



# NEWS RELEASE

**For Immediate Release**  
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## **MPA MEMBER COMPANIES SUE P2P FILE SHARING NETWORK OPERATOR FOR INFRINGING COPYRIGHTS**

### ***Movie Studios Seek Xunlei To Cease Infringing Activities and Pay Damages***

Hong Kong/Beijing – Today the Motion Picture Association (MPA) announced that its six member companies have filed civil complaints in the Shanghai Pudong District Court against Shenzhen Xunlei Networking Technology Co Ltd (Xunlei), a popular peer-to-peer file sharing network operator, alleging copyright infringement and seeking total damages and legal costs in excess of RMB 7 million. The plaintiffs also seek a public acknowledgement of the infringements and Xunlei's pledge to refrain from future infringements.

Xunlei operates and makes available a software application that facilitates the unauthorized peer-to-peer transmissions of hundreds of MPA member company titles. This application provides search and linking services and is used in conjunction with the software to stream and/or download films hosted on various systems spread across the internet. Counsel for MPA sent 78 separate notices of infringement to Xunlei over a five week period before initiating the litigation.

Among the 32 MPA member companies titles included in the complaints were "Spiderman 3", "War of the Worlds" and the "Miami Vice".

"These actions demonstrate that copyright holders can and will vigorously defend their property by any legal means, including redress before the courts where necessary," said Frank Rittman, Vice President, Deputy Regional Director and Regional Legal Counsel, Asia-Pacific for the Motion Picture Association. "P2P piracy is a huge problem in China, which if left unattended, will threaten the continued development of legitimate online services supported by copyright owners."

"We have been encouraged by the Chinese Government time and again to use their courts to defend our members' rights, and by doing so we are demonstrating our continued faith in the sovereignty of the judicial process in China."

The MPA and its member companies maintain active litigation programs in many countries aimed at defending member companies' copyrights against unauthorized and illegal infringement. Since 2006 in China alone, the MPA has successfully concluded 42 complaints involving 135 counts of infringement resulting in damages and cost awards in excess of RMB 2 million.

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## ***Piracy in Asia***

A comprehensive study aimed at producing a more accurate picture of the impact that piracy has on the film industry including, for the first time, losses due to internet piracy, recently calculated that the MPA studios lost US\$6.1 billion to worldwide piracy in 2005. About US\$2.4 billion was lost to bootlegging\*, US\$1.4 billion to illegal copying\* and US\$2.3 billion to Internet piracy. Of the US\$6.1 billion in lost revenue to the studios, approximate US\$1.2 billion came from piracy across the Asia-Pacific region, while piracy in the U.S. accounted for US\$1.3 billion.

In 2006, the MPA's operations in the Asia-Pacific region investigated more than 30,000 cases of piracy and assisted law enforcement officials in conducting nearly 12,400 raids. These activities resulted in the seizure of more than 35 million illegal optical discs, 50 factory optical disc production lines and 4,482 optical disc burners, as well as the initiation of more than 11,000 legal actions.

*\*Bootlegging: Obtaining movies by either purchasing an illegally copied VHS/DVD/VCD or acquiring hard copies of bootleg movies.*

*\*Illegal copying: Making illegal copies for self or receiving illegal copies from friends of a legitimate VHS/DVD/VCD.*

*\*Internet piracy: Obtaining movies by either downloading them from the Internet without paying or acquiring hard copies of illegally downloaded movies from friends or family.*

**About the MPA:** *The Motion Picture Association (MPA) represents the interests of major motion picture companies in the global marketplace. On behalf of its member companies, the MPA conducts investigations around the world, assists with the criminal and civil litigation generated by such cases, and conducts education outreach programs to teach movie fans around the world about the harmful effects of piracy. The MPA directs its worldwide anti-piracy operations from its headquarters based in Los Angeles, California and has regional offices located in Brussels (Europe, Middle East and Africa), São Paulo (Latin America), Montreal (Canada) and Singapore (Asia-Pacific). The MPA's anti-piracy activities have helped to transform entire markets from pirate to legitimate, benefiting video distributors, retailers, and foreign and local filmmakers alike. The MPA member companies include: Buena Vista International, Inc.; 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. For more information about the MPA, please visit [www.mpa-i.org](http://www.mpa-i.org).*

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