



THE MPA ASIA-PACIFIC CONTENT PROTECTION REPORTER

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STUDY REVEALS A\$1.37 BILLION LOSS TO AUSTRALIAN ECONOMY FROM MOVIE THEFT

On February 17, 2011, the Australian film community held a media conference on the set of Stephan Elliot's new comedy *A Few Best Men* at Fox Studios Australia to reveal that the economic impact of movie piracy equated to A\$1.37 billion in lost revenue to the Australian economy and 6,100 jobs forgone over a 12-month period.

The joint study was undertaken by IPSOS and Oxford Economics on behalf of the Australian Federation Against Copyright Theft (AFACT).

The findings indicated the scale of harm caused by movie piracy to the Australian economy in the twelve months up to July 2010.

The survey found that:

- Allowing for effects on other industries, A\$1.37 billion in revenue was lost across the entire Australian economy.
- 6,100 jobs were forgone across the entire economy.
- Tax losses to movie piracy amounted to A\$193 million.
- Direct consumer spending losses to the

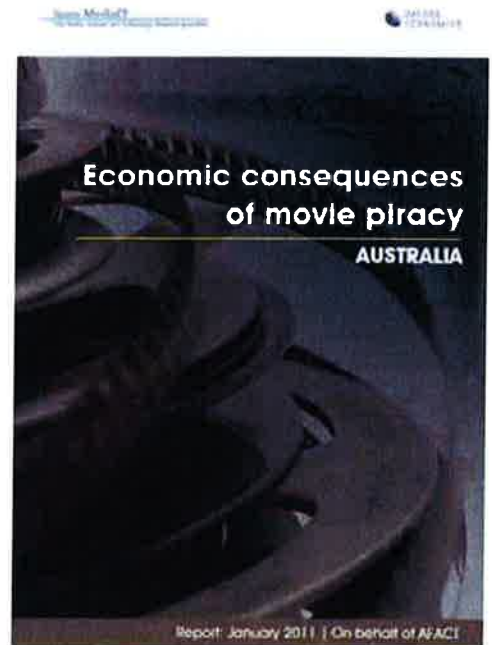
movie industry, i.e. cinema owners, local distributors, producers and retailers amounted to A\$575 million.

- A third of the Australian adult population has participated in some form of movie theft (downloading, streaming, buying counterfeit, borrowing unauthorized copies and burning).
- An estimated 92 million infringing movies were viewed or obtained within this period.

The IPSOS study arrived at the figures by conducting a telephone survey of 3,500 adults, aged 18 and over, between July and August 2010.

The study defines and measures movie piracy as anyone viewing a full-length movie via unauthorized means, including digital theft (downloading, streaming, digital transfer), physical procurement (buying, counterfeit/copied DVDs) and receipt by secondary means (borrowing or viewing unauthorized copies).

The study assumed that not every pirate viewing is a lost sale.



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Economic Impact Report launch on the set of *A Few Best Men* at Fox Studios



MPA AND APSA ANNOUNCE RENEWAL OF FILM FUND IN SUPPORT OF ASIA-PACIFIC FILMMAKERS



Mike Ellis announcing the 2010 Film Fund winners at the APSA Awards

The Asia Pacific Screen Awards and the MPA have announced the continuation of the MPA APSA Academy Film Fund to support new films from Asia-Pacific, and announced the judges who will assess the entries for 2011.

MPA Asia-Pacific President and Managing Director Mike Ellis made the announcement at a reception during the inaugural Beijing International Film Festival on April 25, 2011. Several past APSA winners and nominees films were screened.

Xue Xiaolu and Tony Ayres will join the assessment panel for 2011, which will once again be chaired by Ronin Films' Managing Director Andrew Pike, a member of APSA's 2009 International Jury.

Award-winning Chinese screenwriter-turned-director Xue Xiaolu is an Associate Professor at the prestigious Beijing Film Academy and screenwriter of nine feature films including Chen Kaige's *Together* and as well as numerous television series.

In 2010, her critically acclaimed directorial debut *Ocean Heaven*, starring Jet Li, opened the Shanghai International Film Festival and she was honoured with the 'Emerging Talent of the Year' award at CineAsia in December.

Tony Ayres is one of Australia's leading writer/directors, well-known for his award-winning 2007 feature film *The Home Song Stories*, starring Joan Chen. Tony's first feature, *Walking on Water*, won the Teddy Award at the 2002 Berlin International Film Festival, five AFI awards and two Australian Film Critics Circle Awards.

He has produced numerous television series and is currently producing (with Helen Bowden and Michael McMahon) and directing the eight-part drama series *The Slap*, based on the bestselling novel by Christos Tsiolkas, for Australia's ABC Television.

Ronin Films Managing Director Andrew Pike is a highly respected film historian, documentary filmmaker, producer, film distributor and exhibitor. Andrew also chaired the panel for the inaugural MPA APSA Academy Film Fund.

The fund is intended to stimulate production particularly at the development phase, in the 70 countries embraced by APSA. It was established in 2010 and the first recipients were announced at the fourth annual APSAs in December.

The four \$25,000 development grants are exclusive to members of the APSA Academy - comprised of past APSA nominees, winners, Jury and Nominations Council members - many of the region's most respected names in film.

