

STUDY REVEALS \$1.37 BILLION LOSS TO AUSTRALIAN ECONOMY FROM MOVIE PIRACY

On 17 February, the Australian film community held a media conference on the set of Stephan Elliot's new comedy *A Few Best Men* at Fox Studios Australia to reveal that the economic impact of movie piracy equated to \$1.37 billion in lost revenue to the Australian economy and 6,100 jobs forgone over a 12-month period.

The joint study was undertaken by IPSOS and Oxford Economics on behalf of the Australian Federation Against Copyright Theft (AFACT).

The key findings indicated the scale of harm caused by movie piracy to the Australian economy in the 12 months up to July 2010.

Speaking at the press conference, actor Roy Billing said: *"\$1.37 billion per annum in losses to the film industry is a staggering figure and suggests that we need to act urgently to stem the tide of movie theft. At stake is not only the livelihoods of artists, technicians, laborers and service people, but the ability for Australia to compete as a leader in innovation and creativity. Educating people about the immediate financial impact of movie theft is a good start to motivating change in behaviour."*

Antonia Barnard, a Producer on *A Few Best Men* said: *"Producing a film is a team effort that utilizes the skill and hard work of hundreds of talented Australians both on and off camera. There is a huge amount of creative and financial investment required, and it is a risky enough business without having to deal with the notion that all of that hard work and creative input will be worth nothing if your film is stolen. We are hopeful that when *A Few Best Men* is released that people will choose to see it as it is intended to be seen – on the big screen – or that they choose to buy or rent a DVD legally rather than viewing it online via illegal downloads."*

The Executive Director of AFACT, Neil Gane, said: *"The IPSOS research tells us that movie*

theft has a destructive impact not just on the film industry, but the economic damage also reverberates through our entire community, threatening all types of jobs and businesses. The film community is no different than any other sector of the economy that relies on skill, investment and hard work. The losses are significant and the report highlights the need for urgency in addressing this problem."

The key findings of the survey found that:

- Allowing for effects on other industries, \$1.37 billion in revenue was lost across the entire Australian economy.
- 6,100 jobs were forgone across the entire economy.
- Tax losses to movie piracy amounted to \$193 million.
- Direct consumer spending losses to the movie industry, ie. cinema owners, local distributors, producers and retailers amounted to \$575 million, equivalent to more than three times the combined revenues (\$178 million) of AFL Clubs Collingwood, Hawthorn, Carlton and Geelong.
- A third of the Australian adult population has participated in some form of movie theft (downloading, streaming, buying counterfeit, borrowing unauthorized, burning).
- 92 million pirated movies were estimated to have been viewed or obtained within this period.

The IPSOS study arrived at the figures by conducting a telephone survey of 3,500 adults aged 18 and over, between July and August 2010.

To view the complete IPOS report *"Economic Consequences of Movie Piracy"* simply go to the AFACT website.

<http://www.afact.org.au>

AVRRA: WORK IN PROGRESS REPORT

The Board meeting on the 17th February 2011 worked through the topics listed in the AVRRA action plan and decided on the following action to be taken. Over the next few months we will be working progressively through the actions and will keep all our members updated on the outcomes via the Members Information Bulletins.

R18+ SOUTH AUSTRALIA

Work with Simon Bush, Chief Executive, of the Australian Home Entertainment Distributors Association to provide any help along with their actions and seek an updated response from the South Australian Government.

PIRACY. ILLEGAL DOWNLOADS

1. Develop a generic industry information template for members to send to their local MP.
2. Update the AFACT media release of the 17th February 2011 in the next Members Information Bulletin.

PIRACY. MARKET STALLS/ PARALLEL IMPORTATION

Ask members to report illegal activity at market stalls to AVRRA. The Association will then write to the local Police, local Council, the Market operator and Distributors informing them of this illegal activity.

WINDOWS. PAY PER VIEW / iTUNES/FOXTEL/ DAY AND DATE DOWNLOADS

1. Write to Distributors and Account managers asking for their latest windows information and then update the same to AVRRA members
2. Ask members to report any window breaches to AVRRA
3. Lobby Distributors for extended windows

WORLD RELEASE DATES

1. AVRRA to write to the Home Entertainment and Theatrical distributors asking for an explanation as to why this is not possible or commercially viable.
2. AVRRA also write a similar letter to the Motion Picture Association of America.

