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ILLEGAL DOWNLOADING
Inappropriate for All Ages



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**Hot
issue**

As the legal distribution of entertainment becomes a viable alternative to online piracy, *CISAC News* examines the impact that the future US Supreme Court's decision in the Grokster file-sharing case will have on the enforcement of copyright internationally.

Support Creativity, Download Legally

"If the work of creators is not protected, and is used around the world without just payment, it is very likely that, in the end, neither the creator nor the copyright holder will be able to continue to make this work available. The losers will not only be those artists whose talent and hard work is the creative heart on each screen, TV and iPod; but also the very public that enjoys quality movies, music and television." This joint statement was made by an alliance of American entertainment unions including, CISAC members DGA and WGA, along with the American Federation of Musicians, the American Federation of Television and Radio Artists, and the Screen Actors Guild. This group joined forces in January 2005 when filing an *amicus curae* or "friend of the court" brief in support of MGM Studios Inc. in its suit against P2P software provider Grokster. Their concern is one shared by all creators, copyright societies and the entertainment industry the world over, and now pushed to the forefront by this high-stakes case.

The US Supreme Court will decide if Grokster should be held liable for the infringement activities generated by the users of its software. As we went to press, the US Supreme Court began hearing arguments in the case of *MGM Studios Inc. et al. vs. Grokster, Ltd.* The long-awaited decision, expected by July, may affect the future of legal online entertainment and the enforcement of copyright laws not only in the US, but also around the world. Many believe the Court's judgement will define the next chapter in online entertainment distribution and the fight against illegal P2P and online piracy. With such a momentous decision hanging in the balance, we surveyed CISAC members, from the US to Japan, Chile to the Czech Republic, to gain a consensus of international opinion on the Grokster file-trading case and the development of the legal online market. *CISAC News* gives the floor to its members who have outlined their views on Grokster, and some of their latest initiatives on copyright awareness, online licensing schemes and the fight against online piracy. ■



BMI's Fred Cannon (right) faces off with Consumer Rights Association activist Michael Petricone outside the US Supreme Court building.

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The Grokster Case in

On December 10, 2004, the US Supreme Court agreed to hear the appeal of the Grokster file-sharing case brought by the entertainment industry. That decision called for the review of the Federal Ninth Circuit Court of Appeals' judgement in San Francisco on August 19, 2004. The lower court found that two distributors of peer-to-peer software, Grokster and StreamCast, could not be held liable for their users' copyright violations, even if they clearly knew that people were using their software to infringe copyrights, intentionally structured their businesses to avoid liability, and benefited financially from the 'illicit draw of their wares'.

Last year, US copyright owners, including the MPAA, RIAA, and CISAC member NMPA filed the original petition for a Supreme Court review. Later, CISAC members ASCAP, BMI and SESAC joined an unprecedented coalition of creators, state attorneys general, digital entertainment services, academics and other interested parties in more than 100 countries outside the US in submitting "friends of the court" briefs asking the Supreme Court to review the file-sharing decision.

"The hope is that the Supreme Court will overturn the lower court decision in order to protect the rights of the music creators whose livelihoods depend on getting paid for their work," said Pat Collins, President of SESAC. "It's all about being compensated for your work, as is the case

without question in virtually every other endeavour," he added.

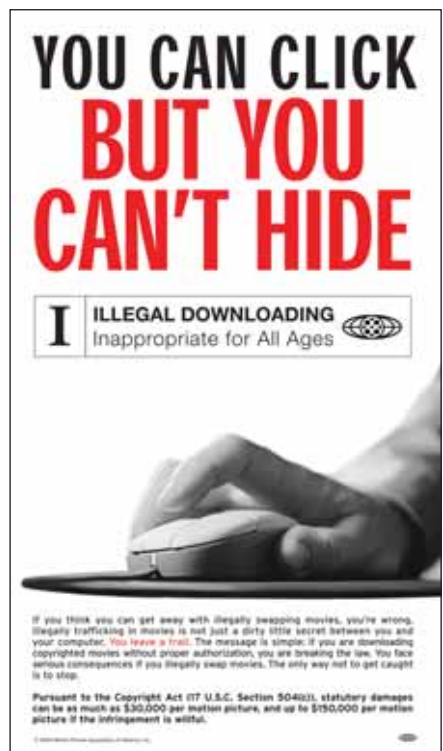
In its final brief in support of the petitioners, the NMPA responded to Grokster and StreamCast's arguments directly and affirmed its support for the many lawful uses of P2P technology. Yet, given that songwriters and publishers are "suffering immediate, substantial and ongoing harm", the NMPA urged the Supreme Court to take action and avoid deferring the matter to the US Congress.

