



INTERNATIONAL FEDERATION AGAINST COPYRIGHT THEFT – GREATER CHINA

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## **HONG KONG CUSTOMS SMASH ORGANIZED MOVIE PIRACY OPERATION**

### ***21 Arrested and HK\$1.2 Million Worth of Pirated Goods Seized During Operation Codebreaker***

Hong Kong – On June 23 and 24, following a year-long investigation known as “Operation Codebreaker”, the Hong Kong Customs & Excise Department raided 17 locations in Hong Kong connected to a syndicate selling pirated movies on optical discs smuggled in from Mainland China by couriers. The syndicate’s daily turnover was estimated at HK\$20,000 (US\$2,564) per day giving an estimated annual turnover of HK\$7.3 million (US\$935,000).

Hong Kong Customs arrested 14 men and seven women aged between 16 and 70 years, including two men who are believed to be the syndicate masterminds. The raids were concentrated in Hong Kong’s busy Wanchai District and hit twelve residential premises, a pirated optical disc storehouse and two retail shops selling pirated optical discs and computer hardware. The International Federation Against Copyright Theft – Greater China (IFACT-GC), representing the CJ Mark Committee in Hong Kong provided investigation support during the raids.

Seizures made during the raids included 12,000 pirated optical discs (of which around 300 copies were infringing CJ Mark’s titles), two vehicles, HK\$300,000 (US\$38,461) cash and 14 computers. Evidence of the syndicate’s money-laundering activities has also been gathered.

Hong Kong Customs are considering using the provisions of Hong Kong’s Organized and Serious Crimes Ordinance (OSCO) which provides for enhanced sentencing and asset seizure. In May 2007 a Hong Kong Court utilized the OSCO to sentence the mastermind of a movie piracy syndicate to six years imprisonment and ordered the confiscation of seized assets worth HK\$1 million (US\$128,000).

“In addition to harming Hong Kong’s reputation, criminal syndicates like this cause serious harm to our economy and the movie production and distribution industry” said Sam Ho, Executive Director and General Manager of IFACT-GC. “The excellent work done by Hong Kong Customs in this year-long investigation has smashed this syndicate and serves as a warning to other criminals – movie piracy has serious consequences.”

Maximum penalties for copyright infringement in Hong Kong are a fine of HK\$50,000 and four years imprisonment per offence. Under the Organized and Serious Crimes Ordinance penalties can be enhanced up to fines of HK\$5 million and 14 years imprisonment.

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**About the MPA:** *The Motion Picture Association and Motion Picture Association – International (MPA) represent 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](http://www.mpa-i.org).*

**About the IFACT-GC:** *The International Federation Against Copyright Theft – Greater China was established in 2006 by the Motion Picture Association to protect the film industry in the Greater China region from the adverse impact of copyright theft. IFACT-GC works closely with its supporters, government and enforcement authorities to protect the Greater China film and television industry, retailers and movie fans. For more information about the IFACT-GC, please visit [www.ifact-gc.org](http://www.ifact-gc.org).*

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