

PROMOTING & PROTECTING  
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THE SCREEN COMMUNITY IN ASIA PACIFIC

# MOTION PICTURE ASSOCIATION

## ABOUT THE MPA

### *PROMOTING & PROTECTING SCREEN COMMUNITIES IN ASIA PACIFIC*

The Motion Picture Association (MPA) and the Motion Picture Association International (MPA-I) represent the interests of the six international producers and distributors of filmed entertainment. To do so, they promote and protect the intellectual property rights of these companies and conduct public awareness programs to highlight to movie fans around the world the importance of content protection. These activities have helped to transform entire markets benefiting film and television industries in each country including foreign and local filmmakers alike.

The organizations act on behalf of the members of the Motion Picture Association of America, Inc (MPAA) which include; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; Walt Disney Studios Motion Pictures; and Warner Bros. Entertainment Inc. The MPA and the MPA-I have worldwide operations which are directed from their head offices in Los Angeles and Washington, D.C. and overseen in the Asia Pacific by a team based in Singapore. The MPA's other regional offices are situated in Brussels, Sao Paulo, Mexico City and Toronto.

The MPA was formed in 1945 in the aftermath of World War II. It is the international counterpart of the Motion Picture Association of America (MPAA) that was founded in 1922.



Actors and production crew take their places during production of the Intellectual Property Awareness Foundation's (IPAF) 'Thank You' campaign in Australia.

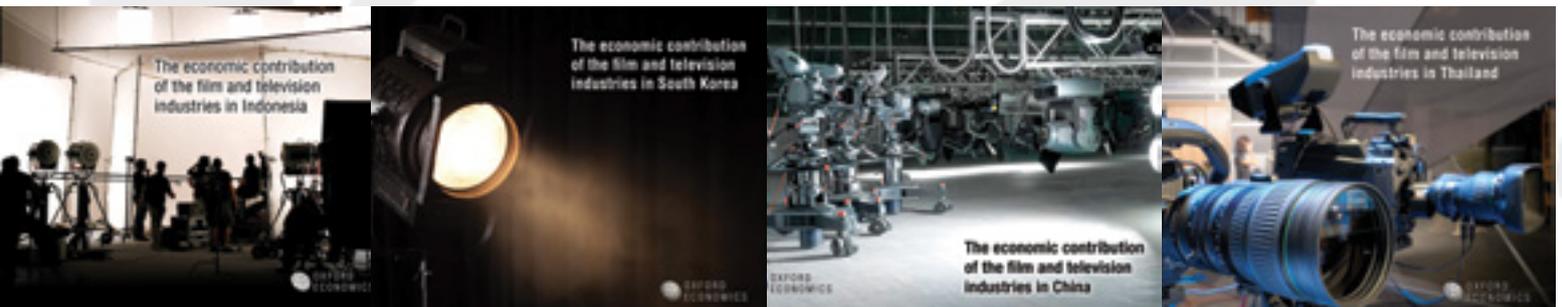
The MPA champions the creative and artistic freedoms of filmmakers, while working to rally public and private institutions around the world to the cause of safeguarding intellectual property rights, advancing technology-driven innovation, and opening markets to the uniquely influential and increasingly global medium of film.

As part of this, the MPA works to strengthen copyright laws across the world, conducts outreach and education to provide an insight into the workings of the film and TV community and the harmful effects of content theft, investigates and reports on activities infringing its member

companies' intellectual property rights, and assists with the resulting criminal and civil litigation to protect their copyrights.

These activities have helped to transform entire screen communities benefiting home entertainment distributors, retailers, and international and local filmmakers alike.

## GROWING ECONOMIES



### THE ECONOMIC PICTURE

Today, the movie and television business is an international one. The financial success of films and television shows contributes significantly to local economies. Studies across Asia Pacific have revealed the size of the contribution film and television industries make to local economies.

In 2011 in China for example, the film and television industry was reported as contributing USD42.1 billion to the local

economy while supporting over 4.5 million jobs. Similarly, Japan reported a total contribution of USD145.9 billion and employment of more than 264,000; Korea reported a total contribution of USD15.65 billion and employment of more than 299,000; Thailand reported a total contribution of USD4.94 billion and employment of more than 254,000 and New Zealand reported a total contribution of USD2.23 billion and employment of more than 21,000.