Big-name stars have rallied in support of the petitioners including Fleetwood Mac, Babyface, Sheryl Crow, Dixie Chicks, Gavin Rossdale of Bush, legendary Motown songwriter Lamont Dozier, the rock 'n' roll song-writing team of Jerry Leiber and Mike Stoller, and several major league sports organisations. In addition, the recently made-over P2P software maker Napster, LLC, once found liable of copyright infringement itself, now supports the plaintiff's claim in its own *amicus* brief filed against Grokster. Napster asked the Supreme Court "to redress the misapplication of that decision in order to provide certainty to the emerging market of legal online distribution of copyrighted works".

According to the Washington Post, a group of musicians broke rank and came out in support of Grokster, while still condemning the theft of copyrighted works. In contrast to International Rights Owners, they feel the P2P software should not be held accountable for the misdeeds of its users who violate copyright law and that services like Grokster's provide a legal alternative for artists to distribute their material.

The controversy and the stakes

The Appeals Court's decision was based on the *Sony Corporation of America. vs. Universal Studios, Inc.*, case of 1984, in which the Supreme Court judged that the use of Betamax recorders for non-commercial copying of broadcast television programmes was within the guidelines of fair



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"When songs get hijacked and used without permission or payment, songwriters - the little invisible guys who fuel the entire music industry - feel the effects of the theft first, and worst. Songwriters live off royalty income alone," said Rick Carnes, President of the Songwriters Guild of America, pictured demonstrating outside the US Supreme Court during the Grokster hearing.

a Nutshell

use. BMI and those in support of the plaintiff strongly disagree. On its website BMI remarks that the "Betamax defence" failed to take into account the current age of digital duplication, in which unauthorised copies could be made with minimal loss in quality and distributed to millions without compensation to rights owners.

While P2P makers and their supporters see themselves as "David" to the entertainment industry's "Goliath", creators around the world see illegal P2P file-swapping as a shameless fleecing of their rights and revenue. Unless reversed, the Court of Appeals' decision sets a bad precedent not only in the US but elsewhere, and risks making the US a piracy haven from which infringing copies of protected material spill over the border via the internet to hurt rights' owners in other countries. The Supreme Court's decision could mark a major turning point, either in the direction of improved copyright protection or the economic undermining of creative professionals whose works are taken with no compensation paid.

"Individuals, enabled by the ease of the internet, can go into theatres, illegally camcord a film and upload it onto the internet where it will be downloaded by others who see nothing illegal in taking that pirated film for free. Why would I as a director - why would my fellow directors - want to make a film that is exploited in that way and which robs them of both their livelihood and their work? And why would the

studios want to put money into a film that can be stolen and illegally mass distributed before or just as it reaches the screen. The answer is we won't and they won't," says Gil Cates, Secretary Treasurer of the DGA. His sentiments are supported by statistics from the MPAA that estimate movie piracy costs the film industry \$3.5bn a year in "hard-goods" piracy, involving illegal videotape and optical-disc copies of theatrical releases, which then contributes to the propagation of illegal files pirated over the internet through file-sharing networks.

IFPI reports similar losses in the music industry, which are a direct result of illegal file sharing and the rise of broadband internet access. Music sales have fallen by more than \$6bn in the last five years with significant declines in countries around the world, as follows: Germany 50%, Denmark 43%, Netherlands 35%, Italy 24%, Austria by 30%, and Finland by 18%. On behalf of the international record industry, IFPI launched 963 new lawsuits against internet music file-traders in 11 countries in Europe and Asia in April. While the RIAA just launched 725 new lawsuits in May, bringing the total number of cases against illegal file-sharers to 12,278 worldwide.

