



Record companies claim €13 million from Blubster, Piolet and Manolito networks

- Pablo Soto developed 'P2P' programmes to swap songs illegally -

Madrid, 5th June 2008 - Promusicae, the organisation that represents the recording industry in Spain, has filed a claim with the Madrid Court for Commercial Matters against Pablo Soto Bravo as the creator and operator of the Blubster, Piolet and Manolito services, which supply users with software to facilitate the illegal interchange of copyrighted music.

In the claim, the applicants argue that Soto developed his computer applications “with evident profit-making intent” and with “a parasitic behaviour” in order to benefit from other people’s works. Using a “conservative estimation” of the damages caused, record companies are seeking compensation from Soto of more than €13 million, as well as the court costs.

The facts of the claim detail the way in which Pablo Soto was not only the creator of blubster.com, piolet.com, manolito.com and mp2p.net, but also had at his disposal a parallel network of businesses that he used to manage the profits from his illegal activities.

Blubster is related to Optisoft S.L, Piolet is connected with Piolet Networks S.L. and Manolito is linked to M Punto 2 Punto Technologies S.A. These three companies share Soto’s private residence as their tax address.

Soto obtained profits through two revenue streams. First, he made a pay version of his software available under the commercial names of Blubster XXL, Piolet Plus and Super Manolito for a unit price of €14.95. Second, he sold advertising banners on the services.

According to the enquiries of a private detective agency engaged by Promusicae, Soto himself explained to those interested in buying advertising that his tariffs “are not by clicks, but by volume” and that he accepted customers “from 10,000 dollars per month, negotiable.”

The peer-to-peer (P2P) networks developed by Soto are on the ManolitoP2P platform (MP2P) and share similar features. All of them were created specifically to swap music, because they only accept files with mp3, wma and ogg extensions. In addition they all lack any kind of filter to avoid the exchange of files protected by authors, producers and performers’ intellectual property rights.

Soto himself explained the nature of his intentions in a number of different interviews now featured in the claim. On generacionxxi.com he said: “I thought there was a good business opportunity when Napster was closed. The reason of the shutdown was a technological condition [users’ identification] that I know it could be solved.”

In *Ciberpaís*, the new technology supplement of *El País* newspaper, he said: “Users want to be anonymous and our function is to solve users’ problems, not record companies’ problems.”

All the promotional slogans on Soto’s websites urge users to swap music recordings. Their wording, always in English, encouraged the user to “enter into the world of free music downloads, to download music while you chat with your friends” or said that “million users in the whole world can share their music files and help the online community to grow.”

This reason behind this approach was that the higher the number of users was, the more MP2P conglomerate’s database of songs grew and the faster the advertising profits to Soto’s business network increased. Soto also maintained a central server or *gateway* that supported the operation of the network. In the last few months the average number of users connected at the same time to Pablo Soto’s websites was reported as about 235,000.

Promusicae, along with Universal, Sony BMG, Warner and EMI record labels, include in their claim evidence from experts in order to prove the veracity of their accusations. When estimating the damage caused, the applicants are using “the most cautious estimation possible”, by calculating that each user who had downloaded any of the three programmes (Blubster, Piolet or Manolito) would only use it to obtain one copyright infringing song. Using this conservative calculation Promusicae claims from Soto the amount of €13,029,599. The applicants also propose to the Court that the defendant assumes the “investigation costs” (€23,072) as well as the court costs.

Antonio Guisasola, President of Promusicae, said that this “exhaustive and well-documented” claim will be used “to fight the sense of impunity with which people take advantage of the new technologies to infringe intellectual property rights of creators and other music professionals.”

Further information: www.promusicae.es

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