The first completed project supported by the fund, *Nader and Simin: A Separation* by acclaimed Iranian writer/director Asghar Farhadi, recently premiered at the Berlin International Film Festival. It won the Golden Bear for Best Film and the Silver Bears for Best Actor and Best Actress, awarded to the ensemble cast. The film was sold to multiple territories.



MPA APSA ACADEMY FILM FUND AWARDS FOUR SCRIPT DEVELOPMENT GRANTS

Four script development grants of US\$25,000 each were awarded to filmmakers from the Asia-Pacific region at the Asia Pacific Screen Awards (APSA) ceremony held on the Gold Coast, Queensland, Australia, on December 2, 2010.

The grants are the first to be offered by the MPA APSA Academy Film Fund, a new initiative of the MPA and the Asia Pacific Screen Awards that is available exclusively to APSA Academy members.

The recipients of the inaugural MPA APSA Academy Film Fund are:

- Korean writer/director Lee Chang-dong, for *Memories of Blue Hill Club (Memories of Chung-gu Hoe)*. Lee Chang-dong's previous films include the APSA and Cannes Film Festival prize winners *Secret Sunshine (Miryang)* and *Poetry (Shi)*. At the ceremony, *Poetry (Shi)* won the Achievement in Directing (Lee Chang-dong) and Best Performance by an Actress (Yun Jung-hee) awards. *Secret Sunshine (Miryang)* was named Best Feature Film at APSA 2007 and also took the Best Performance by an Actress award that year.
- Sergey Dvortsevov, from Kazakhstan, for *Ayka*. Dvortsevov, who is based in Russia, is a member of the APSA 2010 International Jury and writer/director of the APSA Best Feature Film in 2008, *Tulpan*.

- Asghar Farhadi (Islamic Republic of Iran) for *Nadar and Simin: A Separation*. Asghar Farhadi's film *About Elly (Darbareye Elly)* won at last year's APSA for Best Screenplay and the Jury Grand Prize.

- Peng Tao, from the People's Republic of China, for *Straw Man (Dao Cao Ren)*. Peng Tao's previous film *Little Moth (Xue Chan)* was nominated for an APSA in 2007 for Best Achievement in Directing.

More than 85 submissions from across the Asia-Pacific region were received for the inaugural MPA APSA Academy Film Fund. Submissions were assessed by an industry panel of three, headed by Ronin Films Managing Director and former APSA International Jury member Andrew Pike.

Pike was joined by Korean producer Hanna Lee, an APSA-Award winning producer for the 2007 Best Feature Film *Secret Sunshine (Miryang)* and a former APSA Jury member, and Chinese-Australian director Pauline Chan, best known for her feature film *Traps* and director of the new Australian/Chinese co-production *Mei Mei*, currently in post-production.



Winners of 2010 MPA APSA Film Fund Awards. L-R: Asghar Farhadi, Lee Chang-Dong, Sergey Dvortsevov, Peng Tao.



NEW ANTI-CAMCORDING DVD PREMIERES AT CINEASIA 2010

In December, the MPA launched its latest anti-camcording training video, titled 'Make A Difference 3' (MAD 3), to motion picture exhibitors and distributors attending CineAsia 2010.

MAD 3 is an updated version of a training video produced by the MPA that provides guidelines to cinema staff on how to prevent illegal recordings, featuring Australian actor Roy Billing, recipient of the 2010 MPA Asia-Pacific Copyright Educator Award.

More than 400 participants received a copy of the DVD and training package at the convention. More will be distributed to cinemas across the region. This latest version of the 'Make A Difference' training package for cinema staff will serve to keep exhibitors abreast of the latest technology being used by criminal syndicates and assist them in identifying camcorders making these recordings.



Make-A-Difference 3 DVD and brochure.



AUSTRALIAN ACTOR ROY BILLING RECEIVES MPA AWARD FOR PROMOTING CONTENT PROTECTION IN ASIA-PACIFIC

On December 9, 2010, Australian actor Roy Billing was presented with the MPA Asia-Pacific Copyright Educator (A.C.E.) Award in recognition of his important contribution to raising awareness of the damage caused to the Australian movie and TV industry by copyright theft. Presenting the award, Frederick Huntsberry, COO, Paramount Pictures, praised Billing for his significant work in promoting respect for screen copyright.

Billing is one of Australia's most familiar faces on television and the cinema screen. His career spans four decades in Australia and New Zealand, with notable screen credits on *Rabbit Proof Fence*, *Black & White*, *Strange Bedfellows*, *Unfinished Sky*, *Doing Time for Patsy Cline* and *The Dish*, to name a few. His most recent credits include leading roles in Australia's top-rated television drama *Underbelly*, for which he was awarded a television Australian Film Institute Award

for Best Actor, and the current police drama *COPS L.A.C.*

Recent film credits have included *Charlie and Boots* alongside Shane Jacobsen and Paul Hogan of *Crocodile Dundee* fame, and the upcoming *The Namia Chronicles: Voyage of the Dawn Treader*, directed by Michael Apted, in which Billing plays Chief Dufflepud, the leader of an odd band of one-legged dwarf-like creatures.

The A.C.E. Award was presented during CineAsia, the only international convention dedicated to Asian cinema exhibition and distribution. Now in its sixteenth year, the conference was held at the Hong Kong Convention and Exhibition Centre.

