

# SCREEN PIRACY

Facts, Fallacies and FAQs

The piracy debate is full of misinformation and myths, used to justify file-sharing and muddy the waters.

**Online piracy** is one of the most challenging issues facing the creative industries today. If it continues at current rates, creative business will become unsustainable.

“It’s an economic reality that people should be paid for their work, and while the creative industries might seem glamorous and disconnected from many in the ‘real’ world, they are workers with obligations and aspirations like everyone else.

Downloaders, and the theft they perpetrate, are increasingly challenging the whole economic construct of intellectual property production.<sup>1</sup>”

**Free is not a viable business model.**

Creative Content Australia is a not-for-profit industry initiative committed to raising awareness about the value of screen content and the impact of online content theft.

[www.creativecontentaustralia.org.au](http://www.creativecontentaustralia.org.au)

think before you click



## **FALLACY: Everyone is doing it**

Research shows that 21% of Australians aged 18-64 and 26% of Australians aged 12-17 download film and TV content from pirate websites.<sup>11</sup> “Everyone is doing it” is one of the justifications pirates use to normalise and legitimise their behaviour.

## **FAQ: Who is making the money?**

Piracy is a multi-million dollar enterprise, not just kids in a basement swapping files. Pirate sites generate hundreds of millions of dollars from advertising revenue annually, with **not one cent** going back to the original creators or owners of the work.

These offshore sites are often run by criminals profiting from the theft of other people’s creative works.

## **FACT: It affects you**

Piracy is not simply about lost profits. It undermines confidence to finance movies in the first place. Investors are less likely to invest in other films when piracy impacts their returns.

**Fewer films means fewer jobs for Australian creatives and less choice for consumers.**

## Facts

### Piracy is stealing

Pirates may not steal anything physical when they stream or download movies and TV shows from pirate sites, but in doing so, they reduce the value of the work to zero by choosing to pay nothing for it.

The value of the download is not in the download. It is in the years of collective creative efforts of the talented writers, actors, costume and set designers, camera operators, sound technicians, special FX wizards and the many other jobs you see as the credits roll.

“*Films cost millions of dollars to make and employ hundreds of people. These costs are repaid by selling tickets and managing online rights.*”<sup>2</sup>

### Piracy affects local industry

Approximately 1.5 million people watched Academy Award®-winning Australian film *Mad Max: Fury Road* in Australian cinemas. The film was illegally downloaded 1.2 million times in Australia alone.

Whether a film or TV show is made in Hollywood or Hobart, less money is injected into new projects when investments are diminished by piracy. This impacts the thousands of “below-the-line” workers in the screen industries.

Who wouldn't opt for lower prices for ANY good or service we use? But few products face the challenge of being unlawfully available, globally, to billions of consumers with an internet connection.

## Fallacies

### We wait longer to get content in Australia

Pirates justify their actions by saying we wait longer before content is available in Australia.

Release windows for films between the US and Australia have reduced significantly, from 47 days in 2002 to less than 3 days on average in 2017.<sup>3</sup>

In fact, 51% of the top 100 films were released in Australia *before* the US in 2016. And most major TV shows are now fast-tracked on Australian screens, with no wait periods.

Research shows that piracy actually spikes, sometimes up to 300%, after the digital copy is available online.

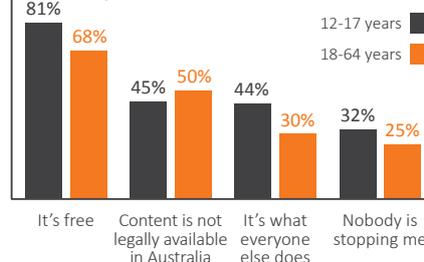
### Australians pay more for content

Australia is well-served with multiple services offering unlimited viewing for monthly subscriptions or pay-per-view fees that are now often less than the US and UK.<sup>4</sup>

It's interesting to note that persistent pirates are more likely to have a tertiary education and a full-time job than non-pirates. Individuals who earn over \$75K are far more likely to pirate than those who earn less than \$40K a year.<sup>5</sup>

Affordability does *not* materially reduce film and TV piracy.

### Reasons for downloading or streaming pirated content online<sup>11</sup>



## FAQs

### What risks are associated with pirate sites?

Infringing content streaming has become the number one method to propagate malware on the Internet.<sup>6</sup> With 99% of ads potentially exposing users to malware, spyware and identity theft, using a pirate site comes with high risks.<sup>7</sup>

One in three infringing sites contain malware that steals personal information like addresses, bank details and passwords.<sup>8</sup> These sites are a favoured method to spread Remote Access Trojans that trick victims into downloading malware and enable identity theft.<sup>9</sup>

“*Movies are digital bait. Pirate sites have always stolen from content creators by making shows available for free, but now they're also stealing from people who download those shows.*”<sup>10</sup>

### Why do we need copyright?

Copyright allows the people who take on the risks of creation to be appropriately rewarded for their skills and their efforts.

It's vital that screen content creators are able to monetise their work. Copyright protects those works and provides the incentive to create. The money that flows from copyright pays the bills of the creators and feeds back into the creative industries through the development of new projects.

1. Kim Williams AM, Chair, The Copyright Agency

2. Jamie Hilton, Film Producer

3. MPDAA Box office data (excludes G & PG rated films which are generally released in line with Australian school holidays).

4. AHEDA & GfK research 2016

5. BSG Copyright & Content Protection Research 2017

6. Illegal Streaming and Cyber Security Risks: A dangerous status quo? The Association of Internet Security Professionals 2014

7. Dr Paul A. Watters, A systematic approach to measuring advertising transparency online: an Australian case study, University of Ballarat 2013

8. Digital Bait: How Content Theft Sites and Malware are Exploited by Cybercriminals to Hack into Internet Users' Computers and Personal Data. The Digital Citizens Alliance (DCA) & RiskIQ 2015

9. Matthew Johnson, What You Don't Know Can Hurt You: Rogue Sites and Online Risk, MediaSmarts 2014

9. Matthew Johnson, What You Don't Know Can Hurt You: Rogue Sites and Online Risk, MediaSmarts 2014

10. Tom Galvin, Executive Director, Digital Citizens Alliance

11. Creative Content Australia Research 2016