



NEWS RELEASE

For Immediate Release
September 19, 2007

TAIWAN POLICE BUST BIGGEST DVD-R BURNER LAB IN KAOSHIUNG

TFACT's investigation led to raid and arrest of 4 in city's largest seizure this year

Hong Kong – On September 18, Taiwan's IPR Police, in collaboration with the Taiwan Foundation Against Copyrights Theft (TFACT), representing the Motion Picture Association (MPA), raided a pirated DVD rental shop in Kaoshiung City. This action took down the largest known burner operation in the city, Taiwan's second biggest city after Taipei. Police arrested two men and two women on suspicion of infringing Taiwan's Copyright Law. If found guilty, they face sentences of up to seven years imprisonment.

A total of 46 DVD-R burners were found in the shop premises. Police also seized 4,001 pirated optical discs infringing 220 MPA member company titles such as Evan Almighty, Rush Hour 3 and Transformers. The shop is suspected of distributing significant numbers of pirated discs to a citywide network of pirate street vendors. The seized burners are capable of producing as many as 2,484,000 DVD-Rs in one year, yielding revenues of US\$10,393,618 assuming the burners were in operation ten hours a day, seven days a week.

"In taking out this illegal burner operation, the Taiwan police have raised the cost of doing business for these criminals. They have also prevented millions of pirated DVD-Rs from hitting the streets, saving the livelihoods of people who work in movie industry" said Mike Ellis, Senior Vice President and Regional Director, Asia-Pacific for the MPA.

In Taiwan, it is frequently the case that pirated movies are individually burned onto optical discs with CD-R or DVD-R burners. Burner labs can contain dozens of burners, capable of producing millions of pirate CD-Rs or DVD-Rs per year. In 2005 and 2006, about 2,500 optical disc burners were seized in TFACT/MPA operations in Taiwan. Up to August 2007, the number is 718, which shows that burner lab piracy has not significantly reduced with the rise of Internet piracy.

TFACT Executive Director Spencer Yang praised the IPR Police saying "The raid came during the night that Taiwan was lashed by Typhoon Wipha. This reflects the resolution of the police and underscores the effectiveness of their cooperation with TFACT in the battle against the pirates."

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 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 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 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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