Past recipients of the A.C.E. Award include Hong Kong producer Raymond Wong (2009), Thai producer and director Jareuk Kaljareuk (2008), and New Zealand actor Temuera Morrison (2007).



Roy Billing, A.C.E. Award winner at Cineasia 2010.



BREAKTHROUGH FILMMAKERS TAKE CENTER STAGE AT SCREEN PRODUCERS CONFERENCE

In November 2010, four talented Australian filmmakers attended the Screen Producers Association of Australia (SPAA), Conference, under a joint initiative developed by the Motion Picture Association (MPA), the Australian Federation Against Copyright Theft (AFACT), the Screen Producers Association of Australia (SPAA), Screen NSW, Screen Queensland and Film Victoria.

Monique de Groot and Zyra McAuliffe from NSW, Della Churchill from Queensland and Rita Walsh from Victoria were acknowledged

by their local state screen agencies as filmmakers who would substantially benefit from attending the conference, which is regarded as the premiere business convention for film, television and new media producers in Australia.

At the three-day SPAA Conference, the filmmakers met with delegates, attended seminars and furthered a range of projects that are currently in development, production and distribution.

The inaugural 2009 Breakthrough Filmmaker initiative assisted NSW filmmakers Angie Fielder, Jamie Hilton and Nathan Anderson, Kelly Chapman from Queensland and Polly Staniford from Victoria.

The Motion Picture Association runs filmmaking initiatives and film workshops across the Asia-Pacific region, including the MPA Breakthrough Filmmaker program at SPAA in Australia in 2009, and film workshops in Singapore (2008), Beijing (2007) and Hong Kong (2006).



AUSTRALIAN FEDERAL POLICE SHUT DOWN ILLEGAL DVD STORE

On December 20, officers from the Australian Federal Police (AFP), supported by investigators from the Australian Federation Against Copyright Theft (AFACT), undertook a search warrant operation on a movie DVD store located in Richmond, Victoria.

The store owners were suspected of running a significant illegal DVD manufacturing operation, burning illegal copies of current release movies and television shows and selling them over the counter to customers for between A\$5 and A\$10 per disc.

On searching the premises, police seized a DVD burner operation capable of producing 756,000 illegal movie DVDs a year, worth a street value of over A\$3.7million. More than 7,000 illegal movie DVDs were also seized.

Police discovered illegal copies of *Harry Potter and the Deathly Hallows: Part 1*, which was showing at the time in Australian cinemas and was not yet legitimately available on DVD or Blu-Ray.



POLICE SHUT DOWN OPENV.COM, ARREST CEO

In September 2010, more than 100 officers from the Beijing Copyright Bureau (BCB) and the Beijing Public Security Bureau (PSB) carried out simultaneous raids on the headquarters of OpenV.com in Beijing and a branch office in Tianjin where the company's servers are located. The raids followed two years of investigation for suspected copyright violations. Officers from the Beijing PSB arrested OpenV's CEO Chen Yanpeng and several senior executives, and seized around 600 servers.

The operation followed persistent lobbying of senior Chinese enforcement officers by the MPA's China office, along with provision of information about the online infringement taking place. China's Minister of Public Security is said to have reviewed the case and given the green light to conduct the raids and arrest key company executives for copyright infringement.

Chen remains in police custody awaiting his court hearing in what is the first criminal prosecution in China involving the illegal online distribution of copyrighted content.

The case is likely to set a precedent as the outcome will influence the review of the new Judicial Interpretation of China's Copyright Law being conducted by the Supreme People's Procuratorate.

This is a welcome development that will hopefully mark the beginning of more enforcement actions against illegal online businesses in the country.



CHINA EXTENDS CAMPAIGN TO COMBAT THE MANUFACTURE AND SALE OF COUNTERFEIT GOODS

On March 10, 2011, the Chinese State Council extended until the end of June 2011 its campaign to crack down on the illegal production and distribution of counterfeit products. The campaign was launched in October 2010 during a visit to Beijing by U.S. Attorney General Eric Holder and Victoria Espinel, U.S. Intellectual Property Enforcement Coordinator.

The campaign targeted infringing optical discs, publications, software products, designs and other IP-related products, and focused on 14 provinces, municipalities and autonomous regions including Beijing, Guangdong, Zhejiang and Shanghai.

Of significance was this campaign's focus on the import and export of fake goods and on the Internet.

Also in focus was the directive issued to China Customs to "intensify prevention of the import and export of such products" and the directive that government agencies "severely punish enterprises involved" in such trade.



BEIJING FILM STUDENTS INTRODUCED TO CONTENT PROTECTION

On two occasions during the past 14 months MPA Asia-Pacific President Mike Ellis has spoken with Beijing Film Academy students to introduce the work of the MPA and the importance of content protection.

He was invited as guest speaker on November 2010 and May 2011 respectively to introduce them to the work of the MPA and its role and the importance of content protection. The events were part of the MPA's efforts to get the industry more involved in content protection issues.





HONG KONG CUSTOMS RAIDED HARD GOODS SYNDICATE

On January 22, 2011, an intensive, intelligence-led investigation culminated in 162 officers from the Hong Kong Customs Intellectual Property Investigation Bureau smashing a sophisticated hard goods piracy syndicate selling infringing DVDs in Hong Kong's busiest shopping areas.

