



THE NATIONAL ASSOCIATION
OF THEATRE OWNERS

FOR IMMEDIATE RELEASE

May 31, 2007

Washington, D.C. – The National Association of Theatre Owners (NATO) commends the Federal Government of Canada for its stated intention to introduce legislation to outlaw the recording of movies in Canadian cinemas, and congratulates our Canadian cinema members, as well as our colleagues at the Motion Picture Theatre Associations of Canada (MPTAC), for their efforts in support of this vital initiative.

Movie theft (“piracy”) costs movie producers, distributors, theatres, video stores and pay-per-view providers more than \$18 billion (U.S.) annually on a world-wide basis. The global cinema industry alone loses over \$6 billion, including \$670 million in the United States, and \$62 million in Canada.

Recordings made inside cinemas constitute the primary source of stolen movies, which are replicated quickly and made available worldwide in a matter of days. NATO, the MPTAC, and theatre operators across North America have fought movie theft in a number of ways, including enforcement, education, government relations and international coordination.

In the United States, federal law, as well as state law in most jurisdictions, specifically criminalizes stealing movies in cinemas. These laws have enabled theatre personnel and local law enforcement officials to crack down on theft. Until now, no such laws have existed in Canada. As a result, many organized criminals have shifted their activities to Canada. In 2004, 21% of the identified recordings in North America occurred in Canada. So far in 2007, Canada has represented 44% of the stolen movie sources. By comparison, the Canadian cinema industry represents less than 10% of the North American total box office sales and total North American movie screens.

“The scourge of global movie theft cannot be thwarted without criminal laws prohibiting the recording of movies in cinemas,” said John Fithian, President and CEO of NATO. “We applaud the Canadian government for taking the steps necessary to combat movie theft. Johnny Depp is the only pirate we want to see this summer.”

Canada will be joining other countries, such as Japan and Italy, that have recently outlawed the recording of movies in cinemas.

The National Association of Theatre Owners is the largest exhibition trade organization in the world, representing movie theatres in all 50 states, Canada, and in more than 40 other countries worldwide. NATO is headquartered in Washington, D.C., with a second office in North Hollywood, California. NATO and the MPTAC have recently joined organizational forces to address common interests, such as the fight against movie theft.

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