Pakistan: Five CD plants closed by resolute FIA

The Federal Investigation Agency (FIA) Karachi simultaneously raided five optical disc manufacturing plants in Karachi and seized an estimated 400,000 pirated optical discs and over 6,000 stampers. The plants have been closed and sealed by the FIA. In total nine people were detained. Arrest warrants have been issued against the owners of the five plants and every effort made to detain the key suspects.

One week later, the FIA raided the registered office and warehouse of one of the Karachi plants and seized a further 5,500 stampers and a large quantity of optical discs. The FIA actions follow administrative reforms and strict enforcement protocols announced by the government in recent weeks. Pakistan Intellectual Property Rights Organization (PIPRO) has been created to oversee copyright, trademark and patent protection issues, while in mid-April the FIA became the responsible IPR enforcement agency.

The FIA's prompt action and professionalism in this operation is to be commended. IFPI continues to provide every assistance to the Pakistani authorities; the IFPI Forensic trace programme is a crucial element in the continuing investigation.

Willem van Adrichem
IFPI Enforcement, Middle East/S.W. Asia

Philippines: Authorities maintain aggressive enforcement

Philippine authorities have been maintaining steady pressure on vendors of pirate material within the island republic for some time. Routine raiding now appears to be having a small but significant effect on the illegal trade.

The Optical Media Board (OMB) and copyright industries have been resolute in tackling piracy in the more notorious markets, one of which is the Quiapo trade area. Pirate vendors under pressure to legitimise their trading, invited the OMB, together with various city officials from Manila, to accept the surrender of a quantity of infringing discs as a gesture of goodwill. A hand-over ceremony was conducted outside Manila City Hall on 11th March where approximately 250,000 infringing discs were surrendered to the authorities.

In early April, a warrant-backed operation targeted a local CD plant leading to the seizure of eight replication lines, machinery and other support equipment. Eleven people, believed to be the machine operators, were arrested nearby. The raid yielded the biggest haul of replication machinery ever made in the Philippines, President Gloria Macapagal Arroyo also took time to visit the scene.

Further evidence of the determination to eradicate piracy in the area was on 24th April when another warrant backed search and seizure operation was conducted in Quiapo. The market itself is an extremely difficult and dangerous environment in which to carry out law enforcement duties. The opera-
UNITED KINGDOM

Ringleaders of 'Teeside Ten' face prison

After a private prosecution by UK record companies’ trade association the BPI, a ten-strong gang of music pirates dubbed "The Teesside Ten" were sentenced on 11th April after pleading guilty to charges of conspiracy to defraud the music and film industries.

"This is one of the most significant cases yet seen in the UK. These people ripped off artists, record companies and the public to the tune of UK £1.2m."

David Martin, BPI Director of Anti-Piracy

In delivering the sentences, His Honour Judge Moorhouse said: "The whole purpose of copyright law is to ensure that those who create music and films have the exclusive right to benefit from their creativity. It is the duty of the court to send a warning to everyone that if you behave in this way you risk losing your liberty."

The gang comprised two ringleaders, Mark Bailey and Paul Canning, and a complex web of eight members of their friends and family. Mark Bailey and Paul Canning were each sentenced to three-and-a-half years in prison. The remainder were sentenced to between six and 12 months in prison, fined or ordered to do community service.

The court heard that in a sophisticated operation the gang had raked in a massive £11,000 per week over the duration of the scam - amounting to more than £1.2 million in total. An estimated £6,000 a week came from market sales, an additional £1,500 through a 'weekly club' and a further estimated £3,500 weekly through wholesale and mail order.

David Martin added: "These were sophisticated criminals using the techniques of legitimate business to ply their illegal trade. But it's very easy to make a profit on a £3 CD when you invest a grand total of nothing in the creative process. We are pleased that on this occasion we have been able to bring such a high-profile gang to justice."

Two arrests in dawn raids in Bristol

An early morning raid at one of Bristol's biggest open-air markets has resulted in the arrest of two people and the seizure of 15,000 counterfeit music CDs, software programmes, PC games and film DVDs with a street value running into tens of thousands of pounds.

The raid took place just after 7am on Saturday 23rd April at Southmead Hospital open air market in Bristol as a number of known sellers of counterfeit products were setting up their stalls in preparation for a full day's trading. Two men were immediately arrested and held in custody over the weekend.

The raid involved officers from the Avon and Somerset Police, Bristol City Council, South Gloucestershire Council Trading Standards Departments and anti-piracy investigators from the BPI and software industry (ELSPA).

Five stalls were cleared of their stocks - fakes of the latest music CDs, games and DVDs. Thousands of copied discs were also confiscated from nearby vehicles. Experts estimate that if sold, the seized goods would have meant a loss of revenue to the legitimate music, film and games industry of around a quarter of a million pounds.