Customs officers launched simultaneous raids against a warehouse storing pirated discs, a vehicle being used to transport the infringing discs, and hawkers selling the discs on Hong Kong's streets. Twenty-seven men were arrested, including a number of individuals believed to be the masterminds of the syndicate. Nearly 17,000 infringing optical discs were seized, along with the vehicle being used to transport them. The arrested hawkers were all equipped with custom-made display

boards that also stored the infringing discs, designed to allow the hawkers to quickly move locations and avoid detection.

Staff from the International Federation Against Copyright Theft (IFACT-GC) and Content of Japan Mark Committee (CJ Mark) in Hong Kong assisted Customs officers in identifying the infringing optical discs.

Seized infringing optical discs included MPA member company titles *The Tourist*, *Toy Story 3* and *TRON: Legacy* as well as a number of titles owned by members of Content Overseas Distribution Association (CODA) including *Confession*, *Karigurashi no Arrietty* and *Villain*.

Hong Kong Customs estimated that the seizures created a revenue loss of HK\$470,000 to the pirates.



INTERNET FORUM SUPPLYING INFRINGING MOVIES SHUT DOWN BY HONG KONG CUSTOMS

Officers of the Hong Kong Customs & Excise Department (HKC&ED) Anti-Internet Piracy Team arrested four men aged 21-36 on suspicion of illegally uploading and selling infringing US and Japanese movies, animation and TV series on an online forum board in a raid conducted in March 11, 2011.

The raid was the culmination of a two-month joint investigation by the HKC&ED and IFACT-GC. In addition to two sub-forums providing free and paid downloads of infringing content, the forum also had a number of general discussion sub-forums. During the investigation period, the forum attracted 9,000 hits daily.

A wide range of movies, TV programs and animation was available free of charge but users seeking to download popular or recent releases had to purchase and use "network tokens" sold on the forum. Twenty tokens cost HK\$10 and downloading a recent TV series would typically cost three "network tokens" or HK\$3. The raid resulted in the seizure of two servers and eight computers worth about HK\$115,000. Infringing movies and TV series found on the forum included MPA member company titles *Shrek 3*, *X-men: The Last Stand* and *Prison Break*. Also found were infringing animation and TV series titles belong to members of the CJ Mark Committee of CODA including *Detective Conan*, *Mobile Suit Gundam Series*, and *Team Medical Dragon*.



HONG KONG FILM COMMUNITY THANKS MOVIE FANS

On April 26, The International Federation Against Copyright Theft – Greater China (IFACT-GC) marked World Intellectual Property Day by rolling-out a 30-second trailer titled *Movie Fans*. The trailer expresses the movie industry's appreciation for the long-term support of loyal moviegoers, and displays developments in cinemas and movie technology and the range of emotions movies evoke in audiences. It is screened before all feature film presentations at 160 digital screens in Hong Kong Theatres Association (HKTA) cinemas throughout Hong Kong.

The trailer was conceived, designed and produced by five students at the Hong Kong Polytechnic University School of Design (PolyU): Chu Ka-chun, Lam Chun-yip, Choi Man-yu, Lai Ho-ki and Ng Chin-man. It is the second cooperative project between the IFACT-GC and the PolyU. Four versions of the trailer have been produced, with Cantonese, English, Mandarin, and Japanese soundtracks.

Previous collaboration with the PolyU includes a 30-second trailer titled *Respect IPR in the Digital Era*, which was launched in cinemas in Hong Kong in September 2010. The trailer delivers a clear message aimed at young Internet users that illegal downloading can be discovered and can have serious consequences. It was also conceived, designed and produced by five PolyU students and was the first collaborative project between IFACT-GC and the PolyU.



Sam Ho of IFACT-GC with other Hong Kong business and government officials receiving Certificates of Commendation from the Hong Kong Customs and Excise Department for their role in the fight against counterfeit products. The presentation ceremony was held in conjunction with International Customs Day on January 26.



FIRST CAMCORDER ARRESTED IN INDIA

On October 16, 2010 an employee of Indian multiplex chain Cinemax in Versova, Mumbai successfully interdicted an unauthorized recording of the Hindi title *Ramayana*, distributed by Warner Bros. The perpetrator was a 22-year-old female college student who had used her mobile phone to record the movie. Cinema staff spotted the act and intercepted the suspect during the movie's intermission. Cinemax contacted the Alliance Against Copyright Theft (AACT), which advised them to contact the police. The suspect was arrested and charged under the Indian Copyright Act, 1957.

The professional and smooth handling of the interdiction and subsequent arrest of the suspect was attributed to the training the Cinemax Mumbai team had undergone a few months earlier. This training, which was conducted by the AACT, covers anti-camcording measures and actions using the *Make A Difference 2* manual.



HISTORIC COOPERATION BETWEEN HOLLYWOOD AND BOLLYWOOD

After several years of co-productions and joint investment, the two most prominent global film industries came together on November 10, 2010 for the signing of an historic declaration between the city of Los Angeles and the Indian film industry at Paramount Pictures in Hollywood, California.