Worldwide mobilisation of rights owners

Although the case takes place in the US, the Supreme Court's decision could have major repercussions on copyright enforce-

ment worldwide. Therefore, International Rights Owners united in defence of their creative works. In January 2005, major international trade associations joined forces in filing briefs in support of the lead copyright owner in the case, MGM Studios. The organisations filing 'friend of the court' briefs include authors rights societies organisations BIEM and CISAC; the International Confederation of Music Publishers ICMP; the International Recording Industry Association IFPI; the International Actors' Federation FIA; the International Film Producers' Association FIAPF; the International Publishers' Association IPA; and the International Video Federation IVF.

According to the International Rights Owners, the Ninth Circuit's decision is "inconsistent with international agreements" and "threatens to place the United States in breach of its international obligations and responsibilities." Therefore, they have urged the Court to acknowledge the obligation that the US has "not only to recognise the intellectual property rights that are violated by unauthorised uses of copyrighted works on the internet, but also provide foreign rights owners adequate and effective means of enforcing such rights." International Rights Owners also acknowledge the existing challenge posed by policing cross-border copyright laws, and fear this will only be exacerbated if the permissiveness of the Court of Appeals' decision is upheld. ■



Legal Online Takes Off

Anti-piracy legislation and the proper promotion of legal online services by the entire industry are key to the global digital entertainment business and the international creative rights community. Many authors' and producers' societies have been working to counterbalance the advance of illegal file-sharing through copyright awareness campaigns, anti-piracy enforcement and the creation of legitimate alternatives.

"The biggest challenge for the digital music business has always been to make music easier to buy than to steal. At the start of 2005, as the legitimate digital music business moves from niche market into the mainstream of consumer life, that ambition is turning into reality," declared John Kennedy, Chairman and CEO of IFPI.

In March 2003, IFPI launched www.pro-music.org, an international initiative to promote legitimate online music services and confront the myths surrounding online music piracy. The website is supported by an international alliance of musicians, performers, artists, major and independent record companies and retailers across the music industry. Adapted in Austria, France, Germany and Italy, Pro-Music.org, is the legitimate music sector's strike against the spread of unauthorised music on the internet.

These and other public information efforts appear to be paying off. According to IFPI's 2005 Digital Music Report, the digital music landscape is evolving quickly to accommodate lawful online business models. Statistics from the report show promising trends are afoot (see insert).

While a recent survey from Pew internet & American Life Project shows the number of US internet users who use

IFPI's 2005 DIGITAL MUSIC REPORT

- The number of online services where consumers can buy music has increased four-fold to more than 230 world-wide and over 150 of those are in Europe.
- The digital download market is growing geometrically; in 2004, downloaded tracks rose more than ten-fold to over 200 million in the US, UK and Germany combined.
- Digital sales could rise to as much as 25% of total sales in five years.



The Italian version of the international Pro Music campaign.

peer-to-peer technologies has fallen from 29% to 14%, the threat of online file-trading technology remains a major concern. Marilyn Bergman, ASCAP President and Chairman asserts: "All of us who cherish the rights of music creators are concerned with the rampant piracy of music enabled by the peer-to-peer technologies. In fact, piracy is too complimentary and exciting a word for what's going on. It's stealing! Mass lawsuits are one direction to go in. Another, gentler way is to pursue various educational and public relations initiatives to see if we can get the new generation of file-sharers and

downloaders to begin to understand the concept of intellectual property and its value."

Recent surveys further support the impact that public information campaigns have on consumers across the globe. An Ipsos-Insight survey shows 47% of Americans have tried a paid download service, an increase of 22% from one year ago. IFPI reports, more and more people acknowledge that unauthorised file-trading is illegal. Already, the number of music files downloaded in Germany fell 35% in 2004. Moreover, as KaZaA's user numbers have plummeted 45%, Apple's iTunes Music Store boasts increasing sales of more than 250 million songs.