"Local councils must display greater accountability for the illegal criminal enterprises that bleed the creative industries of millions of pounds each year. This is a perfect example of how resources can be pooled to fight crime and I am grateful for the outstanding work of the Trading Standards and Police Officers from Bristol and South Gloucestershire who have worked with Bristol City Council on today's raid."

David Martin, Director of Anti-Piracy, BPI

Stephen Meale, from Bristol City Council and Neil Derrick of South Gloucestershire Trading Standards praised Police emphasising that piracy which damaged local economies and employment must not be tolerated.

Source: BPI

PORTUGAL/SPAIN

Cross-border success

Cross-border anti-piracy action between Portugal and Spain has resulted in the seizure of 169 CD-R burners, approximately 70,000 discs and 30 arrests. The joint operation involving the GNR - National Republican Police (Fiscal Brigade and Territorial Group), Spain National Police and IGAC (General Inspection of Cultural activities) is a direct response to the ever growing physical piracy problems encountered in Spain and Portugal.

Investigators from both National Groups, assisted by IFPI, have been monitoring pirate activity across the borders of the two countries and subsequently identified piracy networks in numerous cities throughout Portugal and Spain.

A pattern soon emerged showing that pirate crime gangs operating on one side of the border were attempting to complicate investigations and police enquiries by distributing and manufacturing on the other side of the border. Since the summer of 2004, a considerable number of immigrants began arriving in Portugal from Spain. Their commercial activity initially focused on selling household goods but soon started to include pirate music and films. Links and contact between these crime gangs and the Portuguese pirate gangs were also identified during the last months of 2004.

As a result a co-ordinated cross-border investigation was started, the first of its kind, instigated with the assistance of police from both countries and industry representatives.

Initial searches in Portugal led to the execution of 11 search warrants executed in Esposende, Trofa, Póvoa do Varzim, by the
PORTUGAL/SPAIN

GNR Tax Brigade of Porto/Gaia, and the GNR Territorial Group of Matosinhos. These first wave raids resulted in the seizure of nearly 12,000 DVD-Rs containing music and films, a total of over 60 CD-R burning drives, cash, documents and vehicles. A total of 11 suspects were arrested.

These were followed by raids the next day in Spain in Madrid, Vigo and Ourense by the Spanish National Police. 57,000 DVD-Rs containing music and films were recovered, along with 108 burning drives, and 20 people were arrested.

It is estimated that the value of the entire merchandise seized exceeds 500,000 Euros.

“...This is an outstanding result and an excellent example where cross-border cooperation between the industry and law enforcement can make a difference. All parties involved are to be congratulated on a job well done.” Michael Ellis, IFPI Enforcement, Western Europe

Further efforts have been made in Spain by the Guardia Civil, the Policía Municipal of Madrid, working in collaboration with AGEDI and SGAE. Officers raided commercial premises in Spain on 20th May, recovering in excess of 180,000 music CDs valued at 1.7 million Euros, many masters for manufacturing discs, photolithographies for inlay cards and documentation.

The investigations started when local police in Madrid detected the sale of well-known artists’ unlicensed repertoire in various shops, and as a result of the successful operation the police dismantled a network devoted to the sale of pirate commercial pressed discs operating all over the country.

Four members of this network have been arrested and face charges related to offences against intellectual property.

Source: AFP Portugal and ProMUSICAE Spain

BULGARIA

Sofia’s notorious Salveikov Square raided

Two major raids against storehouses of illegal optical discs were carried out within two months in Sofia near the infamous Salveikov Square market. The operations were carried out by tax officials from the General Tax Directorate, officers from the Guard Police Division at Sofia Directorate of the Ministry of Interior and experts from the Bulgarian Association of the Music Producers, under the co-ordination of the Chief Secretary of the Bulgarian Ministry of Interior General Lieutenant Boyko Borisov.

After a few weeks of surveillance, three suspected storage points close to the square were hit on 16th March. About 20,000 pirate optical discs containing music, films, business software and games, as well as optical disc burning equipment, were seized from the premises. A woman and four men were found to be involved in the illegal business.

Another joint operation by police officers from the Guard Police Division and BAMP, was carried out two months later on 13th May. Again almost 20,000 discs were seized from two basements near Slaveikov Square. The content of the carriers were similar; music, films, business software and games. Two people, connected to the previous seizure in March, were detained during this operation. However, as the storage of such carriers is not an offence under the Penal Code, no formal arrests were made. For this reason a proposal to amend the law has been tabled by the Bulgarian Chief Prosecutor Nikola Filchev.

