

In this issue:

- 2 Spain
Czech Republic
Belgium
- 3 United Kingdom
Poland
Italy
- 4 Nigeria
- 5 South Africa
Brazil
- 6 Mexico
Colombia
Paraguay
- 7 Kuwait
Pakistan
Philippines
- 8 Malaysia
Singapore
- 9 China
Thailand
- 10 Taiwan
Russia
- 11 Industry/
Secretariat news
Interpol
Enforcement Structure
Training
- 12 News in brief
Training
Switzerland
People
Diary 2005
Contact details

Argentina: Major swoop on organised crime

A criminal gang has been dismantled by the authorities following a major operation in the Gran Buenos Aires area on 4th August. Nine simultaneous raids were carried out by more than 90 police officers, who uncovered a complex burning and distribution network for pirate products. Over 5,000 optical discs were seized containing music and film, along with burner towers, blank DVDs and other related equipment. Twenty-one people were detained.

Two members of the gang were targeted in March following an investigation by APDIF Argentina into their activities. Both were already known for their previous involvement in optical disc piracy, but further enquiries established that the two

individuals were also money laundering to further expand their piracy empire. They acquired supplies such as burners and blank discs to set up pirate laboratories. In a clear indication of the link between music piracy and organised crime, the gang were also found to be involved in the forgery of

Argentinian currency, license plates, ID cards and security holograms for a diverse range of products.

APDIF Argentina continue to assist the courts and the police in this investigation.

Source: IFPI Latin America



CD burners decommissioned in Buenos Aires

Poland: Large seizure in Polish/German border raids

Police have seized over 10,000 pirate optical discs in a major action on the German/Polish border. The levels of physical piracy along this border have been of increasing concern. Operating in highly organised pirate syndicates, manufacturers and distributors of counterfeit and pirate discs have been able to generate vast profits from their illegal activities.

The dramatic increase in illegal trade has impacted on the legitimate industry in the area, and has become the focus of renewed IFPI enforcement and lobbying attention.

Representatives of the industry have been meeting at ministerial level to seek a more robust reaction from the authorities, and have been working with the Polish Police Intellectual Property Rights Department. Following such representation, the police department seized over 10,000 counterfeit discs in a single raid, with a potential street value to the illegal traders

of over 80,000 Euros. The raid was carried out on 30th July at a market popular with German tourists, near the border crossing town of Bad-Muskau.

The operation was conducted with the assistance of the Polish and German National groups and with investigators from the German film industry.

(Cont. page 3)

"This action is a good example of how cross-border co-operation can make a difference in tackling piracy. A great deal of work needs to be done to effectively eradicate the problem, but the pirates have now been put on notice that law enforcement authorities will not tolerate their presence any longer. IFPI will continue to target the border areas and work closely with the authorities to bring an end to the cross-border trade." Iain Grant, IFPI Head of Enforcement

SPAIN

Exemplary enforcement by Alicante Police

At a large and well attended public ceremony, police in Alicante carried out the destruction of thousands of pirate CDs and DVDs seized from the city's streets and markets.

Alicante citizens and visitors were invited to assist police in disposing of the discs, seized during an intense period of enforcement activity. The Esplanada, an area well known for its sale of pirate product, was chosen by local police as the site for the destruction of 70,000 CDs and 18,000 DVDs. The discs were seized from street vendors in the four months from March 2005, emphasising the level of piracy suffered by this Mediterranean city. In one of the largest destruction ceremonies ever to take place in Spain, the grinding machine worked uninterruptedly for three hours.

Alicante is among the top seven Spanish provinces for high piracy levels. Losses to the legitimate industry are estimated to be as much as 500,000 Euros in this city alone. In 2004, police action increased 400% with 1,028 enforcement actions leading to the seizure of 350,000 pirate discs and the arrest of 478 people. In 2005 to date, 300 people have already been arrested in the city, with local police enjoying the support of PROMUSICAE and IFPI in providing training for their officers.

"This action carried out in Alicante's most important street has counted on the presence of top local government authorities and the support of local people. This is one example of the solid work carried out by Alicante police. Their work against street selling of CDs and DVDs is fundamental to the effective dismantling of organised networks operating in the city. The industry is grateful for the sterling efforts of the police in response to PROMUSICAE and IFPI requests for help in fighting piracy." José Luis Pérez Quintero, Head of the Department of Investigation and Fraud Prevention of PROMUSICAE

Source: ProMusicae



Crushing blow to pirates, Esplanada, Alicante

CZECH REPUBLIC

Law catches up with pirates of Cheb

Police have seized 120,000 CD-Rs in the western Czech town of Cheb, as a result of the long term monitoring of a former kindergarten building. Upon raiding the premises, police found a large quantity of illegal CD-Rs, inserts, booklets and jewel cases. All of the discs were locally 'burned' and destined for nearby market stalls.

Pirate activity in this area has traditionally been high, and has been a concern to member companies in neighbouring states due to the existence of cross-border trade. The town's pirates suffered a similarly damaging action conducted by customs authorities back in 2003, and again in a smaller raid earlier this year, but the present action marks a significant step forward in the willingness of the Czech Police to tackle the involvement of organised crime in music piracy.

