

IIPA 2007 "SPECIAL 301" RECOMMENDATIONS

2006 ESTIMATED TRADE LOSSES DUE TO COPYRIGHT PIRACY
(in millions of U.S. dollars)
and 2006 ESTIMATED LEVELS OF COPYRIGHT PIRACY

	Business Software ¹		Records & Music ²		Motion Pictures ³		Entertainment Software ⁴		Books	Totals
	Losses	Levels	Losses	Levels	Losses	Levels	Losses	Levels	Loss	Loss
	2006	2006	2006	2006	2006	2006	2006	2006	2006	2006
PRIORITY WATCH LIST										
Argentina	215.0	76%	82.0	60%	NA	NA	NA	65%	4.0	301.0
Canada	551.0	34%	NA	NA	NA	NA	NA	NA	NA	551.0
Chile ⁴	65.0	64%	29.6	44%	NA	NA	NA	20%	1.0	95.6
Costa Rica	12.0	65%	15.1	60%	NA	NA	NA	NA	NA	27.1
Dominican Republic	10.0	77%	9.9	65%	NA	NA	NA	NA	1.0	20.9
Egypt	47.0	63%	12.0	70%	NA	NA	NA	NA	31.0	90.0
India	318.0	70%	52.7	55%	NA	NA	85.6	82%	40.0	496.3
Israel	41.0	32%	45.0	50%	NA	NA	11.4	84%	1.0	98.4
Mexico	296.0	63%	486.6	67%	NA	NA	182.0	85%	41.0	1005.6
People's Republic of China	1949.0	82%	206.0	85%	NA	NA	NA	NA	52.0	2207.0
Russian Federation (OCR+GSP)	1433.0	83%	423.0	65%	NA	NA	282.1	72%	42.0	2180.1
Saudi Arabia	112.0	51%	20.0	50%	NA	NA	NA	NA	8.0	140.0
Thailand	164.0	80%	20.7	50%	NA	NA	NA	82%	35.0	219.7
Turkey	203.0	66%	20.0	80%	NA	NA	NA	NA	20.0	243.0
Ukraine	290.0	85%	30.0	60%	NA	NA	NA	NA	NA	320.0
Venezuela	124.0	84%	50.6	80%	NA	NA	NA	NA	NA	174.6
WATCH LIST										
Bangladesh	NA	NA	40.0	70%	NA	NA	NA	NA	8.0	48.0
Belarus	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0
Brazil	497.0	62%	176.5	40%	NA	NA	159.3	88%	18.0	850.8
Bulgaria	24.0	69%	7.0	75%	NA	NA	NA	NA	NA	31.0
Colombia ⁴	48.0	56%	62.5	71%	NA	NA	NA	35%	6.0	116.5
Ecuador	16.0	68%	33.0	98%	NA	NA	NA	NA	2.0	51.0
Greece	106.0	65%	30.0	60%	NA	NA	30.2	68%	NA	166.2
Hungary ⁴	67.0	44%	20.0	35%	NA	NA	NA	40%	NA	87.0
Indonesia (OCR)	156.0	85%	17.2	91%	NA	NA	NA	NA	32.0	205.2
Italy	716.0	50%	48.0	27%	NA	NA	647.7	40%	20.0	1431.7
Kazakhstan	61.0	86%	NA	NA	NA	NA	NA	NA	NA	61.0
Kuwait	49.0	71%	9.0	70%	NA	NA	NA	NA	0.5	58.5
Lebanon (GSP)	20.0	72%	2.6	60%	NA	NA	NA	NA	NA	22.6
Lithuania	20.0	59%	13.0	85%	NA	NA	NA	NA	NA	33.0
Malaysia	NA	61%	22.0	45%	NA	NA	28.0	90%	9.0	59.0
Nigeria	59.0	82%	52.0	95%	NA	NA	NA	NA	8.0	119.0
Pakistan (OCR)	20.0	84%	25.0	100%	NA	NA	NA	NA	55.0	100.0
Peru	27.0	70%	53.5	98%	NA	NA	NA	NA	NA	80.5
Philippines (OCR) ⁴	35.0	72%	50.3	62%	NA	NA	NA	NA	49.0	134.3
Poland	264.0	58%	24.0	35%	NA	NA	NA	75%	NA	288.0
Romania	66.0	69%	12.0	60%	NA	NA	NA	77%	NA	78.0
South Korea (OCR)	NA	45%	0.3	7%	NA	NA	353.5	68%	45.0	398.8
Spain ²	501.0	46%	25.0	22%	NA	NA	111.5	48%	NA	637.5

