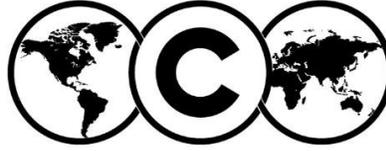


INTERNATIONAL INTELLECTUAL PROPERTY ALLIANCE®



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IIPA SUPPORTS U.S. GOVERNMENT'S INITIATION OF AN INVESTIGATION INTO GOVERNMENT OF UKRAINE'S PRACTICES THAT RESULTED IN THE IDENTIFICATION OF UKRAINE AS A PRIORITY FOREIGN COUNTRY

WASHINGTON, DC – The International Intellectual Property Alliance (IIPA) fully supports the announcement today by the United States Trade Representative (USTR) that the U.S. Government is initiating an investigation of Ukraine of the “acts, policies and practices of the Government of Ukraine that resulted in the identification of Ukraine as a Priority Foreign Country (PFC)” for failing to provide adequate and effective protection for U.S. intellectual property and fair and equitable market access.

IIPA believes that the PFC designation, and an investigation by the U.S. Government, are clearly justified for the three reasons specified by the USTR in announcing Ukraine’s designation: (1) the unfair, nontransparent administration of the system for collecting societies, which are responsible for collecting and distributing royalties to U.S. and other rights holders; (2) widespread (and admitted) use of illegal software by Ukrainian government agencies; and (3) failure to implement an effective means to combat the widespread online infringement of copyright and related rights in Ukraine. Piracy rates in Ukraine have worsened over the past two years, preventing legitimate right holders from being able to do business in Ukraine. Ukraine is, by its own admission, the source of widespread piracy of copyrighted materials through websites such as ex.ua, which have halted the development of a legitimate copyright market locally and harmed international markets for content. Collecting societies that have been duly authorized by right holders have lost their accreditation from the State, resulting in market confusion and loss of revenue in an already highly challenged marketplace. Software piracy remains rampant, including significant unlicensed software use by government agencies. High-quality unauthorized camcording of films in Ukraine’s theaters are uploaded to top pirate sites and distributed across the Internet. IIPA thanks the USTR for commencing this investigation and hopes that the Government of Ukraine will make real and measurable progress against piracy.

About the IIPA: The IIPA is a private sector coalition, formed in 1984, of trade associations representing U.S. copyright-based industries in bilateral and multilateral efforts working to improve international protection and enforcement of copyrighted materials and open up foreign markets closed by piracy and other market access barriers. IIPA’s seven member associations represent over 3,200 U.S. companies producing and distributing materials protected by copyright laws throughout the world—all types of computer software, including business applications software and entertainment software (interactive games for videogame consoles, handheld devices, personal computers and the Internet); theatrical films, television programs, DVDs and home video and digital representations of audiovisual works; music, records, CDs, and audiocassettes; and fiction and non-fiction books, education instructional and assessment materials, and professional and scholarly journals, databases and software in all formats. Visit www.iipa.com. Members of the IIPA include Association of American Publishers, BSA | The Software Alliance, Entertainment Software Association, Independent Film & Television Alliance, Motion Picture Association of America, National Music Publishers’ Association, and Recording Industry Association of America.

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