The raids will hopefully send a crucial message to pirate traders that the criminal law will be enforced.

Source: IFPI Czech Republic

BELGIUM

'LAN' party file abuse halted

Belgian Police seized 18 computer hard-drives containing more than 50,000 music files and 1,500 movies during a raid on a 'LAN' Party in May. Officers from the Fraud and Counterfeit Section and the Computer Crimes Unit of the Federal Police targeted the two-day event, in which gaming fanatics can challenge other 'party-goers' by connecting their computers in a Local Area Network.

IFPI Belgium and other rights-holder groups from the music and audiovisual industries filed a complaint against the organisers of the event, on the basis that all participants would be able to freely download illegal music and movie files during the event.

Source: IFPI Belgium

UNITED KINGDOM

Police officers commended for anti-piracy case

The British Phonographic Industry marked the successful conclusion of a major music piracy investigation with the presentation of special awards to police officers involved in the case. Detective Constable Stephen Chinner and Detective Inspector David Wolfe from Durham Constabulary, together with Detective Constable David Kernaghan and Detective Sergeant Keith Jewitt of Northumbria Police, were commended for their outstanding work in apprehending and ensuring convictions against the ten-strong Canning and Bailey counterfeiting gang.

The enquiry commenced in October 2003, when Paul Canning and Mark Bailey were identified as the principals in a well-organised criminal group who were controlling the illegal sale of counterfeit music and DVDs from car boot sales across the country.

The simultaneous investigation carried out by officers from Durham Constabulary and Northumbria Police resulted in simultaneous warrants being executed in March 2004, with ten people being arrested and huge quantities of illicit discs and computer equipment being seized.

Canning and Bailey, together with several members of their families employed in the syndicate, appeared in Court on Teeside in April 2005, and were jailed for a total of eleven years for their crimes. The trial Judge commended the officers involved for their dedication and professionalism in the investigation.

Source: BPI



Left to right: Sergeant Jewitt, DC Chinner, DC Kernaghan with their BPI awards

POLAND

(Cont. from page 1)

It is hoped that the authorities will be encouraged by the results from the well planned police action and IFPI will continue to offer their support to stem this flow in counterfeit discs.

Michael Ellis
IFPI Enforcement, Europe



Authorities inspecting the seizure

Bollywood raids yield large seizure

Investigators from the BPI and Trading Standards Officers from Trafford, Thameside and Oldham took part in a series of raids on four shops in the Greater Manchester area selling illicit Bollywood music and films.

Approximately 20,000 discs with a retail value in excess of UK £100,000 were seized, along with multi-disc burners and other duplication equipment hidden on the premises.

BPI Investigator Tariq Mohammed said: *"Instead of supporting Britain's vibrant Asian trade in Bollywood entertainment, these counterfeiters are lining their pockets through an illegal trade that robs the independent record labels that provide crucial investment in new music. I thank the Trafford, Thameside and Oldham Trading Standards Department for their professional and outstanding assistance in clamping down on this growing problem."*

Source: BPI

ITALY

The Fiscal Police's crackdown on piracy continued in Naples and surrounding areas when an illegal plant with 128 CD burners was raided by the authorities in a town near Naples on 26th July. More than 50,000 illegal music CDs and movie DVDs were confiscated during the operation. One man was arrested. Police estimate that the facility had a daily production capacity of 15,000 optical discs. The organised character of this pirate operation and the potential damage to legitimate business is self evident.

Source: FPM Italy

NIGERIA Notorious pirate den raided

The Nigerian Copyright Commission (NCC) and a heavily armed contingent of mobile police officers stormed the notorious Alaba international market in an unprecedented anti-piracy operation on 2nd September. A total of 500,000 pirate optical discs were seized with an estimated value of N 700,000 (US \$5,500). The raid consisted of 120 armed police officers including 100 drawn from the Special Anti-riot Squad of the Police Force. It was the first time that such a large group of policemen participated in an anti-piracy operation in Nigeria, demonstrating the continued efforts to address piracy and the protection of copyright.

At the market, police cordoned off the 'CD mall' section. It was however quite obvious that the traders had been tipped off as all the shops in that part of the market were locked up before the team's arrival. A mob had also gathered on the northern side of the cordon chanting that the traders should be left alone. One after the other, the shops were broken open and the pirate product confiscated. The mob realising that the raid could not be stopped started throwing missiles at the raiders. The police fired several tear gas canisters at the mob intermittently as it would retreat away only to regroup and resume stone and bottle throwing again. As a last resort the police were forced to fire live ammunition into the air thereby dispersing the mob. Seven shops were raided and the seizure included CDs, VCDs and DVDs containing local and international music and films.

The NCC carried out the raid in conjunction with the National Association of Recording Industries (NARI), Performing Musicians Employers Association of Nigeria (PMAN), International Federation of Phonographic Industries (IFPI), Motion Pictures Association (MPA), Music Label Owners Association of Nigeria (MORAN), United Movie Practitioners Association (UMPA) and a cross-section of other stakeholders in the entertainment industry.