CISAC members weigh In

As you will read in the following pages, CISAC member societies from Argentina to Hong Kong are closely following the Grokster case and are already bracing themselves for the outcome of the future Supreme Court decision. Judging from the collaborative efforts already under way, CISAC and the worldwide community of rights' owners are clearly galvanised to tackle online copyright infringement on multiple fronts. Be they ground-breaking court cases, public awareness campaigns, decisive licensing agreements landmark legislation or innovative information programmes, all reflect the wide-ranging approaches of CISAC's member societies. Furthermore, member societies unanimously agree that the legal online distribution of creative works is becoming a viable alternative to online piracy. The pivotal US Supreme Court ruling in the Grokster case will undoubtedly mark a new phase in the defence of creators' rights in the digital age, and, we hope, new opportunities for the expansion of the legitimate online entertainment market in the future. ■



Dutch recording artist and Buma/Stemra member Kasper van Kooten promotes anti-piracy efforts with his CD, "Better Than the Copy" at the recent joint Buma/Stemra, IFPI, BREIN press conference.



Pop Song "Better Than the Copy" Part of Dutch Anti-Piracy Initiative

THE COURT OF APPEALS OF AMSTERDAM recently ruled in favour of P2P software provider KaZaA in a case against the online service for copyright infringement brought on by **Buma/Stemra**. As it only provides software, the Court ruled, the P2P could not be held liable of copyright infringement. Despite the legal setback, Buma/Stemra is working aggressively in stemming the tide of online piracy. Cees Vervoord, Board Chairman of Buma/Stemra and CISAC concluded, "It is totally irresponsible to advertise 'unlimited uploading of music'. Firstly,

uploading is illegal in most cases. Secondly, you are exposing your customers to the risk of having to pay damage claims for rights holders. In the present climate, one would expect that companies of this size and importance would be working on the growth of their profit margins in an ethical and responsible way, whilst considering the rights of music authors."

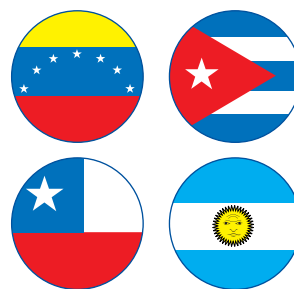
In April 2005, Buma/Stemra held a major press conference with IFPI and the Dutch anti-piracy task force, BREIN to announce new legal measures to be taken against internet users who unlawfully distribute mass quantities of music files using peer-to-peer file-swapping services. Thirty-two lawsuits are already under way, with many more to follow. This latest crackdown comes after the launch of several legal download alternatives and years of information campaigns and warnings from Buma/Stemra, BREIN and others in the Dutch community of rights owners.

SABAM Scores First-ever Victory Against ISP



ACCORDING TO THE BELGIAN BRANCH OF IFPI, the legal online market is struggling against an unusually high penetration of online music piracy. Statistics say, illegal downloading of music represents almost 100% of all musical downloads, whereas the percentage is around 90% elsewhere. The 250,000 songs downloaded in Belgium legally represent only 0.1% of the overall market. Should the US Supreme Court rule in

favour of the petitioners, Belgian collection society **SABAM** may consider taking legal action against local peer-to-peer software makers. SABAM has acted aggressively in stabilising the Belgian legal online music market and recently won an important legal victory of its own against ISP, Tiscali. A Belgian court upheld SABAM's claim that Tiscali must block access to all "peer-to-peer" (P2P) file exchange systems and prevent the illegal exchange of copyrighted works.



Latin America Toughens Anti-Piracy Policies

HAVING RECENTLY APPROVED the WIPO Internet Treaties, Venezuela is now ready to work with internet access providers in curtailing online piracy. **SACVEN** is a member of the Venezuelan Subcommission Against Crimes Against Intellectual Property, and together, they actively work with public and private sector organisations in promoting copyright and the negative consequences of both online and offline piracy.