Krassimir Yanev, Executive Director of BAMP explained: “We work on good terms with the General Tax Directorate and the Chief Secretary of the Ministry of Interior. We hope that storage of pirate material will be criminalised so that the authorities can adequately deal with this activity.”

Source: BAMP Bulgaria

UKRAINE

In May, the Ukraine hosted a hugely successful Eurovision song contest in which Greece emerged worthy victors. The role of Ukraine in the contest symbolizes the increasing sophistication of the Ukrainian economy and the critical role of music and other copyright industries to the development of the economy. In anticipation of the Eurovision contest, it was encouraging to witness the effectiveness of the authorities in clearing the streets of pirate traders. Since the contest, the pirate trade has resurfaced. However, this episode demonstrated that there is potential for the Ukrainian copyright regime to attain the levels of protection found in Western Europe and that are consistent with WTO membership.

It is in this context that the role of the respective enforcement agencies is increasingly important in tackling copyright crime in Ukraine. In recent months, agencies have seized many thousands of illegal music and film discs and dismantled numerous duplicating centres. In March, in pursuit of Operation ‘Intellect’, police seized 250,000 pirate music and video discs and fines and confiscation orders were applied to 1,000 individuals.

Two raids were conducted upon separate CD-R duplicating workshops. In one centre, 16 CD-R/DVD-R burners were found and in the second centre 65 CD-R/DVD-R burners were discovered. Several thousand discs were found in each location. In May, IFPI Kiev supported police in raiding one of the most significant pirate distributors in the Lugansk region on the border with Russia. This raid led to the seizure of over 96,000 pirate discs.

Source: IFPI Kiev
BRAZIL
Industrial CD plant raided

An industrial CD plant in the city of Santana do Parnaiba, 60 kilometres from Sao Paulo was raided by APDIF do Brazil and the Sao Paulo Anti-piracy Police Unit (DEIC). More than 50,000 CDs, mainly of Brazilian repertoire, and 27,900 Playstation CDs were seized during the operation on 4th April. The plant was fully equipped with industrial recording machinery with an estimated daily capacity of 20,000 CDs. The plant had one active line. One man was arrested at the plant and two others were held for questioning pending further investigation.

This case began in December 2004 based on information developed by APDIF do Brazil, who conducted most of the investigation and then co-ordinated with the police to take further action.

COSTA RICA
Internet café owners sentenced for piracy

In an unprecedented development in Latin America, two Internet café owners were sentenced to five years in prison for selling pirate discs containing songs downloaded from the Internet on computers within their establishment. Although both men were given probation for the same period of time, the sentences establish a strong precedent for future actions against music piracy.

The investigation and raid took place in 2002 when Costa Rican enforcement authorities took an interest in the activities of this Internet café, and other similar locales, based on information supplied by the anti-piracy group APDIF Central America. Undercover investigators were able to purchase a number of pirate CDs which confirmed the suspect illegal operations within the café and led to securing a search warrant for the pirate products and detention for the owners.

IFPI Latin America and APDIF Central America congratulate all Costa Rican authorities involved in securing these sentences and carrying out anti-piracy actions.

COLOMBIA
Major seizure in Cucuta

Colombian authorities assisted by APDIF Colombia conducted a major raid in the city of Cucuta, Colombia and seized 800,000 recorded CD-Rs, 300,000 blank CD-Rs and 10,000,000 inlays on 18th March. Also seized were approximately 45,000 to 50,000 film DVDs and 12,000 pornographic DVDs.

This operation is noteworthy due to the difficulty in obtaining evidence and executing raids in an area controlled by narco-guerrilla insurgents.

APDIF Colombia and the Colombian Police are to be congratulated on a successful operation.

PANAMA

As part of the recently signed MoU between Panama and IFPI in respect of IPR anti-piracy enforcement, it was agreed that training be provided to the specialised units of the Panamanian Government. On 30th March, 28 customs officers attended an IFPI training session and on 31st March, a similar exercise was provided to 24 attorneys and investigators from the Panamanian prosecutor’s office.

All were in agreement that the training was a total success and vital to the enforcement action they will be undertaking.

During this time the IFPI team took the opportunity to meet with the Panamanian Customs Director and Attorney General.

Reports by Emilio Garcia
IFPI Enforcement, Latin America
It is evident that the positive developments over the last few months are directly attributable to a decision by the Central Board of Revenue (CBR) in Pakistan to tackle intellectual property piracy. Almost a year ago, CBR instructed Pakistani Customs officials at the various international airports to block the export of all optical discs containing international music repertoire, Western movies and software by air freight companies or as hand luggage by couriers. The Collector of Customs Rawalpindi Division was the first to establish an Anti-Piracy Unit at Islamabad Airport and since then the uncontrolled export of pirate optical discs from Islamabad airport have ‘dried up’. Customs at Islamabad Airport has so far seized over 50,000 pirate optical discs. IFPI has a close working relationship with Islamabad Customs in the fight against optical disc piracy.

