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# BELGIAN & SWISS AUTHORITIES BREAK RAZORBACK2

World's Largest P2P Facilitator Put Out of Illegal Business

Brussels, Los Angeles-- In a joint operation today police and prosecuting authorities in Belgium and Switzerland shut down the infamous file-swapping network Razorback2. Razorback2 was the number one eDonkey peer-to-peer server facilitating the illegal file swapping of approximately 1.3 million users simultaneously. Razorback2 was operated as a commercial enterprise indexing over 170 million files including millions of copyrighted movies, software, games, TV programming and music with international and U.S. titles. The site was regularly used by people located all over the world, with the vast majority of users based in Europe.

"This is a major victory in our fight to cut off the supply of illegal materials being circulated on the Internet via peer-to-peer networks," said Motion Picture Association (MPA) Chairman and CEO Dan Glickman. "By shaving the illegal traffic of copyrighted works facilitated by Razorback2, we are depleting other illegal networks of their ability to supply Internet pirates with copyrighted works which is a positive step in our international effort to fight piracy."

Swiss authorities arrested the site's operator at his residence in Switzerland this morning and searched his home. At the same time, on the authority of a local magistrate, Belgian police seized the site's servers located at an Internet hosting center in Zaventem near Brussels. The operation conducted by Swiss and Belgian authorities aimed at cutting off a major supply and facilitator of illegal files to several popular illegal file swapping networks. By shutting down Razorback2, the ease with which pirates can obtain illegal content online will slow dramatically. Since November of 2004, authorities have closed down all of the major eDonkey servers in the United States, and now, Europe.

The operators of Razorback2 had clear financial motives. In addition to collecting "donations" from users, revenue was also generated through the sale of advertising on the site, usually promoting pornographic websites. In addition, the availability of offensive content will be inhibited. The operators of this eDonkey site chose not to exercise control over files being traded by users which including those containing child pornography, bomb-making instructions and terrorist training videos.

"Razorback2 was not just an enormous index for Internet users engaged in illegal file swapping, it was a menace to society," said Executive Vice President and

Worldwide Anti-Piracy Director John G. Malcolm. "I applaud the Swiss and Belgian authorities for their actions which are helping thwart Internet piracy around the world."

Razorback2 posted statistics on its site regarding the number of uses online at any one time, reveling in its reputation as the world's largest P2P facilitator. Today, users attempting to connect to Razorback2 read the message "Razorback space 2.0 appears to be dead."

Chris Marcich, Senior Vice President and Managing Director of the MPA's European Office said: "We are very grateful to the Swiss and Belgian authorities for their cooperation and effective action in dealing with this particularly egregious enterprise and the individual profiting from it."

The MPA and its member companies, working with the local film industries, have a multipronged approach to fighting piracy, which includes educating people about the consequences of piracy, taking action against Internet thieves, working with law enforcement authorities around the world to root out pirate operations and working to ensure movies are available legally using advanced technology.

### Piracy Worldwide

The MPAA estimates that the film industry lost approximately \$3.5 billion to movie piracy in 2004, a total that does not include losses due to Internet piracy. According to a study by Smith Barney, losses were \$5.4 billion in 2005 and that includes Internet piracy. The average movie costs almost \$100 million to make and only about 60 percent of those movies recoup their original investment. Piracy in all forms hurts the thousands of individuals whose jobs are to make movies including sound and lighting technicians, carpenters, grips, makeup artists and many others. And by cutting into revenues, movie piracy limits the choices for consumers may have at the box office.

#### Piracy in Europe

The MPA estimates that in Europe alone its member companies lose in excess of US\$1 billion annually in potential revenues, not including losses associated with the Internet. In 2004, MPA and the anti-piracy programs in the EMEA region investigated over 41,000 cases of piracy and assisted law enforcement officials in conducting nearly 20,000 raids. These activities resulted in the seizure of over 14,000,000 pirate optical discs, and the initiation of more than 15,800 legal actions.

#### About the MPA

The Motion Picture Association (MPA) represents the interests of major motion picture companies in the global marketplace. On behalf of its Member Companies, the MPA conducts investigations around the world, assists with the criminal and civil litigation generated by such cases, and conducts education outreach programs to teach movie fans around the world about the harmful effects of piracy. The MPA directs its worldwide anti-piracy operations from its headquarters based in Encino, California and has regional offices located in Brussels (Europe, Middle East and Africa), São Paulo (Latin America), Montreal (Canada) and Singapore (Asia-Pacific). The MPA's anti-piracy activities have

helped to transform entire markets from pirate to legitimate, benefiting video distributors, retailers, and foreign and local filmmakers alike. The MPA Member Companies include: Buena Vista International, Inc.; Metro-Goldwyn-Mayer Studios Inc.; Paramount Pictures Corporation; Sony Pictures Releasing International Corporation; Twentieth Century Fox International Corporation; Universal International Films, Inc.; and Warner Bros. Pictures International, a division of Warner Bros. Pictures Inc.

## For more information please contact:

Geraldine Moloney MPA Brussels + 44 7802 157516

Kori Bernards or Michelle Greeno MPAA Los Angeles (818) 995-6600

John Feehery or Gayle Osterberg MPAA Washington, DC (202) 293-1966