

Desi pirates steal a billion from Bollywood

Pirates are robbing Bollywood of a billion dollars in revenue annually in the US, says veteran Indian filmmaker Bobby Bedi, lamenting that 'the face of the Indian films pirate is Indian'.

'The home video market in the US is bleeding massively with close to 95 percent of Indian films pirated,' he says. 'Go to any Indian store in the US and you'll see stacks of pirated Indian films,' adds Bedi who has himself seen five varieties of a single film in an Indian store.

'The same fellows will never sell pirated American products,' Bedi told IANS, regretting that American enforcement agencies were not forceful enough in helping plug losses suffered by the Indian entertainment industry in the US.

Bedi said the Indian home video market in the US made up 15 percent - about \$2 billion - of India's entertainment industry valued at \$13 billion, 'which is really huge.'

'We are losing maybe half of that - one billion dollars per year - through piracy and related activities in the US,' he said at a Capitol Hill event where he apprised US lawmakers of the seriousness of piracy in developing nations.

The Middle East, Britain and the US are big markets for Bollywood films, Bedi said. The problem of piracy in Britain has been somewhat sorted out with Indian producers now releasing their movies through big theatre chains.

A recent study prepared for the US Indian Business Council by global accounting firm Ernst and Young showed that India's burgeoning entertainment industry lost as much as \$4 billion and 800,000 direct jobs each year due to counterfeiting and piracy.

The study was commissioned as part of a joint initiative by the council and the Federation of Indian Chambers of Commerce and Industry, as well as a combined drive by Hollywood and Bollywood to promote 'convergence' between the entertainment industries.

Movies from India are in the top grossing foreign film category in the US. In addition, Hindi film distributors are aggressively marketing their movies in the US digital-cable services, industry reports say.

Bertrand Moullier of the London-based Creative and Innovative Economy Centre, who has done a study on the Egyptian film industry, said there was no magic wand remedy for the problem of piracy.

Many developing countries don't have a legal framework to deal with the problem. Civil law and criminal law remedies are not sufficient and they don't have enough resources to enforce the WTO internet treaty. 'So pirates just take police as cost of business,' Moullier told IANS. 'It's no real disincentive.'

Moullier suggested a four-point solution for the problem, covering education, legislation, enforcement and technology.

The young should be educated about how piracy was reducing their career opportunities, he said,

suggesting enactment of legislation relating to internet copyright treaty coupled with very robust civil and criminal enforcement.

Rapid changes in technology also added to the problem, Moullier said. Once online delivery begins being a reality, it would never be enough to stop hackers, he said. But it could be regulated more.

Both Moullier and Bedi did not think reverse piracy - developing nations stealing from the West - was much of a problem. Such piracy was primarily targeted at Hollywood led by Hollywood movies.

In India some leakage comes from China, Bedi said. However, according to a recent US study, global piracy costs the US economy \$58 billion annually, nearly 375,000 jobs, \$16.3 billion in annual earnings and \$2.6 billion in tax revenue.

Movie piracy causes a total output loss for US industries of \$20.5 billion per year and accounts for more than \$800 million in lost tax revenue.

The US currently has eight intellectual property attaches operating in the foreign commercial service in US embassies across the globe, including one in India. Others are located in China, Egypt, Thailand, Brazil and Russia.

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