The Director General of the NCC, Dr Adebambo Adewopo stated that the renewed anti-piracy effort was an indication of the pro-active thrusts of the Commission's Strategic Action Against Piracy (STRAP). Adewopo further stated that piracy is the greatest hindrance to creativity, stressing **"Piracy is not a natural occurrence in the ordinary pursuit of creative people. It is a crime and a deliberate misappropriation of the fruit of another's labour. It kills the creativity of creators."**

Adewopo urged all Nigerians to join the national anti-piracy campaign while assuring rights owners and owners' association that Government will stop at nothing in ensuring that there is no hiding place for pirates in the country.

A. Aponmade
IFPI Nigeria

"This is an excellent result and demonstrates the NCC's commitment to fighting piracy. IFPI will continue to work in close co-operation with our entertainment industry partners, the Motion Picture Association, to jointly support the continued anti-piracy initiatives being introduced to regulate the growing optical disc industry in Nigeria."
Iain Grant, IFPI Head of Enforcement



Left: Police encountered resistance from local traders

Right: NCC Head of Enforcement Bayo Aiyegbusi inspecting the product seized

NCC to regulate optical disc plants

The Director General of the Nigerian Copyright Commission (NCC), Dr Adebambo Adewopo, met with representatives of the optical disc industry to present and discuss the Copyright (Optical Discs Plants) Regulations. Adebambo said, **"There is the perception that the larger part of the industry is pirate. We wish to change this perception"**.

The optical disc industry has grown by more than 300% during the last year. Nine out of every ten CDs, VCDs and DVDs in Nigeria are pirate copies, which has prompted the Commission to introduce a new regulatory initiative to monitor operators of replication plants. The plan is to enable the Commission to monitor all persons engaged in manufacturing, duplicating and importing of optical discs in Nigeria with the aim of entrenching high standards of copyright practice and detecting and tracing the sources of any pirated or unauthorised products.

These provisions will aim to create an environment where the business of optical disc replication will be carried out in a transparent manner and to forestall attempts at counterfeiting by underground operators.

In closing the meeting, Adebambo urged replication plant bosses to co-operate.

"There is no better time for co-operation. If you don't, you will have to leave. If you go underground, the law will eventually get you".

Richard Rademan, IFPI Enforcement Africa



SOUTH AFRICA

Major blow to pirates

The Anti-Piracy Enforcement Unit of the Recording Industry of South Africa (RiSA) recently secured a major success in the fight against music piracy when more than 7,000 pirate cassettes and 78,000 printed inlays were seized in a raid on 16th June. The joint initiative by the Organised Crime Unit Vaalrand and the RiSA Anti-Piracy Enforcement Unit, took place in Meyerton and also included the seizure of 12,600 blank cassettes, 289 printing plates, more than 80 master cassettes and related printing equipment. The action was widely reported on several TV news channels.

In addition, the suspects were ordered to pay an admission of guilt fine of R 50,000 (US \$8,000) to the court. As well as the criminal charges, the suspects agreed, in writing, to a settlement of R 35,000 (US \$5,540) in respect of RiSA's civil claim for copyright infringement and the surrender of all seized goods.

"As the organiser of the South African Music Awards (SAMA), RiSA were dismayed to find pirate copies of the MTN SAMA 11 Nominees Album at the premises as well as printed inlays and plates. This is an excellent result and a major blow to the pirates." Braam Schoeman, Head of Anti-Piracy Enforcement Unit, RiSA

Braam Schoeman, RiSA



Pirate product taken away by police

BRAZIL

Recent raids in the Tri-borders region merge joint activities of enforcement agencies

As a result of the National Council's Anti-piracy Plan, the Brazilian Ministry of Justice has set up a task-force unit composed of staff from the Federal Income Secretariat, the Road Police Patrol and the Federal Police, engaging them in joint enforcement activities against piracy. The unit has focused its activities on the dismantling of forgery schemes in the country, and this has resulted in a number of raids, concentrated in the area of the Triple Border with Paraguay and Argentina.

According to the CNCP (the National Anti-piracy Council), seizure of counterfeit products in this area increased 122% this year, as a direct consequence of their operations. **"Three-hundred trucks were decommissioned this year, as many of them were carrying, in addition to pirate material, arms, drugs and ammunition. The effects of the enforcement raids are visible: the Federal Income Secretariat recently banned the transit of blank CDs imported into Paraguay through the Paranagua Port"** said Chairman of the CNCP, Luis Paulo Barreto.

The activities of the CNCP are not restricted to enforcement raids. Their next initiative will focus on education campaigns designed to raise public awareness of the damage caused by piracy in the country. The positive amendment of copyright legislation will also receive close attention.