PRO RENTAL MARKETING/ ADVERTISING/ POINT OF SALE

1. Lobby suppliers for continued use of the "Rent or Buy" tag line
2. Discuss the promotion of DVD as the "genuine product" versus pirate copies to consumers
3. Discuss "extra features message" as a consumer benefit only found in genuine DVDs

AVRRA MEMBER COMMUNICATION

Member's information bulletins to continue on a 6-8 weekly basis

ALTERNATIVE PROVIDER'S POLICY

The current policy now reads:

"AVRRA respects the right of alternative home entertainment providers to market their products to consumers. However, AVRRA will continue to monitor the marketing tactics of the provider/s to ensure a level playing field, and that accurate information is provided so that misleading statements or misrepresentations are brought to the attention of those service provider's content owners and the appropriate statutory authorities"

AVRRA FACEBOOK

Poll AVRRA members to gauge enthusiasm for this

The Board decided to monitor the following topics and as in the past act as necessary

- MASS MERCHANT PREDATORY PRICING
- TWO- TIER PRICING
- COMPETITOR FALSE AND/ OR MISLEADING ADVERTISING
- EXCLUSIVE TITLES

Woman Arrested At Illegal Movie DVD Market Stall

On 10 March, New South Wales Police, assisted by investigators from the Australian Federation Against Copyright Theft (AFACT), conducted an operation on suspected illegal movie DVD stalls at Boothill Markets in Minto in South West Sydney.

Over 2,500 illegal discs were seized and a woman in her forties was arrested.

Police closed down two separate market stalls allegedly selling illegal copies of new release movies and popular television shows. The movies were being sold on average at \$5 per disc.

At one market stall, Police seized approximately 1,300 discs, including illegal copies of the Oscar-winning movie *The King's Speech*, which stars Australia's Geoffrey Rush. The film is still showing in cinemas and is not

currently available legitimately on DVD. A number of TV Box Sets were also seized, including infringing copies of *Two and a Half Men*.

At another market stall, over 800 movie titles were seized, including illegal copies of current release movies such as *The Adjustment Bureau*, *Hereafter*, and the locally-made 3D cavediving thriller *Sanctum*.

A man in his twenties is helping Police with their enquiries.

The Australian director of *Sanctum*, Alister Grierson, said he was disheartened to hear that illegal copies of the film were being sold: "*Making Sanctum was a labour of love, and was only possible with the contribution of a highly-professional, hard-working Australians. We hope that people choose to see our film as it was intended to be seen – at the cinema*

or on high-quality legitimate Blu-Ray or DVD – not on stolen, poor quality rip-offs."

Commenting following the operation Neil Gane, Executive Director of AFACT said: "*The important work carried out by New South Wales Police goes a long way to ensuring that local businesses like cinemas and DVD stores get a fair opportunity and do not have to compete with movie theft. We hope that today's actions reverberate through our community and make it clear that the flagrant infringement of other peoples' creative work for commercial gain will not go unpunished.*"

Members of the community can provide information on movie piracy to Crime Stoppers by calling 1800 333 000 or AFACT by calling 1800 251 996.

AVRRA MEMBERS SURVEY

As part of the AVRRA Action Plan the Board would like to know if our members see a benefit in AVRRA creating an AVRRA facebook page. It is thought an AVRRA facebook page would provide an opportunity to quickly update members on industry issues and the outcomes the Association is working on. It may also provide members with a forum to communicate with AVRRA and other members direct.

To register your answer simply click on the link below and tick the appropriate box Yes or No.

www.surveymonkey.com/s/VCXN7RN

SOUTH AUSTRALIAN R 18+ FILM DISPLAY LEGISLATION

We get the same reply we got twelve months ago from the SA Government

The Association wrote to both the Premier and the Attorney General of the South Australian Government again on the 24th January 2011 detailing very clearly the two detrimental effects this legislation would have on our members in South Australia and pointing out that we had not received any response to our letter written some twelve months ago dated the 2nd February 2010.

