

FOR IMMEDIATE RELEASE
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POLICE RAID INTERNET CAFE FOR ILLEGALLY DISTRIBUTING MOVIES

*Company director charged with 21 copyright charges
in first ever police action against an Internet cafe*

Hong Kong / Auckland: On Tuesday, 2nd December charges were laid against a company director following an intensive and prolonged investigation by the New Zealand Federation Against Copyright Theft (NZFACT), representing the Motion Picture Association in New Zealand, into the provision by an Internet cafe of facilities where members of the public could view movies on computer terminals. It is suspected that the movies were shown without the permission of copyright owners, breaching a number of provisions of New Zealand's copyright law.

The Internet cafe, located in Auckland's CBD, was raided on Tuesday, 25th November, and is one of New Zealand's largest. The Police raid was supported by NZFACT investigators and computer forensics experts from PricewaterhouseCoopers.

Following police enquiries the 42-year-old male company director was today charged with 21 offences under section 131 of New Zealand's Copyright Act and has been remanded on bail to appear in Auckland District Court on Monday 8th December.

Titles available at the cafe during the investigation included "Quantum of Solace", "Wall-E", "Iron Man", "The Chronicles of Narnia: Prince Caspian" and "Indiana Jones and the Kingdom of the Crystal Skull". "Wall-E" was on the cafe's computer screens a full two months before its 18th September New Zealand theatrical release.

"It is very disappointing to see the illegal distribution of "Quantum of Solace" before its New Zealand release on 27th November," said Andrew Cornwell, General Manager for Sony Pictures. "People who illegally distribute movies are taking money away from the many legitimate New Zealand businesses that make and distribute the movies we love and they must be stopped."

“The illegal distribution of movies, particularly movies like “Wall-E” which had not yet been released in New Zealand cinemas, strikes right at the heart of the New Zealand film production and distribution industry” said Robert Crockett, General Manager & Executive Director of Walt Disney Studios Motion Pictures, New Zealand. “The Police and NZFACT are to be commended for this action which will help protect investment and jobs in the creative industries.”

“This is the first time that criminal action has been taken against an Internet cafe suspected of illegally distributing movies in this manner” said Tony Eaton, Executive Director of NZFACT. “Internet cafe owners around New Zealand should take this as a wake up call and review their operations to ensure they are not breaking the law. This is the first time such action has been taken. It won’t be the last.”

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.

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.; and Warner Bros. Pictures International, a division of Warner Bros. Pictures Inc.*

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.

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