



NEWS RELEASE

For Immediate Release
February 16, 2009

AUSTRALIAN POLICE ARREST SUSPECT INVOLVED IN ILLEGAL CAMCORDING OF MOVIES

***26 Year Old Man Suspected of Being Part of International Release Group that
Distributes Illegal Recordings of Movies Online***

Hong Kong / Sydney - On 13 February, New South Wales Police, supported by investigators from the Australian Federation Against Copyright Theft (AFACT), raided a residence in Sydney's South West, and seized sophisticated video camcording equipment, and computer equipment. The video camcording equipment is alleged to have been used for making illegal video recordings of a number of latest release titles including "*He's Just Not That Into You*", "*Marley and Me*", "*Yes Man*", "*Bedtime Stories*", and "*Beverly Hills Chihuahua*".

A 26 year old man was arrested and charged with 18 Copyright offences. He was granted bail and is set to appear at Blacktown local court on 12 March.

The raid resulted from an intensive investigation by AFACT investigators who tracked down the suspects using state of the art digital watermarking technology. The movie industry is increasingly applying invisible digital watermarks to the prints of movies used by cinemas. Like fingerprints, every print has a unique watermark which identifies the cinemas where movies are illegally recorded from.

It is alleged that the movies illegally camcordered by the 26 year old male and distributed by release group "PreVail" have been made available on numerous web sites as well as forensically matched to pirated DVDs purchased in Australia and a number of other countries around the world including the USA, Mexico, Britain, Spain, the Philippines and Malaysia.

"The importance of preventing the illegal camcording of movies during their cinematic release cannot be overstated," said Neil Gane, Director of Operations at AFACT. "Over 90% of pirated movies that first hit the global internet or are sold on streets around the world originate from professional 'cammers' making illegal recordings in cinemas. These illegal copies are then used to manufacture pirated DVDs and are sold or shared with international 'Release Groups' who distribute the illegal movies around the world at incredible speed through the Internet."

"On behalf of movie producers, cinema owners and DVD retailers and renters throughout Australia we commend the NSW Police for their swift action in stopping this activity at source and preventing a potential avalanche of piracy that threatens Australian businesses and jobs."

“Anyone thinking of illegally camcording a movie should be aware that the technology exists to identify them, track them down and take them to court on criminal copyright charges,” said Gane.

“This is a significant and timely action taken by the NSW authorities as there has been a sharp rise in illegal camcordings coming out of Australia,” said Mike Ellis, President and Managing Director, Asia-Pacific for the Motion Picture Association. “Only greater vigilance at cinemas coupled with tough enforcement measures will serve to deter these criminals.”

In 2008, 916 illegally camcorded movies were forensically matched to their cinema of origin, with 122 of these originating from cinemas in the Asia Pacific region. Forensic monitoring over the past four months has shown that Australia has become a major hub for regional camcording, recording the second most forensic matches after the Philippines.

In the movie piracy ecosystem, ‘Release Groups’ distribute the illegal movies online to ‘Top Sites’, where the stolen movies are made available on P2P networks, which are then shared by downloaders, greatly accelerating the spread of pirated movies.

‘Release Groups’ are also known to sell the illegally recorded movies to criminal groups who manufacture thousands of copies for sale at shopping malls, markets, pubs and clubs and from the back of cars, vans and via internet auction sites.

On 13 November 2007, Mr Jose Duarte, 21, from Prairiewood in NSW, was convicted of making and distributing an illegal camcord copy of the theatrical release of “The Simpsons Movie” on his mobile phone and uploading it to the internet. Within 72 hours of Duarte making and uploading his unauthorized recording, it was tracked to streaming sites and P2P systems where it had been illegally downloaded more than 110,000 times and, in all probability, copied and sold as a pirate DVD all over the world.

Penalties for copyright crimes are a maximum of US\$39,427 (A\$60,500) and/or 5 years’ jail per offence.

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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 AFACT: AFACT works closely with industry, government, police and educational institutions to address copyright theft and protect the interests of the film and television industry as well as the interests of Australian movie fans.

In 2007, state and federal police conducted 85 raids involving movie piracy and seized over 585,000 pirated DVDs. They also seized 459 burners capable of producing over eleven million pirated DVDs a year with a potential street value of over \$57 million.

AFACT acts on behalf of the 50,000 Australians directly impacted by copyright theft including independent cinemas, video rental stores and film and television producers across the country. AFACT has its own anti-piracy hotline: 1800 251 996.

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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