Cuba has been working diligently to ensure its online musical repertoire is protected and in compliance with international agreements. **ACDAM** is developing a system of tracking its musical works online, which is fully supported by the government. The Cuban Republic's Law N°. 14 now requires online content providers that use copyrighted works to obtain a license and pay royalties to ACDAM regardless of how the work is used. Cuba's Minister of Culture is leading the charge to encourage licensing, the lawful use of musical works and the enforcement of authors' rights.

Argentina's **SADAIC** is currently in discussions with leaders of the Argentinean music industry on licensing legal online sites. Legal download options, they believe, can be an effective tool in thwarting online piracy, only if low-cost downloads are offered and technical safeguards are put in place to prevent counterfeiting. Chile's **SCD** recently signed agreements with local ISPs to develop legal online services for consumers in addition to awareness campaigns on both digital and analogue piracy.

SOCAN Steers Reform of Canada's Copyright Laws



IN APRIL, the Canadian Recording Industry Association asked the Federal Court of Appeal

to force local ISPs to reveal the identities of their users responsible for unlawfully distributing 43,500 songs over P2P networks. The Court's decision is expected this summer and may mean lawsuits against individual users will be imminent.

SOCAN is leading the Canadian music industry's efforts to educate the public and reform their copyright laws. Although the Grokster decision may not impact on Canadian copyright laws directly, SOCAN, along with other interested parties, is proposing that the Canadian government amend the Canadian Copyright Act in order to comply with and ratify the provisions of the WIPO internet Treaties.

In addition, proceedings are currently under way with the Copyright Board of Canada to determine the amount and allocation of royalties for the transmission of music on the internet as proposed by SOCAN's Tariff 22. Already, the Board has decided "a royalty can be imposed on those who post music on a server located in Canada to which internet users have access."



Australia: Reining in Widespread TV and Music Piracy

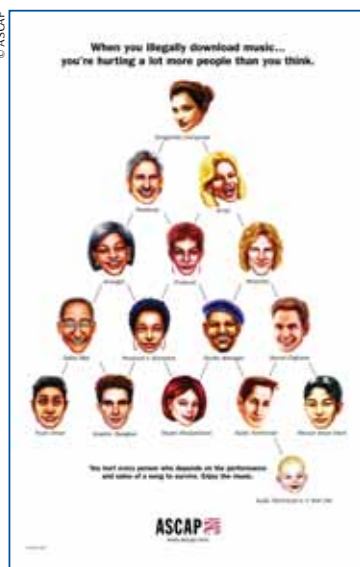
ACCORDING TO A RECENT STUDY by internet monitoring company, Envisional, Australia ranked second in the world among users who illegally download pirated TV programmes, after the UK and ahead of the US. The same study estimates that 70% of digital asset piracy is transferred through the peer-to-peer application BitTorrent. In light of these startling statistics and information uncovered during an ongoing investigation, the Music Industry Piracy Investigation unit recently raided Swiftel Communications, the ISP that hosts BitTorrent. Evidence seized from the raid will be used against the ISP in a copyright infringement case brought by the Australian music industry, to be decided in court.

APRA/AMCOS reports: "There have been a number of recent changes to the Copyright Act, which have strengthened the position of copyright owners with respect to online distribution of infringing material, including remedies against carriage service providers, the meaning of making a copy in material form and the protection of electronic rights management information." The case against Swiftel/BitTorrent will be the first to test legislation passed to enact the Australian-United States Free Trade Agreement (AUSFTA) that limits the liability of service providers if reasonable measures are enacted to prevent online piracy. In addition, Australian Courts will soon be releasing a decision in the case against KaZaA, brought on by the music industry, which may set a precedent in determining the liability of peer-to-peer applications in future copyright infringement cases.



ASCAP & BMI at the Forefront of Copyright Awareness in the US

© ASCAP



IN ADDITION TO THE AMICUS BRIEFS filed in the Grokster case, **ASCAP** and **BMI** have played an active role in generating public awareness on the risks of illegal online file-trading. ASCAP recently targeted its efforts towards college students and conducted a survey on campuses where illegal downloading is epidemic. After testing attitudes on downloading, it ran extensive print and media ads aimed at educating students about the impact of their actions on creative professionals. The results of their findings had a positive impact on students, many of whom reported they planned on downloading less after seeing the ads. ASCAP has already partnered with media giant Westwood One and is encouraging others in the industry to join them in rolling out their anti-piracy media campaign.