The Brazilian Authorities seized over 13.2 million pre-recorded or blank pirate CDs during the first half of 2005. In addition, approximately 800 individuals were sued and 140 people were arrested. In July, the Council organised the largest destruction ever of pirate CDs in Sao Paulo, when over 1.5 million counterfeit CDs were destroyed under a crushing machine near to the Pacaembu Soccer Stadium. A clandestine CD production unit was dismantled in April, resulting in the seizure of over 52,000 pirate music CDs. It is estimated that the production capacity of the infringing plant was around five million units per year.

Printing shop raided

In a joint action between APDIF Brasil and the 1st Delagacia de Policia, a CD-R inlay printing shop was raided in Sao Paulo on 17th August. Officers recovered more than 50,000 inlays for pirate discs, and a number of master lithographs. The owner and operator of the premises was absent at the time of the raid but investigations are now being undertaken to locate this person.



Inside the raided printing shop

MEXICO

Firearms seized in anti-piracy raids

Special forces officers and more than 700 police seized large quantities of pirate discs, drugs and firearms in the latest major crackdown on organised crime in the notorious Tepito area of Mexico.

With support from the Public Ministry and Apdif Mexico personnel, the raiding team executed warrants at fifty addresses, including eight illegal CD-R laboratories and twenty storage warehouses full of pirate products. More than 250 CD-R burners, 85,000 recorded discs and 8 million inlay cards were confiscated.

The simultaneous seizure of 15 firearms and more than 200 kilograms of marijuana and cocaine highlights the inextricable links between music piracy and organised crime in what has become a difficult and often dangerous environment for law enforcement. However, the recent action demonstrates that a multi-agency approach to aggressive enforcement can tackle the piracy problem head-on.



Further evidence of the link between music piracy and organised crime

COLOMBIA

Major enforcement operations in Bogota

A group of 450 law enforcement and military personnel, assisted by APDIF Colombia, conducted a major operation on 6th May in the San Andres commercial area of Bogot.

A total of 106 locations were raided which resulted in the seizure of 355,000 CD-Rs containing music MP3s and films. In addition, 50 individuals were arrested for a variety of IPR and fraud violations. Twelve of those arrested had prior arrest warrants and remain in jail.

This is the first major operation in Colombia utilising its recently enacted code of criminal procedure.



Military personnel were present during raids

Reports from IFPI Latin America

PARAGUAY

Major seizure and arrest in Paraguay

Paraguayan Authorities intercepted a cargo container, which on examination, was found to contain more than 700,000 blank CD-Rs and 520,000 blank DVD-Rs. The shipper had disclosed to be carrying 'general merchandise' but it was suspected that documents accompanying the shipment had been falsified to hide the container's true contents.

The operation, during the week of 12th September, was conducted by Paraguay's Special Intellectual Property Rights Unit, known as the 'UTE', which reports to the Ministry of Commerce and Industry (MIC), with assistance from APDIF Paraguay. The seizure was part of an overall programme led by the MIC to reduce the volume of blank media coming into Paraguay which fuels the market for pirate music products.

As a collateral event to the operation, a Paraguayan Customs official from Ciudad Del Este was arrested after he sought to offer a US \$2,000 bribe to the Director of the UTE for release of the shipment. The arrest was executed in a 'sting' operation, with the support of the anti-corruption special prosecutor.

APDIF Paraguay and IFPI congratulate the Director of the UTE for the commitment he has shown to the anti-piracy campaign and the authorities who have supported both operations.

Seven arrested in raid

Following a month long investigation by the Paraguayan authorities in Ciudad Del Este, two fully operational industrial printing machines were seized in the Piribebuy section of CDE on 9th August. The presses had been used to produce millions of inlay cards, covers and artwork for various pirate distributors in the tri-border area. Seven people were arrested and held for investigation after they were discovered running the machines at the time of the raid. Approximately one million inlay cards were intercepted en route to be delivered to various pirate organisations.

KUWAIT

Government-backed IPR Unit established

The Director of the Intellectual Property Department of the Ministry of Information (MoI) in Kuwait, Sheikha Rasha Nayef Al Sabah, has confirmed the establishment of a unit of 35 'inspectors' tasked exclusively with IPR enforcement. IFPI training for the 35 new inspectors will be conducted before the unit commences operations in December. The newly appointed inspectors will have the power to act ex-officio, promoting more efficient enforcement of intellectual property rights. Closer co-operation between the Ministries of Interior and Information, Police and Customs in the fight against piracy in Kuwait will result from the signing of a new Memorandum of Understanding.

"The Kuwaiti Government has taken a first major step to get back on the legal 'track'. IFPI is confident that under the dedicated leadership of Sheikha Rasha Nayef Al Sabah, real progress will be achieved." Willem Van Adrichem, IFPI Enforcement Middle East



Sheikha Rasha Nayef Al Sabah, Director of Intellectual Property Department, MoI

PAKISTAN

Customs officers at Karachi Airport intercepted more than 29,000 pirate CDs and DVDs in 18 separate seizures during the period April-June. Approximately 4,000 optical discs were seized from departing passengers, with the remainder confiscated from incoming people on flights from Bangkok, Singapore and Malaysia.

