



FOR IMMEDIATE RELEASE

May 12, 2011

BROAD CREATIVE INDUSTRY COALITION PRAISES SENATE INTRODUCTION OF BIPARTISAN LEGISLATION TO FIGHT ONLINE THEFT

WASHINGTON—A broad coalition of organizations representing the creative community today applauded U.S. Senate Judiciary Committee Chairman Patrick Leahy (D-VT), Senator Orrin Hatch (R-UT), and Judiciary Committee Ranking Member Chuck Grassley (R-IA), for sponsoring the Preventing Real Online Threats to Economic Creativity and Theft of Intellectual Property Act ("PROTECT IP Act"), a bill to deter, prevent and root out websites that profit from trafficking in stolen content.

The bill was also sponsored by Senators Chuck Schumer (D-NY), Dianne Feinstein (D-CA), Sheldon Whitehouse (D-RI), Lindsey Graham (R-SC), Herb Kohl (D-WI), Chris Coons (D-DE) and Richard Blumenthal (D-CT).

The Independent Film & Television Alliance® (IFTA®), the Motion Picture Association of America, Inc. (MPAA) and the National Association of Theatre Owners (NATO) have united in support of efforts to address today's gravest threat to the American film industry workforce: the illegal distribution of content online. And they are working closely with an even wider coalition of entertainment union workers, and organizations, businesses and labor groups involved in the production, sale and distribution of creative content.

Under the PROTECT IP Act, foreign websites, formerly operating outside the realm of U.S. law, would no longer be allowed to exploit U.S. registrars, registries, Internet service providers, payment processors, search engines and ad placement services to sustain their illicit online businesses.

Attacking the financial underpinnings of these illegal sites and the criminals that operate them will help take profit out of their illicit operations. The anonymity of the Internet would no longer provide the lucrative safe-haven for thieves that it does today.

Jean Prewitt, IFTA President & CEO commented, "This legislation will be a substantial step forward in the effort to drain profits away from rogue websites that benefit from unauthorized sales of counterfeit or illegitimately distributed goods and, in doing so, to protect consumers, creators and others in the legitimate chain of commerce. Reaching sites originating outside the U.S. is critical to fighting a worldwide epidemic that is

destroying the ability of the independent film industry to obtain the financing needed to produce future films, and we are appreciative of the bipartisan Congressional leadership engaged to craft sorely needed remedies."

"Movie theater operators are acutely aware of the increasingly harmful effects that IP theft has on our nation's economy. Few issues are as bipartisan as fighting online theft, and NATO applauds our leaders on Capitol Hill for reaching across the aisle to craft balanced IP enforcement legislation that targets the rogue websites threatening the livelihoods of 160,000 movie theater employees and undermining the nation's economic growth," said John Fithian, NATO President and CEO.

"To the camera crew, the makeup artists, the truck drivers and all the other hard-working middle-class Americans involved in the making of a motion picture or television show, digital theft means declining incomes, lost jobs and reduced health and retirement benefits for them and their families," said Michael O'Leary, Executive Vice President, Government Affairs of the MPAA. "We want to thank Chairman Leahy, Senator Hatch and the other cosponsors for recognizing the true cost of online content theft and for seeking new tools to effectively enforce U.S. laws on the online marketplace."

"We look forward to working with the Senate Judiciary Committee, and in the House, Chairman Lamar Smith and other leaders who are drafting their own bill to target rogue websites to ensure that the final legislation passed by both chambers and presented to the President provides adequate online protection of the American film and television community, an industry that supports 2.4 million American jobs," O'Leary said.

Internet sites that steal and distribute American intellectual property are often foreign-owned and operated, or reside at domain names that are not registered through a U.S.-based registry or registrar, setting them outside the scope of U.S. law enforcement. The Justice Department and rights holders are currently limited in their options for legal recourse, even when the website is directed at American consumers and steals American-owned intellectual property.

This legislation authorizes the Justice Department to seek a court order directing intermediaries and other U.S.-based third parties to cease providing transactions and support services to infringing sites.

These third parties would then be required to take appropriate action to either prevent access to the Internet site (in the case of an Internet service provider or search engine), or cease doing business with the Internet site (in the case of a payment processor or advertising network).

The bill would also authorize rights holders a limited "right of action" to seek a court order against the domain name registrant, owner, or the domain name that is infringing their copyrights. To prevent the same site from simply reappearing online, this legislation would also authorize the Justice Department or rights holders to bring action against previously seized sites that have been reconstituted under a different domain name, site owner, or registrant, in the same Federal court, streamlining the infringing

site's elimination from the online marketplace.

About IFTA®

The Independent Film & Television Alliance (IFTA) is the global trade association of the independent motion picture and television programming industry. Headquartered in Los Angeles, the organization represents and provides significant entertainment industry services to more than 150 member companies from 23 countries, consisting of independent production and distribution companies, sales agents, television companies, studio-affiliated companies, and institutions engaged in content finance.

Collectively, IFTA's members produce more than 400 independent films and countless hours of television programming each year and generate more than \$4 billion in distribution revenues annually. The organization is also widely recognized for producing the American Film Market® (AFM®), the world's largest motion picture trade event held each November in Santa Monica.

As the voice and advocate for the independent film and television industry worldwide, the Alliance speaks out on matters of critical importance and, where appropriate, actively lobbies governments around the world in regard to measures directly affecting the independent industry.

About NATO

The National Association of Theatre Owners is the largest exhibition trade organization in the world, representing more than 30,000 movie screens in all 50 states, and additional cinemas in 50 countries worldwide.

About the MPAA

The Motion Picture Association of America, Inc. (MPAA) serves as the voice and advocate of the American motion picture, home video and television industries from its offices in Los Angeles and Washington, D.C. Its members include: Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc.

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