BMI's Fred Cannon, Senior Vice President of

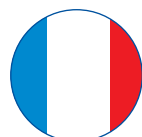
Government Relations, attended the arguments of the Grokster case at the US Supreme Court and directly confronted the respondents' claims. "It is important to understand that the issue relating to the Grokster case is about protecting creativity. Stealing songs on the internet is just the beginning – where will it end? Members of the American public need to understand that tomorrow it may be their property that is taken. Taking songwriters' property without their permission and no compensation is plain STEALING in any language!" In March, BMI worked with others in the industry in co-ordinating the media campaign promoting Copyright Awareness Week, a week-long programme directed at young people on respecting creators' rights.



© LE FORUM DES DROITS SUR L'INTERNET



© SACEM



France: Societies Prove Strength in Numbers by Joining Forces Against Piracy

LAST FEBRUARY, the Court of First Instance of Pontoise ordered an internet surfer to pay a fine of €3,000, as well as €12,000 to **SACEM** and record producers for uploading 10,000 protected works through a P2P service. Later this year, more targeted legal measures will become easier to enforce once the French government authorises the collection of IP addresses from those suspected of infringing copyright.

While legal alternatives to unauthorised downloading are growing, SACEM insists that proceedings, with the co-operation of government agencies, must continue against copyright infringers of creative works. In addition, content providers must be persuaded to be more interoperable with one another. Moreover, in steering internet users away from illegal P2P file-swapping, SACEM maintains that additional legal website offerings be cultivated, and the sales tax on downloadable creative works be reduced. In January 2005, SACEM partnered with SNEP, SCPP, UPFI/SPPF and the French Ministry of Culture and Communication to launch a national billboard campaign, "Téléchargez-moi légalement-Download Me Legally", featuring well-known French recording artists to promote legal music downloading. The ads were placed in high-visibility areas around the country. This print campaign is one piece of an extensive educational plan to be introduced in schools, and marketed to the general public by promoting the array of legitimate alternatives to peer-to-peer file trading now available in France.

Last July, SACEM signed an agreement with ISPs calling for co-operation in curtailing online piracy. French audio-visual society **SACD** applauded this action and agreed to pursue similar efforts in its field. As such, ISPs have agreed to generate pub-

lic awareness on illegal file-sharing and do all they can to put in place anti-piracy measures. Record producers for their part, agree to release more music from their catalogues for legal use online.

Free, a local broadband internet and cable TV provider, has already signed an agreement with broadcasters allowing for the use of protected works and recently signed an agreement with SACEM, SACD, **SCAM**, and **ADAGP** to allow for the legal access to their repertoires for broadcast. Furthermore, Free has agreed to fully co-operate with the cultural industry in promoting legal entertainment online.

SACEM, SACD, and others also joined internet service providers and Vivendi Universal in the publication of *Net Attitude*, a guide commissioned by the government and aimed at young internet users on illegal file-sharing. The 16-page booklet is a primer on enjoying online entertainment while respecting creators' rights, and will be updated

regularly to keep pace with changes in laws and technology.

SACD, along with The French Ministry of Culture and Communication, the Ministry of Industry the Ministry of National Education and the film industry, have developed a comprehensive plan to fight online piracy. Their multi-faceted approach will generate public awareness on the issue, enforce measured legal responses against illegal downloaders and develop legal online alternatives.

SACD has also proposed financing its anti-piracy actions with remunerations collected for private copying. Additionally, it has proposed putting in place an internet monitoring system to measure piracy's proliferation and appointing a task force within those government ministries most affected by its devastation. Finally, a broad spectrum of penalties, aimed at everyone from occasional downloaders to heedless offenders, is being designed with the support of ISPs.