The discs seized from the incoming passengers were found to be recorded CD-Rs and DVD-Rs. Pakistan has recently experienced vast increases in the importation of large quantities of blank CD-Rs and DVDs from mainland China, possibly as a result of the recent closure of several optical disc plants in the country.

Of particular interest were two recent cases in which discs were smuggled out of Pakistan hidden in brass vases, a modus operandi known to have been used in the smuggling of narcotics. Two individuals were arrested at Karachi International airport by members of the Drug Enforcement Cell who had noticed that the vases were sealed with white cement. The arrested couriers were en route to London via Qatar.

*Willem van Adrichem
IFPI Enforcement, Middle East/India/Pakistan*

PHILIPPINES

Conviction for music pirates

Continued effort by enforcement authorities in the Philippines has recently been bolstered by the successful conviction of well-known local pirates.

The Regional Trial Court Branch 138 on 29th July convicted a husband and wife partnership of violations of the Philippines Intellectual Property Code. Simon Chan and his wife, Fu Lin Guitierrez, were each sentenced to imprisonment of a minimum of two years and a maximum of five years. Additionally both were fined 100,000 pesos each (approx. US\$ 1,800).

This followed a raid on premises owned by the couple recovering 5,696 fake Sony Playstation CD-Roms. Five similar raids have been conducted against the same premises and in October 2004, the OMB and police raided Chan's warehouse recovering over 650 boxes of infringing discs, in CD-ROM and audio formats. The couple face further charges in relation to this action.

The result echoes that of a similar case concluded in February this year where the Regional Trial Court of Paranaque in Manila, handed down a seven year sentence against Eugene T. Li, found guilty of copyright and trademark infringement and unfair competition in relation to the sale of illegal optical discs.

On the enforcement side, the OMB has once again faced the difficult task of confronting the pirates in their most notorious lair, the Bartertrade area of Quiapo, Manila. On 29th and 30th July, the Board, supported by IFPI, MPA and over a hundred armed police for security, raided two buildings, each with multiple retail outlets. One hundred and twenty-six warrants were executed and a haul in excess of 523,000 infringing discs in DVD, CD and CD-R formats were seized.

MALAYSIA

IFPI generate 35,000 disc seizure from distribution syndicate

Officers from the Ministry of Domestic Trade and Consumer Affairs (MDTCA) raided a storage and distribution hub of a syndicate behind the notorious Red Dragon pirate logo seizing 35,000 audio CDs and arresting five people.

Since early 2003 when the product first appeared on IFPI's radar, being sent by courier express from Malaysia to retailers in the UK, IFPI has been responsible for, or involved in, ten raids in Malaysia in which product bearing the syndicate's logos has surfaced.

The latest operation combating the group's countrywide distribution network was

carried out on 12 July. MDTCA officers and IFPI gained unobstructed access to the secured and CCTV monitored commercial premises by laying an ambush and effecting entry as a suspected customer entered the unit, preventing staff inside the premises from having any chance to flee or destroy/conceal product.

In the course of documenting and boxing the 35,000 disc seizure, a man was also pursued by MDTCA personnel attempting to escape back to his car at the rear entrance of the premises. The suspect was intercepted before he was able to start his vehicle. The car itself was found to

contain several thousand infringing discs which were seized and the would be 'getaway' driver arrested.

IFPI is working closely with MDTCA in developing a co-ordinated investigative strategy to effectively target identified large scale distribution networks in Malaysia particularly in those instances when a group's activities are not restricted to domestic piracy. This particular syndicate's discs have been picked up in Netherlands, England, Poland, USA, Belgium, Ireland, Kuwait, Singapore, Thailand, Sri Lanka and Lebanon.

SINGAPORE

Trans-border action concludes successfully

Almost two years after South African Customs Authorities intercepted six containers containing 1.78 million infringing discs, overt enforcement action against the five forensically implicated Singapore manufacturers has been successfully completed.

As previously reported in the Enforcement Bulletin, between August and October 2003 South Africa Police and Customs agencies operating in Durban Port intercepted six containers, being transhipped en route from Singapore to Nigeria. Investigations linked the discs to various Singaporean optical disc plants.

In May 2004, IFPI filed formal complaints with the Singapore Police's Intellectual Property Rights Branch (IPRB), headed by Superintendent Tan Kah Khin, against five Singapore based replication facilities. During the following 13 months IFPI worked closely with IPRB in support of their investigations into the suspected infringing activities of the five factories, culminating in raids in August and December 2004, two raids in April and finally in June this year.

Whilst IPRB enquiries are on-going into other entities linked to the consignments, the investigation into the identified manufacturers is understood to be coming to a close and will be submitted to the Singapore Attorney General's Chambers in the near future. IFPI awaits the final outcome of IPRB's efforts with a great deal of interest. In the interim IFPI commends the work of all the IPRB officers involved in the course of these protracted and complex enquiries which have, if nothing

else, sent a clear and unequivocal message to Singapore replicators that the authorities will take action against local infringing production regardless of which market place the product is ultimately intended for. IFPI looks forward to working with the Singapore Authorities, and IPRB in particular, in ensuring the effective enforcement of Singapore's recently enacted Manufacture of Optical Disc Act (MODA) which came into effect in January this year.