As part of the declaration, the city of Los Angeles and the Indian film industry, represented by the Film and Television Producers Guild of India and the Film Federation of India, agreed to develop and strengthen motion picture production, distribution, technology, content protection and commercial cooperation between the two filmmaking communities. The two parties also supported the creation of the Los Angeles-India Film Council to increase Indian film production in Los Angeles.

The Indian delegation was led by eminent Hindi producer Bobby Bedi and Tamil producer and Film Federation president of India L. Suresh, along with other representatives from the major Indian production houses Reliance BIG Entertainment and UTV Motion Pictures.

The delegation came to Los Angeles for a two-day summit with Hollywood studios, California officials, and other film-related companies to discuss economic development and collaboration.

The meeting represented the year's second major step towards economic development and cooperation between Hollywood and the Indian film industry. In March, the two industries came together in Mumbai to launch AACT, a Bollywood-Hollywood content protection coalition in India.



Film producer Bobby Bedi, former MPDA Director Rajiv Dalal, Los Angeles Mayor Antonio Villaraigosa and film producer and President of Film Federation of India L. Suresh holding up the Joint Declaration that brings together two major filmmaking communities.



AACT SITE BLOCKING ACTION GAINS TRACTION

On March 3, 2011, the Bombay High Court issued an Order to the Mumbai Cyber Crime Police Cell compelling them to investigate the criminal complaint filed with them last September by the Alliance Against Copyright Theft (AACT) against 65 different websites for alleged copyright infringement.

The action is part of a coordinated 'site blocking' strategy of the AACT targeting sites primarily hosted outside India, but popular in India, and identified as carrying infringing versions of Hindi and MPA member company titles on a regular basis (though only local titles were the subject of the complaint).

It will likely take another three to four months for the police to investigate and, if successful, to issue site blocking orders against the 65 sites listed in the complaint.



HOLLYWOOD NIGHTS AT THE U.S. EMBASSY

MPDA India, in association with the U.S. Embassy in Delhi, continued its successful 2010 movie premiere event Hollywood Nights into 2011 by screening Sony Pictures' *The Social Network* on February 28 and Fox Studios' *The Black Swan* on March 3 in an effort to promote the best of American cinema to Indian government officials and others in Delhi.

For *The Social Network*, the U.S. Embassy ran a competition on its Facebook fan page from December 2010 to January 2011 and invited winners to meet U.S. Ambassador Timothy Roemer at the screening. In 2010, MPDA India and the U.S. Embassy premiered Warner Bros' *Sherlock Homes*, *Inception*, and *Harry Potter And The Deathly Hallows*

- Part 1, Disney's *Alice in Wonderland* and *Toy Story 3*, Paramount's *Shrek - Forever After*, and Fox's *The Chronicles of Narnia - The Voyage of The Dawn Treader* as part of Hollywood Nights at the American Centre (Delhi).



Winners of *The Social Network* Facebook Contest organized by the U.S Embassy meet U.S Ambassador Timothy Roemer at MPDA India's Hollywood Nights.



MPA CALLS ON JAPAN TO ADDRESS ONLINE COPYRIGHT INFRINGEMENT

At the Tokyo International Film Festival on October 21, in a speech at a film forum, in a speech at a film forum, the the MPA called on Japan to adopt "forward-thinking" initiatives such as the introduction of a Graduated Response mechanism and site blocking that countries around the world are increasingly using to combat the problem of illegal online infringement and intellectual property theft on the internet.

Countries such as France, Korea and Taiwan have recently passed legislation implementing Graduated Response. Such a system provides a fair and reasonable measure, which avoids litigation and balances the need to protect creative industries, while taking into account the responsibilities of ISPs and Internet users. The United Kingdom and New Zealand are also currently working on introducing Graduated Response programs.

In Japan, lawmakers have amended Article 30 of the Copyright Law to make it illegal to download music or movies distributed on the Internet without the authorization of rights holders.

The MPA applauds that development and at the same time believes that a robust Graduated Response deterrent scheme, involving all ISPs, is essential.

Japan is encouraged to adopt its own Graduated Response approach to address online P2P infringements on localized, anonymous networks such as Winny and Share.

Rightsholders in Japan are urged to talk to the ISPs about their role in protecting online content and in partnership with them to develop a solution aimed at insuring that users can continue to enjoy the full benefits of broad legal access to the Internet while

preserving the ISPs' business models.

The forum was attended by an audience of 120 that included comprising Japanese government officials, film makers, music industry representatives and media, who also heard from participants from around the world including Nicolas Seydoux, Chairman Association de Lutte contre la Piraterie Audiovisuelle (ALPA); Hong Kong film producer Nansun Shi; and New Zealand actor Temuera Morrison, about how different countries and local creative communities are addressing the threat of online infringement.



At the 2010 Tokyo International Film Festival: left, producer Jeremy Thomas; center, Pusan International Film Festival Director Kim Dong-ho; second right, producer Jung-wan Oh; and right, Mike Ellis, MPA, Asia-Pacific.