Like every business, the motion picture industry relies on its profits to invest in future products for the enjoyment of audiences. As content theft negatively impacts profitability, so there is less available investment capital. Less capital means fewer movies can be financed, which in turn means fewer jobs are created and local goods and services are not consumed. The effects of content theft are felt throughout all sectors of a nation's economy, and ultimately negatively impact on consumers.



## AROUND THE WORLD

For our creative industry to continue to create jobs and contribute to the economic health of the film and television production communities around the world, it is important that these markets are open, non-discriminatory and secure. The World Trade Organization works to ensure that trade between its member countries moves freely and predictably. The WTO establishes rules that govern trade in goods and services and also establishes a minimum level of protection for intellectual property rights pursuant to the TRIPS Agreement.

Bilateral and regional trade agreements build on the level of access and protection established by the WTO, further deepening commerce and investment between the United States and countries in the Asia-Pacific region. These agreements eliminate or reduce the barriers to trade in goods and services including electronic commerce, and extend protections for intellectual property.

While copyright laws vary from country to country, international agreements, such as the TRIPS Agreement, the World Intellectual Property Organization (WIPO) Internet treaties and the Berne Convention, set certain standards that signatory countries commit that their respective laws either meet or will meet.

To a large degree, the countries in the Asia-Pacific region have strong content protection legislation. The MPA and its affiliated organizations work to strengthen the copyright laws, when necessary, and suggest appropriate revisions as part of copyright reform.

Over the years, the MPA's core mission has remained the same - to advance the business and the art of filmmaking and its enjoyment around the world.



Clockwise from top left: Film and TV Finance Workshop in Shanghai; 2nd China-International Co-production Film Screenings in LA; MPA Film Workshop in Shenzhen; Korean Film Night in DC.



Clockwise from top left: Senator Dodd delivers a keynote address at the Asia Pacific Screen Awards (APSA) in Brisbane; Ashgar Farhadi wins Best Film for A Separation; Mike Ellis with MPA APSA Academy Film Fund selection panelist Xue Xiaolu at the APSAs; MPA American Film Night and IWC Filmmaker Dinner in Beijing.

## PROTECTING CREATIVITY & EXPANDING CONSUMER CHOICE IN THE ASIA PACIFIC

From the visual arts to the software industry, more and more people around the globe make their living based on the power of their creative ideas and those of others. This means we all have a global stake in protecting intellectual property rights and recognizing that these safeguards are a cornerstone of a healthy global information economy.

That's no different from the importance of protecting any other property rights such as those in manufactured products, homes and public buildings and the people and industries that contribute to those parts of our economic strength and well-being.

Millions of jobs across the Asia-Pacific region rely upon a vibrant film and television industry. We are committed to safeguarding these opportunities while delivering innovative choices to consumers.

To be successful, we seek to constructively engage with diverse stakeholders. This includes:

1. Working to include strong intellectual property rights provisions in legislations in many countries and working to ensure that all parties uphold the commitments we have made to one another to protect the power of ideas around the world.
2. Forming close bonds with local film and television communities to work towards the promotion and protection of creative works and livelihoods.



3. Partnering with the technology community to expand the diversity of legitimate choices available to consumers, so they can enjoy the genuine article - authentic copies of movies and television shows - at a fair price and in flexible and easily accessible ways.
4. Collaborating with educators to promote respect for copyrights at an early age, teaching the importance of responsible digital citizenship.
5. Working constructively with people to enlist their support and share the importance of responsible digital citizenship.
6. Partnering with law enforcement and other entities to safeguard intellectual property rights as a cornerstone of our global information economy.



Nicholas Clifford wins Tropfest Australia in Sydney.

## OUTREACH & EDUCATION

The MPA is committed to forming important partnerships with film and television communities across the region, putting our most pressing issues at the top of the agendas at regional conferences, seminars, festivals and award events.

These partnerships include our long-term relationship with the Asia Pacific Screen Awards (APSA) in the form of the MPA APSA Academy Film Fund, which now serves as a

significant platform for the MPA to engage directly with filmmakers and screen communities across the Asia Pacific in the protection and promotion of screen content. We have also partnered with Tropfest, the world's largest short film festival, supporting emerging filmmakers in the early stages of their careers. Similarly, we work closely with screen communities in many countries to facilitate film workshops, where established filmmakers and executives share industry



Students attend a movie screening during World IP Day in Auckland, New Zealand.



Students attend a presentation on IP awareness in Taiwan.

knowledge with contemporaries and emerging filmmakers.