After the establishment of an IPR Unit by the Collector of Customs at Karachi airport, officials seized over 188,000 pirate optical discs during the period July 2004 to April 2005.

Under the direct supervision of the Collector of Customs Lahore, airport customs have seized more than 57,000 pirate optical discs during the first four months of 2005.

The Directorate General of Customs Intelligence is also active in the fight against piracy and under the supervision of the Director General, they have seized over 72,500 pirate optical discs in the last six months. Customs intelligence have also led to the seizure of a few domestic shipments of pirated optical discs. Consequently, the method of exporting Pakistani optical discs has now changed to covert ‘smuggling’.

Reports by Willem van Adrichem
IFPI Enforcement, Middle East/S.W. Asia

SAUDI ARABIA
Authorities crack down on organised crime

“You have opened the door for us”, was the comment of a Senior Saudi Arabian police officer to the efforts of the national IFPI Group representative after the first raid in the ‘Batha’ area, Riyadh in March. In total 1.2 million recorded CD-Rs were confiscated. The operation was the result of an in-depth investigation by IFPI who subsequently provided intelligence to the Saudi Ministry of Information and the Saudi Police on the illegal activities in the ‘Batha’ district.

It took more than 300 police officers seven hours to seal and raid the whole area on 17th March. The seized CD-Rs contained international and Hindi repertoire, Hollywood and Bollywood VCDs, pornographic material, software and games. The area predominantly houses immigrants from South West Asia and about 275 people involved in the duplicating and selling of pirate optical discs, gambling, prostitution and other criminal offences were arrested.

Two weeks later this was followed by a similar large scale action, this time by the ‘Mutwa’, the religious police. An additional two million recorded CD-Rs were seized and 120 people arrested.

The Saudi authorities have stated that they will continue attacking these illegal activities in the Kingdom.

U.A.E.
IPR Unit at Dubai Customs

There is growing concern within the international and local music industry at the continuing rise in piracy. Although still the lowest level in the Middle East region, in 2004 the estimated music piracy level in Dubai increased to 15% (compared to 10% in previous years).

IFPI information obtained during the first part of 2004 revealed that numerous shipments, an estimated 500,000 optical discs, were imported via air freight service companies from Pakistan to Dubai. After the intensified actions by Pakistani Customs in the second part of 2004 and early 2005, the shipments by air freight companies to Dubai declined by 90%, however real ‘smuggling’ took over and went ‘underground’. IFPI Intelligence shows that about 80% of the optical discs smuggled out of Pakistan are destined for Dubai.

The industry welcomes the announcement by Director General of Dubai Customs, Mr. Ahmed Butti Ahmed, that an official IPR unit will be established, on a short term basis, at Dubai Customs to fight the cross-border trade in illegal goods.

Mr Ahmed Butti Ahmed, DG of Dubai Customs, receiving IFPI plaque from Willem van Adrichem, IFPI Enforcement, Middle East/S.W. Asia
PHILIPPINES

Authorities maintain aggressive enforcement
(Continued from page 1)

tion was supported by more than 120 police and SWAT teams from the National Capital Region Police Office. Local and international industry copyright groups, including IFPI, attended together with OMB's inspection and investigation unit.

SWAT teams arrived in the area first, and most of the stallholders responded by shuttering and padlocking their premises. With the arrival of the main raiding party, bolt cutters and cutting torches were deployed and entry to the stalls was gained. A total of 94 search warrants were executed, as the raiding teams moved methodically through the market recovering enough optical discs to fill seven large goods vehicles. This was one of the most successful raids ever in the Philippines and official figures put the seizure in excess of 1.2 million discs.

Throughout 2004 the OMB and copyright based industries have conducted routine raids against various shopping malls favoured by the pirates for distribution of infringing materials. The Tutuban shopping mall in Manila, made a significant contribution to anti-piracy enforcement when on 11th May the mall management gathered up all pirated discs on sale by the vendors there and surrendered them to the OMB. The management, concerned by falling customer numbers, recognised the alarm caused to legitimate customers by the continuous raiding of OMB and police. They decided to ban the sale of infringing discs by vendors in the mall. It is hoped that other shopping malls will soon follow suit.

Typical security precautions needed during raid action at the Quiapo Bartertrade

OMB signs pact to boost fight against pirates

The OMB and IFPI recently signed a memorandum of understanding (MoU) to crack down on music piracy in the Philippines.

