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## **CREATIVE COMMUNITY HAILS NEW BIPARTISAN HOUSE LEGISLATION TO SHUT DOWN ROGUE WEBSITES THAT STEAL AMERICAN-MADE CONTENT**

WASHINGTON—Organizations representing the creative community today thanked U.S. Representatives Lamar Smith (R-TX), John Conyers (D-MI), Bob Goodlatte (R-VA), and Howard Berman (D-CA) for introducing the Stop Online Piracy Act (H.R. 3261), new legislation aimed at shutting down foreign websites that profit from stealing American-made films, television shows, and other creative content.

The Independent Film & Television Alliance® (IFTA®), the National Association of Theatre Owners (NATO), the Motion Picture Association of America, Inc. (MPAA), and Deluxe Entertainment Services Group Inc. have united in support of efforts to address today's gravest threat to the American film industry workforce: the illegal distribution of content online. And they are working closely with an even wider coalition of entertainment union workers, and organizations, businesses and labor groups involved in the production, sale and distribution of creative content.

Under the Stop Online Piracy Act, these "rogue websites" would no longer be allowed to exploit U.S. registrars, registries, Internet service providers, payment processors, search engines and ad placement services to sustain their illicit online businesses. Attacking the financial underpinnings of these illegal sites and the criminals that operate them will help dry up profits to their illicit operations.

The bill's sponsors are among the leaders of the House Judiciary Committee. Representative Smith is Chairman of the House Judiciary Committee and Representative Conyers its Ranking Member. Representative Goodlatte chairs the Subcommittee on Intellectual Property, Competition and the Internet. Representative Berman serves as Ranking Member on the House Foreign Affairs Committee.

The bill was also co-sponsored by Rep. Marsha Blackburn (R-TN), Rep. Mary Bono-Mack (R-CA), Rep. Steve Chabot (R-OH), Rep. Ted Deutch (D-FL), Rep. Elton Gallegly (R-CA), Rep. Tim Griffin (R-AR), Rep. Dennis Ross (R-FL), and Rep. Lee Terry (R-NE).

Jean Prewitt, IFTA President & CEO, commented: "For the Independents, who finance films by pre-selling the rights to distributors worldwide, the drastic damage to the legitimate marketplace (caused by online theft) is measured both in films that cannot be produced and in lost returns on investment in films that have been. Independents account for 70% of all U.S. film production, so

every Independent film that can't be financed and produced has a dramatic impact on jobs and the economy. We are appreciative of the House Judiciary Committee's serious and bipartisan work in bringing this Bill forward."

"Fighting online theft is a bipartisan issue, and NATO applauds our leaders in the House for reaching across the aisle to craft balanced IP enforcement legislation that targets rogue websites and illegal streaming. Passing this bill is an important step to protect the jobs of 160,000 movie theater employees and sustain one of the vital engines of the nation's economic growth," said John Fithian, NATO President and CEO.

"Over 2 million Americans across all 50 states earn a living and support their families in jobs connected to the making of motion pictures and television shows. They deserve better than to see their work stolen out from under them by criminals out to make a profit," said Michael O'Leary, Executive Vice President, Government Affairs of the MPAA. "This legislation hits rogue sites where it hurts: their access to American consumers and to the financial services they use to make money. We want to thank Chairman Smith, Chairman Goodlatte and the other co-sponsors for standing up for good American jobs."

"We commend the House for its attention to the unique threat of intellectual property theft to the jobs and livelihoods of our customers and employees, and to the millions of others whose work supports creativity and innovation," said Cyril Drabinsky, President and CEO of Deluxe.

Internet sites that steal and distribute American content are often foreign-owned and operated, or reside at domain names that are not registered through a U.S.-based registry or registrar, setting them outside the jurisdiction of U.S. law enforcement. The Justice Department and rights holders are currently limited in their options for legal recourse, even when the website is directed at American consumers and steals American-owned intellectual property.

This legislation authorizes the Justice Department to seek a court order directing U.S.-based intermediaries to cease providing various support services to infringing sites. These intermediaries would then be required to take appropriate action to either prevent access to the Internet site (in the case of an Internet service provider or search engine), or cease doing business with the Internet site (in the case of a payment processor or advertising network).

To prevent the same site from simply reappearing online, this legislation would also authorize the Justice Department or rights holders to bring action against previously seized sites that have been reconstituted under a different domain name, site owner, or registrant, in the same Federal court, streamlining the infringing site's elimination from the online marketplace.

The bill sets out a new voluntary notification process that encourages private, out-of-court solutions as the preferred means to efficiently and effectively protect against the enormous losses that result from content theft. At the same time, the bill preserves the ability of rights holders to seek limited injunctive relief in the courts against a rogue website if intermediaries choose not to take action against a website.

A copy of H.R. 3261 can be found on the website of the House Judiciary Committee at this [link](#).

## **About IFTA®**

*The Independent Film & Television Alliance (IFTA) is the global trade association of the independent motion picture and television programming industry. Headquartered in Los Angeles, the organization represents and provides significant entertainment industry services to more than 150 member companies from 23 countries, consisting of independent production and distribution companies, sales agents, television companies, , and institutions engaged in production finance.*

*Collectively, IFTA's members produce more than 400 independent films and countless hours of television programming each year and generate more than \$4 billion in distribution revenues annually. The organization is also widely recognized for producing the American Film Market® (AFM®), the world's largest motion picture trade event held each November in Santa Monica.*

## **About NATO**

*The National Association of Theatre Owners is the largest exhibition trade organization in the world, representing more than 30,000 movie screens in all 50 states, and additional cinemas in 50 countries worldwide.*

## **About the MPAA**

*The Motion Picture Association of America, Inc. (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: Walt Disney Studios Motion Pictures; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; and Warner Bros. Entertainment Inc.*

## **About Deluxe**

*Deluxe Entertainment Services Group Inc., a wholly-owned subsidiary of MacAndrews & Forbes Holdings Inc., is a leading provider of a broad range of entertainment industry services and technologies to the worldwide entertainment industry including the Hollywood studios, broadcast/cable/satellite providers, digital distribution, gaming as well as content owners and creators. Services for content creation in features, television and commercials are offered in production, post production, digital distribution, multi-platform development, marketing services and asset management. They include motion picture film processing and printing; EFILM® and Company 3® digital intermediates; post production and subtitling services; titles design and digital VFX; DVD compression, encoding and authoring; advertising distribution and syndication services; digital cinema services, and 2D to 3D conversioning. Laboratory and post production facilities are located in North America, Europe, and Australia. Deluxe Digital Studios offer home entertainment services in North America, Europe and India.*

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