COPYRIGHT INDUSTRIES’ GLOBAL CHALLENGES AND SOLUTIONS FOR 2010

REDUCE COPYRIGHT PIRACY • REMOVE MARKET ACCESS BARRIERS • STRENGTHEN LAWS

• Internet-based Piracy: Internet piracy in all its forms continues to grow rapidly, hindering legitimate electronic commerce opportunities for the copyright industries and putting at stake the ability to establish and sustain legitimate online offerings. It has caused mounting losses that have been particularly devastating to the music, movie and videogame industries.

• Corporate and Government Piracy of Business Software: Unauthorized use of software by businesses and government entities resulted in the vast majority of the over $31 billion of loss to the U.S. business software industry in 2009.

• Optical Disc Piracy: Pirate product in optical disc formats (e.g., CDs, VCDs, DVDs, CD-ROMs, recordable discs) has long caused enormous harm to copyright owners. Illegal commercial burning locally has largely eclipsed centralized industrial production and distribution of pirate discs.

• Piracy of Books and Journals: The publishing industry continues to face severe challenges, predominantly unauthorized commercial photocopying in shops on and around university campuses. Other forms of piracy affecting the publishing industry include, unauthorized translations/adaptations, offset print piracy, and the marked growth of online piracy.

• Illegal Camcording of Theatrical Motion Pictures: Some of the most damaging piracy of motion pictures today occurs during theatrical release, with illegally camcorded copies made in movie theaters illegally distributed on the Internet, and in direct competition with the legitimate theatrical, DVD and online offerings.

• Mobile Device Piracy: The pre-loading or loading of illegal copyright content onto mobile devices, such as phones, MP3 players, or memory sticks or drives has become a growing new problem, particularly for the music industry, and is becoming a growing problem for the motion picture industry.

• Cartridge-based Videogame Piracy: Factory piracy of entertainment software in cartridge format remains a serious problem, with such cartridges finding their way into numerous countries around the world.

• Circumvention of Anti-Piracy Measures: The demand for pirated copies creates financial incentives for people and organizations to develop “circumvention devices”—software and hardware applications to unscramble, decrypt, bypass or deactivate technological protection measures without the authority of the copyright holder.

• Pay TV Piracy and Signal Theft: Unauthorized transmission of pay TV or satellite signals causes increasing losses to the audiovisual content industries and legitimate broadcasters.

• Market Access: There exists a strong connection between a country’s willingness to open its market to legitimate copyright businesses and its ability to combat piracy effectively. Where there are unjustifiable impediments to the introduction or distribution of legitimate products, or to the commercial establishment of companies involved in the creation, manufacture or distribution of such products, illegal operations fill the void with piratical product.

Solutions: The copyright industries look to governments to:

• Ratify and fully implement the WIPO Treaties;
• Make sustained governmental efforts to enforce copyright laws, protect rightsholders and reduce piracy levels;
• Dedicate enforcement resources commensurate with the scale of the piracy problem;
• Train and empower enforcement authorities to investigate and prosecute copyright offenses;
• Update laws and enforcement tools to meet the current piracy challenges, as the nature of these challenges changes;
• Encourage cooperation by Internet service providers with all content owners, including workable and fair notice and takedown systems and graduated response mechanisms to deal with repeat infringers;
• Issue orders or directives to government agencies, entities, contractors, and educational institutions to use only legal software and legal copies of textbooks and other educational materials;
• Direct government agencies and educational institutions to take appropriate steps to ensure that their networks or computers are not used for infringing purposes;
• Enact and enforce measures to make it illegal to use or attempt to use an audiovisual recording device to make or transmit a copy of a motion picture; and
• Dismantle existing market access barriers and refrain from establishing market access conditions based on the nationality of owner of intellectual property.