The MoU will enable OMB to use IFPI's forensic examination facility in London to further strengthen the agency's efforts to curb the piracy rate in the Philippines, currently at 89% for movies, 95% for software games and 61% for music.

Robert Youill, IFPI RAPEC South East Asia, told a press briefing that the MoU will help OMB to track down the origin of manufactured discs.

TAWAIN

Illegal streaming stopped at source

IPR Task Force officers together with IFPI raided the registered offices of companies suspected of offering streaming of infringing digital music files. Enquiries at the scene confirmed that six servers were being rented to make available over 28,500 files of copyrighted music for on-line streaming.

The investigation began in late 2004 when IFPI identified two suspect websites offering streaming of infringing digital music files. The websites were subsequently found to be operated by two Taiwanese companies. In April 2005, the websites began to charge members NT $60 (approximately US $2) per month for the streaming service. The registered location of the websites was identified through IFPI investigations and the matter was reported to the IPR Task Force which led to the raid on 22nd April.

Pirate CD-R centre raided in Kaohsiung

A CD-R duplication centre selling pirate CD-Rs via the Internet was raided by Kaohsiung Police on 28th April. One computer, 58 burners, 1,209 CD-Rs and 16,300 blank CD-Rs were seized.

The investigation began in January when Kaohsiung Police Station received information on the duplication centre. After a four-month investigation, the location of the suspect was identified. The case has been transferred to Kaohsiung District Prosecutors' Office for further investigation.

Regional news
S. E. Asia
MALAYSIA

Syndicate’s mastering line decommissioned

The final link in Malaysia’s most notorious music piracy syndicate’s manufacturing chain was successfully broken in March this year when Ministry of Domestic Trade and Consumer Affairs (MDTCA) officers, led by Shazril Reza Bin nor Azmi, raided a two storey business location which had provable links to an earlier raided replication facility and from which, under subsequent observation, chemicals used in the mastering process had been seen entering and leaving. Raiding officers, accompanied by IFPI, found a complete integrated laser beam recorder and electroplating mastering facility on the ground floor of the premises with administrative offices on the second floor.

Since 2001 IFPI has investigated and initiated enforcement action against Malaysia’s prominent pirate music syndicate resulting in raids on three replication facilities, the group’s operations base, pre-mastering unit, distribution centres throughout the country and the seizure of in excess of one million discs.

Staff at the plant confirmed to investigators that they had no licence as required under Malaysia’s Optical Disc Act, providing the raiding party with more than sufficient grounds to seize and remove all machinery and equipment involved in the stamper manufacturing process.

Charges are expected to be laid against the directors of the company and enquiries into the plant’s client base are ongoing.

CHINA

Pirate distribution centres raided in Guangzhou

With the assistance of PRC authorities, three major raids have taken place in Guangdong Province on pirate optical distribution centres, which resulted in a number of arrests.

In early April, IFPI’s Regional Enforcement Office received initial intelligence concerning two pirate optical disc distribution centres located in Tian He District, Guangzhou. On 12th April, a joint raiding team comprising officials from the Guangzhou City Ministry of Culture Anti-piracy Task Force (MOC), the Administration of Commerce and the Public Security Bureau, IFPI and the GDCAVD (Guandong Chamber of Audio Visual Distributors) entered the first location. Three men were found handling illegal optical discs carrying infringing music and movies. Video and pornographic video were found in boxes and on display inside the storage room. During a raid at a second location three people were also found in a storage room where illegal optical discs were discovered.

On 13th April, accompanied by the MOC, IFPI representatives and the GDCAVD raided another pirate optical discs distribution centre located in Dong Pu, Guangzhou. On entry, it was also found to be a residential flat. The pirate discs contained infringing music, international and local movies and computer software. Two people were arrested.

Bob Youill, IFPI Regional Co-ordinator for S.E.A. stated: "These operations clearly demonstrate high levels of co-operation with the Chinese authorities with regard to the fight against music piracy in Mainland China."

Pirate optical discs seized in the raided distribution centres in Guangzhou

Pirate audiovisual outlet raided in Shenzhen

IFPI conducted a market survey in mid-March which identified a number of retail outlets selling pirate music products. A complaint was lodged with the authorities leading to an immediate raid by Shenzhen Cultural Market Regulatory Office (SCMRO) resulting in a total of 10,000 optical discs being seized.

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MDTCA and the Recording Industry of Malaysia (RIM) jointly raided a suspected illegal distribution facility located in an industrial area on the outskirts of Kuala Lumpur on 25th April. Two men found on site were subsequently arrested following the discovery of more than 79,000 infringing audio titles of Malay and Chinese repertoire and almost 10,000 DVDs. Both occupants were detained at the local police station prior to being charged to court.