GEMA Launches "Music Moves" Campaign at Frankfurt Music Fair

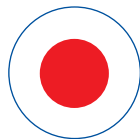


UNDER THE NEWLY AMENDED German Copyright Act, any music fan caught downloading music at home from "obviously illegal sources" will be prosecuted. In April 2005, **GEMA** launched a comprehensive information campaign called, "Musik bewegt - Music moves", at the Frankfurt Music Fair to inform users about this new responsibility and address ambiguities surrounding the new legislation. At the same time, GEMA has made a committed effort to prohibit access to unauthorised file-swapping services. GEMA's President and Chief Executive Officer Prof.

Dr. Reinhold Kreile commented: "GEMA currently has no licensing agreements with low-price providers from Russia like for example, allofmp3.com. This means that downloads of musical works from GEMA's repertoire from such providers are illegal in Germany." Television piracy is also being addressed in German courts. Already, the German District Court of Hamburg recently prohibited the distribution of a P2P software, "Cybersky TV", which allows near-real-time streaming of TV content over the internet. The decision comes as German pay-TV company Premiere pursues legal action against its German software maker, TC Unterhaltungselektronik (TCU).



JASRAC Prevails Against "Japanese Napster"



"SINCE THE JAPANESE MEDIA has been giving coverage on P2P lawsuits in the US, including the initial judgment of the Grokster case, some Japanese users are claiming that P2P is legal in the US. In this sense, if the anticipated US Supreme Court decision reverses the initial Appeals Court's judgment, we believe that Japanese consumers and courts would see it as a major move towards the protection of rights in the US," reports JASRAC.

In March 2005, JASRAC was successful in its suit against MMO Japan Ltd. a file-swapping software known as "File Rogue" and often referred to as the Japanese version of Napster. The Tokyo High Court

ruled MMO Japan violated copyright law and has ordered it cease transmission of music files and pay 30 million yen in damages. In parallel, JASRAC built the JASRAC NETWORKCHESTRA system to promote and track the use of music on the internet, as well as, allow licenses to be obtained from a personal computer 24 hours a day.

CASH Licenses Hong Kong's First Legal Online Music Store



WHILE CASH fears the original judgement in favour of Grokster has sent the wrong message to illegal downloaders, it hopes the Appeals Court's decision will be reversed by the US Supreme Court. In February 2005, Hong Kong's CASH licensed EOLASIA.com, the first authorised digital music download website in Hong Kong, and is set to license another one later this year. CASH is planning to work with local ISPs to rein in file-sharing and predicts the successful convergence of the internet and mobile markets may help reduce online piracy.



AEPI Leads Charge Against Online Piracy



IN LINE WITH INTERNATIONAL OPINION, AEPI is hoping for a judgement in favour of the petitioners. Although AEPI works in close co-operation with ISPs, they have not yet signed agreements on the use of legal downloading. However, they do advise providers without proper credentials to remove works in violation of copyright. Through national press and their member newsletter, they actively keep the public and their members abreast of the hazards of pirating works over the internet. ■

Eastern and Central European Societies Attend Anti-Piracy Training Seminar

CISAC IS WORKING CLOSELY with all Eastern European societies in developing strategies to tame the rampant online piracy of musical works. Last November, Eastern European societies participated in a CISAC training seminar that covered the online usage of musical works and allowed Western European authors' societies to share their experiences with their Eastern European sister societies. The seminar dealt with practical issues such as the CISAC distribution rules and successful business models for online usage, as well as an overview of the multiple forms of online piracy.



STIM Raid Against ISP Uncovers Vast Archive of Pirated Works

"WE STRONGLY SUPPORT the notion that every society should be capable of providing local operators with a comprehensive global license and that every society should deal with any infringements of copyright law that local operators may commit," says Kenth Muldin, Chief Executive, STIM. To that end, STIM along with Swedish authorities stormed the headquarters of local internet service provider Bahnhof internet in Stockholm and uncovered a super archive believed

to be one of the biggest in Europe containing over 450,000 songs, 5,000 computer programmes and 1,800 films. The raid was seen as a major breakthrough for the international creative rights' community. "The material that was seized contained not only evidence of piracy or organisations operating in Sweden, but of online piracy operations through all of Europe," declared John Malcom, the MPAA's world-wide anti-piracy director in the LA Times just after the incident.