The last container intercepted on 13th October 2003 also concealed a smuggled vehicle

CHINA

IFPI / MPA co-operation Asia/Pacific

For some time now the IFPI and MPA anti-piracy enforcement teams in the Asia Pacific Region have been working together, under a Memorandum of Understanding, in the common fight against copyright piracy, and in the process have scored some significant victories.

In the Philippines for example, joint operations this year have resulted in the seizure of more than 1.4 million pirate compact discs containing infringing movies and music products. In Thailand and Malaysia the two organisations have also worked together successfully against copyright thieves operating at the retail, distribution and manufacturing levels.

The value of co-operation is no better illustrated than in China, where IFPI and MPA operational teams work extremely closely in tackling entrenched and endemic piracy. Both organisations have recently drawn up detailed operational protocols to ensure maximum resources are brought to bear against common targets. These operational protocols are already reaping benefits for both industries, with the no less than 11 raids in an eight-day period in August, resulting in the recovery of over one million pirate compact discs.

In addition, both organisations are co-operating closely in the fields of law enforcement training initiatives and research, working together to help identify common patterns and trends and, more importantly, identify future targets for raid action.

Mike Ellis, MPA Senior Vice President and Regional Director. Asia/ Pacific states: *"The Asia Pacific Region is characterized by entrenched piracy at all levels and if continued and significant progress is to be made it makes absolute sense, from an operational, resource and financial perspective, for MPA and IFPI to work together in fighting what is after all the common enemy."*

Eight years jail for mastermind of pirate syndicate

The mastermind of a pirate syndicate in China was sentenced to eight years imprisonment and his four accomplices to more than one year imprisonment each for their involvement in a large scale piracy operation with annual sales of over 800,000 pirate discs valued at RMB 2.7 million (US \$3.3 million).

The investigation was initiated in late 2003 when officials from the Ministry of Culture (MOC) and the Public Security Bureau (PSB) carried out a raid on a suspected pirate optical disc warehouse in Leiwang District, Guangzhou. As a result 910,000 pirate optical discs and various sales ledgers were seized. The syndicate members were subsequently charged with operating an illegal business.

Pirate distribution centre in Shenzhen closed down

A complaint lodged by IFPI to Shenzhen Anti Pornography and Illegal Publications Office (SAPPO) in May led to a raid resulting in 39,850 illegal optical discs being seized. The illegal discs contained infringing music, international and local movies and TV dramas. The distribution centre was also found to be unlicensed. The raid followed an IFPI investigation into the supply source of pirate music optical discs to the retail market in Shenzhen which identified the distribution centre and prompted immediate action by the authorities.

Four pirate warehouses raided in Guangzhou

With the assistance of PRC authorities, four major raids have taken place in the Haizhu District, Guangzhou on suspected pirate optical disc warehouses resulting in 190,000 illegal optical discs being seized and eight people detained.

THAILAND

Pirate distributors raided

More than 99,000 pirate discs containing popular international repertoire were seized by police from a suspect distribution centre in Bangkok on 9th July following a complaint by local music industry organisation TECA. Six people were arrested. In addition, one illegal music stamper and 150,000 inlays were confiscated. The investigation by TECA's anti-piracy team had uncovered that the location was being used as a pirate music distribution centre and TECA had promptly passed the information on to the police. A warrant was obtained and police raided the centre where six people were packaging pirate music CDs for distribution to retail outlets in the Klong Ton area of Bangkok.

TECA's anti-piracy team working with the Bangkok Metropolitan Police units conducted a number of raids during May against street vendors identified as selling pirate music products. A total of 29,893 pirate music products were seized and 23 people were arrested.

More than 26,000 pirate music CDs containing popular international titles were uncovered in a storage facility on the island of Koh Samui during a raid by police on 3rd May. This action is a result of a complaint lodged with the local police authorities by TECA's anti-piracy team.

CD-R burning lab uncovered in house

High speed burners and over 14,500 discs were seized from residential premises being used to house a pirate CD-R burning facility in the Bangkok area. TECA's anti-piracy unit had uncovered the suspect facility through several days of surveillance and passed on the information to police who carried out the action on 5th July. During the raid, police found that the facility was preparing music CDs for illegal distributors situated in the Kao-Sarn Road area of Bangkok.

The seizure included in total: 40 high speed CD-R burners, 14,775 music CD-Rs containing international repertoire titles, 3,650 Blank CD-Rs and 100,000 inlays cards. One man was arrested for operating the illegal business.

TAIWAN

Internet Piracy: traditional investigation methods thwart web pirates

Over the past 12 months IFPI Taiwan, together with the Regional Enforcement Team, have utilised a combination of Internet and traditional investigation techniques to tackle illegal websites offering a variety of pirate music product services, including downloading, streaming and file sharing using Bit Torrent technology.

