

APPENDIX A: IIPA 2005 "SPECIAL 301" RECOMMENDATIONS

IIPA 2003-2004 ESTIMATED TRADE LOSSES DUE TO COPYRIGHT PIRACY
(in millions of U.S. dollars)

and 2003-2004 ESTIMATED LEVELS OF COPYRIGHT PIRACY

	Motion Pictures				Records & Music				Business Software ¹				Entertainment Software ²				Books		Totals	
	Losses		Levels		Losses		Levels		Losses		Levels		Losses		Levels		Loss	Loss	Loss	Loss
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
PRIORITY FOREIGN COUNTRY																				
Pakistan (GSP)	12.0	12.0	NA	95%	70.0	70.0	100%	100%	9.0	9.0	83%	83%	NA	NA	NA	NA	52.0	44.0	143.0	135.0
Russia (GSP)	275.0	275.0	80%	75%	411.9	405.0	66%	64%	751.0	704.0	87%	87%	255.8	NA	73%	80%	42.0	40.0	1735.7	1424.0
Ukraine	45.0	45.0	90%	90%	115.0	125.0	65%	75%	64.0	59.0	91%	91%	NA	NA	NA	85%	NA	NA	224.0	229.0
PRIORITY WATCH LIST																				
Argentina	30.0	30.0	45%	45%	41.5	30.6	55%	53%	63.0	44.0	75%	71%	NA	NA	80%	NA	4.0	4.0	138.5	108.6
Brazil (GSP)	120.0	120.0	30%	30%	343.5	338.7	52%	52%	330.0	309.0	63%	61%	120.4	125.7	74%	56%	18.0	14.0	931.9	907.4
Bulgaria	4.0	4.0	35%	25%	6.5	7.0	75%	80%	16.0	16.0	71%	71%	NA	NA	50%	NA	NA	0.3	26.5	27.3
Chile	2.0	2.0	40%	40%	24.8	21.1	50%	40%	41.0	42.0	63%	63%	37.9	NA	70%	NA	1.0	1.1	106.7	66.2
Colombia	40.0	40.0	75%	75%	51.6	49.4	71%	70%	34.0	37.0	50%	53%	NA	NA	NA	NA	6.0	5.4	131.6	131.8
Dominican Republic	2.0	2.0	20%	20%	10.3	9.9	75%	65%	3.0	3.0	76%	76%	NA	NA	NA	NA	1.0	1.0	16.3	15.9
Egypt	NA	NA	NA	NA	7.5	8.0	40%	45%	35.0	34.0	68%	69%	NA	NA	90%	90%	30.0	25.0	72.5	67.0
India	80.0	77.0	60%	60%	67.3	6.0	50%	40%	220.0	187.0	74%	73%	59.5	113.3	86%	84%	38.0	36.5	464.8	419.8
Indonesia	32.0	29.0	92%	92%	27.6	44.5	80%	87%	112.0	94.0	87%	88%	NA	NA	NA	NA	32.0	30.0	203.6	197.5
Kuwait	12.0	12.0	95%	95%	8.0	3.0	65%	55%	24.0	24.0	68%	68%	NA	NA	NA	95%	1.0	2.5	45.0	41.5
Lebanon (GSP)	10.0	10.0	80%	80%	3.0	2.5	70%	70%	15.0	14.0	75%	74%	NA	NA	75%	80%	3.0	2.0	31.0	28.5
People's Republic of China (OCR)	280.0	178.0	95%	95%	202.9	286.0	85%	90%	1465.0	1787.0	90%	92%	510.0	568.2	90%	96%	50.0	40.0	2507.9	2859.2
Philippines (OCR)	33.0	33.0	85%	89%	20.0	22.2	40%	40%	38.0	33.0	70%	72%	NA	NA	90%	95%	48.0	45.0	139.0	133.2
South Korea	40.0	40.0	20%	20%	2.3	3.5	16%	20%	263.0	275.0	46%	48%	349.0	248.4	43%	36%	42.0	38.0	696.3	604.9
Thailand	30.0	28.0	60%	60%	24.9	26.8	45%	41%	90.0	84.0	78%	80%	NA	NA	76%	82%	30.0	28.0	174.9	166.8
WATCH LIST																				
Belarus	NA	NA	NA	NA	26.0	22.0	71%	74%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	26.0	22.0
Bolivia	2.0	2.0	NA	100%	16.0	16.0	90%	90%	7.0	7.0	78%	78%	NA	NA	NA	NA	NA	NA	25.0	25.0
Ecuador	NA	NA	NA	95%	20.0	19.0	95%	95%	7.0	7.0	69%	68%	NA	NA	NA	NA	2.5	2.3	29.5	28.3
Hungary	20.0	20.0	35%	30%	11.5	8.0	38%	30%	56.0	55.0	42%	42%	21.5	NA	59%	NA	4.0	4.0	113.0	87.0
Israel	30.0	30.0	40%	50%	34.0	40.0	40%	63%	36.0	35.0	37%	35%	12.4	NA	88%	75%	1.0	1.0	113.4	106.0
Italy	160.0	140.0	15%	20%	45.0	42.0	23%	22%	567.0	642.0	47%	49%	NA	168.5	34%	47%	23.0	23.0	795.0	1015.5
Kazakhstan (GSP)	NA	NA	NA	NA	23.0	22.7	68%	70%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	23.0	22.7
Latvia	NA	NA	NA	85%	12.0	10.0	85%	80%	9.0	10.0	58%	57%	NA	NA	80%	95%	NA	NA	21.0	20.0
Lithuania	1.5	NA	65%	NA	15.0	13.5	80%	85%	11.0	10.0	58%	58%	NA	NA	85%	90%	NA	NA	27.5	23.5
Malaysia (OCR)	36.0	38.0	50%	50%	55.5	40.0	52%	45%	74.0	77.0	63%	63%	12.9	NA	91%	90%	10.0	9.0	188.4	164.0
Mexico	140.0	50.0	70%	45%	326.0	360.0	60%	61%	230.0	220.0	65%	63%	132.2	136.9	76%	66%	42.0	40.0	870.2	806.9
New Zealand	10.0	6.0	8%	9%	NA	NA	NA	NA	12.0	14.0	22%	23%	NA	NA	NA	NA	NA	NA	22.0	20.0
Peru	4.0	4.0	75%	45%	68.0	87.0	98%	98%	18.0	19.0	67%	68%	NA	NA	NA	NA	8.5	8.5	98.5	118.5
Poland	30.0	30.0	35%	30%	36.0	34.0	37%	45%	175.0	171.0	58%	58%	109.3	NA	94%	NA	5.0	5.0	355.3	240.0
Romania	8.0	8.0	55%	35%	18.0	18.0	78%	80%	32.0	28.0	74%	73%	NA	NA	65%	NA	2.0	2.0	60.0	56.0

