

Movie industry uses war chest to attack piracy

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The US-based Motion Picture Association has set up a NT\$1 million war chest to offer cash rewards to the public for turning in movie pirates.

Representing Hollywood, California film studios Disney, Fox, MGM, Paramount, Universal and Warner Bros, the association will pay informants up to NT\$150,000 for information that leads to the successful prosecution of illegal film-copying operations.

The association defines these pirating outfits as individuals or groups with a compact-disk copier, or burner, capable of copying at least eight disks simultaneously.

"In the case of movie piracy, more than 80 percent of copies come from small burners, not large optical factories as in the music industry," said Hank Kwo (郭斌), executive director of MPA Taiwan.

Last month Kuo cracked down on movie pirates at night markets and retail outlets in Taipei, Taichung and Kaohsiung, nabbing over 100 individuals. The association was instrumental in helping to bust 671 illegal operations last year, down 36 percent from 2001, which topped out at 1,060. Kuo blamed slowed box office receipts for a shortage of cash to spend on chasing crooks. The local movie industry lost US\$42 million in revenue to pirates last year, Kuo said.

The government has pledged to get tough on pirates, increasing its anti-piracy task force from 100 to 220 officers in the last week. It has also set up a reward system to flush out bootleggers.

"The Taiwan government has reward systems in place for counterfeit alcohol and tobacco," said Marcus Clinch, foreign legal consultant at Winkler Partners in Taipei.

Clinch's firm is engaged in intellectual property protection for multinational firms selling luxury goods, clothing, alcohol and machinery parts, and represents MPA in Taiwan.

The music industry in Taiwan set up a similar fund 10 years ago, according to Robin Lee (李瑞斌), secretary general of the non-profit International Federation of the Phonographic Industry in Taiwan (IFPI).

"This fund focuses on pirate CD manufacturers, wholesalers, cover-sheet printers and warehouses,"

Lee said yesterday. "The fund is not for small street vendors or music stores as it is easy to find them."

IFPI offers rewards of up to NT\$500,000 for information leading to a successful prosecution. Informants need only provide the address of a factory they suspect of producing illegal CDs.

The IFPI's staff conducts an initial investigation of the property, and calls in the police and prosecutor's office if they have evidence that their members' copyrights are being infringed upon. If the police conduct a successful raid that leads to the seizure of equipment and products, IFPI pays half the reward, paying the second half after a court win.

"We confiscate the pirated property — the more we seize, the more we pay," Lee said.

About half of all music CDs sold in Taiwan are pirated, he said.

"The problem of piracy is becoming more widespread thanks to small CD burners and cheap CD-Rs," Lee said.

Now piracy is moving from big production facilities to back-room operations. Many of the prosecutions last year were against family-run operations with copiers that can burn eight, 10 or 20 CDs at a time. For example, a bank of 30 1:10 burners can produce 300 CDs every few minutes.

"Taiwan is a major producer of CD duplicators and CD-Rs and nearly all of these are used by pirates," Lee said.

Informants need not fear reprisals from criminals as they would not be required to appear in court, Lee said. The police use the information they received to nab the criminals red-handed, removing the need for testimony from witnesses.

IFPI has 13 members in Taiwan, including EMI Taiwan Ltd, Sony Music Entertainment Taiwan Ltd, Universal Music Ltd and Warner Music Taiwan, and they have been generous in their fight against piracy. They donated US\$1.2 million to the IFPI's coffers and brought over 1,500 successful cases to local courts last year.

Movie pirating can be reported by calling 0800-231-359 or by sending an e-mail to cdreward@ms72.hinet.net. Music-pirating information called in to 0800-036-168 or sent by e-mail to report@ifpi.org.tw.

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