



## Q3: July – September 2017

**“Knock & Talk” Efforts Effective in Brazil.** Brazil is one of the top countries globally for illegal video game file distribution on the Internet, including *Nintendo* content. The Entertainment Software Association (ESA) has been working on behalf of the video game industry to combat online piracy in Brazil. The current political landscape has made it very challenging. Instead, a “knock & talk” strategy has been developed with the aid of lawyers and investigators in Brazil to identify local website operators and visit them in person to discuss their illegal activities. So far, the strategy has been successful with 100% compliance by the operators involved in eight high-traffic sites. In addition to the removal of the websites, the site operators remove references to the infringing games from their Facebook accounts and Google has removed associated infringing links.

**3<sup>rd</sup> Quarter Seizures of Counterfeit *NES Classic Edition*.** More than half of the total number of global seizures between July and September involved counterfeit or infringing *NES Classic* (or *Famicom Mini*) hardware. The enormous popularity of the product has sparked an increase in the global trafficking of these counterfeit consoles and has led to multiple police seizures in Taiwan. The seized hardware units often include hundreds of infringing *Nintendo* games. One U.S. inspector identified a steady stream of fake consoles coming through express hubs such as DHL and Federal Express. *Nintendo* directly trained law enforcement authorities including a team of U.S. Customs agents in Atlanta, GA and Los Angeles, CA in September and highlighted tips for identifying counterfeit units. In addition to customs seizures, thousands of fake or modified *NES* or *Famicom* hardware were removed from online marketplaces, primarily from eBay global platforms.



**Sellers of Circumvention Devices Targeted in Northern Ireland.** In July, the Police Service of Northern Ireland raided a number of domestic and business premises across the city of Belfast resulting in the arrest of three local men and the seizure of circumvention devices for the *Nintendo DS* and *Nintendo 3DS* consoles as well as a significant amount in cash. The individuals arrested had been operating separately on a well-known social network and market place platforms selling into the UK market.

**Popular Video Games Pirate Website Blocked in Italy.** Following a complaint submitted to the Italian Telecommunications Authority (AGCOM) on behalf of *Nintendo*, the popular video games piracy website madloader.com was blocked to Italian users following an order issued by AGCOM to Italian ISPs on July 17. Madloader was making available unauthorized copies of hundreds of video game titles, including many *Nintendo* first party titles.

**Spanish Court Rules that Selling 3DS Circumvention Devices is Unlawful.** On September 27, the Madrid Commercial Court found a local company (JGI Gamesoft) liable for importing and selling SKY 3DS game copier devices through a web shop called nosolochips.es. The Court found the SKY 3DS devices to be circumvention devices that are designed to circumvent security measures on *Nintendo 3DS* consoles, which enable consumers to play pirated games. The Court ordered JGI Gamesoft to pay compensation to *Nintendo* and stop selling circumvention devices. The Judge also ruled that *Nintendo*’s security measures in its *Nintendo 3DS* consoles and games are proportionate and that they should therefore be granted protection under the relevant provisions of the Spanish IP Code.



**Chinese Factory Raided for Manufacturing Counterfeit *amiibo* Cards.** In August, Shenzhen Public Security Bureau (PSB) raided a factory in Longhua New District, Shenzhen City and seized 70,000 counterfeit *amiibo* cards and 51 printing templates (each template includes 25 *amiibo* cards). The seized products were transferred to PSB’s warehouse. Four senior managers of the factory have been detained.