“This raid represents a significant success against a domestic distribution syndicate which we have been investigating for some months. Targeting distribution points is a key element in RIM’s anti-piracy enforcement strategy.”

Tuan Abdul Rahman Bin Ghazali, RIM’s Director of Enforcement

In a separate operation, IFPI representatives raided distribution facilities in the North of Malaysia. On 2nd March, Royal Malaysia Police officers, acting on IFPI intelligence, intercepted a van leaving residential premises in Penang. On being searched the van was found to contain display drawers full of pirate discs, effectively turning the vehicle into a mobile retail outlet. Additional infringing product was found inside the van owner’s residence. The van owner was arrested and the vehicle seized along with more than 11,000 pirate audio discs in a follow up operation. The following day, MDTCA officers hit a distribution outlet in the neighbouring state of Kedah seizing in excess of 7,000 discs and the occupant of the premises was arrested.

The use of goods vehicles as a mobile pirate music retail outlet is a first for IFPI operatives and clearly demonstrates the ingenuity the Malaysian pirate syndicates employ to get their illegal products to the public.

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**MALAYSIA**

**Underground plant raids**

MDTCA have shown no respite in their pursuit of optical disc manufacturers who breach Malaysia's optical disc laws. In addition to two plants raided in January, an additional four plants were raided between February and April:

- 24th February: A two line CD/VCD facility in Selangor, pressing Chinese film titles at the time of entry, but from production records shown to have pressed repertoire for a syndicate under active investigation by IFPI. The mirror block of one of the plant's lines was also found to bear a fake SID code, previously seen by IFPI investigators during test purchases and seizures. Sample discs from the plant were subsequently matched by IFPI’s forensic laboratory to previously unidentified moulds.

- 3rd March: Royal Malaysia Police, following up on drug information, came across optical disc manufacturing activity and called in the MDTCA who confirmed an unlicensed two line DVD replication facility operating in a vacated factory located within its own gated compound. The facility boasted a state of the art off-set printer placing high quality artwork of the latest release DVD titles onto poorly manufactured DVD5 and DVD9 content formats.

- 4th April: Another DVD facility was hit in Kajang by MDTCA. All machinery in the one line facility was removed after pressed pornographic DVDs were found on site.

- 13th April: A one line CD/VCD factory was searched near Melaka, on the outskirts of Kuala Lumpur. Several thousand Chinese language pornographic VCDs, 15 stampers and a single replication line were seized.

IFPI commends the MDTCA’s impressive enforcement results so far in 2005 and pledges its continued support in tackling infringing optical disc production by both licensed and unlicensed facilities in Malaysia.

**SINGAPORE**

**IPRB raids on licensed facilities continue**

As part of follow-up enquiries into the interception of six containers carrying 1.78 million infringing CDs by South African Customs Officials in Durban in 2003, the Intellectual Property Rights Branch (IPRB) of the Singapore Police Force together with IFPI executed search warrants on two licensed replication and mastering facilities in April.

Acting on IFPI forensic evidence, linking several Singapore optical disc manufacturing facilities to the intercepted disc consignments, IPRB officers have carried out a series of raids on local plants in recent months with stampers, production records and computer records seized in the course of their enquiries.

In an announcement to the Singapore Exchange, one of the raided plants confirmed they were co-operating with the police in its investigation into several orders for the production of audio CDs worth approximately SG $1.53 million (US $922,000).

IPRB’s and IFPI’s enquiries into the Singapore connections to the six container consignments are ongoing.

Reports by Bob Youill

(IFPI Enforcement, S.E. Asia/Pacific)
**SOUTH AFRICA**

**Tenacity of Enforcement unit pays off**

The tenacity of South Africa's Anti-Piracy Enforcement Unit paid off this year when a long-standing case against a music pirate was successfully closed.

The suspect had been operating out of a stall in a flea market in Boksburg, just outside the South African city of Johannesburg. In 2003, following information supplied to the anti-piracy unit of the Recording Industry of South Africa (RiSA), the suspect's premises were raided by the unit, working together with the Commercial Crimes Unit (CCU) of the South African Police Services (SAPS) and nearly 4,000 CDs, two CD duplication towers and two scanners were seized.

A case was opened by the CCU in 2003 but was halted when the case file 'went missing'. A police official was subsequently arrested for selling the file which was destroyed.

However, RiSA's current Anti-Piracy Enforcement Unit, led by Braam Schoeman and including enforcement officers, Angus Rheder and Oelof du Plooy, refused to let this dissuade the team from pursuing a successful prosecution.

Although the case against the suspect was withdrawn in court following the disappearance of the case file, a new case file was compiled by the Unit, with the help of SAPS.

