



# NEWS RELEASE

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## **TAIWAN RAIDS ON SUSPECTED ORGANIZED CRIME GANGS NET SEIZURE OF 117 DVD-R, CD-R BURNERS**

### ***Gangs Try to Eliminate Competitors By Providing Tips to Motion Picture Association Anti-Piracy Hotline***

Hong Kong – On February 5, acting on a tip to the Motion Picture Association (MPA), a team of officers from Taiwan's Third Security Police, with support from the Foundation for the Protection of Film and Video Works (FVWP), raided a pirate optical disc burning lab in Taichung, arresting four people and seizing 91 optical disc burners. FVWP represents the MPA in Taiwan.

FVWP investigators were surprised to recognize one of the arrested suspects, having met with him only days earlier, when he had provided information about another movie piracy operation in Taichung, against which a raid had been planned.

Under questioning, the suspect admitted he had called the MPA's anti-piracy hotline in the hope of eliminating a rival organization. He reported that the second group possessed firearms, an extremely serious offense in Taiwan.

Another of the arrested suspects had been arrested in November of last year in a raid on a different Taichung movie piracy operation, during which 168 optical disc burners were seized. The suspect was out on bail from the previous arrest.

Later on February 5, Taiwan's Intellectual Property Rights Police, with support from FVWP investigators, raided the Taichung burner lab named by the suspect in the first raid, arresting two men and seizing 26 optical disc burners. When questioned, the suspects in the second raid admitted that they had provided the tip that had led to the raid earlier in the day!

The 80 DVD-R burners and 37 CD-R burners seized at the two burner labs, believed to have been a source of pirated discs distributed throughout Taiwan, were capable of producing 1,728,000 DVD-Rs and 2,664,000 CD-Rs in one year, generating potential revenue of US\$9,235,160.

"Police believe both of the pirate burner operations raided this week were run by organized criminal gangs," said Mike Ellis, Senior Vice President and Regional Director, Asia-Pacific for the Motion Picture Association. "There is abundant evidence that intellectual property theft has become a preferred fundraising activity for organizations that also number among their pastimes drug trafficking, prostitution and people trafficking."

“The wholesale intellectual property theft practiced by organized criminal gangs with global networks are plundering the world’s creativity, pillaging its economies and disrupting social fabric,” Ellis continued. “The Motion Picture Association and our member companies greatly appreciate the efforts of the Taiwan government and its law enforcement agencies in fighting copyright theft and protecting intellectual property rights.”

In Taiwan, a significant proportion of pirated movies are individually burned onto optical discs with DVD-R or CD-R burners. Large-scale burner labs, which allow pirates to individually burn movies onto optical discs, are capable of producing millions of pirate CD-Rs or DVD-Rs per year. In 2006, Taiwan law enforcement agencies seized 1,552 optical burners in raids on movie piracy operations.

### ***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 2006, the MPA’s operations in the Asia-Pacific region investigated more than 30,000 cases of piracy and assisted law enforcement officials in conducting nearly 12,400 raids. These activities resulted in the seizure of more than 35 million illegal optical discs, 50 factory optical disc production lines and 4,482 optical disc burners, as well as the initiation of more than 11,000 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 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 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.*

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