Partnerships of this nature allow the MPA to raise awareness of the major challenges facing our industry across all sectors of the film and television industry, and help to stimulate a shared commitment towards developing vibrant and dynamic screen communities across the region.

Education is an important aspect of the MPA's outreach efforts. We conduct awareness campaigns aimed at the general public and students at every level. These programs are developed and carried out with involvement and leadership from a wide range of film industry and educational organizations.

Our public awareness campaigns are designed to provide people with the information they require to make well-informed decisions about how they access and enjoy films and television shows. Those communities which recognize the value of responsible digital citizenship are best placed to enjoy the results of a vibrant and innovative screen community which is able to provide them with new legitimate ways to experiences content.

In many countries throughout the region we have released research findings that reveal the economic contribution of the film and television industries to local economies. These reports help to establish the economic, cultural and social value of a healthy screen industry to those countries.

The MPA is also involved in a range of ground-breaking educational programs in schools and tertiary education institutions. These programs recognize that today's students are tomorrow's creators of screen content and business leaders, and the educational resources are designed to empower students to identify whether their society should value and respect intellectual property.

Educational programs can include comprehensive curriculum materials, IPR-focused student events, involvement from a range of film and television industry professionals and various creative competitions and contests.

# CONTENT THEFT

The motion picture industry across the Asia Pacific is constantly working to develop new and innovative business models to distribute digital content to consumers. Unfortunately, these efforts are greatly hampered by widespread and often unchecked distribution of unauthorized copies of content.

Opportunities to develop and enrich the motion picture industry are lost to criminals who make substantial sums operating infringing websites facilitating illegal content

distribution. These losses are felt not only by local screen communities but flow through to the wider economy, impacting on a wide spectrum of jobs and businesses. Recent studies by IPSOS and Oxford Economics on losses to local economies in several countries as a consequence of content theft illustrate the scale of the damage.

## TYPES OF CONTENT THEFT

### 1 STREAMING THEFT

As broadband speeds have improved around the world, it has become increasingly popular to consume free, illegal copies of content by streaming directly on a computer, onto a television through a set-top box or similar device, or on a mobile phone. There are numerous "rogue" websites and apps which aggregate links to screen content stored elsewhere on the web, usually on file hosting sites (also known as "cyberlockers") or in some cases specialized peer-to-peer networks. By simply clicking on this content, the user can begin a simultaneous download and streaming process that allows for instant viewing.

These types of rogue websites are nearly always 100% infringing, paying no royalties of any kind to the hundreds of people in the creative industry who worked for months or even years to develop, produce and distribute the content. In some cases, the sites will use trademarks and cover art of well-known studios and distribution companies, or provide a plot summary of a movie or a list of the cast of characters. This is done to fool consumers into believing that their websites are legal. As a result, many rogue site operators

enjoy enormous profit margins and make significant sums of money through VIP subscriptions and/or advertising on the site.