This year saw the suspect back in court, charged with copyright infringement under South Africa's Copyright Act. The defendant admitted guilt and paid a R75,000 (US $11,500) admission of guilt fine to the court as well as a civil settlement amount of R24,000 (US $3,700) to RiSA.

“We were particularly pleased with this result because it proves that even though we face the challenge of corruption in our pursuit of music pirates in South Africa, we are still able to see justice done. Everyone involved in music piracy should realise that we are very serious about fighting piracy in South Africa.” Braam Schoeman

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**Kenya**

**NIGERIA**

The Nigerian Copyright Commission (NCC) and IFPI held a training session in Lagos for Copyright Inspectors, Police and Customs focusing principally on ‘plant visit inspections and the investigation of music piracy’. The training, sponsored by IFPI, is part of the NCC initiative STRAP (Strategic Action Against Piracy), officially launched on 3rd May. Regulation of optical disc manufacturing will be crucial to IP protection in Nigeria.

In his opening address, Dr. A. Adewopo, Director General of the NCC, cited the massive economic loss caused to the creative industry and the state by piracy. The training program is part of the Commission’s efforts to educate enforcement officers on the strategies of combating piracy.

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**AFRICA IN BRIEF**

IFPI and Microsoft hosted training for 60 members of police, customs, the bureau of Weights and Measures and bureau of Standards at the School of Monetary Studies in early March. Also in attendance was Maj. Gen. Mohammed H Ali, Commissioner of Police. Training raised awareness of the economic damage of piracy and obstacles to effective action.

Mrs Bernice Gachegu of the Registrar General's Office informed members that, "we are looking at introducing IP in the police training curricular". In closing the session, Maj. Gen. Mohammed H Ali, said that piracy had become a serious concern for stakeholders and the knowledge gained during the training will help the police combat piracy.

**Mozambique**

Customs authorities recently detained a shipment of 10,000 illegal CDs and DVDs. The shipment, which transited South Africa, originated in Pakistan and was seized at Maputo airport. Alfândegas officer Mr. S. Mambo and IFPI are seeking destruction of the product via court proceedings.

**Benin**

Three 40 ft containers containing over 1.7 million CDs held in Benin in mid-2004 have now been formally detained by the authorities. The authorities are making it quite clear that they are willing to assist the protection of intellectual property and will not allow Benin to be used as a springboard into West Africa. The counterfeit music CDs are earmarked for destruction as soon as investigations in the Far East into the illegal manufacturing are completed.
RUSSIA

IFPI Chairman/CEO John Kennedy meets Russian Minister

Russian composers and artists have made an enormous contribution to the world's musical heritage. However, the ongoing failure to address piracy threatens the very survival of the music industry not only in Russia but in neighbouring countries. Optical disc manufacturing capacity massively exceeds legitimate demand and, inevitably, this excess capacity encourages illegal manufacturing. During the past three years illegal CDs featuring over 1,000 album titles have been found in 27 countries and Russia's piracy rate is 66%.

IFPI Chairman and CEO, John Kennedy, met with senior government officials in April in an effort to address this rampant and highly destructive piracy. Alexander Sokolov, Minister of Culture and Mass Communications, Boris Boyarskov and Boris Simonov, Heads of the Federal Services for Mass Communications and Cultural Heritage, and Intellectual Property Patents and Trademarks; and the Chairmen of Parliamentary Committees on Culture and Economic Policy have a crucial role in this fight. IFPI seeks to co-operate fully with the government to tackle piracy effectively and to facilitate the accession of Russia to the World Trade Organisation.

John Kennedy encouraged officials to develop a comprehensive state strategy to protect copyright and neighbouring rights; raise the political profile of the importance of IPR protection; control optical disc manufacturing plants; create an effective enforcement regime imposing deterrent punishment under criminal sanctions and stop the activities of infringing websites. He explained that if the political will existed the authorities could achieve 'easy wins' due to the brazenness of the criminals involved in IP crime.

In January and February, criminal convictions for individuals involved in producing tens of thousands of pirate optical discs in two plants in the Moscow region, represent a very small positive step. The conviction and imprisonment of a suspect controlling in excess of one million pirate music, film and computer programs in March illustrates the scale of some pirate operations and that they are vulnerable if the authorities choose to act.

"We hope this substantial settlement will be a warning to CD plants in Russia and elsewhere who fail to take the necessary safeguards against copyright infringements by their plants. However, civil lawsuits alone will not solve Russia's chronic piracy problem. Urgent action from the Government is even more important. That means proper CD plant regulation, effective enforcement and deterrent penalties against pirates." Lauri Rechardt, IFPI Director of Licensing and Litigation

LITIGATION

Russian plant agrees substantial settlement with international recording industry

Russia's Roff Technologies optical disc plant agreed on 29th March to a substantial settlement with international recording industry body IFPI and eight member company plaintiffs over the manufacture of counterfeit CDs containing repertoire by major international artists.