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	Motion Pictures				Records & Music				Business Software ¹				Entertainment Software ²				Books		Totals	
	Losses		Levels		Losses		Levels		Losses		Levels		Losses		Levels		Loss	Loss	Loss	Loss
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
WATCH LIST (continued)																				
Saudi Arabia	20.0	20.0	40%	40%	15.0	16.0	35%	40%	85.0	76.0	56%	54%	NA	64.0	68%	83%	14.0	14.0	134.0	190.0
Serbia and Montenegro	NA	NA	85%	90%	12.0	9.0	80%	75%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	12.0	9.0
Taiwan	40.0	42.0	40%	44%	49.4	58.0	36%	42%	83.0	83.0	43%	43%	123.0	261.8	63%	42%	20.0	20.0	315.4	464.8
Tajikistan	NA	NA	NA	NA	5.0	5.2	81%	82%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	5.0	5.2
Turkey	50.0	50.0	45%	45%	15.0	15.0	70%	75%	99.0	81.0	66%	66%	NA	NA	NA	NA	23.0	25.0	187.0	171.0
Turkmenistan	NA	NA	NA	NA	7.0	7.0	85%	89%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	7.0	7.0
Uzbekistan (GSP)	NA	NA	NA	NA	31.0	30.5	81%	81%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	31.0	30.5
Venezuela	25.0	25.0	NA	50%	31.0	29.0	80%	80%	36.0	33.0	75%	72%	NA	NA	NA	NA	NA	NA	92.0	87.0
SPECIAL 306 MONITORING																				
Paraguay ³	2.0	2.0	95%	80%	127.8	154.6	99%	99%	6.0	5.0	83%	83%	NA	NA	NA	NA	2.0	2.0	137.8	163.6
FTA DISPUTE SETTLEMENT																				
Jordan	2.0	2.0	80%	80%	NA	NA	NA	NA	10.0	9.0	67%	65%	NA	NA	NA	NA	NA	NA	12.0	11.0
Singapore	10.0	8.0	12%	15%	3.7	3.2	9%	10%	57.0	55.0	44%	43%	NA	NA	NA	NA	2.0	2.0	72.7	68.2
SPECIAL MENTION																				
Azerbaijan	NA	NA	NA	NA	12.0	12.2	82%	83%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	12.0	12.2
Bahamas	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0	NA
Bangladesh	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	6.0	NA	6.0	0.0
Bosnia and Herzegovina	4.0	4.0	90%	90%	NA	3.0	NA	99%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.0	7.0
Burma	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.0	NA	4.0	0.0
Cambodia	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	4.0	NA	4.0	NA
Canada	NA	120.0	NA	NA	NA	NA	NA	NA	486.0	500.0	36%	35%	NA	NA	NA	NA	NA	NA	486.0	620.0
Croatia	2.0	2.5	25%	27%	NA	NA	NA	NA	22.0	26.0	55%	59%	NA	NA	50%	NA	NA	NA	24.0	28.5
Cyprus	8.0	8.0	50%	50%	NA	NA	NA	NA	5.0	5.0	56%	55%	NA	NA	NA	NA	NA	NA	13.0	13.0
Czech Republic	10.0	NA	25%	NA	12.0	NA	60%	NA	58.0	60.0	39%	40%	NA	NA	NA	NA	NA	NA	80.0	60.0
Estonia	2.0	2.0	30%	35%	6.5	6.5	60%	60%	9.0	9.0	57%	54%	NA	NA	60%	60%	NA	NA	17.5	17.5
Georgia	NA	NA	NA	NA	8.0	8.0	80%	80%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	8.0	8.0
Greece	10.0	10.0	15%	15%	20.0	NA	60%	NA	48.0	53.0	62%	63%	NA	NA	70%	NA	NA	NA	78.0	63.0
Hong Kong (OCR)	28.0	28.0	20%	20%	4.8	14.4	19%	30%	56.0	56.0	52%	52%	NA	NA	NA	NA	7.0	9.0	95.8	107.4
Iceland	0.2	0.2	12%	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.2	0.2
Kenya	NA	NA	NA	NA	12.6	NA	98%	NA	10.0	8.0	83%	80%	NA	NA	NA	NA	NA	NA	22.6	8.0
Laos	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	3.0	NA	3.0	NA
Macedonia	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0	0.0
Nigeria	NA	NA	NA	NA	50.0	NA	99%	NA	33.0	29.0	85%	84%	NA	NA	NA	NA	4.0	NA	87.0	29.0

