

For Immediate Release

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One Warning will stop most youth from infringing movies online

7 in 10 Internet users would stop movie file-sharing if warned by their ISP

More than 70 per cent of New Zealand youth would stop accessing illegal versions of copyrighted material if they received a notice from their ISP, a new survey finds.

Movie File Sharing Among Young New Zealanders, conducted by independent research firm Synovate, found that a notice from their ISP would be enough to stop 71% of young people further accessing illegal copies of movies.

Commissioned by NZFACT, the Synovate survey is a repeat of a similar study conducted in March 2008 involving just over 500 respondents aged between 15 and 30 years. The same sample size, research panel, questionnaire and survey structure was retained this year.

The key finding was largely unchanged from 2008's result, where the same question found 70% of youth would take notice and stop if they received a warning note from their ISP.

Screen Director's Guild executive director Anna Cahill said the findings demonstrate the need for a strong legislative stance on online theft. The Government is currently seeking to address the issue through a redraft of Section 92a of the Copyright Act.

"New Zealand artists and audiences stand to lose unless the Government strengthens the proposal to build a framework for stopping online copyright infringement.

"The fact is this remains an issue about New Zealanders' livelihoods. The screen industry provides 15,000 jobs and is worth \$2.7 billion locally. Its continued growth is dependent upon a legal regime that values creative work."

The survey also found two in five young people have downloaded illegal copies of movies for free. The majority (65%) do not feel any guilt about the artists not receiving any payment for their works but a similar number (62%) would also probably stop if their internet connection could be terminated, the survey found.

Education initiatives that raised awareness about the effects of online copyright infringement appeared to be having some effect. It found fewer young people (47%) believed free downloads of copyrighted material from file sharing programmes were acceptable, down from 60 per cent in 2008.

Hoyts Theatre Group chairman David Kirk said internet law changes alone will not stop Kiwis from illegally downloading copyrighted material. Education played a vital role in this, but a deterrent – such as account disconnection – was also needed.

“We are taught from a very young age that we should not steal. You just can’t walk into a store and take what you want without paying for it. Why should the online market be any different?”

NZFACT executive director Tony Eaton said ISPs have a crucial role to play.

“ISPs, as our partners in this online market, play a vital part in reaching out to their customers about the importance of copyright, and enforcing their own terms and conditions with regards to customers who repeatedly engage in online infringement.”

Mr Eaton said the movie industry was committed to online retailing models. One is already in operation in New Zealand, with four more due to start at the year’s end.

“We are committed to new online models that enable users to get high quality entertainment quickly and at a reasonable cost. But we simply cannot compete with something which is stolen, and then given away for free.”

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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