

FOR IMMEDIATE RELEASE
9th April

NZFACT JOINS NETSAFE IN PROMOTING COMPUTER SAFETY

Avoid Illegal P2P Filesharing of Pirated Movies – A Major Source of Malware and Security Risks

The New Zealand Federation Against Copyright Theft (NZFACT), representing the Motion Picture Association in New Zealand, and a wide range of New Zealand businesses have joined with NetSafe to help New Zealanders keep their personal computers and information secure. The NetBasics website www.netbasics.org.nz will be launched on Wednesday April 9 providing advice to computer owners in homes, small businesses and community organizations on how to protect their computers and the data they hold.

New Zealand's cybersafety and security community will gather at Auckland's Transmission Room to witness the official unveiling of NetBasics, a launch promoted by a video teaser posted on the YouTube video sharing site (www.youtube.com – keyword search – NetBasics).

The cooperation on the NetBasics initiative marks a growing relationship between NZFACT and NetSafe: the two organizations are scheduled to sign a Memorandum of Understanding for future cooperation and, in February this year, Temuera Morrison headed an NZFACT-Netsafe education outreach programme involving the distribution of 75,000 copies of an MPA-developed booklet outlining the dangers of illegal peer-to-peer file sharing among New Zealand students. The booklet, titled "Illegal File-Sharing: The Risks Aren't Worth It", was developed by the MPA to alert people that users of peer-to-peer (P2P) file-sharing services risk exposing their computers to harmful viruses, worms, Trojan horses and annoying pop-ups, and risk data loss and identity theft.

"We get nothing for free" said Tony Eaton, Executive Director of NZFACT. "P2P downloads of pirated movies are a perfect vehicle for anyone to get into our computers, invade our privacy or do other harm. Downloading pirated movies damages the movie and movie distribution industry in New Zealand and puts us all at risk of being the victims."

The NetBasics initiative was partially funded by the Digital Opportunities Community Partnership Fund. In addition to NZFACT, other major contributors include InternetNZ, Westpac, the Ministry of Education, TradeMe, and RIANZ.

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Piracy in New Zealand

A study undertaken by independent research firm LEK Consulting on behalf of the Motion Picture Association (MPA) showed that piracy cost the film industry in New Zealand an estimated 25 percent of the potential market in 2005 – \$70 million. Internet piracy via P2P file-sharing networks is a significant concern and accounts for the majority of New Zealand movie industry losses – an estimated \$33 million in lost consumer spending in 2005. NZFACT represents the MPA in New Zealand.

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 US\$1.2 billion came from piracy across the Asia-Pacific region, while piracy in the U.S. accounted for US\$1.3 billion.

In 2007, the MPA's operations in the Asia-Pacific region investigated more than 36,200 cases of piracy and assisted law enforcement officials in conducting nearly 13,000 raids. These activities resulted in the seizure of more than 31 million illegal optical discs, 40 factory optical disc production lines and 6,400 optical disc burners, as well as the initiation of more than 10,000 legal actions.

*Bootlegging: Obtaining movies by either purchasing an illegally copied VHS/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 NetSafe

NetSafe is an independent, multi-stakeholder non-profit organisation specialising in educating about the safe, secure and responsible use of information and communication technology (ICT) including the internet and mobile phones.

About NZFACT: *The New Zealand Federation Against Copyright Theft was established in 2005 by the Motion Picture Association to protect the film industry in New Zealand from the adverse*

impact of copyright theft. NZFACT works closely with its members, government and enforcement authorities to protect the New Zealand film and television industry, retailers and movie fans. NZFACT members include: Walt Disney Studios Motion Pictures, New Zealand; Paramount Pictures Corporation; Sony Pictures Releasing International Corporation; Twentieth Century Fox International Corporation; Universal International Films, Inc.; Warner Bros. Pictures International, a division of Warner Bros. Pictures Inc and Roadshow Entertainment NZ Ltd.

NZFACT works in association with the Motion Picture Association, which represents the interests of the film industry across the world. NZFACT also has an alliance with the Recording Industry Association of New Zealand to share information regarding copyright infringement, and is a member of the recently-formed Anti Counterfeiting Group, which represents the interests of New Zealand's major intellectual property stakeholders, such as the music industry, computer software and publishing. NZFACT has a nationwide hotline that enables the reporting of film copyright theft 24 hours a day, 7 days a week: 0800 267 9744. For more information about the NZFACT, please visit www.nzfact.co.nz.

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 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.*

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