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## SWEDISH AUTHORITIES SINK PIRATE BAY

## Huge Worldwide Supplier of Illegal Movies Told No Safe Harbors for Facilitators of Piracy!

Los Angeles - - Swedish authorities announced today that they have shut down "The Pirate Bay" - one of the world's largest and most well known facilitators of online piracy. With more than one million registered users, "The Pirate Bay" touts itself as the "World's Largest BitTorrent Tracker" facilitating and enabling illegal swapping of millions of illegal copyrighted movies, music, software, and games. The operators of The Pirate Bay have publicly ridiculed copyright holders and taunted law enforcement for years claiming immunity to copyright laws. Since filing a criminal complaint in Sweden in November 2004, the film industry has worked vigorously with Swedish and U.S. government officials in Sweden to shut this illegal site down. Over fifty Swedish law enforcement officials executed search warrants and raids at ten different locations which resulted in three arrests and the preclusion of millions of users trading up to two million illegal files simultaneously.

"The actions today taken in Sweden serve as a reminder to pirates all over the world that there are no safe harbors for Internet copyright thieves," said Chairman and CEO of the Motion Picture Association of America (MPAA) Dan Glickman. "Intellectual property theft is a problem for film industries all over the world and we are glad that the local government in Sweden has helped stop The Pirate Bay from continuing to enable rampant copyright theft on the Internet."

ThePirateBay.com is a so called pirate "tracker" that directs people to pirated movies and music, making available over 157,000 illegal files including the latest blockbuster releases such as *Da Vinci Code, Mission Impossible: III,* and *The Poseidon Adventure* and many others. The Pirate Bay's takedown today represents a growing culture of respect for intellectual property in Sweden, which in July 2005 reformed its copyright law to address digital piracy. Various rights-holders have sent countless cease-and-desist letters to The Pirate Bay, requesting that its operators remove pirated content from the site, and have been met with mockery and scorn, such as the operators posting the letters and their replies on *thepiratebay.com*.

According to Alexa.com which rates millions of websites around the world, The Pirate Bay was the 479<sup>th</sup> most visited website in the world ranking 21<sup>st</sup> in Sweden and 312<sup>th</sup> in the U.S. In comparison, CNN.com is the 125<sup>th</sup> most popular site in Sweden.

Like many pirate websites, The Pirate Bay contains significant and lucrative third-party advertising, much of it promoting the porn industry. Advertising revenue is typically a function of number of unique site visits per day. With more than one million hits per day – the Pirate Bay takes in an estimated \$60,000 per month from advertisers in addition to thousands of dollars collected from user "donations."

"The bottom line is that the operators of the Pirate Bay and others like them are criminals who profit handsomely by facilitating the distribution of millions of copyrighted creative works and files protected under the law," said John G. Malcolm, Executive Vice President and Director of Worldwide Anti-Piracy Operations for the MPAA. "We applaud Swedish law enforcement for their effort to stop egregious copyright infringement on The Pirate Bay."

The major motion picture studios lost an estimated \$6.1 billion to piracy in 2005. Internet piracy alone cost the studios \$2.3 billion. The MPAA has a multi-pronged approach to fighting Internet piracy, which includes educating people about the consequences of piracy, taking action against Internet thieves, working with law enforcement authorities around the world to root out pirate operations and working to ensure that advanced technologies will allow the legal distribution of movies over the Internet. In February of this year, authorities in Belgium and Switzerland shut down the infamous file-swapping server Razorback2 which, at the time, was the number one eDonkey peer-to-peer server facilitating the illegal file swapping of approximately 1.3 million users simultaneously. Razorback2 was operated as a commercial enterprise indexing over 130 million files including millions of copyrighted movies, software, games, TV programming and music with international and U.S. titles. By shutting down Razorback2 and sites like The Pirate Bay, the ease with which pirates can obtain illegal content online can be slowed dramatically.

\*Attached please find the "Internet Piracy Pyramid" which details the "Avalanche of Internet Piracy". For a short video presentation visit <a href="www.mpaa.org">www.mpaa.org</a> and go to the "Press Room" section.

## About the MPAA

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

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