



NZFACT NEW ZEALAND FEDERATION AGAINST COPYRIGHT THEFT



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NEW ZEALAND ONLINE AUCTION SELLERS SETTLE CIVIL MOVIE PIRACY CLAIMS

Settlements Marks Successful Launch of Civil Anti-piracy Actions in New Zealand

Auckland – On July 29, the New Zealand Federation Against Copyright Theft (NZFACT), representing the Motion Picture Association (MPA) in New Zealand, announced settlements reached with 14 online auction sellers who were selling pirated optical discs of a wide range of MPA member company movie titles via New Zealand auction websites.

The pirate auction sellers each paid a settlement sum and agreed to cease and desist from all illegal sales of pirated movies and provided NZFACT with all materials infringing member company copyrights.

The settlements followed the March launch of the “Tactics Against Auction Piracy” (TAP) program in New Zealand. Under the TAP program, developed by the MPA in response to the growing impact of Internet auction piracy on the movie industry and individual copyright holders around the world, the MPA and NZFACT bring civil actions against online auction sellers found to be selling pirated videocassettes and DVDs over the Internet.

A recent global study examining the impact of motion picture piracy and consumer behavior has underscored the importance of intellectual property to economic growth worldwide and revealed the extent of damage caused by copyright theft to creative industries all around the world.

The study, undertaken by independent research firm LEK Consulting on behalf of the MPA, shows that Internet piracy cost the film industry globally US\$7.1 billion of potential revenue in 2005.

“Our investigations indicated that these 14 traders alone sold more than 10,000 counterfeit DVDs via auction during the past 12 months,” said Tony Eaton, Director of Operations, NZFACT. “We can and will identify Internet movie pirates,

and we will vigorously defend our members' copyrights to the full extent of the law."

"The settlement of this action is an important milestone in the effort to educate people that respect for copyright is important, and that there is a price to pay for copyright infringement," said Mike Ellis, Senior Vice President and Regional Director, Asia-Pacific for the Motion Picture Association. "Worldwide, intellectual property theft is the biggest threat to creativity today. The war against piracy will be won through our efforts to educate consumers that intellectual property theft is just theft."

Piracy in Asia

A comprehensive study aimed at producing a more accurate picture of the impact that piracy has on the film industry including, for the first time, losses due to internet piracy, recently calculated that the MPA studios lost US\$6.1 billion to worldwide piracy in 2005. About US\$2.4 billion was lost to bootlegging*, US\$1.4 billion to illegal copying* and US\$2.3 billion to Internet piracy. Of the US\$6.1 billion in lost revenue to the studios, approximate \$1.2 billion came from piracy across the Asia-Pacific region, while piracy in the U.S. accounted for \$1.3 billion.

In 2005, the MPA's operations in the Asia-Pacific region investigated more than 34,000 cases of piracy and assisted law enforcement officials in conducting more than 10,500 raids. These activities resulted in the seizure of more than 34 million illegal optical discs, 55 factory optical disc production lines and 3,362 optical disc burners, as well as the initiation of more than 8,000 legal actions.

**Bootlegging: Obtaining movies by either purchasing an illegally copied HS/DVD/VCD or acquiring hard copies of bootleg movies.*

**Illegal copying: Making illegal copies for self or receiving illegal copies from friends of a legitimate VHS/DVD/VCD*

**Internet piracy: Obtaining movies by either downloading them from the Internet without paying or acquiring hard copies of illegally downloaded movies from friends or family.*

About NZFACT: *The New Zealand Federation Against Copyright Theft was established in 2005 by the Motion Picture Association to protect the film industry in New Zealand from the adverse impact of copyright theft. NZFACT works closely with its members, government and enforcement authorities to protect the New Zealand film and television industry, retailers and movie fans. NZFACT members include: Village Roadshow Limited; Buena Vista International, Inc.; Paramount Pictures Corporation; Sony Pictures Releasing International Corporation; Twentieth Century Fox International Corporation; Universal International Films, Inc.; and Warner Bros. Pictures International, a division of Warner Bros. Pictures Inc. NZFACT works in association with the Motion Picture Association, which represents the interests of the film industry across the world.*

About the MPA: *The Motion Picture Association (MPA) represents the interests of major motion picture companies in the global marketplace. On behalf of its Member Companies, the MPA conducts investigations around the world, assists with the criminal and civil litigation generated by such cases, and conducts education outreach programs to teach movie fans around the world about the harmful effects of piracy. The MPA directs its worldwide anti-piracy operations from its headquarters based in Encino, California and has regional offices located in Brussels (Europe, Middle East and Africa), São Paulo (Latin America), Montreal (Canada) and Singapore (Asia-*

Pacific). The MPA's anti-piracy activities have helped to transform entire markets from pirate to legitimate, benefiting video distributors, retailers, and foreign and local filmmakers alike. The MPA Member Companies include: Buena Vista International, Inc.; Paramount Pictures Corporation; Sony Pictures Releasing International Corporation; Twentieth Century Fox International Corporation; Universal International Films, Inc.; and Warner Bros. Pictures International, a division of Warner Bros. Pictures Inc.

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