



NZFACT

NEW ZEALAND FEDERATION AGAINST COPYRIGHT THEFT



FOR IMMEDIATE RELEASE

10th December 2008

DIRECTOR OF INTERNET CAFE CHARGED WITH ILLEGALLY DISTRIBUTING MOVIES

Auckland: On Monday 8th December 2008, 42-year-old Yongming NIE, the sole director of the HTC Internet Cafe situated at 63 Wakefield Street, Auckland City appeared in Auckland District Court charged with the following offences:

- a) A representative charge of Possession of Copyright Work
Copyright Act 1994, Section 131(1)(c)
Maximum Penalty: 5 years Imprisonment/ \$150,000 Fine
- b) A representative charge of Distribution of Copyright Work
Copyright Act 1994, Section 131(1)(d)(iii)
Maximum Penalty: 5 years Imprisonment/ \$150,000 Fine
- c) A representative charge of Importation of Copyright Work
Copyright Act 1994) Section 131(1)(b)
Maximum Penalty: 5 years Imprisonment/ \$150,000 Fine
- d) Six counts of Possession of Copyright Work
Copyright Act 1994, Section 131(1)(c)
Maximum Penalty: 5 years Imprisonment/ \$150,000 Fine
- e) Six counts of Distribution of Copyright Work
Copyright Act 1994, Section 131(1)(d)(iii)
Maximum Penalty: 5 years Imprisonment/ \$150,000 Fine
- f) Six counts of Importation of Copyright Work
Copyright Act 1994, Section 131(1)(b)
Maximum Penalty: 5 years Imprisonment/ \$150,000 Fine
- g) Three counts of Receiving Stolen Property
Crimes Act 1961, Section 246 & 247(A)
Maximum Penalty: 7 years Imprisonment

The charges arise from the 25th November Police raid on the HTC Internet Café. The Police raid was part of an investigation into allegations of the provision by

the HTC 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 raid, supported by NZFACT investigators and PriceWaterhouseCoopers computer forensics experts, resulted in the seizure of two computer hard drives, a server and \$10,210 cash. The server was alleged to contain 849 movies which were available for viewing on the premises.

The three charges of receiving stolen property relate to two laptop computers and a nail gun seized during the raid which have been reported to the Police as having been stolen.

Police investigations are ongoing and further charges relating to the importation, possession and distribution of copyright works may be laid. The defendant, Yongming NIE, has been bailed to reappear before the Auckland District Court on 22nd December, 2008.

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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