Settling the civil case out of court, Roff admitted to having infringed neighbouring rights in the past. The agreement brings to a halt civil court proceedings, which had been brought by eight IFPI member companies in January 2004.

Civil action against CD plants is just one part of the record industry's strategy in Russia. The industry's top priority is stronger co-operation from the Russian authorities in the fight against piracy.

Specifically, there needs to be effective regulation of the country's optical disc manufacturing plants; effective investigation and prosecution of pirates by the enforcement agencies; and real deterrent criminal penalties when convicted pirates are sentenced in court.

"We hope this substantial settlement will be a warning to CD plants in Russia and elsewhere who fail to take the necessary safeguards against copyright infringements by their plants. However, civil lawsuits alone will not solve Russia's chronic piracy problem. Urgent action from the Government is even more important. That means proper CD plant regulation, effective enforcement and deterrent penalties against pirates." Lauri Rechardt, IFPI Director of Licensing and Litigation

TRAINING

Macedonia

Between 13th and 15th April, IFPI attended a training seminar organised by the Macedonian Ministry of Culture and supported by UNESCO in Struga, Macedonia. The seminar which was attended by 45 members of the Ministry of Culture, customs, police, judges and market inspectors dealt with all aspects of intellectual property but concentrated on the optical disc industries. In addition to IFPI, presentations were heard from the MPA, the Business Software Alliance and Microsoft.

Macedonia is in the process of updating its IPR legislation and this will be finalised in early 2006. The new law will incorporate the EU enforcement directive and all aspects of EU customs regulation 1383/2003. Currently Macedonia is suffering high levels of optical disc piracy and recent seizures by the police indicate that large numbers of recordable media are being imported.

Graham Haager
IFPI Training Officer
**Training**

**Iceland**

Training organised jointly by the IFPI National Group in Iceland and representatives of the MPA and Sony was attended by IFPI and a representative of Sony Home Entertainment. Two training sessions were carried out in Reykjavik and at Keflavik airport on 19th April. Fifty customs officers received training in the identification of product and the risk indicators attached to the illicit transport of optical discs. These fifty officers represent a significant percentage of Icelandic customs as there are only 120 officers on the island.

One week later customs officers examining a container recently arrived from Thailand found a substantial number of counterfeit discs. These discs which were not on the cargo manifest and which bore characteristics of having been made in Thailand have been destroyed. This is a clear example of training raising awareness of illicit product and leading directly to a seizure.

_Graham Hagger_
_IFPI Training Officer, Enforcement_

**Turkey**

**Anti-Piracy co-operation with film industry**

The Turkish National Group, MÜ-YAP, has recently signed a protocol with the in-country representation for MPA on anti-piracy matters, AMPEC, for closer co-operation and joint activities in the combat against piracy. AMPEC has acquired considerable experience in tackling piracy on the streets in Turkey and, recently has been assisting IFPI Eastern Europe regional enforcement team with CD plant visits. As an indication of even broader inter-industry co-operation, both MÜ-YAP and AMPEC will participate with BSA in a media campaign in the newspapers, radio stations and cinemas, commencing at the start of June.

_Source: MÜ-YAP Turkey_

**Belgium**

In Leuven, Schaerbeek and Charleroi on 14th, 28th April and 10th May respectively, Belgian police authorities proceeded, in the presence of national and regional press, to the destruction of counterfeit CDs and DVDs containing music, computer games and films. Representatives of BAF (MPA, BVF and Sony Playstation), IFPI Belgium and SABAM were present. The counterfeit product was seized during raids carried out last year in the above mentioned cities.

IFPI Belgium investigators were on hand to assist in identifying and categorising the products. The counterfeiters have been brought before the Belgian Courts.

_Pirate discs being destroyed_

_Source: IFPI Belgium_

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**Diary 2005**

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<td>29 Jun-1 Jul</td>
<td>IFPI RAPEC (Norfolk, UK)</td>
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<td>13 Jul</td>
<td>European Regional Board (Brussels)</td>
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<td>14-15 Jul</td>
<td>Western Europe Regional Meeting (Switzerland)</td>
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<td>29 Jun</td>
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**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](http://www.ifpi.org)

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

Contributions / comments are welcomed and these should be forwarded to the editor no later than **19th August 2005** (see below for details).

Mailing list enquiries should also be addressed to the editor.

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

Fax: +44 20 7878 7990

e-mail: isabelle.betsy@ifpi.org