EIGHTEEN ARRESTED IN NATIONWIDE CRACKDOWN ON ILLEGAL UPLOADERS

A series of coordinated raids across Japan has resulted in the arrests of 18 people suspected of uploading copyrighted works, including movies, to popular P2P file-sharing applications such as Share and Winny. The raids and arrests were conducted between January 11 and January 14, 2011 and involved the participation of 23 different Prefectural Police Headquarters, including the Tokyo Metropolitan Police Department, at 50 locations nationwide. Police organized the raids based on complaints filed by member associations of the Anti-Counterfeiting Association (ACA) including the Japan and International Motion Picture Copyright Association (JIMCA), the Japan Video Software Association (JVA), the Association of Copyright for Computer Software (ACCS), the Japanese Society for Rights of Authors, Composers and Publishers (JASRAC) and the Recording Industry Association

of Japan (RIAJ). A National Police Agency initiative launched in January 2010, called the Surveillance System of Illegal Videos on File-Sharing Software, was also instrumental in gathering evidence necessary for the arrests.

The operation was similar in scale and scope to one conducted in November 2009. The previous raid netted 11 arrests, all of which resulted in guilty verdicts. At least one of the infringers arrested during the recent operation, a 44-year-old man living in Yokohama City, Kanagawa Prefecture, was responsible for uploading and distributing MPA member company content. JIMCA submitted the initial criminal complaint against the man to Yamanashi Prefectural Police Headquarters on January 6, 2011. A joint investigative team that combined the efforts of the Yamanashi

and Kanagawa Prefectural Police was able to identify his illegal activities during the course of online investigations. The man uploaded unauthorized copies of several popular TV dramas including *Cold Case* and *The Mentalist* to Share. On January 11, 2011, the joint investigative team raided his residence in Yokohama City and arrested him for transmission of copyrighted material without the permission of the rightsholder.

If convicted under the Copyright Act, those arrested face up to 10 years imprisonment and/or a fine of up to JPY10 million. Courts in Japan have shown a willingness to hand down substantial sentences for illegal distribution of copyrighted material. In December 2010, a 37-year-old man was sentenced to 18 months in prison and had his Internet account suspended for three years for violation of the Copyright Law.



MPA AT THE ASIAN COPYRIGHT CONFERENCE 2011

The annual Asian Copyright Conference 2011, organized by the Agency for Cultural Affairs (ACA) and Copyright Research and Information Center (CRIC), was held in Tokyo on February 23 and 24.

The theme of this year's conference was Cooperation on Cross-Border Copyright Protection and featured speakers from the

World Intellectual Property Organization (WIPO), government intellectual property departments of Japan, China, Korea, Thailand, the U.K. and U.S., and private sector representative organizations including CODA, IFPI and the MPA.

Mike Ellis, MPAA Asia-Pacific President & Managing Director, delivered the keynote

address on "Private Sector Efforts: Establishment and Effective Utilization of Cross-Border Cooperation". The presentation emphasized that content theft has no borders, and that cross-border cooperation is key to content protection.



MPA PROMOTES GRADUATED RESPONSE AND SITE BLOCKING AT CODA EVENT

In March 2011, Japan's Content Overseas Distribution Association (CODA) held its fourth copyright seminar in Tokyo on the theme "Latest Countermeasures Against Online Piracy in Europe - Graduated Response and Site Blocking".

They invited speakers from MPA Asia-Pacific and Europe including Mike Ellis, President and Managing Director of MPA Asia-Pacific, Frederic de la Croix, General Manager of Association de Lutte contre la Piraterie Audiovisuelle (ALPA), Okke Delfos

Visser, Deputy General Counsel of MPA Europe and Jose Manuel Tourne, Director of Federación para la Protección de la Propiedad Intelectual (FAP).

This was a follow-up event to a seminar held by CODA in July 2010, and the audience included Japanese officials, scholars and industry representatives. As online theft continues to be a concern in Japan, the audience was interested in the developments in Europe.

Japan lags behind Europe in the wider deployment of graduated response, though the Consortium against Copyright Infringement via File-sharing Software (CIFF) has achieved some success by sending notices to infringers, which in turn has led to a decline in the number of P2P users.



MPA KOREA AND AMCHAM HOST EVENT FOR RATIFICATION OF U.S.-KOREA FTA

In September 2010, the Korean Content and Technology Alliance (KCTA), representing the MPA in Korea, and the American Chamber of Commerce (AMCHAM) in Korea hosted an event at the Hilton Hotel in Seoul with California governor Arnold Schwarzenegger in attendance.

At the event, several hundred Korean opinion leaders and government officials urged the ratification of the US-Korea FTA by the Korean government and National Assembly.



California governor Arnold Schwarzenegger with Jaehoon Shim of MPA Korea.



MPA AT THE PUSAN INTERNATIONAL FILM FESTIVAL

On October 11, MPA Asia-Pacific President and Managing Director Mike Ellis participated in the "Co-production between Asia and Hollywood Symposium" in Pusan, Korea.

The event was organized in conjunction with the Pusan International Film Festival (PIFF).



KOREAN GOVERNMENT SUSPENDS INTERNET ACCOUNTS OF 17 ILLEGAL UPLOADERS

Following the fourth wave of Corrective Orders to 197 illegal uploaders in December 2010 under the Three Strikes Out Law, on March 9, 2011 Korea's Ministry of Culture, Sports and Tourism (MCST) disclosed the names of 17 illegal uploaders who are subject to Internet accounts suspension sanctions.

Such disclosure of the names of illegal Internet uploaders, sends a strong message of deterrence to illegal file-sharers in Korea.