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	Motion Pictures				Records & Music				Business Software ¹				Entertainment Software ²				Books		Totals	
	Losses		Levels		Losses		Levels		Losses		Levels		Losses		Levels		Loss	Loss	Loss	Loss
	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003
SPECIAL MENTION (continued)																				
South Africa	35.0	35.0	40%	40%	NA	NA	NA	NA	91.0	87.0	37%	36%	NA	NA	NA	NA	2.0	NA	128.0	122.0
Spain	40.0	30.0	25%	10%	90.0	60.0	24%	25%	283.0	305.0	43%	44%	103.6	NA	46%	NA	NA	NA	516.6	395.0
Switzerland	14.0	11.0	20%	15%	NA	NA	NA	NA	137.0	174.0	27%	31%	NA	NA	NA	NA	NA	NA	151.0	185.0
Vietnam	10.0	7.0	NA	100%	NA	NA	NA	NA	27.0	24.0	92%	92%	NA	NA	NA	NA	16.0	12.0	53.0	43.0
TOTALS	1800.7	1671.7			2657.4	2777.6			6448.0	6728.0			1847.5	1686.8			603.0	535.6	13356.6	13245.1

Endnotes:

¹BSA's final 2003 figures represent the U.S. software publisher's share of software piracy losses in each country as compiled in October 2004 (based on a BSA/IDC July 2004 worldwide study, found at <http://www.bsa.org/globalstudy/>). In prior years, the "global" figures did not include certain computer applications such as operating systems, or consumer applications such as PC gaming, personal finance, and reference software. These software applications are now included in the estimated 2003 losses resulting in a significantly higher loss estimate than was reported in prior years. The preliminary 2003 losses which had appeared in previously released IIPA charts were based on the older methodology, which is why they differ from the 2003 numbers in this report.

²ESA's reported dollar figures reflect the value of pirate product present in the marketplace as distinguished from definitive industry "losses." The methodology used by the ESA is further described in Appendix B of this report.

³Paraguay: RIAA reports that its estimated losses to the records and music industry include both domestic piracy in Paraguay and estimated losses caused by transshipment.

"GSP" means that the U.S. government is reviewing this country's IPR practices under the Generalized System of Preferences trade program.

"OCR" means out-of-cycle review to be conducted by USTR.