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	Losses	Levels	Losses	Levels	Losses	Levels	Losses	Levels	Loss	Loss
	2006	2006	2006	2006	2006	2006	2006	2006	2006	2006
Taiwan (OCR)	90.0	41%	16.2	28%	NA	NA	NA	NA	18.0	124.2
Tajikistan	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0
Turkmenistan	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0
Uzbekistan (GSP)	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0
Vietnam	40.0	88%	NA	95%	NA	NA	NA	NA	18.0	58.0
SPECIAL 306 MONITORING										
Paraguay ^{2,4}	7.0	81%	128.0	99%	NA	NA	NA	98%	NA	135.0
FTA DISPUTE SETTLEMENT										
Bahrain	12.0	60%	NA	NA	NA	NA	NA	NA	NA	12.0
Jordan	11.0	64%	NA	NA	NA	NA	NA	NA	NA	11.0
Morocco	30.0	66%	NA	NA	NA	NA	NA	NA	NA	30.0
Singapore	NA	NA	1.2	5%	NA	NA	NA	NA	2.0	3.2
SPECIAL MENTION										
Azerbaijan	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.0
Cambodia	NA	NA	NA	NA	NA	NA	NA	NA	5.0	5.0
Hong Kong	91.0	54%	2.9	17%	NA	NA	59.9	60%	5.0	158.8
Japan	909.0	27%	NA	NA	NA	NA	NA	NA	NA	909.0
Lao People's Democratic Republic	NA	NA	NA	NA	NA	NA	NA	NA	3.0	3.0
Latvia	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
New Zealand	105.0	23%	NA	NA	NA	NA	NA	NA	NA	105.0
Oman	14.0	62%	NA	NA	NA	NA	NA	NA	NA	14.0
Singapore	NA	NA	1.2	5%	NA	NA	NA	27%	2.0	3.2
South Africa	119.0	35%	NA	NA	NA	NA	NA	NA	3.0	122.0
Sweden	170.0	26%	NA	NA	NA	NA	NA	NA	NA	170.0
Switzerland (OCR)	165.0	25%	NA	NA	NA	NA	NA	NA	NA	165.0
TOTALS	10345.0		2374.4		NA		1951.0		582.5	15252.9

Endnotes:

¹ BSA's 2006 statistics are preliminary. They represent the U.S. publishers' share of software piracy losses in each country, and follow the methodology compiled in the Third Annual BSA/IDC Global Software Piracy Study (May 2006), available at <http://www.bsa.org/globalstudy/>. These figures cover, in addition to business applications software, computer applications such as operating systems, consumer applications such as PC gaming, personal finance, and reference software. BSA's 2006 piracy statistics will be updated later in 2007 and will be made available on the IIPA website at such time.

² Paraguay: RIAA reports that its estimated losses to the records and music industry include both domestic piracy in Paraguay and estimated losses caused by transshipment.

Spain: RIAA's 2005 estimated losses in the \$75 million range reflect U.S.-only estimates; all-industry (local plus international repertoire) are in the \$75 million range.

³ MPAA's trade loss estimates and piracy levels for 2006 are not yet available. However, such numbers will become available later in the year and, as for 2005, will be based on a methodology that analyzes physical or "hard" goods and Internet piracy. For a description of the new methodology, please see Appendix B of this report. As the 2006 loss numbers and piracy levels become available, they will be posted on the IIPA website, <http://www.iipa.com>.

⁴ ESA's reported dollar figures reflect the value of pirate product present in the marketplace as distinguished from definitive industry "losses." ESA's methodology is described in Appendix B of IIPA's submission. Several piracy rate estimates included for 2006 in this report (for Chile, Colombia, Hungary and Paraguay) reflect only the piracy rate for handheld products -- which may differ from and often underestimate overall piracy levels in a given country.

"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.