



NEWS RELEASE

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PwC TO SUPPORT NZFACT IN THE FIGHT AGAINST MOVIE AND TV PIRACY

PwC to Provide Specialist Forensic Investigation Skills and Help Raise Awareness of Economic Damage Caused By Movie Thieves

Hong Kong/Auckland: The New Zealand Federation Against Copyright Theft (NZFACT) and PricewaterhouseCoopers (PwC) today announced a partnership that will strengthen New Zealand's anti-piracy capacity with PwC providing specialist forensic investigative assistance and helping to raise awareness of the damage piracy does to the New Zealand film and television industry.

PwC will provide forensic computing investigative assistance to support NZFACT, the New Zealand Police and the Department of Internal Affairs (DIA) in investigations of film and television piracy, assistance necessitated by the increasing sophistication of piracy operations and the increasing incidence of Internet piracy.

PwC will also assist with NZFACT's 2008 educational outreach program, supporting publicity campaigns that will raise public awareness of the financial and job losses that piracy causes in New Zealand's film and television industry.

"We welcome PwC's participation in combating piracy" said Mike Ellis, President and Managing Director, Asia-Pacific for the Motion Picture Association. "Piracy hurts the economies of every country in the Asia Pacific region. Our member companies lost over US\$1.2 billion in potential revenue to piracy in the region in 2007 and that means serious revenue losses to the many businesses in New Zealand that would benefit from legitimately distributing those movies in theatres, retail and rental businesses. This alliance with PricewaterhouseCoopers will help convince Kiwis to take a moment to consider the damage they'll do to the New Zealand economy if they buy, burn or download a pirated movie."

John Fisk, who leads PwC's Investigations and Forensic Services practice in New Zealand, said: "Copyright theft is a massive global problem from which our country is not exempt. We are looking forward to working with NZFACT, the Police and the DIA to reduce piracy in New Zealand."

Tony Eaton, Executive Director of NZFACT, said: "Piracy is a grave threat to our domestic film and television industry. This alliance with PricewaterhouseCoopers will help increase awareness that respecting movies and television shows protects Kiwi businesses and Kiwi jobs and is therefore in every Kiwi's interest."

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Piracy in New Zealand

A study undertaken by independent research firm LEK Consulting on behalf of the Motion Picture Association (MPA) showed that piracy cost the film industry in New Zealand an estimated 25 percent of the potential market in 2005 – \$70 million. Internet piracy via P2P file-sharing networks is a significant concern and accounts for the majority of New Zealand movie industry losses – an estimated \$33 million in lost consumer spending in 2005. NZFACT represents the MPA in New Zealand.

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 US\$1.2 billion came from piracy across the Asia-Pacific region, while piracy in the U.S. accounted for US\$1.3 billion.

In 2007, the MPA's operations in the Asia-Pacific region investigated more than 36,200 cases of piracy and assisted law enforcement officials in conducting nearly 13,000 raids. These activities resulted in the seizure of more than 31 million illegal optical discs, 40 factory optical disc production lines and 6,400 optical disc burners, as well as the initiation of more than 10,000 legal actions.

**Bootlegging: Obtaining movies by either purchasing an illegally copied VHS/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: Walt Disney Studios Motion Pictures, New Zealand; Paramount Pictures Corporation; Sony Pictures Releasing International Corporation; Twentieth Century Fox International Corporation; Universal International Films, Inc.; Warner Bros. Pictures International, a division of Warner Bros. Pictures Inc and Roadshow Entertainment NZ Ltd.*

NZFACT works in association with the Motion Picture Association, which represents the interests of the film industry across the world. NZFACT also has an alliance with the Recording Industry Association of New Zealand to share information regarding copyright infringement, and is a member of the recently-formed Anti Counterfeiting Group, which represents the interests of New Zealand's major intellectual property stakeholders, such as the music industry, computer software and publishing. NZFACT has a nationwide hotline that enables the reporting of film copyright theft 24 hours a day, 7 days a week: 0800 267 9744. For more information about the NZFACT, please visit www.nzfact.co.nz.

About the MPA: *The Motion Picture Association and Motion Picture Association - International (MPA) represent 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 Los Angeles, 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. For more information about the MPA, please visit www.mpa-i.org.

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