

NEWS RELEASE

For Immediate Release

July 3, 2017

SCREEN INDUSTRY IN TAIWAN CONTRIBUTED USD 5.5 BILLION (NTD 178 BILLION) TO ECONOMY IN 2016

Local community highlights impact of online piracy as they launch new association

TAIWAN/SINGAPORE, On June 30, 2017, representatives from across the film and television community launched *The Economic Contribution of Film and Television industries in Taiwan* report, prepared by Oxford Economics.

The research found that in 2016, the film and television industries contributed USD 5.5 billion (NT\$178 billion) to Taiwan's economy, and supported more than 100,000 jobs. It also contributed a whole of economy tax amount of USD 456 million (NT 14.7 billion).

The launch of the report comes as the Taiwan film and television industry faces high levels of piracy that continues to undermine the sector's ability to reach its full potential. The problem can be illustrated by Alexa data that found that in February of this year, total page views to the top 5 illegal websites amount to more than 681 million, while total page views to the top 5 legal websites amounted to only 24 million – a mere 3% of total pages views for film and television content.

While audiences now have a wide variety of legal online video options to choose from, the availability of illegal content remains a critical issue. The problem is amplified by the availability of set top boxes that often come pre-loaded with applications that provide access to a wide variety of infringing content. Those purchasing set top boxes may not be aware that films and televisions shows they are accessing are often being made available without the permission of the rights holder. The film and television industry in Taiwan is working closely with government enforcement agencies to identify illegal operations and take action against them, but have called for anti-piracy tools, such as site blocking of piracy websites, and the establishment of an Infringing Website List (IWL), to make major inroads against piracy.

Commenting on the economic contribution of the film and television industry, Bryan Chen, CEO of Full Entertainment Marketing Corp, said, "Credit must go to the exhibition sector for the great improvements made towards the cinema going experience. Audiences enjoy seeing movies with family and friends on the big screen in comfortable surroundings. Audiences have also developed an appetite for a wide variety of themes and topics, so the movie theatre is an attractive place to spend one's social time."

Commenting on the greatest challenge facing the industry, Flash Forward Entertainment Managing Director Patrick Huang, said, "Piracy remains our greatest threat to our ability to grow our business. In fact, piracy is so rampant, it is affecting our ability to simply sustain our business and support the livelihoods of the many people who work in our industry."

Oliver Chen added, "Government could assist by supporting the ability for rights holders to seek a remedy by blocking access to the most infringing pirate websites. They could also assist by supporting measures which ensure that once an infringing copy of a film or television show is taken down from the Internet, it stays down."

While the industry looks to combat the major challenges facing the industry, the day's proceedings also included positive news on initiatives to increase Taiwan's production activity, with the announcement of the Taiwan Movie Production Development Association (MPDA) – an organization composed of 128 local film producers, directors, actors and journalists focused on increasing engagement with filmmakers in Mainland China. The MPDA will be chaired by Kao-Hsiung Wu, while Hsing Lee will serve as Honorary Chairman.

Speaking about the newly formed group, Oliver Chen, from the Taipei Film Trade Association, said, "Increasing our level of industry exchange with Mainland China and the international film community offers real potential for the growth of our industry. Coproductions offer a real opportunity to stimulate our business."

Commenting on the economic report, Mike Ellis, President and Managing Director Asia Pacific for the Motion Picture Association (MPA) said, "This economic report helps to remind us of the value the screen entertainment sector brings to Taiwan. It is an industry abundant with local talent, drive and creativity, and promises much future success – if effective content protection measures can be introduced to help reduce piracy and help grow legitimate film industry businesses."

An infographic illustrating the key findings of *The Economic Contribution of the Film and Television Industries in Taiwan* for 2016, by Oxford Economics, can be found <u>here</u>.

About the MPA:

Promoting & Protecting Screen Communities in Asia Pacific

The Motion Picture Association (MPA) and the Motion Picture Association International (MPA-I) represent the interests of the six international producers and distributors of filmed entertainment. To do so, they promote and protect the intellectual property rights of these companies and conduct public awareness programs to highlight to movie fans around the world the importance of content protection. These activities have helped to transform entire markets benefiting film and television industries in each country including foreign and local filmmakers alike.

The organizations act on behalf of the members of the Motion Picture Association of America, Inc (MPAA) which include; Paramount Pictures Corporation; Sony Pictures Entertainment Inc.; Twentieth Century Fox Film Corporation; Universal City Studios LLC; Walt Disney Studios Motion Pictures; and Warner Bros. Entertainment Inc. The MPA and the MPA-I have worldwide operations which are directed from their head offices in Los Angeles and Washington, D.C. and overseen in the Asia Pacific by a team based in Singapore. For more information about the MPA and the MPA-I, please visit <u>www.mpa-i.org</u>.

For more information, please contact

Stephen Jenner MPA Asia-Pacific (65) 6253 1033

June Tan MPA Asia-Pacific (65) 6253 1033