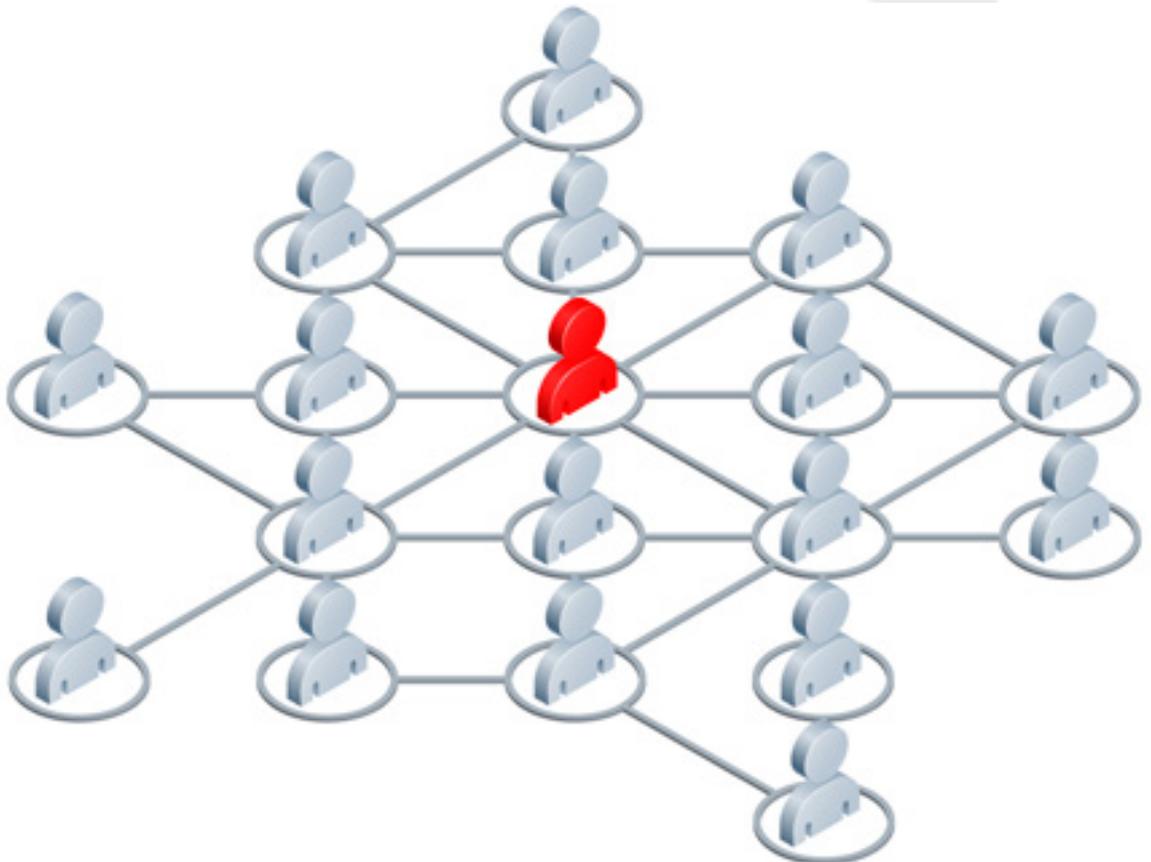
While initially limited to viewing on a computer, this problem has quickly spread to other viewing media such as television sets (via the set itself or a set top box) and mobile phones. As with rogue websites, opportunists will develop rogue mobile or smart TV applications which can facilitate the streaming of illegal content stored elsewhere on the web. Users must pay for these applications, either through a one-time fee or monthly subscription, generating huge profits for the developer.

## 2 PEER TO PEER (P2P) THEFT

A peer-to-peer (P2P) network is a system that enables Internet users through the exchange of digital files among individual computers or "peers" to (1) make files (including movies and music) stored on their computer available for copying by other users; (2) search for files stored on other users' computers; and (3) transfer exact copies of files from one computer to another. P2P technology itself is not illegal and may be useful for many legal purposes, but people often use the technology to illegally exchange copyrighted material on the Internet. When a person joins a P2P network to obtain a particular file, that file can be simultaneously accessed by millions of people around the world who are part of the same P2P network. In most instances, initial access to the content on a P2P network is achieved via "indexing" sites, which help facilitate the discovery and download process. Like their streaming counterparts, most indexing sites contain links to nearly 100% infringing content and profit through VIP subscriptions and advertising.

If you download movies using illegal peer-to-peer sites and networks, you are often also distributing illegal content, as the default setting of most P2P networks ensures that individuals downloading files from the network are simultaneously uploading files and thus distributing illegal copies of works to other peers in the group, who in turn distribute the files to yet others.

By uploading and downloading copyrighted material on P2P networks, you are not only violating the law; you are also potentially exposing your computer and private information to strangers. By allowing strangers to access files on your computer, other sensitive information such as bank records, identification numbers and pictures, could also become accessible and put you and your family at risk of identity theft or worse. This activity also exposes your computer to harmful viruses, spyware and annoying pop-ups (adware).



### 3 SIGNAL THEFT

Signal theft refers to the act of illegally misappropriating satellite signals without authorization. Those involved with signal theft often provide consumers with illegal cable decoders or satellite descramblers in order to provide unauthorized access to satellite broadcasts.

Internationally, the problem becomes more acute when programs not otherwise legally available to a particular country at that time are stolen from satellites and then re-transmitted in that country either by cable or broadcast TV.



### 4 SCREENER THEFT

Illegal copies of films are sometimes made from legitimate, advance copies used for post-production, screening or marketing purposes called "screeners." As with film print theft, this type of theft is rare.

However, there are some unfortunate instances where the source of stolen movies is found to be screeners. To protect against screener leaks, the studios undertake stringent security measures to ensure screeners are delivered to the correct addresses and end up in the hands of the intended viewer.