The investigation strategy drew upon the expertise of IFPI personnel who had learnt their investigative skills tackling the country's previously rampant physical piracy problem. The effectiveness of the strategy was demonstrated in a number of investigations successfully concluded over the past 12 months, the highlights of which include:

The Integrated Enforcement Task Force (IETF), together with IFPI, raided the residence of a website operator in Taipei on 22nd June. On site, the raiding team found no infringing music files in the computers but located more than 20 optical discs carrying infringing software. The operator subsequently admitted that all of the music files were stored in servers in Shanghai, PRC and he received a monthly sponsorship of NT\$50,000 (nearly US\$1,500) from a well-known file-sharing system company in Taiwan (also currently being sued by IFPI Taiwan). Two computer servers carrying relevant materials of the website and two bank account books were seized.

The residence of a website operator offering infringing MP3 music files for download was raided by the authorities on 12th July. Police seized computer hard disks, bank account details and related documents. The operator had been offering infringing files for members to download for free in return for the provision of free Internet accounts registered by its members. In excess of 20,000 infringing music files were stored in the free personal space provided by nearly 4,000 members. With 40,000 daily hits by its members, the website operator received more than NT\$1 million (approximately US\$30,000).

The raids represent the adaptability of enforcement efforts to combat the ever changing nature of music piracy in Taiwan.

Reports by Bob Youill, IFPI Enforcement Asia Pacific

RUSSIA

Russia's biggest CD plant signs co-operation agreement with music industry

IFPI and the largest optical disc manufacturer in Russia, the Ural Electronic Plant (UEP), signed an agreement on 28th July that aims to assist the plant to produce only legitimate audio and video discs.

The co-operation agreement with IFPI is the first of its type to be signed by a Russian plant. It is hoped other optical disc manufacturers in Russia will follow suit. Russia has the world's second biggest pirate market after China and is a mass exporter of pirate discs originating from the country's manufacturing plants.

The agreement sets the rules that will help the UEP to ensure that products manufactured at the plant are legitimate. Under the agreement, the UEP will inform IFPI about the purchase and installation of any new equipment used to manufacture optical discs. Representatives from IFPI will be given access to the plant to obtain samples of its manufactured products. The UEP will also notify IFPI of any orders where doubts are raised as to their legality and both parties undertake to co-operate to determine the nature of such orders.

A key part of the agreement is that the UEP will undertake the necessary actions to enable it to participate in the International Recording Media Association's (IRMA's) Anti-Piracy Compliance Programme.

"We hope that this agreement will facilitate the growth of the legitimate music market in Russia. UEP's commitment to take these measures to ensure the legality of the products it manufactures is an important step in the right direction." Lauri Rechart, IFPI Director of Litigation and Licensing

Oksana Bozhenok, spokeswoman for the UEP said: **"The agreement will promote the development of a legitimate manufacturing source for optical discs within the Russian Federation."** Bozhenok expressed the hope that other Russian optical disc manufacturers will follow UEP's example.

Lauri Rechart, IFPI

Copyright infringers sentenced to jail

Three Russian citizens in the city of Rostov-On-Don have received prison sentences after their conviction for piracy offences. It was established during their trial that the three were involved in a complex and highly organised crime syndicate responsible for the distribution and sale of pirated music, games, software, movies and pornographic films throughout the region.

Between 2002 and 2004, the group sold more than 14,000 counterfeit discs, netting huge profits through their illegal enterprise. The head of the syndicate, Evgeny Zaykov, received a sentence of 18 months imprisonment whilst his brother and a second associate were each imprisoned for one year. The case marks the second recent trial in Russia where convictions for copyright offences have resulted in a prison sentence, and represents a positive step forward in the judiciary's recognition of intellectual property rights.

INDUSTRY

IFPI helps fund international police programme

IFPI has contributed 35,000 Euros towards the development of Interpol's Intellectual Property Crime Programme (IPCP) which IFPI has been involved with since its inception in 2000. IPCP has played a key role in the success of many international music piracy investigations.

IPCP works to raise awareness of the threat posed by intellectual property crime and develop strategies to combat it, in close co-operation with affected industries. It has co-ordinated cross border investigations including the recovery of the stolen Beatles recordings, the takedown of a European counterfeiting syndicate and the seizure of 11 million smuggled blank optical discs in Latin America.

The programme comprises a permanent Intellectual Property Crime Unit based in Lyon and the Interpol Intellectual Property Crime Action Group (IIPCAG), a public/private partnership consisting of police, customs, private industry and non-governmental organisations (NGOs). IPCP is funded by government and donations from private industry.



Kenny Wright (IFPI) presents a cheque to Ron Noble, Secretary General of Interpol

TRAINING

Croatia

Anti-piracy efforts by the local music industry were stepped up during the summer period. This included a seminar organised by the Croatian Phonographic Association, HDU, on 5th July in Zagreb. The one day seminar 'Music Industry and Piracy', which aimed to raise awareness of the rising piracy problem, was attended by police and custom officers and state inspectors. Another key objective of the seminar was to encourage co-operation between law enforcement agencies and music industry to take action against piracy. Presentations were given by Romana Matanovac, Zagreb Faculty of Law; Raili Maripuu, IFPI European Office and Graham Hagger, IFPI Secretariat. Feedback from participants at the seminar was very positive.

