordinarily popular,
11 including Warner Bros.' *Friends* (1995), Universal's *Jurassic World* (2016), and
12 Netflix's *Stranger Things* (2016 & 2018). They also offered new releases, such as
13 Paramount's *Clifford the Big Red Dog* (2021), Columbia's *Venom: Let There Be*
14 *Carnage* (2021) and *Spider-Man: No Way Home*, and Disney's *Cruella* (2021) and
15 *Encanto* (2021). Defendants even went so far as to link to infringing streams of
16 camcorder recordings of movies during times in which they were not available
17 *anywhere* in the U.S., such as *Jurassic World: Dominion* (2022) which was released
18 in theaters abroad before the U.S. release on June 10, 2022.

19 16. The online piracy that Defendants intentionally induced is part of an
20 overall ecosystem of online infringement that continues to operate on a massive
21 scale. Online infringement, including that facilitated by Defendants, causes
22 significant harm to the motion picture industry. A June 2019 published report of the
23 U.S. Chamber of Commerce estimates that such piracy causes at least \$29.2 billion
24 annually in lost revenues to the motion picture industry. This lost revenue reflects
25 revenue that content producers like Plaintiffs would otherwise receive from cable,
26 box office, subscription video on-demand, ad-supported video on-demand, physical
27 disc sales and rentals, and electronic sell-throughs and rentals. A true and correct
28 copy of the U.S. Chamber of Commerce's report titled "Impacts of Digital Video

1 Piracy on the U.S. Economy” is attached hereto as **Exhibit 8**.

2 17. The report also provides estimates of content producers’ lost revenue
3 per illegal viewing. The U.S. Chamber of Commerce estimated average industry
4 revenue per viewing of a movie (from all sources combined) at about \$6.09 in 2017,
5 of which about \$3.34 went to content producers. For televised content, the report
6 estimates the equivalent figures to be about \$1.53 per viewing of an episode, of
7 which content producers received about \$0.83 per episode.

8 ***Defendants’ Generation Of Revenue Through The PrimeWire Websites***

9 18. As described in my December 3, 2021 declaration, Defendants
10 generated revenue primarily by running (and charging for) advertisements on the
11 PrimeWire Websites. As I noted above, Plaintiffs served third-party subpoenas on a
12 number of the U.S.-based ad brokers that Defendants used to serve advertising on
13 the PrimeWire Websites. The information available from these sources was limited,
14 producing only a single record of payment, and providing only a small window into
15 Defendants’ revenue streams. GCP’s own investigation found that Defendants
16 regularly cycled through ad brokers, making it unlikely that there is a single source
17 of revenue. Even then, the ad brokers are frequently intermediaries between
18 advertisers and other parties that handle the payments, meaning yet another party
19 (often outside of the U.S.) would have the actual transfer information. Defendants’
20 use of a complex and frequently changing revenue model is by design—it made it
21 impractical for my team to uncover meaningful evidence of Defendants’ actual
22 revenues earned as a result of the infringement.

23 19. While Plaintiffs were unable to discover specific information about the
24 revenues Defendants generated through advertising, other publicly available
25 information makes clear that the enterprise Defendants were operating exists within
26 a lucrative piracy market and their profits were likely substantial.

27 20. My December 3, 2021 declaration attached at Exhibit 15 a report
28 prepared by the Digital Citizen Alliance. That report found that those who operate

1 in the underground market for online pirated content reap an estimated \$1.34 billion
2 in annual revenues through advertising on websites and illicit streaming apps. *See*
3 Dkt. 16 Ex. 15.

4 21. Websites with high web traffic can generate significant advertising
5 revenue. More website visits means that digital advertisements placed on those
6 websites receive more views and clicks. According to the Digital Citizen Alliance
7 report, the top five piracy websites generate an average of \$18.3 million each in
8 annual advertising revenues. *See* Dkt. 16 Ex. 15. The FBI estimated that
9 KickassTorrents, which is described above and associated with the same address
10 connected to the PrimeWire Defendants, generated approximately \$16.9 million in
11 annual advertising revenue in 2016.

12 22. As noted above, the PrimeWire Websites had significant web traffic,
13 with approximately 20 million monthly visits from the U.S. in 2021, which is
14 greater than monthly traffic to popular websites such as carmax.com,
15 dictionary.com, and evite.com. It is therefore likely that the PrimeWire Websites
16 generated significant advertising revenue for Defendants.

17 23. This is because one way that advertisers calculate digital advertising
18 pricing is through CPM, or cost per mille. CPM is a marketing term used to denote
19 the price of 1,000 advertisement impressions (or views) on one web page.

20 24. CPM rates for pirate websites can vary widely and depend on advertiser
21 quality. For example, an Ernst & Young study of 672 websites with a high degree
22 of infringing content found that these sites charge display rates of approximately \$5
23 CPM and video rates of approximately \$14 CPM. A true and correct copy of the
24 Ernst & Young report is attached hereto as **Exhibit 9**.

25 25. GCP investigators have found evidence of similar ranges of CPM rates.
26 As part of its anti-piracy work, GCP has gained control of a number of domains
27 previously associated with copyright pirate websites. On occasion, ad brokers have
28 emailed GCP investigators about placing advertising on these GCP-controlled

1 websites, apparently without checking if the website was still active. In this
2 correspondence, the brokers have offered CPM rates ranging from \$2 to \$15. True
3 and correct copies of this correspondence are attached hereto at **Exhibit 10**.

4 26. Multiplying the CPM rate by the web traffic of the PrimeWire Websites
5 allows for a rough approximation of potential advertising revenue. A range of \$2 to
6 \$15 CPM would yield monthly advertising revenue of \$40,000 to \$300,000, based
7 on 20 million U.S. monthly visits.

8 27. This advertising revenue was likely in addition to other revenue
9 streams, such as affiliate links or referral bounties from the cyberlockers—i.e.,
10 monies paid by third parties if the PrimeWire user then clicked through the link to
11 their site. For example, a message board post suggested that cyberlockers paid
12 Defendants to be linked on the PrimeWire Websites. A true and correct copy of this
13 July 18, 2016 post on WJunction is attached hereto as **Exhibit 11**.

14 28. In sum, available evidence indicates that Defendants made serious
15 profit off the PrimeWire Websites, as indicated by the efforts they took to conceal it.

16 ***PrimeWire Websites Remain Active***

17 29. As of the date of this declaration, several of the PrimeWire domains
18 remain in operation. The domains primewire.ag, primewire.vc, and hydrawire.tv are
19 offline, but the domain primewire.li redirects to primewire.tf/start. Attached hereto
20 as **Exhibit 12** is a screenshot of that redirect page.

21 30. The primewire.tf site continues to display a number of Plaintiffs'
22 Copyrighted Works as part of its offering. While primewire.tf does not currently
23 link to the cyberlocker sources to which Defendants previously linked at the filing
24 of this lawsuit, the primewire.tf website appears poised to allow Defendants to
25 recommence infringement on a massive scale.

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1 I declare under penalty of perjury under the laws of the United States that the
2 foregoing is true and correct.

3 Executed on October 17, 2022 at Redondo Beach, California.

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Jan van Voorn