



NEWS RELEASE

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ANTI-PIRACY OFFICERS SEIZE 283 OPTICAL DISC BURNERS FROM MOVIE PIRATE IN PENANG

Burner Lab Was Capable of Producing Over 10 Million Discs Per Year

Hong Kong – On May 29, acting on a tip from an informant, a team of ten Malaysian Ministry of Domestic Trade and Consumer Affairs (MDTCA) enforcement officers, accompanied by Motion Picture Association representatives, raided a house in Penang that was being used as a burning lab for pirated optical discs.

The raiding party arrested a 42-year-old man and seized 200 DVD-R burners and 83 CD-R burners, along with 15,800 blank DVD-Rs. The seized burners are estimated to have been capable of producing as many as 8,760,000 pirated DVD-Rs and 2,423,600 CD-Rs in one year, yielding revenues of RM102,141,600 (US\$28,027,693), assuming the burners were in operation eight-hours-a-day, seven-days-per-week.

“The seizure in two raids this year of nearly 700 optical disc burners demonstrates emphatically the scope of the copyright piracy problem in Penang, in Malaysia, and more broadly in the Asia-Pacific region,” said Mike Ellis, Senior Vice President and Regional Director, Asia-Pacific for the Motion Picture Association. “The Motion Picture Association and our member companies greatly appreciate the continued efforts of the Malaysian government and the Ministry of Domestic Trade and Consumer Affairs to fight copyright theft and protect intellectual property rights.”

In Malaysia, pirated movies are increasingly being individually burned onto optical discs with DVD-R or CD-R burners. In January, enforcement officers raided another optical disc burning lab in Penang, seizing 224 CD-R burners and 160 DVD-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.

The May 29 raid in Penang was part of aggressive MPA anti-piracy enforcement operations, code named *Operation Red Card*, focused on notorious piracy “black spots” in major cities in Australia, China, Hong Kong, India, Indonesia, Japan, Malaysia, New Zealand, Pakistan, the Philippines, Singapore, South Korea, Taiwan and Thailand.

By cracking down on the availability of illegally pirated movies in retail shops and markets and from street vendors during the northern hemisphere's summer months, when many new movies are released, the MPA hopes to protect sales of cinema tickets and legitimate home video products such as DVDs, VCDs and VHS videotapes.

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 2005, the MPA's operations in the Asia-Pacific region investigated more than 34,000 cases of piracy and assisted law enforcement officials in conducting more than 10,500 raids. These activities resulted in the seizure of more than 34 million illegal optical discs, 55 factory optical disc production lines and 3,362 optical disc burners, as well as the initiation of more than 8,000 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 Encino, 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.; Metro-Goldwyn-Mayer Studios 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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