The months of July and August also saw regular monitoring of piracy trafficking on Croatia's largest tourist destinations on the Adriatic coast. Co-ordinated actions with State inspectors and the assistance of APAW (Association for the Protection of Audiovisual Works representing MPA) have resulted in the seizure of over 10,000 illegal CDs and DVDs and 330 cassettes. State inspectors prosecuted 12 people for possession and distribution of pirate products.

Source: HDU

WCO IPR Group

Continuing with its support for the World Customs Organisation IPR Strategic Group, IFPI participated at two training sessions in July organised by the WCO. The first in Almaty, Kazakhstan was attended by the Chief Investigator from Moscow Regional Office who spoke to 100 officials from Kazakhstan and neighbouring countries. Kazakhstan situated between Russia and China is a crucial trade route between two countries with high piracy rates and massive illegal production of optical discs. The second seminar for Pakistan Customs officers, held in Karachi was attended by the regional investigator based in that country.

ENFORCEMENT

IFPI re-structures its worldwide resources

In line with the expansion of the European Union, the Anti-Piracy Enforcement Unit of IFPI has undergone a number of structural changes. The newly created 'Europe' region, headed by Michael Ellis, will be responsible for enforcement in all EU Member States, many of which previously fell into the East European sector. The newly created 'Central Europe/Russia/CIS' Region, headed by Gerry Corbett, will consist of Bulgaria, Romania, the Balkan States, Turkey, Russia and the CIS countries. Within this region, the focus in Russia and CIS countries will remain on optical disc replication plants and major distributors of pirated music products. Investigations into the retail markets in Russia will continue to be undertaken by the local association, NFPP.

To further reflect the prioritisation of key countries and markets, the formerly named Middle East / South West Asia region will now be named 'North Africa/Middle East/India/Pakistan' and the South East Asia region will be re-titled 'Asia Pacific'.

The new Enforcement structure will take effect from October 2005.

Iain Grant, Head of Enforcement, stated "The re-structuring of our regional teams reflects the changing nature of music piracy and political boundaries, and will allow us to continue to be highly effective in targeting priority countries and protecting key markets."

Training

Sweden

IFPI were invited to participate in a training seminar sponsored by the Swedish Patent Office, the Swedish International Development Co-operation Agency and WIPO. This event, which has become a regular one in the IFPI calendar, brings together IPR professionals from around the globe for a three week intensive course in all IPR related matters. The participants, all from the developing world and from countries with varying standards of IPR legislation were able to participate in a seminar aimed at improving protection and adopting efficient and effective development assistance in a changing world. The IFPI presentations were enthusiastically met by the delegates who raised many questions about the investigation of music piracy, the pernicious effects of organised crime and best practice in dealing with the pirates, including the confiscation of assets.

Ukraine

IFPI attended a training session in Kiev on 1st and 2nd June at the invitation of the State Department of Intellectual Property of the Ukraine and the European Patent Office. The two day training seminar dealt with aspects of investigation, customs procedures and risk analysis for members of the Ukraine Customs, Police and Trade Inspectors. Piracy levels in Ukraine remain high at over 60% of the market and counterfeit optical discs are readily available.

Following the seminar IFPI invited a high level delegation from the Ukraine to visit IFPI for an in-depth briefing about piracy investigation and anti-piracy policies. During the same visit IFPI facilitated a visit by the delegation to UK customs at the Port of Dover.

*Graham Hagger
IFPI Training Officer, Enforcement*

Diary 2005

9 Sep	IFPI training for Latvia Customs & Police (London)
30 Nov-2 Dec	IFPI RAPEC meeting Dubai
13-14 Oct	European National Group Directors (Rome)
9 Nov	IFPI Main Board (New York)
16 Nov	IICPAG Meeting (Lyon)

Last word...

General anti-piracy enquiries and requests for information relating to enforcement issues should be sent to the following email address:

enforcement@ifpi.org

Information is also available from IFPI's website: www.ifpi.org

The next EB will be **December 2005**.

Contributions / comments are welcomed and these should be forwarded to the editor no later than **18th November 2005** (see below for details).

Mailing list enquiries should also be addressed to the editor.



ENFORCEMENT BULLETIN

This Bulletin is edited by Isabelle Betsy,
Executive Administrator @ IFPI Secretariat.

Fax: +44 20 7878 7990
email: isabelle.betsy@ifpi.org

Switzerland

At the end of May this year IFPI Schweiz organised the destruction of some 45,000 CDs and music DVDs. The destruction was conducted at one of Switzerland's CD manufacturing plants and the event was covered by TV and press for maximum publicity. The prime time TV news aired this event which was also attended by customs officials.



Large quantities of pirate discs destroyed



Source: IFPI
Schweiz

People

Departures

Rita Cheung	Regional Investigator, S.E. Asia	Sep 05
David Cooper	Regional Investigator, Europe	Oct 05