### 5 OPTICAL DISC THEFT

Optical disc theft — also known as "bootlegging" — is the illegal manufacturing, sale and/or distribution of movies in hard copy or disc format. Bootleggers sometimes have elaborate operations where they replicate DVDs and Blu-ray discs and then distribute them to vendors who sell them illegally on the streets.

There is strong evidence that many of these operations are run by the same organized crime networks that traffic in drugs and human beings. Others may have small operations in their homes and even in their places of work. These illegal goods can be sold anywhere: on websites, online auction sites, via e-mail, by street vendors and in flea markets around the world.

## 6 CAMCORDER THEFT

In most instances the first available copy of newly released movies that are stolen can be traced to thieves who use a digital recording device in a movie theater to literally steal the image and/or sound off the screen. Camcorder theft is one of the biggest problems facing the film industry. All it takes is one camcorder copy to trigger the mass reproduction and distribution of millions of illegal Internet downloads and bootlegs in global street markets. This is often done just hours after a film's release and well before it becomes available for legal rental or purchase from legitimate suppliers. Studios and cinema owners have significantly increased security and surveillance in cinemas all over the world to thwart would-be camcorders.

The MPA and its members are dedicated to ensuring that the sources of content theft, such as unauthorized recordings in cinemas, are eradicated and to educating people about the gravity of content theft and its consequences. Some of the current measures to mitigate the level of unauthorized camcording activity in the Asia-Pacific region are listed below:

### Investing in Security and Technical Measures

In many jurisdictions, MPA and the industry work closely to conduct routine bag examinations and handheld metal detector inspections at pre-theatrical screenings. Warning signs are also posted prohibiting camcording and alerting audiences that they might be observed by guards using night-vision goggles, or other methods.

MPA member companies also invest in Forensic Watermarking, which can allow investigators and law enforcement to pinpoint the exact time, date and location of a screening where a camcorded copy was made. In recent years, more advanced technologies have also been developed and deployed which have successfully identified camcorders in the act of stealing a movie.

### Legislation

In Asia-Pacific, Hong Kong, Japan, Korea, Malaysia and the Philippines have specific laws that enable local authorities to criminally arrest and prosecute illegal camcorders. Screen communities, with support from the MPA, are advocating for similar legislation to deter illegal camcording across the region.

### Public Education and Training

The MPA works closely with cinema staff and law enforcement agencies to prevent unauthorized recordings through regular awareness and training seminars, and via their interactive and multi-lingual app [www.mad4.org](http://www.mad4.org).

## ILLEGAL RECORDING IN A THEATER

A movie is illegally recorded from a theater using a digital camcorder or mobile phone



## ILLEGAL MANUFACTURE

Release groups sell illegally recorded movies to crime groups who rapidly manufacture them in DVD replicating factories and DVD burning labs. They then use an extensive network of distributors and couriers to sell the illegal DVDs. Illegally recorded movies are downloaded, duplicated in DVD burning labs in commercial quantities, packaged and prepared for illegal sale.

## DISTRIBUTED ON THE INTERNET

The stolen movies are then made available on P2P networks and streaming sites, greatly accelerating the global spread of pirated movies.

## ILLEGAL UPLOAD TO 'RELEASE GROUPS'\*

Illegally recorded movies are sold or shared with 'Release Groups' who distribute the illegal movies around the world through computer servers known as 'Top Sites'.^

## MASS DISTRIBUTION

These illegal DVDs are sold in shopping malls, markets, pubs and clubs, from the back of vans and cars, and on internet auction sites.

\*Release Groups - groups of individuals who are active in making available the first pirated copies of movies and TV shows for distribution over the Internet.

^Top Sites - a high speed, high capacity server hidden from the public where 'Release Groups' post illegally copied movies and TV shows.

## 7 ILLEGAL PUBLIC PERFORMANCE

An unauthorized public performance occurs when an unlicensed or unauthorized performance is transmitted by means of any device or process to the public.

Unauthorized public performances include situations where an institution or commercial establishment shows a film to its members or customers without receiving permission from the copyright owner, regardless of how large or small the audience may be, and regardless of whether the establishment may have lawfully rented or purchased the movie being shown.

This includes “public performances” where an admission fee is charged or no admission fee is charged (such as screenings in a civic hall or a park), as well as those that are simply offered as an additional service of the establishment. However, there are a few narrowly described circumstances (such as face-to-face classroom situations) where a license is not required to show a movie.

