

FOR IMMEDIATE RELEASE
20th February 2009

FILM INDUSTRY WELCOMES PROGRESS TOWARDS CODE OF PRACTICE FOR ISPs

*NZFACT, MPDA and VANZ Look Forward to Enactment of Code Drafted by
Telecommunications Carriers Forum*

Auckland: The New Zealand Federation Against Copyright Theft (NZFACT), the Video Association of New Zealand and the Motion Picture Distributors Association of New Zealand today noted the excellent progress that has been made in devising effective and fair measures to combat the increasing problem of the illegal downloading of copyright material from the internet.

Amendments to the Copyright Act, updating New Zealand's copyright law to reflect current advances in digital technology, came into force on 31 October 2008, with the exception of section 92A which will be effective on 28th of February 2009. Section 92A requires internet service providers (ISPs) to have, and reasonably implement, a policy for termination of accounts of repeat copyright infringers if appropriate circumstances and the later implementation date was set to allow time for rights holders and ISPs to agree on the practical implementation of the Act through a Copyright Code of Practice lead by the TCF.

The NZFACT, the VANZ and the MPDA are confident that the consultation exercise will lead to a Code of Practice that will effectively implement the policy required by law and which can balance the interests of internet users, the ISPs and rights holders.

“Allowing public consultation on a Code of Practice agreed by the creative industries and ISPs’ is a common sense approach,” said Bill Hood, the Executive Director of the VANZ and MPDA. “Let us not forget that this consultation is part of the process that begun way back in 2003 when the need for such a law was first discussed. Much thought and consideration has already been given to this matter and from our industry’s perspective, the establishment of this Code is the best way forward.”

“The consultation underway is all about balancing the interests of the creative industries, ISPs and individual internet users,” said Tony Eaton, Executive Director of NZFACT. “Effective legislation is an essential component of an

effective strategy to protect creative products and the approach adopted in New Zealand is a considered one which has the full support of the creative industries.”

“We believe it is through the notification process as contemplated by the Code, that internet users will be educated about the damage copyright infringement does and the importance of respecting creativity.”

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.

###

For more information, contact:

Tony EATON
Executive Director
NZFACT
64-9-361 4941