

June 2004

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With direct and indirect losses from piracy now costing the film industry in Australia nearly \$200 million a year, Screenrights talks to Adrienne Pecotic, Executive Director of AFACT, the Australian Federation Against Copyright Theft.

AFACT was established in 2004 to protect the industry from the adverse effects of copyright theft, and to build on the previous work of the Australasian Film and Video Security Office, Pecotic said.

According to AFACT, DVD piracy is growing fast, with unauthorised copies of movies rising from 4% in 2000 to around 8% of the legitimate market in 2003. The direct cost of piracy to the industry in Australia each year is \$45 million, but this figure rises to almost \$200 million if you include losses in tax revenues and ancillary industries such as advertising and popcorn type sales.

Pecotic feels that the film industry is not yet experiencing the prevalent piracy currently affecting the music industry, however "it is imminent."

"The film industry has up until now been unaffected only due to the bandwidth required to download movies," she said.

"The import and local replication of pirate DVDs is currently the most common manifestation of movie piracy, however with the rapid penetration of broadband into the local market, piracy on the Internet is expected to become the dominant area," Pecotic said.

She said that to date copyright theft has not been widely prosecuted in Australia.

"Despite the unequivocal nature of our laws, and the serious penalties applying to copyright theft, law enforcement resources have not been directed to this area. Sentences handed down have been well below the maximum range provided in the legislation and completely ineffective as a deterrent," she said.

"Recently, however, the Australian government, law enforcement officials and courts are becoming aware of the experience of our nearest neighbours in Asia. They have a greater appreciation of the criminal nature of copyright theft due to recognition of the involvement of organised crime, and work conducted by Interpol on the links between intellectual property crime and the financing of terrorist activities in some parts of the world."

Pecotic said she was confident Australian authorities would be increasingly unwilling to permit Australia to be "targeted by criminals engaged in the multi million dollar movie piracy racket."

However, AFACT's aim is to tackle the problem not just on the enforcement front but through comprehensive lobbying, public awareness and education.

She said that one of the most effective ways of combating piracy was "education and public awareness – increasing the public and official recognition that copyright theft is wrong and both hurts the Australian industry and supports serious criminal activity."

In terms of combating the problem on an individual level, Pecotic does have some advice for copyright owners in film.

"Larger producers are now including technology in their negs and prints that can track where pirate copies originate. For most small producers, this is an issue for the distributor or is beyond the budget. But you should always keep accurate records that prove your copyright ownership, and make sure the correct copyright notices are on the film and associated materials."

Pecotic said that AFACT would be developing more information on this in the near future.

In the meantime if you would like to find out more about the organisation, visit www.afact.com.au



*Adrienne Pecotic,
Executive Director of AFACT*

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FFC changes bring earlier share in Screenrights royalties

Copyright owners in FFC funded projects may soon receive a share of Screenrights royalties earlier than they have in the past, under new investment guidelines released by the Australian Film Finance Corporation.

The new guidelines, which are part of a plan to significantly change how film and television is funded in Australia, come into effect on 1 July 2004.

As part of the package, the FFC has announced new recoupment splits for television drama and documentary in order to assist producers in building more viable businesses.

The new guidelines mean the FFC will split its recoupment from projects, including Screenrights royalties, with producers from the first dollar.

FFC Chief Executive Brian Rosen said: "Screenrights tracks an important and growing part of the revenue stream from Australian programs, especially documentaries. Under the FFC's new recoupment split policies, producers will have access to this income stream at a much earlier stage in the revenue cycle of their programs."

In order to maximise production, there will be a trade-off between the share of recoupment for producers and the level of non-FFC finance brought to a project. Producers who ask for a lower percentage contribution by the FFC will receive a larger recoupment corridor.

Full details of the changes can be found on the FFC website: www.ffc.gov.au

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Strengthening international ties

With the imminent establishment of a new retransmission service in Australia, Screenrights has been conducting meetings with overseas societies administering similar services.

Screenrights chief Executive Simon Lake recently met with societies in Europe and participated in the AGICOA Annual General Meeting as a Board member. AGICOA is the umbrella European society for societies administering retransmission services in Europe.

Australian law was recently amended to provide that pay television operators must pay a fee to copyright owners to retransmit free to air broadcasts of their programs. Screenrights has been appointed as the collecting society to administer this service, with the Copyright Tribunal due to hear an application to set the fee in October.

Lake said these meetings were very beneficial to Screenrights.

"Being able to draw on the experience of our sister societies in administering similar retransmission provisions in Europe is invaluable," he said.

Members who would like further details about the establishment of the service should email info@screen.org

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Congratulations to ATOM Awards finalists

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Screenrights sponsors the award for Best Documentary Social & Political Issues. The shortlist for this award is:

- Dying to Leave, Chris Hilton, Hilton Cordell Productions, NSW
- Hired Assassins, Helen Barrow, Evershine, NSW
- The President versus David Hicks, Curtis Levy, Olsen Levy Productions NSW
- Silent Storm, Film Australia, NSW
- Tanim Odetta de la Vega, James Frankham, Lars Tegermark, Kimberley Depore, Faraway Pictures, NSW.

If you would like more information about the list of finalists or the awards night, visit www.atomawards.org.au

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