The KCTA has been actively supporting the MCST and the Korea Copyright Commission (KCC) for effective implementation of the Three Strikes Out law in Korea.



POLICE RAID 19 KOREAN WEBHARDS; CEO ARRESTED, MORE ARRESTS LIKELY TO FOLLOW

On March 25, 2011, the Korean Prosecutor's Office raided 19 Korean webhards (online storage services). While undertaken *ex officio*, the raids are believed to be at the request of the MCST, which oversees the enactment and enforcement of copyright legislation in Korea.

The webhards are reported to have between two to four million customers and targets of

the raids included WeDisk, one of the more notorious webhards in Korea.

Anecdotal reports indicate that users can be 'encouraged' to upload pirate files and the MPA understands that the Prosecutors will be focusing on any possible commercial relationships between the raided webhards and heavy uploaders.

On June 8, 2011, the Prosecutors Office arrested one of the webhard CEOs and the MPA understands other arrests are expected to follow.

Investigations are still underway, and high-volume uploaders are also expected to be drawn into the Prosecutor's net.



MALAYSIAN AUTHORITIES CLAMP DOWN ON CLANDESTINE FACTORY PRODUCING ILLEGAL DVDS

Three year-end raids conducted by enforcement officers from the Ministry of Domestic Trade and Cooperative Consumerism (MDTCC), assisted by the Malaysian Federation Against Copyright Theft (MFACT), yielded seizures of more than 151,000 DVDs and the arrest of six suspects.

On November 4, led by 15 MDTCC officers, the K9 unit, Paddy the sniffer dog and MFACT raided the top floor of a two-story shop lot at Petaling Jaya New Town, Selangor.

Paddy, the Labrador sniffer dog that serves the MDTCC's K-9 Unit, continued its good work by sniffing out an estimated 3,000 illegal DVDs. Among the titles found were *Inception*, *Salt* and *Toy Story 3*. There was nobody on the premises during the raid.

The use of dogs trained in optical disc detection was first mooted by the MPA in October 2004. In 2007, the Malaysian Government joined forces with the MPA to test the capabilities of these canines. It has been two years since Paddy started working with the K-9 unit and the results have been encouraging.

To date, Paddy's expertise has helped the Enforcement Division of MDTCC seize more than 60,000 optical discs from seven warehouses as well as four replicating lines from two factory raids.

The second MDTCC raid occurred on December 17, at a warehouse in Brem Mall in Kepong, Kuala Lumpur. The location was believed to be a storage and packing centre for illegal DVDs before they were distributed to nearby retail outlets.

On the premises, the enforcement team seized an estimated 24,648 pirated DVDs infringing a variety of titles including *Bolt*, *Toy Story 2* and *Night at the Museum 2*. Three suspects were arrested.

The third raid took place on December 21 in Taman Rainbow, Jalan Ipoh, Kuala Lumpur in a house believed to be a warehouse for illegal DVDs.

The enforcement team found 124,185 illegal DVDs infringing a variety of titles including *Salt*, *Toy Story 3* and *Alice in Wonderland*. Three suspects were arrested.



Counterfeit DVDs seized in police raid on a house in Taman Rainbow in December.



Malaysian Police officers examine items seized during the raid.



INTERNATIONAL CAMCORD BROKER ARRESTED BY MALAYSIAN AUTHORITIES



Computer and multimedia equipment which is believed to have been used for uploading illegal movies.

On February 24, 2011, acting on information provided by the Malaysian Federation Against Copyright Theft (MFACT), officers from the Ministry of Domestic Trade and Cooperative Consumerism (MDTCC) arrested a 34-year-old man responsible for brokering the sale of large amounts of camcorder and screener content around the world. The arrest represents the conclusion of a complex cross-border investigation and operation named Operation Hourglass that required the joint efforts of a number of agencies and organizations around the world.

The officers, assisted by staff from MFACT, arrested the suspect at his residence in Cheras, Kuala Lumpur and seized several computers, hard drives, and other items thought to be connected to the brokering of illegal camcorder and screener content.

The conclusion of Operation Hourglass required the collective efforts of MFACT, AFACT, the Content Protection Intelligence Center (CPIC) and the MPA's Asia-Pacific office, along with valuable intelligence support provided by ICG.



HIP ALLIANCE BRINGS BACK THE ORIGINALS IP RACE FOR THE SECOND YEAR

In conjunction with World Intellectual Property Day, the Honour Intellectual Property (HIP) Alliance public outreach campaign kicked off with The Originals IP Race 2011. The HIP Alliance is a flagship public outreach initiative of the Intellectual Property Office of Singapore (IPOS).

Light rain on the morning of May 2 did not dampen the mood of 200 enthusiastic race participants, aged 13-62, as they embarked on an exciting half-day race in support of intellectual property rights. Participants raced, combated pirates, and navigated their way through various obstacles laced with exciting challenges.

Themed *The Five Passion in Life*, the objective of the race was to help participants understand that intellectual property can be found in every aspects of their lives, whether it is shopping, food, entertainment, sports or work and play. Throughout the race, participants were exposed to these five passions at the various stops via a series of challenges and questions during which they learned about geographical indicators, trademarks, copyright, and industrial designs.