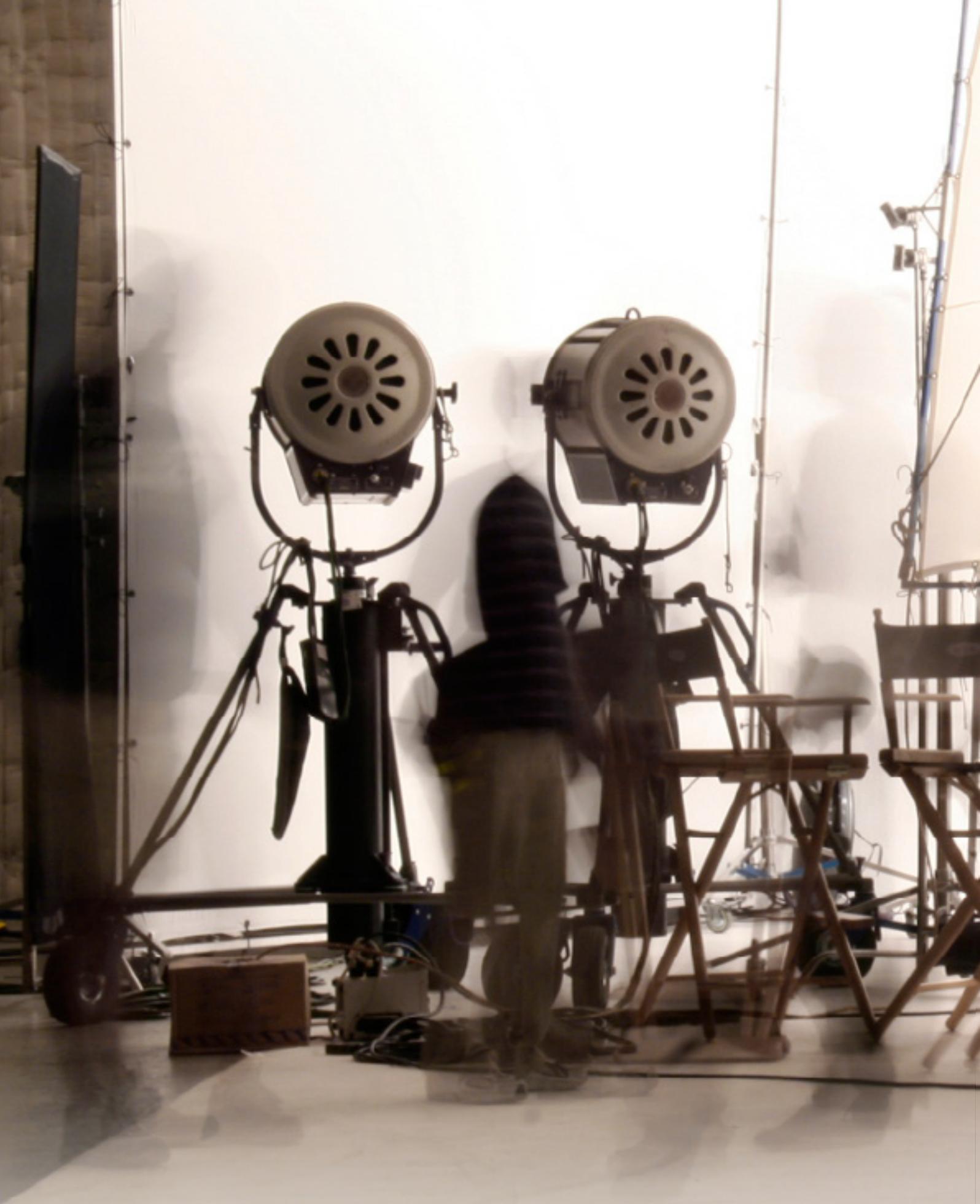
## 8 THEATRICAL PRINT THEFT

Theft of a film print (35 or 16 mm) or digital file from a theater, film depot, courier service or other industry-related facility for the purpose of making illegal copies is another serious form of copyright theft. This type of theft enables the replication of high quality copies that then serve as a master for duplication and unauthorized distribution.

Fortunately, this type of theft is rare due to stringent security measures taken by MPA member companies. The MPA routinely facilitates security surveys of production and post-production facilities on behalf of our member companies and recommends specific security measures that have had a positive impact on reducing this type of theft.

## 9 BROADCAST THEFT

Like signal theft, broadcast theft involves over-the-air broadcasts. However, instead of stealing signals, the illegal act may be the unauthorized, on-air broadcasting of films or television programs without permission from the copyright holder.



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