Again the customary acknowledgement reply [by office staff] stating the matter would be brought to the Premier's and Minister's attention is all we received. Talk about being caught up in a bureaucracy nightmare, this must be one of the finest examples. It would seem we are not alone, the Australian Home

Entertainment Distributors Association [AHEDA] seems to agree, the issue is a bit like pulling teeth, very painful.

The AHEDA is working with the Australian National Retailers Association [ANRA] in a joint submission on the issue and it seems that after some discussions with Dennis Hood, the Family First parliamentarian who introduced the legislation, he has agreed to some draft amendments but who knows how long it will take for the parliamentary process of the South Australian Government to consider the amendments if at all.

AVRRA will continue to pursue answers and will update members when appropriate.

RocketTXT

TALKING DIRECTLY TO CUSTOMERS FROM INSIDE A STORE'S POINT-OF-SALE SYSTEM

Text messaging video store customers about their late returns, retail order arrivals or special marketing deals has gone to a new level with a new development in Rocket, Australia and New Zealand's most widely-used video industry point of sale computer system.

In the newest version of its *RocketTXT* function, store staff can now send SMS messages and emails on an ad hoc basis from inside the program, directly from the transactional or member screens they're working on.

This ad hoc function allows the operator to send a single SMS or email from:

- The returns screen
- The transaction screen
- When a reserved item has been returned
- From the chasings module
- From an individual member file
- When retail orders are available

The new feature works in conjunction with the current functions of *Rocket TXT*, which enables users to SMS in bulk to late renters, welcome new members, send news of upcoming movie sales, enticing back lapsed renters (with an MMS) or any marketing broadcast.

The new *RocketTXT* also makes the sending of bulk messages quicker, with an auto logon to the store's account on the website. Bulk messaging allows a user to see a detailed list of potential customers to receive the message, enabling the store to select which customers get the message.

RocketTXT, which is operated in conjunction with Sydney-based SMS specialist Edgility Pty Ltd, has been a feature of Rocket for some time, providing a powerful tool for both broadcast and individual member marketing and communication.

"This is another example of how external video industry services are being integrated into Rocket, to enable store staff to handle so much more than just front counter work from their point of sale system," said Angela Dunlop, managing director of specialist software developer CustomSoft Australia Pty Ltd.

"To compete effectively against the newer methods of rental and retail video distribution means stores increasingly have to be comprehensively connected to their suppliers and customers, and be able to respond quickly to new demands of the marketplace," said Angela Dunlop.

CustomSoft Australia

02 9634 8900 www.rocketrental.com

AVRRA's contact details have changed..

The AVRRA office telephone number has changed to

02 8920 2991

The AVRRA mailing address has changed to

P.O. Box 7074
McMahons Point 2060
Sydney NSW

Industrial Relations Contact Numbers

One of the most time consuming tasks of any business these days is ensuring wages and conditions for all staff are correct. For the convenience of members we have produced a list of contact details for all the Industrial Relations Departments (Australia)

New South Wales

131 628
www.dir.nsw.gov.au

Victoria

03 9651 5560 or 1800 287 287
www.irv.vic.gov.au

Western Australia

1300 655 266
www.docep.wa.gov.au

Queensland

1300 369 945 within state or
1800 177 717 elsewhere
www.dir.qld.gov.au

South Australia

08 8303 0400
www.industrialcourt.sa.gov.au

Tasmania

03 6233 7657
www.wst.tas.gov.au - *general info awards conditions*
www.pat.tas.gov.au - *award rates*

ACT and NT

1300 363 264
www.wagenet.gov.au
note this web address also has links to each state site.

ASSOCIATE MEMBERS



Ovation



collectyourdebt.com.au



eCollect.com.au



Duke



Gryphon Entertainment



Anchor Bay Entertainment



Eagle Entertainment



Pied Piper Promotions



National Default Registry



Eco Disc



Lomis International



Entertainment Recoveries



APRA



All Interactive Entertainment



MSS Retail Solutions



Rocket Software (Customsoft)



Peacock Films



Madman