Team The Woohooooos emerged as Champion and bagged prizes worth a total of S\$1,500. Coming in second were Team Numero Uno and in third Team T.I.D.C. The MPA is proud to be one of the sponsors of the annual event.



Competitors in The Originals IP Race 2011 at the prize presentation ceremony.



INFRINGING WEBSITE OWNER ARRESTED IN POLICE RAID

On March 17, acting on information provided by the Taiwan Federation Against Copyright Theft (TFACT), Tainan and Taichung police raided and arrested the owner of an illegal website. The suspect had made available for streaming on his "104 Movie Blog Spot" at least 52 unauthorized movies, including MPA member company titles *Toy Story 3*, *The Chronicles of Narnia: The Voyage of the Dawn Treader*, *Harry Potter & The Deathly Hallows: Part I*, and *Avatar*. The site had received income from advertisements on his webpage. On May 11, the suspect was indicted by the Taichung Prosecutor with a jail sentence of 9 months as punishment. On May 11, the suspect was indicted by the Taichung Prosecutor, who proposed a jail sentence of nine months. The case is pending the Court's ruling.



TAIWAN POLICE SHUT DOWN ONLINE HARD GOODS OPERATION

On February 23, acting on information provided by the Taiwan Federation Against Copyright Theft (TFACT), the IPR Police raided an online hard goods operations in Kaohsiung City, arresting a 28-year-old man and seizing 17 computers, 120 DVD-R burners and 88,826 optical discs, including some infringing MPA member company titles *Iron Man 2*, *Toy Story 3*, *Salt* and *The A Team*. The suspect had operated a website, <http://xyz2007.com>, from his home, accepting orders for illegal discs from customers via email. The suspect is currently out on bail pending the outcome of investigations by the IPR Police.



ANTI-CAMCORD TRAINING FOR CINEMA STAFF PAYS OFF

On February 15 this year, 150 cinema staff members and 191 police officers attended the *Make-A-Difference 2* training session hosted by Columbia TriStar Buena Vista Film (Thailand) Ltd at SF World Cinema at Central World.

The result of the training paid off when three days later, when a 30-year-old woman was caught camcording by theatre security

at Major Esplanade Ratchadapisek. The suspect was using her BlackBerry to camcord the movie *I am Number Four* and was arrested by officers from Huay Kwang Police Station. Following police investigations, she was let off with a stern warning and the movie erased from her BlackBerry.



TWO RAIDS BY THAI POLICE UNCOVER ILLEGAL DVD FACTORY AND WAREHOUSE

In early September 2010, acting on a tip, enforcement officers from the Economic Crime Division of the Royal Thai Police and the Department of Intellectual Property (DIP), assisted by representatives from MPA Thailand, raided a clandestine factory in Pathumthani province.

Officers seized a DVD replicating line and a printing machine, along with 98 stampers and 7,000 illegal DVDs including MPA member company titles *Avatar*, *Sex and the City 2* and *Robin Hood*. Preliminary investigations revealed that the factory,

located 40 km north of Bangkok, had been operating for the past six months, and had supplied illegal DVDs to retail outlets within the Thai capital. A warrant of arrest has been issued to the owner of the illegal factory who was not on the premises during the raid.

Department of Special Investigation police officers and representatives from MPA Thailand conducted a second raid on a building in Phechakasem, Bangkok, which initial investigations indicated was being used as a burner lab.

However, during the course of the raid, it was established that the building, located in a residential area with armed security, was used as a warehouse to store illegal discs. Police also uncovered two other rental townhouses adjacent to the building that were being used as warehouses. Officers arrested two male suspects and seized two pick-up trucks and 40,000 optical discs including MPA member company titles *Harry Potter & The Half Blood Prince*, *Toy Story 3* and *Prince of Persia*. The case is now pending.



THAI FILM COMMUNITY THANKS MOVIE FANS

Representatives from across the Thai film community appear in a video trailer launched in celebration of World Intellectual Property Day to say "Thank You" to movie fans for choosing to watch movies at the cinema, or at home on legitimate DVDs and TV channels. Thailand's Deputy Commerce Minister Alongkorn Ponlaboot launched the trailer at an event held on April 26, 2011 at Siam Paragon with a broad cross-section of the Thai film community in attendance.

The trailer features popular Thai film director Kongkiet Khomsiri, Best Director at the 19th Subanahongsa Thai Film Awards in 2010 for the movie *Slice*, actress Apinya Sakuljaroensuk, and song writer and music composer, Goldie Stanley. The trailer also delivers a message from cinema ushers representing all exhibitors, thanking audiences for not illegally camcording.

The 500 guests at the event were also treated to a premiere screening of summer blockbuster *Thor*. The 'Thank You' trailer will appear on all cinema screens across Thailand and on DVDs and can also be found on the Motion Picture Association Thailand website at <http://www.mpathailand.org/>.



Pannatat Phromsupa of UIP, Dr. Sorajak Kasemsuvan of MPA Thailand, Ed Neubronner of MPA Asia Pacific, Deputy Commerce Minister Alongkorn, Vicha Poolvaraluck of Major Cineplex, Jareuk Kaljareuk of Thai Film Federation of National Film Associations of Thailand and Akrapol Leelachindachai of the Ministry of Commerce at the launch of the Thank You trailer

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