



NEWS RELEASE

For Immediate Release

March 10, 2008

MOVIE RENTAL SHOP WITH 40 DVD-R BURNERS RAIDED IN KAOHSIUNG, TAIWAN

Second Largest Seizure of Burners in a Retail Shop Ever Found by the MPA

Hong Kong – On March 6, Taiwan’s IPR Police, with support from the Taiwan Foundation Against Copyright Theft (TFACT), representing the Motion Picture Association (MPA), raided a movie rental shop in Kaoshiung City, seizing a total of 40 DVD-R burners and arresting one woman on suspicion of infringing Taiwan’s Copyright Law. The charges carry sentences of up to seven years imprisonment.

When interviewed by the authorities, the shop owner insisted that she only produced pirated movies for her customers. However the Police seized 40 DVD-R burners from the premises, the second largest number ever found in a rental shop by the MPA. The Police also seized 87,802 pirated optical discs, which infringed 184 MPA member company titles. The high number of seized burners and pirated movies indicate supplies in excess of demands of rental customers only and it is suspected that the shop also supplied pirated discs to pirate street vendors. The seized burners were capable of producing as many as 2,160,000 DVD-Rs in one year, yielding potential revenues of US\$6,696,000.

“It is clear from the number of burners and pirated movies seized that the authorities have shut down another major piracy operation. This raid sends a message that criminals cannot hide and cannot fool the authorities,” said Mike Ellis, Senior Vice President and Regional Director, Asia-Pacific for the Motion Picture Association. “We congratulate Taiwan’s IPR Police for yet another raid in 2007 against criminal operations that so badly damage creative industries and the people who rely on those industries for their livelihoods.”

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 2007 alone, 1,076 optical disc burners were seized in TFACT 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 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 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. For more information about the MPA, please visit www.mpa-i.org.