On January 12th, the Intellectual Property Investigations Bureau (IPIB) of the Hong Kong Customs and Excise Department (Hong Kong Customs) arrested a 38-year old Chinese man suspected of uploading three Motion Picture Association (MPA) member company titles onto a peer-to-peer (P2P) network forum.

For more information, please contact:
Mike Ellis
MPA Asia-Pacific
65-6253-1033

Margaret Fu
MPA Asia-Pacific
852-2785-8677

Anne Caliguiri
MPAA Encino
818-995-6600 ext. 293

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P2P MOVIE PIRATE ARRESTED IN HONG KONG IN FIRST CRIMINAL CASE AGAINST BITTORRENT USER

First Hong Kong P2P Uploader Arrest Follows Formation of Internet Enforcement Task Force

Hong Kong, Encino – On January 12th, the Intellectual Property Investigations Bureau (IPIB) of the Hong Kong Customs and Excise Department (Hong Kong Customs) arrested a 38-year old Chinese man suspected of uploading three Motion Picture Association (MPA) member company titles onto a peer-to-peer (P2P) network forum.

The man was charged with violations of Hong Kong's Copyright Ordinance by distributing the works without the authorization of the copyright owner(s), and the arrest was Hong Kong's first for copyright violations involving the illegal distribution of motion pictures through the Internet. The case is also the world's first in which criminal charges have been filed against a user of BitTorrent (BT) technology. Hong Kong laws provide for a maximum of four years in prison and $6,400 fine for every copy distributed without copyright owner's permission.

The arrest comes on the heels of the recent formation of a joint private-public sector task force on Internet enforcement. On December 16th, the IPIB convened the first meeting of an Internet Task Force consisting of government and private sector representatives to coordinate resources against the unauthorized distribution of copyrighted works over P2P networks.

Following three weeks of intensive investigation undertaken jointly by members of the Task Force, Hong Kong Customs arrested the defendant, suspected of having used the Bit Torrent file-transfer protocol to upload three films onto the bt.newsgroup.com.hk forum hosted by iAdvantage Limited. The authorities also seized two computers and more than 400 VCDs and burned CD-Rs located on the premises.

The MPA coordinated logistical support for the investigation. Because the investigation is still ongoing, Customs has not publicly released the name of the arrested defendant.

At a press conference on January 13th, Assistant Commissioner of Customs William Chow said, "Uploading BitTorrent files containing unauthorized copyrighted content incurs criminal liability under the current copyright ordinance. In downloading unauthorized copyrighted content through BT software, the content in the downloader's computer will automatically be uploaded to other BT users and as a result also creates criminal liability."

"The Internet – specifically P2P networks – are the most important frontier in the protection of intellectual property rights," said Mike Ellis, senior vice president and regional director, Asia-Pacific for the Motion Picture Association. "The efforts of the Intellectual Property Investigations Bureau and Internet Task Force demonstrate the efficacy and importance of a coordinated approach to fighting piracy."

P2P Piracy Enforcement in Asia-Pacific

In December 2004, Japan's Kyoto District Court sentenced a 42-year-old man, Yoshihiro Inoue, to one year in prison for violation of Japan's Copyright Law. The prosecution was Japan's first for copyright violations involving the illegal distribution of motion pictures through the Internet. Inoue's sentence was suspended for three years.

Inoue was arrested Nov. 27, 2003, for using the Winny peer-to-peer file-swapping software to illegally distribute a motion picture online.

On the same day Inoue was arrested, police also arrested a 19-year-old living in Matsuyama City for illegally distributing game software through Winny. The 19-year-old, whose name police did not release because of his age, was sentenced on March 5 to one year in prison, a sentence that also was suspended for three years.

The two convictions were the first successful prosecutions for Internet-based peer-to-peer copyright theft in the Asia-Pacific region.

Piracy in Asia

The MPA estimates that its member companies lose an excess of US$718 million in potential revenue annually in the Asia-Pacific region alone. In 2003, the MPA operations in the Asia-Pacific region investigated nearly 15,500 cases of piracy and assisted law enforcement officials in conducting nearly 13,000 raids. These activities resulted in the seizure of approximately 44,000,000 illegal optical discs, and the initiation of almost 9,100 legal actions.

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), Mexico City (Latin America), Montreal (Canada) and Hong Kong (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 Inc.; 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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